



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

**GROVELAND TERRACE
1717 Telfair St
Dublin, Laurens County, Georgia**

**Effective Date: May 15, 2013
Report Date: June 12, 2013**

Prepared For

**Ms. Patti Adams
BSR Trust, LLC
105 Tallapoosa Street, Suite 300
Montgomery, AL 36104**

Prepared By

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June 12, 2013

Ms. Patti Adams
BSR Trust, LLC
105 Tallapoosa Street, Suite 300
Montgomery, AL 36104

Re: Market Study for Groveland Terrace in Dublin, Georgia

Dear Ms. Adams:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Dublin, Laurens County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the renovation of Groveland Terrace, an existing HUD Section 8 subsidized family property consisting of 52 units. Units will be restricted to households earning 60 percent of the AMI, or less. All units will continue to operate with Section 8 project based subsidy and all tenants will pay 30 percent of their income towards rent. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

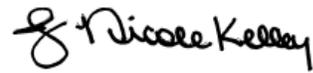
Respectfully submitted,



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ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or

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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.

20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Groveland Terrace (Subject) is an existing 52 unit Section 8 development located at 1717 Telfair Street in Dublin, Laurens County, Georgia. The Subject consists of five two-story buildings that were originally constructed in 1971 that will be renovated with tax credits. The Subject consists of studio, one, two, three, and four-bedroom units. Currently, there is one studio unit that is utilized as an on-site management office. Following renovations, the unit will be converted into a revenue unit. Additionally, as part of the renovations, a community building will be constructed. The community building will include an on-site management office, community room, computer lab, and central laundry. Renovations are expected to total approximately \$56,408 per unit, which is considered significant.

The Subject is currently 100 percent occupied with a wait list of 214 households. The Subject's HAP contract was renewed on June 1, 2004 for a 20 year period. The sponsor will request a new 20-year contract as part of the acquisition/rehabilitation. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

PROPOSED RENTS

Unit Type	Number of Units	Square Footage	Asking Rent	Utility Allowance (1)	Gross Contract Rent	2013 LIHTC	HUD Fair
						Maximum Allowable Gross Rent	Market Rents
<i>60% AMI</i>							
Studio/1BA	8	390	BOI	\$91	\$499	\$519	\$484
1BR/1BA	12	560	BOI	\$116	\$612	\$556	\$505
2BR/1BA	12	740	BOI	\$150	\$705	\$667	\$599
3BR/2BA	12	890	BOI	\$180	\$779	\$771	\$829
4BR/2BA	8	1,050	BOI	\$181	\$904	\$861	\$832
Total	52						

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

The Subject's utility allowance is approved by HUD/Section 8 contract and not regulated by DCA. As illustrated in the table, all of the Subject's units will operate with an additional Section 8 subsidy and all tenant rents will be based on income (BOI). Tenants will pay 30 percent of their monthly income towards rent.

Following renovations, the Subject will offer the following in unit amenities: blinds, carpeting, central air conditioning, dishwashers, garbage disposal, refrigerators, ovens, and washer connections (no dryer connections). Community amenities will include a community room, a central laundry facility, on-site management, off-street parking, computer center, playground equipment, and video surveillance. The the proposed in unit and community amenities will be generally similar to those at the newer constructed comparables. In addition, it should be noted that the Subject is currently 100 percent occupied with a waiting list. Therefore, the amenities have not impacted the Subject's performance in the past and we do not believe that they will impact the Subject's performance following renovations.

2. Site Description/Evaluation:

The Subject is located in the southern portion of Dublin, GA. Surrounding uses consist of wooded land, scattered retail, an office building, the Farmers Home Furniture corporate office/manufacturing facility, and a few mobile homes and single-family homes. The mobile homes are in generally average condition, while the single-family housing in the neighborhood exhibits good condition. The commercial improvements in the Subject immediate neighborhood generally range in condition from average to good. Overall, the commercial uses along Telfair Street appear to be 80 percent occupied or better. The Subject site offers good visibility and curb appeal. Overall, the Subject site presents an excellent location for an affordable, multifamily development and the Subject renovation will have a positive impact on the local neighborhood. Additionally, the Subject is located within a convenient distance (4.1 miles) of all locational amenities.

The Subject has ingress/egress and visibility from Telfair Street, a two lane arterial with moderate traffic flow. Ingress/egress is considered average, while visibility is considered good. Telfair Street provides access into the city of Dublin to the north and Interstate 16, approximately 2.0 miles to the south. Overall, access is considered good.

3. Market Area Definition:

The Subject's PMA has been defined as the Laurens County boundaries to the north, west, south and east. The farther PMA boundary distance is 21.1 miles. This area includes the cities and towns of Dublin, East Dublin, Cadwell, Brewton, and Dudley. The area was defined

based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. The property managers at LIHTC comparables, such as Emerald Pointe Apartments and Meadowwood Park Apartments, indicated that significant portion of their tenants come from the PMA and a limited percentage originate from Wrightsville and Adrian. Per Georgia DCA guidelines, we have assumed that all of the Subject's tenants will originate from within the PMA boundaries and have not accounted for leakage.

4. Community Demographic

Data:

Historically, total population and household growth in the PMA and SMA has been moderate, slightly below that of the nation overall. The current PMA population and number of households are 48,428 and 18,602, respectively. By 2017, both population and households are projected to increase slightly to 48,522 and 18,673, respectively. The age distribution of the PMA indicates a significant presence of families as approximately 28.0 percent of its population is aged 19 years or younger.

From 2000 to 2012, the percentage of renter households increased 500 basis points, although the share of renters is projected to remain generally stable through 2017. The current share of renters (34.6 percent) in the PMA is slightly above the national average of 33 percent. As of 2012, a significant portion of these households, approximately 56.6 percent, earn an annual wage less than \$30,000. Post renovations, the Subject will target households earning between \$0 and \$36,480 and will continue to target one through six-person households. Through 2017, the percentage of low-income households, those earning less than \$40,000, is projected to increase 210 basis points. Overall, these demographic trends indicate a strong rental market for the Subject and its unit mix.

In April 2013, one in every 418 housing units in the country received a foreclosure filing, according to RealtyTrac. The foreclosure rate in the state of Georgia is below that of the nation overall, as one in 682 homes filed for foreclosure in the state. The foreclosure rate in Laurens County was lower than the state's level, as one in 2,128 homes filed for foreclosure. Since June of 2012, the number of foreclosures has fluctuated, but has largely

declined. Overall, the low foreclosure rate in the county is a positive indicator for the Subject.

5. Economic Data:

Major industries in Laurens County include retail trade, healthcare, and manufacturing. The city of Dublin is home to the region's medical centers, Carl Vinson VA Medical Center and Fairview Park Hospital. Relative to the nation, the PMA's workforce is significantly overrepresented in the health care/social assistance, manufacturing and public administration sectors. Employment has declined 11.6 percent and unemployment has increased 330 basis points over the past five years. The decline in total employment since the latest recession is primarily attributable to the presence of the manufacturing sector in the SMA. From 2009 to 2013 year-to-date, a total of 832 workers have been laid off by manufacturers in Dublin. As of March 2013, the unemployment rate in the SMA remains in the double digits at 10.6 percent, 300 basis points above the national average. The SMA remains affected by the recession; however, it has experienced smaller reductions in total employment since 2011. Furthermore, two European manufacturers have either recently announced or opened major manufacturing plants in Dublin. The Erdich plant is projected to create a total of 178 jobs over 36 months. The recent employment trend is a positive indicator for the Subject as it is located in close proximity to employment centers that typically hire entry to mid-level positions.

6. Project-Specific Affordability And Demand Analysis:

The Subject will target very low income households and will operate with 100 percent project-based subsidy. Per the Georgia Department of Community Affairs (GA DCA) 2013 Qualified Action Plan (QAP) and Market Study Manual, units that operate with PBRA and/or units that are priced 30 percent lower than the average market rent for the bedroom type in any income segment will be assumed to be leasable in the market and deducted from the total number of units at the Subject when determining capture rates. Therefore, all units at the Subject are presumed leasable as they will operate with subsidy.

7. Competitive Rental Analysis:

The availability of LIHTC data is considered adequate. There are four multifamily LIHTC comparable properties located within the PMA. Hickory Trace is the only LIHTC comparable located outside the PMA; however, it is located in the nearby city of Swainsboro. We have included five market rate properties located within 3.3 and 54.8 miles of

the Subject. Furthermore, two of the LIHTC comparables, Emerald Pointe Apartments and Waterford Estates, also have market rate units. Due to limited availability of market rate studio and four-bedroom units it was necessary to extend our search outside the PMA. Additionally, we have supplemented the conventional rental comparables with classified listings of studio and four-bedroom rentals. Overall, we consider the availability of market data to be limited.

The Subject will operate with 100 percent subsidy and tenants will pay 30 percent of their income towards the monthly rent. Therefore, the Subject will have a significant rent advantage over LIHTC and unrestricted rents in the market. The range of adjusted rents in the market is \$325 to \$1,750.

8. Absorption/Stabilization Estimate:

We were able to obtain absorption information for one of the comparables, Emerald Pointe Apartments. Emerald Pointe Apartments is a mixed market rate, LIHTC, and project-based rental assisted project that absorbed all 64 units within two months of opening in 2006. As part of its renovation, the Subject will convert one studio unit from non-revenue to revenue producing. However, the Subject is fully occupied with a wait list, including 28 households waiting for studio units. Given the tenancy of the Subject and its extensive waiting list, a hypothetical absorption pace would most likely be approximately 30 units per month. If the Subject had to hypothetically reabsorb all of its units post-renovation, we believe that the Subject could reach 93 percent occupancy within two months. However, the Subject is an existing development that is currently fully occupied, and the renovations will occur as a rolling renovation with tenants remaining in place. All of the Subject's existing tenancy will income-qualify following renovations, and the absorption analysis is moot.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The Subject will target families. There is a strong demand for this type of housing in the PMA as comparables reported high occupancy rates. Additionally, all of the LIHTC and one market rate comparable reported waiting lists. The Subject will face limited competition and will operate with 100 percent

subsidy. LIHTC vacancy in the market is low and the Subject will be similar to inferior to the comparable family LIHTC properties in terms of age/condition and amenities. The Subject's greatest weaknesses are its unit sizes and number of bathrooms, as all of the comparable LIHTC properties reported larger units with more bathrooms in larger unit configurations. However, the Subject has and will improve its amenity package and condition, post-renovation. Overall, we believe there is demand for the Subject as conceived.

Summary Table:

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

Development Name:	Groveland Terrace	Total # Units:	52
Location:	1717 Telfair Street	# LIHTC Units:	52
	Dublin, Laurens County, GA		
PMA Boundary:	Laurens County		
	Farthest Boundary Distance to Subject:		21.1 miles

Rental Housing Stock (found on pages 77)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	542	11	98.0%
Market-Rate Housing	3	294	7	97.6%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	4	248	4	98.4%
Stabilized Comps	7	542	11	98.0%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

*Only includes properties in PMA

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
8	0BR 60%/Sec. 8	1	390	BOI	\$408	\$1.05	N/Ap	\$484	\$4.68
12	1BR 60%/Sec. 8	1	560	BOI	\$496	\$0.89	N/Ap	\$585	\$0.94
12	2BR 60%/Sec. 8	1	740	BOI	\$555	\$0.75	N/Ap	\$713	\$0.83
12	3BR 60%/Sec. 8	1	890	BOI	\$599	\$0.67	N/Ap	\$792	\$0.58
8	4BR 60%/Sec. 8	1.5	1,050	BOI	\$723	\$0.69	N/Ap	\$995	\$0.62

Demographic Data (N/Ap)

	2000		2012		2014	
Renter Households	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Income-Qualified Renter HHs (LIHTC)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap

Targeted Income-Qualified Renter Household Demand (N/Ap)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Existing Households (Overburdened + Substandard)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Homeowner conversion (Seniors)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Total Primary Market Demand						
Less Comparable/Competitive Supply	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Adjusted Income-qualified Renter HHs**	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap

Capture Rates (N/Ap)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject is located at 1717 Telfair Street in the southwestern portion of Dublin, Laurens County, Georgia.
Construction Type:	The Subject will be a renovation of an existing walk-up garden style development consisting of two, five-story buildings. The buildings are wood frame construction and have vinyl and brick veneer.
Occupancy Type:	The Subject targets families consisting of one to six persons.
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	Currently, all of the units at the Subject operate with a project-based Section 8 subsidy. Post-renovation, the Subject will continue to operate with a subsidy.
Proposed Development Amenities:	See following property profile.

Property Profile Report
Groveland Terrace Apartments

Location 1717 Telfair St
 Dublin, GA 31021
 Laurens County
 Intersection: Telfair St and
 Kellam Rd

Distance 3 miles

Units 52

Vacant Units 0

Vacancy Rate 0.00%

Type Garden
 (2 stories)

Year Built / Renovated 1971 / Proposed
 December 2014



Market

Program @60% (Section 8) **Leasing Pace** n/a

Annual Turnover Rate 20% **Change in Rent (Past Year)** n/a

Units/Month Absorbed n/a **Concession** None

Section 8 Tenants n/a

Utilities

A/C not included -- central **Other Electric** not included

Cooking not included -- electric **Water** included

Water Heat not included -- electric **Sewer** included

Heat not included -- electric **Trash Collection** included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
0	1	Garden (2 stories)	8	390	BOI	\$0	@60% (Section 8)	Yes	0	0.00%	N/A
1	1	Garden (2 stories)	12	560	BOI	\$0	@60% (Section 8)	Yes	0	0.00%	N/A
2	1	Garden (2 stories)	12	740	BOI	\$0	@60% (Section 8)	Yes	0	0.00%	N/A
3	1	Garden (2 stories)	12	890	BOI	\$0	@60% (Section 8)	Yes	0	0.00%	N/A
4	1.5	Garden (2 stories)	8	1,050	BOI	\$0	@60% (Section 8)	Yes	0	0.00%	N/A

Amenities

In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Garbage Disposal Oven Refrigerator Washer/Dryer hookup	Security	Limited Access Video Surveillance
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Central Laundry Off-Street Parking On-Site Management Playground	Premium	none
Services	none	Other	Gazebo

Comments

The property consists of five two-story buildings. The property currently maintains a waiting of 28 households for efficiency units, 88 households for one-bedrooms, 58 households for two-bedrooms, 15 households for three-bedrooms, and 25 households for four-bedrooms. In terms of amenities currently offered, washer connections are provided, but there are no dryer connections. The contract rents are \$408, \$496, \$555, \$599, and \$723 for studio, one, two, three, and four-bedroom units, respectively. The utility allowances are \$91, \$116, \$150, \$180, and \$181 for studio, one, two, three, and four-bedroom units, respectively. The property is projected to start renovation work in April 2014 and complete it by December 2014. The estimated total renovation cost is \$2,933,205. The estimated total renovation cost per unit is \$56,408. The scope of renovations includes, but are not limited to: construction of a community building with a central laundry room, community room, and computer room, installation of new ADA ramps, heat pump HVAC system, Energy Star windows and refrigerators, carpets, dishwashers, stoves, range hood, countertops, vanities, and garbage disposals, replacement of the roof and property signage, and repaint the units, exterior, and common areas.

Scope of Renovations:	<p>The Subject's renovations will total \$2,933,205, or approximately \$56,408 per unit. These renovations are considered extensive and will include but are not limited to:</p> <ul style="list-style-type: none"> • New carpeting in all units • New paint in all unit, exterior, and common areas • New ADA wheelchair ramps • New heat pump HVAC system • New Energy Star windows • Replacement of signage • Replacement of roof • New kitchen countertops and appliances • New bathroom vanities • Replace playground equipment • Installation of dishwashers and garbage disposals in unit kitchens • Construction of a community building with on site management, central laundry, community room, and computer room • Converting the studio unit utilized as on-site manager's office into revenue unit
Current Rents:	<p>The current contract rents at the Subject are \$408 for efficiencies, \$496 for one-bedrooms, \$555 for two-bedrooms, \$599 for three-bedrooms, and \$723 for four-bedrooms.</p>
Current Occupancy:	<p>The Subject is currently 100 percent occupied with an extensive waiting list. Its waiting list consists of 28 households for efficiencies, 88 households for one-bedrooms, 58 households for two-bedrooms, 15 households for three-bedrooms, and 25 households for four-bedrooms.</p>
Current Tenant Income:	<p>The Subject's current tenants are maintaining incomes that range from \$0 to \$7,520, which averages \$1,495 annually. Post renovations, the Subject will target households earning between \$0 and \$28,320 per year. If the Subject were to operate without subsidy, the majority of the existing households would not be income qualified. However, because the Subject will continue to operate with an additional subsidy, all tenants will remain income qualified following renovations.</p>
Placed in Service Date:	<p>Renovations will occur with tenants in place, and renovations are projected to be complete in December 2014.</p>

Conclusion:

The Subject will be a good-quality, garden style development. As a newly rehabbed development, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

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

Brad Weinberg visited the site on May 15, 2013.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

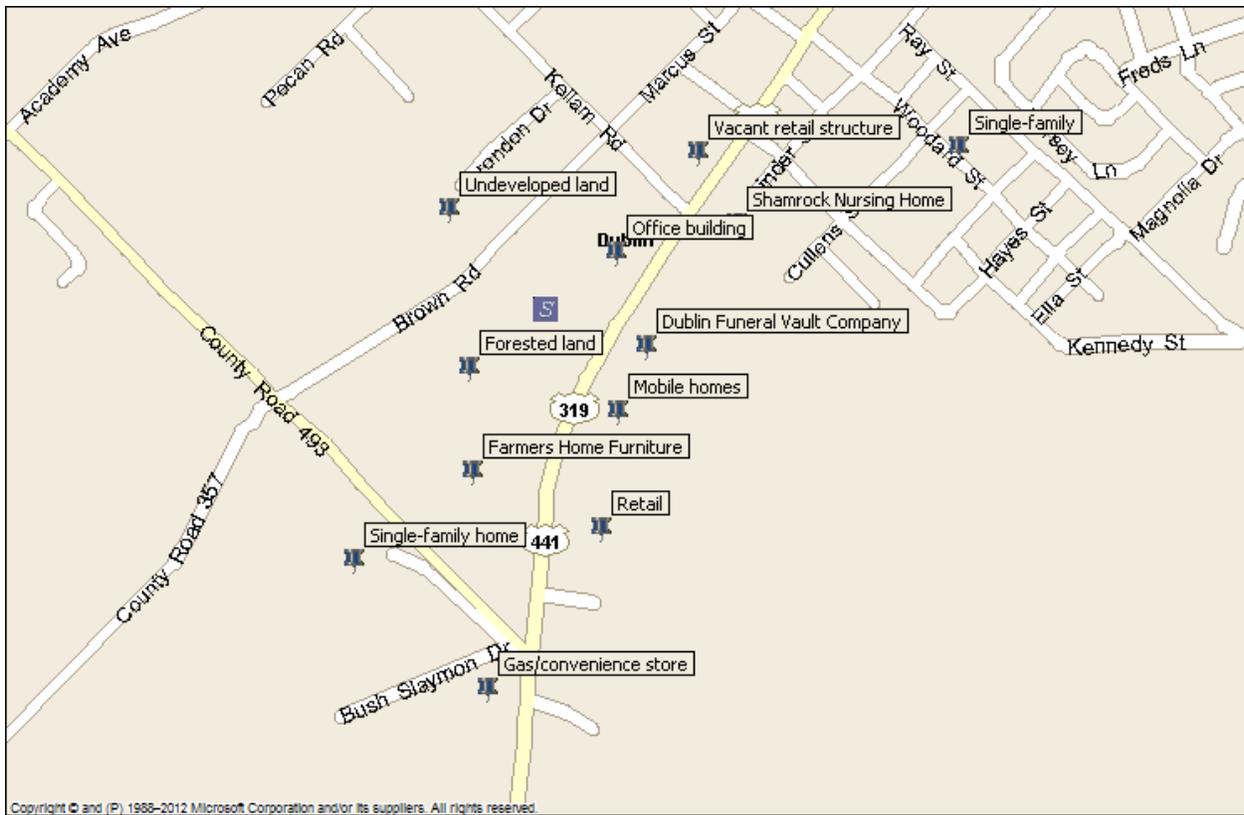
The Subject site has frontage along Telfair Street (aka US Highway 319).

Visibility/Views:

The Subject is located on the western side of Telfair Street and has good visibility and views.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject is located in the southern portion of Dublin, GA. Surrounding uses consist of wooded land, scattered retail, an office building, the Farmers Home Furniture corporate office/manufacturing facility, and a few mobile homes and single-family homes. The mobile homes are in generally average condition, while the single-family housing in the neighborhood exhibits good condition. The commercial improvements in the Subject immediate neighborhood generally range in condition from average to

good. Overall, the commercial uses along Telfair Street appear to be 80 percent occupied or better.

Positive/Negative Attributes of Site: The Subject has good proximity to retail and other services as referenced in the locational amenities section below. We did not witness any negative attributes during our field work.

3. Physical Proximity to Locational Amenities:

The Subject is located in close proximity to various amenities and services, such as schools, recreational facilities, and retail. The Southern Pines Regional Park, operated by the Dublin Laurens County Recreation Authority, is located approximately 2.1 miles south of the Subject site. The regional park includes of 15 baseball fields, five soccer fields, and a walking trail. The city of Dublin does not have a public transportation system.

4. Pictures of Site and Adjacent Uses:



Subject entry signage



Typical Subject building



Typical Subject building



Typical Subject building



View northeast along Telfair Street



View southwest along Telfair Street



Typical Subject dumpster area



Subject green space



Subject playground equipment



Subject mail center



Typical Subject sidewalk



Subject security cameras



Worn exterior



Typical Subject gutters



Typical Subject parking area



Management office



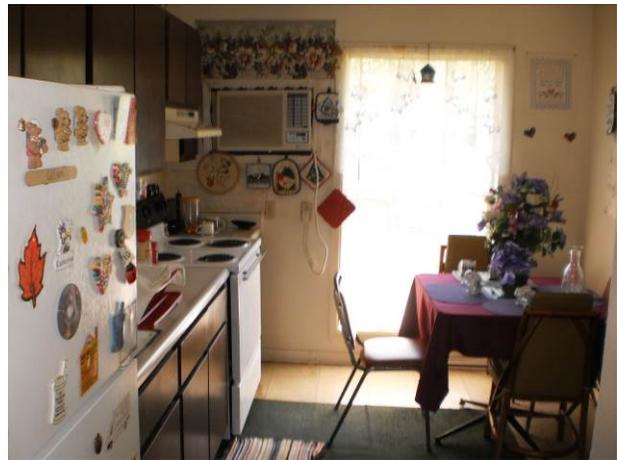
Typical living room



Typical bedroom



Typical bathroom



Typical kitchen



Typical washer connection area



Typical air conditioning compressors



Worn flooring



Typical bedroom closet



Typical back doors



View east toward Dublin Funeral Vault Company



View south toward forested land



View west toward forested land



View north toward office building



Mobile homes to south



Retail uses to south



Gas/convenience store to south



Farmers Home Furniture to south



Single-family home to south



Office building adjacent to north



Shamrock Nursing Home to north



Vacant retail structure to north



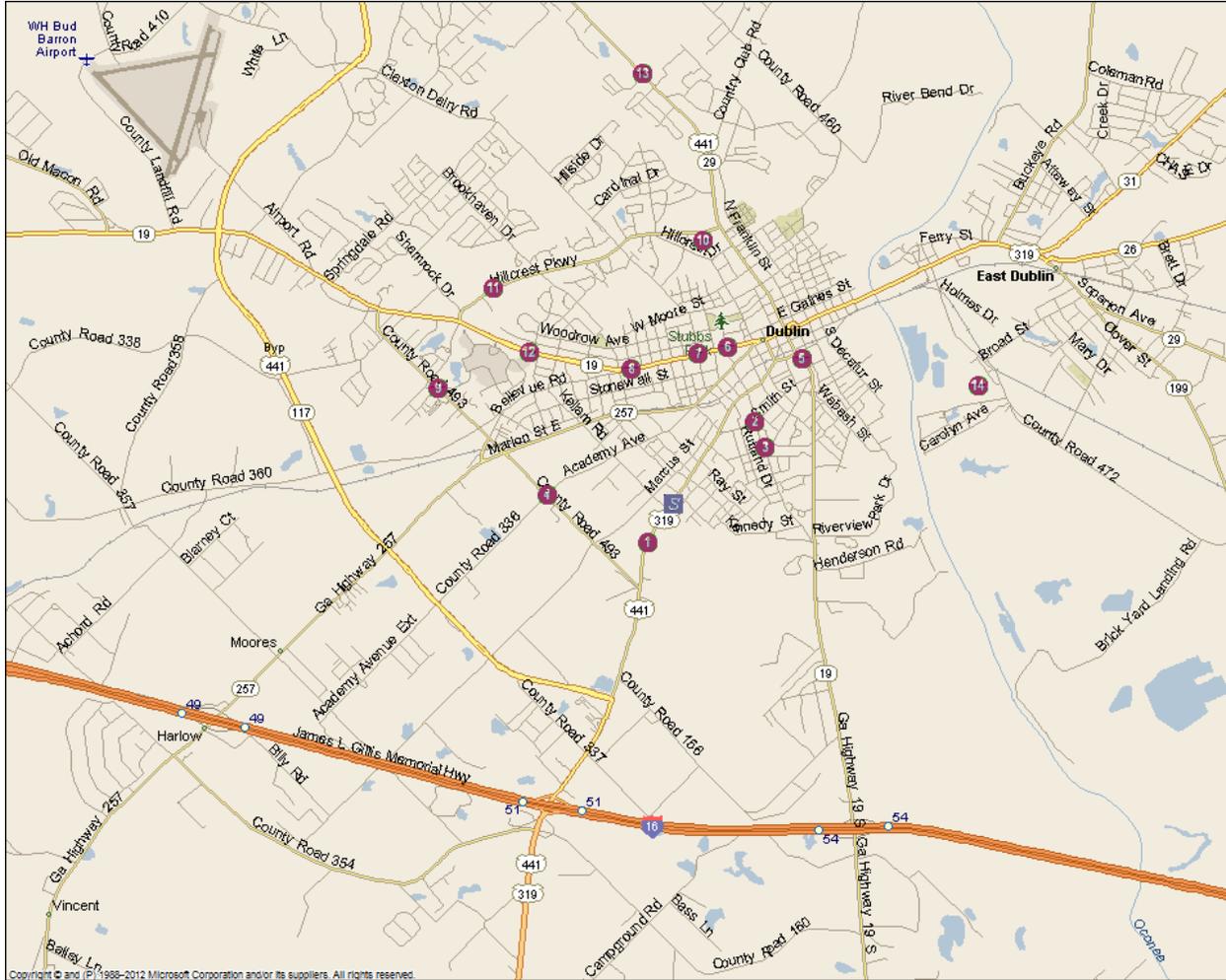
Typical single-family home to north



Convenience store to north

5. Proximity to Locational Amenities:

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



LOCATIONAL AMENITIES

Map Number	Service or Amenity	Miles From Subject
1	Farmers Home Furniture Site	0.3
2	Saxon Heights Elementary School	1.0
3	Fire Station	1.1
4	Flexsteel Industries Plant	1.6
5	Police Station	1.7
6	Post Office and Piggly Wiggly Grocery Store	1.9
7	Laurens County Library	2.2
8	Atlantic South Bank	2.7
9	Fairview Park Hospital	2.8
10	Northcrest Square Shopping Center and Fred's Pharmacy	3.0
11	Dublin High School	3.7
12	Carl Vins on VA Medical Center	4.0
13	Dublin Middle School	4.1
14	Mohawk Industries Plant	4.1

6. Description of Land Uses:

The Subject is located in the southern portion of Dublin, GA. Surrounding uses consist of wooded land, scattered retail, an office building, the Farmers Home Furniture corporate office/manufacturing facility, and a few mobile homes and single-family homes. The mobile homes are in generally average condition, while the single-family housing in the neighborhood exhibits good condition. The commercial improvements in the Subject immediate neighborhood generally range in condition from average to good. Overall, the Subject is compatible with the surrounding uses within one mile. Additionally, all locational amenities are located within a reasonable distance of the Subject.

7. Multifamily Residential within Two Miles:

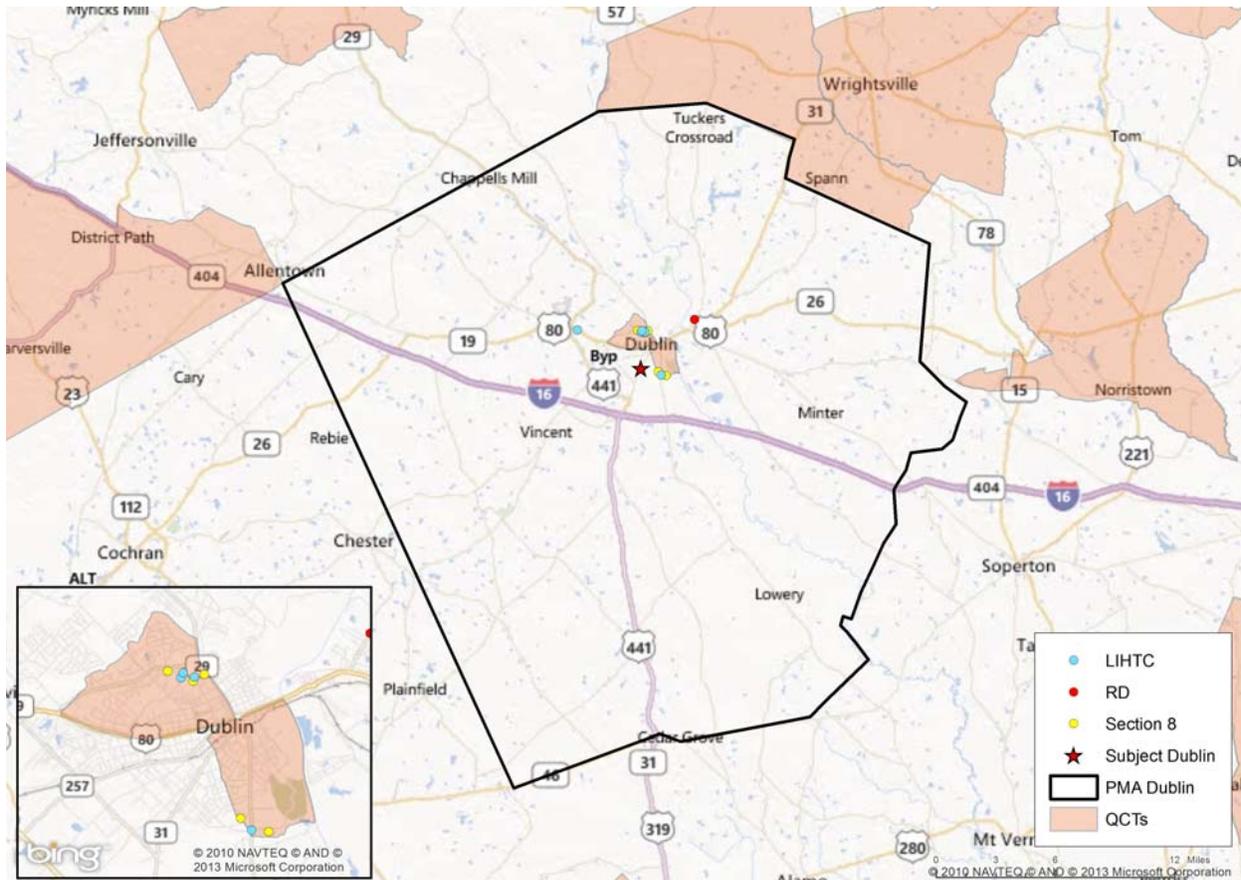
There are two multifamily developments located within two miles of the Subject. Shamrock Village Apartments and Riverview Heights are Section 8 properties located along South Jefferson Street and Riverview Park Drive. Due to the Section 8 subsidies, the properties are not utilized as a comparables.

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

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

Groveland Terrace, Dublin, GA; Market Study

Property Name	Address	City	State	Type	Tenancy	Map Color	Included/ Excluded	Distance (miles)	Reason for Exclusion
Dogwood Terrace	202 Woodlawn Dr	Dublin	GA	Section 8	Disabled	Yellow	Excluded	3.3	Subsidized; Tenancy
Hillcrest Group Home	202 Hillcrest Dr	Dublin	GA	Section 8	Disabled	Yellow	Excluded	2.9	Subsidized; Tenancy
Martin Court	143 Hillcrest Dr	Dublin	GA	Section 8	Family	Yellow	Excluded	2.9	Subsidized
Riverview Heights	200 Riverview Dr	Dublin	GA	Section 8	Senior	Yellow	Excluded	3.2	Subsidized; Tenancy
Shamrock Village Apts	1606 S Jefferson St	Dublin	GA	Section 8	Family	Yellow	Excluded	1.5	Subsidized
Jasmine Lane Apts	600 Buckeye Rd	East Dublin	GA	RD	Family	Red	Excluded	4.3	Subsidized
Emerald Pointe Apartments	111 Woodlawn Dr	Dublin	GA	LIHTC	Family	Cyan	Included	3.0	N/A
Hillcrest Apartments	208 Hillcrest Drive	Dublin	GA	LIHTC	Family	Cyan	Included	2.8	N/A
Apartment	2410 Hwy 80 W	Dublin	GA	LIHTC	Family	Cyan	Included	6.7	N/A
Waterford Estates	And Riverview Rd	Dublin	GA	LIHTC	Family	Cyan	Included	2.6	N/A
Woodlawn Sr Village	200 Woodlawn Dr	Dublin	GA	LIHTC	Senior	Cyan	Excluded	3.3	Tenancy



Dublin, GA



9. Road/Infrastructure

Proposed Improvements:

There are no current road/infrastructure improvements based upon site inspection.

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

The Subject has ingress/egress and visibility from Telfair Street, a two lane arterial with moderate traffic flow. Ingress/egress is considered average, while visibility is considered good. Telfair Street provides access into the city of Dublin to the north and Interstate 16, approximately 2.0 miles to the south. Overall, access is considered good.

11. Environmental Concerns:

None visible upon site inspection.

12. Detrimental Influences:

There are no significant detrimental influences.

13. Conclusion:

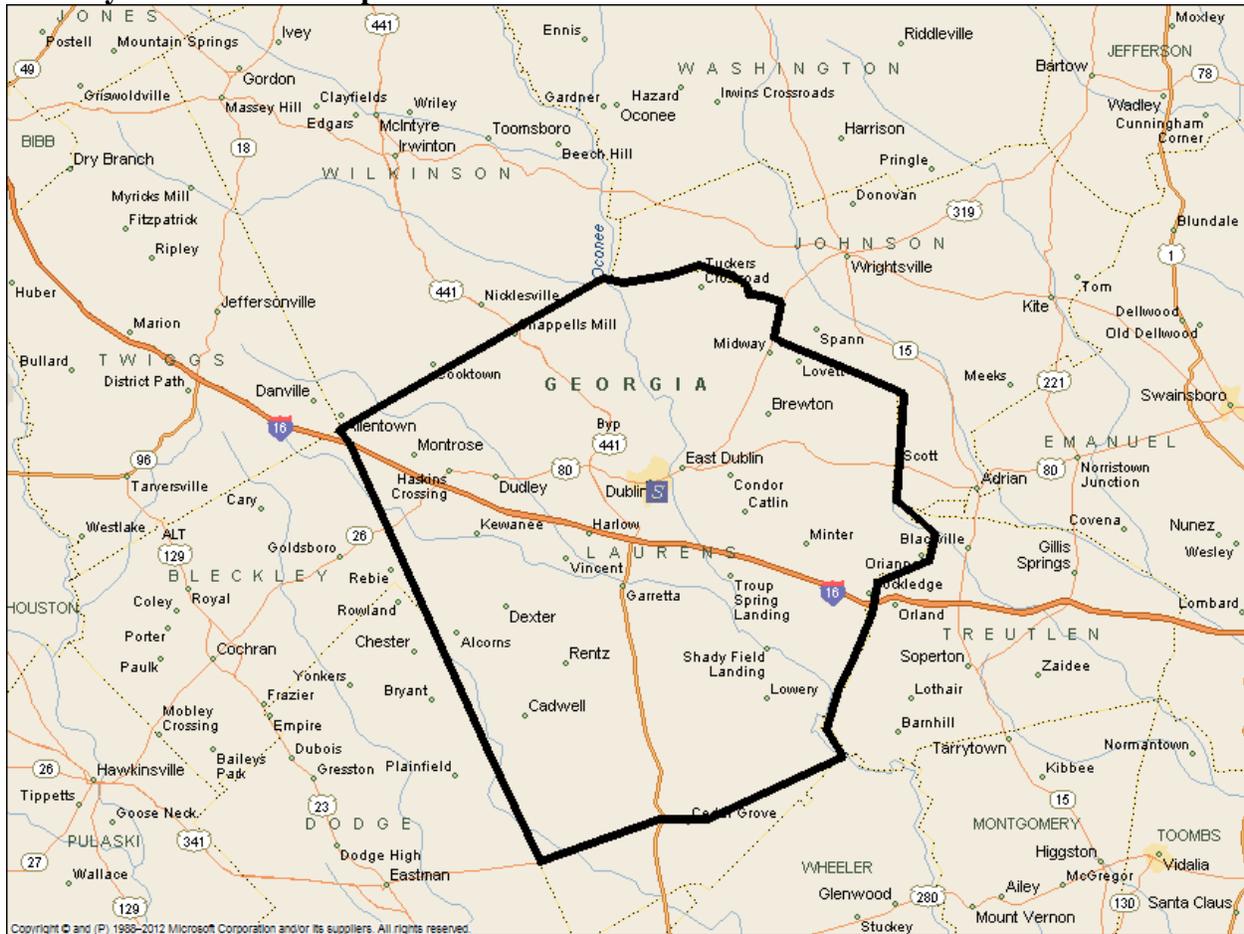
The Subject is located along Telfair Street, which contains a mixture of commercial and light industrial uses. The Subject is located within close proximity to employment centers and amenities, such as the local grocery store and public schools. The retail and commercial corridor exhibit generally average condition. Single-family and mobile homes near the Subject exhibit fair to good condition. Lastly, the Subject offers good visibility and curb appeal, and has a positive impact on the local neighborhood.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



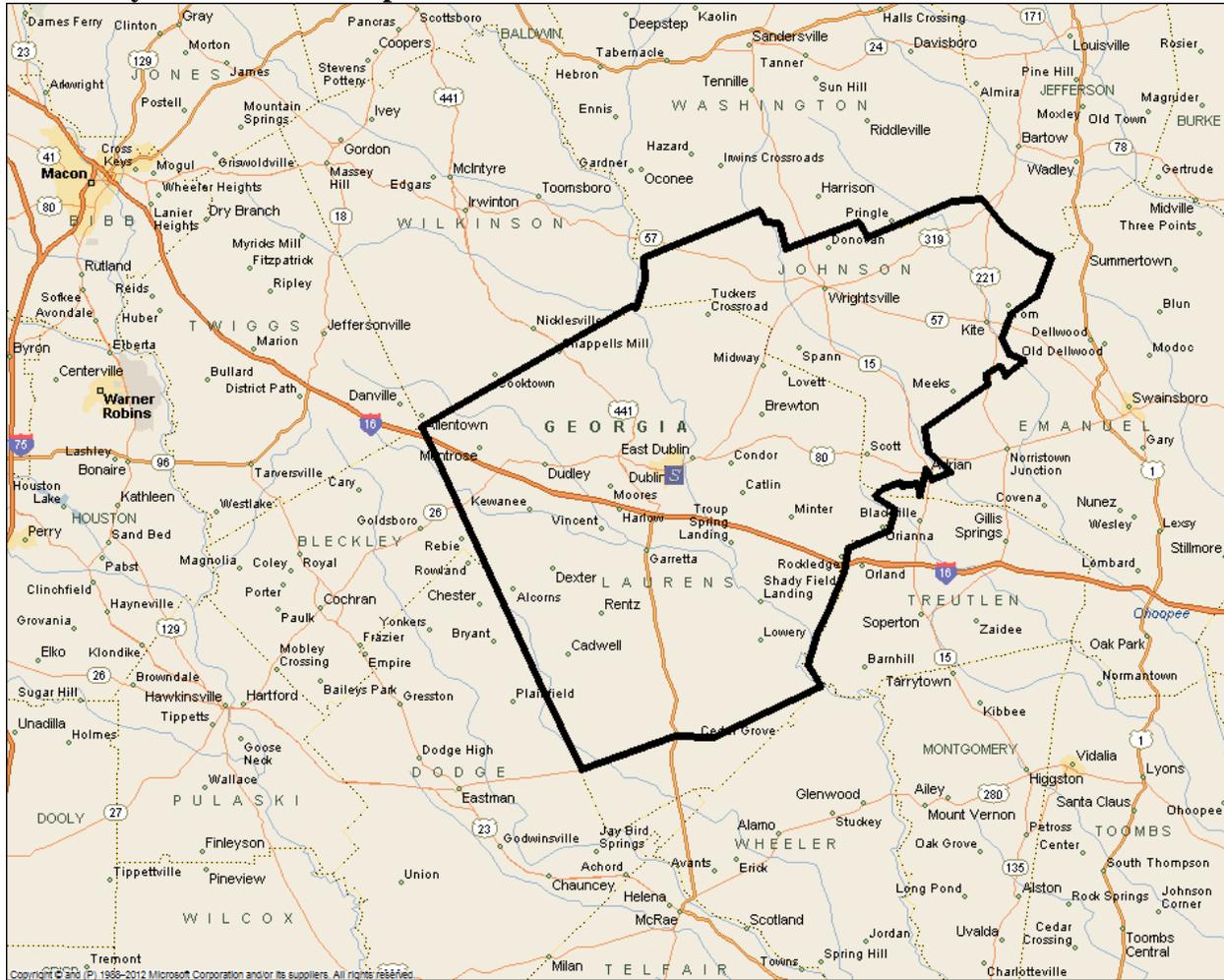
The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Dublin, GA Micropolitan Statistical Area (SMA) are areas of growth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

The boundaries of the PMA are as follows:

- North – Laurens County boundaries
- South- Laurens County boundaries
- East- Laurens County boundaries
- West- Laurens County boundaries

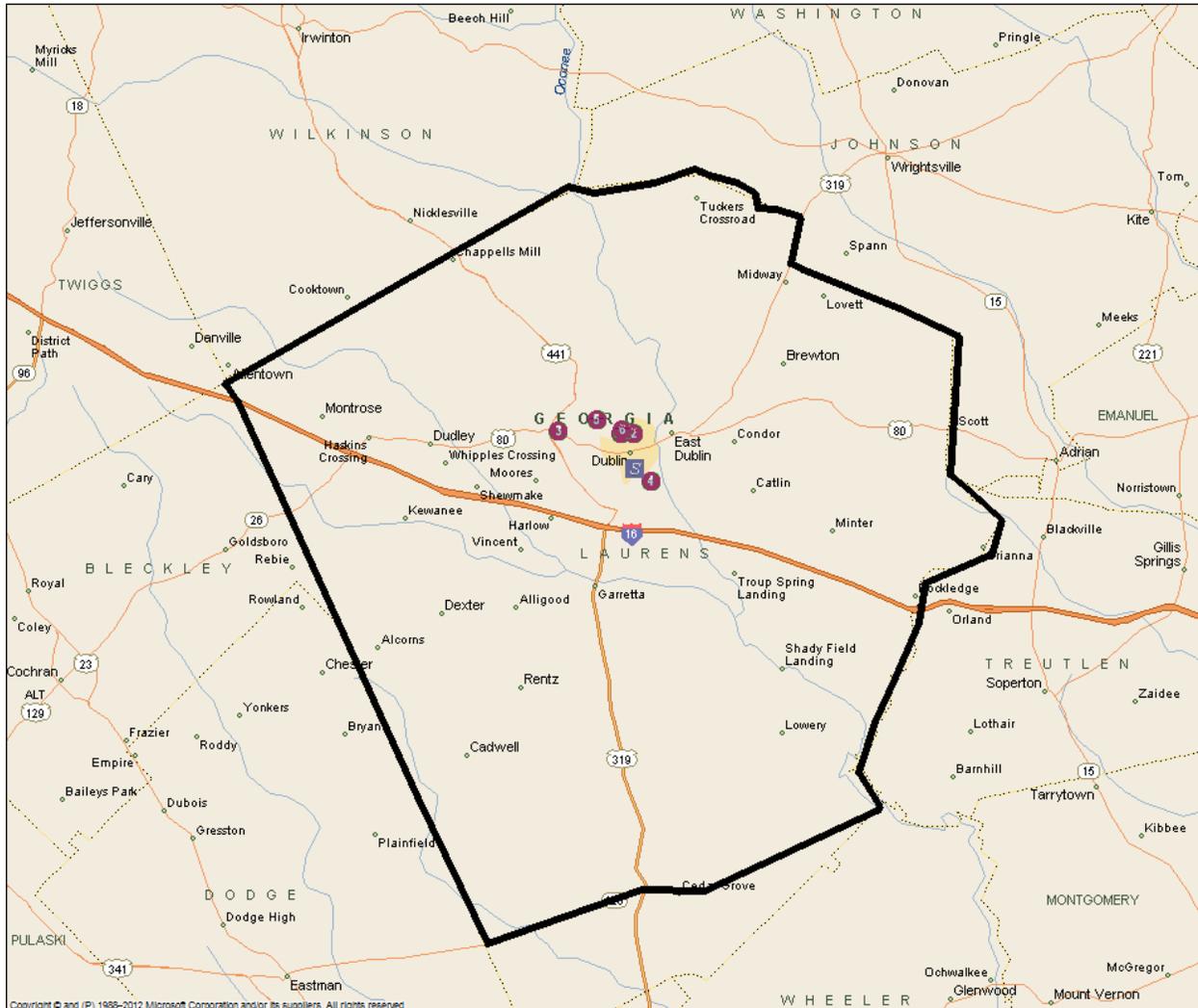
The PMA is defined by the Laurens County boundaries to the north, west, south and east. This area includes the cities and towns of Dublin, East Dublin, Cadwell, Brewton, and Dudley. The area was defined based on interviews with the local housing authority, property managers at comparable properties, and the Subject’s property manager. The property managers at LIHTC comparables, such as Emerald Pointe Apartments and Meadowwood Park Apartments, indicated that significant portion of their tenants come from the PMA and a limited percentage originate from Wrightsville and Adrian. Per Georgia DCA guidelines, we have assumed that all of the Subject’s tenants will originate from within the PMA boundaries and have not accounted for leakage.

Secondary Market Area Map



The SMA is defined by the boundaries of Laurens and Johnson counties to the north, west, south, and east. This area includes the cities and towns of Dublin, East Dublin, Wrightsville, and Kite.

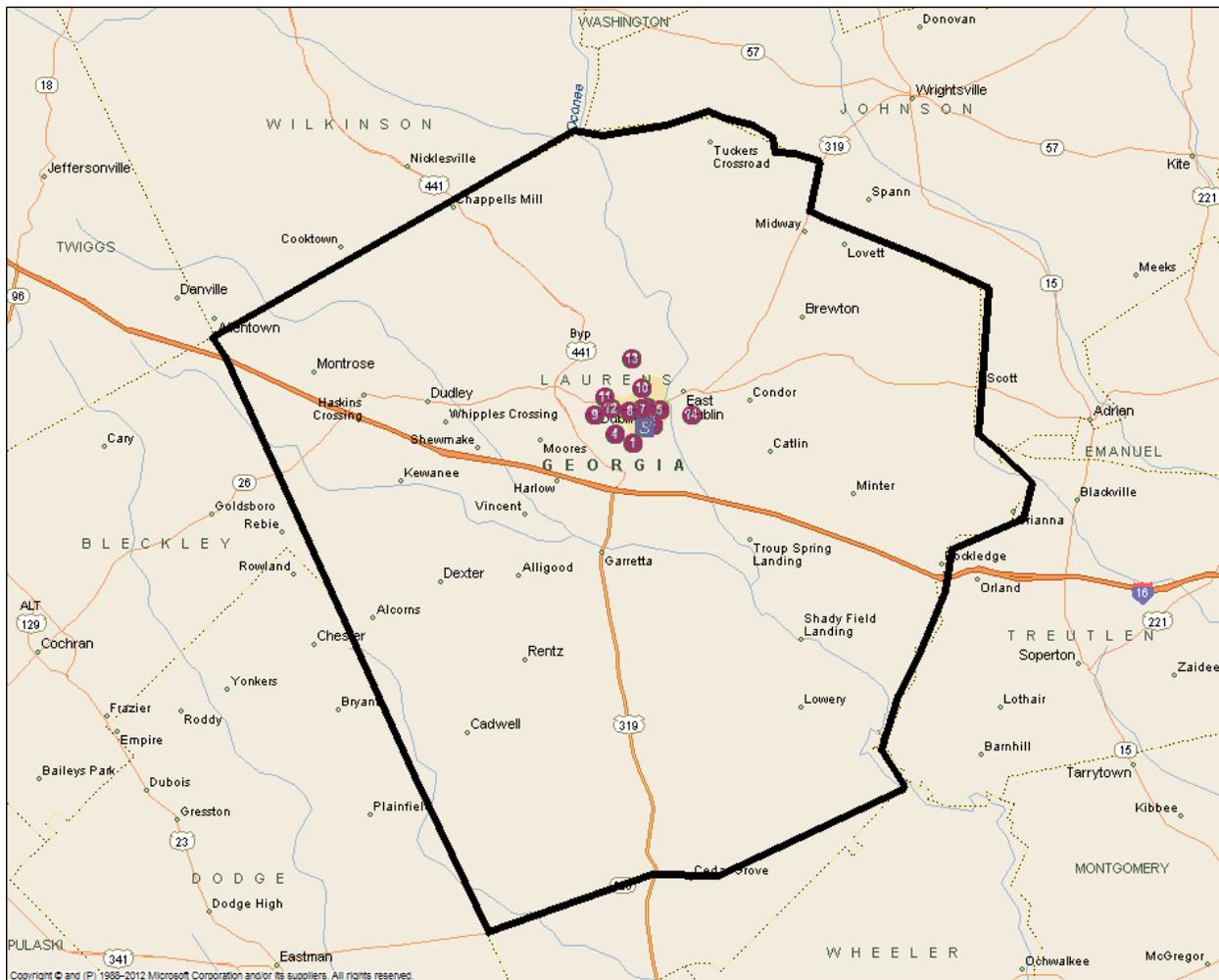
Primary Market Area Map – Comparable Properties



COMPARABLE PROPERTIES IN PMA

#	Property Name	City	Type	Distance (miles)
1	Emerald Point Apartments	Dublin	LIHTC/PBRA/Market	3.0
2	Hillcrest Apartments	Dublin	LIHTC	2.8
3	Meadowwood Park Apartments	Dublin	LIHTC/HOME	6.7
4	Waterford Estates	Dublin	LIHTC/Market	2.6
5	Brookington Apartments	Dublin	Market	4.9
6	Carriage Hills for Dublin	Dublin	Market	3.3
7	Claxton Pointe North	Dublin	Market	3.7

Primary Market Area Map – Locational Amenities



LOCATIONAL AMENITIES

Map Number	Service or Amenity	Miles From Subject
1	Farmers Home Furniture Site	0.3
2	Saxon Heights Elementary School	1.0
3	Fire Station	1.1
4	Flexsteel Industries Plant	1.6
5	Police Station	1.7
6	Post Office and Piggly Wiggly Grocery Store	1.9
7	Laurens County Library	2.2
8	Atlantic South Bank	2.7
9	Fairview Park Hospital	2.8
10	Northcrest Square Shopping Center and Fred's Pharmacy	3.0
11	Dublin High School	3.7
12	Carl Vinson VA Medical Center	4.0
13	Dublin Middle School	4.1
14	Mohawk Industries Plant	4.1

The Subject is located within a convenient distance of all locational amenities.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

The following tables illustrate (a) Total Population and (b) Population by Age Group within population the PMA, SMA, and nationally from 1990 to 2017.

TOTAL POPULATION

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	39,623	-	48,319	-	248,709,873	-
2000	44,454	1.2%	53,436	1.1%	281,421,906	1.3%
2012	48,428	0.7%	58,784	0.8%	313,129,017	0.9%
Projected Mkt Entry December 2014	48,473	0.0%	58,807	0.0%	318,376,669	0.7%
2017	48,522	0.0%	58,832	0.0%	323,986,227	0.7%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

POPULATION BY AGE IN 2012

Age Cohort	PMA		SMA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	3,452	7.1%	4,017	6.8%	20,415,489	6.5%
5-9	3,465	7.2%	4,067	6.9%	20,496,335	6.5%
10-14	3,255	6.7%	3,881	6.6%	20,608,360	6.6%
15-19	3,364	6.9%	3,902	6.6%	21,328,197	6.8%
20-24	2,819	5.8%	3,425	5.8%	22,231,483	7.1%
25-29	2,905	6.0%	3,589	6.1%	21,411,989	6.8%
30-34	3,079	6.4%	3,832	6.5%	20,901,024	6.7%
35-39	2,896	6.0%	3,572	6.1%	19,629,034	6.3%
40-44	3,206	6.6%	3,962	6.7%	20,893,964	6.7%
45-49	3,194	6.6%	3,996	6.8%	21,716,328	6.9%
50-54	3,413	7.0%	4,280	7.3%	22,516,442	7.2%
55-59	3,278	6.8%	3,999	6.8%	20,601,036	6.6%
60-64	2,955	6.1%	3,610	6.1%	17,970,604	5.7%
65-69	2,357	4.9%	2,867	4.9%	13,541,826	4.3%
70-74	1,721	3.6%	2,071	3.5%	9,905,564	3.2%
75-79	1,288	2.7%	1,539	2.6%	7,436,063	2.4%
80-84	870	1.8%	1,087	1.8%	5,709,226	1.8%
85+	910	1.9%	1,088	1.9%	5,816,053	1.9%
Total	48,427	100.0%	58,784	100.0%	313,129,017	100.0%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

Historically, the PMA has experienced moderate population growth rates similar to the SMA. As of 2012, the largest age cohort in the PMA is five to nine years, followed by the zero to four year, 50 to 54 years, and 15 to 19 year age groups. This age distribution indicates a significant presence of families in the PMA, as 28.0 percent of its population is aged 19 or younger.

Relative to the nation, adolescents are slightly overrepresented in the PMA and SMA. Through 2017, total population in the PMA and SMA are projected to remain generally stable. Over the same period of time, the nation is projected to experience a moderate growth rate of 0.7 percent annually.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	14,374	-	17,524	-	91,947,410	-
2000	17,088	1.9%	20,430	1.7%	105,991,193	1.5%
2012	18,602	0.7%	22,104	0.7%	118,208,713	0.9%
Projected Mkt Entry December 2014	18,636	0.1%	22,147	0.1%	120,362,826	0.8%
2017	18,673	0.1%	22,193	0.1%	122,665,498	0.8%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

AVERAGE HOUSEHOLD SIZE

Year	PMA		SMA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.53	-	2.52	-	2.58	-
2012	2.55	0.1%	2.53	0.0%	2.58	0.0%
Projected Mkt Entry December 2014	2.54	0.0%	2.53	-0.1%	2.58	0.0%
2017	2.54	0.0%	2.52	-0.1%	2.58	0.0%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

Similar to population trends, the PMA experienced moderate household growth from 1990 to 2012. Between 2000 and 2012, the average household size in the PMA and SMA slightly increased. Through 2017, the number of households in the PMA and SMA are projected to slightly increase but underperform the nation. Over the same period of time, the average household size in the PMA and SMA are projected to slightly decline.

2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2017.

TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
	2000	12,034	70.4%	5,054
2012	12,172	65.4%	6,430	34.6%
Projected Mkt Entry December 2014	12,217	65.6%	6,419	34.4%
2017	12,265	65.7%	6,408	34.3%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

The majority of households in the PMA reside in owner-occupied housing units. However, the percentage of renter households in the PMA increased five percentage points from 2000 to 2012.

The representation of renter-occupied housing units in the PMA is slightly above the national average of 33 percent. Through 2017, the percentage of renter household is projected to slightly decline by 30 basis points, with the number of renters remaining generally stable. Nonetheless, the Subject is proposed renovation of an existing affordable property that is fully occupied with a wait list.

2c. Households by Income

The following table depicts household income in 2012, market entry date, and 2017 for the PMA.

Income Cohort	2012		Projected Mkt Entry December 2014		2017	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,950	15.9%	3,035	16.3%	3,126	16.7%
\$10,000-19,999	3,000	16.1%	3,053	16.4%	3,109	16.6%
\$20,000-29,999	2,374	12.8%	2,435	13.1%	2,500	13.4%
\$30,000-39,999	2,196	11.8%	2,208	11.8%	2,222	11.9%
\$40,000-49,999	1,770	9.5%	1,781	9.6%	1,792	9.6%
\$50,000-59,999	1,525	8.2%	1,503	8.1%	1,479	7.9%
\$60,000-74,999	1,663	8.9%	1,614	8.7%	1,562	8.4%
\$75,000-99,999	1,550	8.3%	1,499	8.0%	1,444	7.7%
\$100,000-124,999	648	3.5%	623	3.3%	596	3.2%
\$125,000-149,999	313	1.7%	301	1.6%	289	1.5%
\$150,000-199,999	358	1.9%	340	1.8%	321	1.7%
\$200,000+	253	1.4%	244	1.3%	235	1.3%
Total	18,602	100.0%	18,636	100.0%	18,673	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, May 2013

The largest income cohort in the PMA is \$10,000 to \$19,999, followed by \$0 to \$9,999 and \$20,000 to \$29,999 groups. Approximately 56.6 percent of the households in the PMA earn an annual wage less than \$40,000. Through 2017, the percentage of low-income households, those earning less than \$40,000 annually, is projected to increase 210 basis points.

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

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

	2000		2012		Projected Mkt Entry December 2014		2017	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,741	34.5%	2,103	32.7%	2,105	32.8%	2,107	32.9%
With 2 Persons	1,258	24.9%	1,603	24.9%	1,598	24.9%	1,592	24.8%
With 3 Persons	893	17.7%	1,077	16.7%	1,076	16.8%	1,075	16.8%
With 4 Persons	697	13.8%	859	13.4%	854	13.3%	848	13.2%
With 5+ Persons	464	9.2%	788	12.3%	787	12.3%	786	12.3%
Total Renter Households	5,054	100.0%	6,430	100.0%	6,419	100.0%	6,408	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, May 2013

The Subject's unit mix will target one to six-person households, which encompasses nearly the entire renter base of the PMA.

CONCLUSION

Historically, total population and household growth in the PMA and SMA has been moderate, slightly below that of the nation overall. The age distribution of the PMA indicates a significant presence of families as approximately 28.0 percent of its population is aged 19 years or younger.

Through 2017, the number of households in the PMA and SMA are projected to slightly increase, outpaced by the nation.

From 2000 to 2012, the percentage of renter households increased 500 basis points, although the share of renters is projected to remain generally stable through 2017. The current share of renters (34.6 percent) in the PMA is slightly above the national average of 33 percent. As of 2012, a significant portion of these households, approximately 56.6 percent, earn an annual wage less than \$30,000. Post renovations, the Subject will target households earning between \$0 and \$36,480 and will continue to target one through six-person households. Through 2017, the percentage of low-income households, those earning less than \$40,000, is projected to increase 210 basis points. Overall, these demographic trends indicate a strong rental market for the Subject and its unit mix.

F. EMPLOYMENT TRENDS

Employment Trends

The Subject is located in Dublin, Laurens County, Georgia. According to the Dublin-Laurens County Development Authority, Laurens County has a conducive location for freight distribution as it has access to the Port of Savannah and Brunswick and major throughways that lead to Memphis, Miami, Richmond, and New Orleans. The Port of Savannah is located approximately 126 miles east of the Subject. Furthermore, the development authority notes that the county has among the lowest tax millage rates in the state and a 100 percent Freeport Exemption. This exemption, according to the Georgia Department of Revenues, is adopted by over 60 percent of the state's counties and stipulates that tangible personal property items, such as an inventory of manufactured goods produced in the state, are exempt. Due to these business advantages, the majority of the county's largest employers are within the manufacturing and distribution industry.

1. Total Jobs

The following table illustrates the total jobs (also known as "covered employment") in Laurens County.

COVERED EMPLOYMENT		
Laurens County		
Year	Total Employment	% Change
2002	19,930	-
2003	19,514	-2.13%
2004	20,131	3.06%
2005	20,166	0.17%
2006	20,377	1.04%
2007	20,088	-1.44%
2008	19,570	-2.65%
2009	18,378	-6.49%
2010	17,905	-2.64%
2011	17,338	-3.27%
2012 YTD Average*	16,830	-3.02%
Sep-11	17,097	-
Sep-12	16,888	-1.24%

Source: U.S. Bureau of Labor Statistics

*YTD as of Sept 12

Like most of the nation, covered employment in Laurens County has decreased significantly since 2007. From 2008 to 2009, covered employment decreased 6.5 percent, the largest decrease for the county over the past ten years. For the 12-month period ending in September 2012, covered employment decreased at a lower annual rate than in the previous five years. The manufacturing sector has a significant presence in the local economy, and this industry was particularly volatile during the latest recession. Thus, recent data suggests the economy and the industry has yet to recover from the latest economic downturn.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within Laurens County as of the third quarter of 2012.

SEPT 2012 EMPLOYMENT JOBS BY INDUSTRY		
Laurens County		
Industry	Number Employed	Percent Employed
Trade,Transportation, and Utilities	3,384	26.58%
Leisure and Hospitality	1,604	12.60%
Education and Health Services	2,637	20.71%
Professional and Business Services	1,302	10.23%
Construction	797	6.26%
Manufacturing	1,926	15.13%
Other Services	304	2.39%
Financial Activities	552	4.34%
Unclassified	46	0.36%
Natural Resources and Mining	19	0.15%
Information	161	1.26%
Public Administration*	-	0.00%
Total Employment	12,732	100.00%

*Monthly data is not available

Source: U.S. Bureau of Labor Statistics 2012. Covered Employment

Employment by industry in Laurens County is heavily concentrated in the trade, transportation, and utilities, leisure and hospitality, education and health services, and professional and business services sectors. The Carl Vinson VA Medical Center and Fairview Park Hospital account for a large portion of employees in the health services industries as these medical facilities employ a total of 1,768 employees. Other notable industries in the county include construction and manufacturing. The city of Dublin is home to the YKK AP America Inc. manufacturing plant, which is located approximately 3.0 miles from the Subject. The aluminum architectural products manufacturer employs approximately 350 employees.

2010 EMPLOYMENT BY INDUSTRY

Occupation	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	2,991	16.2%	18,891,157	13.9%
Manufacturing	2,505	13.6%	13,047,475	9.6%
Retail Trade	2,132	11.5%	15,464,986	11.4%
Educational Services	2,111	11.4%	14,168,096	10.4%
Construction	1,388	7.5%	8,872,843	6.5%
Public Administration	1,331	7.2%	6,916,821	5.1%
Accommodation/Food Services	1,299	7.0%	9,114,767	6.7%
Other Services (excl Publ Adm)	807	4.4%	6,679,783	4.9%
Finance/Insurance	607	3.3%	6,883,526	5.1%
Transportation/Warehousing	591	3.2%	5,487,029	4.0%
Admin/Support/Waste Mgmt Srvcs	526	2.8%	5,114,479	3.8%
Prof/Scientific/Tech Services	438	2.4%	8,520,310	6.3%
Wholesale Trade	432	2.3%	4,407,788	3.2%
Agric/Forestry/Fishing/Hunting	337	1.8%	1,790,318	1.3%
Arts/Entertainment/Recreation	225	1.2%	2,628,374	1.9%
Mining	208	1.1%	723,991	0.5%
Information	208	1.1%	3,158,778	2.3%
Real Estate/Rental/Leasing	176	1.0%	2,825,263	2.1%
Utilities	127	0.7%	1,115,793	0.8%
Mgmt of Companies/Enterprises	30	0.2%	202,384	0.1%
Total Employment	18,469	100.0%	136,013,961	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, May 2013

*Industry data current as of 2010. Other projections current as of 2010.

The table above illustrates employment by industry in the PMA, which is Laurens County, and the nation overall. Relative to the nation, the PMA's workforce is significantly overrepresented in the health care/social assistance, manufacturing and public administration sectors. The PMA workforce, however, is underrepresented in the finance/insurance, transportation/warehousing, and professional/scientific/technical services industries when compared to the nation.

3. Major Employers

The following table illustrates the major employers in Laurens County. It is the most recent list available from the Dublin-Laurens County Development Authority.

MAJOR EMPLOYERS

#	Employer	Industry	Number Employed
1	Carl Vinson VA Medical Center	Healthcare	1,140
2	Fairview Park Hospital	Healthcare	628
3	YKK AP America, Inc	Manufacturing	350
4	Flexsteel Industries, Inc	Manufacturing	300
5	Best Buy, Inc	Retail Trade	300
6	Farmers Home Furniture	Retail Trade	293
7	SP Fiber Technologies LLC	Manufacturing	276
8	Parker Aerospace CSD	Manufacturing	210
9	Fred's Inc. S.E. Distribution Center	Warehousing & Storage	206
10	Easter Seals Middle Georgia, Inc	Healthcare	102

Source: Dublin-Laurens County Development Authority, Novogradac & Company LLP, May 2013

As illustrated above, the two largest employers in the county are within the healthcare industry. The Carl Vinson VA Medical Center and Fairview Park Hospital are located 4.0 and 2.8 miles, respectively, from the Subject. The Farmer Home Furniture headquarter site is adjacent to the Subject property and it employs a total of 293 workers. The close proximity of major employers to the Subject is a positive indicator for tenant demand.

Expansions/Contractions

The most recent business expansions in Dublin are by two European manufacturers, Erdich Umformtechnik Gmbhlt and Company and Dinex Group. Dinex, a Danish automotive exhaust manufacturing firm, opened its first U.S. manufacturing plant in Dublin in 2012. The \$15.0 million plant is projected to create 250 jobs over 46 months. Denmark Erdich, a German manufacturing firm, produces automobile parts for BMW and Mercedes. According to a March 2013 article published by *The Telegraph*, the Erdich plant is estimated to cost \$39 million. It will be located at I-16 and GA 257 in the I-16 Industrial Park. The plant is projected to create 178 jobs over 36 months, and production is estimated to begin in January 2014.

Below is a table illustrating the Worker Adjustment and Retraining Notification (WARN) filing for Laurens County from 2009 to 2013 year-to-date.

2009 TO 2013 YTD WARN FILINGS - LAURENS COUNTY

Company	Industry	City	Employees Affected	Date
Mohawk Industries	Manufacturing	Dublin	173	2/25/2011
CNH America, LLC	Manufacturing	Dublin	55	2/1/2011
Eldorado Stone	Manufacturing	Dublin	59	8/20/2009
Rockwell Automation	Manufacturing	Dublin	145	8/12/2009
Mohawk Industries	Manufacturing	Dublin	400	7/30/2009

Source: Dublin-Laurens County Development Authority, Novogradac & Company LLP, May 2013

As illustrated above, the majority of the WARN filings in Laurens County occurred in 2011 and 2009. Mohawk Industries accounted for the largest percentage of the WARN filings over that time period, as the manufacturer laid off 573 employees. The lack of new WARN filings in 2012 and 2013 year-to-date is a positive indicator for the local economy.

We spoke with a representative with the Dublin – Laurens County Development Authority. There have not been any other major employment expansions or contractions in the area, aside from those noted within this discussion.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2002 to 2013 (through March).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Year	Dublin, GA Micropolitan Statistical Area				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2002	23,783	-	5.3%	-	136,485,000	-	5.8%	-
2003	23,662	-0.5%	6.0%	0.7%	137,736,000	0.9%	6.0%	0.2%
2004	24,268	2.6%	5.5%	-0.5%	139,252,000	1.1%	5.5%	-0.5%
2005	24,518	1.0%	5.5%	0.0%	141,730,000	1.8%	5.1%	-0.4%
2006	25,044	2.1%	5.3%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2007	24,761	-1.1%	5.3%	0.0%	146,047,000	1.1%	4.6%	0.0%
2008	24,086	-2.7%	7.3%	2.0%	145,362,000	-0.5%	5.8%	1.2%
2009	22,575	-6.3%	11.2%	3.9%	139,877,000	-3.8%	9.3%	3.5%
2010	22,078	-2.2%	12.4%	1.2%	139,064,000	-0.6%	9.6%	0.3%
2011	21,561	-2.3%	13.0%	0.6%	139,869,000	0.6%	8.9%	-0.7%
2012	21,276	-1.3%	11.9%	-1.1%	142,469,000	1.9%	8.1%	-0.8%
2013 YTD Average*	21,234	-0.2%	12.5%	0.6%	142,566,000	0.1%	7.8%	-0.3%
Mar-2012	21,472	-	11.8%	-	141,412,000	-	8.4%	-
Mar-2013	21,281	-0.9%	10.6%	-1.2%	142,698,000	0.9%	7.6%	-0.8%

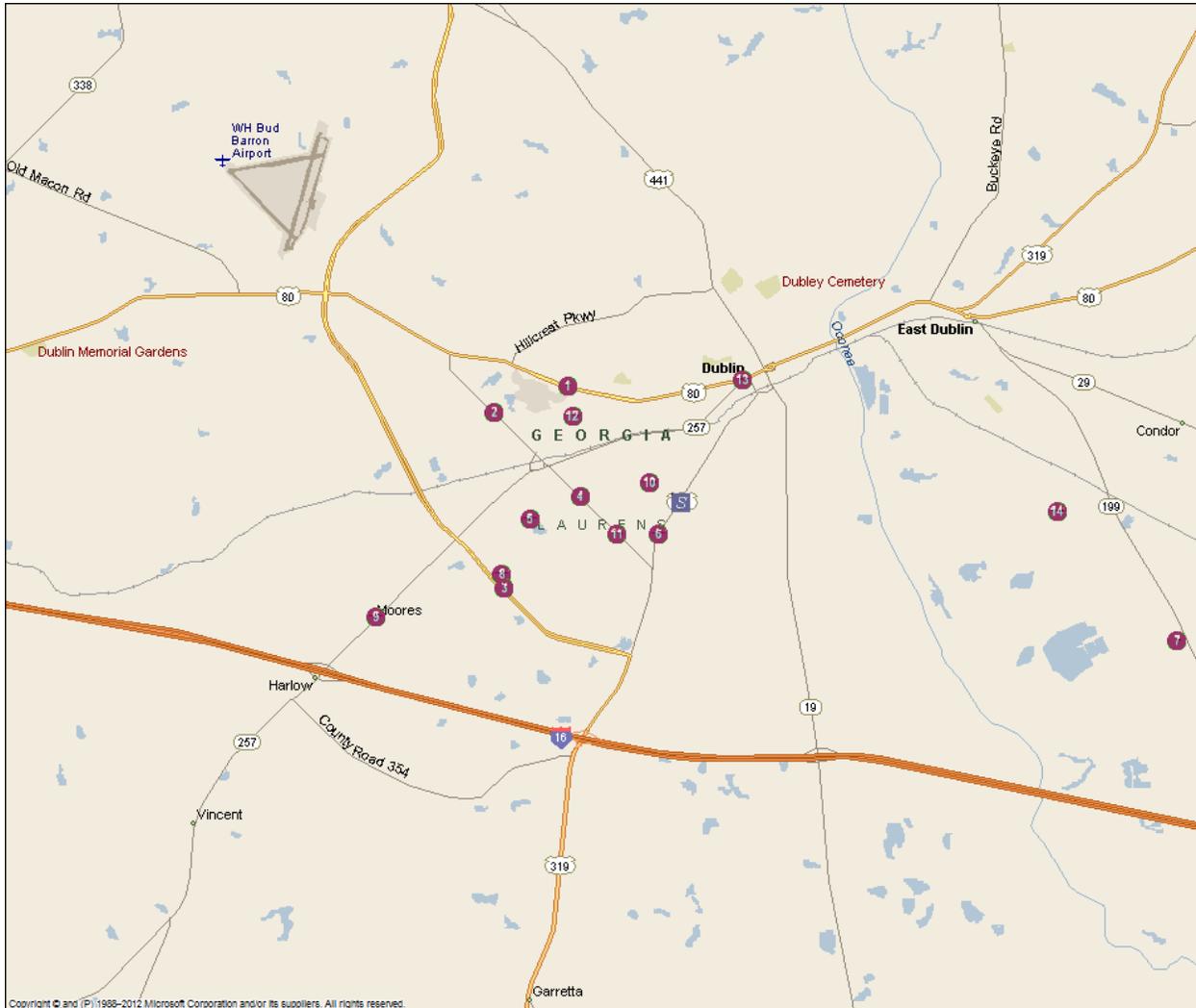
Source: U.S. Bureau of Labor Statistics December 2012

*2013 data is through Mar

Total employment in the SMA, like most of the nation, declined significantly during the latest recession. Between 2008 and 2009, total employment in the SMA decreased 6.3 percent, outpacing the nation. Over the same period of time, the SMA's unemployment rate increased 390 basis points into the double digits. The SMA remains affected by the recession; however, it has experienced smaller reductions in total employment since 2011. Conversely, the nation has experienced job growth over the same period of time. As of March 2013, the unemployment rate in the SMA remains in the double digits at 10.6 percent, 300 basis points above the national average.

5. Map of Site and Major Employment Concentrations

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



MAJOR EMPLOYERS

#	Employer	Distance (miles)
1	Carl Vinson VA Medical Center	4.0
2	Fairview Park Hospital	2.8
3	YKK AP America, Inc	3.0
4	Flexsteel Industries, Inc	1.6
5	Best Buy, Inc	3.0
6	Farmers Home Furniture	0.3
7	SP Fiber Technologies LLC	12.2
8	Parker Aerospace CSD	3.1
9	Fred's Inc. S.E. Distribution Center	5.6
10	Easter Seals Middle Georgia, Inc	0.4
11	MAGE Solar Projects Inc.	1.1
12	Middle Georgia State College - Dublin	1.4
13	Dublin City Mayor	1.6
14	Mohawk Industries	4.1

Conclusion

Major industries in Laurens County include retail trade, healthcare, and manufacturing. The city of Dublin is home to the region's medical centers, Carl Vinson VA Medical Center and Fairview Park Hospital. Relative to the nation, the PMA's workforce is significantly overrepresented in the health care/social assistance, manufacturing and public administration sectors. The decline in total employment since the latest recession is primarily attributable to the presence of the manufacturing sector in the SMA. From 2009 to 2013 year-to-date, a total of 832 workers have been laid off by manufacturers in Dublin. As of March 2013, the unemployment rate in the SMA remains in the double digits at 10.6 percent, 300 basis points above the national average. The SMA remains affected by the recession; however, it has experienced smaller reductions in total employment since 2011. Furthermore, two European manufacturers have either recently announced or opened major manufacturing plants in Dublin. The Erdich plant is projected to create a total of 178 jobs over 36 months. The recent employment trend is a positive indicator for the Subject as it is located in close proximity to employment centers that typically hire entry to mid-level positions.

PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

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

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom).

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

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

2. AFFORDABILITY

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2014, the anticipated date of market entry, as the base year for the analysis. Therefore, 2012 household population estimates are inflated to 2014 by interpolation of the difference between 2012 estimates and 2017 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2014. This number takes the overall growth from 2012 to 2014 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

Demand for existing households is estimated by summing three sources of potential tenants. The first source **(2a.)** is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using CHAS data based on appropriate income levels.

The second source **(2b.)** is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source **(2c.)** is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA.

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

Rehab Developments and PBRA

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

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

The Subject will target low-income tenants and will operate with 100 percent subsidy; therefore, the units are presumed leasable per GA DCA.

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

PMA OCCUPANCY

Property Name	Occupancy
Emerald Pointe Apartments*	98.4%
Hillcrest Apartments*	97.9%
Meadowwood Park Apts*	97.5%
Waterford Estates *	100.0%
Woodlawn Senior Village	100.0%
Dogwood Terrace	N/A
Hillcrest Group Home	100.0%
Martin Court	N/A
Riverview Heights	100.0%
Shamrock Village Apts	93.0%
Jasmine Lane Apartments	N/A
Brookington Apts*	95.8%
Carriage Hills for Dublin*	98.3%
Claxton Pointe North*	98.6%
AVERAGE	98.1%

*Utilized as a comparable

The overall PMA occupancy rate is 98.1 percent, which indicates a stable market. The Subject will preserve 52 units of affordable housing and not add new inventory to the market.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 955 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC data is considered adequate. There are four multifamily LIHTC comparable properties located within the PMA. Hickory Trace is the only LIHTC comparable located outside the PMA; however, it is located in the nearby city of Swainsboro. We have included five market rate properties located within 3.3 and 54.8 miles of the Subject. Furthermore, two of the LIHTC comparables, Emerald Pointe Apartments and Waterford Estates, also have market rate units. Due to limited availability of market rate studio and four-bedroom units it was necessary to extend our search outside the PMA. Additionally, we have supplemented the conventional rental comparables with classified listings of studio and four-bedroom rentals. Overall, we consider the availability of market data to be limited.

General Market Overview/Included/Excluded Properties

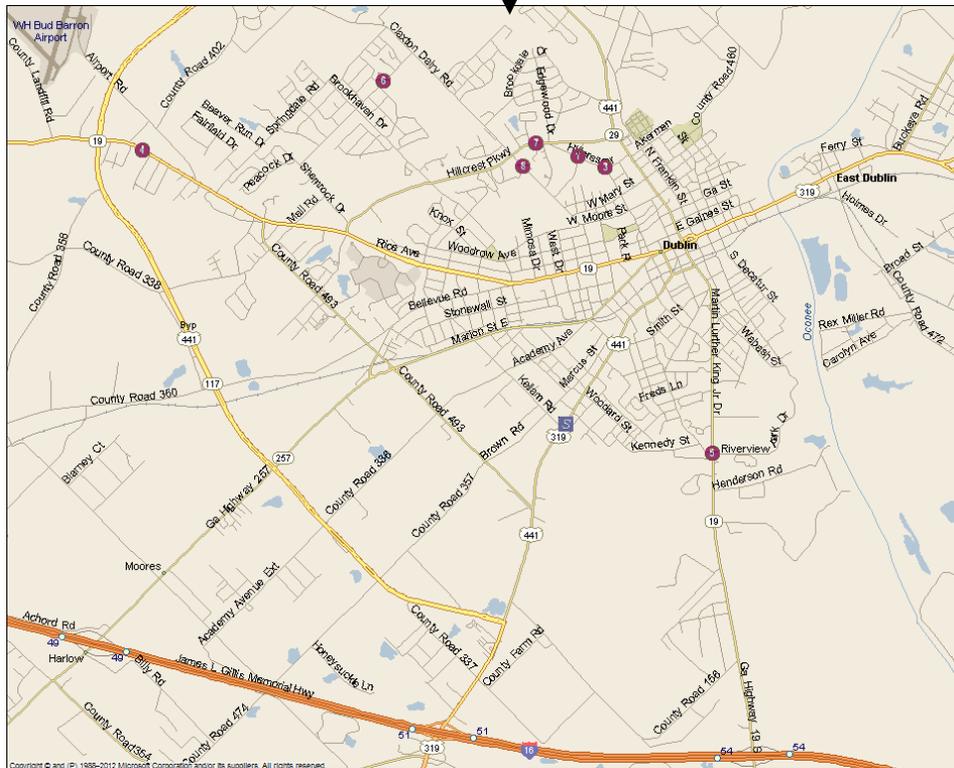
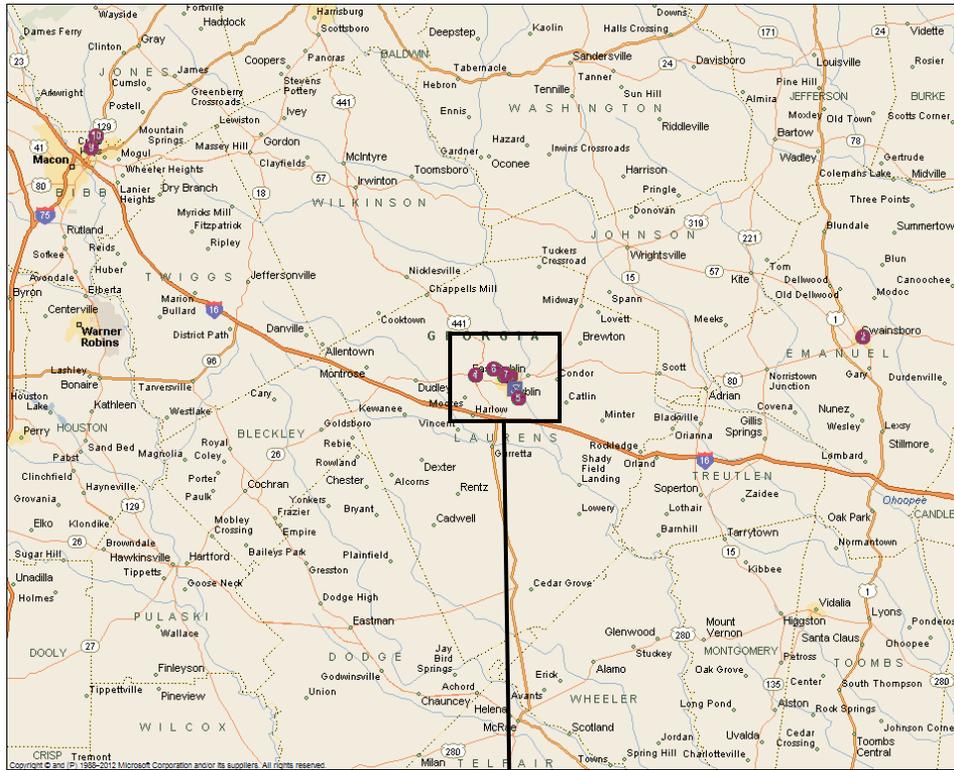
The following table illustrates properties that are within the PMA or a similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

GENERAL MARKET OVERVIEW

Property Name	Address	City	Type	Tenancy	Included/Excluded	Distance (miles)	Occupancy	Reason for Exclusion
Emerald Pointe Apartments*	111 Woodlawn Dr	Dublin	LIHTC/PBRA/Mkt	Family	Included	3.0	98.4%	N/Ap
Hillcrest Apartments*	208 Hillcrest Dr	Dublin	LIHTC	Family	Included	2.8	97.9%	N/Ap
Meadowood Park Apts*	2410 Hwy 80 W	Dublin	LIHTC/HOME	Family	Included	6.7	97.5%	N/Ap
Waterford Estates *	MLK Jr Dr & Riverview Rd	Dublin	LIHTC/Market	Family	Included	2.6	100.0%	N/Ap
Woodlawn Senior Village	200 Woodlawn Dr	Dublin	LIHTC	Senior	Excluded	3.3	100.0%	Tenancy
Dogwood Terrace	202 Woodlawn Dr	Dublin	Section 8	Disabled	Excluded	3.3	N/A	Subsidized; Tenancy
Hillcrest Group Home	202 Hillcrest Dr	Dublin	Section 8	Disabled	Excluded	2.9	100.0%	Subsidized; Tenancy
Martin Court	143 Hillcrest Dr	Dublin	Section 8	Family	Excluded	2.9	N/A	Subsidized
Riverview Heights	200 Riverview Dr	Dublin	Section 8	Senior	Excluded	3.2	100.0%	Subsidized; Tenancy
Shamrock Village Apts	1606 S Jefferson St	Dublin	Section 8	Family	Excluded	1.5	93.0%	Subsidized
Jasmine Lane Apartments	600 Buckeye Rd	East Dublin	RD	Family	Excluded	4.3	N/A	Subsidized
Brookington Apts*	504 Brookwood Dr	Dublin	Mkt	Family	Included	4.9	95.8%	N/Ap
Carriage Hills for Dublin*	604 Hillcrest Parkway	Dublin	Mkt	Family	Included	3.3	98.3%	N/Ap
Claxton Pointe North*	1003 Claxton Dairy Rd	Dublin	Mkt	Family	Included	3.7	98.6%	N/Ap
AVERAGE							98.1%	

*Utilized as a comparable

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance (miles)
1	Emerald Pointe Apartments	Dublin	LIHTC/PBRA/Market	3.0
2	Hickory Trace	Swainsboro	LIHTC	45.9
3	Hillcrest Apartments	Dublin	LIHTC	2.8
4	Meadowood Park Apartments	Dublin	LIHTC/HOME	6.7
5	Waterford Estates	Dublin	LIHTC/Market	2.6
6	Brookington Apartments	Dublin	Market	4.9
7	Carriage Hills for Dublin	Dublin	Market	3.3
8	Claxton Pointe North	Dublin	Market	3.7
9	Glenwood Village	Macon	Market	53.6
10	Highland Hills	Macon	Market	54.8

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate				
Subject	Groveland Terrace Apartments 1717 Telfair St Dublin, GA 31021 Laurens County	n/a	Garden (2 stories) 1971 / Proposed 2014	@60% (Section 8)	Studio / 1BA	8	15.40%	@60%	BOI	390	n/a	Yes	1	12.50%				
					1BR / 1BA	12	23.10%	@60%	BOI	560	n/a	Yes	0	0.00%				
					2BR / 1BA	12	23.10%	@60%	BOI	740	n/a	Yes	0	0.00%				
					3BR / 1BA	12	23.10%	@60%	BOI	890	n/a	Yes	0	0.00%				
					4BR / 1.5BA	8	15.40%	@60%	BOI	1,050	n/a	Yes	0	0.00%				
					52	100%						1	1.90%					
1	Emerald Pointe Apartments 111 Woodlawn Dr Dublin, GA 31021 Laurens County	3 miles	Garden (2 stories) 2006 / n/a	@30%, @50%, @50% (Project Based Rental Assistance - PBRA), @60%, Market	1BR / 1BA	2	3.10%	@30%	\$249	857	no	Yes	0	0.00%				
					1BR / 1BA	8	12.50%	@50%	\$414	857	no	Yes	0	0.00%				
					1BR / 1BA	2	3.10%	@50%	N/A	857	n/a	Yes	0	0.00%				
					1BR / 1BA	1	1.60%	@60%	\$414	857	no	Yes	0	0.00%				
					1BR / 1BA	4	6.20%	Market	\$519	857	n/a	Yes	0	0.00%				
					2BR / 2BA	3	4.70%	@30%	\$284	1,137	no	Yes	0	0.00%				
					2BR / 2BA	17	26.60%	@50%	\$439	1,137	no	Yes	1	5.90%				
					2BR / 2BA	3	4.70%	@50%	\$429	1,137	n/a	Yes	0	0.00%				
					2BR / 2BA	2	3.10%	@60%	\$439	1,137	no	Yes	0	0.00%				
					2BR / 2BA	5	7.80%	Market	\$634	1,137	n/a	Yes	0	0.00%				
					3BR / 2BA	2	3.10%	@30%	\$315	1,270	no	Yes	0	0.00%				
					3BR / 2BA	7	10.90%	@50%	\$557	1,270	no	Yes	0	0.00%				
					3BR / 2BA	2	3.10%	@50%	N/A	1,270	n/a	Yes	0	0.00%				
					3BR / 2BA	2	3.10%	@60%	\$579	1,270	no	Yes	0	0.00%				
					4	6.20%	Market	\$722	1,270	n/a	Yes	0	0.00%					
					64	100%						1	1.60%					
2	Hickory Trace 34 Hickory Trace Cir; 315 E Pine St Swainsboro, GA 30401 Emanuel County	45.9 miles	Single Family (2 stories) 2008 / n/a	@50%, @60%	2BR / 2BA	1	2.50%	@50%	\$435	950	no	Yes	0	0.00%				
					2BR / 2BA	2	5.00%	@60%	\$435	950	no	Yes	0	0.00%				
					3BR / 2BA	9	22.50%	@50%	\$497	1,050	no	Yes	0	0.00%				
					3BR / 2BA	16	40.00%	@60%	\$497	1,050	no	Yes	0	0.00%				
					4BR / 2BA	4	10.00%	@50%	\$535	1,350	no	Yes	0	0.00%				
					4BR / 2BA	8	20.00%	@60%	\$554	1,350	no	Yes	0	0.00%				
										40	100%						0	0.00%
3	Hillcrest Apartments 208 Hillcrest Drive Dublin, GA 31021 Laurens County	2.8 miles	Garden (2 stories) 1996 / n/a	30%, 50%	1BR / 1BA	3	6.20%	@30%	\$175	737	no	Yes	0	0.00%				
					1BR / 1BA	17	35.40%	@50%	\$339	737	no	Yes	0	0.00%				
					2BR / 1BA	16	33.30%	@50%	\$387	860	no	Yes	1	6.20%				
					3BR / 2BA	12	25.00%	@50%	\$426	1,032	no	Yes	0	0.00%				
										48	100%					1	2.10%	
4	Meadowood Park Apartments 2410 Hwy 80 W Dublin, GA 31021 Laurens County	6.7 miles	Garden (2 stories) 1999 / n/a	@50% (HOME)	2BR / 2BA	56	70.00%	@50%	\$424	1,040	no	Yes	2	3.60%				
					3BR / 2BA	24	30.00%	@50%	\$502	1,204	no	Yes	0	0.00%				
										80	100%					2	2.50%	
5	Waterford Estates (fka Shannon Estates) Martin Luther King Jr. Dr And Riverview Rd Dublin, GA 31021 Laurens County	2.6 miles	Single Family 2009 / n/a	@50%, @60%, Market	3BR / 2BA	12	21.40%	@50%	\$517	1,280	no	Yes	0	0.00%				
					3BR / 2BA	22	39.30%	@60%	\$642	1,280	no	Yes	0	0.00%				
					3BR / 2BA	4	7.10%	Market	\$742	1,280	n/a	Yes	0	0.00%				
					4BR / 2BA	5	8.90%	@50%	\$559	1,400	no	Yes	0	0.00%				
					4BR / 2BA	11	19.60%	@60%	\$689	1,400	no	Yes	0	0.00%				
					4BR / 2BA	2	3.60%	Market	\$864	1,400	n/a	Yes	0	0.00%				
										56	100%						0	0.00%
6	Brookington Apartments 504 Brookwood Dr. Dublin, GA 31021 Laurens County	4.9 miles	Garden (2 stories) 1973 and 1993 / n/a	Market	1BR / 1BA	48	50.00%	Market	\$480	975	n/a	Yes	2	4.20%				
					2BR / 1.5BA	40	41.70%	Market	\$540	1,200	n/a	Yes	1	2.50%				
					2BR / 2BA	8	8.30%	Market	\$560	1,225	n/a	Yes	1	12.50%				
										96	100%					4	4.20%	
7	Carriage Hills Of Dublin 604 Hillcrest Parkway Dublin, GA 31021 Laurens County	3.3 miles	Garden 1984 / 2006	Market	Studio / 1BA	N/A	N/A	Market	\$484	288	n/a	No	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$542	576	n/a	No	1	N/A				
					2BR / 1BA	N/A	N/A	Market	\$691	864	n/a	No	0	N/A				
										60	100%					1	1.70%	
8	Claxton Pointe North 1003 Claxton Dairy Road Dublin, GA 31021 Laurens County	3.7 miles	Garden (2 stories) 1976 / 1995	Market	1BR / 1BA	N/A	N/A	Market	\$325	600	n/a	No	0	N/A				
					2BR / 2BA	N/A	N/A	Market	\$535	1,300	n/a	No	1	N/A				
					3BR / 2.5BA	N/A	N/A	Market	\$650	1,550	n/a	No	1	N/A				
										138	100%					2	1.40%	
9	Glenwood Village 1420 Gray Highway Macon, GA 31211 Bibb County	53.6 miles	One-story 1984 / n/a	Market	Studio / 1BA	24	30.00%	Market	\$484	288	n/a	no	2	8.30%				
					1BR / 1BA	50	62.50%	Market	\$519	576	n/a	no	6	12.00%				
					2BR / 1BA	6	7.50%	Market	\$713	864	n/a	no	0	0.00%				
										80	100%					8	10.00%	
10	Highland Hills 2275 Gray Highway Macon, GA 31211 Bibb County	54.8 miles	Various 1975/1999 / n/a	Market	1BR / 1BA (Garden)	N/A	N/A	Market	\$585	881	n/a	None	N/A	N/A				
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$617	1,042	n/a	None	N/A	N/A				
					2BR / 1.5BA (Townhouse)	N/A	N/A	Market	\$617	1,298	n/a	None	N/A	N/A				
					2BR / 2BA (Garden)	N/A	N/A	Market	\$617	1,175	n/a	None	N/A	N/A				
					2BR / 2BA (Garden)	N/A	N/A	Market	\$617	1,187	n/a	None	N/A	N/A				
					3BR / 2BA (Garden)	N/A	N/A	Market	\$717	1,257	n/a	None	N/A	N/A				
					3BR / 2BA (Garden)	N/A	N/A	Market	\$717	1,798	n/a	None	N/A	N/A				
					3BR / 2.5BA (Townhouse)	N/A	N/A	Market	\$792	1,493	n/a	None	N/A	N/A				
					4BR / 3BA (Garden)	N/A	N/A	Market	\$995	2,084	n/a	None	N/A	N/A				
										241	100%						70	29.00%

Groveland Terrace, Dublin, GA; Market Study

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.												
Effective Rent Date:		Jun-13		Units Surveyed:		903		Weighted Occupancy:		89.50%		
		Market Rate		615		Market Rate		85.20%				
		Tax Credit		288		Tax Credit		98.60%				
Studio One Bath			One Bedroom One Bath			Two Bedrooms One Bath			Three Bedrooms One Bath		Four Bedrooms One and a half Bath	
RENT	Property	Average	Property	Average	Property	Average	Property	Average	Property	Average		
	Carriage Hills Of Dublin	\$484	Highland Hills	\$585	Glenwood Village	\$713	Waterford Estates (Ika Shannon Estates) * (2BA M)	\$742	Highland Hills (3BA)	\$995		
	Glenwood Village	\$484	Carriage Hills Of Dublin	\$542	Carriage Hills Of Dublin	\$691	Emerald Pointe Apartments * (2BA M)	\$722	Waterford Estates (Ika Shannon Estates) * (2BA M)	\$864		
	Groveland Terrace Apartments * (60%)	\$408	Emerald Pointe Apartments * (M)	\$519	Emerald Pointe Apartments * (2BA M)	\$634	Highland Hills (2BA)	\$717	Groveland Terrace Apartments * (60%)	\$723		
			Glenwood Village	\$519	Highland Hills (1.5BA)	\$617	Highland Hills (2BA)	\$717	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	\$689		
			Groveland Terrace Apartments * (60%)	\$496	Highland Hills (1.5BA)	\$617	Claxton Pointe North (2.5BA)	\$650	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	\$559		
			Brookington Apartments	\$480	Groveland Terrace Apartments * (60%)	\$555	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	\$642	Hickory Trace * (2BA 60%)	\$554		
			Emerald Pointe Apartments * (50%)	\$414	Brookington Apartments (1.5BA)	\$540	Groveland Terrace Apartments * (60%)	\$599	Hickory Trace * (2BA 50%)	\$535		
			Emerald Pointe Apartments * (60%)	\$414	Claxton Pointe North (2BA)	\$535	Emerald Pointe Apartments * (2BA 60%)	\$579				
			Hilcrest Apartments * (50%)	\$339	Emerald Pointe Apartments * (2BA 50%)	\$439	Emerald Pointe Apartments * (2BA 50%)	\$557				
			Claxton Pointe North	\$325	Emerald Pointe Apartments * (2BA 60%)	\$439	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	\$517				
			Emerald Pointe Apartments * (30%)	\$249	Hickory Trace * (2BA 50%)	\$435	Meadowood Park Apartments * (2BA 50%)	\$502				
			Hilcrest Apartments * (30%)	\$175	Hickory Trace * (2BA 60%)	\$435	Hickory Trace * (2BA 50%)	\$497				
					Emerald Pointe Apartments * (2BA 50%)	\$429	Hickory Trace * (2BA 60%)	\$497				
					Meadowood Park Apartments * (2BA 50%)	\$424	Hilcrest Apartments * (2BA 50%)	\$426				
					Hilcrest Apartments * (50%)	\$387	Emerald Pointe Apartments * (2BA 30%)	\$315				
					Emerald Pointe Apartments * (2BA 30%)	\$284						
SQUARE FOOTAGE	Property	Average	Property	Average	Property	Average	Property	Average	Property	Average		
	Groveland Terrace Apartments * (60%)	390	Brookington Apartments	975	Claxton Pointe North (2BA)	1,200	Highland Hills (2BA)	1,798	Highland Hills (3BA)	2,084		
	Carriage Hills Of Dublin	288	Highland Hills	881	Highland Hills (1.5BA)	1,298	Claxton Pointe North (2.5BA)	1,550	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	1,400		
	Glenwood Village	288	Emerald Pointe Apartments * (30%)	857	Brookington Apartments (1.5BA)	1,200	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	1,280	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	1,400		
			Emerald Pointe Apartments * (50%)	857	Emerald Pointe Apartments * (2BA 30%)	1,137	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	1,280	Waterford Estates (Ika Shannon Estates) * (2BA M)	1,400		
			Emerald Pointe Apartments * (60%)	857	Emerald Pointe Apartments * (2BA 50%)	1,137	Waterford Estates (Ika Shannon Estates) * (2BA M)	1,280	Hickory Trace * (2BA 50%)	1,350		
			Emerald Pointe Apartments * (M)	857	Emerald Pointe Apartments * (2BA 50%)	1,137	Emerald Pointe Apartments * (2BA 30%)	1,270	Hickory Trace * (2BA 60%)	1,350		
			Hilcrest Apartments * (30%)	737	Emerald Pointe Apartments * (2BA 60%)	1,137	Emerald Pointe Apartments * (2BA 50%)	1,270	Groveland Terrace Apartments * (60%)	1,050		
			Hilcrest Apartments * (50%)	737	Emerald Pointe Apartments * (2BA M)	1,137	Emerald Pointe Apartments * (2BA 60%)	1,270				
			Claxton Pointe North	600	Highland Hills (1.5BA)	1,042	Emerald Pointe Apartments * (2BA M)	1,270				
			Carriage Hills Of Dublin	576	Meadowood Park Apartments * (2BA 50%)	1,040	Highland Hills (2BA)	1,257				
			Glenwood Village	576	Hickory Trace * (2BA 50%)	950	Meadowood Park Apartments * (2BA 50%)	1,204				
			Groveland Terrace Apartments * (60%)	560	Hickory Trace * (2BA 60%)	950	Hickory Trace * (2BA 50%)	1,050				
					Carriage Hills Of Dublin	864	Hickory Trace * (2BA 60%)	1,050				
					Glenwood Village	864	Hilcrest Apartments * (2BA 50%)	1,032				
					Hilcrest Apartments * (50%)	860	Groveland Terrace Apartments * (60%)	890				
					Groveland Terrace Apartments * (60%)	740						
RENT PER SQUARE FOOT	Property	Average	Property	Average	Property	Average	Property	Average	Property	Average		
	Carriage Hills Of Dublin	\$1.68	Carriage Hills Of Dublin	\$0.94	Glenwood Village	\$0.83	Groveland Terrace Apartments * (60%)	\$0.67	Groveland Terrace Apartments * (60%)	\$0.69		
	Glenwood Village	\$1.68	Glenwood Village	\$0.90	Carriage Hills Of Dublin	\$0.80	Waterford Estates (Ika Shannon Estates) * (2BA M)	\$0.58	Waterford Estates (Ika Shannon Estates) * (2BA M)	\$0.62		
	Groveland Terrace Apartments * (60%)	\$1.05	Groveland Terrace Apartments * (60%)	\$0.89	Groveland Terrace Apartments * (60%)	\$0.75	Highland Hills (2BA)	\$0.57	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	\$0.49		
			Highland Hills	\$0.66	Highland Hills (1.5BA)	\$0.59	Emerald Pointe Apartments * (2BA M)	\$0.57	Highland Hills (3BA)	\$0.48		
			Emerald Pointe Apartments * (M)	\$0.61	Emerald Pointe Apartments * (2BA M)	\$0.56	Waterford Estates (Ika Shannon Estates) * (2BA 60%)	\$0.50	Hickory Trace * (2BA 60%)	\$0.41		
			Claxton Pointe North	\$0.54	Highland Hills (1.5BA)	\$0.48	Hickory Trace * (2BA 50%)	\$0.47	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	\$0.40		
			Brookington Apartments	\$0.49	Hickory Trace * (2BA 50%)	\$0.46	Hickory Trace * (2BA 60%)	\$0.47	Hickory Trace * (2BA 50%)	\$0.40		
			Emerald Pointe Apartments * (50%)	\$0.48	Hickory Trace * (2BA 60%)	\$0.46	Emerald Pointe Apartments * (2BA 60%)	\$0.46				
			Emerald Pointe Apartments * (60%)	\$0.48	Hilcrest Apartments * (50%)	\$0.45	Emerald Pointe Apartments * (2BA 50%)	\$0.44				
			Hilcrest Apartments * (50%)	\$0.46	Brookington Apartments (1.5BA)	\$0.45	Claxton Pointe North (2.5BA)	\$0.42				
			Emerald Pointe Apartments * (30%)	\$0.29	Claxton Pointe North (2BA)	\$0.41	Meadowood Park Apartments * (2BA 50%)	\$0.42				
			Hilcrest Apartments * (30%)	\$0.24	Meadowood Park Apartments * (2BA 50%)	\$0.41	Hilcrest Apartments * (2BA 50%)	\$0.41				
					Emerald Pointe Apartments * (2BA 50%)	\$0.39	Waterford Estates (Ika Shannon Estates) * (2BA 50%)	\$0.40				
					Emerald Pointe Apartments * (2BA 60%)	\$0.39	Highland Hills (2BA)	\$0.40				
					Emerald Pointe Apartments * (2BA 50%)	\$0.38	Emerald Pointe Apartments * (2BA 30%)	\$0.25				
					Emerald Pointe Apartments * (2BA 30%)	\$0.25						

PROPERTY PROFILE REPORT

Emerald Pointe Apartments

Effective Rent Date 5/21/2013

Location 111 Woodlawn Dr
Dublin, GA 31021
Laurens County
Intersection: Woodlawn Dr and Claxton Dairy Rd

Distance 3 miles

Units 64

Vacant Units 1

Vacancy Rate 1.6%

Type Garden (2 stories)

Year Built/Renovated 2006 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors None

Tenant Characteristics 70% Dublin, Pitt; Some from Adrian, Wrightsville; 45% seniors

Contact Name April C

Phone (478) 296-1060



Market Information

Program @30%, @50%, @50% (Project Based)

Annual Turnover Rate 35%

Units/Month Absorbed 32

HCV Tenants 5%

Leasing Pace Within two weeks

Annual Chg. in Rent Tax credit rents increased 2.1 to 5.5

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- gas

Heat not included -- gas

Other Electric not included

Water not included

Sewer not included

Trash Collection included

Emerald Pointe Apartments, continued

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	857	\$190	\$0	@30%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	8	857	\$355	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	2	857	N/A	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Garden (2 stories)	1	857	\$355	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	857	\$460	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	3	1,137	\$210	\$0	@30%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	17	1,137	\$365	\$0	@50%	Yes	1	5.9%	no	None
2	2	Garden (2 stories)	3	1,137	\$355	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	2	1,137	\$365	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	5	1,137	\$560	\$0	Market	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	2	1,270	\$223	\$0	@30%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	7	1,270	\$465	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	2	1,270	N/A	\$0	@50% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	2	1,270	\$487	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,270	\$630	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$190	\$0	\$190	\$59	\$249	1BR / 1BA	\$355	\$0	\$355	\$59	\$414
2BR / 2BA	\$210	\$0	\$210	\$74	\$284	2BR / 2BA	\$355 - \$365	\$0	\$355 - \$365	\$74	\$429 - \$439
3BR / 2BA	\$223	\$0	\$223	\$92	\$315	3BR / 2BA	\$465	\$0	\$465	\$92	\$557
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$355	\$0	\$355	\$59	\$414	1BR / 1BA	\$460	\$0	\$460	\$59	\$519
2BR / 2BA	\$365	\$0	\$365	\$74	\$439	2BR / 2BA	\$560	\$0	\$560	\$74	\$634
3BR / 2BA	\$487	\$0	\$487	\$92	\$579	3BR / 2BA	\$630	\$0	\$630	\$92	\$722

Emerald Pointe Apartments, continued

Amenities

In-Unit

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

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

Security

Perimeter Fencing

Services

None

Property

Basketball Court
Central Laundry
On-Site Management
Playground

Exercise Facility
Off-Street Parking
Picnic Area

Premium

None

Other

None

Comments

The contact noted that the vacant unit is pre-leased. The property currently maintains a waiting list of approximately 100 households, 60 of which are for the two-bedroom units at the 50 percent AMI level. Management does not typically offer concessions; however, if any specials are offered it is a waived application fee.

Since 2011, rents at the property for the market rate units have stayed the same, although tax credit rents increased 2.1 to 5.5 percent in August 2012. Lastly, there is perimeter fencing at the property but it is not a gated community.

PROPERTY PROFILE REPORT

Hickory Trace

Effective Rent Date 5/24/2013

Location 34 Hickory Trace Cir; 315 E Pine St
Swainsboro, GA 30401
Emanuel County

Distance 45.9 miles

Units 40

Vacant Units 0

Vacancy Rate 0.0%

Type Single Family (2 stories)

Year Built/Renovated 2008 / N/A

Marketing Began N/A

Leasing Began N/A

Last Unit Leased N/A

Major Competitors Jordan Estates (sister property)

Tenant Characteristics 10-15% out of Swainsboro; Majority local

Contact Name Brandy

Phone (478) 289-8010



Market Information

Program @50%, @60%

Annual Turnover Rate 5%

Units/Month Absorbed Could not report

HCV Tenants 14%

Leasing Pace Pre-leased

Annual Chg. in Rent Varied, see comments

Concession None

Utilities

A/C not included -- central

Cooking not included -- electric

Water Heat not included -- electric

Heat not included -- electric

Other Electric not included

Water included

Sewer included

Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Single Family (2 stories)	1	950	\$435	\$0	@50%	Yes	0	0.0%	no	None
2	2	Single Family (2 stories)	2	950	\$435	\$0	@60%	Yes	0	0.0%	no	None
3	2	Single Family (2 stories)	9	1,050	\$497	\$0	@50%	Yes	0	0.0%	no	None
3	2	Single Family (2 stories)	16	1,050	\$497	\$0	@60%	Yes	0	0.0%	no	None
4	2	Single Family (2 stories)	4	1,350	\$535	\$0	@50%	Yes	0	0.0%	no	None
4	2	Single Family (2 stories)	8	1,350	\$554	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$435	\$0	\$435	\$0	\$435	2BR / 2BA	\$435	\$0	\$435	\$0	\$435
3BR / 2BA	\$497	\$0	\$497	\$0	\$497	3BR / 2BA	\$497	\$0	\$497	\$0	\$497
4BR / 2BA	\$535	\$0	\$535	\$0	\$535	4BR / 2BA	\$554	\$0	\$554	\$0	\$554

Hickory Trace, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Blinds
Central A/C
Exterior Storage
Microwave
Refrigerator
Washer/Dryer hookup

Security

In-Unit Alarm

Services

Shuttle Service

Property

Business Center/Computer Lab
Exercise Facility
On-Site Management
Playground

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Premium

None

Other

None

Comments

The property currently maintains a waiting list of five households, two of which have been approved. The contact noted that demand is relatively high at the property as it rarely offers concessions. Furthermore, the turnover rate at the property is low. The last tenant move-out at the property was in January 2013 and the next one is expected in July 2013. The unit that is becoming available in July 2013 is already pre-leased. The property manager noted that demand is evenly split amongst the floor plans and AMI levels. The contact also noted that there is strong demand in the area for affordable housing.

Over the past year, two and three-bedroom rents at the property have increased between 2.8 and 3.1 percent. The property manager noted that the four-bedroom rent increase ranged from 0.5 to 3.7 percent as management established different rents for the 50 and 60 AMI levels. Lastly, the contact was unable to provide an explanation for why two and three-bedroom units have the same rent for different AMI level restrictions.

PROPERTY PROFILE REPORT

Hillcrest Apartments

Effective Rent Date	4/14/2013
Location	208 Hillcrest Drive Dublin, GA 31021 Laurens County
Distance	2.8 miles
Units	48
Vacant Units	1
Vacancy Rate	2.1%
Type	Garden (2 stories)
Year Built/Renovated	1996 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None except for Woodlawn Senior (sister property)
Tenant Characteristics	Families and elderly
Contact Name	Beth
Phone	478-275-3553



Market Information

Program	30%, 50%
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	31%
Leasing Pace	Pre-leased or within two weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	3	737	\$175	\$0	@30%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	17	737	\$339	\$0	@50%	Yes	0	0.0%	no	None
2	1	Garden (2 stories)	16	860	\$387	\$0	@50%	Yes	1	6.2%	no	None
3	2	Garden (2 stories)	12	1,032	\$426	\$0	@50%	Yes	0	0.0%	no	None

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$175	\$0	\$175	\$0	\$175	1BR / 1BA	\$339	\$0	\$339	\$0	\$339
						2BR / 1BA	\$387	\$0	\$387	\$0	\$387
						3BR / 2BA	\$426	\$0	\$426	\$0	\$426

Hillcrest Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Oven
Walk-In Closet

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

Security

None

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking
Playground

Premium

None

Other

Gazebo

Comments

The property currently maintains a waiting list of seven households. The vacant unit at the property is pre-leased and management expects occupancy to take place by May 31, 2013. Lastly, the contact indicated that demand is highest for two-bedroom units.

PROPERTY PROFILE REPORT

Meadowwood Park Apartments

Effective Rent Date	5/16/2013
Location	2410 Hwy 80 W Dublin, GA 31021 Laurens County
Distance	6.7 miles
Units	80
Vacant Units	2
Vacancy Rate	2.5%
Type	Garden (2 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Waterford Estates, Riverview
Tenant Characteristics	Majority families; 10% seniors; Majority from Laurens Cty; Some from Soperton but a lot from Wrightsville
Contact Name	Melissa B
Phone	(478) 274-9677



Market Information

Program	@50% (HOME)
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	11%
Leasing Pace	Two to four weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	56	1,040	\$350	\$0	@50% (HOME)	Yes	2	3.6%	no	None
3	2	Garden (2 stories)	24	1,204	\$410	\$0	@50% (HOME)	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$350	\$0	\$350	\$74	\$424
3BR / 2BA	\$410	\$0	\$410	\$92	\$502

Meadowwood Park Apartments, continued

Amenities

In-Unit

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Carpeting
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Security

None

Services

None

Property

Basketball Court
Central Laundry
On-Site Management
Playground

Clubhouse/Meeting
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The property currently maintains a waiting list of more than ten households. The contact was unable to provide the exact number of households on the list. One of the vacant units at the property is pre-leased.

Over the past year, the property manager indicated that the turnover rate was primarily attributable to tenants opting for owner-occupied housing, loss of employment, and reduction in work hours. In particular, the reduction of work hours is particularly tough on tenants earning minimum wage. Overall, the contact indicated that concessions are typically not offered at the property due to the low rents.

PROPERTY PROFILE REPORT

Waterford Estates (fka Shannon Estates)

Effective Rent Date	5/22/2013
Location	Martin Luther King Jr. Dr And Riverview Rd Dublin, GA 31021 Laurens County
Distance	2.6 miles
Units	56
Vacant Units	0
Vacancy Rate	0.0%
Type	Single Family
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	Lori
Phone	88-492-7182



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	0%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Varies
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
3	2	Single Family	12	1,280	\$425	\$0	@50%	Yes	0	0.0%	no	None
3	2	Single Family	22	1,280	\$550	\$0	@60%	Yes	0	0.0%	no	None
3	2	Single Family	4	1,280	\$650	\$0	Market	Yes	0	0.0%	N/A	None
4	2	Single Family	5	1,400	\$445	\$0	@50%	Yes	0	0.0%	no	None
4	2	Single Family	11	1,400	\$575	\$0	@60%	Yes	0	0.0%	no	None
4	2	Single Family	2	1,400	\$750	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
3BR / 2BA	\$425	\$0	\$425	\$92	\$517	3BR / 2BA	\$550	\$0	\$550	\$92	\$642
4BR / 2BA	\$445	\$0	\$445	\$114	\$559	4BR / 2BA	\$575	\$0	\$575	\$114	\$689
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
3BR / 2BA	\$650	\$0	\$650	\$92	\$742						
4BR / 2BA	\$750	\$0	\$750	\$114	\$864						

Waterford Estates (fka Shannon Estates), continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Blinds
Central A/C
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Security

None

Services

None

Property

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

Clubhouse/Meeting
Central Laundry
On-Site Management
Playground

Premium

None

Other

Library, community gardens

Comments

The contact stated that the rents are currently slightly below the maximum allowable levels, but believes that they would remain fully occupied if the rents were raised to maximum. The property manager said that many new businesses have come to the area recently and demand has become very strong. The waiting list is very long, but the exact length could not be verified. The property manager also noted that no tenants have moved out in the last year.

PROPERTY PROFILE REPORT

Brookington Apartments

Effective Rent Date	4/14/2013
Location	504 Brookwood Dr. Dublin, GA 31021 Laurens County
Distance	4.9 miles
Units	96
Vacant Units	4
Vacancy Rate	4.2%
Type	Garden (2 stories)
Year Built/Renovated	1973 and 1993 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Carriage Hill
Tenant Characteristics	Average household size is 2; 10% senior, age range from 21-92
Contact Name	Linda
Phone	(478) 272-6788



Market Information

Program	Market
Annual Turnover Rate	19%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Two days
Annual Chg. in Rent	Slight increase
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	48	975	\$480	\$0	Market	Yes	2	4.2%	N/A	None
2	1.5	Garden (2 stories)	40	1,200	\$540	\$0	Market	Yes	1	2.5%	N/A	None
2	2	Garden (2 stories)	8	1,225	\$560	\$0	Market	Yes	1	12.5%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$480	\$0	\$480	\$0	\$480
2BR / 1.5BA	\$540	\$0	\$540	\$0	\$540
2BR / 2BA	\$560	\$0	\$560	\$0	\$560

Brookington Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Oven
Walk-In Closet

Blinds
Central A/C
Dishwasher
Hand Rails
Refrigerator
Washer/Dryer hookup

Security

Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
On-Site Management

Off-Street Parking
Swimming Pool

Premium

None

Other

None

Comments

Management does not accept Housing Choice Vouchers. The property currently maintains a waiting list of 15 households. The contact noted that households on the list typically find housing before a unit becomes available. Two of the vacant units are pre-leased. The property manager also noted that concessions are rarely offered at the property. Lastly, demand is evenly split amongst the property's one and two-bedroom units.

PROPERTY PROFILE REPORT

Carriage Hills Of Dublin

Effective Rent Date	5/17/2013
Location	604 Hillcrest Parkway Dublin, GA 31021 Laurens County
Distance	3.3 miles
Units	60
Vacant Units	1
Vacancy Rate	1.7%
Type	Garden
Year Built/Renovated	1984 / 2006
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Brookington Apartments, Braxton Pointe
Tenant Characteristics	Mostly businesspeople on short-term leases; About 2 seniors
Contact Name	Karen
Phone	478.246.1594



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	17%
Leasing Pace	Within one week
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden	N/A	288	\$419	\$0	Market	No	0	N/A	N/A	None
1	1	Garden	N/A	576	\$463	\$0	Market	No	1	N/A	N/A	None
2	1	Garden	N/A	864	\$597	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$419	\$0	\$419	\$65	\$484
1BR / 1BA	\$463	\$0	\$463	\$79	\$542
2BR / 1BA	\$597	\$0	\$597	\$94	\$691

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Ceiling Fan		
Microwave		
Refrigerator		
Blinds		
Central A/C		
Dishwasher		
Garbage Disposal		
Oven		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		

Carriage Hills Of Dublin, continued

Comments

The contact confirmed that tenants still pay a fixed fee for water, sewer, and trash, which are not reflected in the profile rents. The fees for studio, one, and two-bedroom units are \$25, \$33, and \$43, respectively. The property manager noted that these fees have recently increased approximately \$10. Lastly, concessions are typically offered during the winter season when leasing activity is slow.

PROPERTY PROFILE REPORT

Claxton Pointe North

Effective Rent Date	4/14/2013
Location	1003 Claxton Dairy Road Dublin, GA 31021 Laurens County
Distance	3.7 miles
Units	138
Vacant Units	2
Vacancy Rate	1.4%
Type	Garden (2 stories)
Year Built/Renovated	1976 / 1995
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	Average household size is 4; Average age varies; Income ranges from \$30,000 - \$150,000; average age 30-40.
Contact Name	Ms. Steward
Phone	(478) 272-7335



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	N/A
HCV Tenants	4%
Leasing Pace	Two weeks
Annual Chg. in Rent	N/A
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	600	\$325	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,300	\$535	\$0	Market	No	1	N/A	N/A	None
3	2.5	Garden (2 stories)	N/A	1,550	\$650	\$0	Market	No	1	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$325	\$0	\$325	\$0	\$325
2BR / 2BA	\$535	\$0	\$535	\$0	\$535
3BR / 2.5BA	\$650	\$0	\$650	\$0	\$650

Claxton Pointe North, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Blinds
Central A/C
Ceiling Fan
Hand Rails
Refrigerator
Washer/Dryer hookup

Security

None

Services

None

Property

Off-Street Parking

On-Site Management

Premium

None

Other

None

Comments

The property manager noted that approximately 60 percent of the units have water, sewer, and trash included in the rent. The remaining 40 percent do not have water included in the rent; however, the units do not pay a reduced rental rate.

PROPERTY PROFILE REPORT

Glenwood Village

Effective Rent Date	4/22/2013
Location	1420 Gray Highway Macon, GA 31211 Bibb County
Distance	53.6 miles
Units	80
Vacant Units	8
Vacancy Rate	10.0%
Type	One-story
Year Built/Renovated	1984 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	a variety of tenants including a few seniors
Contact Name	Debbie
Phone	478-845-0792



Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	within one month
Annual Chg. in Rent	None
Concession	1BD: \$440

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	One-story	24	288	\$419	\$0	Market	no	2	8.3%	N/A	None
1	1	One-story	50	576	\$519	\$79	Market	no	6	12.0%	N/A	None
2	1	One-story	6	864	\$619	\$0	Market	no	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$419	\$0	\$419	\$65	\$484
1BR / 1BA	\$519	\$79	\$440	\$79	\$519
2BR / 1BA	\$619	\$0	\$619	\$94	\$713

Amenities

In-Unit	Security	Services
Balcony/Patio	Patrol	None
Carpeting		
Exterior Storage		
Oven		
Vaulted Ceilings		
Blinds		
Central A/C		
Ceiling Fan		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
On-Site Management		
Off-Street Parking		

Glenwood Village, continued

Comments

The property does not currently accept Housing Choice Vouchers. The manager stated that occupancy is typically around 90 percent. Tenants pay all utilities. There is a flat rate charged for water, sewer, and trash of \$25, \$35, and \$45 for one, two, and three-bedroom apartments, respectively.

PROPERTY PROFILE REPORT

Highland Hills

Effective Rent Date	5/10/2013
Location	2275 Gray Highway Macon, GA 31211 Bibb County
Distance	54.8 miles
Units	241
Vacant Units	70
Vacancy Rate	29.0%
Type	Various
Year Built/Renovated	1975/1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Overlook Apartments and Cherry Tree Apartments
Tenant Characteristics	The majority of the tenants are families from Bibb County
Contact Name	Leasing Agent
Phone	478-845-4584



Market Information

Program	Market
Annual Turnover Rate	20%
Units/Month Absorbed	N/A
HCV Tenants	4%
Leasing Pace	2-4 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	N/A	881	\$535	\$0	Market	None	N/A	N/A	N/A	None
2	1.5	Townhouse	N/A	1,042	\$555	\$0	Market	None	N/A	N/A	N/A	None
2	1.5	Townhouse	N/A	1,298	\$555	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden	N/A	1,175	\$555	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden	N/A	1,187	\$555	\$0	Market	None	N/A	N/A	N/A	None
3	2	Garden	N/A	1,257	\$640	\$0	Market	None	N/A	N/A	N/A	None
3	2	Garden	N/A	1,798	\$640	\$0	Market	None	N/A	N/A	N/A	None
3	2.5	Townhouse	N/A	1,493	\$715	\$0	Market	None	N/A	N/A	N/A	None
4	3	Garden	N/A	2,084	\$900	\$0	Market	None	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$535	\$0	\$535	\$50	\$585
2BR / 1.5BA	\$555	\$0	\$555	\$62	\$617
2BR / 2BA	\$555	\$0	\$555	\$62	\$617
3BR / 2BA	\$640	\$0	\$640	\$77	\$717
3BR / 2.5BA	\$715	\$0	\$715	\$77	\$792
4BR / 3BA	\$900	\$0	\$900	\$95	\$995

Highland Hills, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Refrigerator

Blinds
Central A/C
Fireplace
Oven
Washer/Dryer hookup

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Playground
Tennis Court

Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

As of April 2013, Highland Hills is under new management and the manager reported that the property suffered from deferred maintenance under the old management and expects occupancy levels to increase upon completion of repairs.

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Housing Choice Voucher Tenants
Emerald Pointe Apartments	LIHTC	5%
Hickory Trace	LIHTC	14%
Hillcrest Apartments	LIHTC	31%
Meadowwood Park Apartments	LIHTC	11%
Waterford Estates	LIHTC	N/A
Brookington Apartments	Market	0%
Carriage Hills Of Dublin	Market	17%
Claxton Pointe North	Market	4%
Glenwood Village	Market	0%
Highland Hills	Market	4%
Average		10%

As illustrated in the table, the majority of the LIHTC comparables reported having voucher tenants. We were unable to obtain voucher information from Waterford Estates. For the surveyed comparables, the average number of voucher tenants at the LIHTC properties is 15 percent and the overall market average is 10 percent. The Subject will operate with 100 percent project-based rental assistance. Therefore, none of the tenants will utilize vouchers.

Lease Up History

We were able to obtain absorption information for one of the comparables, Emerald Pointe Apartments. Emerald Pointe Apartments is a mixed market rate, LIHTC, and project-based rental assisted project that absorbed all 64 units within two months of opening in 2006. As part of its renovation, the Subject will convert one studio unit from non-revenue to revenue producing. However, the Subject is fully occupied with a wait list, including 15 households waiting for studio units. Given the tenancy of the Subject and its extensive waiting list, a hypothetical absorption pace would most likely be approximately 30 units per month. If the Subject had to hypothetically reabsorb all of its units post-renovation, we believe that the Subject could reach 93 percent occupancy within two months. However, the Subject is an existing development that is currently fully occupied, and the renovations will occur as a rolling renovation with tenants remaining in place. All of the Subject's existing tenancy will income-qualify following renovations, and the absorption analysis is moot.

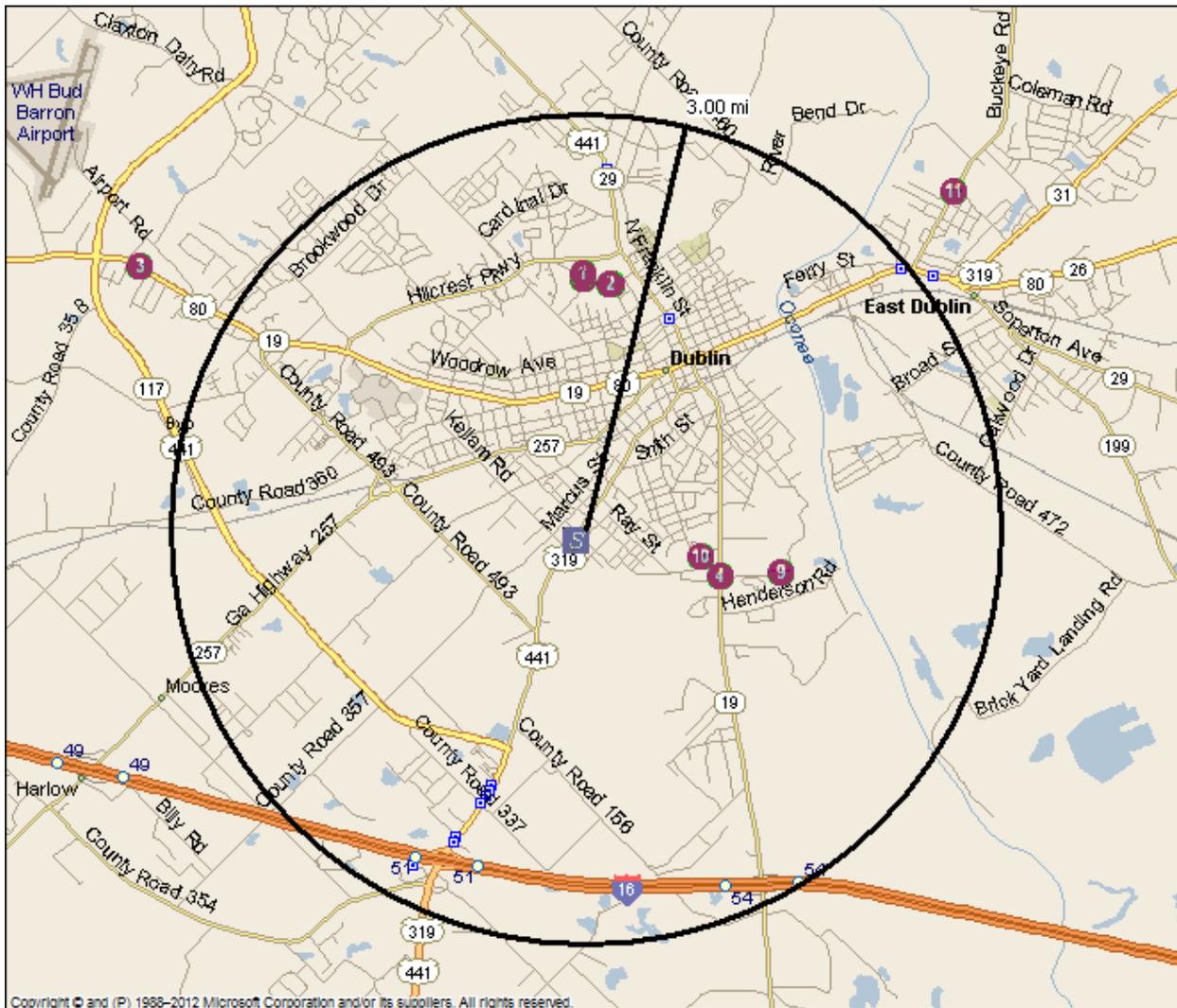
Phased Developments

The Subject is not a phase of a development.

Rural Areas

The Subject is located in a rural area. Due to limited availability of market rate studio and four-bedroom units it was necessary to extend our search outside the PMA. Additionally, we have supplemented the conventional rental comparables with classified listings of studio and four-bedroom rentals. Overall, we consider the availability of market data to be limited.

3. COMPETITIVE PROJECT MAP



COMPETITIVE PROJECTS IN THE PMA

#	Property Name	City	Type	Tenancy	Distance (miles)
1	Emerald Pointe Apartments*	Dublin	LIHTC/PBRA/Market	Family	3.0
2	Hillcrest Apartments*	Dublin	LIHTC	Family	2.8
3	Meadowwood Park Apartments*	Dublin	LIHTC/HOME	Family	6.7
4	Waterford Estates *	Dublin	LIHTC/Market	Family	2.6
5	Woodlawn Senior Village	Dublin	LIHTC	Senior	3.3
6	Dogwood Terrace	Dublin	Section 8	Disabled	3.3
7	Hillcrest Group Home	Dublin	Section 8	Disabled	2.9
8	Martin Court	Dublin	Section 8	Family	2.9
9	Riverview Heights	Dublin	Section 8	Senior	3.2
10	Shamrock Village Apartments	Dublin	Section 8	Family	1.5
11	Jasmine Lane Apartments	East Dublin	RD	Family	4.3

*Utilized as a comparable

4. Amenities

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

UNIT MATRIX REPORT

	Groveland Terrace Apartments	Emerald Pointe Apartments	Hickory Trace	Hillcrest Apartments	Meadowood Park Apartments	Waterford Estates	Brookington Apartments	Carriage Hills Of Dublin	Claxton Pointe North	Glenwood Village	Highland Hills
Comp #	Subject	1	2	3	4	5	6	7	8	9	10
Property Information											
Property Type	Garden (2 stories)	Garden (2 stories)	Single Family (2 stories)	Garden (2 stories)	Garden (2 stories)	Single Family	Garden (2 stories)	Garden	Garden (2 stories)	One-story	Various
Year Built / Renovated	1971 / Proposed 2014	2006 / n/a	2008 / n/a	1996 / n/a	1999 / n/a	2009 / n/a	1973 and 1993 / n/a	1984 / 2006	1976 / 1995	1984 / n/a	1975/1999 / n/a
Market (Conv./Subsidy Type)	@60% (Section 8)	@30%, @50%, @50% PBRA, @60%, Market	@50%, @60%	30%, 50%	@50% (HOME)	@50%, @60%, Market	Market	Market	Market	Market	Market
In-Unit Amenities											
Balcony/Patio	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	no	yes	no	no	yes	yes	no	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Exterior Storage	no	yes	yes	yes	yes	no	no	no	no	yes	no
Ceiling Fan	no	yes	no	no	yes	yes	no	yes	yes	yes	no
Fireplace	no	no	no	no	no	no	no	no	no	no	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	yes
Hand Rails	no	no	no	no	no	no	yes	no	yes	no	no
Microwave	no	no	yes	no	no	yes	no	yes	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	no	yes	no
Walk-In Closet	no	yes	yes	yes	yes	yes	yes	no	yes	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities											
Basketball Court	no	yes	no	no	yes	no	no	no	no	no	no
Business Center/Computer Lab	yes	no	yes	no	no	yes	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	no	yes	no	yes	yes	yes	no	no	no	yes
Exercise Facility	no	yes	yes	no	no	yes	no	no	no	no	no
Central Laundry	yes	yes	no	yes	yes	yes	no	yes	no	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	no	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	yes	no	yes	yes	no	no	no	no	no
Playground	yes	yes	yes	yes	yes	yes	no	no	no	no	yes
Swimming Pool	no	no	no	no	yes	no	yes	no	no	no	yes
Tennis Court	no	no	no	no	no	no	no	no	no	no	yes
Services											
Shuttle Service	no	no	yes	no	no	no	no	no	no	no	no
Security											
In-Unit Alarm	no	no	yes	no	no	no	no	no	no	no	no
Limited Access	yes	no	no	no	no	no	no	no	no	no	no
Patrol	no	no	no	no	no	no	no	no	no	yes	no
Perimeter Fencing	no	yes	no	no	no	no	yes	no	no	no	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	no
Premium Amenities											
Other Amenities											
Other	Gazebo	n/a	n/a	Gazebo	n/a	Library, community gardens	n/a	n/a	n/a	n/a	n/a
Limited Access	yes	no	no	no	no	no	no	no	no	no	no
Patrol	no	no	no	no	no	no	no	no	no	yes	no
Perimeter Fencing	no	yes	no	no	no	no	yes	no	no	no	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	no
Premium Amenities											
Other Amenities											
Other	n/a	n/a	n/a	Gazebo	n/a	Library, community gardens	n/a	n/a	n/a	n/a	n/a

The Subject will offer a relatively competitive in-unit amenity package, although it lacks a balcony/patio, exterior storage, ceiling fan, and walk-in closet, which are offered by several of the comparables. Additionally, the comparables with washer hookups also offer dryer hookups, while the Subject offers only washer hookups. The Subject's in-unit amenity package is slightly inferior to the LIHTC and market rate comparables.

The Subject's community amenity package is considered slightly inferior to all of the LIHTC comparables, except Hillcrest Apartments. The Subject is considered slightly superior in community amenities to Hillcrest as this comparable does not offer a business center, community room, or video surveillance. Relative to the market rate comparables, the Subject is slightly superior to four comparables and similar to Highland Hills. Although Highland Hill offers a swimming pool and tennis, the comparable does not offer a business center or security features. Overall, the Subject's amenity package is considered generally competitive to the market.

5. The Subject will target family households. Therefore, per DCA's guidelines, senior properties were not included.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
	@30%, @50%, @50% PBRA,			
Emerald Pointe Apartments	@60%, Market	64	1	1.60%
Hickory Trace*	@50%, @60%	40	0	0.00%
Hillcrest Apartments	30%, 50%	48	1	2.10%
Meadowwood Park Apartments	@50% (HOME)	80	2	2.50%
Waterford Estates	@50%, @60%, Market	56	0	0.00%
Brookington Apartments	Market	96	4	4.20%
Carriage Hills Of Dublin	Market	60	1	1.70%
Claxton Pointe North	Market	138	2	1.40%
Glenwood Village*	Market	80	8	10.00%
Highland Hills*	Market	241	70	29.00%
Total		903	89	9.86%

*Located in Outside of PMA

Vacancy rates among the comparables ranges from 0.0 to 29.0 percent, with an overall vacancy rate of 9.9 percent. Glenwood Village and Highland Hills, two market rate comparables located in northern Macon outside the PMA, reported the highest vacancy rates amongst the comparables. Although located outside the PMA, these two comparables were included to provide comparable market rate studio and four-bedroom rents. Management at Glenwood Village stated that their occupancy has been typical over the past year and provided no further explanation. Notably, the 24 studio units at this comparable are 8.3 percent vacant. As of April 2013, Highland Hills is under new management and the manager reported that the property suffered from deferred maintenance under the old management and expects occupancy levels to increase upon completion of repairs. The overall vacancy rate of the comparables, excluding

these two Macon comparables, decreases to 2.4 percent. The vacancy rates among the LIHTC comparables range from 0.0 to 2.5 percent, with an overall LIHTC vacancy rate of 1.4 percent. Three out of the four vacant LIHTC units are pre-leased. Many of these LIHTC properties noted that concessions are rarely offered and not necessary to maintain high occupancy rates. All of the comparables in Dublin and Swainsboro reported low vacancies demonstrating a strong and stable market amongst both market rate and LIHTC developments. Additionally, all of the LIHTC and one market rate comparable reported waiting lists.

The Subject, which was built in 1971, will be generally similar to the recently built LIHTC properties in terms of age and condition post-renovation. The Subject is fully occupied and will retain its subsidy post-renovations. Therefore, we anticipate that the Subject will continue to maintain a high occupancy rate. The Subject is currently fully occupied with a waiting list exceeding 150 households. Due to the demand for family LIHTC housing in the market, we anticipate that the Subject will maintain a vacancy rate of five percent, or less, as a family LIHTC property without a subsidy.

7. Properties Under Construction and Proposed

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

8. Rental Advantage

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

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Emerald Pointe Apartments	@ 30%, @ 50%, @ 50% PBRA, @ 60%, Market	Slightly Superior	Superior	Similar	Similar	Superior	25
2	Hickory Trace	@ 50%, @ 60%	Slightly Superior	Superior	Slightly inferior	Similar	Superior	20
3	Hillcrest Apartments	30%, 50%	Similar	Slightly Superior	Similar	Inferior	Superior	5
4	Meadowood Park Apartments	@ 50% (HOME)	Slightly Superior	Slightly Superior	Similar	Slightly inferior	Superior	15
5	Waterford Estates	@ 50%, @ 60%, Market	Slightly Superior	Superior	Similar	Similar	Superior	25
6	Brookington Apartments	Market	Inferior	Slightly Superior	Similar	Slightly inferior	Superior	0
7	Carriage Hills Of Dublin	Market	Slightly inferior	Slightly Superior	Similar	Slightly inferior	Slightly superior	0
8	Claxton Pointe North	Market	Inferior	Slightly Superior	Similar	Inferior	Superior	-5
9	Glenwood Village	Market	Slightly inferior	Slightly Superior	Slightly Superior	Inferior	Slightly superior	0
10	Highland Hills	Market	Similar	Slightly Superior	Slightly Superior	Inferior	Superior	10

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

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

LIHTC Rent Comparison - @60%

Property Name	0BR	1BR	2BR	3BR	4BR
Groveland Terrace Apartments (Subject)	BOI	BOI	BOI	BOI	BOI
LIHTC Maximum (Net)	\$428	\$440	\$517	\$591	\$680
Waterford Estates	-	-	-	\$642	\$689
Hickory Trace	-	-	\$435	\$497	\$554
Emerald Pointe Apartments	-	\$414	\$439	\$579	-
Average (excluding Subject)	-	\$414	\$437	\$573	\$622

The Subject will offer 100 percent Section 8 subsidy and therefore all tenants will pay 30 percent of their income towards the monthly rent.

The previous tables include the LIHTC unassisted rents at the comparable properties. None of the comparables reported achieving maximum allowable 60 percent AMI rents. Waterford Estates is reporting a net three-bedroom rent that appears to be at maximum; however, this is due to differing utility allowance adjustments and the hold harmless rule.

As newly renovated family property, the Subject will be most similar to Emerald Pointe Apartments and Waterford Estates in terms of location and condition. The Subject will offer a generally inferior amenities package and unit size when compared to both comparables. All of the LIHTC comparables are performing well with vacancy rates of 2.5 percent or less, indicating that their rents are achievable. If the Subject were to operate as an unsubsidized family LIHTC property, we anticipate that the Subject would achieve rents that are below those at Hickory Trace and Waterford Estates. We believe that the Subject is feasible as proposed, particularly with its Section 8 subsidy, which is in high demand among households in the PMA. The Subject is currently fully occupied with a waiting list exceeding 150 households.

Analysis of “Market Rents”

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

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

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

RENTAL CLASSIFIED LISTINGS

Unit Type	Location		Asking Rent	Comments
<i>Studio Homes</i>				
0BR	978 Spring Street	Macon	\$450	400 sf, one bath
0BR	1481 Forest Hill Road	Macon	\$429	288 sf, one bath
0BR	1950 Millerfield Road	Macon	\$600	-
0BR	2926 Joycliff Road	Macon	\$400	-
Average			\$470	
<i>Four-Bedroom Homes</i>				
4BR	1142 Mulberry Place	Dublin	\$1,750	3,260 sf, three baths
4BR	103 Sagegrass Street	Jeffersonville	\$700	1,500 sf, two baths
4BR	4496 Langston Drive	Millen	\$900	1,960 sf, two baths
4BR	556 Villa Esta Circle	Macon	\$700	1,463 sf, one bath
4BR	3287 Kings Park Circle	Macon	\$500	1,800 sf, two baths
4BR	1747 Winston Drive	Macon	\$850	1,600 sf, two baths
Average			\$900	

Subject Comparison to "Market Rents"

Unit Type	Subject	Surveyed			Subject
		Min	Max	Average	Rent Advantage
Studio	BOI	\$400	\$600	\$475	N/Ap
1 BR	BOI	\$325	\$585	\$483	N/Ap
2 BR	BOI	\$435	\$713	\$585	N/Ap
3 BR	BOI	\$497	\$792	\$673	N/Ap
4 BR	BOI	\$500	\$1,750	\$850	N/Ap

The Subject will operate with 100 percent subsidy under a HAP contract. Therefore, the Subject will have a slight rent advantage over LIHTC and unrestricted rents in the market. Emerald Pointe Apartments and Waterford Estates reported achieving unrestricted rents above the surveyed averaged average for each unit type offered at the comparables. We believe that the Subject should achieve rents below these comparables, due to condition and amenities, and above the Dublin market rate comparables if the Subject were to operate as an unrestricted property.

Nonetheless, the Subject will operate with 100 percent Section 8 subsidy and therefore will have a rental advantage over the comparables that do not offer a subsidy.

9. LIHTC Competition – Recent Allocations within Two Miles

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

10. Rental Trends in the PMA

The following table is a summary of the tenure patterns of the housing stock in the PMA.

TENURE PATTERNS PMA

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	12,034	70.4%	5,054	29.6%
2012	12,172	65.4%	6,430	34.6%
2017	12,265	65.7%	6,408	34.3%

Source: ESRI Demographics 2012, Novogradac & Company LLP, May 2013

Owner-occupied housing units dominate the housing market in the PMA. Nationally, approximately two-thirds of households are homeowners and one-third are renters. The PMA has a slightly higher percentage of renter households than the nation as a whole. Through 2017, the representation of renter households in the PMA will remain slightly above the national average, which bodes well for the Subject.

Historical Vacancy

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

HISTORICAL VACANCY

Comparable Property	Type	Total Units	2QTR 2008	3QTR 2009	3QTR 2010	2QTR 2011	1QTR 2013	2QTR 2013
Groveland Terrace Apartments	Garden	52	-	-	-	-	-	1.90%
Emerald Pointe Apartments	Garden	64	0.00%	-	-	0.00%	-	1.60%
Hickory Trace	Single Family	40	-	-	2.50%	-	-	0.00%
Hillcrest Apartments	Garden	48	4.20%	-	-	4.20%	-	2.10%
Meadowwood Park Apartments	Garden	80	1.30%	-	-	8.70%	-	2.50%
Waterford Estates	Single Family	56	-	-	-	-	-	0.00%
Brookington Apartments	Garden	96	2.10%	-	-	0.00%	-	4.20%
Carriage Hills Of Dublin	Garden	60	0.00%	-	-	3.30%	-	1.70%
Claxton Pointe North	Garden	138	1.40%	-	-	10.10%	-	1.40%
Glenwood Village	One-story	80	-	-	-	-	-	10.00%
Highland Hills	Various	241	-	2.50%	-	-	-	29.00%

As illustrated in the table, the vacancy in the local market has generally improved over the past two years. Meadowwood Park Apartments experienced the most significant decline in vacancy rate over this time period. As previously discussed, Highland Hills high current vacancy is due to project-specific issues. All of the comparable LIHTC properties reported strong pre-lease activity and maintained waiting lists. Similar to these LIHTC comparables, the Subject currently maintains full occupancy and a waiting list. Thus, it is not likely that concessions will need to be offered if the Subject's rents were to increase.

Change in Rental Rates

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

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Emerald Pointe Apartments	@30%, @50%, @50% PBRA, @60%, Market	Tax credit rents increased 2.1 to 5.5 percent.
Hickory Trace	@50%, @60%	0.5 to 3.1 percent increase
Hillcrest Apartments	30%, 50%	None
Meadowwood Park Apartments	@50% (HOME)	None
Waterford Estates	@50%, @60%, Market	None
Brookington Apartments	Market	Slight increase
Carriage Hills Of Dublin	Market	None
Claxton Pointe North	Market	-
Glenwood Village	Market	None
Highland Hills	Market	None

Management at three of the comparables reported rent increases over the past year. Emerald Pointe Apartments and Hickory Trace, family-tenancy LIHTC developments, reported tax credit rent increases of 0.5 to 5.5 percent. The four-bedroom rent increase at Hickory Trace was due to a rent adjustment of units restricted at the 50 and 60 percent AMI levels.

11. Impact of Foreclosed, Abandoned and Vacant Structures

In April 2013, one in every 418 housing units in the country received a foreclosure filing, according to RealtyTrac. The foreclosure rate in the state of Georgia is below that of the nation overall, as one in 682 homes filed for foreclosure in the state. The foreclosure rate in Laurens County was lower than the state's level, as one in 2,128 homes filed for foreclosure. Since June of 2012, the number of foreclosures has fluctuated, but has largely declined. Overall, the low foreclosure rate in the county is a positive indicator for the Subject.

12. Primary Housing Void

The Subject is an existing LIHTC property that provides affordable housing to families. The Subject is currently fully occupied and will continue to serve this demographic post-renovation.

13. Affect of Subject on Other Affordable Units in Market

As part of its renovation, the Subject will convert one studio unit from non-revenue to revenue producing. However, the Subject is fully occupied with a wait list, including 15 households waiting for studio units. Therefore, we do not believe the Subject will affect other affordable units in the market as tenants are expected to remain in place post renovation.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The Subject will target families. There is a strong demand for this type of housing in the PMA as comparables reported high occupancy rates. Additionally, all of the LIHTC and one market rate comparable reported waiting lists. The Subject will face limited competition and will operate with 100 percent subsidy. LIHTC vacancy in the market is low and the Subject will be similar to inferior to the comparable family LIHTC properties in terms of age/condition and amenities. The Subject's greatest weaknesses are its unit sizes and number of bathrooms, as all of the comparable LIHTC properties reported larger units with more bathrooms in larger unit configurations. However, the Subject has and

will improve its amenity package and condition, post-renovation. Overall, we believe there is demand for the Subject as conceived.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information for one of the comparables, Emerald Pointe Apartments. Emerald Pointe Apartments is a mixed market rate, LIHTC, and project-based rental assisted project that absorbed all 64 units within two months of opening in 2006. As part of its renovation, the Subject will convert one studio unit from non-revenue to revenue producing. However, the Subject is fully occupied with a wait list, including 28 households waiting for studio units. Given the tenancy of the Subject and its extensive waiting list, a hypothetical absorption pace would most likely be approximately 30 units per month. If the Subject had to hypothetically reabsorb all of its units post-renovation, we believe that the Subject could reach 93 percent occupancy within two months. However, the Subject is an existing development that is currently fully occupied, and the renovations will occur as a rolling renovation with tenants remaining in place. All of the Subject's existing tenancy will income-qualify following renovations, and the absorption analysis is moot.

J. INTERVIEWS

Georgia Department of Community Affairs (DCA), Eastman Regional Office

According to Mr. Bradley Mazza, Field Operation Manager of the Georgia Department of Community Affairs Eastman Regional Office, the department currently administers 300 Housing Choice Vouchers (HCV) and DASH vouchers, of which HCVs account for 95.0 percent. DASH vouchers are targeted towards homeless veterans, and DCA issues the vouchers through a referral process with the Carl Vinson VA Medical Center. The DASH program stipulates that voucher holders must stay within 60 miles of Dublin; therefore, demand is high for one and two-bedroom units in the area. Mr. Mazza noted that since the HCV waiting list is closed for Laurens County, the majority of new voucher holders are from the DASH program. The HCV waiting list for Laurens County was last open in November 2012 and currently it is closed with 40 households. Mr. Mazza also noted that the sequester has affected the agency's budget; however, exact details were not available as the effects are projected to occur in late 2013 to early 2014. The current payment standard for Laurens County can be found in the following table.

PAYMENT STANDARDS	
#BR	Payment Standard
0BR	\$455
1BR	\$530
2BR	\$548
3BR	\$747
4BR	\$893

Payment standards for the county are 90 to 107 percent of the FMR.

Planning

We interviewed Mr. Allen Scarboro, Building Inspector with the Dublin Inspections Department. Mr. Scarboro noted that there have not been any major residential projects since Waterford Estates in 2009. This property has been utilized as a comparable. There are two multifamily projects currently in the preliminary phases of the approval process. One of these developments will be located along Moore Station Road, behind Fairview Park Hospital, and it will consist of 16 to 20 units. Mr. Scarboro was unable to provide any further details regarding the multifamily developments, although we know from the DCA LIHTC allocation lists that neither of these projects have been allocated LIHTC. In terms of commercial developments, the German manufacturer, Erdrich Umformtechnik Gmbh and Company, is projected to deliver its plant by September 2013. The manufacturer produces parts for BMW and Mercedes, stated Mr. Scarboro. According to a March 2013 article published by *The Telegraph*, the Erdrich plant is estimated to cost \$39 million. It will be located at I-16 and GA 257 in the I-16 Industrial Park, within three miles of the Subject. The plant is projected to create 178 jobs over 36 months, and production is estimated to begin in January 2014.

Dublin – Laurens County Development Authority

We spoke with a representative with the Dublin – Laurens County Development Authority. There have not been any other major employment expansions or contractions in the area, aside from those noted in the planning interview and WARN filing discussions.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- Historically, total population and household growth in the PMA and SMA has been moderate, slightly below that of the nation overall. The current PMA population and number of households are 48,428 and 18,602, respectively. By 2017, both population and households are projected to increase slightly to 48,522 and 18,673, respectively. The age distribution of the PMA indicates a significant presence of families as approximately 28.0 percent of its population is aged 19 years or younger.

From 2000 to 2012, the percentage of renter households increased 500 basis points, although the share of renters is projected to remain generally stable through 2017. The current share of renters (34.6 percent) in the PMA is slightly above the national average of 33 percent. As of 2012, a significant portion of these households, approximately 56.6 percent, earn an annual wage less than \$30,000. Post renovations, the Subject will target households earning between \$0 and \$36,480 and will continue to target one through six-person households. Through 2017, the percentage of low-income households, those earning less than \$40,000, is projected to increase 210 basis points. Overall, these demographic trends indicate a strong rental market for the Subject and its unit mix.

- In April 2013, one in every 418 housing units in the country received a foreclosure filing, according to RealtyTrac. The foreclosure rate in the state of Georgia is below that of the nation overall, as one in 682 homes filed for foreclosure in the state. The foreclosure rate in Laurens County was lower than the state's level, as one in 2,128 homes filed for foreclosure. Since June of 2012, the number of foreclosures has fluctuated, but has largely declined. Overall, the low foreclosure rate in the county is a positive indicator for the Subject.
- Major industries in Laurens County include retail trade, healthcare, and manufacturing. The city of Dublin is home to the region's medical centers, Carl Vinson VA Medical Center and Fairview Park Hospital. Relative to the nation, the PMA's workforce is significantly overrepresented in the health care/social assistance, manufacturing and public administration sectors. Employment has declined 11.6 percent and unemployment has increased 330 basis points over the past five years. The decline in total employment since the latest recession is primarily attributable to the presence of the manufacturing sector in the SMA. From 2009 to 2013 year-to-date, a total of 832 workers have been laid off by manufacturers in Dublin. As of March 2013, the unemployment rate in the SMA remains in the double digits at 10.6 percent, 300 basis points above the national average. The SMA remains affected by the recession; however, it has experienced smaller reductions in total employment since 2011. Furthermore, two European manufacturers have either recently announced or opened major manufacturing plants in Dublin. The Erdich plant is projected to create a total of 178 jobs over 36 months. The recent employment trend is a positive indicator for the Subject as it is located in close proximity to employment centers that typically hire entry to mid-level positions.
- The Subject will target very low income homeless and will operate with 100 percent project-based subsidy. Per the Georgia Department of Community Affairs (GA DCA) 2013 Qualified Action Plan (QAP) and Market Study Manual, units that operate with

PBRA and/or units that are priced 30 percent lower than the average market rent for the bedroom type in any income segment will be assumed to be leasable in the market and deducted from the total number of units at the Subject when determining capture rates. Therefore, all units at the Subject are presumed leasable as they will operate with subsidy.

- We were able to obtain absorption information for one of the comparables, Emerald Pointe Apartments. Emerald Pointe Apartments is a mixed market rate, LIHTC, and project-based rental assisted project that absorbed all 64 units within two months of opening in 2006. As part of its renovation, the Subject will convert one studio unit from non-revenue to revenue producing. However, the Subject is fully occupied with a wait list, including 28 households waiting for studio units. Given the tenancy of the Subject and its extensive waiting list, a hypothetical absorption pace would most likely be approximately 30 units per month. If the Subject had to hypothetically reabsorb all of its units post-renovation, we believe that the Subject could reach 93 percent occupancy within two months. However, the Subject is an existing development that is currently fully occupied, and the renovations will occur as a rolling renovation with tenants remaining in place. All of the Subject's existing tenancy will income-qualify following renovations, and the absorption analysis is moot.
- Vacancy rates among the comparables ranges from 0.0 to 29.0 percent, with an overall vacancy rate of 10.5 percent. Glenwood Village and Highland Hills, two market rate comparables located in northern Macon outside the PMA, reported the highest vacancy rates amongst the comparables. Although located outside the PMA, these two comparables were included to provide comparable market rate studio and four-bedroom rents. Management at Glenwood Village stated that their occupancy has been typical over the past year and provided no further explanation. Notably, the 24 studio units at this comparable are 8.3 percent vacant. As of April 2013, Highland Hills is under new management and the manager reported that the property suffered from deferred maintenance under the old management and expects occupancy levels to increase upon completion of repairs. The overall vacancy rate of the comparables, excluding these two Macon comparables, decreases to 2.4 percent. The vacancy rates among the LIHTC comparables range from 0.0 to 2.5 percent, with an overall LIHTC vacancy rate of 1.4 percent. Three out of the four vacant LIHTC units are pre-leased. Many of these LIHTC properties noted that concessions are rarely offered and not necessary to maintain high occupancy rates. All of the comparables in Dublin and Swainsboro reported low vacancies demonstrating a strong and stable market amongst both market rate and LIHTC developments. The Subject, which was built in 1971, will be generally similar to the recently built LIHTC properties in terms of age and condition post-renovation. The Subject's will retain its subsidy post-renovations. Therefore, we anticipate that the Subject will continue to maintain a high occupancy rate. The Subject is currently fully occupied with a waiting list exceeding 150 households. Due to the demand for family LIHTC housing in the market, we anticipate that the Subject will maintain a vacancy rate of five percent, or less, as a family LIHTC property without a subsidy.
- All of the LIHTC and one market rate comparable reported waiting lists. The Subject is currently 100 percent occupied with a wait list of 214 households.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property as proposed. The Subject will target families. There is a strong demand for this type of housing in the PMA as comparables reported high occupancy rates. Additionally, all of the LIHTC and one market rate comparable reported waiting lists. The Subject will face limited competition and will operate with 100 percent subsidy. LIHTC vacancy in the market is low and the Subject will be similar to inferior to the comparable family LIHTC properties in terms of age/condition and amenities. The Subject's greatest weaknesses are its unit sizes and number of bathrooms, as all of the comparable LIHTC properties reported larger units with more bathrooms in larger unit configurations. However, the Subject has and will improve its amenity package and condition, post-renovation. Overall, we believe there is demand for the Subject as conceived.

Recommendations

- We believe that the Subject is feasible as conceived.

L. SIGNED STATEMENT REQUIREMENTS

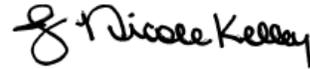
I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



Brad Weinberg, MAI, CCIM
Partner
Georgia License #CG221179



H. Blair Kincer, MAI, CRE,
LEED Green Associate
Partner



J. Nicole Kelley
Manager



K. David Adamescu
Analyst



Andrew Holloway
Researcher



Linda Hartman
Researcher

6-12-2013

Date

M. MARKET STUDY REPRESENTATION

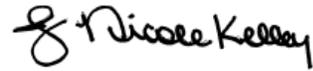
Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



Brad Weinberg, MAI, CCIM
Partner
Georgia License #CG221179



H. Blair Kincer, MAI, CRE,
LEED Green Associate
Partner



J. Nicole Kelley
Manager



K. David Adamescu
Analyst



Andrew Holloway
Researcher



Linda Hartman
Researcher

6-12-2013

Date

N. QUALIFICATIONS

CURRICULUM VITAE
BRAD E. WEINBERG, MAI, CCIM

I. Education

University of Maryland, Masters of Science in Accounting & Financial Management
University of Maryland, Bachelors of Arts in Community Planning

II. Licensing and Professional Affiliations

MAI Member, Appraisal Institute, No. 10790
Certified Investment Member (CCIM), Commercial Investment Real Estate Institute
Member, Urban Land Institute
Member, National Council of Affordable Housing Market Analysts (NCAHMA)

State of Alabama – Certified General Real Estate Appraiser; No. G00628
Washington, D.C. – Certified General Real Estate Appraiser; No. GA10340
State of Florida – Certified General Real Estate Appraiser; No. RZ3249
State of Georgia – Certified General Real Property Appraiser; No. 221179
State of Maryland – Certified General Real Estate Appraiser; No. 6048
State of New Jersey – Certified General Real Estate Appraiser; No. 42RG00224900
State of Ohio – Certified General Real Estate Appraiser; No. 2006007302
State of South Carolina – Certified General Real Estate Appraiser; No. 4566

III. Professional Experience

Partner, Novogradac & Company LLP
President, Capital Realty Advisors, Inc.
Vice President, The Community Partners Realty Advisory Services Group, LLC
President, Weinberg Group, Real Estate Valuation & Consulting
Manager, Ernst & Young LLP, Real Estate Valuation Services
Senior Appraiser, Joseph J. Blake and Associates
Senior Analyst, Chevy Chase F.S.B.
Fee Appraiser, Campanella & Company

IV. Professional Training

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements

Commercial Investment Real Estate Institute (CIREI) Coursework and Seminars Completed for CCIM Designation and Continuing Education Requirements

V. Speaking Engagements and Authorship

Numerous speaking engagements at Affordable Housing Conferences throughout the Country

Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored “New Legislation Emphasizes Importance of Market Studies in Allocation Process,” *Affordable Housing Finance*, March 2001

VI. Real Estate Assignments

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

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a “flat” rent, or an “income-based” rent. The flat rent is based on the “market rent”, defined as the rent charged for a comparable unit in the private, unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.
- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in its privatization efforts. Participation has included developing and analyzing housing privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest and responses to housing privatization RFP, Evaluating RFP responses, and recommending the private sector entity to the Air Force whose proposal brings best value to the Air Force. Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of military housing. This is a teaming effort with Parsons Corporation. These analyses were done for the purpose of determining whether housing deficits or surpluses exist at specific installations. Assignment included local market analysis, consultation with installation housing personnel and local government agencies, rent surveys, housing data collection, and analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

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

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

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

V. Real Estate Assignments – Examples

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

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.
- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.

H. Blair Kincer

Qualifications

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- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

J. Nicole Kelley

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration: International Business
Auburn University, Auburn, Alabama
Master of Business Administration (MBA)

II. Professional Experience

Manager, Novogradac & Company LLP (July 2012-Present)
Real Estate Analyst, Novogradac & Company LLP (October 2009-June 2012)
Real Estate Researcher, Novogradac & Company LLP (May 2006-September 2009)

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Member, Women in Affordable Housing Network (WAHN)
Successfully completed "Introduction to Commercial Real Estate Analysis" and
"Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

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

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Conducted market studies for senior and family projects in Alabama, Arizona, California, Florida, Georgia, Guam, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Washington, Wisconsin, and Wyoming.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit and Special Needs properties in various states.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

K. DAVID ADAMESCU

I. Education

The Ohio State University, Columbus, OH
Masters of City and Regional Planning
Bachelors of Arts, Economics

II. Professional Experience

Real Estate Analyst, Novogradac & Company LLP
Project Director, VWB Research
Field Analyst, The Danter Company

III. Real Estate Assignments

A representative of assignments relating to research and market feasibility studies includes:

- Written and supervised the production of affordable rental housing market studies for projects located throughout the continental United States as well as Alaska. The preponderance of experience is with the Section 42 Low-income Housing Tax Credit, HUD Section 8, and USDA Rural Development programs.
- Additional experience authoring market feasibility analyses for market-rate rental housing, condominium housing, single-family housing, senior-oriented housing, seasonal housing, retail, office, golf course/marina resorts, and mixed-use developments.
- Assisted in numerous appraisals of proposed LIHTC rental housing, commercial office, and commercial retail properties. Analysis typically includes physical inspection of the property and market, concept analysis, demographic and economic analysis, demand and absorption projections, comparable surveying, supply analysis and rent determination, operating expense analysis to determine cost estimates, capitalization rate determination, valuation utilizing the three approaches to value, insurable value estimation, and LIHTC equity valuation.
- Conducted special research for highest and best use evaluations, the impact of “green” development principals on marketability, and seasonal housing dynamics.
- Reviewed third-party market studies and appraisals for investors in the secondary market.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Andrew Holloway

I. Education

George Mason University, Fairfax, VA
Bachelor of Science, Economics

II. Professional Experience

Researcher, Novogradac & Company LLP, February 2012 – Present
Research Assistant, Hanley Wood Market Intelligence, April 2011 – February 2012

III. Research Assignments

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

- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Assisted with numerous appraisals of new construction and existing LIHTC and market-rate properties.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Linda Hartman

I. Education

University of Wisconsin-Madison, Madison, WI
Bachelor of Business Administration, Real Estate and Urban Land Economics

II. Professional Experience

Researcher, Novogradac & Company LLP, October 2012 – Present
Research Analyst, Cushman & Wakefield, March 2012 – September 2012
Research Junior Analyst, Cushman & Wakefield, March 2010 – February 2012

III. Research Assignments

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

- Assisted in numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes; physical inspection of site and market, unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Assisted with numerous appraisals of new construction and existing LIHTC and market-rate properties.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.