

Market Feasibility Analysis

Jackson Hills Apartments
110 John B. Wilson Road
Commerce, Jackson County, Georgia 30529

Prepared For

Mr. Billy Glisson
The Hallmark Companies, Inc.
3111 Paces Mill Rd., Suite A-250
Atlanta, Georgia 30339

Effective Date

May 24, 2013

Job Reference Number

13-301 BB



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

TABLE OF CONTENTS

- A. Executive Summary
- B. Project Description
- C. Site Description and Evaluation
- D. Primary Market Area Delineation
- E. Community Demographic Data
- F. Economic Trends
- G. Project-Specific Demand Analysis
- H. Rental Housing Analysis (Supply)
- I. Absorption & Stabilization Rates
- J. Interviews
- K. Conclusions & Recommendations
- L. Signed Statement
- M. Market Study Representation
- N. Qualifications
 - Addendum A – Field Survey of Conventional Rentals
 - Addendum B – Comparable Property Profiles
 - Addendum C – Market Analyst Certification Checklist
 - Addendum D – Methodologies, Disclaimers & Sources
 - Addendum E – Achievable Market Rent Analysis
 - Addendum F – Scope of Renovations

SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the existing Jackson Hills Apartments, to be renovated utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Commerce, Georgia. Based on the findings contained in this report, we believe a market will continue to exist for the subject project following renovations, as long as the subject project is renovated and operated as proposed in this report.

1. Project Description:

Jackson Hills Apartments is an existing rental community located at 110 John B. Wilson Road in Commerce, Georgia. Originally built in 1981, this 48-unit project offers one-, two- and three-bedroom apartment units that predominantly target family households. However, all 20 of the one-bedroom units are age-restricted (62 and older). The 20 two-bedroom townhomes and the eight (8) three-bedroom townhomes are available to all households, regardless of age. The subject project has operated under the HUD Section 8 housing assistance program since its inception. As such, tenants residing within the one-, two- and three-bedroom apartments pay up to 30% of their adjusted gross incomes towards gross housing costs. According to management, the project is currently 100.0% occupied and maintains a 27-household waiting list.

Jackson Hills Apartments will be renovated using Low-Income Housing Tax Credit (LIHTC) financing and will target households with incomes up to 50% and 60% of Area Median Household Income (AMHI). The proposed rents will range between \$708 and \$852 once renovations are complete; however, residents will continue to pay up to 30% of their adjusted gross incomes towards housing costs given the presence of the HAP contract.

2. Site Description/Evaluation:

The subject site is within a relatively rural, but established area of Commerce. Surrounding land uses include single-family homes, a shopping center, various commercial businesses and undeveloped land. The structures within the immediate site neighborhood are generally considered to be in fair to good condition and will not affect the continued marketability of the site. Notably, many of the surrounding land uses are obstructed from view by heavily wooded and undeveloped land. But the site does maintain significant frontage along a moderately travelled roadway. As such, overall access and visibility are both considered good.

The site is close to shopping, employment, recreation, entertainment, education opportunities, social services and public safety services. Notably, the Quality Foods Shopping Center is located directly east of the site and provides shopping and employment opportunities within walking distance, which is convenient for subject residents. Additional services are located within 4.0 miles of the site and the site has convenient access to major highways.

Overall, we expect the site’s location, its surrounding land uses and proximity to community services to continue to have a positive effect on its marketability.

3. Market Area Definition:

The Commerce Site PMA includes the entire cities of Commerce, Nicholson, Maysville and Jefferson; and surrounding areas of unincorporated Jackson County. The boundaries of the Site PMA include Mitchell Road, Grove Level Road and State Route 164 to the north; East County Line Road, 5 Points Road, Jot-Em Down Road, Duncan Swindle Road and Neese Commerce Road to the east; Sam Swindle Road, Tal Phillips Road, Brockton Road and the southern city limits of the city of Jefferson to the south; and the western city limits of the city of Jefferson, U.S. Highway 129, Stockton Farm Road and Marlow Road to the west. A map illustrating these boundaries is included on page D-2 of this report and details the furthest boundary is 14.7 miles from the site.

4. Community Demographic Data:

The Commerce Site PMA population base increased by 9,753 between 2000 and 2010. This represents a 49.0% increase over the 2000 population, or an annual rate of 4.1%. Between 2010 and 2013, the population increased by 494, or 1.7%. It is projected that the population will increase by 538, or 1.8%, between 2013 and 2015.

Within the Commerce Site PMA, households increased by 3,307 (45.0%) between 2000 and 2010. Between 2010 and 2013, households increased by 227 or 2.1%. By 2015, there will be 11,034 households, an increase of 155 households, or 1.4% over 2013 levels. This is an increase of approximately 78 households annually over the next two years. Households by tenure are distributed as follows:

Tenure	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,791	73.1%	7,878	72.4%	8,006	72.6%
Renter-Occupied	2,860	26.9%	3,001	27.6%	3,028	27.4%
Total	10,652	100.0%	10,879	100.0%	11,034	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2013, homeowners occupied 72.4% of all occupied housing units, while the remaining 27.6% were occupied by renters. The share of renters is relatively high for a rural area and represents a good base of potential renters in the market for the subject development.

5. Economic Data:

The economy within Jackson County is diversified into a variety of industries with retail trade, accommodation & food service and education comprising the three largest employment sectors. Based on interviews with local economic development representatives, the location of Jackson County and its infrastructure have been successful in attracting a number of new distribution centers. Carter's Inc. opened a new distribution center that could create up to 1,000 jobs, once fully operational. Additionally, there are tentative plans for Bed, Bath & Beyond to open an e-fulfillment center that could employ another 900 workers if built. Employment expansions such as this have helped Jackson County rebound steadily in the wake of the national recession. Despite losing 7.2% of its employment base in a single year (2009), the county has steadily added jobs back each year since then and is expected to surpass pre-recession employment levels in 2013. In fact, the monthly and average annual unemployment rates have steadily fallen since 2009 and currently stand at 7.7% (March) and 8.2% (2013 annualized), respectively. Based on these trends and the positive demographic growth projected in the demographics section, we anticipate the local economy will steadily recover and will continue to create a stable environment for the subject project to operate within.

6. Project-Specific Affordability and Demand Analysis:

The Jackson Hills Apartments has a project-based HAP contract that subsidizes all tenants' gross rents. This subsidy will remain in place during and following Low-Income Housing Tax Credit renovations. Based on our demand estimates detailed in Section G of this report, there will be 827 income-qualified renter households to support the 48 renovated units in 2014. Regardless, the project is 100.0% occupied and all current tenants are anticipated to remain following LIHTC renovations. Therefore, the renovated subject project will have an effective capture rate of 0.0%.

7. Competitive Rental Analysis

The subject project will be renovated with Tax Credit financing but will retain its HAP agreement. As such, it will be the only Tax Credit property within the Site PMA that operates with a project-based subsidy. Regardless, it will target households with incomes up to 50% and 60% of Area Median Household Income (AMHI) and is considered comparable with existing Tax Credit units within the Site PMA based on the income levels it will be targeting. As the subject

development will continue to target family and senior households, we have selected both family and senior Tax Credit properties as comparables. Note, however, that none of the selected properties are subsidized and will not effectively compete with the proposed development. The following table illustrates all three of the selected properties and the subject development.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Jackson Hills Apartments	1981 / 2014	48	100.0%	-	27 Households	Families (28 units) & Seniors (62+) (20 units); 50% & 60% AMHI & Section 8
3	Heritage Crossing	2002	96*	97.9%	3.2 Miles	None	Families; 50% & 60% AMHI
4	Heritage Hills	2000	80	90.0%	2.0 Miles	None	Families; 50% & 60% AMHI
9	Maple Square	2012	56	100.0%	11.3 Miles	50 Households	Seniors 55+; 50% & 60% AMHI

OCC. - Occupancy
*Tax Credit units only

The three comparable Tax Credit properties within the Site PMA include a total of 232 LIHTC units that are reportedly 94.8% occupied. Notably, Heritage Hills (Map ID 4) is representative of a re-stabilizing project. Management conducted an eviction sweep in March of 2013 which vacated 10 units. Since that time, Heritage Hills has increased its occupancy from 87.5% in April and has discontinued the rent concession it was offering. Management expects to maintain a stabilized occupancy. Based on this data and interviews collected, the Tax Credit housing supply within the Commerce market is considered stable.

Maple Square (Map ID 9) began pre-leasing units in August of 2012 and opened in October of that same year. The project reached 100.0% occupancy in February of 2013, which equates to an absorption rate of 7.0 units per month. Notably, only one of its units is occupied by a Housing Choice Voucher holder.

The gross rents for the three LIHTC projects and the proposed rents at the subject site are listed in the following table. Note that the gross rents have been calculated for each comparable property based on a Utility Allowance Worksheet provided by the Georgia Department of Community Affairs. This has been done in order to more accurately compare the total rental housing costs between properties (factoring the cost of all tenant-paid utilities). However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable are most likely operating at, or slightly below, the maximum rents reported.

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	Jackson Hills Apartments	\$857/50% (4)	\$910/50% (4)	\$1,108/50% (2)	-
		\$857/60% (16)	\$910/60% (16)	\$1,108/60% (6)	
3	Heritage Crossing	\$573/50% (4/0)	\$688/50% (31/0)	\$794/50% (14/0)	½ Off 1 st Month
		\$676/60% (4/0)	\$767/60% (28/1)	\$864/60% (15/1)	
4	Heritage Hills	\$563/50% (5/0)	\$683/50% (25/0)	\$783/50% (10/1)	None
		\$613/60% (5/0)	\$733/60% (25/6)	\$848/60% (10/1)	
9	Maple Square	\$582/50% (5/0)	\$667/50% (5/0)	-	None
		\$596/60% (23/0)	\$696/60% (23/0)		
Maximum Allowable LIHTC Gross Rent (2013)		\$581/50% \$697/60%	\$697/50% \$837/60%	\$805/50% \$966/60%	

The subject rents illustrated in the preceding table (ranging between \$857 and \$1,108) are contract rents and do not represent the actual rents that tenants at the subject project will be paying. The retention of the HAP agreement will allow tenants at the subject project to continue to pay up to 30% of their adjusted gross incomes towards housing costs, which is likely considered a significant value in the Commerce PMA. In the unlikely event the subject project were to ever operate without a project-based subsidy, it would technically be able to charge gross rents up to the maximum allowable illustrated in the preceding table, but these may not be perceived as a value.

Comparable/Competitive Summary

The Jackson Hills project is currently 100.0% occupied and maintains a 27-household waiting list. As proposed, the subject project will undergo Tax Credit renovations, but will retain its HAP agreement that allows tenants to pay up to 30% of their adjusted household income towards housing costs. This subsidy will allow the substantially renovated subjected development to represent an even greater value to very low- and low-income tenants. In the unlikely event the subject project were to ever operate without the benefit of a project-based subsidy, it will be at a slight disadvantage due to its smaller unit sizes, fewer bathrooms (two-bedroom units) and fewer amenities than the comparable LIHTC projects located within the Commerce Site PMA. In this unlikely scenario, the proposed project would likely have to adopt Tax Credit rents below the maximum allowable in order to represent a value in the market and maintain a stabilized occupancy rate.

8. Absorption/Stabilization Estimates

According to management, the subject project is currently 100.0% occupied and maintains a 27-household waiting list. It is anticipated that none of the current tenants will move from the project following renovations. Furthermore, it is important to note that the renovations at the subject site will not necessitate the long-term displacement of current residents. Therefore, few if any, of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 48 revenue-producing subject units will be vacated and that all units will have to be re-rented (assuming the HAP subsidy is preserved).

It is our opinion that the 48 revenue-producing units at the subject site will reach a stabilized occupancy of 93.0% within four to five months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 9 to 11 units per month. Our absorption projections assume that no other affordable housing projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that the HAP subsidy will be maintained. Should the HAP subsidy not be secured, the 48 LIHTC units at the subject site would likely experience an extended absorption period beyond 12 months, unless the current contract rents were lowered to a level below maximum allowable LIHTC rent limits.

9. Overall Conclusion:

Based on our research, the Commerce rental housing market is considered stable. The overall occupancy rate of all properties surveyed in the market is 95.5% and only one property manager has reported any rent concessions. Demographic trends indicate a stable and slowing growing population and household base. Economic development representatives and employment data indicate the Jackson County economy has rebounded in the wake of the national recession and is expected to reach pre-recession employment levels sometime in 2013.

The subject project, Jackson Hills Apartments, is a 48-unit HUD Section 8 property that offers one-, two- and three-bedroom rental units. All 48 units receive a direct rental subsidy that is expected to remain in place following Tax Credit renovations. According to management, the project is currently 100.0% occupied and maintains a 27-household waiting list. Upon completion of the renovations, it is anticipated that all current households will quality to remain at the subject property and will likely opt to do so given the expected improvement in overall quality. No tenant-paid rent increases are expected.

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the Jackson Hills Apartments project following Tax Credit renovations. This conclusion assumes the project is renovated as detailed in this report and retains its project-based subsidy. Changes to the proposed project outside of what is reported in this market study may alter these findings. We have no recommendations or suggested modifications for the subject project at this time. However, should the project lose its subsidy, the current collected rents would, at a minimum, need to be reduced to LIHTC programmatic limits.

SUMMARY TABLE (must be completed by the analyst and included in the executive summary)		
Development Name:	Jackson Hills Apartments	Total # Units: 48
Location:	110 John B. Wilson Road; Commerce, Jackson County, Georgia 30529	# LIHTC Units: 48
PMA Boundary:	The Commerce Site PMA includes the entire cities of Commerce, Nicholson, Maysville and Jefferson and surrounding areas of unincorporated Jackson County. (Detailed boundaries are located in Section D).	
	Farthest Boundary Distance to Subject:	14.7 miles

RENTAL HOUSING STOCK (found on page Addendum A, pages 4 and 5)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	627	28	95.5%
Market-Rate Housing	8*	261*	14	94.6%
Assisted/Subsidized Housing NO LIHTC	4	134	4	97.0%
LIHTC	3*	232*	10	95.7%
Stabilized Comps	9	489	24	95.1%
Properties in Construction & Lease Up	n/a	n/a	n/a	n/a

*LIHTC projects with unrestricted market-rate units included in each category, but units not double-counted.

Subject Development					Average Market Rent**			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent*	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	One-Br.	1.0	651	\$432 (50%)	\$538	\$0.90	19.7%	\$650	\$1.08
16	One-Br.	1.0	651	\$548 (60%)	\$538	\$0.90	-1.9%	\$650	\$1.08
4	Two-Br.	1.5	870	\$534 (50%)	\$588	\$0.58	9.2%	\$700	\$0.59
16	Two-Br.	1.5	870	\$674 (60%)	\$588	\$0.58	-14.6%	\$700	\$0.59
2	Three-Br.	2.0	1,271	\$549 (50%)	\$761	\$0.55	27.9%	\$800	\$0.42
6	Three-Br.	2.0	1,271	\$710 (60%)	\$761	\$0.55	6.7%	\$800	\$0.42

*All subject units maintain PBRA. Proposed Tenant Rents illustrate Maximum Allowable LIHTC program rents.

**Based on weighted average collected rent of unrestricted market-rate comparables located in Addendum E.

DEMOGRAPHIC DATA (found on page Section E & G)						
	2010		2013		2015	
Renter Households	2,860	26.9%	3,001	27.6%	3,028	27.4%
Income-Qualified Renter HHs (LIHTC)	1,527	14.3%	1,570	14.4%	1,557	14.1%
Income-Qualified Renter HHs (MR)	n/a	n/a	n/a	n/a	n/a	n/a

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5 & G-7)						
Type of Demand	30%	50%	60%	Market-rate	Overall PBRA	Overall LIHTC
Renter Household Growth	n/a	n/a	n/a	n/a	-9	6
Existing Households (Ovrbrd. + Substd.)	n/a	n/a	n/a	n/a	819	284
Homeowner conversion (Seniors)	n/a	n/a	n/a	n/a	17	5
Total Primary Market Demand	n/a	n/a	n/a	n/a	827	295
Less Comparable/Competitive Supply	n/a	n/a	n/a	n/a	0	56
Net Income-Qualified Renter HHs	n/a	n/a	n/a	n/a	827	239

CAPTURE RATES (found on page G-5 & G-7)						
Targeted Population	30%	50%	60%	Market-rate	Overall PBRA	Overall LIHTC
Capture Rate	n/a	n/a	n/a	n/a	0.0%	20.1%

SECTION B - PROJECT DESCRIPTION

Jackson Hills Apartments is an existing rental community located at 110 John B. Wilson Road in Commerce, Georgia. Originally built in 1981, this 48-unit project offers one-, two- and three-bedroom apartment units that predominantly target family households. However, all 20 of the one-bedroom units are age-restricted (62 and older). The 20 two-bedroom townhomes and the eight (8) three-bedroom townhomes are available to all households, regardless of age. The subject project has operated under the HUD Section 8 housing assistance program since its inception. As such, tenants residing within the one-, two- and three-bedroom apartments pay up to 30% of their adjusted gross incomes towards gross housing costs. According to management, the project is currently 100.0% occupied and maintains a 27-household waiting list.

Jackson Hills Apartments will be renovated using Low-Income Housing Tax Credit (LIHTC) financing and will target households with incomes up to 50% and 60% of Area Median Household Income (AMHI). The proposed rents will range between \$708 and \$852 once renovations are complete; however, residents will continue to pay up to 30% of their adjusted gross incomes towards housing costs given the presence of the HAP contract. Renovations are expected to be complete by the end of 2014. Additional details regarding the subject project follow:

A. PROJECT DESCRIPTION

- | | |
|------------------------------|--|
| 1. Project Name: | Jackson Hills Apartments |
| 2. Property Location: | 110 John B. Wilson Road
Commerce, Georgia 30529
(Jackson County) |
| 3. Project Type: | Acquisition/Rehab |

4. Unit Configuration and Rents:

Total Units	Bedroom Type	Baths	Style	Square Feet	Target AMHI	Program Rents				Maximum Allowable LIHTC Gross Rent
						Current Contract Rent*	Proposed Rent*	Utility Allowance	Gross Rent*	
4	One-Br.	1.0	Garden	651	50%	\$708	\$708	\$149	\$857	\$581
16	One-Br.	1.0	Garden	651	60%	\$708	\$708	\$149	\$857	\$697
4	Two-Br.	1.5	TH	870	50%	\$747	\$747	\$163	\$910	\$697
16	Two-Br.	1.5	TH	870	60%	\$747	\$747	\$163	\$910	\$837
2	Three-Br.	2.0	TH	1,271	50%	\$852	\$852	\$256	\$1,108	\$805
6	Three-Br.	2.0	TH	1,271	60%	\$852	\$852	\$256	\$1,108	\$966
48										

Source: The Hallmark Companies, Inc.

TH – Townhouse

AMHI – Area Median Household Income (Jackson County, GA)

*Subsidized units; residents pay up to 30% of their adjusted gross household income towards housing costs (rent and utilities).

In the unlikely event that the subject project lost its subsidy and had to operate exclusively under the LIHTC program, the gross rents would have to be set at or below the maximum allowable LIHTC gross rent levels to be compliant with Tax Credit program guidelines.

5. Target Market:

Family (28 units)
& Senior-Age 62+ (20 units)

6. Project Design:

The age-restricted one-bedroom units are located within single-level buildings, while the attached townhome units are located within two-story buildings.

7. Original Year Built:

1981

8. Projected Opening Date /Renovation Completion:

4th Quarter 2014

9. Unit Amenities:

- Range
- Refrigerator
- Washer/Dryer Hookups
- Dishwasher
- Garbage Disposal
- Microwave Oven
- Carpet
- Window Blinds
- Outdoor Storage Closet (Townhomes)
- Central Air Conditioning
- Patio
- Ceiling Fans

10. Community Amenities:

- On-Site Management Office
- Coin-Operated Laundry
- Community Meeting Space
- Playground
- Picnic Area with Gazebo
- Business Center

11. Resident Services:

None

12. Utility Responsibility:

The cost of trash collection will be included in the monthly rent. Tenants will be responsible for all other utilities charges, including the cost of:

- Electric Heating
- Electric Cooking
- Water
- Electric Hot Water Heat
- General Electricity
- Sewer

13. Rental Assistance: All 48 units currently operate under the HUD Section 8 program guidelines. As such, each tenant receives rental assistance to keep gross housing costs at or below 30% of their adjusted gross income. This rental assistance will remain in place following the LIHTC renovations.

14. Parking: The subject site will offer 100 open lot parking spaces.

15. Current Project Status:

The 48-unit project is currently 100.0% occupied and maintains a 27-household waiting list. Upon review of the current tenant rent roll, it is estimated that all current tenants are income-qualified to reside at the subject project following renovations. This assumes that the subject project will maintain its project-based subsidy as proposed.

Currently, the subject project is considered to be of relatively good overall quality, but does show signs of property aging. According to the developer, the proposed renovations are anticipated to be extensive and will total approximately \$55,950 per unit. The detailed scope of renovations has been included as Addendum F in this report.

16. Statistical Area: Jackson County, Georgia Non-MSA (2013)

A state map, area map and map illustrating the site neighborhood are on the following pages.



Commerce, GA
State of Georgia

Site
State of Georgia

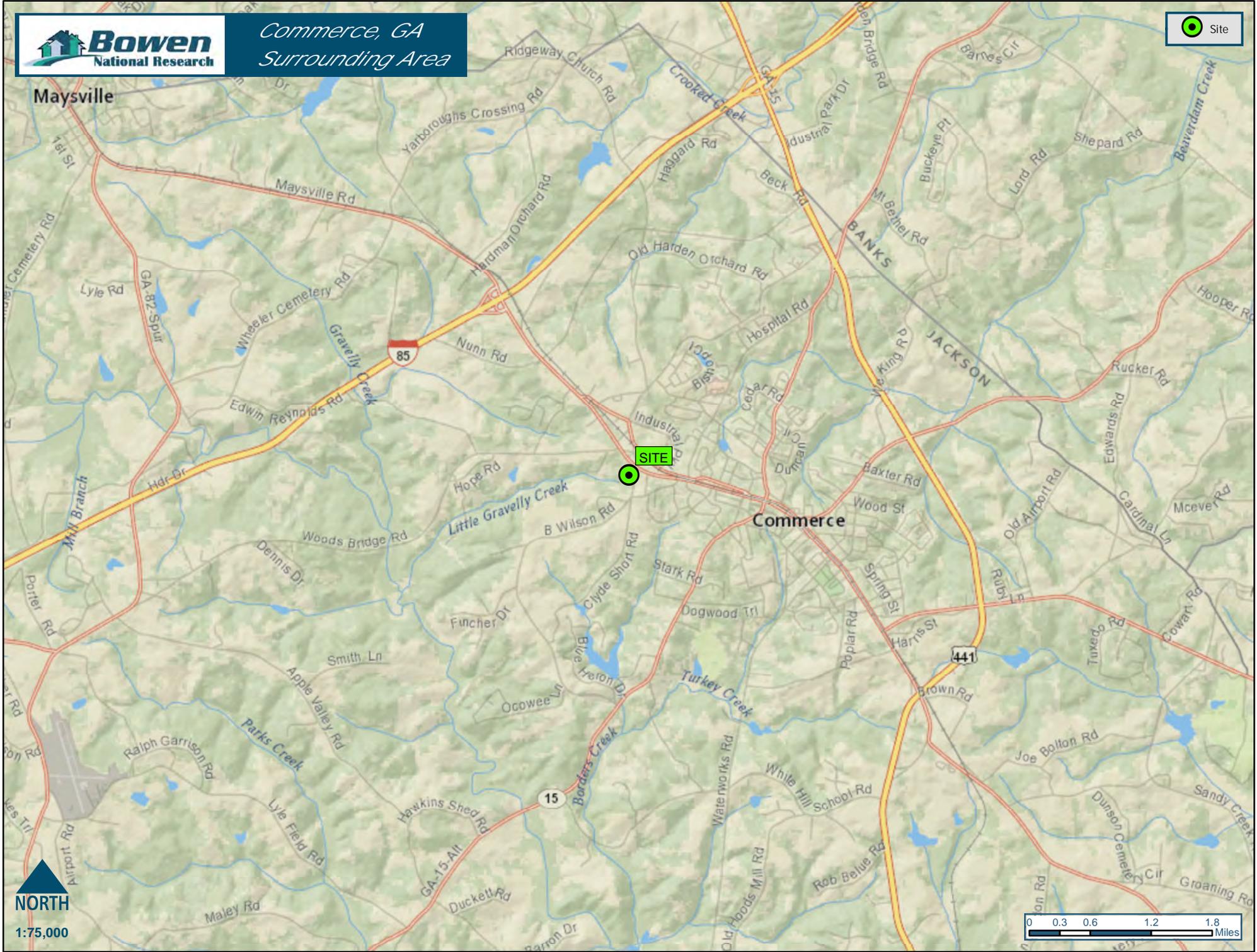


NORTH
1:3,571,000

0 12.5 25 50 75 Miles



Commerce, GA
Surrounding Area



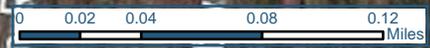
NORTH
1:75,000





Commerce, GA
Site Neighborhood

Legend
Site Area



SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is the existing Jackson Hills apartments, a 48-unit government-subsidized HUD Section 8 community located at 110 John B. Wilson Road in the southwestern portion of Commerce, Georgia. The site consists of one- and two-story residential buildings and a single-story community building. The residential buildings house garden-style one-bedroom units and two- and three-bedroom townhouse units. Located within Jackson County, Commerce is approximately 22.0 miles north of Athens, Georgia via U.S. Highway 441. Greg Gray, an employee of Bowen National Research, inspected the site and area apartments during the week of May 6, 2013.

2. SURROUNDING LAND USES

The subject site is within a relatively rural, but established area of Commerce, Georgia. Surrounding land uses include single-family homes, a shopping center, various commercial businesses and undeveloped land. Adjacent land uses are detailed as follows:

North -	A tree line buffers the site from the Auto Credit Center, which is a used-car dealership and garage that is considered to be in fair condition. Additional commercial businesses are located farther north along State Route 98 and are also considered to be in fair condition. Note, however, that no land uses to the north of the site are visible due to the tree line.
East -	John B. Wilson Road borders the site to the east and is a lightly travelled residential roadway. The Quality Foods Shopping Center is located beyond and contains the Quality Foods grocery store, Dollar General and Family Dollar discount retailers, a Jackson Hewitt tax service office and the Nail Studio nail salon. The Community Bank & Trust Company is also located east of the site. All commercial buildings located directly east of the site are considered to be in good condition.
South -	Undeveloped and wooded land is located directly south of the site. Scattered single-family homes and commercial land uses are located beyond, but are not visible from the site.
West -	Undeveloped and wooded land borders the site to the west. Scattered single-family homes considered to be in average condition and undeveloped land are located beyond. Note that no developed land uses are visible from the site to the west.

The structures within the immediate site neighborhood are generally considered to be in fair to good condition and will not affect the continued marketability of the site. Notably, many of the surrounding land uses are obstructed from view by heavily wooded and undeveloped land. The Quality Foods Shopping Center, located directly east of the site, provides shopping and employment opportunities within a short walking distance, which is convenient for subject residents. Overall, the subject property fits well with the surrounding land uses and they will continue to contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

The subject property derives access from John B. Wilson Road. Ingress and egress are considered easy due to light vehicular traffic and the clear lines of sight provided in all directions of travel. The site has convenient access to major roadways in the area, including Maysville Highway (State Route 98) which is 0.1 mile north of the site and Interstate 85 which is approximately 2.0 miles to the northwest. Additionally, Jackson County Senior Transit provides area seniors door-to-door transportation for a nominal fee and 24-hour advance notice. Overall, access to the site is considered good.

The subject buildings and site signage are easily viewed from both directions of travel along John B. Wilson Road. The site also has excellent visibility from motorist entering and exiting the Quality Foods Shopping Center, which enhances its presence within the community. Overall, visibility of the site is also considered good.

4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

SITE PHOTOGRAPHS



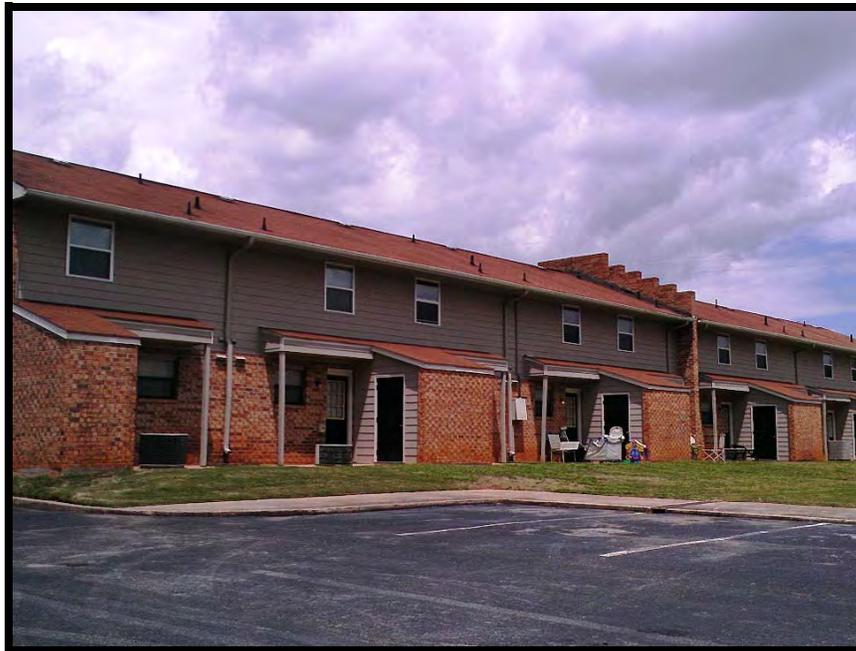
Signage



Site Building (Townhome)



Site Building (Townhome)



Typical rear of site building (Townhome)



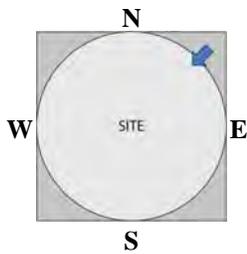
Site Bulding (Garden)



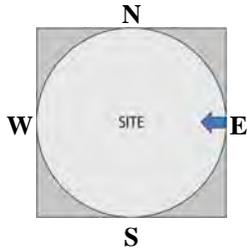
Site Building (Garden)



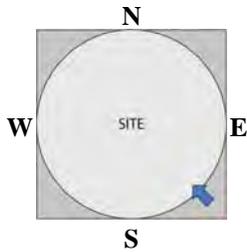
Typical rear of site building (Garden)



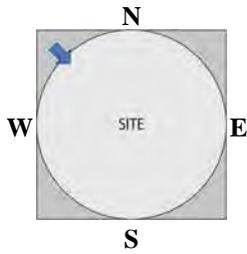
View of site from the northeast



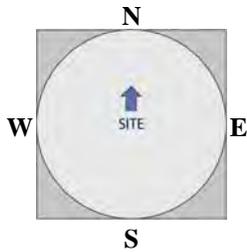
View of site from the east



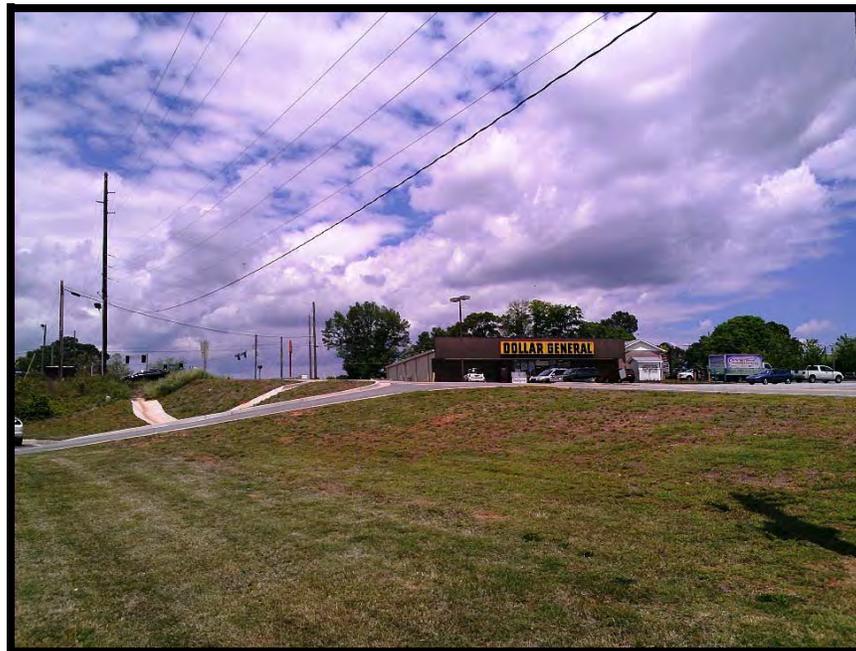
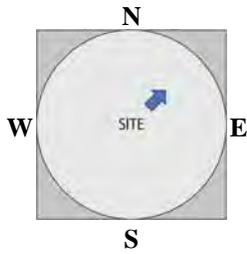
View of site from the southeast



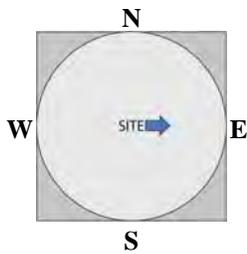
View of site from the northwest



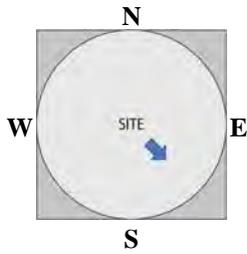
North view from site



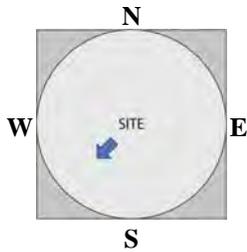
Northeast view from site



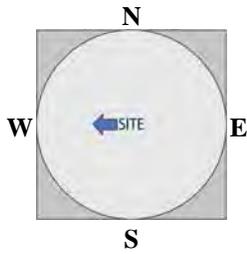
East view from site



Southeast view from site



Southwest view from site



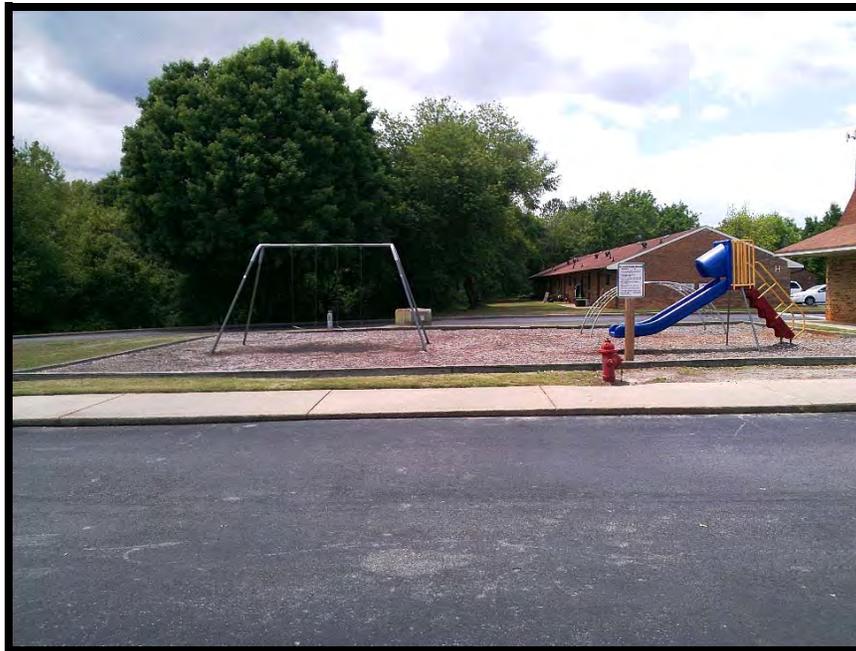
West view from site



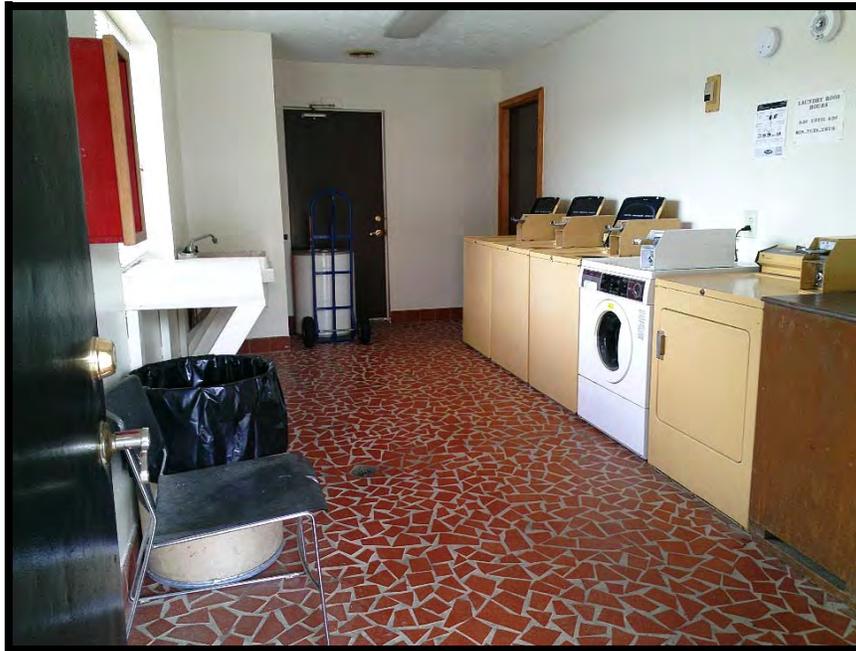
South view on Wilson Road



North view on Wilson Road



Playground



Laundry Facility



Rental Office/Laundry Facility



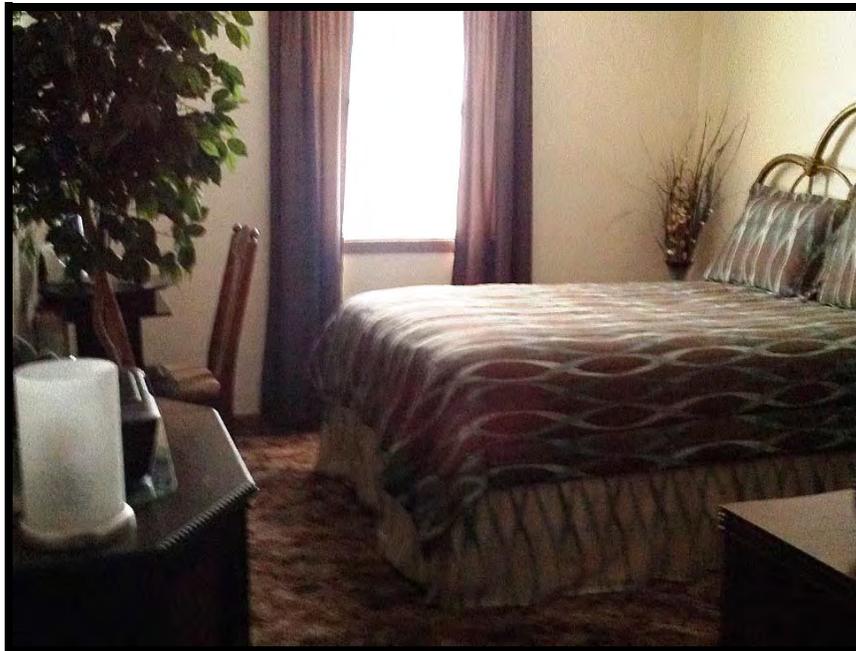
Typical living room in one-bedroom unit



Typical dining area in one-bedroom unit



Typical kitchen in one-bedroom unit



Typical bedroom in one-bedroom unit



Typical bathroom in one-bedroom unit



Typical living room in townhome unit



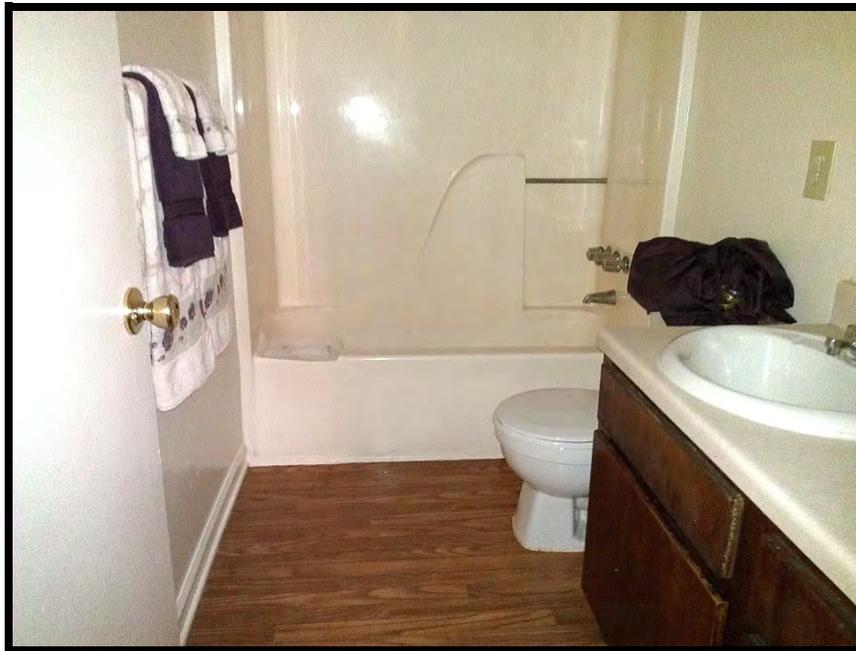
Typical kitchen in townhome unit



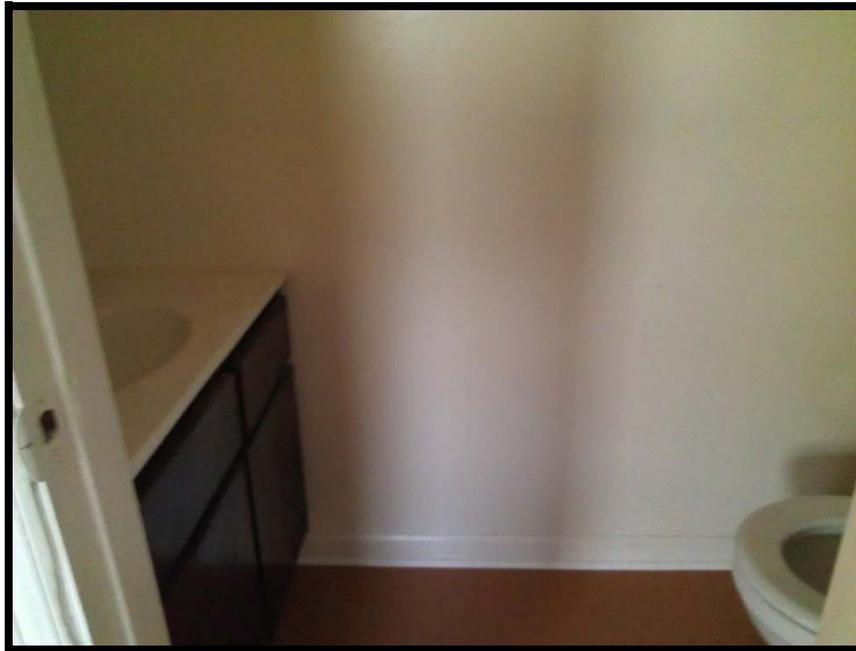
Typical bedroom in townhome unit



Typical bedroom in townhome unit



Typical full-bathroom in townhome unit



Typical half-bathroom in townhome unit

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

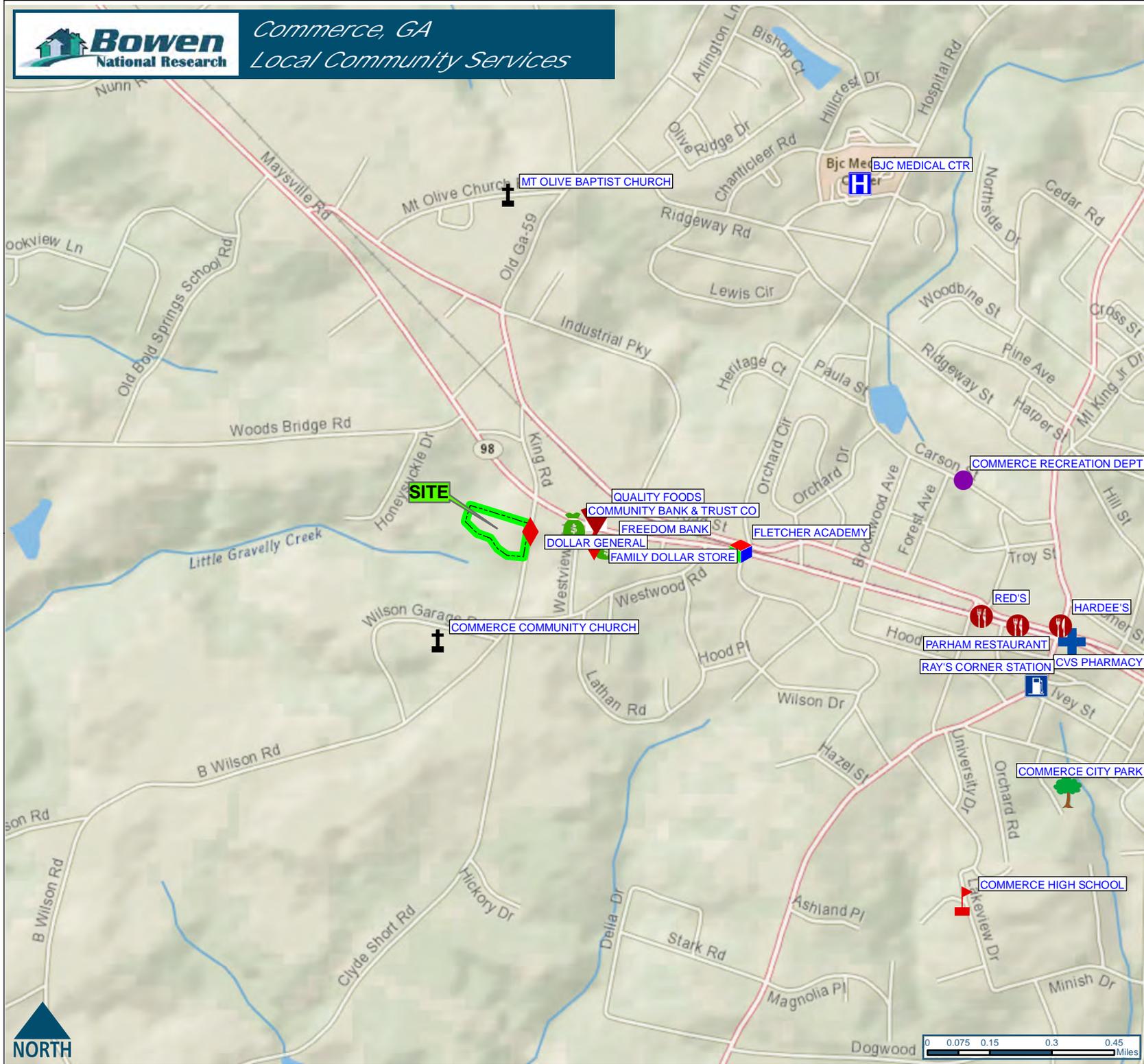
Community Services	Name	Driving Distance From Site (Miles)
Major Highways	Maysville Highway (State Route 98) Interstate 85	0.1 North 1.7 Northwest
Public Bus Stop	Jackson County Senior Transit	Door-to-Door
Employment Centers	Quality Foods Commerce City Schools Walmart	0.1 East 1.5 Southeast 4.2 Northeast
Grocery	Quality Foods Ingles Market Walmart	0.1 East 3.4 Southeast 4.2 Northeast
Discount Department Store	Dollar General Family Dollar Store Fred's Store Walmart	0.1 East 0.1 East 1.6 East 4.2 Northeast
Shopping Center/Mall	Quality Foods Shopping Center Tanger Outlet Center	0.1 East 4.7 North
Schools: Elementary Middle/Junior Senior High	Commerce Primary School Commerce Middle School Commerce High School	2.1 Southeast 2.2 South 1.5 Southeast
Hospital	Northridge Medical Center	1.5 Northeast
Police	Commerce Police Department	2.6 Southeast
Fire	Commerce Fire Department	2.6 Southeast
Post Office	U.S. Post Office	1.7 East
Senior Center	Jackson County Senior Center	9.5 Southwest
Bank	Community Bank & Trust Co. Freedom Bank	0.2 East 0.2 East
Recreational Facilities	Commerce Recreation Department	1.1 East
Gas Station	Ray's Corner Station Flying-J Travel Plaza	1.3 East 1.5 Northwest
Pharmacy	CVS Pharmacy Commerce Drug Co.	1.2 East 1.4 East
Restaurant	Red's Parham Restaurant Hardee's	1.0 East 1.1 East 1.2 East
Day Care	Fletcher Academy	0.5 East
Library	Commerce Public Library	1.9 East
Amusement/Entertainment	Funopolis Family Fun Center	3.3 Northeast
Cinema/Theatre	Nova Cinema	4.8 North
Fitness Center	World Gym Fitness Center	3.9 Northeast
Golf	Double Oaks Golf Club Driving	5.7 East

Directly across Wilson Road from the site is the Quality Foods Shopping Center which provides a Quality Foods grocery store, Dollar General, Family Dollar, Jackson Hewitt, Community Bank & Trust, Freedom Bank and a Nail Studio. As the site is within walking distance of these services, the shopping center will continue to enhance the marketability of the site. A CVS Pharmacy and Commerce Drug Company are within 1.2 miles of the site. A Walmart is 4.2 miles northeast of the site. Other notable community services within 4.0 miles of the site include restaurants, a library, post office, gas stations, convenience stores, fitness center, golf courses and day care facilities. Additionally, the Jackson Senior Center is 9.5 miles southwest of the site and the Jackson County Senior Transit provides a door-to-door service at a cost of \$3.00 each way for seniors 60 years and older. Employment opportunities exist at the stores in the Quality Foods Shopping Center, Walmart and the Commerce City Schools, which are all within 5.0 miles of the subject site.

The Commerce Police and Fire Departments are within 2.0 miles of the site. The subject site is within 1.5 miles of the Northridge Medical Center, which provides medical care and employment opportunities.

Overall, the site's proximity to community and safety services will continue to have a positive affect on the marketability of the site.

Maps illustrating the location of community services are on the following pages.



- Legend*
- Site Area
 - bank
 - child care
 - church
 - gas
 - grocery
 - high school
 - hospital services
 - park
 - pharmacy
 - rec./community center
 - restaurant
 - shopping



1:20,000

6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (95) for the Site PMA is below the national average with an overall personal crime index of 41 and a property crime index of 136. Total crime risk (63) for Jackson County is below the national average with indexes for personal and property crime of 32 and 87, respectively.

	Crime Risk Index	
	Site PMA	Jackson County
Total Crime	95	63
Personal Crime	41	32
Murder	46	35
Rape	21	26
Robbery	21	16
Assault	83	54
Property Crime	136	87
Burglary	215	130
Larceny	110	68
Motor Vehicle Theft	92	66

Source: Applied Geographic Solutions

The crime risk indices within the Site PMA and Jackson County as a whole are both below the national average (100). As such, the perception of crime does not likely have a significant impact on a household's decision when selecting a new housing opportunity within the Commerce market area.

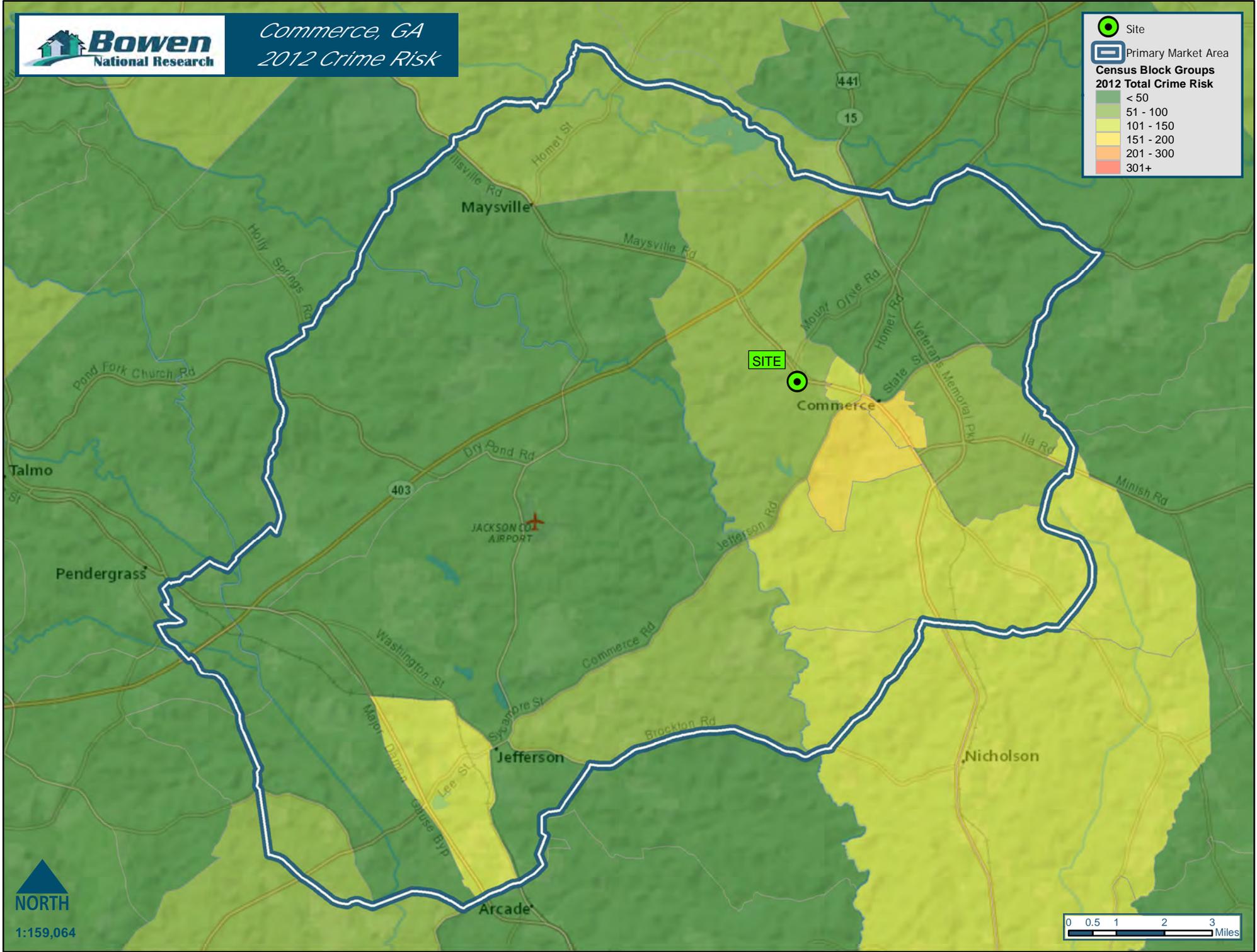
A map illustrating crime risk is on the following page.

 Site

 Primary Market Area

Census Block Groups
2012 Total Crime Risk

-  < 50
-  51 - 100
-  101 - 150
-  151 - 200
-  201 - 300
-  301+



7. OVERALL SITE EVALUATION

The subject site is within a relatively rural, but established area of Commerce. Surrounding land uses include single-family homes, a shopping center, various commercial businesses and undeveloped land. The structures within the immediate site neighborhood are generally considered to be in fair to good condition and will not affect the continued marketability of the site. Notably, many of the surrounding land uses are obstructed from view by heavily wooded and undeveloped land. Overall access and visibility are both considered good.

The site is close to shopping, employment, recreation, entertainment, education opportunities, social services and public safety services. Notably, the Quality Foods Shopping Center is located directly east of the site and provides shopping and employment opportunities within walking distance, which is convenient for subject residents. Additional services are located within 4.0 miles of the site and the site has convenient access to major highways.

Overall, we expect the site's location, its surrounding land uses and proximity to community services to continue to have a positive effect on its marketability.

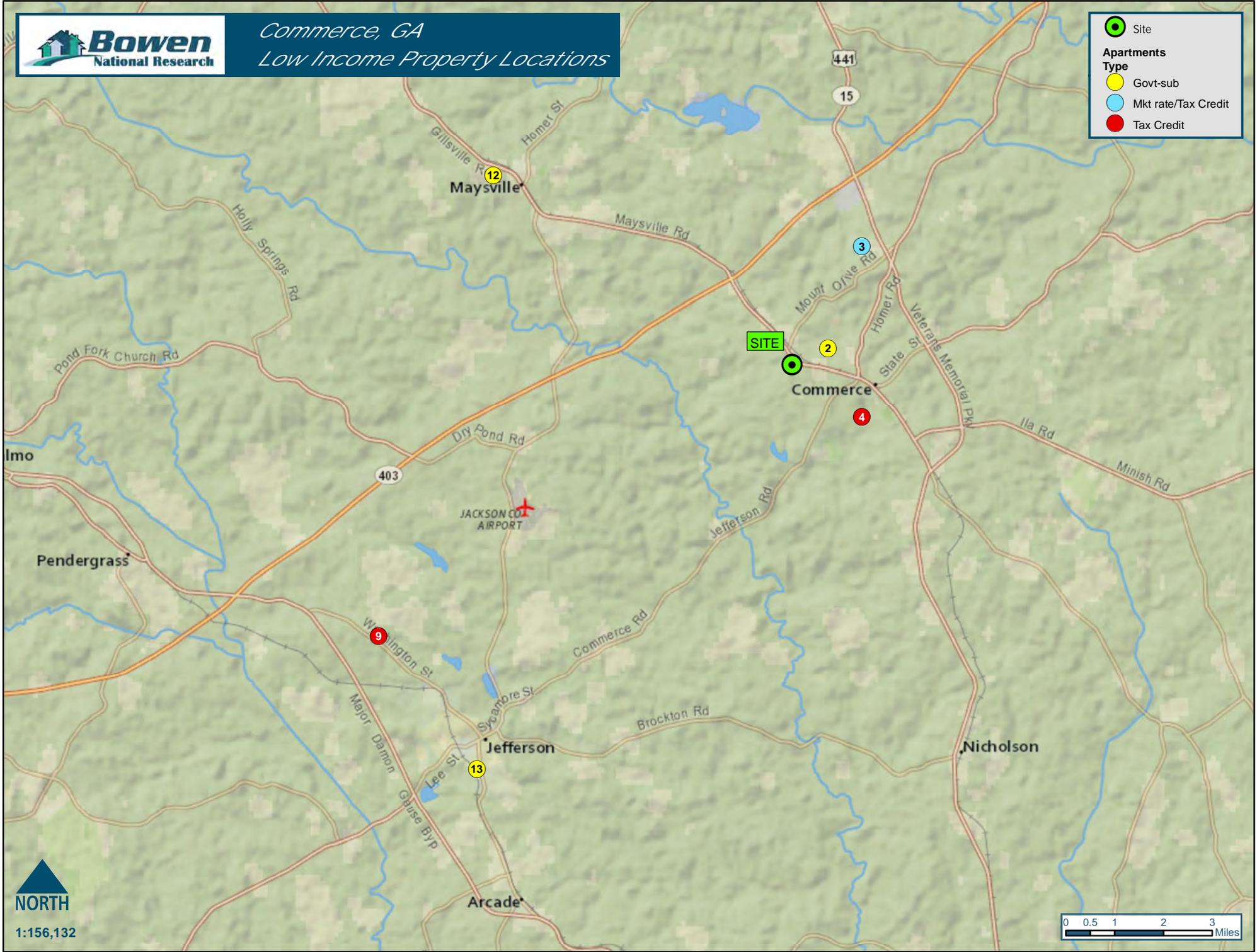
8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

● Site

Apartments Type

- Govt-sub
- Mkt rate/Tax Credit
- Tax Credit



SECTION D – PRIMARY MARKET AREA DELINEATION

The Site Primary Market Area (PMA) is the geographical area from which comparable properties and potential renters are expected to be drawn. It is also the geographic area expected to generate the most demographic support for the subject development. The Jackson Hills Site PMA was determined through interviews with management at the subject site, area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Commerce Site PMA includes the entire cities of Commerce, Nicholson, Maysville and Jefferson and surrounding areas of unincorporated Jackson County. The boundaries of the Site PMA include Mitchell Road, Grove Level Road and State Route 164 to the north; East County Line Road, 5 Points Road, Jot-Em Down Road, Duncan Swindle Road and Neese Commerce Road to the east; Sam Swindle Road, Tal Phillips Road, Brockton Road and the southern city limits of the city of Jefferson to the south; and the western city limits of the city of Jefferson, U.S. Highway 129, Stockton Farm Road and Marlow Road to the west.

Doug Gable, Property Manager of the subject site, stated that a majority of his current tenants originated from the immediate Commerce area. Doug also stated that some tenants have moved from Maysville and Jefferson (within 9.0 miles of the site), due to the limited number of affordable housing opportunities located in each of these areas. Mr. Gable went on to say that very few of their tenants come from Athens or Gainesville, as these areas have abundant affordable housing opportunities and numerous community services.

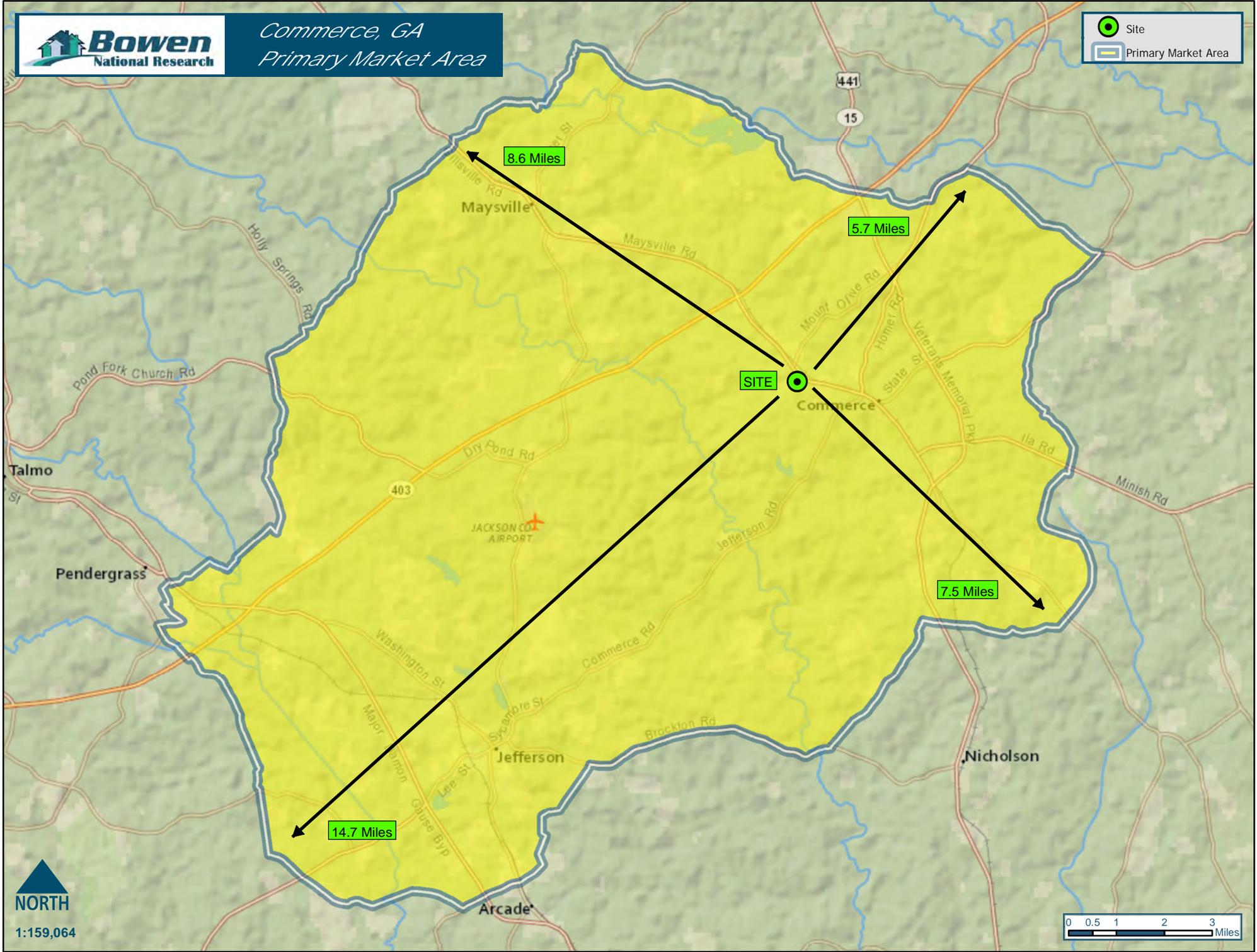
Jeff Smith is the Property Manager of the Heritage Crossing apartments, which is a family Tax Credit property located in Commerce. He stated that a majority of his tenants come from Commerce, Jefferson and Maysville. Mr. Smith said that people who live in the Jefferson and Maysville areas will move to Commerce because of the lack of available affordable housing within those areas. Jeff went on to say that he also has a few tenants from the Nicholson area (within 7.0 miles of the site) due to its proximity to Commerce and the lack of rental housing located there.

A map delineating the boundaries of the Site PMA is included on the following page.



Commerce, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:159,064



SECTION E - COMMUNITY DEMOGRAPHIC DATA

1. POPULATION TRENDS

The Commerce Site PMA population base increased by 9,753 between 2000 and 2010. This represents a 49.0% increase over the 2000 population, or an annual rate of 4.1%. The Site PMA population bases for 2000, 2010, 2013 (estimated) and 2015 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2015 (Projected)
Population	19,902	29,655	30,149	30,688
Population Change	-	9,753	494	538
Percent Change	-	49.0%	1.7%	1.8%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2013, the population increased by 494, or 1.7%. It is projected that the population will increase by 538, or 1.8%, between 2013 and 2015. This growth rate is considered steady for a rural area.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	8,558	28.9%	8,459	28.1%	8,434	27.5%	-24	-0.3%
20 to 24	1,669	5.6%	1,763	5.8%	1,866	6.1%	104	5.9%
25 to 34	3,948	13.3%	4,079	13.5%	4,156	13.5%	77	1.9%
35 to 44	4,321	14.6%	4,248	14.1%	4,275	13.9%	27	0.6%
45 to 54	4,087	13.8%	3,959	13.1%	3,900	12.7%	-60	-1.5%
55 to 64	3,138	10.6%	3,368	11.2%	3,486	11.4%	118	3.5%
65 to 74	2,274	7.7%	2,562	8.5%	2,803	9.1%	241	9.4%
75 & Over	1,660	5.6%	1,712	5.7%	1,767	5.8%	56	3.2%
Total	29,655	100.0%	30,149	100.0%	30,688	100.0%	538	1.8%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 52% of the population is expected to be between 25 and 64 years old in 2013. However, the older population above the age of 65 is expected to increase by a significant amount between 2013 and 2015.

2. HOUSEHOLD TRENDS

Within the Commerce Site PMA, households increased by 3,307 (45.0%) between 2000 and 2010. Household trends within the Commerce Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2015 (Projected)
Households	7,344	10,652	10,879	11,034
Household Change	-	3,307	227	155
Percent Change	-	45.0%	2.1%	1.4%
Household Size	2.61	2.78	2.71	2.72

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2013, households increased by 227 or 2.1%. By 2015, there will be 11,034 households, an increase of 155 households, or 1.4% over 2013 levels. This is an increase of approximately 78 households annually over the next two years.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2013 (Estimated)		2015 (Projected)		Change 2013-2015	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	385	3.6%	472	4.3%	485	4.4%	12	2.6%
25 to 34	1,663	15.6%	1,504	13.8%	1,471	13.3%	-32	-2.2%
35 to 44	2,172	20.4%	2,077	19.1%	2,078	18.8%	0	0.0%
45 to 54	2,200	20.7%	2,250	20.7%	2,202	20.0%	-48	-2.1%
55 to 64	1,797	16.9%	2,009	18.5%	2,076	18.8%	67	3.3%
65 to 74	1,401	13.2%	1,468	13.5%	1,588	14.4%	120	8.2%
75 to 84	760	7.1%	801	7.4%	836	7.6%	34	4.3%
85 & Over	275	2.6%	298	2.7%	299	2.7%	1	0.4%
Total	10,652	100.0%	10,879	100.0%	11,034	100.0%	155	1.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Households by tenure are distributed as follows:

Distribution of Households	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	5,426	50.9%	5,353	49.2%	5,349	48.5%
Owner-Occupied (Age 62+)	2,366	22.2%	2,525	23.2%	2,657	24.1%
Renter-Occupied (<Age 62)	2,245	21.1%	2,393	22.0%	2,385	21.6%
Renter-Occupied (Age 62+)	616	5.8%	607	5.6%	643	5.8%
Total	10,652	100.0%	10,879	100.0%	11,034	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2013 and 2015, households under the age of 62 are projected to remain relatively stable, declining by a combined amount of 12, or 0.2%. Conversely, senior households over the age of 62 will increase by 168, or 5.4%. These trends illustrate the demand for all housing will remain relatively stable, but the demand for senior-oriented housing will likely increase.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,791	73.1%	7,878	72.4%	8,006	72.6%
Renter-Occupied	2,860	26.9%	3,001	27.6%	3,028	27.4%
Total	10,652	100.0%	10,879	100.0%	11,034	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2013, homeowners occupied 72.4% of all occupied housing units, while the remaining 27.6% were occupied by renters. The share of renters is relatively high for a rural area and represents a good base of potential renters in the market for the subject development.

The household sizes by tenure within the Site PMA, based on the 2010 Census and 2013 estimates, were distributed as follows:

Persons Per Renter Household	2010 (Census)		2013 (Estimated)		Change 2010-2013	
	Households	Percent	Households	Percent	Households	Percent
1 Person	838	29.3%	886	29.5%	48	5.8%
2 Persons	718	25.1%	738	24.6%	20	2.8%
3 Persons	500	17.5%	528	17.6%	29	5.7%
4 Persons	416	14.5%	424	14.1%	8	2.0%
5 Persons+	389	13.6%	424	14.1%	35	9.0%
Total	2,860	100.0%	3,001	100.0%	140	4.9%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2010 (Census)		2013 (Estimated)		Change 2010-2013	
	Households	Percent	Households	Percent	Households	Percent
1 Person	1,427	18.3%	1,441	18.3%	14	1.0%
2 Persons	2,738	35.1%	2,731	34.7%	-7	-0.2%
3 Persons	1,458	18.7%	1,484	18.8%	26	1.8%
4 Persons	1,286	16.5%	1,290	16.4%	4	0.3%
5 Persons+	883	11.3%	931	11.8%	48	5.5%
Total	7,791	100.0%	7,878	100.0%	87	1.1%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The subject site will continue to accommodate one- to five-person households once renovations are complete. As such, the subject units will remain attractive options for most household sizes identified within the Site PMA.

The distribution of households by income within the Commerce Site PMA is summarized as follows:

Household Income	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	795	7.5%	776	7.1%	774	7.0%
\$10,000 to \$19,999	1,333	12.5%	1,352	12.4%	1,347	12.2%
\$20,000 to \$29,999	1,253	11.8%	1,346	12.4%	1,341	12.2%
\$30,000 to \$39,999	1,182	11.1%	1,213	11.1%	1,204	10.9%
\$40,000 to \$49,999	1,025	9.6%	1,035	9.5%	1,064	9.6%
\$50,000 to \$59,999	1,010	9.5%	1,063	9.8%	1,036	9.4%
\$60,000 to \$74,999	1,111	10.4%	1,121	10.3%	1,160	10.5%
\$75,000 to \$99,999	1,294	12.1%	1,291	11.9%	1,308	11.9%
\$100,000 to \$124,999	899	8.4%	887	8.2%	918	8.3%
\$125,000 to \$149,999	333	3.1%	347	3.2%	384	3.5%
\$150,000 to \$199,999	229	2.2%	241	2.2%	267	2.4%
\$200,000 & Over	187	1.8%	207	1.9%	230	2.1%
Total	10,652	100.0%	10,879	100.0%	11,034	100.0%
Median Income	\$47,446		\$47,269		\$47,995	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$47,446. This declined by 0.4% to \$47,269 in 2013. By 2015, it is projected that the median household income will be \$47,995, an increase of 1.5% over 2013.

The distribution of households ages 62 and older by income within the Commerce Site PMA is summarized as follows:

Household Income (Age 62+)	2010 (Census)		2013 (Estimated)		2015 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	347	11.6%	328	10.5%	338	10.2%
\$10,000 to \$19,999	690	23.2%	658	21.0%	673	20.4%
\$20,000 to \$29,999	432	14.5%	486	15.5%	513	15.5%
\$30,000 to \$39,999	356	11.9%	387	12.4%	403	12.2%
\$40,000 to \$49,999	257	8.6%	271	8.7%	293	8.9%
\$50,000 to \$59,999	164	5.5%	188	6.0%	204	6.2%
\$60,000 to \$74,999	201	6.7%	229	7.3%	243	7.3%
\$75,000 to \$99,999	264	8.8%	274	8.8%	290	8.8%
\$100,000 to \$124,999	101	3.4%	114	3.7%	131	4.0%
\$125,000 to \$149,999	76	2.5%	88	2.8%	89	2.7%
\$150,000 to \$199,999	36	1.2%	41	1.3%	52	1.6%
\$200,000 & Over	57	1.9%	67	2.1%	74	2.2%
Total	2,981	100.0%	3,132	100.0%	3,300	100.0%
Median Income	\$30,596		\$32,427		\$33,139	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$30,596. This increased by 0.6% to \$32,427 in 2013. By 2015, it is projected that the median household income will be \$33,139, an increase of 2.2% over 2013.

The following tables illustrate renter household income by household size for 2010, 2013 and 2015 for the Commerce Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	232	64	35	69	7	407
\$10,000 to \$19,999	172	180	129	36	34	551
\$20,000 to \$29,999	135	98	61	83	103	480
\$30,000 to \$39,999	86	155	96	33	89	459
\$40,000 to \$49,999	101	82	61	51	29	325
\$50,000 to \$59,999	60	72	41	1	3	177
\$60,000 to \$74,999	24	19	22	88	16	169
\$75,000 to \$99,999	12	35	39	23	100	210
\$100,000 to \$124,999	2	2	5	16	1	27
\$125,000 to \$149,999	6	7	2	3	2	19
\$150,000 to \$199,999	4	3	2	10	1	20
\$200,000 & Over	3	2	6	1	2	14
Total	838	718	500	416	389	2,860

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	231	68	34	55	7	395
\$10,000 to \$19,999	185	175	142	35	33	570
\$20,000 to \$29,999	150	99	68	90	107	513
\$30,000 to \$39,999	91	155	99	34	102	480
\$40,000 to \$49,999	112	91	56	66	41	367
\$50,000 to \$59,999	59	65	47	2	6	179
\$60,000 to \$74,999	29	24	24	80	17	174
\$75,000 to \$99,999	14	46	45	27	104	236
\$100,000 to \$124,999	4	2	4	21	1	32
\$125,000 to \$149,999	3	10	1	2	4	20
\$150,000 to \$199,999	5	3	3	11	2	23
\$200,000 & Over	4	3	5	0	0	13
Total	886	738	528	424	424	3,001

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2015 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	227	67	35	55	7	391
\$10,000 to \$19,999	185	173	140	36	36	569
\$20,000 to \$29,999	147	97	68	89	106	507
\$30,000 to \$39,999	93	154	101	33	104	485
\$40,000 to \$49,999	117	95	58	68	44	381
\$50,000 to \$59,999	57	64	47	2	5	175
\$60,000 to \$74,999	33	26	26	79	18	182
\$75,000 to \$99,999	15	45	44	26	108	239
\$100,000 to \$124,999	5	2	4	22	1	35
\$125,000 to \$149,999	5	11	2	3	4	24
\$150,000 to \$199,999	5	2	3	12	1	24
\$200,000 & Over	4	4	6	1	0	16
Total	893	740	535	426	434	3,028

Source: Ribbon Demographics; ESRI; Urban Decision Group

The following tables illustrate renter households 62 and older by income and household size for 2010, 2013 and 2015 for the Commerce Site PMA:

Renter Households (Age 62+)	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	87	48	5	1	0	140
\$10,000 to \$19,999	113	52	0	1	1	167
\$20,000 to \$29,999	75	18	13	1	1	107
\$30,000 to \$39,999	28	12	2	0	2	44
\$40,000 to \$49,999	16	31	0	1	0	48
\$50,000 to \$59,999	12	10	0	0	0	22
\$60,000 to \$74,999	13	11	0	0	1	25
\$75,000 to \$99,999	10	24	0	0	0	35
\$100,000 to \$124,999	2	0	1	0	0	2
\$125,000 to \$149,999	5	2	1	0	0	9
\$150,000 to \$199,999	4	3	0	1	0	8
\$200,000 & Over	3	2	1	0	1	8
Total	369	213	22	5	6	616

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households (Age 62+)	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	87	42	5	1	1	136
\$10,000 to \$19,999	109	46	1	1	0	156
\$20,000 to \$29,999	75	20	15	0	1	110
\$30,000 to \$39,999	27	10	2	0	5	44
\$40,000 to \$49,999	20	34	0	1	0	55
\$50,000 to \$59,999	11	13	0	0	1	25
\$60,000 to \$74,999	16	10	0	0	0	27
\$75,000 to \$99,999	10	21	0	0	0	33
\$100,000 to \$124,999	2	0	0	0	0	2
\$125,000 to \$149,999	2	3	0	0	1	6
\$150,000 to \$199,999	4	2	1	0	1	8
\$200,000 & Over	3	2	0	0	0	5
Total	367	203	24	4	9	607

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households (Age 62+)	2015 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	90	43	5	1	1	139
\$10,000 to \$19,999	112	47	1	1	1	161
\$20,000 to \$29,999	77	22	16	0	1	116
\$30,000 to \$39,999	31	10	2	0	5	49
\$40,000 to \$49,999	23	35	0	1	0	59
\$50,000 to \$59,999	13	14	0	0	1	28
\$60,000 to \$74,999	17	12	0	0	0	29
\$75,000 to \$99,999	12	22	0	0	0	35
\$100,000 to \$124,999	3	0	1	0	0	5
\$125,000 to \$149,999	4	3	0	1	1	8
\$150,000 to \$199,999	4	2	1	0	0	8
\$200,000 & Over	4	3	0	0	0	7
Total	389	214	27	4	9	643

Source: Ribbon Demographics; ESRI; Urban Decision Group

The following tables illustrate owner households 62 and older by income and household size for 2010, 2013 and 2015 for the Commerce Site PMA:

Owner Households (Age 62+)	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	122	64	14	6	0	206
\$10,000 to \$19,999	329	174	18	2	0	524
\$20,000 to \$29,999	102	201	17	6	0	326
\$30,000 to \$39,999	70	215	22	2	2	311
\$40,000 to \$49,999	21	142	29	11	6	209
\$50,000 to \$59,999	19	73	40	6	4	142
\$60,000 to \$74,999	20	109	22	23	1	175
\$75,000 to \$99,999	13	151	32	27	6	229
\$100,000 to \$124,999	9	83	6	1	0	99
\$125,000 to \$149,999	7	42	17	0	1	67
\$150,000 to \$199,999	5	18	3	2	1	28
\$200,000 & Over	5	39	3	1	1	49
Total	722	1,310	224	88	22	2,366

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Households (Age 62+)	2013 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	112	59	13	8	0	192
\$10,000 to \$19,999	309	164	26	2	1	502
\$20,000 to \$29,999	122	229	17	8	0	376
\$30,000 to \$39,999	81	231	27	2	2	343
\$40,000 to \$49,999	16	145	30	16	9	217
\$50,000 to \$59,999	14	82	57	6	4	163
\$60,000 to \$74,999	22	120	24	35	1	202
\$75,000 to \$99,999	15	154	37	27	8	242
\$100,000 to \$124,999	8	91	9	3	1	112
\$125,000 to \$149,999	6	47	27	1	1	82
\$150,000 to \$199,999	5	21	4	3	0	33
\$200,000 & Over	5	50	2	4	1	62
Total	716	1,393	273	114	29	2,525

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Households (Age 62+)	2015 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	114	61	15	9	0	199
\$10,000 to \$19,999	316	168	26	2	1	512
\$20,000 to \$29,999	127	243	18	8	0	397
\$30,000 to \$39,999	88	233	28	3	3	354
\$40,000 to \$49,999	19	154	34	16	10	233
\$50,000 to \$59,999	15	89	61	6	4	175
\$60,000 to \$74,999	25	123	26	39	1	214
\$75,000 to \$99,999	17	162	38	28	9	255
\$100,000 to \$124,999	9	102	11	4	1	127
\$125,000 to \$149,999	6	46	27	0	1	81
\$150,000 to \$199,999	6	28	6	3	1	44
\$200,000 & Over	6	53	2	4	2	67
Total	749	1,463	291	122	34	2,657

Source: Ribbon Demographics; ESRI; Urban Decision Group

SECTION F - ECONOMIC TRENDS

1. LABOR FORCE PROFILE

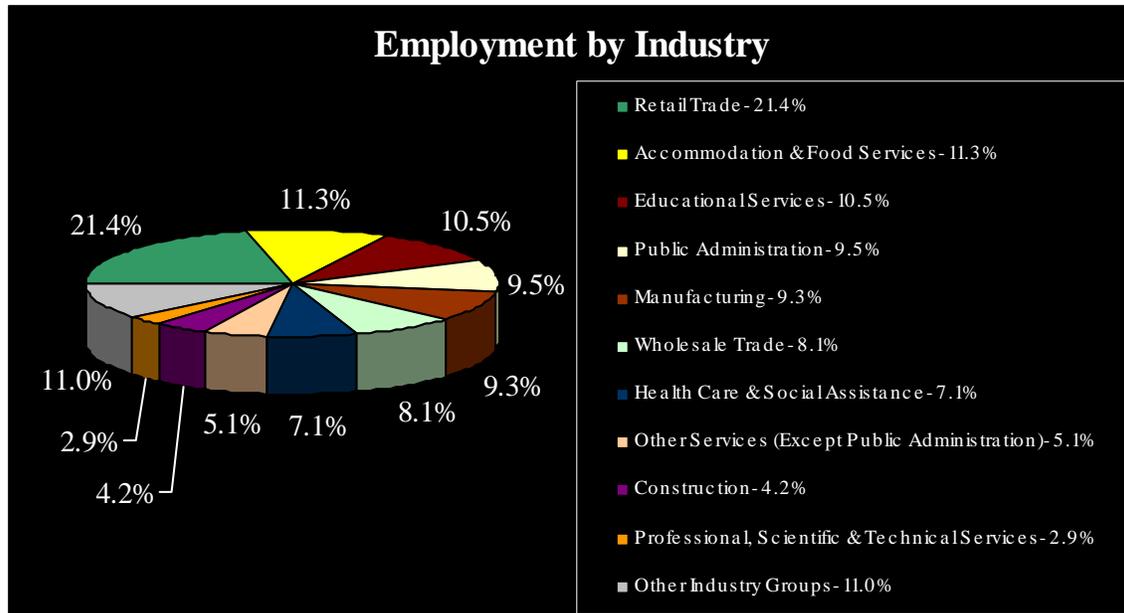
The labor force within the Commerce Site PMA is based primarily in three sectors. Retail Trade (which comprises 21.4%), Accommodation & Food Services and Educational Services comprise over 43% of the Site PMA labor force. Employment in the Commerce Site PMA, as of 2013, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	16	1.2%	53	0.5%	3.3
Mining	3	0.2%	43	0.4%	14.3
Utilities	5	0.4%	180	1.6%	36.0
Construction	126	9.4%	483	4.2%	3.8
Manufacturing	58	4.3%	1,073	9.3%	18.5
Wholesale Trade	55	4.1%	937	8.1%	17.0
Retail Trade	273	20.4%	2,478	21.4%	9.1
Transportation & Warehousing	35	2.6%	192	1.7%	5.5
Information	17	1.3%	73	0.6%	4.3
Finance & Insurance	66	4.9%	297	2.6%	4.5
Real Estate & Rental & Leasing	92	6.9%	245	2.1%	2.7
Professional, Scientific & Technical Services	48	3.6%	335	2.9%	7.0
Management of Companies & Enterprises	0	0.0%	0	0.0%	0.0
Administrative, Support, Waste Management & Remediation Services	50	3.7%	103	0.9%	2.1
Educational Services	27	2.0%	1,212	10.5%	44.9
Health Care & Social Assistance	66	4.9%	819	7.1%	12.4
Arts, Entertainment & Recreation	23	1.7%	58	0.5%	2.5
Accommodation & Food Services	86	6.4%	1,305	11.3%	15.2
Other Services (Except Public Administration)	198	14.8%	586	5.1%	3.0
Public Administration	85	6.3%	1,097	9.5%	12.9
Nonclassifiable	12	0.9%	27	0.2%	2.3
Total	1,341	100.0%	11,596	100.0%	8.6

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the North Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	North Georgia	Georgia
	Nonmetropolitan Area	
Management Occupations	\$82,370	\$106,520
Business and Financial Occupations	\$54,280	\$69,720
Computer and Mathematical Occupations	\$66,470	\$76,060
Architecture and Engineering Occupations	\$57,400	\$73,630
Community and Social Service Occupations	\$36,130	\$41,880
Art, Design, Entertainment and Sports Medicine Occupations	\$38,230	\$48,400
Healthcare Practitioners and Technical Occupations	\$59,700	\$69,400
Healthcare Support Occupations	\$24,020	\$26,160
Protective Service Occupations	\$31,610	\$33,690
Food Preparation and Serving Related Occupations	\$18,770	\$19,810
Building and Grounds Cleaning and Maintenance Occupations	\$23,420	\$23,550
Personal Care and Service Occupations	\$22,030	\$22,160
Sales and Related Occupations	\$28,280	\$35,520
Office and Administrative Support Occupations	\$29,770	\$33,110
Construction and Extraction Occupations	\$34,450	\$38,120
Installation, Maintenance and Repair Occupations	\$36,830	\$41,750
Production Occupations	\$29,870	\$31,340
Transportation and Moving Occupations	\$26,600	\$34,260

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

Most annual blue-collar salaries range from \$18,770 to \$38,230 within the North Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$64,044. It is important to note that most occupational types within the North Georgia Nonmetropolitan Area have slightly lower typical wages than the State of Georgia's typical wages. The proposed project will continue to target households with incomes generally up to \$40,000. The area employment base has a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest employers within Jackson County comprise a total of nearly 4,200 employees. These employers are summarized as follows:

Business	Business Type	Total Employed
Wayne Farms, LLC	Agriculture-Poultry	1,112
GRUMA Corporation	Manufacturing-Food Processing	455
Kubota Industrial Equipment Corporation	Manufacturing – Farm Machinery	425
Baker & Taylor Incorporated/Distribution Center	Wholesale Trade – Books, Periodicals Newspapers	400
Systemax Incorporated Distribution Center	Wholesale Trade – Computers & Computer Equipment	400
Northridge Medical Center	Services - Hospital	315
TD Automotive Compressor	Georgia LLC Manufacturing Air & Gas Compressors	300
TenCate Geosynthetics NA	Manufacturing – Textile Goods	300
Roper Pump Co	Manufacturing – Pump & Pumping Equipment	250
Mayfield Dairy Farms	Agricultural – Milk Production	235
	Total	4,192

Source: Jacksonalliance.com

According to local economic development representatives, the major employers listed in the preceding table are relatively stable. Notably, there have been several major employment announcements during the previous two years. Carter's Incorporated added a distribution center in 2012, which currently employs approximately 200 workers, but may employ up to 1,000 workers by the end of 2013. Separately, Bed, Bath & Beyond announced the anticipated building of an e-fulfillment center in 2011, but plans are still tentative. If built, the facility could employ up to 900 workers.

The only WARN notices issued within Jackson County since 2011 have only totaled 68 workers.

3. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

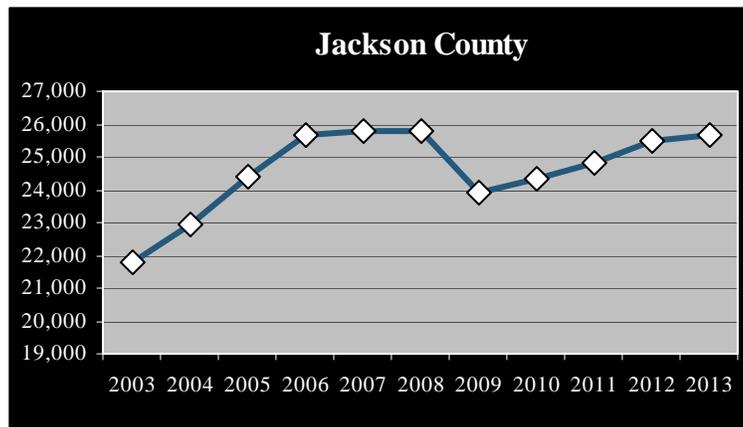
Excluding 2013, the employment base has declined by 1.1% over the past five years in Jackson County, less than the Georgia state decline of 3.7%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Jackson County, Georgia and the United States.

Year	Total Employment					
	Jackson County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2003	21,759	-	4,173,787	-	138,371,211	-
2004	22,919	5.3%	4,249,007	1.8%	139,967,126	1.2%
2005	24,385	6.4%	4,375,178	3.0%	142,299,506	1.7%
2006	25,677	5.3%	4,500,150	2.9%	145,000,043	1.9%
2007	25,793	0.5%	4,587,739	1.9%	146,388,369	1.0%
2008	25,779	-0.1%	4,540,706	-1.0%	146,047,748	-0.2%
2009	23,930	-7.2%	4,289,819	-5.5%	140,696,562	-3.7%
2010	24,329	1.7%	4,241,718	-1.1%	140,457,477	-0.2%
2011	24,820	2.0%	4,295,113	1.3%	141,728,427	0.9%
2012	25,501	2.7%	4,371,608	1.8%	143,574,127	1.3%
2013*	25,687	0.7%	4,401,261	0.7%	142,952,603	-0.4%

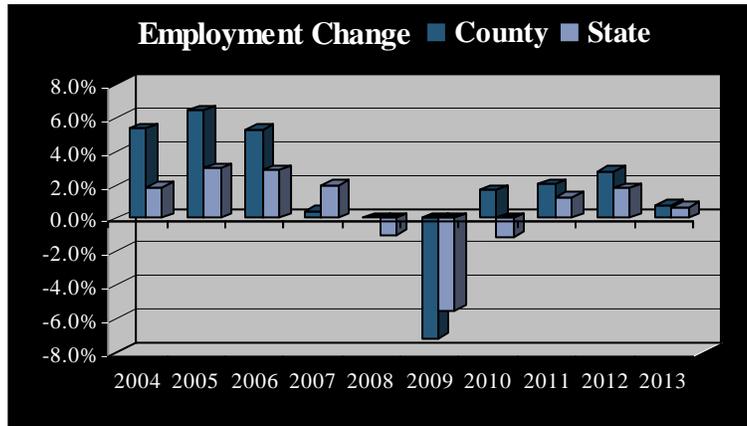
Source: Department of Labor; Bureau of Labor Statistics

*Through March



The Jackson County employment base declined by nearly 1,850 workers, or 7.2%, during the national recession. Since that time, the county has experienced steady growth and is expected to reach pre-recession levels during 2013.

The following table illustrates the percent change in employment for Jackson County and Georgia.

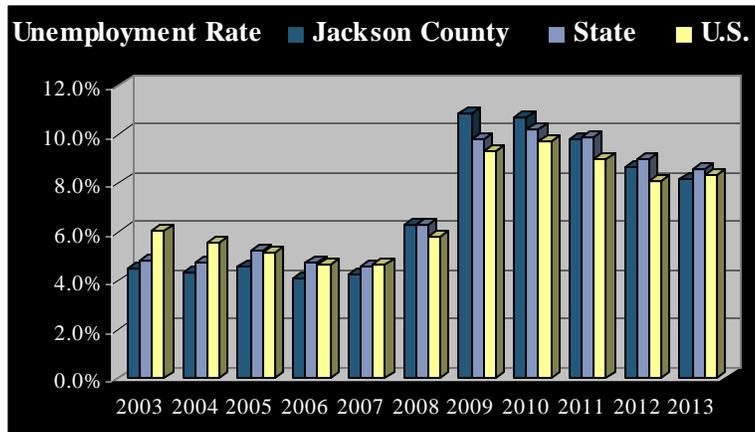


Unemployment rates for Jackson County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Jackson County	Georgia	United States
2003	4.5%	4.8%	6.0%
2004	4.3%	4.7%	5.6%
2005	4.6%	5.2%	5.2%
2006	4.1%	4.7%	4.7%
2007	4.2%	4.6%	4.7%
2008	6.3%	6.3%	5.8%
2009	10.9%	9.8%	9.3%
2010	10.7%	10.2%	9.7%
2011	9.8%	9.9%	9.0%
2012	8.7%	9.0%	8.1%
2013*	8.2%	8.6%	8.3%

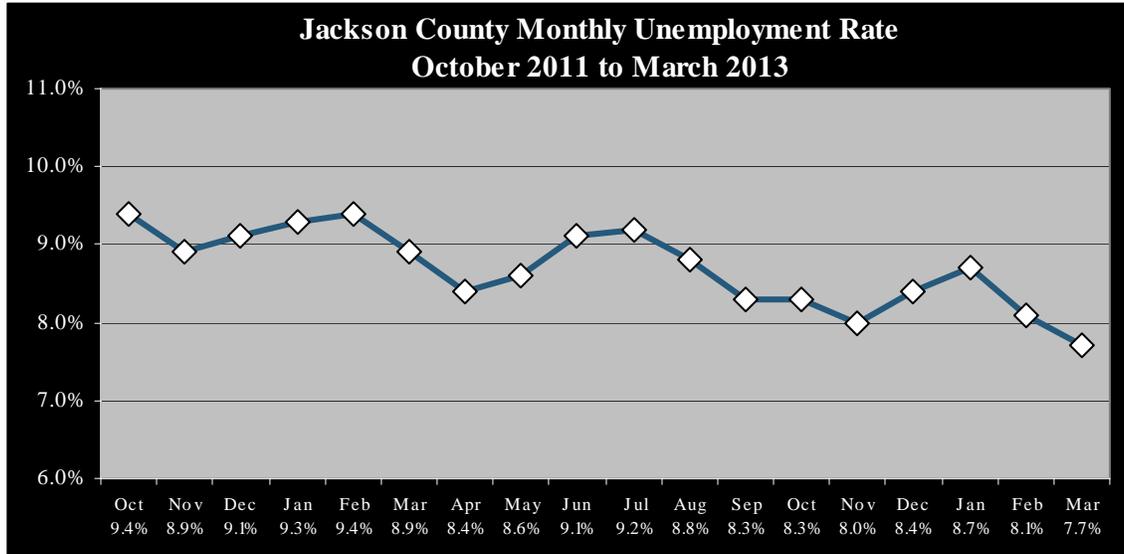
Source: Department of Labor, Bureau of Labor Statistics

*Through March



The unemployment rate in Jackson County was higher than state and national unemployment rates during 2009 and 2010, but has steadily fallen since that time. Currently, the unemployment rate is 8.2%, which is below state and national levels in 2013 to date.

The following table illustrates the monthly unemployment rate in Jackson County for the most recent 18-month period for which data is currently available.



As illustrated, the monthly unemployment rate has steadily fallen during the previous 18-month period. This trend is expected to continue through 2013.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Jackson County.

In-Place Employment Jackson County			
Year	Employment	Change	Percent Change
2002	14,901	-	-
2003	15,414	513	3.4%
2004	16,885	1,471	9.5%
2005	18,518	1,633	9.7%
2006	19,568	1,050	5.7%
2007	18,573	-995	-5.1%
2008	18,375	-198	-1.1%
2009	16,739	-1,636	-8.9%
2010	17,542	803	4.8%
2011	17,959	417	2.4%
2012*	18,423	464	2.6%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2011, the most recent year that year-end figures are available, indicates in-place employment in Jackson County to be 72.4% of the total Jackson County employment. This means that Jackson County has more employed persons leaving the county for daytime employment than those who work in the county. A high share of employed persons leaving the county for employment could have an adverse impact on residency with increasing energy costs.

4. ECONOMIC FORECAST

The economy within Jackson County is diversified into a variety of industries with retail trade, accommodation & food service and education comprising the three largest employment sectors. Based on interviews with local economic development representatives, the location of Jackson County and its infrastructure have been successful in attracting a number of new distribution centers. Carter's Inc. opened a new distribution center that could create up to 1,000 jobs, once fully operational. Additionally, there are tentative plans for Bed, Bath & Beyond to open an e-fulfillment center that could employ another 900 workers if built. Employment expansions such as this have helped Jackson County rebound steadily in the wake of the national recession. Despite losing 7.2% of its employment base in a single year (2009), the county has steadily added jobs back each year since then and is expected to surpass pre-recession employment levels in 2013. In fact, the monthly and average annual unemployment rates have steadily fallen since 2009 and currently stand at 7.7% (March) and 8.2% (2013 annualized), respectively. Based on these trends and the positive demographic growth projected in the demographics section, we anticipate the local economy will steadily recover and will continue to create a stable environment for the subject project to operate within.

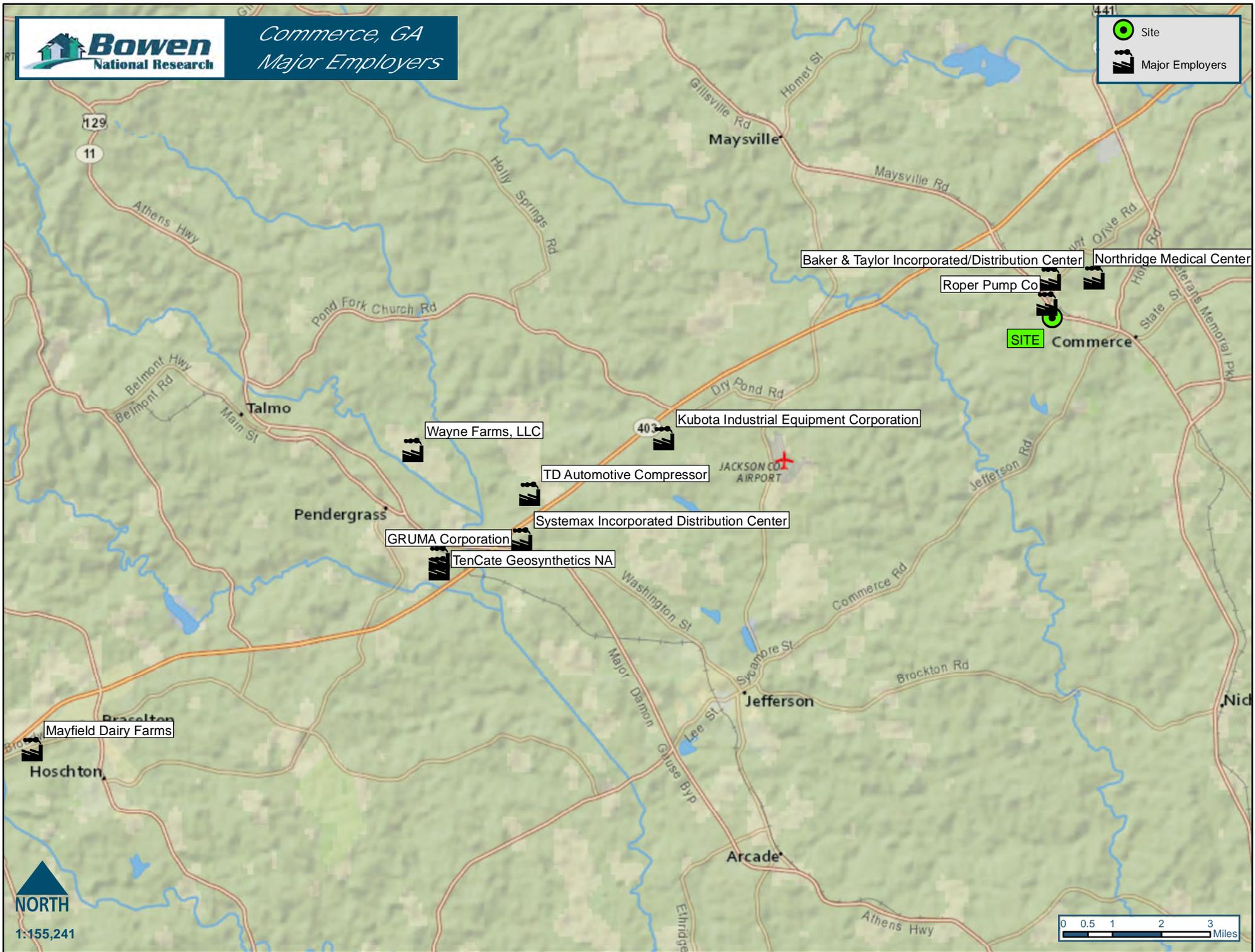
A map illustrating notable employment centers is on the following page.



*Commerce, GA
Major Employers*

441

- Site
- Major Employers



NORTH

1:155,241

0 0.5 1 2 3 Miles

SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential.

Under the Low-Income Housing Tax Credit program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within Jackson County, which has a median household income of \$61,900 for 2013. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted income level.

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$21,700	\$26,040
Two-Person	\$24,800	\$29,760
Three-Person	\$27,900	\$33,480
Four-Person	\$30,950	\$37,140
Five-Person	\$33,450	\$40,140

a. Maximum Income Limits

The largest units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$40,140**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The subject project will continue to operate with a project-based subsidy. As such, tenants will only be responsible for paying up to 30% of their adjusted gross household incomes towards housing costs. This will allow the subject project to effectively target households with little to no income.

In the unlikely event the project-based subsidy was ever lost; the gross rents at the subject development would be limited to the maximum allowable under LIHTC guidelines. Based on these maximum allowable LIHTC gross rents, we have calculated the appropriate minimum incomes at the subject project.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for living at the subject project is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% AMHI)	\$17,430	\$33,450
Tax Credit (Limited To 60% AMHI)	\$20,910	\$40,140
As-Proposed - Section 8 (Limited To 50% AMHI)	\$0	\$33,450

2. METHODOLOGY

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household:** **New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2010 renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*
- b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on 2006-2010 ACS data, between 27.2% and 53.2% of renter households targeted by the subject project are determined to be rent overburdened.*
 - **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on 2006-2010 ACS data, 1.5% of all households are living in substandard housing within the Site PMA.*
 - **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis.*
- c. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of developments awarded and/or constructed from 2010 to the present is subtracted to calculate Net Demand. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

Within the Site PMA, we identified one LIHTC properties that was funded and/or built during the previous two years. Maple Square is a senior Tax Credit project that was built in 2012 and offers one- and two-bedroom units at 50% and 60% of AMHI. Although the majority of subject units will target family households, the one-bedroom units at the subject development are age-restricted. As such, Maple Square has been included in this demand analysis and is summarized as follows:

Map I.D.	Project Name	Year Built	Number of Bedrooms	Units At Targeted AMHI				Market Rate
				30% AMHI	40% AMHI	50% AMHI	60% AMHI	
9	Maple Square	2012	One	-	-	5	23	-
			Two	-	-	5	23	-

These comparable Tax Credit units are included in our demand analysis where appropriate.

Demand Calculations

The subject project is an existing 48-unit rental community that has and is expected to continue to operate with a HAP contract in place for all units. Further, all 48 units at this development are currently occupied and the project maintains a 27-household waiting list. However, as the project will be renovated with Tax Credit financing, we have provided two demand scenarios. The FIRST demand scenario evaluates the subject project as proposed (with the HAP contract agreement) and the SECOND demand scenario evaluates the potential for the market to support the subject project in the unlikely event it was to operate without the subsidy.

The following is a summary of our FIRST demand calculations:

As Proposed w/ Project-Based Subsidy			
Demand Component	Incomes Limited to 50% of AMHI		
	Senior Units (\$0 To \$24,800)	Family Units (\$0 To \$33,450)	Overall (\$0 To \$33,450)
Demand From New Households (Age- And Income-Appropriate)	$356 - 345 = 11$	$1,634 - 1,643 = -9$	$1,634 - 1,643 = -9$
+			
Demand From Existing Households (Rent Overburdened)	$345 \times 53.2\% = 184$	$1,643 \times 48.3\% = 794$	$1,643 \times 48.3\% = 794$
+			
Demand From Existing Households (Renters In Substandard Housing)	$345 \times 1.5\% = 5$	$1,643 \times 1.5\% = 25$	$1,643 \times 1.5\% = 25$
=			
Demand Subtotal	200	810	810
+			
Demand From Existing Homeowners (Elderly Homeowner Conversion)	$874 \times 2.0\% = 17$	n/a	$874 \times 2.0\% = 17$
=			
Total Demand	217	810	827
-			
Supply (Directly Comparable Units Built And/Or Funded Since 2011)	0	0	0
=			
Net Demand	217	810	827
Proposed Units* / Net Demand	0 / 217	0 / 810	0 / 827
Capture Rate	0.0%	0.0%	0.0%

*All subsidized/occupied units at the project have been deducted from this demand analysis

Based on our survey of conventional apartments, as well as the distribution of bedroom types in balanced markets, the estimated share of demand by bedroom type is distributed as follows. The following is our estimated share of demand by bedroom type within the Site PMA.

Estimated Demand By Bedroom		
Bedroom Type	Senior Percent	Family Percent
One-Bedroom	60%	20.0%
Two-Bedroom	40%	60.0%
Three-Bedroom	-	20.0%
Total	100.0%	100.0%

Applying these shares to the income-qualified households yield demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Senior Units									
Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units***	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (60%)	50%	0	130	0	130	0.0%	n/a	\$538	SUB
One-Bedroom	Total	0	130	0	130	0.0%	n/a	\$538	SUB
Two-Bedroom (40%)	50%	0	87	0	87	0.0%	n/a	\$588	SUB
Two-Bedroom	Total	0	87	0	87	0.0%	n/a	\$588	SUB
All Senior Units	Total	0	87	0	87	0.0%	n/a	\$584	SUB
Family Units									
Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units***	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (20%)	50%	0	162	0	162	0.0%	n/a	\$538	SUB
One-Bedroom	Total	0	162	0	162	0.0%	n/a	\$538	SUB
Two-Bedroom (60%)	50%	0	486	0	486	0.0%	n/a	\$588	SUB
Two-Bedroom	Total	0	486	0	486	0.0%	n/a	\$588	SUB
Three-Bedroom (20%)	50%	0	162	0	162	0.0%	n/a	\$761	SUB
Three-Bedroom	Total	0	162	0	162	0.0%	n/a	\$761	SUB
All Family Units	Total	0	810	0	810	0.0%	n/a	\$594	SUB

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Under this scenario all tenants are anticipated to income qualify following renovations and have been removed from this analysis.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in Addendum E.

As proposed, the Jackson Hills Apartments will retain its project-based subsidy. Considering all 48 units are occupied and the subsidy will remain in place, there will be virtually no absorption and the capture rates are effectively 0.0%.

The following is a summary of our SECOND demand calculations:

LIHTC Only – NO PBRA					
Demand Component	Incomes Limits at 50% & 60% of AMHI				OVERALL (\$17,430- \$40,140)
	Senior		Family		
	50% AMHI (\$17,430- \$24,800)	60% AMHI (\$20,910- \$29,760)	50% AMHI (\$23,897- \$33,450)	60% AMHI (\$28,697- \$40,140)	
Demand From New Households (Age- And Income-Appropriate)	97 – 93 = 4	103 – 98 = 5	477 – 479 = -2	556 – 552 = 4	897 – 891 = 6
+					
Demand From Existing Households (Rent Overburdened)	93 X 46.3% = 43	98 X 36.3% = 36	479 X 36.3% = 174	552 X 27.2% = 150	891 X 30.4% = 271
+					
Demand From Existing Households (Renters In Substandard Housing)	93 X 1.5% = 1	98 X 1.5% = 1	479 X 1.5% = 7	552 X 1.5% = 8	891 X 1.5% = 13
=					
Demand Subtotal	48	42	179	162	290
+					
Demand From Existing Homeowners (Elderly Homeowner Conversion)	309 X 2.0% = (6) = 1*	333 X 2.0% = (7)* = 1	N/A	N/A	333 X 2.0% = (7)* = 5
=					
Total Demand	49	43	179	162	295
-					
Supply (Directly Comparable Units Built And/Or Funded Since 2011)	10	46	0	0	56
=					
Net Demand	39	-3	179	162	239
Proposed Units / Net Demand	4 / 39	16 / - 3	6 / 179	22 / 162	48 / 239
Capture Rate	= 10.3%	N/A	= 3.4%	= 13.6%	= 20.1%

*Homeowner support limited to 2.0% of total senior demand

Based on our survey of conventional apartments, as well as the distribution of bedroom types in balanced markets, the estimated share of demand by bedroom type is distributed as follows. The following is our estimated share of demand by bedroom type within the Site PMA:

Estimated Demand By Bedroom		
Bedroom Type	Senior Percent	Family Percent
One-Bedroom	60%	20.0%
Two-Bedroom	40%	60.0%
Three-Bedroom	-	20.0%
Total	100.0%	100.0%

Applying these shares to the income-qualified households yield demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Senior Units									
Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units***	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (60%)	50%	4	29	5	24	16.7%	n/a	\$538	TBD
	60%	16	26	23	3	533.3%	n/a	\$538	TBD
One-Bedroom	Total	20	55	28	27	74.1%	n/a	\$538	TBD
Two-Bedroom (40%)	50%	0	20	5	15	n/a	n/a	\$588	TBD
	60%	0	17	23	- 6	n/a	n/a	\$588	TBD
Two-Bedroom	Total	0	37	28	9	n/a	n/a	\$588	TBD
All Senior Units	Total	20	92	56	36	55.5%	n/a	\$584	TBD
Family Units									
Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units***	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (20%)	50%	0	36	0	36	n/a	n/a	\$538	n/a
	60%	0	32	0	32	n/a	n/a	\$538	n/a
One-Bedroom	Total	0	68	0	68	n/a	n/a	\$538	n/a
Two-Bedroom (60%)	50%	4	107	0	107	3.7%	n/a	\$588	TBD
	60%	16	98	0	98	16.3%	n/a	\$588	TBD
Two-Bedroom	Total	20	205	0	205	9.8%	n/a	\$588	TBD
Three-Bedroom (20%)	50%	2	36	0	36	5.6%	n/a	\$761	TBD
	60%	6	32	0	32	18.8%	n/a	\$761	TBD
Three-Bedroom	Total	8	68	0	68	11.8%	n/a	\$761	TBD
All Family Units	Total	28	810	0	810	3.5%	n/a	\$594	TBD

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

***Under this scenario all tenants are anticipated to income qualify following renovations and have been removed from this analysis.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties as identified in Addendum E.

In the unlikely event the subject project was to ever lose its HAP agreement and operate exclusively under LIHTC guidelines, there appears to be a limited base of support for the 20 age-restricted subject units due to the recent allocation and absorption of the Maple Square project. Notably, however, there does appear to be some demographic support for the family units in the unlikely scenario it was to operate solely under Tax Credit guidelines. No absorption estimates have been prepared in this scenario due to the uncertainty of the non-subsidized rents.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Commerce Site PMA in 2010 and 2012 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2012 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	10,652	89.0%	10,801	88.6%
Owner-Occupied	7,791	73.1%	7,814	72.3%
Renter-Occupied	2,860	26.9%	2,987	27.7%
Vacant	1,318	11.0%	1,393	11.4%
Total	11,970	100.0%	12,194	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2012 update of the 2010 Census, of the 12,194 total housing units in the market, 11.4% were vacant. This represents a slight increase in vacant housing units since 2010; however, data reported in the 2007-2011 American Community Survey (ACS) indicate a small share of these vacant units are located among rental properties. According to Table B25004 of the ACS, vacant rental units only account for 17.3% of all vacant units within Jackson County. Applying this percentage to the number of vacant housing units within the Commerce Site PMA yields an estimated total of 241 vacant rental units. Combined with the 2,987 occupied rental housing units yields an estimated occupancy rate of 92.5% among the entire rental housing supply within the Commerce Site PMA ($2,987 / 3,228 = 92.5\%$). Based on this data, the long-term rental housing supply within the Site PMA is likely performing at a stabilized occupancy. However, we have surveyed a sample of the apartment properties within the Commerce Site PMA in order to provide an accurate estimate of its strength.

We identified and personally surveyed 14 conventional housing projects containing a total of 627 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These 14 properties are detailed in the following table by project type (market-rate, Tax Credit, government-subsidized, etc.), total units and occupancy rate.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	7	237	12	94.9%
Market-rate/Tax Credit	1	120	4	96.7%
Tax Credit	2	136	8	94.1%
Government-Subsidized	4	134	4	97.0%
Total	14	627	28	95.5%

These rentals have a combined occupancy rate of 95.5%, a good rate for rental housing. Among these projects, 11 are non-subsidized (market-rate and Tax Credit) projects containing 493 units. These non-subsidized units are 95.1% occupied. The remaining three projects contain 134 government-subsidized units, which are 97.0% occupied.

According to area apartment managers, the rental rates have been stable the previous two years and some properties have reported slight increases between 2.0% and 3.5% during the last year.

The following table summarizes the breakdown of market-rate and Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	6	2.3%	0	0.0%	\$605
Two-Bedroom	1.0	36	13.8%	0	0.0%	\$768
Two-Bedroom	1.5	8	3.1%	0	0.0%	\$795
Two-Bedroom	2.0	79	30.3%	2	2.5%	\$861
Two-Bedroom	2.5	115	44.1%	11	9.6%	\$816
Three-Bedroom	2.0	7	2.7%	1	14.3%	\$1,044
Three-Bedroom	3.0	10	3.8%	0	0.0%	\$1,004
Total Market-rate		261	100.0%	14	5.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	46	19.8%	0	0.0%	\$596
Two-Bedroom	2.0	137	59.1%	7	5.1%	\$696
Three-Bedroom	2.0	49	21.1%	3	6.1%	\$848
Total Tax Credit		232	100.0%	10	4.3%	-

Based on this distribution by bedroom types, there are few one-bedroom market-rate units available compared to traditional markets. Although relatively rural markets tend to have a significantly higher share of two-bedroom apartments available compared to urban markets, a 2.3% share of one-bedroom units is considered underserved. Regardless, the distribution of bedroom types among the Tax Credit units is considered balanced.

Significantly, the median Tax Credit gross rents are positioned well below the corresponding median market-rate gross rents. Although the median Tax Credit rent of \$596 (for the one-bedroom units) is just below the \$605 median gross market-rate rent, the relatively small sample of one-bedroom market-rate units is not considered an accurate basis with which to compare rents. Excluding the one-bedroom units, the median Tax Credit gross rents are positioned between 18.8% and 19.2% below the corresponding market-rate gross rents. As such, it is likely that the Tax Credit units within the Commerce Site PMA represent a significant value when compared to the market-rate product available.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of seven federally subsidized and/or Tax Credit apartment developments in the Commerce Site PMA. These projects were surveyed in May 2013 and are summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occup.	Gross Rent (Unit Mix)		
						One-Br.	Two-Br.	Three-Br.
1	Jackson Hills (Site)	SEC 8	1981	48	100.0%	SUB (20)	SUB (20)	SUB (8)
2	Heritage Court Apts.	RD 515	1983	24	100.0%	\$610 - \$750 (12)	\$706 - \$881 (12)	-
3	Heritage Crossing	TAX	2002	96**	97.9%	\$573 - \$676 (8)	\$688 - \$767 (59)	\$794 - \$864 (29)
4	Heritage Hills	TAX	2000	80	90.0%	\$563 - \$613 (10)	\$683 - \$733 (50)	\$783 - \$848 (20)
9	Maple Square	TAX	2012	56	100.0%	\$582 - \$596 (28)	\$667 - \$696 (28)	-
12	Country Place Apts.	RD 515	1990	18	100.0%	\$600 - \$761 (6)	\$681 - \$888 (12)	-
13	Heritage Heights	RD 515	1999	44	90.9%	\$591 - \$726 (10)	\$657 - \$805 (34)	-
				Total	366	96.2%		

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

RD - Rural Development

**Market-rate units not included

SUB – Tenants pay up to 30% of their incomes toward gross rent

The overall occupancy is 96.2% for these projects, indicating good market demand for affordable housing. More importantly, the subject project is 100.0% occupied and will retain its HAP agreement following renovations. As such, tenants will continue to pay up to 30% of their adjusted gross incomes toward housing costs, which will likely remain a substantial value in the Commerce PMA. Note the 90.0% occupancy rate at Heritage Hills (Map ID 4) is representative of a stabilizing project following an eviction sweep in March of 2013. According to management, Heritage Hills increased its occupancy from 87.5% in April and has discontinued the rent concession it was offering.

Housing Choice Voucher Holders

According to a representative with the Georgia Department of Community Affairs' Athens Regional Office, there are approximately 23 Housing Choice Voucher holders within Jackson County and no additional households are currently on the waiting list for additional Vouchers. The waiting list is closed and it is unknown when they will open it.

Some households with Housing Choice Vouchers may be eligible to reside at a Low-Income Housing Tax Credit project if its gross rents do not exceed Fair Market Rents (FMR). Established by HUD, the Fair Market Rent for one-, two- and three-bedroom units in Jackson County, Georgia are summarized in the following table, along with the proposed subject gross rents:

Bedroom Type	Fair Market Rent	Proposed Contract Rents (% AMHI)	Maximum Allowable LIHTC Gross Rent (% AMHI)
One-Bedroom	\$548	\$857* (50%)	\$581 (50%)
		\$857* (60%)	\$697 (60%)
Two-Bedroom	\$742	\$910* (50%)	\$697 (50%)
		\$910* (60%)	\$837 (60%)
Three-Bedroom	\$924	\$1,108* (50%)	\$805 (50%)
		\$1,108* (60%)	\$966 (60%)

*Subsidized Units – Tenants pay up to 30% of income

Note the subject project will effectively operate with a HAP agreement that will allow tenants to continue paying up to 30% of their adjusted gross income towards housing costs. As such, the project will not be eligible to accept Housing Choice Voucher holders as it is proposed. In the unlikely event it was to operate without the project-based subsidy, it would have to adopt gross rents at or below the maximum allowable under LIHTC guidelines. In this most unlikely scenario, some of the maximum allowable 50% AMHI rents are positioned below the Fair Market Rents and would be eligible to accept Housing Choice Voucher holders.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that no multifamily projects are planned for the area.

Building Permit Data

The following table illustrates single-family and multifamily building permits issued within the city of Commerce and Jackson County for the past ten years.

Housing Unit Building Permits for Jackson County:										
Permits	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Multifamily Permits	6	8	12	10	0	0	0	0	0	0
Single-Family Permits	850	1,515	1,445	1,378	819	329	148	82	116	70
Total Units	856	1,523	1,457	1,388	819	329	148	82	116	70

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Unit Building Permits for Commerce, GA:										
Permits	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Multifamily Permits	4	8	10	10	0	0	0	0	0	0
Single-Family Permits	61	70	78	75	24	8	0	1	1	0
Total Units	65	78	88	85	24	8	0	1	1	0

Source: SOCDS Building Permits Database at <http://socds.huduser.org/permits/index.html>

Note the decline in all building permits beginning in 2007, which coincide with the beginning of the national recession. There has been limited single-family home production since that time and virtually no multifamily building.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The subject project will be renovated with Tax Credit financing but will retain its HAP agreement. As such, it will be the only Tax Credit property within the Site PMA that operates with a project-based subsidy. Regardless, it will target households with incomes up to 50% and 60% of Area Median Household Income (AMHI) and is considered comparable with existing Tax Credit units within the Site PMA based on the income levels it will be targeting. As the subject development will continue to target family and senior households, we have selected both family and senior Tax Credit properties as comparables. Note, however, that none of the selected properties are subsidized and will not effectively compete with the proposed development. The following table illustrates all three of the selected properties and the subject development.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Jackson Hills Apartments	1981 / 2014	48	100.0%	-	27 Households	Families (28 units) & Seniors (62+) (20 units); 50% & 60% AMHI & Section 8
3	Heritage Crossing	2002	96*	97.9%	3.2 Miles	None	Families; 50% & 60% AMHI
4	Heritage Hills	2000	80	90.0%	2.0 Miles	None	Families; 50% & 60% AMHI
9	Maple Square	2012	56	100.0%	11.3 Miles	50 Households	Seniors 55+; 50% & 60% AMHI

OCC. - Occupancy

*Tax Credit units only

The three comparable Tax Credit properties within the Site PMA include a total of 232 LIHTC units that are reportedly 94.8% occupied. As noted earlier, however, Heritage Hills (Map ID 4) is representative of a re-stabilizing project. Management conducted an eviction sweep in March of 2013 which vacated 10 units. Since that time, Heritage Hills has increased its occupancy from 87.5% in April and has discontinued the rent concession it was offering. Management expects to maintain a stabilized occupancy. Based on this data and interviews collected, the Tax Credit housing supply within the Commerce market is considered stable.

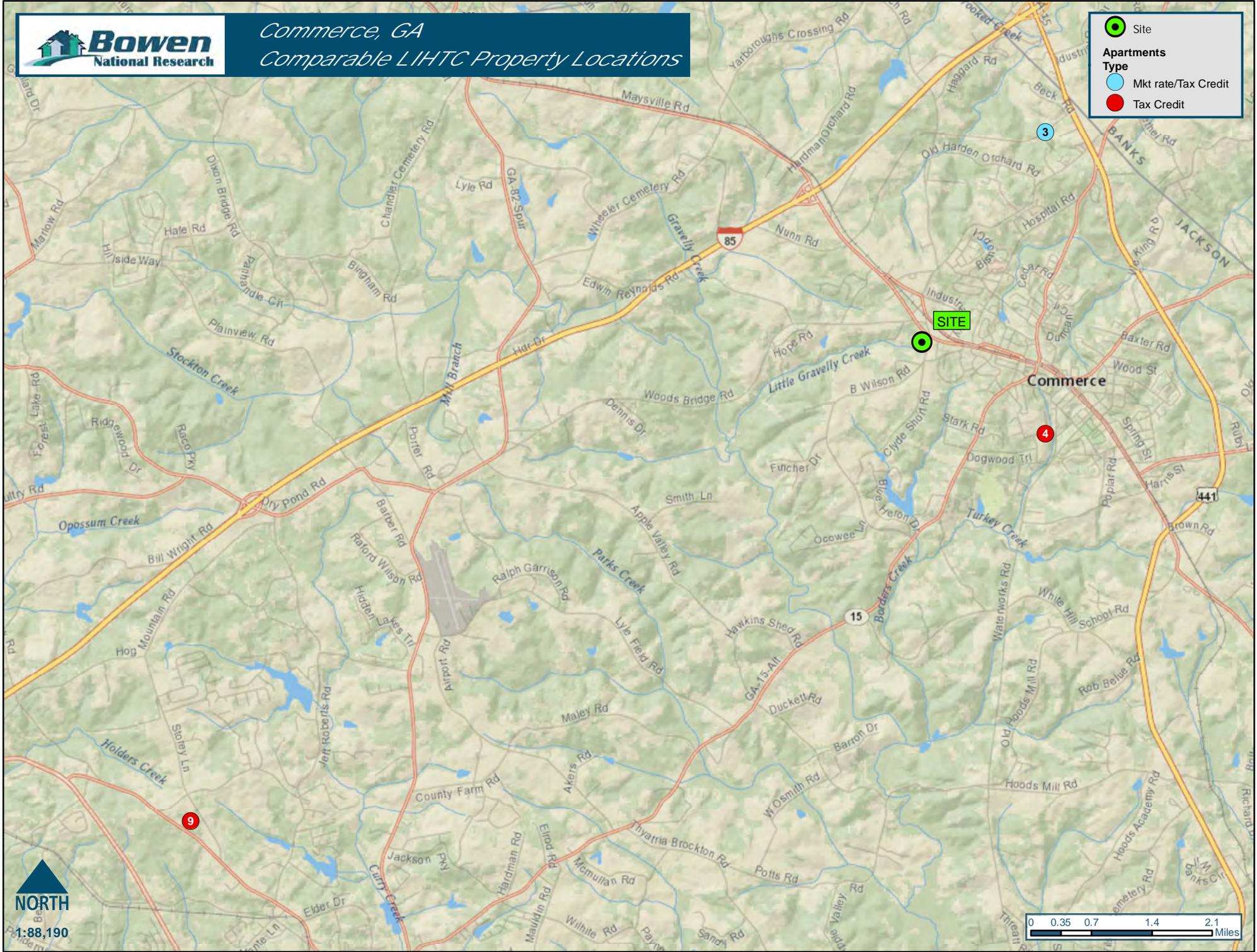
Maple Square (Map ID 9) began pre-leasing units in August of 2012 and opened in October of that same year. The project reached 100.0% occupancy in February of 2013, which equates to an absorption rate of 7.0 units per month. Notably, only one of its units is occupied by a Housing Choice Voucher holder.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the subject site location.



Commerce, GA
Comparable LIHTC Property Locations

● Site
● Apartments Type
● Mkt rate/Tax Credit
● Tax Credit



NORTH
1:88,190

0 0.35 0.7 1.4 2.1 Miles

The gross rents for the three LIHTC projects and the proposed rents at the subject site are listed in the following table. Note that the gross rents have been calculated for each comparable property based on a Utility Allowance Worksheet provided by the Georgia Department of Community Affairs. This has been done in order to more accurately compare the total rental housing costs between properties (factoring the cost of all tenant-paid utilities). However, this estimated allowance results in an *approximate* gross rent, as each property may calculate their utility allowance differently or employ energy saving features. The comparable gross rents that exceed the maximum allowable are most likely operating at, or slightly below, the maximum rents reported.

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	Jackson Hills	\$857/50% (4)	\$910/50% (4)	\$1,108/50% (2)	-
	Apartments	\$857/60% (16)	\$910/60% (16)	\$1,108/60% (6)	
3	Heritage Crossing	\$573/50% (4/0)	\$688/50% (31/0)	\$794/50% (14/0)	½ Off 1 st Month
		\$676/60% (4/0)	\$767/60% (28/1)	\$864/60% (15/1)	
4	Heritage Hills	\$563/50% (5/0)	\$683/50% (25/0)	\$783/50% (10/1)	None
		\$613/60% (5/0)	\$733/60% (25/6)	\$848/60% (10/1)	
9	Maple Square	\$582/50% (5/0)	\$667/50% (5/0)	-	None
		\$596/60% (23/0)	\$696/60% (23/0)		
Maximum Allowable		\$581/50%	\$697/50%	\$805/50%	
LIHTC Gross Rent (2013)		\$697/60%	\$837/60%	\$966/60%	

The subject rents illustrated in the preceding table (ranging between \$857 and \$1,108) do not represent the actual rents that tenants at the subject project will be paying. The retention of the HAP agreement will allow tenants at the subject project to continue to pay up to 30% of their adjusted gross incomes towards housing costs, which is likely considered a significant value in the Commerce PMA. In the unlikely event the subject project were to ever operate without a project-based subsidy, it would be able to charge gross rents up to the maximum allowable illustrated in the preceding table. Based on the gross rents being charged at the comparable properties, the maximum allowable 50% max rents are likely achievable, while the rents at 60% AMHI would likely have to be discounted from the maximum allowable.

The following table illustrates the weighted average collected rents of the three comparable projects by bedroom type:

Weighted Average Collected Rent Of Comparable LIHTC Units		
One-Br.	Two-Br.	Three-Br.
\$432	\$533	\$625

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$432	- \$708* (50% & 60%)	- \$276	/ \$708* (50% & 60%)	-39.0%
One-Br.	\$432	- \$432** (50%) - \$548** (60%)	\$0 - \$106	/ \$432** (50%) / \$548** (60%)	0.0% -19.3%
Two-Br.	\$533	- \$747* (50% & 60%)	- \$214	/ \$747* (50% & 60%)	-28.6%
Two-Br.	\$533	- \$534** (50%) - \$674** (60%)	- \$1 - \$141	/ \$534** (50%) / \$674** (60%)	-0.2% -20.9%
Three-Br.	\$625	- \$852* (50% & 60%)	- \$227	/ \$852* (50% & 60%)	- 26.6%
Three-Br.	\$625	- \$549** (50%) - \$710** (60%)	\$76 - \$85	/ \$549** (50%) / \$710** (60%)	13.8% -12.0%

*Proposed Contract Rent

**Max LIHTC gross rent less proposed utility allowance(s) at the subject project.

The proposed contract rents at the subject project do not represent what actual rents that tenants will be paying. The retention of the HAP contract will allow tenants at the subject project to continue to pay up to 30% of their adjusted gross incomes towards housing costs, which is likely considered a significant value in the Commerce PMA. In the unlikely event the project were to operate solely under LIHTC program guidelines, the limited rent advantages illustrated in the preceding table demonstrate that the project would likely have to lower its rents below the maximum allowable in order to represent a value in the Commerce PMA.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Jackson Hills Apartments	651	870	1,271
3	Heritage Crossing	975	1,175	1,350
4	Heritage Hills	900	1,150	1,270
9	Maple Square	822	1,056	-

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Jackson Hills Apartments	1.0	1.5	2.0
3	Heritage Crossing	1.0	2.0	2.0
4	Heritage Hills	1.0	2.0	2.0
9	Maple Square	1.0	2.0	-

The one- and two-bedroom subject unit sizes (square footage) will be the smallest among the comparable Tax Credit properties within the Site PMA. Further, the two-bedroom units will only offer 1.5 bathrooms compared to the 2.0 bathrooms offered at other family Tax Credit projects located within the market. Based on these comparisons, the subject project would be positioned at a marketing disadvantage in the unlikely event the project were to cease operating with a project-based subsidy.

The following table compares the amenities of the subject development with the other LIHTC projects in the market.

COMPARABLE PROPERTIES AMENITIES - COMMERCE, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES													
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
◆ SITE	X	X		X	X	X	X		C		X	X	X				B		S	Patio Storage Closet
3	X	X		X	X		X		C		X	X					B		S	Patio Storage Closet
4	X	X		X	X		X		C		X	X					B		S	Patio Storage Closet
◆ 9	X	X	X	X	X	X	X		C		X	X	X				B		S	

MAP ID	PROJECT AMENITIES																		
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER	OTHER
◆ SITE		X	X		A		X									X		X	
3	X	X	X	X		X	X						X			X			
4	X	X	X	X			X	X	B							X			
◆ 9		X			A								X			X			Walking Path

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units	
S - Some Units	
O - Optional	
Window Treatments	
B - Blinds	C - Curtains
D - Drapes	

Parking	
A - Attached	C - Carport
D - Detached	O - On Street
S - Surface	G - Parking Garage
(o) - Optional	(s) - Some

Sports Courts	
B - Basketball	D - Baseball Diamonds
P - Putting Green	T - Tennis
V - Volleyball	X - Multiple

Floor Covering	
C - Carpet	H - Hardwood
V - Vinyl	W - Wood
T - Tile	

Community Space	
A - Activity Room	L - Lounge/Gathering Room
T - Training Room	



The renovated subject units will offer similar amenities to the comparable properties and the inclusion of microwave ovens and ceiling fans will be marketable. The project amenities will be comparable to the selected properties, but the lack of a swimming pool will create a slight disadvantage. Overall however, the subject project will be positioned appropriately in the unlikely event the project were to cease operating with a project-based subsidy.

Comparable/Competitive Tax Credit Summary

The Jackson Hills project is currently 100.0% occupied and maintains a 27-household waiting list. As proposed, the subject project will undergo Tax Credit renovations, but will retain its HAP agreement that allows tenants to pay up to 30% of their adjusted household income towards housing costs. This subsidy will allow the substantially renovated subjected development to represent an even greater value to very low- and low-income tenants. In the unlikely event the subject project were to ever operate without the benefit of a project-based subsidy, it will be at a slight disadvantage due to its smaller unit sizes, less bathrooms and fewer amenities than the comparable LIHTC projects located within the Commerce Site PMA. In this unlikely scenario, the proposed project would likely have to adopt Tax Credit rents below the maximum allowable in order to represent a value in the market and maintain a stabilized occupancy rate.

Comparable/Competitive Housing Impact

The anticipated occupancy rates of the existing comparable Tax Credit developments following renovations at the subject site are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2014
3	Heritage Crossing	97.9%	95.0%+
4	Heritage Hills	90.0%	90.0-95.0%
9	Maple Square	100.0%	95.0%+

The subject project is 100.0% occupied and maintains a 27-household waiting list. As such, the Tax Credit renovation of the subsidized subject units is expected to have little, if any, impact on the future occupancies of the comparable Tax Credit properties. Most importantly, it should be reiterated that the renovation of the subject units will merely preserve the existing supply and will not add any new rental housing units to the Commerce Site PMA.

One page profiles of the Comparable/Competitive Tax Credit properties are included in Addendum B of this report.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$140,290. At an estimated interest rate of 6.0% and a 30-year term (and 95% LTV), the monthly mortgage for a \$140,290 home is \$999, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$140,290
Mortgaged Value = 95% of Median Home Price	\$133,276
Interest Rate - Bankrate.com	6.0%
Term	30
Monthly Principal & Interest	\$799
Estimated Taxes and Insurance*	\$200
Estimated Monthly Mortgage Payment	\$999

*Estimated at 25% of principal and interest

The subsidized subject units only require tenants to pay up to 30% of their adjusted gross household incomes toward housing costs. Therefore, the cost of a monthly mortgage for a typical home in the area is likely significantly higher than the cost of renting. We do not anticipate any competitive impact on or from the homebuyer market.

SECTION I – ABSORPTION & STABILIZATION RATES

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2015 renovation completion date for the site, we also assume that initial renovated units at the site will be available for rent sometime in 2015.

According to management, the subject project is currently 100.0% occupied and maintains a 27-household waiting list. It is anticipated that none of the current tenants will move from the project following renovations. Furthermore, it is important to note that the renovations at the subject site will not necessitate the long-term displacement of current residents. Therefore, few if any, of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 48 revenue-producing subject units will be vacated and that all units will have to be re-rented (assuming the Section 8 subsidy is preserved).

It is our opinion that the 48 revenue-producing units at the subject site will reach a stabilized occupancy of 93.0% within four to five months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 9 to 11 units per month. Our absorption projections assume that no other affordable housing projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that the Section 8 subsidy will be maintained. Should the Section 8 subsidy not be secured, the 48 LIHTC units at the subject site would likely experience an extended absorption period beyond 12 months, unless the current contract rents were lowered to a level at or below maximum allowable LIHTC rent limits.

SECTION J – INTERVIEWS

The following are summaries of interviews conducted with various local sources knowledgeable of the local housing market:

Doug Gable is the Property Manager at the subject project and stated that the property remains 100.0% occupancy rate year-round. Although units are temporarily vacant due to natural turnover, he currently maintains a waiting list of 27 households. This demonstrates the need to maintain the current affordable housing supply.

According to Mr. Ed Watson, Executive Director at the Commerce Housing Authority, there is a need for one- and two-bedroom affordable apartments for families and seniors within the Commerce area. Mr. Watson believes there are enough market-rate apartment rentals and affordable housing projects tend to have high occupancy rates and waiting lists.

As part of our research, we interviewed property managers and leasing agents at 14 apartment communities containing 627 rental units. At the time of our survey, these units were reportedly 95.5% occupied, which is a good rate for rental housing.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on our research, the Commerce rental housing market is considered stable. The overall occupancy rate of the 14 properties surveyed in the market is 95.5% and only one property manager has reported any rent concessions. Demographic trends indicate a stable and slowly growing population and household base. Economic development representatives and employment data indicate the Jackson County economy has rebounded in the wake of the national recession and is expected to reach pre-recession employment levels sometime in 2013.

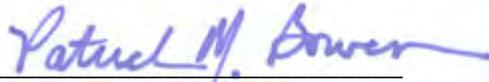
The subject project, Jackson Hills Apartments, is a 48-unit HUD Section 8 property that offers one-, two- and three-bedroom rental units. All 48 units receive a direct rental subsidy that is expected to remain in place following Tax Credit renovations. According to management, the project is currently 100.0% occupied and maintains a 27-household waiting list. Upon completion of the renovations, it is anticipated that all current households will qualify to remain at the subject property and will likely opt to do so given the expected improvement in overall quality. No tenant-paid rent increases are expected.

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the Jackson Hills Apartments project following Tax Credit renovations. This conclusion assumes the project is renovated as detailed in this report and retains its project-based Section 8 subsidy. Changes to the proposed project outside of what is reported in this market study may alter these findings. We have no recommendations or suggested modifications for the subject project at this time. However, should the project lose its subsidy, the current collected rents would, at a minimum, need to be reduced to LIHTC programmatic limits.

SECTION L - SIGNED STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GA-DCA market study manual and GA-DCA Qualified Action Plan.

Certified:



Patrick Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: May 24, 2013



Greg Gray
Market Analyst
gregg@bowennational.com
Date: May 24, 2013



Ben Braley
Market Analyst
benb@bowennational.com
Date: May 24, 2013

SECTION M – MARKET STUDY REPRESENTATION

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

SECTION N - QUALIFICATIONS

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

The Staff

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, for 15 years. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Benjamin J. Braley, Market Analyst, has conducted market research for over six years in more than 550 markets throughout the United States. He is experienced in preparing feasibility studies for a variety of applications, including those that meet standards required by state agency and federal housing guidelines. Additionally, Mr. Braley has analyzed markets for single-family home developments, commercial office and retail space, student housing properties and senior housing (i.e. nursing homes, assisted living, continuing care retirement facilities, etc.). Mr. Braley is a member of the National Council of Housing Market Analysts (NCHMA) and graduated from Otterbein College with a bachelor's degree in Economics.

Jack Wiseman, Market Analyst, with Bowen National Research, has conducted extensive market research in over 200 markets throughout the United States. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, educational facilities, marinas and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Craig Rupert, Market Analyst with Bowen National Research, has conducted market research in both urban and rural markets throughout the United States. He provides thorough evaluation of site attributes, area competitors, market trends and economic characteristics. Specifically, he has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, Indian housing, senior rental housing facilities and student housing facilities. Mr. Rupert has a Bachelor of Science degree in Hospitality Management from Youngstown State University.

Heather Moore, Market Analyst, has been with Bowen National Research since the fall of 2010. She has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Ms. Moore has a Bachelors of Arts in Marketing from Urbana University.

Greg Gray, Market Analyst, has more than twelve years of experience conducting site-specific analysis in markets throughout the country. He is especially trained in the evaluation of condominium and senior living developments. Mr. Gray has the ability to provide detailed site-specific analysis as well as evaluate market and economic trends and characteristics.

Christine Atkins, Market Analyst, has more than three years of experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis, she has the ability to analyze market and economic trends and conditions. Ms. Atkins holds a Bachelor of Arts in Communication from the University of Cincinnati.

Lisa Wood, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Chuck Ewing, Market Analyst, has been conducting site-specific analysis throughout the United States since 2009. He has experience in the evaluation of a variety of real estate developments that include affordable and market-rate apartments, senior living facilities, student housing, supportive and disabled veteran housing, farm worker housing and regional rental supply analysis. Mr. Ewing has a Bachelor of Arts degree in Economics from the Ohio State University.

Marlon Boone, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Boone graduated from The Ohio State University with a Bachelor of Science in City and Regional Planning, with a concentration in Housing, Development and Real Estate.

Amy Tyrrell is a Project Director for Bowen National Research and is based out of Washington, DC. She has 16 years experience in the real estate and construction industries, with 11 years specializing in the research field. She has researched, analyzed, and prepared reports on a variety of trends, industries, and property types, including industrial, office, medical office, multifamily apartments and condominiums, and senior housing. Prior to her focus on research, Ms. Tyrrell performed financial analysis for retail developments throughout the United States. She holds a Masters in Business Administration with concentrations in real estate and marketing from the University of Cincinnati and a Bachelor of Arts in economics with a minor in mathematics from Smith College.

Stephanie Viren is the Research Director at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Desireé Johnson is the Field Support Coordinator at Bowen National Research. Ms. Johnson is involved in the day-to-day management of the field support department, as well as preparing jobs for field and phone analysis. She has been involved in extensive market research in a variety of project types for more than five years. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

June Davis, Office Manager of Bowen National Research, has 24 years experience in market feasibility research. Ms. Davis has overseen production on over 15,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

COMMERCE, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

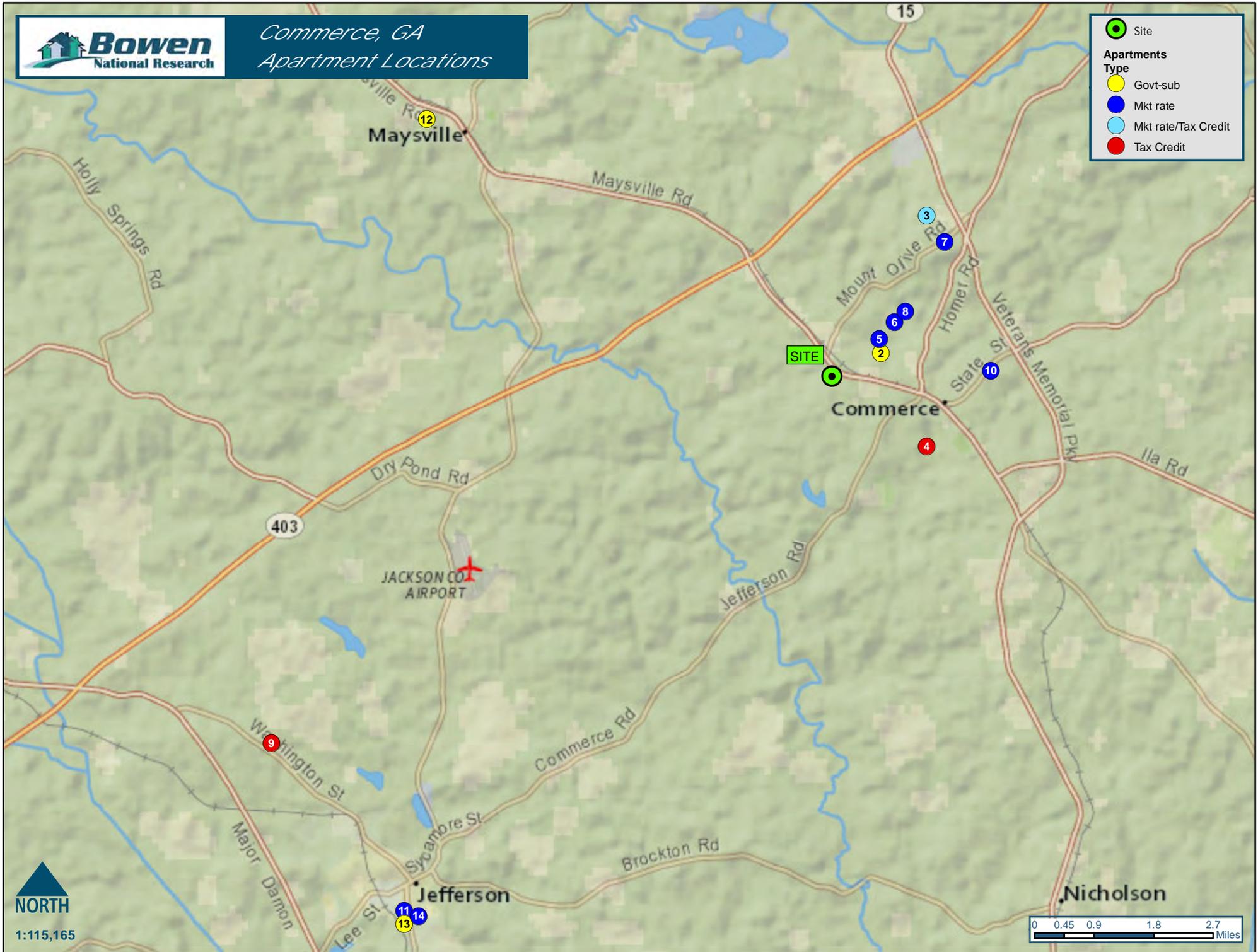
Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

Site

- Site (Green circle with black outline)

Apartments Type

- Govt-sub (Yellow circle)
- Mkt rate (Blue circle)
- Mkt rate/Tax Credit (Light blue circle)
- Tax Credit (Red circle)



MAP IDENTIFICATION LIST - COMMERCE, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
◆ 1	Jackson Hills (Site)	GSS	B-	1981	48	0	100.0%	-
2	Heritage Court Apts.	GSS	B	1983	24	0	100.0%	1.2
3	Heritage Crossing	MRT	A-	2002	120	4	96.7%	3.2
4	Heritage Hills	TAX	B+	2000	80	8	90.0%	2.0
5	Cross Creek	MRR	B-	1995	20	0	100.0%	1.2
6	Jackson Place	MRR	B+	1997	50	1	98.0%	1.5
7	Mt. Olive Townhomes	MRR	B+	1998	103	11	89.3%	2.5
8	Shades Crest	MRR	B+	2000	10	0	100.0%	1.6
◆ 9	Maple Square	TAX	A	2012	56	0	100.0%	11.3
10	Town & Country Apts.	MRR	B-	1984	26	0	100.0%	2.3
11	129 Borders St.	MRR	B	1970	4	0	100.0%	10.1
12	Country Place Apts.	GSS	C+	1990	18	0	100.0%	6.7
13	Heritage Heights	GSS	B-	1999	44	4	90.9%	10.3
14	Curry Crossing	MRR	B-	1988	24	0	100.0%	10.2

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	7	237	12	94.9%	0
MRT	1	120	4	96.7%	0
TAX	2	136	8	94.1%	0
GSS	4	134	4	97.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

* - Drive Distance (Miles)

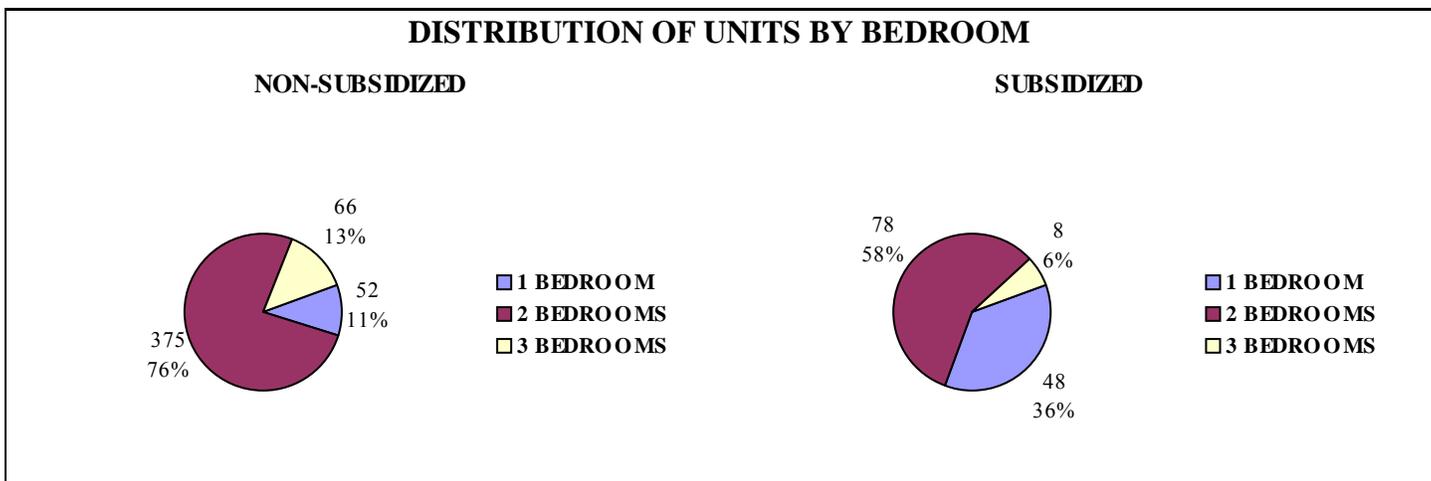
Survey Date: May 2013

DISTRIBUTION OF UNITS - COMMERCE, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	6	2.3%	0	0.0%	\$605
2	1	36	13.8%	0	0.0%	\$768
2	1.5	8	3.1%	0	0.0%	\$795
2	2	79	30.3%	2	2.5%	\$861
2	2.5	115	44.1%	11	9.6%	\$816
3	2	7	2.7%	1	14.3%	\$1,044
3	3	10	3.8%	0	0.0%	\$1,004
TOTAL		261	100.0%	14	5.4%	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	46	19.8%	0	0.0%	\$596
2	2	137	59.1%	7	5.1%	\$696
3	2	49	21.1%	3	6.1%	\$848
TOTAL		232	100.0%	10	4.3%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	48	35.8%	0	0.0%	N.A.
2	1	58	43.3%	4	6.9%	N.A.
2	1.5	20	14.9%	0	0.0%	N.A.
3	1.5	8	6.0%	0	0.0%	N.A.
TOTAL		134	100.0%	4	3.0%	
GRAND TOTAL		627	-	28	4.5%	



SURVEY OF PROPERTIES - COMMERCE, GEORGIA

1 Jackson Hills (Site)			
	Address 110 B Wilson Rd. Commerce, GA 30529	Phone (706) 335-6714 (Contact in person)	Total Units 48
	Year Built 1981 Comments HUD Section 8; 20 1-br units are senior designated	Contact Doug	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B- Senior Restricted (62+) Waiting List 27 households
2 Heritage Court Apts.			
	Address 112 Heritage Ct. Commerce, GA 30529	Phone (706) 335-6410 (Contact in person)	Total Units 24
	Year Built 1983 Comments RD 515, has RA (17 units)	Contact Kathy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Waiting List 5 households
3 Heritage Crossing			
	Address 1000 Crossing Pl. Commerce, GA 30529	Phone (706) 335-2394 (Contact in person)	Total Units 120
	Year Built 2002 Comments Market-rate (24 units); 50% & 60% AMHI (96 units); HCV (1 unit)	Contact Jeff	Vacancies 4 Occupied 96.7% Floors 3 Quality Rating A- Waiting List None
Rent Special 50% off 1st month's rent			
4 Heritage Hills			
	Address 100 Heritage Hills Dr. Commerce, GA 30529	Phone (706) 335-9550 (Contact in person)	Total Units 80
	Year Built 2000 Comments 50% & 60% AMHI; HCV (3 units)	Contact Jessica	Vacancies 8 Occupied 90.0% Floors 2 Quality Rating B+ Waiting List None
5 Cross Creek			
	Address Creekside Dr. Commerce, GA 30549	Phone (706) 886-3858 (Contact in person)	Total Units 20
	Year Built 1995 Comments Does not accept HCV	Contact Karen	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B- Waiting List 2 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2013

SURVEY OF PROPERTIES - COMMERCE, GEORGIA

6 Jackson Place			
	Address 136 Victoria Way Commerce, GA 30529	Phone (706) 335-7853 (Contact in person)	Total Units 50
	Year Built 1997 Comments Accepts HCV; Higher rent for upgraded units; Units have either carpeting or wood laminate flooring	Contact Jessica	Vacancies 1 Occupied 98.0% Floors 1 Quality Rating B+
			Waiting List None
7 Mt. Olive Townhomes			
	Address 314 Pinecone Trl. Commerce, GA 30529	Phone (706) 336-8084 (Contact in person)	Total Units 103
	Year Built 1998 Comments Does not accept HCV; Vacancies attributed to economy	Contact Frank	Vacancies 11 Occupied 89.3% Floors 2 Quality Rating B+
			Waiting List None
8 Shades Crest			
	Address 878 Hospital Dr. Commerce, GA 30529	Phone (678) 521-4274 (Contact in person)	Total Units 10
	Year Built 2000 Comments Year built estimated	Contact Sherry	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+
			Waiting List None
9 Maple Square			
	Address 50 Nelson Dr. Jefferson, GA 30549	Phone (706) 367-7850 (Contact in person)	Total Units 56
	Year Built 2012 Comments 50% & 60% AMHI; HCV (1 unit); HOME Funds; Opened 10/2012, 100% occupied 2/2013, began preleasing 8/2012	Contact Megan	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating A Senior Restricted (55+) Waiting List 50 households
10 Town & Country Apts.			
	Address 100 Thomas Dr. Commerce, GA 30530	Phone (706) 335-4749 (Contact in person)	Total Units 26
	Year Built 1984 Comments Does not accept HCV	Contact Shirley	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B-
			Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2013

SURVEY OF PROPERTIES - COMMERCE, GEORGIA

11 129 Borders St.			
	Address 129 Borders St. Jefferson, GA 30549	Phone (706) 367-9464 (Contact in person)	Total Units 4
	Year Built 1970 Renovated 2009	Contact Linda	Vacancies 0
	Comments Fourplex		Occupied 100.0%
			Floors 1
			Quality Rating B
			Waiting List
			None
12 Country Place Apts.			
	Address 151 W. Freeman St. Maysville, GA 30558	Phone (706) 652-2848 (Contact in person)	Total Units 18
	Year Built 1990	Contact Christy	Vacancies 0
	Comments RD 515, has RA (7 unit); Former Tax Credit		Occupied 100.0%
			Floors 1,2
			Quality Rating C+
			Waiting List
			None
13 Heritage Heights			
	Address 101 Heritage Ave. Jefferson, GA 30549	Phone (706) 367-9891 (Contact in person)	Total Units 44
	Year Built 1999	Contact Kristy	Vacancies 4
	Comments RD 515, has RA (38 units); Accepts HCV (0 currently); Vacancies are non-RA units		Occupied 90.9%
			Floors 1,2
			Quality Rating B-
			Waiting List
			1-br: 2 households
14 Curry Crossing			
	Address Curry Crossing Dr. Jefferson, GA 30549	Phone (706) 367-9464 (Contact in person)	Total Units 24
	Year Built 1988	Contact Glenda	Vacancies 0
	Comments HCV (1 unit)		Occupied 100.0%
			Floors 1
			Quality Rating B-
			Waiting List
			9 households

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: May 2013

COLLECTED RENTS - COMMERCE, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
3		\$442 to \$650	\$521 to \$750	\$590 to \$840					
4		\$439 to \$489	\$525 to \$575	\$590 to \$655					
5			\$525				\$550		
6			\$600 to \$650						
7							\$575		
8								\$800	
9		\$392 to \$406	\$426 to \$455						
10			\$500				\$500		
11		\$400							
14			\$525						

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2013

PRICE PER SQUARE FOOT - COMMERCE, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
11	129 Borders St.	1	690	\$605	\$0.88
3	Heritage Crossing	1	975	\$573 to \$781	\$0.59 to \$0.80
4	Heritage Hills	1	900	\$563 to \$613	\$0.63 to \$0.68
9	Maple Square	1	822	\$582 to \$596	\$0.71 to \$0.73
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	Cross Creek	1	860	\$770	\$0.90
		1.5	1020	\$795	\$0.78
6	Jackson Place	2	1000	\$861 to \$911	\$0.86 to \$0.91
7	Mt. Olive Townhomes	2.5	1140	\$816	\$0.72
10	Town & Country Apts.	2	960	\$651	\$0.68
		2.5	960	\$651	\$0.68
14	Curry Crossing	1	980	\$768	\$0.78
3	Heritage Crossing	2	1115 to 1175	\$688 to \$917	\$0.62 to \$0.78
4	Heritage Hills	2	1150	\$683 to \$733	\$0.59 to \$0.64
9	Maple Square	2	1056	\$667 to \$696	\$0.63 to \$0.66
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
8	Shades Crest	3	1900	\$1004	\$0.53
3	Heritage Crossing	2	1350	\$794 to \$1044	\$0.59 to \$0.77
4	Heritage Hills	2	1270	\$783 to \$848	\$0.62 to \$0.67

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: May 2013

AVERAGE GROSS RENT PER SQUARE FOOT - COMMERCE, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.85	\$0.83	\$0.77
TOWNHOUSE	\$0.00	\$0.72	\$0.53

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.69	\$0.62	\$0.63
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.71	\$0.72	\$0.64
TOWNHOUSE	\$0.00	\$0.72	\$0.53

TAX CREDIT UNITS - COMMERCE, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 9	Maple Square	5	822	1	50%	\$392
◆ 9	Maple Square	23	822	1	60%	\$406
4	Heritage Hills	5	900	1	50%	\$439
3	Heritage Crossing	4	975	1	50%	\$442
4	Heritage Hills	5	900	1	60%	\$489
3	Heritage Crossing	4	975	1	60%	\$545
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
◆ 9	Maple Square	5	1056	2	50%	\$426
◆ 9	Maple Square	23	1056	2	60%	\$455
3	Heritage Crossing	31	1175	2	50%	\$521
4	Heritage Hills	25	1150	2	50%	\$525
4	Heritage Hills	25	1150	2	60%	\$575
3	Heritage Crossing	28	1175	2	60%	\$600
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Heritage Crossing	14	1350	2	50%	\$590
4	Heritage Hills	10	1270	2	50%	\$590
4	Heritage Hills	10	1270	2	60%	\$655
3	Heritage Crossing	15	1350	2	60%	\$660

◆ - Senior Restricted

QUALITY RATING - COMMERCE, GEORGIA

MARKET-RATE PROJECTS AND UNITS

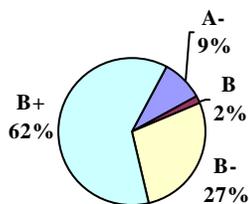
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	24	8.3%		\$781	\$917	\$1,044	
B+	3	163	7.4%			\$816	\$1,004	
B	1	4	0.0%		\$605			
B-	3	70	0.0%			\$768		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

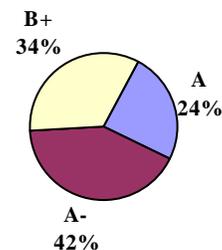
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	56	0.0%		\$596	\$696		
A-	1	96	2.1%		\$573	\$688	\$864	
B+	1	80	10.0%		\$563	\$683	\$783	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - COMMERCE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	1	4	0	0.0%	4	0.8%
1980 to 1989	2	50	0	0.0%	54	10.1%
1990 to 1999	3	173	12	6.9%	227	35.1%
2000 to 2005	3	210	12	5.7%	437	42.6%
2006	0	0	0	0.0%	437	0.0%
2007	0	0	0	0.0%	437	0.0%
2008	0	0	0	0.0%	437	0.0%
2009	0	0	0	0.0%	437	0.0%
2010	0	0	0	0.0%	437	0.0%
2011	0	0	0	0.0%	437	0.0%
2012	1	56	0	0.0%	493	11.4%
2013**	0	0	0	0.0%	493	0.0%
TOTAL	10	493	24	4.9%	493	100.0 %

YEAR RENOVATED - COMMERCE, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	0	0	0	0.0%	0	0.0%
2008	0	0	0	0.0%	0	0.0%
2009	1	4	0	0.0%	4	100.0%
2010	0	0	0	0.0%	4	0.0%
2011	0	0	0	0.0%	4	0.0%
2012	0	0	0	0.0%	4	0.0%
2013**	0	0	0	0.0%	4	0.0%
TOTAL	1	4	0	0.0%	4	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of May 2013

APPLIANCES AND UNIT AMENITIES - COMMERCE, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	10	100.0%	493
REFRIGERATOR	10	100.0%	493
ICEMAKER	3	30.0%	179
DISHWASHER	9	90.0%	489
DISPOSAL	5	50.0%	369
MICROWAVE	1	10.0%	56
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	9	90.0%	489
AC - WINDOW	1	10.0%	4
FLOOR COVERING	10	100.0%	493
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	10	100.0%	493
PATIO/DECK/BALCONY	7	70.0%	455
CEILING FAN	5	50.0%	176
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	10	100.0%	493
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - COMMERCE, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	2	20.0%	200
ON-SITE MANAGEMENT	5	50.0%	409
LAUNDRY	2	20.0%	200
CLUB HOUSE	2	20.0%	200
MEETING ROOM	1	10.0%	56
FITNESS CENTER	1	10.0%	120
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	3	30.0%	250
COMPUTER LAB	1	10.0%	56
SPORTS COURT	2	20.0%	130
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	1	10.0%	120
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	3	30.0%	250
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	10.0%	56

DISTRIBUTION OF UTILITIES - COMMERCE, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	10	553	88.2%
GAS	4	74	11.8%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	13	603	96.2%
GAS	1	24	3.8%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	10	477	76.1%
GAS	4	150	23.9%
			100.0%
ELECTRIC			
TENANT	14	627	100.0%
			100.0%
WATER			
LANDLORD	5	280	44.7%
TENANT	9	347	55.3%
			100.0%
SEWER			
LANDLORD	5	280	44.7%
TENANT	9	347	55.3%
TRASH PICK-UP			
LANDLORD	8	487	77.7%
TENANT	6	140	22.3%
			100.0%

UTILITY ALLOWANCE - COMMERCE, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$20	\$23		\$7	\$16	\$21	\$6	\$7	\$42	\$17	\$28	\$20	\$20
1	GARDEN	\$28	\$33		\$7	\$22	\$29	\$9	\$9	\$60	\$22	\$37	\$20	\$20
1	TOWNHOUSE	\$28	\$33		\$7	\$22	\$29	\$9	\$9	\$60	\$22	\$37	\$20	\$20
2	GARDEN	\$35	\$42		\$9	\$28	\$37	\$10	\$12	\$76	\$28	\$46	\$20	\$20
2	TOWNHOUSE	\$35	\$42		\$9	\$28	\$37	\$10	\$12	\$76	\$28	\$46	\$20	\$20
3	GARDEN	\$44	\$51		\$14	\$34	\$45	\$13	\$15	\$93	\$35	\$57	\$20	\$20
3	TOWNHOUSE	\$44	\$51		\$14	\$34	\$45	\$13	\$15	\$93	\$35	\$57	\$20	\$20
4	GARDEN	\$56	\$65		\$17	\$42	\$57	\$16	\$19	\$118	\$43	\$71	\$20	\$20
4	TOWNHOUSE	\$56	\$65		\$17	\$42	\$57	\$16	\$19	\$118	\$43	\$71	\$20	\$20

GA-Middle Region (9/2012)

Survey Date: May 2013

A-18



ADDENDUM B

COMPARABLE PROPERTY PROFILES

5 Cross Creek 1.2 miles to site



Address	Creekside Dr. Commerce, GA 30549		
Phone	(706) 886-3858	Contact	Karen
Total Units	20	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1995	Floors	1,2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	2 households		
Ratings:	Quality B-	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	12	0	860	\$0.61	\$525
2	1.5	T	8	0	1020	\$0.54	\$550



6	Jackson Place	1.5 miles to site
----------	----------------------	-------------------



Address	136 Victoria Way Commerce, GA 30529		
Phone	(706) 335-7853	Contact	Jessica
Total Units	50	Vacancies	1
		Percent Occupied	98.0%
Project Type	Market-Rate		
Year Open	1997	Floors	1
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	Accepts HCV; Higher rent for upgraded units; Units have either carpeting or wood laminate flooring		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Playground, Sports Court, Picnic Area, Gazebo
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	
2	2	G	50	1	1000	\$0.60 - \$0.65	\$600 to \$650	



7 Mt. Olive Townhomes 2.5 miles to site



Address	314 Pinecone Trl. Commerce, GA 30529		
Phone	(706) 336-8084	Contact	Frank
Total Units	103	Vacancies	11
		Percent Occupied	89.3%
Project Type	Market-Rate		
Year Open	1998	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	Does not accept HCV; Vacancies attributed to economy		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	On-site Management
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2.5	T	103	11	1140	\$0.50	\$575

8	Shades Crest	1.6 miles to site
----------	---------------------	-------------------



Address	878 Hospital Dr. Commerce, GA 30529		
Phone	(678) 521-4274	Contact	Sherry
Total Units	10	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	2000	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B+	Neighborhood B	Access/Visibility
Remarks	Year built estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
3	3	T	10	0	1900	\$0.42	\$800



10 Town & Country Apts.

2.3 miles to site



Address 100 Thomas Dr.
Commerce, GA 30530

Phone (706) 335-4749 **Contact** Shirley

Total Units 26 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1984 **Floors** 1,2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B- **Neighborhood** B **Access/Visibility**

Remarks Does not accept HCV

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	2	G	14	0	960	\$0.52	\$500
2	2.5	T	12	0	960	\$0.52	\$500

14 Curry Crossing 10.2 miles to site



Address	Curry Crossing Dr. Jefferson, GA 30549		
Phone	(706) 367-9464	Contact	Glenda
Total Units	24	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1988	Floors	1
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	9 households		
Ratings:	Quality B-	Neighborhood B	Access/Visibility
Remarks	HCV (1 unit)		

FEATURES AND UTILITIES

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1	G	24	0	980	\$0.54	\$525

904 Hillcrest Apts.

21.8 miles to site



Address	490 Gainesville Hwy. Winder, GA 30680		
Phone	(770) 867-4007	Contact	Norma
Total Units	102	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate		
Year Open	1978	Floors	2
Concessions	No Rent Specials		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality B	Neighborhood B	Access/Visibility
Remarks	HCV (1 unit); 2 & 3-br have washer/dryer hookups; Rent range based on unit upgrades & floor plan; Year built & square footage estimated		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Central AC, Window AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BA	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	27	0	600	\$0.71 - \$1.08	\$425 to \$650
2	1	G	4	0	1100	\$0.48 - \$0.50	\$525 to \$550
2	1	G	6	0	900	\$0.58 - \$0.61	\$525 to \$550
2	1.5	T	63	0	900 to 1230	\$0.57 - \$0.69	\$625 to \$700
3	1	G	2	0	1100 to 1200	\$0.61 - \$0.63	\$675 to \$750

907 Second Street Townhomes

23.7 miles to site



Address 160 2nd St.
Winder, GA 30680

Phone (770) 586-5272 **Contact** Amy

Total Units 10 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Market-Rate

Year Open 1997 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B+ **Neighborhood** B **Access/Visibility**

Remarks Accepts HCV; 2 & 3-br are same square footage

FEATURES AND UTILITIES

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities
Parking Surface Parking

UNIT CONFIGURATION

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
2	1.5	T	2	0	1134	\$0.62	\$700
3	1.5	T	8	0	1134	\$0.64	\$725

3 Heritage Crossing

3.2 miles to site



Address	1000 Crossing Pl. Commerce, GA 30529		
Phone	(706) 335-2394	Contact	Jeff
Total Units	120	Vacancies	4
		Percent Occupied	96.7%
Project Type	Market-Rate & Tax Credit		
Year Open	2002	Floors	3
Concessions	50% off 1st month's rent		
Age Restrictions	NONE		
Waiting List	NONE		
Ratings:	Quality A-	Neighborhood A	Access/Visibility
Remarks	Market-rate (24 units); 50% & 60% AMHI (96 units); HCV (1 unit)		

FEATURES AND UTILITIES

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Patio Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Security Gate, Picnic Area
Parking	Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	975	\$0.67	\$650	
1	1	G	4	0	975	\$0.56	\$545	60%
1	1	G	4	0	975	\$0.45	\$442	50%
2	2	G	15	1	1115	\$0.67	\$750	
2	2	G	28	1	1175	\$0.51	\$600	60%
2	2	G	31	0	1175	\$0.44	\$521	50%
3	2	G	7	1	1350	\$0.62	\$840	
3	2	G	15	1	1350	\$0.49	\$660	60%
3	2	G	14	0	1350	\$0.44	\$590	50%

4 Heritage Hills

2.0 miles to site



Address 100 Heritage Hills Dr.
Commerce, GA 30529

Phone (706) 335-9550 **Contact** Jessica

Total Units 80 **Vacancies** 8 **Percent Occupied** 90.0%

Project Type Tax Credit

Year Open 2000 **Floors** 2

Concessions No Rent Specials

Age Restrictions NONE

Waiting List NONE

Ratings: **Quality** B+ **Neighborhood** B **Access/Visibility**

Remarks 50% & 60% AMHI; HCV (3 units)

FEATURES AND UTILITIES

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Patio Storage
Project Amenities Swimming Pool, On-site Management, Laundry Facility, Club House, Playground, Tennis Court(s), Sports Court, Picnic Area
Parking Surface Parking

UNIT CONFIGURATION

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	900	\$0.54	\$489	60%
1	1	G	5	0	900	\$0.49	\$439	50%
2	2	G	25	6	1150	\$0.50	\$575	60%
2	2	G	25	0	1150	\$0.46	\$525	50%
3	2	G	10	1	1270	\$0.52	\$655	60%
3	2	G	10	1	1270	\$0.46	\$590	50%

9

Maple Square

11.3 miles to site



Address	50 Nelson Dr. Jefferson, GA 30549		
Phone	(706) 367-7850	Contact	Megan
Total Units	56	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2012	Floors	1
Concessions	No Rent Specials		
Age Restrictions	Senior (55+)		
Waiting List	50 households		
Ratings:	Quality A	Neighborhood B+	Access/Visibility
Remarks	50% & 60% AMHI; HCV (1 unit); HOME Funds; Opened 10/2012, 100% occupied 2/2013, began preleasing 8/2012		

FEATURES AND UTILITIES

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Meeting Room, Computer Lab, Social Services, Walking Path
Parking	Surface Parking

UNIT CONFIGURATION

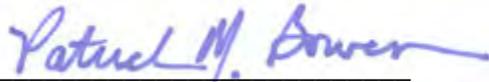
BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	23	0	822	\$0.49	\$406	60%
1	1	G	5	0	822	\$0.48	\$392	50%
2	2	G	23	0	1056	\$0.43	\$455	60%
2	2	G	5	0	1056	\$0.40	\$426	50%

ADDENDUM C – MEMBER CERTIFICATION & CHECKLIST

This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Housing Projects*, and *Model Content Standards for the Content of Market Studies for 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 Housing Market Analysts.

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

Certified:



Patrick Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: May 24, 2013



Ben Braley
Market Analyst
benb@bowennational.com
Date: May 24, 2013

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. 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 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	H
27.	Households by tenure	H
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H & Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	K
48.	Market strengths and weaknesses impacting project	K
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	H
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

		Section (s)
OTHER REQUIREMENTS		
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	Addendum B
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a Low-Income Housing Tax Credit (LIHTC) project to be developed in Commerce, Georgia by The Hallmark Companies, Inc.

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted 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 end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the continued market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- HISTA Data (household income by household size, tenure and age of head of household) by Ribbon Demographics

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

We identified a total of eight market-rate properties within and near the Commerce Site PMA that we consider comparable to the renovated subject project. Six of the selected projects are located within the Commerce Site PMA and two of the projects are located outside of the market area, but within the nearby region. These selected properties are used to derive market rent for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the subject project does not have a washer or dryer and a selected property does, we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

The proposed subject development and the eight selected properties include the following:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Jackson Hills Apartments	1981 / 2014	48	100.0%	20 (100.0%)	20 (100.0%)	8 (100.0%)
5	Cross Creek	1995	20	100.0%	-	20 (100.0%)	-
6	Jackson Place	1997	50	98.0%	-	50 (98.0%)	-
7	Mt. Olive Townhomes	1998	103	89.3%	-	103 (89.3%)	-
8	Shades Crest	2000	10	100.0%	-	-	10 (100.0%)
10	Town & Country Apts.	1984	26	100.0%	-	26 (100.0%)	-
14	Curry Crossing	1988	24	100.0%	-	24 (100.0%)	-
904	Hillcrest Apts.	1978	102	100.0%	27 (100.0%)	73 (100.0%)	2 (100.0%)
907	Second Street Townhomes	1997	10	100.0%	-	2 (100.0%)	8 (100.0%)

Occ. – Occupancy

Map IDs 904 and 907 are located outside of the Site PMA

The eight selected market-rate projects have a combined total of 345 units with an overall occupancy rate of 96.5 %. This demonstrates that the projects are collectively well received within the region and will represent an accurate base of comparison to assess the subject project.

Note that Mt. Olive Townhomes (Map ID 7) is 89.3% occupied, but is still effectively leasing nearly one-third of all occupied units among the comparable properties. As such, it is considered to representative of the market-rate supply within the PMA. Regardless, we have conservatively adjusted the collected rent at this property to account for the slightly less than stabilized occupancy rate.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the subject development.

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Jackson Hills Apartments		Cross Creek		Jackson Place		Town & Country Apts.		Curry Crossing		Hillcrest Apts.	
110 John B. Wilson Road		Creekside Dr.		136 Victoria Way		100 Thomas Dr.		Curry Crossing Dr.		490 Gainesville Hwy.	
Commerce, GA		Commerce, GA		Commerce, GA		Commerce, GA		Jefferson, GA		Winder, GA	
Data		Data		Data		Data		Data		Data	
on		on		on		on		on		on	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data		Data	
\$ Last Rent / Restricted?		\$525		\$625		\$500		\$525		\$538	
Date Surveyed		May-13		May-13		May-13		May-13		May-13	
Rent Concessions		None		None		None		None		None	
Occupancy for Unit Type		100%		98%		100%		100%		100%	
Effective Rent & Rent/ sq. ft		\$525 0.61		\$625 0.63		\$500 0.52		\$525 0.54		\$538 0.90	
B. Design, Location, Condition		Data		Data		Data		Data		Data	
Structure / Stories		WU/1,2		R/1		WU/1,2		R/1		WU/2	
Yr. Built/Yr. Renovated		1995 \$3		1997 \$1		1984 \$14		1988 \$10		1978 \$20	
Condition /Street Appeal		G		G		G		G		G	
Neighborhood		G		G		G		G		G	
Same Market?		Yes		Yes		Yes		Yes		No (\$27)	
C. Unit Equipment/ Amenities		Data		Data		Data		Data		Data	
# Bedrooms		2 (\$50)		2 (\$50)		2 (\$50)		2 (\$50)		1	
# Baths		1		2 (\$30)		2 (\$30)		1		1	
Unit Interior Sq. Ft.		860 (\$32)		1000 (\$54)		960 (\$48)		980 (\$51)		600 \$8	
Balcony/ Patio		Y		Y		Y		N \$5		Y	
AC: Central/ Wall		C		C		C		C		C	
Range/ refrigerator		R/F		R/F		R/F		R/F		R/F	
Microwave/ Dishwasher		N/Y \$5		N/Y \$5		N/Y \$5		N/Y \$5		N/Y \$5	
Washer/Dryer		HU/L \$5		HU \$5		HU \$5		HU \$5		L \$10	
Floor Coverings		C		W		C		C		C	
Window Coverings		B		B		B		B		B	
Storage		N \$5		N \$5		N \$5		N \$5		N \$5	
Garbage Disposal		N \$5		N \$5		N \$5		N \$5		N \$5	
Ceiling Fans		Y		Y		Y		Y		Y	
D Site Equipment/ Amenities		Data		Data		Data		Data		Data	
Parking (\$ Fee)		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
On-Site Management		N \$5		Y		N \$5		N \$5		Y	
Security Gate		N		N		N		N		N	
Clubhouse/ Meeting Rooms		N/N \$5		N/N \$5		N/N \$5		N/N \$5		N/N \$5	
Pool/ Recreation Areas		N		S/G (\$6)		N		N		N	
Computer Center		N \$3		N \$3		N \$3		N \$3		N \$3	
Picnic Area		N \$3		Y		N \$3		N \$3		N \$3	
Playground		N \$3		Y		N \$3		N \$3		N \$3	
Social Services		N		N		N		N		N	
E. Utilities		Data		Data		Data		Data		Data	
Heat (in rent?/ type)		N/E		N/E		N/E		N/E		N/E	
Cooling (in rent?/ type)		N/E		N/E		N/E		N/E		N/E	
Cooking (in rent?/ type)		N/E		N/E		N/E		N/E		N/E	
Hot Water (in rent?/ type)		N/E		N/E		N/E		N/E		N/E	
Other Electric		N		N		N		N		N	
Cold Water/ Sewer		N/N		N/N		Y/Y (\$59)		N/N		Y/Y (\$59)	
Trash /Recycling		N/N \$20		N/N \$20		Y/N		N/N \$20		Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg		Pos	
# Adjustments B to D		10 2		7 4		10 3		11 2		10 1	
Sum Adjustments B to D		\$42 (\$82)		\$29 (\$140)		\$53 (\$128)		\$54 (\$101)		\$67 (\$27)	
Sum Utility Adjustments		\$20		\$20		(\$59)		\$20		(\$59)	
		Net		Gross		Net		Gross		Net	
Net/ Gross Adjmts B to E		(\$20) \$144		(\$91) \$189		(\$134) \$240		(\$27) \$175		(\$19) \$153	
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent (5+ 43)		\$505		\$534		\$366		\$498		\$519	
Adj Rent/Last rent		96%		85%		73%		95%		96%	
Estimated Market Rent		\$500		\$0.77 ←		Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

TWO BEDROOM

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Jackson Hills Apartments		Cross Creek		Mt. Olive Townhomes		Shades Crest		Town & Country Apts.		Second Street Townhomes	
110 John B. Wilson Road		Creekside Dr.		314 Pinecone Trl.		878 Hospital Dr.		100 Thomas Dr.		160 2nd St.	
Commerce, GA		Commerce, GA		Commerce, GA		Commerce, GA		Commerce, GA		Winder, GA	
<i>Subject</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>A. Rents Charged</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
1	\$ Last Rent / Restricted?	\$550		\$575		\$800		\$500		\$700	
2	Date Surveyed	May-13		May-13		May-13		May-13		May-13	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		89%	(\$48)	100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$550	0.54	\$527	0.46	\$800	0.42	\$500	0.52	\$700	0.62
<i>B. Design, Location, Condition</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
6	Structure / Stories	TH/2		TH/2		TH/2		TH/2		TH/2	
7	Yr. Built/Yr. Renovated	1981/2014		1995	\$3	1998		2000	(\$2)	1984	\$14
8	Condition /Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		No	(\$35)
<i>C. Unit Equipment/ Amenities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
11	# Bedrooms	2		2		3	(\$50)	2		2	
12	# Baths	1.5		1.5		2.5	(\$30)	2.5	(\$30)	1.5	
13	Unit Interior Sq. Ft.	870	(\$19)	1020	(\$34)	1900	(\$131)	960	(\$11)	1134	(\$34)
14	Balcony/ Patio	Y		Y		N	\$5	Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L	\$5	HU	\$5	HU	\$5	HU	\$5	HU	\$5
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	Y	\$5	N	\$5	Y		N	\$5	N	\$5
23	Ceiling Fans	Y		Y		N	\$5	N	\$5	Y	
<i>D Site Equipment/ Amenities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		N	\$5	N	\$5
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	N/N	\$5	N/N	\$5	N/N	\$5
28	Pool/ Recreation Areas	N		N		N		N		N	
29	Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
<i>E. Utilities</i>		<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>	<i>Data</i>	<i>\$ Adj</i>
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		Y/Y	(\$74)	Y/Y	(\$74)	N/N	
39	Trash /Recycling	Y/N	\$20	N/N	\$20	Y/N		Y/N		N/N	\$20
<i>F. Adjustments Recap</i>		<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>	<i>Pos</i>	<i>Neg</i>
40	# Adjustments B to D	10	1	8	2	10	4	10	2	10	2
41	Sum Adjustments B to D	\$42	(\$19)	\$34	(\$64)	\$44	(\$228)	\$53	(\$41)	\$40	(\$69)
42	Sum Utility Adjustments	\$20					(\$74)		(\$74)	\$20	
		<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>	<i>Net</i>	<i>Gross</i>
43	Net/ Gross Adjmts B to E	\$43	\$81	(\$30)	\$98	(\$258)	\$346	(\$62)	\$168	(\$9)	\$129
<i>G. Adjusted & Market Rents</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>	
44	Adjusted Rent (5+ 43)	\$593		\$497		\$542		\$438		\$691	
45	Adj Rent/Last rent		108%		94%		68%		88%		99%
46	Estimated Market Rent	\$565	\$0.65	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Jackson Hills Apartments		Cross Creek		Mt. Olive Townhomes		Shades Crest		Town & Country Apts.		Second Street Townhomes	
110 John B. Wilson Road		Creekside Dr.		314 Pinecone Trl.		878 Hospital Dr.		100 Thomas Dr.		160 2nd St.	
Commerce, GA		Commerce, GA		Commerce, GA		Commerce, GA		Commerce, GA		Winder, GA	
Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$550		\$575		\$800		\$500		\$725	
2	Date Surveyed	May-13		May-13		May-13		May-13		May-13	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%		89%	(\$48)	100%		100%		100%	
5	Effective Rent & Rent/ sq. ft	\$550	0.54	\$527	0.46	\$800	0.42	\$500	0.52	\$725	0.64
B. Design, Location, Condition											
6	Structure / Stories	TH/2		TH/2		TH/2		TH/2		TH/2	
7	Yr. Built/Yr. Renovated	1981/2014		1995	\$3	1998		2000	(\$2)	1984	\$14
8	Condition /Street Appeal	G		G		G		G		G	
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		No	(\$36)
C. Unit Equipment/ Amenities											
11	# Bedrooms	3	\$50	2	\$50	3		2	\$50	3	
12	# Baths	2	\$15	1.5	(\$15)	3	(\$30)	2.5	(\$15)	1.5	\$15
13	Unit Interior Sq. Ft.	1271	\$32	1020	\$17	1900	(\$80)	960	\$40	1134	\$18
14	Balcony/ Patio	Y		Y		N	\$5	Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L	\$5	HU	\$5	HU	\$5	HU	\$5	HU	\$5
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	Y	\$5	N	\$5	Y		N	\$5	N	\$5
23	Ceiling Fans	Y		Y		N	\$5	Y		Y	
D Site Equipment/ Amenities											
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		N	\$5	N	\$5
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	N/N	\$5	N/N	\$5	N/N	\$5
28	Pool/ Recreation Areas	N		N		N		N		N	
29	Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Playground	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
32	Social Services	N		N		N		N		N	
E. Utilities											
33	Heat (in rent?/ type)	N/E		N/G		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/G		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		Y/Y	(\$92)	Y/Y	(\$92)	N/N	
39	Trash /Recycling	Y/N	\$20	N/N	\$20	Y/N		Y/N		N/N	\$20
F. Adjustments Recap											
40	# Adjustments B to D			13		10	1	10	3	12	1
41	Sum Adjustments B to D			\$139		\$101	(\$15)	\$44	(\$112)	\$143	(\$15)
42	Sum Utility Adjustments			\$20					(\$92)		(\$92)
				Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E			\$159	\$159	\$86	\$116	(\$160)	\$248	\$36	\$250
G. Adjusted & Market Rents											
44	Adjusted Rent (5+ 43)			\$709		\$613		\$640		\$536	
45	Adj Rent/Last rent				129%		116%		80%		107%
46	Estimated Market Rent	\$660		\$0.52		← Estimated Market Rent/ Sq. Ft					

Once all adjustments to collected rents were made, the adjusted rents for each comparable were considered to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site, and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$500 for a one-bedroom unit, \$565 for a two-bedroom unit and \$660 for a three-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	Proposed Collected Rent*	Maximum Allowable LIHTC Rent**	Achievable Market Rent	Market Rent Advantage of Max LIHTC Rent
One-Bedroom	\$708 (50%)	\$432 (50%)	\$500	13.6%
	\$708 (60%)	\$548 (60%)		-9.6%
Two-Bedroom	\$747 (50%)	\$534 (50%)	\$565	5.5%
	\$747 (60%)	\$674 (60%)		-19.3%
Three-Bedroom	\$852 (50%)	\$549 (50%)	\$660	16.8%
	\$852 (50%)	\$710 (60%)		-7.6%

*Proposed contract rents. Tenants will only pay up to 30% of income at this subsidized project.

**Max LIHTC gross rent less the utility allowances at the subject project (\$149, \$163 and \$256).

As proposed, the subject project will retain its HAP contract that allows tenants to pay up to 30% of their adjusted gross household income toward housing costs. Considering the subject project is currently 100.0% occupied and maintains a 27-household waiting list, this subsidized rent is likely considered a significant value within the Commerce market.

In the unlikely even the subject project were to lose its HAP contract and operate exclusively under LIHTC guidelines, it would be restricted to the maximum allowable rents by targeted income level. By using the current utility allowance for each bedroom type estimated by the developer, we have illustrated the maximum allowable LIHTC *collected* rents that could theoretically be charged at the subject project if it ever operated without a subsidy. Typically, Tax Credit rents are set approximately 10.0% below achievable market rents in order to represent a significant value in a given market.

Based on this exercise, the maximum allowable LIHTC rent at 50% AMHI would typically represent market rent advantages up to 16.8%. The 60% AMHI rents, however, are positioned 7.6% to 19.3% above the achievable market rents and would not represent a value within the Commerce market. As such, it is likely the maximum allowable rents at 50% could be achievable within the market area, but the 60% rents would have to be set below the maximum allowable in order to represent a market rent advantage.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
4. Mt. Olive Townhomes (Map ID 7) is operating at an 89.3% occupancy rate. As such, we have conservatively adjusted the equivalent of one-months free rent from the collected rent at these units.
7. Upon completion of renovations, the subject project will have an effective year built of 1998. The selected properties were built between 1978 and 2000. As such, we have adjusted the rents at the selected properties by \$1 per effective year to reflect the age of these properties.
10. Two of the selected properties (Hillcrest Apartments and Second Street Townhomes) are located outside of the Commerce Site PMA, but in the nearby city of Winder, Georgia. Although socioeconomically similar to Commerce, Winder is located within closer proximity to the Atlanta, Georgia MSA and properties there can charge slightly higher rents due to market strength. As such, a 5% adjustment has been made to the collected rent at these two properties.
11. Many of the selected properties lack either a one- or three-bedroom unit. As such, we have adjusted these projects by \$50 for additional or less bedrooms than the subject project to reflect the value of the additional bedroom.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site compared with the competitive properties.

13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenities package similar to the selected properties. We have, however, made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The subject project offers a limited project amenities package, but one that is similar to most of the selected properties. However, we have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

ADDENDUM F

SCOPE OF RENOVATIONS

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demolished or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
2	2	Demolition						
		site	demo existing mail kiosk.	100%	1	EA	\$ 50.00	\$ 50
			demo up to (3) existing trees lease than 12" in diameter.	100%	3	EA	\$ 2,400.00	\$ 7,200
			demo non-compliant ADA ramps.	100%	4	EA	\$ 100.00	\$ 400
			demo four 15' high roof antennas off of 4 buildings.	100%	4	EA	\$ 150.00	\$ 600
			demo existing playground equipment.	100%	1	LS	\$ 650.00	\$ 650
			demo 2 dumpster pads.	100%	1000	SF	\$ 3.00	\$ 3,000
			demo existing curb & gutter up to 120LF.	100%	120	LF	\$ 3.50	\$ 420
			demo up to 3,200 SF of sidewalk.	100%	3200	SF	\$ 3.00	\$ 9,600
			demo up to 800 SF of front/rear concrete patios.	100%	800	SF	\$ 3.00	\$ 2,400
		bldg interiors: ceilings, walls, floor, plumbing, HVAC, elec	remove all existing flooring.	100%	48	UNITS	\$ 2,450.00	\$ 117,600
			remove interior trim, doors, and hardware.	100%				incl.
			remove all cabinetry.	100%				incl.
			remove all interior electrical devices and wiring.	100%				incl.
			remove all interior plumbing equipment, fixtures, and piping.	100%				incl.
			remove all HVAC equipment and ductwork.	100%				incl.
			remove all interior drywall.	100%				incl.
			will remove all insulation.	100%				inc.
			remove appliances and salvage, as directed, to hand off to management. Storage of appliances is excluded from pricing.	100%				incl.
			demo selected areas on one bedroom units (20).	100%	20	EA	\$ 1,500.00	\$ 30,000
			demo selected areas on two bedroom units (20). (interior framing only)	100%	20	EA	\$ 500.00	\$ 10,000
			demo selected areas on three bedroom units (8).	100%	8	EA	\$ 3,000.00	\$ 24,000
		bldg exteriors: siding, roofing, patios, decks, stairs, breezeways	remove all siding & associated trim.	100%	48	UNITS	\$ 350.00	\$ 16,800
			remove all roof shingles and underlayment.	100%				incl.
			remove all windows, exterior doors, and exterior door hardware.	100%				incl.
			remove all exterior light fixtures.	100%				incl.
			remove existing gutters and downspouts.	100%				incl.
2	2	Unusual site conditions (such as lead, asbestos, mold abatement)						
		lead abatement	Excluded	0%				\$ -
		asbestos abatement	Excluded	0%				\$ -
		mold abatement	Excluded	0%				\$ -
31	2	Earth Work						
		regrade for drainage control	re-grade adjacent to each building, as required for proper flow away from each building foundation to a minimum of 6" of fall within the first 10' away from each building.	100%	1	LS	\$ 5,500.00	\$ 5,500
			re-grade and re-establish existing drainage swales to provide a minimum 2% slope to ensure adequate drainage.	100%	1	LS	\$ 2,000.00	\$ 2,000
		regrade for elimination of erosion situations	submit an erosion control site plan to meet the EarthCraft requirements.	100%	1	LS	\$ 3,000.00	\$ 3,000
31	2	Landscaping & irrigation						
		sodding/seeding	install new seeding/grass	100%	32000	SF	\$0.05	\$ 1,600
			install grass and/or landscaping at all bare and disturbed lawn areas.	100%	1	LS	\$1,500.00	\$ 1,500
		trees, shrubs, and annuals	All new plants to be installed will qualify as native and drought tolerant plants.	100%				incl
		irrigation						\$ -
		tree pruning, root removal	restore any plants, including trees, shrubs and bushes, disturbed during the execution of this scope of work.	100%	1	LS	\$12,000.00	\$ 12,000
31	2	Retaining walls						\$ -
31	2	Site Improvements						\$ -
		fencing						\$ -
		exterior amenities construction (list each amenity separately)						\$ -

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoeed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		Community building	construct a new community building containing 2 amenities rooms and a community kitchen. One amenity room will be constructed to serve as a Computer Center. Computer equipment shall be provided by the Owner. One amenity room will be constructed to serve as a Community Laundry room. Laundry equipment shall be Energy Star, front loading and provided by Owner.	100%				Division 11
		playground	new playground area with surface and equipment.	100%	1	LS	\$ 20,000.00	\$ 20,000
			construct sidewalk to new playground, observation pad, bench, & trash container for new playground area.					incl.
		gazebo	construct a new gazebo gathering area.	100%	1	LS	\$ 15,000.00	\$ 15,000
		remaining site improvements	Handicap Parking identification signs for each handicap parking space.	100%	1	LS	\$ 1,500.00	\$ 1,500
			upgrade the signage on the monument sign to meet DCA requirements.	100%	1	LS	\$ 5,000.00	\$ 5,000
			demo existing monument sign.	100%				Incl.
			new building identification signs to all buildings.	100%	1	LS	\$ 15,000.00	\$ 15,000
			install new unit identification signs to all units.	100%				Incl.
			install new directional and traffic signs throughout the property.	100%	1	LS	\$ 2,000.00	\$ 2,000
			new building signage at the community center.	100%	1	LS	\$ 1,000.00	\$ 1,000
32	2	Roads (paving)						\$ -
		asphalt paving	seal coat over existing asphalt, up to 60,000SF and re-strip spaces and markings.	100%	6670	SY	\$ 2.50	\$ 16,675
32	2	Site concrete (curbs, gutters, & sidewalks)						
		curb & gutter	install new curb & gutter up to 120LF.	100%	120	LF	\$ 18.00	\$ 2,160
		sidewalks	will saw-cut and replace all settled, racked, heaved and deteriorated sections of sidewalk that can be considered a potential trip hazard.	100%	3000	SF	\$ 7.00	\$ 21,000
			pour new HC parking spaces in concrete	100%	1800	SF	\$ 7.00	\$ 12,600
			concrete wheel stops at all ADA parking spaces.	100%	6	EA	\$ 200.00	\$ 1,200
			3'x5' tactile warning strips at locations indicated in plans.	100%	6	EA	\$ 375.00	\$ 2,250
			install new ADA ramps	100%	600	SF	\$ 6.75	\$ 4,050
			pour slab for new gazebo, bus shelter, & dumpster pads.	100%	1000	SF	\$ 6.50	\$ 6,500
			remove and replace dumpster pads. Contractor will pour new concrete pads for the dumpsters that include a wastewater drainage system. Contractor will install accessible concrete sidewalks and ramps to dumpster enclosure. . Contractor will install bollards, extend pad up to 4'.	100%	2	EA	\$ 1,800.00	\$ 3,600
		Video utilities						\$ -
33	2	Site Utilities						
		Fees	any fees incurred by utility service provider are EXCLUDED	0%				\$ -
		water service	cover steel enclosed well	100%	1	LS	\$ 5,000.00	\$ 5,000
		fire service						\$ -
		storm water piping						\$ -
		sewer service	jet, camera and report existing sanitary sewer lines.	100%	1	LS	\$ 4,500.00	\$ 4,500
		electrical service						\$ -
		gas service						\$ -
		Total (Land Improvements)						\$ 387,355
3	3	Concrete (building pads & gypcrete)						\$ -
4	4	Masonry	tuck point up to 5% of existing brick veneer matching the existing mortar as closely as possible and pressure wash all brick exterior surfaces.	100%	1	LS	\$ 10,000.00	\$ 10,000
5	5	Metals (stair stringers, metal decking, handrails, structural steel)	pressure wash all brick and concrete flat work.					incl.
		stair pans/stringers						\$ -
		corrugated metal decking						\$ -

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demolded or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		handrails						\$ -
		structural steel						\$ -
6	6	Rough carpentry (framing, sheathing, decking)						
		framing	re-frame apartments to meet new floor plans for (48) units.	100%	48	UNITS	\$2,000.00	\$ 96,000
			install any blocking needed for the installation of ADA grab bars in ADA compliant units.	100%				incl.
			install any blocking needed for closet shelving, new light fixtures and other accessories.	100%				incl.
			frame/construct selected areas on one bedroom units (20).	100%	20	UNITS	\$6,500.00	\$ 130,000
			frame/construct selected areas on two bedroom units (20).	100%	20	UNITS	\$500.00	\$ 10,000
			frame/construct selected areas on three bedroom units (8).	100%	8	UNITS	\$8,500.00	\$ 68,000
			re-frame up to (3) ADA units.	100%				incl.
		ext wall sheathing	Replace delaminated and rotten exterior sheathing	100%	28	EA	\$ 150.00	\$ 4,200
		floor decking	Replace delaminated and rotten floor decking (2 shts/unit - upper floors only)	100%	28	EA	\$ 55.00	\$ 1,540
		trusses	Roof Trusses for 3BR additions	100%	8	EA	\$ 1,000.00	\$ 8,000
		attic draft stops	exclude	0%				\$ -
		exterior wood decks/patios and rails						\$ -
6	6	Finish Carpentry (window sills, wood base, wood paneling, exterior wood trim, shutters, etc)						
		exterior trim including shutters						\$ -
		interior trim including wood base	new wood door jambs & casing in all units.	100%	48	EA	\$ 1,100.00	\$ 52,800
			new window trim around each window in all units.					incl.
			install new wood base throughout unit.					incl.
			install shoe mould at all hard surface areas.					incl.
7	7	Waterproofing						
		air sealing	Air Sealing per Earthcraft	100%	48	UNITS	\$ 400.00	\$ 19,200
			seal all exterior penetrations of the new siding exteriors.	100%				incl.
			seal all exterior penetrations of the brick exteriors.	100%				incl.
			seal all units for air infiltration including bottom plates, windows/doors, exterior penetrations, and fire-caulking.	100%				incl.
			included 2 nd air infiltration post drywall to meet EarthCraft air infiltration standards.	100%				incl.
			reduce air infiltration in units by 30% below threshold requirements.	100%				incl.
			seal all wall penetrations at newly framed community building addition.	100%				incl.
7	7	Insulation						
		wall insulation						
			install wall batt insulation to achieve an R-15 rating in all exposed wall cavities.	100%	48	UNITS	\$ 1,450.00	\$ 69,600
			air seal and insulate previously uninsulated band joist between floors to achieve an R-19 rating.					incl.
			sheath, air seal, and insulate attic kneewalls.					incl.
			repair or install new insulation at exposed attic draft stops.					incl.
			insulate around unit exterior doors to achieve an R-12 rating.					incl.
		roof insulation	install new blown insulation to existing attic insulation to achieve an R-38 rating.					incl.
		sound insulation						\$ -
7	7	Roofing						
		shingles (or other roofing material)	remove all existing roofing shingles and felt.	100%	1	LS	\$69,000.00	\$ 69,000
			replace up to 10% of rotten roof decking.	100%				incl.
			install new roofing felt, 30 year architectural shingles, ridge vent, drip edge, plumbing boots and other necessary roofing accessories.	100%				incl.
		gutters & downspouts	install new 6" gutters and 4" downspouts on all buildings.	100%	2000	LF	\$5.50	\$ 11,000
			pipe all downspouts to allow for water to discharge 5' away from the building.	100%	1500	LF	\$4.50	\$ 6,750

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demolished or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
7	7	Siding/stucco	remove existing siding and install new 8.25" (7" exposure) primed fiber cement horizontal lap siding with 4/4 trim accessories – minimum warranty 25 years.	100%	48	UNITS	\$1,950.00	\$ 93,600
			new fiber-cement shake siding per plans & specifications.	100%				incl
			new OSB substrate at shake siding locations.	100%				incl
			Jumbotex house wrap or equal shall be installed to exterior of building prior to siding installation – lap siding areas only.	100%				incl
			Vented vinyl soffit (.048) and fiber-cement fascia (.019) shall be installed at eaves and overhangs.	100%				incl
			Frieze Board – 4/4 primed fiber cement trim boards at frieze locations under eaves and overhangs.	100%				incl
			Band Board – 4/4 x 4" primed fiber cement trim boards above brick at base of lap siding, with aluminum flashing (.019) above trim.	100%				incl
			Window Trim – 9" window tape to exterior window surrounds, aluminum head flashing (.019), and 4/4 x 4" primed fiber cement trim boards to window surrounds.	100%				incl
			Door Flashing – aluminum head flashing (.019) above exterior doors (siding locations only).	100%				incl
			Porch Ceilings – smooth, solid, primed fiber cement panel sheet siding and fiber cement trim to exterior top floor breezeway ceilings.	100%				incl
			Contractor will install new front and rear porch columns.	100%				incl
8	8	Doors & hardware						
		interior doors	new interior doors with 6 panel masonite interior doors where existing in all units.	100%	534	EA	\$115.00	\$ 61,410
			install new 6-panel masonite swinging doors with dummy knobs to closets in lieu existing bi-fold doors.	100%				incl.
			provide new knob style door hardware on all non-handicap accessible doors. For all handicap accessible doors, Contractor will install new lever style door hardware on all handicap accessible doors.	100%	534	EA	\$55.00	\$ 29,370
			install all door hardware according to a door schedule approved by the Owner.	100%				incl.
		exterior doors	remove and dispose of existing exterior front and back doors and frames in apartment units and office building.	100%	48	EA	\$1,000.00	\$ 48,000
			install exterior front doors with wood frames and hollow metal, insulated, 6 panel doors with 120-degree peep sight, threshold and keyed locksets.	100%				incl.
			install exterior patio doors with wood frames and hollow metal, insulated, half light doors with threshold and keyed locksets to match keying on front door. Exterior unit doors are to be double bored.	100%				incl.
			Exterior patio doors shall have a U-Value of .26 and a SHGC of .19.	100%				incl.
			install peepholes and door knockers on all unit entry doors. ADA units to have (2) peepholes.	100%	48	EA	\$100.00	\$ 4,800
		hardware		100%				incl.
8	8	Windows/glass						
		Windows	install low-e double paned vinyl windows with grids and screens. Windows will have a U-Value less than 0.34 and a Solar Heat Gain Coefficient (SHGC) less than 0.28.	100%	240	EA	\$295.00	\$ 70,800
		mirrors	install full length mirrors in all ADA compliant bathrooms.	100%	4	EA	\$100.00	\$ 400
			install surface mount or recessed mirrored medicine cabinets in all units	100%	56	EA	\$150.00	\$ 8,400
9	9	Drywall						
		repair and placement-walls	install new drywall in all units.	100%	48	UNITS	\$4,800.00	\$ 230,400
		repair and placement-ceiling	install new water resistant drywall behind tub surrounds.	100%				incl
			add double layer of drywall at all tub surrounds on exterior walls and party walls.	100%				incl
			hang, tape, float and sand new drywall to have a smooth finish.	100%				incl
			repair attic draft stop as required	100%	1	AL	\$7,500.00	\$ 7,500
9	9	Tile work						

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		tub surrounds						\$ -
		ceramic floors						\$ -
9	9	Resilient/wood flooring						\$ -
		VCT						\$ -
		Vinyl flooring & carpet	new vinyl flooring in the bathrooms, linen closets, laundry, and mechanical rooms of all units per the finish schedule.	100%	48	UNITS	\$1,775.00	\$ 85,200
			new vinyl plank flooring in the kitchens, living rooms, pantries, hall, and hall closets of all units per the finish schedule.	100%				incl
			remove and dispose of all existing carpeting and install new carpet and carpet pad in the bedrooms and bedroom closets of all units.	100%				incl
			install commercial glue down carpet without pad in lieu or carpet and padding in ADA units.	100%				incl
			carpet will be HUD Severe Use; low VOC certified by the Carpet & Rug Institute.	100%				incl
		sheet goods						\$ -
		wood flooring						\$ -
9	9	Painting						\$ -
		exterior walls	pressure wash all buildings.	100%	48	UNITS	\$ 1,750.00	\$ 84,000
			caulk and paint all new fiber-cementitious siding, trim and breezeway soffit.	100%				incl
			prime and paint all new exterior wood .	100%				incl
			paint all previously painted surfaces not mentioned above.	100%				incl
		interior walls	prime and paint all new drywall walls and ceilings.	100%				incl
		ceilings		100%				incl
		doors & trim	prime and paint all new interior doors.	100%				incl
			All new exterior doors will be painted per finish schedule.	100%				incl
			prime and paint all new interior trim.	100%				incl
			All paints to be used will be low VOC paints to conform to EarthCraft requirements.	100%				incl
		steel: handrails, stairs, etc						\$ -
		additional prep work (sandblasting)						\$ -
		units clean	leave each unit free of debris at the end of each business day.	100%	48	UNITS	\$ 225.00	\$ 10,800
			Interior Finish Labor (Punch-out)	100%	72	UNITS	\$ 250.00	\$ 18,000
10	10	Specialties						\$ -
		signage						\$ -
		toilet accessories including framed mirrors	install new towel bars, toilet paper holders, and shower rods in all units.	100%	48	UNITS	\$300.00	\$ 14,400
			install grab bars per UFAS requirements in all ADA units.	100%	3	UNITS	\$350.00	\$ 1,050
		fire extinguishers	install 1 fire extinguisher in each unit.	100%	48	UNITS	\$165.00	\$ 7,920
		shelving	new "Closetmaid" ventilated wire shelving or equal in all closets in all units.	100%	48	UNITS	\$425.00	\$ 20,400
		mailboxes	provide and install 4-C USPS aluminum mailboxes at community center mail kiosk.	100%	1	LS	\$ 3,900.00	\$ 3,900
		stovetop fire suppression	install 2 stove top fire suppression devices in the range hood over the range of each unit's kitchen.	100%				incl
11	11	Special Equipment (amenities equipment--list equipment as separate line items (playground equipment, movie rooms, beauty parlors, sport court surfacing & equipment, exercise equipment, pre-fab gazebos & pavilions; put stick-built gazebos and pavilions in carpentry))						\$ -
11	11	Cabinets (incl. countertops)						\$ -
		unit kitchens	demo existing cabinets and install kitchen cabinets, counter tops, and filler in 48 dwelling units and 1 community area.	100%	48	UNITS	\$ 2,250.00	\$ 108,000
			Cabinets are per HUD severe use specification.	100%				incl.
			Cabinets in ADA Compliant units will be laid out and installed to meet ADA requirements.	100%				incl.
		countertops	Counter tops will be post formed on 3/4" exterior plywood.	100%				incl.

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		bathroom vanities	demo existing vanity cabinets in bathrooms and install new vanity cabinets with a cultured marble countertop and sink.	100%				incl.
11	11	Appliances						
		refrigerators	Refrigerators w/ice-maker - 18 cf Energy Star	100%	45	UNITS	\$ 510.00	\$ 22,950
		refrigerators - ADA	Refrigerators ADA w/ice maker - 18 cf Energy Star	100%	3	UNITS	\$ 580.00	\$ 1,740
		stove	Electric Range - Free Standing	100%	45	UNITS	\$ 380.00	\$ 17,100
		stove - ADA	Electric Range ADA - Slide-In	100%	3	UNITS	\$ 1,005.00	\$ 3,015
		vent hood	30" Range Hood	100%	48	UNITS	\$ 78.00	\$ 3,744
		dishwasher	Dishwasher - Energy Star	100%	45	UNITS	\$ 225.00	\$ 10,125
		dishwasher - ADA	Dishwasher - ADA - Energy Star	100%	3	UNITS	\$ 390.00	\$ 1,170
		microwave	Microwave undercabinet- Energy Star	100%	45	UNITS	\$ 175.00	\$ 7,875
		microwave - surface mount	Microwave countertop- Energy Star	100%	3	UNITS	\$ 156.58	\$ 470
		disposals	disposals	100%	48	UNITS	\$ 67.63	\$ 3,246
12	12	Blinds & Shades	new 1" vinyl horizontal window blinds at each window.	100%	48	UNITS	\$ 95.00	\$ 4,560
12	12	Carpets						incl
12	12	Furniture (if purchased by contractor for indoor amenities such as libraries, wellness centers, computer centers, children's activity rooms, arts & crafts; also outdoor picnic tables, benches, grills)						
13	13	Special Construction (pools)	construct a new ADA community center including a community area, computer center, kitchenette, laundry, & fitness center.		1	LS	\$75,000.00	\$ 75,000
			install a new mail kiosk built into the new community building addition.					incl
14	14	Elevators						\$ -
21	15	Sprinklers						\$ -
22	15	Plumbing						\$ -
		bathubs and/or pre-fab showers	new 4 piece tubs with surrounds in all units.	100%	48	UNITS	\$ 4,450.00	\$ 213,600
			(2) ADA tubs and surrounds and (1) roll-in ADA shower.	100%				incl
		shower heads	showerheads to be maximum 2.0 gal/min, bathroom faucets to be less than 2.0 gal/min and toilets to be 1.6 gal/flush to meet EarthCraft requirements.	100%				incl
		tub faucets	trims	100%				incl
		bathroom sinks	sinks	100%				incl
		bathroom faucets	install wall hung lavatories in ADA units.	100%				incl
		kitchen sinks	All new kitchen sinks will be equipped with a vegetable sprayer.	100%				incl
		kitchen faucets	replace all bathroom and kitchen plumbing fixtures in all units.	100%				incl
		toilets	install new elongated front water closets w/ a max of 1.6 gal/min/flush.	100%				incl
		new water service--piping, valves, etc	install shutoff valves for the hot and cold water pipes at each building.	100%				incl
			install shutoff valves for the hot and cold water pipes at each unit equipped with an access panel.	100%				incl
			insulate the hot water supply from the hot water heater as outlined in EarthCraft Multifamily Standards.	100%				incl
			replace all domestic water lines with CPVC or PEX piping.	100%				incl
		new waste/vent service--piping, valves, etc	convert plumbing for (3) ADA units.	100%				incl
		water heaters	high efficiency 40 gallon electric water heaters, including drains and drain lines, with a minimum Energy Factor of 0.95 in all units.	100%				incl
		individual water metering						\$ -
23	15	HVAC						
		air conditioning equipment	replace existing HVAC systems using 14 SEER heat pumps.	100%	48	UNITS	\$ 4,250.00	\$ 204,000
			Heat Pumps shall be minimum 18k, 8 HSPF, 14 SEER in 1-bed and minimum 24k, 8 HSPF, 14 SEER in townhomes.	100%				incl
			All cooling equipment to be sized within 6,000 btu/h of Manual J. All heating equipment output to be sized within 25,000 btu/h of Manual J.	100%				incl
			new air filters with a minimum of 30% dust spot efficiency in all units.	100%				incl

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demolished or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		heating equipment	replace all existing condensate lines, ductwork, including grills, registers and thermostats with properly insulated duct work.	100%				incl
		ductwork cleaning	protect all ducts until construction is completed.	100%				incl
		ductwork	replace existing duct system with new rigid trunk and takeoff system.	100%				incl
			ensure duct leakage is below 10%.	100%				incl
		duct insulation	insulate ducts in attic to a minimum R-8 and ducts in conditioned spaces to a minimum R-6.	100%				incl
			the duct and building envelope leakage measured. A certified HERS rater will verify that the HVAC system duct leakage rate and dwelling unit air infiltration rate meets or exceeds the Energy Star Builder Option Package requirements for the appropriate project specific climate zone. For Georgia, the duct leakage rate is less than 4 cfm/100 sf and the dwelling unit air infiltration is an ACH 50 of 7. Verification testing shall follow the Energy Star testing protocol. Test reports verifying compliance shall be submitted at either the LIHTC final certification or HOME Loan final construction draw, whichever comes first.	100%				incl
		bathroom ventilation fans	vent all range hoods to the exterior and provide a back draft damper.	100%				incl
			provide exhaust fans including back draft dampers and vent to the exterior. All bathroom fans shall have a maximum sound level of 2.0 zones, minimum 80 cfm, and minimum efficiency level of 1.4 cfm/watt.	100%				incl
			vent bath exhaust fans to the exterior using rigid metal piping per EarthCraft Requirements.	100%				incl
			vent dryer exhaust to the exterior.	100%				incl
		solar hot water heating						\$ -
26	16	Electrical						
		unit light fixtures	new Energy Star lighting fixtures in place of existing fixtures throughout each unit.	100%	1	LS	\$ 30,000.00	\$ 30,000
			install light fixtures per upgraded finish schedule.	100%				incl
			At least 80% of the interior light fixtures shall be fluorescent lights.	100%				incl
		common area/exterior building mounted light fixtures	install exterior building light fixtures.	100%				incl
			install new light fixture at monument sign.	100%				incl
			automatic outdoor lighting controls (i.e. motion sensors, photocells, etc.) .	100%				incl
		pole lights	Site lighting is EXCLUDED	0%				\$ -
		ceiling fans	ceiling fans in all bedrooms and living rooms (minimum efficiency 115 CFM/watt) with light kit and one switch for each component in each unit.	100%				incl
		electrical wiring (within unit)	extend all wiring for devices and equipment as necessary.	100%	48	EA	\$ 4,900.00	\$ 235,200
			install exhaust fans controlled by motion detector.	100%				incl
		outlets & light switches	replace all electrical devices and covers.	100%				incl
			provide and install GFCI circuits for all code requirements in bathrooms, kitchens and outdoors.	100%				incl
			provide and install Arc-Fault breakers for all bedroom circuits for standard plug in breakers.	100%				incl
			10. Contractor will install dedicated circuits.	100%				incl
			provide and install a disconnect at HVAC and water heater in each unit.	100%				incl
			relocate all switches in handicap accessible units to ADA specifications.	100%				incl
			install emergency pull cords with weatherproof mini horns in ADA units.	100%				incl
			doorbell system in each unit.	100%				incl
			MSDE voice and transmit box in each unit.	100%				incl
		distribution--breaker boxes, breakers, meters	new meter centers, load centers and panels.	100%				incl
		solar panels						\$ -
27	16	Communications Systems (cable, phone, internet, etc)						
		cable outlets	outlets	100%				incl
		cable wiring	wiring	100%				incl

Georgia Department of Community Affairs
Office of Affordable Housing
Rehabilitation Work Scope

PROJECT NAME:	Jackson Hill Apartments	YEAR BUILT:	
PROJECT LOCATION:		UNIT COUNT:	48
OWNER:	Hallmark Companies	GROSS SQUARE FOOTAGE:	

*** All line items list must be address with either N/A (not applicable) or a description, percentage, quantity, unit, and cost. This form represents the minimum detail of scope that must be reported; additional line items may be added. Quantities and the approximate percentage of demolition or replacement are of utmost importance. These must clearly demonstrate the extent of the proposed work within the context of the entire existing property.

CSI DIVISION		TRADE ITEM	Describe scope: materials, performance specifications	Percentage of total existing to be demoed or replaced	QUANTITY	UNIT (sf, lf, ea, cy, sy, etc.)	UNIT COST	TOTAL (quantity * unit cost)
New Format	Old Format							
		phone jacks	jack	100%				incl
		phone wiring (per unit)	wiring	100%				incl
		internet system (wireless or hard wired?)	hardwire	100%				incl
28	16	Safety systems						
		smoke detectors	1. Contractor will provide and install new hard wired smoke detectors in each unit.	100%				incl
		fire alarm system						\$ -
		security alarm system						\$ -
		access control system						\$ -
		camera system						\$ -
		Subtotal (structures)						\$ 2,298,235
		Total (Structure & Land Imprvmts)						\$ 2,685,590

Unit count \$ 55,950
square footage #DIV/0!

ACCESSIBILITY CONVERSION:

--In addition to the above, the extent of the work required to convert existing units to UFAS-compliant units must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.

--In addition to the above, the extent of the work required to convert the leasing office/clubhouse for UFAS, Fair Housing, and AHA compliance must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.

--In addition to the above, the extent of the work required to bring units and accessible paths into compliance with Fair Housing must be detailed including whether partitions or plumbing fixtures will need to be moved, door/doorways expanded, grab bars installed, entries, thresholds, parking spaces, and accessible paths to units reworked, etc.; while the scope must be detailed separately, the cost should be included elsewhere with the trades that perform specific portions of the work.