



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

**ASHLEIGH PLACE
Parcel 10 on Timber Trail of Richmond Hill Plantation
Richmond Hill, Bryan County, Georgia**

Effective Date: April 15, 2013

Report Date: June 7, 2013

Prepared For

**Ms. Tracy Doran
Humanities Foundation, Inc.
474 Wando Park Boulevard, Suite 102
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Prepared By

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June 7, 2013

Ms. Tracy Doran
Humanities Foundation, Inc.
474 Wando Park Boulevard, Suite 102
Mount Pleasant, South Carolina 29464

Re: Market Study for Ashleigh Place to be located in Richmond Hill, Bryan County, Georgia

Dear Ms. Doran:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the Richmond Hill, Bryan County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Ashleigh Place, a proposed Housing for Older Persons (HFOP) development consisting of 80 units. Units will be restricted to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less. 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.

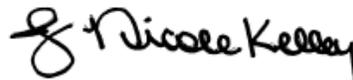
Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company, LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,



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LEED Certified Associate
Partner
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6-7-2013
Date



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ASSUMPTIONS AND LIMITING CONDITIONS

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

author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

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

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Ashleigh Place is a proposed new construction senior (55 and older HFOP) development to be at Parcel 10 on Timber Trail of Richmond Hill Plantation in Richmond Hill, Georgia. The Subject site is located east of the intersection of Timber Trail Road and Plantation Way, just southeast and across the street from Richmond Hill Park. The Subject will consist of one two-story elevator-serviced U-shaped building. 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	Size (SF)	Asking Rent	Utility	Gross Rent	LIHTC	HUD Fair
				Allowance (1)		Maximum Allowable Gross Rent	Market Rents
<i>50% AMI</i>							
1BR/1BA	5	700	\$447	\$101	\$548	\$562	\$734
2BR/2BA	11	950	\$539	\$130	\$669	\$675	\$870
<i>60% AMI</i>							
1BR/1BA	19	700	\$517	\$101	\$618	\$675	\$734
2BR/2BA	45	950	\$649	\$130	\$779	\$810	\$870
Total	80						

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

The Subject’s rents are set below the maximum allowable levels. The Subject will offer the following amenities: blinds, carpeting, central air conditioning, ovens/stoves, refrigerators, dishwashers, electronically-controlled solid covered plates over stove-top burners, a community room, a central laundry facility, an arts and crafts center, a business center/computer lab, elevators, a gazebo, on-site management, and off-street parking. The Subject’s proposed amenities package will be competitive with the comparable properties.

2. Site Description/Evaluation:

The Subject site is vacant wooded land located along the south side of Timber Trail and the northwest side of Plantation Way. The northern side of the site is bordered by Timber Trail followed by the entrance into Richmond Hill Park and the Richmond Hill Community Center that includes a senior center. The southeast portion of the site is bordered by The Estates at Hickory Hill; a new single-family residential neighborhood in excellent condition. The

Estates at Hickory Hill is part of Richmond Hill Plantation, a multi-phased neighborhood with homes starting at \$200,000. The western side of the site is bordered by Plantation Way, the entrance to Richmond Hill Plantation, followed by The Cottages of Cottonham, a single-family home development. The Cottages of Cottonham is phase I of Richmond Hill Plantation. Single-family homes in The Cottages of Cottonham are in good condition and well occupied. This section of Richmond Hill Plantation is completely built out. The northwest edge of the Subject site is bordered by vacant land.

Commercial uses are located approximately one-half mile west of the Subject site at the intersection of Ford Avenue and Timber Trail and are fully occupied. Commercial uses at this intersection consist of a strip retail center with a consignment clothing store, a martial arts gym, a veterinarian, a dentist, and a chiropractor. Additionally, a gas station with a market is located adjacent to the strip center. Additional uses located within close proximity to the Ford Avenue and Timber Trail intersection include an assisted living facility and office condominiums for lease. Higher density commercial uses are concentrated along U.S. 17, located approximately two miles northwest of the Subject site. Views are considered good and consist of vacant wooded land, single-family homes in excellent condition and the Richmond Hill Park and community center. Access and visibility are considered excellent from Timber Trail.

Positive attributes of the site is located across from Richmond Hill Park and Community Center that provides a senior center, baseball fields, basketball courts, tennis courts, and additional activities and recreational amenities. There do not appear to be any negative attributes of the site.

Overall, the Subject will be a conforming use in the neighborhood and the site appears appropriate for a senior low-rise apartment building.

3. Market Area Definition:

The Primary Market Area (PMA) encompasses portions of Bryan and Chatham counties south of Interstate 16 and west of Highway 204/Veterans Parkway. The area is bound by Interstate 16 to the north, Interstate 95/Highway 17/Fort Stewart Military Reservation to the west, the Bryan-Liberty county line to the south; and Veterans Parkway to the east. The farthest boundary from the Subject site is located approximately 16.8 miles (driving distance) northwest of

the Subject site. The Subject site is located within 2.6 miles east of Interstate 95, which provides excellent access north towards Pooler, Garden City, and Savannah as well as access south along the coast towards areas such as Brunswick. Typically we would account for leakage from the PMA; however, per GA DCA 2013 market study guidelines, GA DCA does not take into account demand from outside of the PMA.

4. Community Demographic Data:

The Subject is located in Richmond Hill, in Bryan County, Georgia. Overall demographics are strong for the Subject's age-restricted units as the PMA has been an area of growth. The senior HFOP population in 2012 was 8,840 and is projected to increase to 10,827 by 2017. There were 5,515 senior households in 2012, which is expected to increase to 7,060 by 2017. The senior population and household growth has been outpacing the growth rates of the MSA and the nation for over ten years. Senior population in the PMA is projected to increase at a 4.5 percent annual rate over the next five years, a rate nearly double that of the nation during the same period. This is a strong growth rate that suggests there is sufficient demand for the Subject.

In addition to the positive growth trends, the strong tenure patterns also demonstrate strong demand for the Subject. In 2012, approximately 24 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 81 percent lived in one or two-person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

The Subject will target households with income between \$16,500 and \$28,800. Approximately 38 percent of senior renters above the age of 55 earn incomes between \$10,000 and \$29,999. Households in these income cohorts are expected to create demand for the Subject.

The Subject is located in zip code 31324. According to RealtyTrac, this region experienced a low foreclosure rate in April 2013 with approximately one out of every 1,947 housing units filing for foreclosure in April 2013. Comparatively, Bryan County had a foreclosure rate of one in every 1,663 housing units; Georgia had a foreclosure rate of one in every 283 housing units; and the nation experienced a foreclosure rate of one in every 418 housing units. Therefore, Richmond Hill had a lower foreclosure

rate than all areas of analysis. We do not anticipate any tenants to sell homes in order to move to the Subject. Based upon site inspection, the Subject's immediate neighborhood did not include any abandoned or vacant structures.

5. Economic Data:

Total employment in the MSA has been steadily increasing since 2011. As of December 2012, employment is at its highest level since 2008. Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.1 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US; however, the high rate of growth in total employment during this time indicates a recovery in the MSA in line with the nation. The largest employers in the PMA are the health care/social assistance, retail trade, and educational services industries. Lower skilled employees in these industries are likely to have incomes in line with the Subject's income restrictions.

Overall, the Subject will cater to senior households who are likely to be retired. The forecasted growth in the economy in total employment and the decrease in unemployment combined with the modest business expansion will bode well for additional housing in the PMA.

6. Project-Specific Affordability And Demand Analysis:

The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	GA DCA Threshold*
1BR at 50% AMI	5	102	0	102	4.9%	-
2BR at 50% AMI	11	97	0	97	11.4%	-
All 50% AMI Units	16	199	0	199	8.0%	70.0%
1BR at 60% AMI	19	164	0	164	11.6%	-
2BR at 60% AMI	45	155	0	155	29.0%	-
All 60% AMI Units	64	320	0	320	20.0%	70.0%
1BR Overall	24	184	0	184	13.0%	35.0%
2BR Overall	56	174	0	174	32.1%	35.0%
All Units	80	358	0	358	22.3%	35.0%

*The Subject is located in a rural county.

The Subject's capture rates at the 50 percent AMI level will range from 4.9 to 11.4 percent, with an overall capture rate

of 8.0 percent. The Subject's 60 percent AMI capture rates range from 11.6 to 29.0 percent, with an overall capture rate of 20.0 percent. The overall capture rate for the project's 50 and 60 percent units is 22.3 percent. We believe there is demand for the Subject as proposed given low vacancy in the market and the lack of LIHTC supply, particularly senior LIHTC supply in Richmond Hill.

7. Competitive Rental Analysis:

The availability of both LIHTC and unrestricted data in Richmond Hill is limited. We have included one family LIHTC property, Ashton at Richmond Hill, in Richmond Hill and eight properties in Savannah and Pooler. We have not included two family LIHTC properties in the PMA (in Savannah) due to their family tenancy and limited number of senior tenants. We have therefore included several senior LIHTC properties located outside the PMA in Pooler and Savannah. Portions of suburban Savannah are in the PMA while Pooler is not in the PMA. Our competitive survey includes nine comparable properties containing 1,848 units. While the senior LIHTC properties are located in Savannah and Pooler, we believe they operate within the same larger market as the Subject and are therefore indicative of the performance of a LIHTC property. In terms of market rate data, we have included the closest and newest unrestricted properties, the majority of which target general households with the exception of Veranda at Midtown in Savannah. Overall, the Subject will face limited direct competition from properties in Richmond Hill. Further, as the demographic analysis will demonstrate, there is a large percentage of senior renters in the PMA, which is an area that offers limited senior rental supply, indicating that there is latent demand 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 not 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.

SUBJECT RENT COMPARISON TO RENTS IN THE MARKET

Unit Type	Subject Proposed Rents	Surveyed Minimum	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR at 50% AMI	\$447	\$405	\$914	\$647	31%
2BR at 50% AMI	\$539	\$455	\$1,074	\$773	30%
1BR at 60% AMI	\$517	\$415	\$914	\$672	23%
2BR at 60% AMI	\$649	\$485	\$1,074	\$823	21%

As the table above depicts, the Subject's proposed rents are on the low end of the range of the rents surveyed in the market. Further, the Subject's rents are at or below the unrestricted rents among the surveyed properties. Sheppard Station is achieving the lowest unrestricted rents. Sheppard Station is a senior LIHTC property in Pooler that offers unrestricted one- and two-bedroom units with adjusted rents at \$543 and \$603, respectively. The Subject's proposed LIHTC rents will be below the unrestricted rents at Sheppard Station with the exception of the Subject's two-bedroom rent at 60 percent AMI. The Subject will be similar to this property in age/condition as it was built in 2009. The property is currently 100 percent occupied with a waiting list and therefore does not appear to be testing the market. Sustainable Fellwood III and Veranda at Midtown are senior properties located in Savannah that are 90 and 98 percent occupied, respectively, as Sustainable Fellwood III is currently stabilizing. Both are achieving unrestricted rents that are higher than that of Sheppard Station. We believe that the Subject should achieve rents in the range of Sheppard Station, Sustainable Fellwood III, and Veranda at Midtown. Overall, the Subject will offer a positive price-value relationship as it will offer new construction with rents that are lower than the surveyed average market rents.

8. Absorption/Stabilization Estimate:

The following table illustrates absorption rates at the newest senior LIHTC properties in the Savannah and Pooler areas.

ABSORPTION

Property name	Type	Location	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Sheppard Station	@ 50%, @ 60%, Market	Pooler	Senior	2009	65	12
Sustainable Fellwood III	@ 60%, @ 60% (PBRA), Market	Savannah	Senior	2012	100	30

Sheppard Station is located in Pooler (outside of the PMA), opened in 2009, and reported an absorption pace of approximately 12 units per month. Sustainable Fellwood III

(in Savannah) opened in 2012 and stabilized at a rate of 30 units per month. This property's rapid absorption pace is likely due to the PBRA units at the property as well as the fact that it is one phase of an existing development. The Subject will not offer project-based rental assistance and is not part of a phased development. We have conservatively estimated that the Subject will lease approximately 10 units per month as the Subject will not have a waiting list at sister properties from which to draw tenants (as is the case with Sustainable Fellwood III). At this pace, the Subject will reach a stabilized occupancy of 93 percent within seven to eight months.

9. Overall Conclusion:

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior LIHTC property. Overall vacancy is low at approximately two percent among the LIHTC properties. Sustainable Fellwood III is a senior LIHTC property in Savannah that opened in 2012 and stabilized quickly while LIHTC vacancy remained low despite additions to supply in the market. Further, two of the senior comparables are maintaining waiting lists and seven of the nine comparables reported vacancy rates of approximately five percent or less. The larger senior market is performing well and the Subject's proposed LIHTC rents are at or below the surveyed minimum unrestricted rents, which will attract seniors in a market with very limited multifamily supply that is targeted towards this demographic. An estimated 24 percent of senior households in the PMA are renters in a market with very limited multifamily supply that is targeted towards these households. Overall, we believe that there is demand for the Subject as proposed in a market that lacks senior LIHTC housing. The Subject's strengths include its age, condition and its location within walking distance of commercial uses and the senior center.

Summary Table:

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

Development Name:	Ashleigh Place	Total # Units: 80
Location:	Parcel 10 on Timber Trail of Richmond Hill Plantation	# LIHTC Units: 80
	Richmond Hill, GA	# PBRA/PHA: 0
PMA Boundary:	North: Interstate 16; West: I-95/Hwy 17/Fort Stewart Military Reservation; South: Bryan-Liberty county line; East: Veterans Pky	# Market Units: 0
	Farthest Boundary Distance to Subject:	16.8 miles

Rental Housing Stock (found on pages 90)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	4	1,299	104	92.0%
Market-Rate Housing	3	1,067	97	90.9%
Assisted/Subsidized Housing not to include LIHTC	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	1	232	7	97.0%
Stabilized Comps	4	1,299	104	92.0%
Properties in Construction & Lease Up	N/Ap	N/Ap	N/Ap	N/Ap

*Only includes properties in PMA

# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Average Market Rent			Highest Unadjusted Comp Rent	
					Per Unit	Per SF	Advantage	Per Unit	Per SF
5	1BR at 50% AMI	1	700	\$447	\$647	\$0.92	31%	\$850	\$1.04
11	2BR at 50% AMI	2	950	\$539	\$773	\$0.81	30%	\$1,055	\$0.93
19	1BR at 60% AMI	1	700	\$517	\$672	\$0.96	23%	\$850	\$1.04
45	2BR at 60% AMI	2	950	\$649	\$823	\$0.87	21%	\$1,055	\$0.93

Demographic Data (found on page 31)

	2000		2012		2015	
	Renter Households	530	21.70%	1,312	23.80%	1,519
Income-Qualified Renter HHs (LIHTC)	137	25.80%	338	25.80%	392	25.80%

Targeted Income-Qualified Renter Household Demand (found on pages 42-61)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	30	48	N/Ap	N/Ap	54
Existing Households (Overburdened + Substandard)	N/Ap	196	316	N/Ap	N/Ap	354
Homeowner conversion (Seniors)	N/Ap	5	7	N/Ap	N/Ap	8
Total Primary Market Demand	N/Ap	231	371	N/Ap	N/Ap	416
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	231	371	N/Ap	N/Ap	416

Capture Rates (found on page 60)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	8.0%	20.0%	N/Ap	N/Ap	22.3%

*Includes LIHTC and unrestricted (when applicable)

**May differ slightly from Demand Analysis due to rounding

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at Parcel 10 on Timber Trail of Richmond Hill Plantation in Richmond Hill, Bryan County, Georgia.
Construction Type:	The Subject will be a newly constructed senior development consisting of one, two-story elevator serviced U shaped building with brick and cement siding.
Occupancy Type:	Housing for Older Persons (55+).
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	None of the Subject's units will operate with Project-Based Rental Assistance.
Proposed Development Amenities:	See following property profile.

Ashleigh Place, Richmond Hill, GA; Market Study

Ashleigh Place Senior												
Comp #	Subject											
Location	Hwy 144 Richmond Hill, GA 31324 Bryan County (verified)											
Distance	n/a											
Units	80											
Vacant Units	N/A											
Vacancy Rate	N/A											
Type	Lowrise (age-restricted)											
Year Built / Renovated	2014 / n/a											
Tenant Characteristics	HFOP											
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?	
1	1	Garden	5	700	\$447	\$0	@ 50%	n/a	N/A	N/A	no	
1	1	Garden	19	700	\$517	\$0	@ 60%	n/a	N/A	N/A	no	
2	2	Garden	11	950	\$539	\$0	@ 50%	n/a	N/A	N/A	no	
2	2	Garden	45	950	\$649	\$0	@ 60%	n/a	N/A	N/A	no	
Amenities												
In-Unit	Blinds Carpeting Central A/C Dishwasher Ceiling Fan Hand Rails Oven Pull Cords Refrigerator Electronically-controlled solid covered plates over stove-top				Security				none			
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Central Laundry Off-Street Parking On-Site Management Recreation Areas				Premium				none			
Services	none				Other				Gazebo, covered porch, arts/craft room			
Comments												
Utility estimates for the development will be \$101 and \$130 for a one-, and two-bedroom unit, respectively. Gross rents will be \$548 and \$669 the one-, and two-bedroom units at 50 percent AMI and \$618 and \$779 for the one- and two-bedroom units at 60 percent AMI.												

Scope of Renovations:	The Subject will be new construction.
Current Rents:	The Subject will be new construction.
Current Occupancy:	The Subject will be new construction.
Current Tenant Income:	The Subject will be new construction.
Placed in Service Date:	The Subject is expected to be completed by second quarter 2015.
Conclusion:	The Subject will be an excellent -quality brick and cement siding two-story elevator serviced, apartment complex, comparable to most of the inventory in the area. As new construction, 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:

Kristina Garcia visited the site on April 15, 2013.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

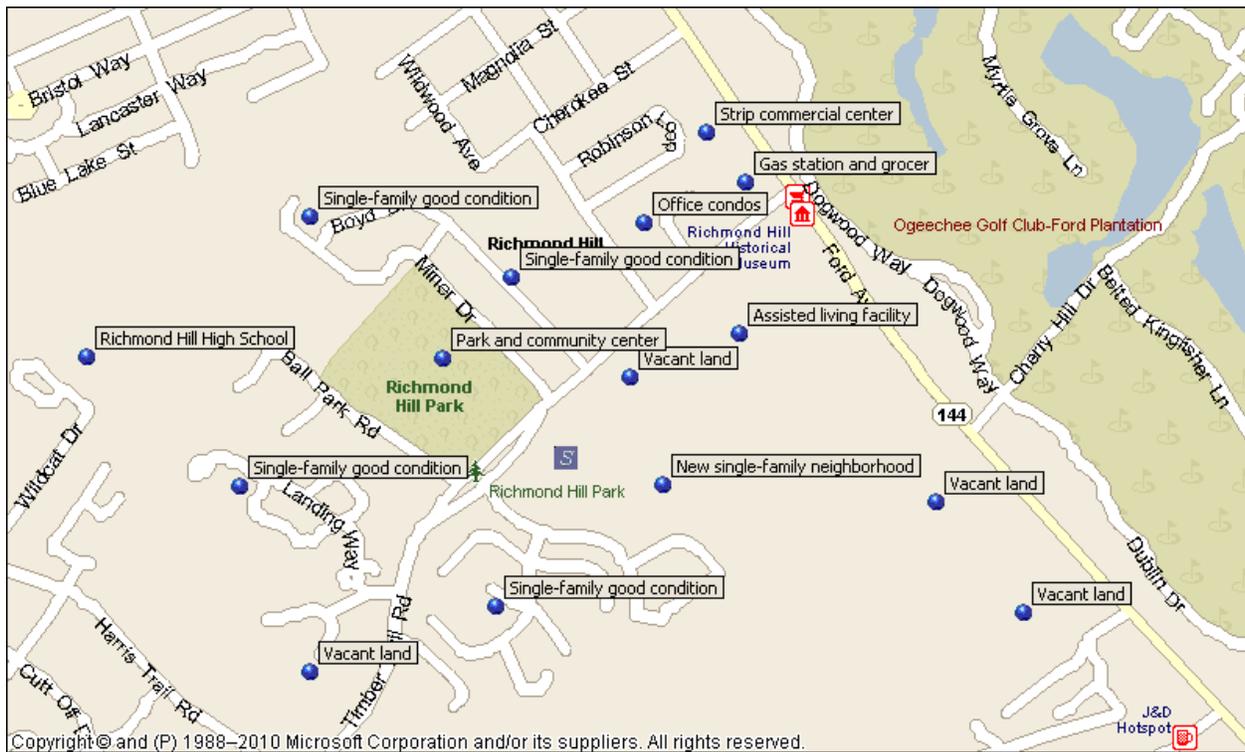
The Subject site has frontage along Timber Trail Road.

Frontage:

The Subject site has frontage along the south side of Timber Trail.

Visibility/Views:

Visibility is considered excellent from Timber Trail, a lightly trafficked roadway. Views are considered good and consist of single-family homes in excellent condition, the Richmond Hill Park and community center, and vacant wooded land.



The northern side of the site is bordered by Timber Trail followed by the entrance into Richmond Hill Park and the Richmond Hill Community Center that includes a Senior Center. The southeast portion of the site is bordered by The Estates at Hickory Hill; a new single-family residential neighborhood in excellent condition. The Estates at Hickory Hill is part of Richmond Hill Plantation, a multi-phased neighborhood with homes starting at \$200,000. The western side of the site is bordered by Plantation Way, the

entrance to Richmond Hill Plantation, followed by The Cottages of Cottonham. The Cottages of Cottonham is phase I of Richmond Hill Plantation. Single-family homes in The Cottages of Cottonham are in good condition and well occupied. This section of Richmond Hill Plantation is completely built out. The northwest edge of the Subject site is bordered by vacant land. Commercial uses are located approximately one-half mile west of the Subject site at the intersection of Ford Avenue and Timber Trail. Commercial uses at this intersection consist of a strip retail center that is 100 percent occupied with a consignment clothing store, a martial arts gym, a veterinarian, a dentist, and a chiropractor. Additionally, a gas station with a market is located adjacent to the strip center. Additional uses located within close proximity to the Ford Avenue and Timber Trail intersection include an assisted living facility and office condominiums for lease. Higher density commercial uses are concentrated along U.S. 17, located approximately two miles northwest of the Subject site. Commercial uses as well as single-family uses in the Subject neighborhood are well occupied and in good to excellent condition.

Positive/Negative Attributes of Site: Positive attributes of the site is located across from Richmond Hill Park and Community Center that provides a senior center, baseball fields, basketball courts, tennis courts, and additional activities and recreational amenities. There do not appear to be any negative attributes of the site.

3. Physical Proximity to Locational Amenities:

The Subject site is located just east of the intersection of Timber Trail Road and Plantation Way, just southeast and across the street from Richmond Hill Park.

The site is conveniently located within walking distance of Richmond Hill Park. The closest Richmond Hill elementary, middle and high schools are located within 1.4 miles of the Subject's site. There are multiple groceries and pharmacies located within 2.5 miles or less. The local Urgent Care Center is 3.3 miles from the Subject.

The Richmond Hill and Bryan County area do not have a fixed route transportation/bus system. They do however have demand response shuttle buses provided through Coastal Regional Coaches.

Residents must call 24 hours prior to request a transit trip and it will take them anywhere within the 10 participating

counties (Bryan, Bulloch, Camden, Chatham, Effingham, Glynn, Liberty, Long, McIntosh, and Screven). Round trip ventures within the same county average around six dollars and round trip ventures between counties average around 12 dollars.

4. Pictures of Site and Adjacent Uses:



Subject site



View east on Timber Trail from Subject site (on right)



View west on Timber Trail from Subject site (on left)



View of Subject site from community center located across Timber Trail



View north from Subject site towards community center



Community center north of Subject site



View of southwest border of Subject site from Plantation Way



Park located across from Subject site



Fire station northwest of Subject site



Retail center in good condition at intersection of Timber Trail and Ford Ave



Office condominiums in good condition



Gas station located at intersection of Timber Trail and Ford Ave



Assisted living facility



Publix grocery and shopping center south of Subject neighborhood (Nail salon, ice cream shop, breakfast restaurant, chocolate shop)



Typical single-family home – Excellent condition



Single-family home under construction



Golf course (south of Subject neighborhood)



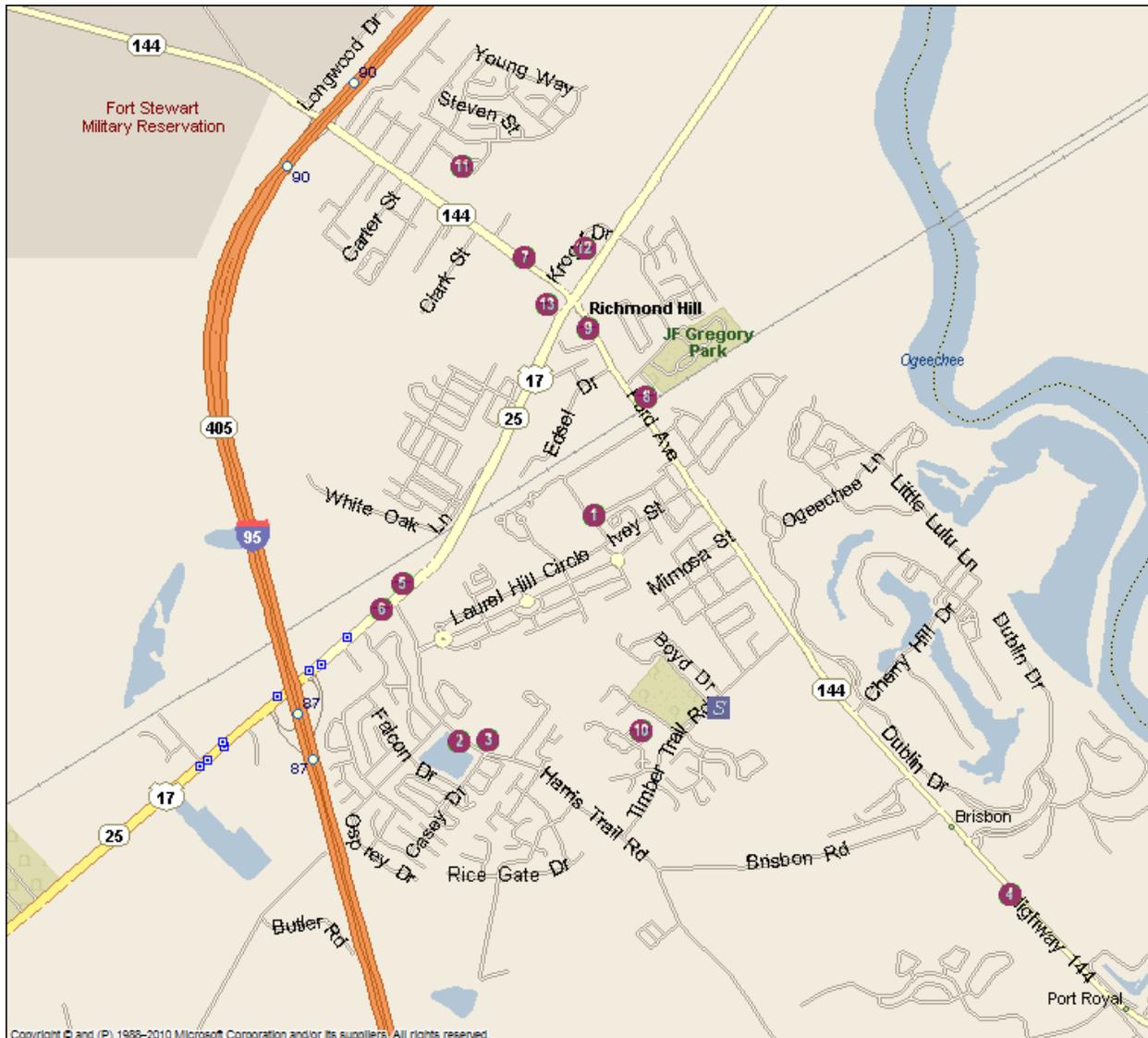
Fast food restaurant on Ford Avenue/Highway 144

5. Proximity to Locational Amenities:

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

Locational Amenities

Map #	Amenity	Type of Service	Distance from Subject
1	Richmond Hill Elementary School	Elementary School	2.1 miles
2	Richmond Hill Middle School	Middle School	1.4 miles
3	Richmond Hill High School	High School	1.5 miles
4	Publix	Grocery	1.9 miles
5	Food Lion	Grocery	1.9 miles
6	Village Pharmacy	Pharmacy	2.2 miles
7	Bryan County Library	Library	2.0 miles
8	Richmond Hill City Hall	Government	1.7 miles
9	Richmond Hill Department of Police	Police	1.6 miles
10	South Bryan County Fire Dept	Fire	0.1 miles
11	Urgent Care Center	Medical Center	3.3 miles
12	Walgreens Pharmacy	Pharmacy	2.0 miles
13	CVS Pharmacy	Pharmacy	2.0 miles



6. Description of Land Uses:

The Subject site is located along the south side of Timber Trail and the northwest side of Plantation Way. Uses in the Subject's neighborhood consist primarily of single-family residential, recreational uses, vacant land and small scale retailers. Single-family uses are in good to excellent condition, newly constructed within the past 15 years and well occupied. Commercial uses are in good condition and are 100 percent occupied. The Subject will be a consistent use with the existing land uses and will be considered an improvement to the neighborhood.

7. Multifamily Residential within Two Miles:

Ashton at Richmond Hill is a family LIHTC property that is located within 1.8 miles of the Subject site. We have included this property as a comparable. This property is in

good condition and is discussed in greater detail in the supply analysis section of this report.

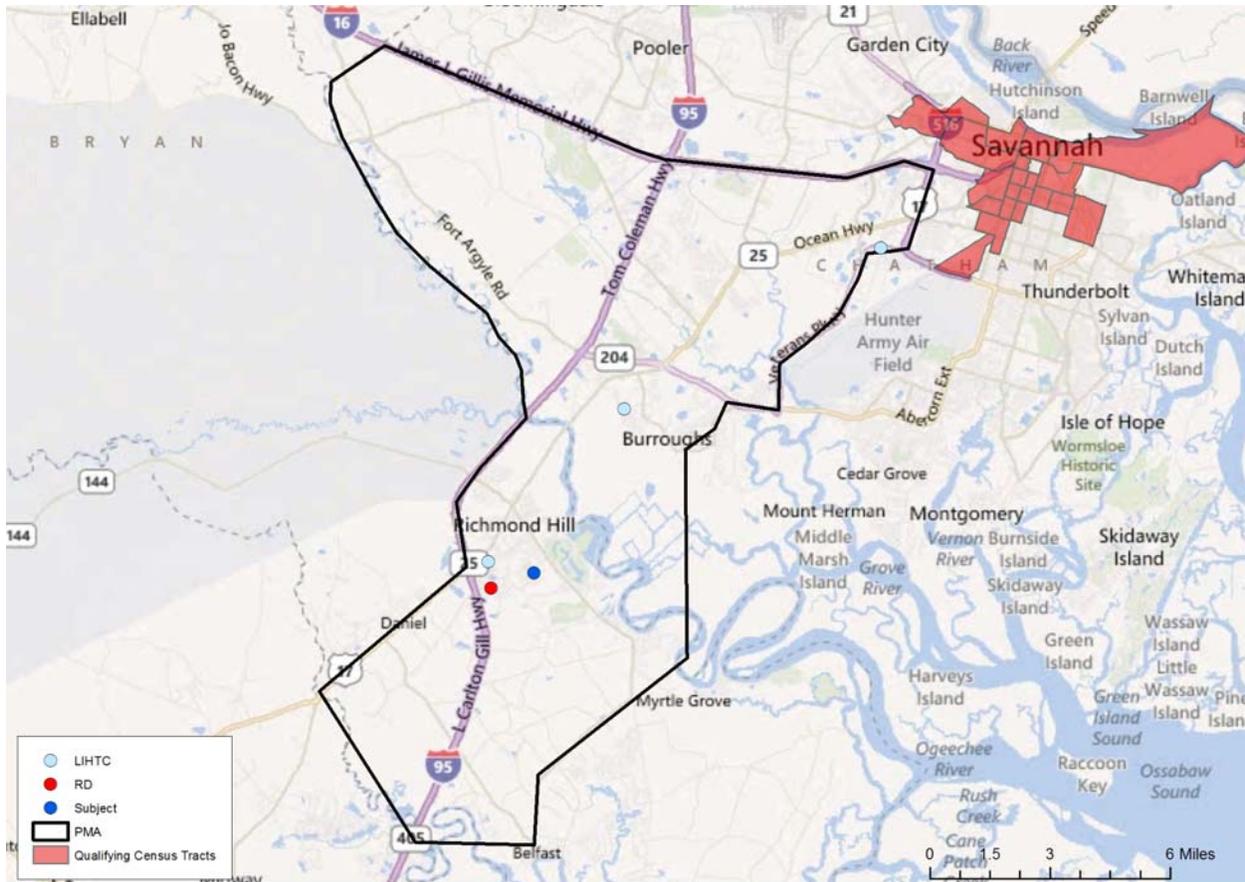
Plantation IV is an existing family Rural Development property in Richmond Hill that was allocated tax credits in 2011. Post-renovations, the property will offer 48 one- and two-bedroom units restricted at 50 and 60 percent of AMI. None of the units will operate with project-based subsidy. Per the LIHTC application, 29 of the units will need to be leased post-renovations as these units are either vacant or have over-income qualified households. Because the property targets families and is a USDA Rural Development property, we do not believe that it will be directly competitive with the Subject. Therefore, we have not included this property as a comparable in this report.

Existing Assisted Rental Housing Property Map:

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

GENERAL MARKET OVERVIEW

Name	City	Type	Tenancy	Map Color	Distance from Subject	Included/ Excluded	Reason for Exclusion
Plantation Apt (aka Plantation Ltd)	Richmond Hill	USDA RD	Family	Red	3.9 miles	Excluded	Not indicative of achievable rents
Plantation Apt III (Lakeview Ltd)	Richmond Hill	USDA RD	Family		3.9 miles	Excluded	Not indicative of achievable rents
The Plantation Apt (Richmond Hill Ltd)	Richmond Hill	USDA RD	Family		3.9 miles	Excluded	Not indicative of achievable rents
The Plantation IV	Richmond Hill	USDA RD/LIHTC	Family		3.9 miles	Excluded	Not indicative of achievable rents
Ashton At Richmond Hill	Richmond Hill	LIHTC	Family	Blue	4.1 miles	Included	N/Ap
Bradley Pointe	Savannah	LIHTC	Family		9.1 miles	Excluded	Senior LIHTC data available
Oaks At Brandlewood	Savannah	LIHTC, Market	Family	Dark Blue	17.4 miles	Excluded	Senior LIHTC data available
Ashleigh Place Senior (Subject)	Richmond Hill	LIHTC	HFOP		N/Ap	SUBJECT	N/Ap



Affordable Properties and QCTs, Richmond Hill, GA



**8. Road/Infrastructure
Proposed Improvements:**

We witnessed no road/infrastructure improvements during our site inspection.

**9. Access, Ingress/Egress and
Visibility of site:**

Access to the Subject site is from Timber Trail, which travels north to Ford Avenue. Timber Trail is a lightly trafficked roadway that is dominated primarily by single-family residential uses, recreational uses, and vacant land. Ford Avenue is a moderately to heavily trafficked roadway that consists of recreational uses and commercial uses. Visibility is considered excellent from Timber Trail. Overall, access and visibility are considered excellent.

10. Conclusion:

The Subject site is located on the south side of Timber Trail, a lightly trafficked roadway, and the northwest side of Plantation Way, a residential street that provides entrance into a single-family residential neighborhood. The neighborhood composition includes a mix of vacant land,

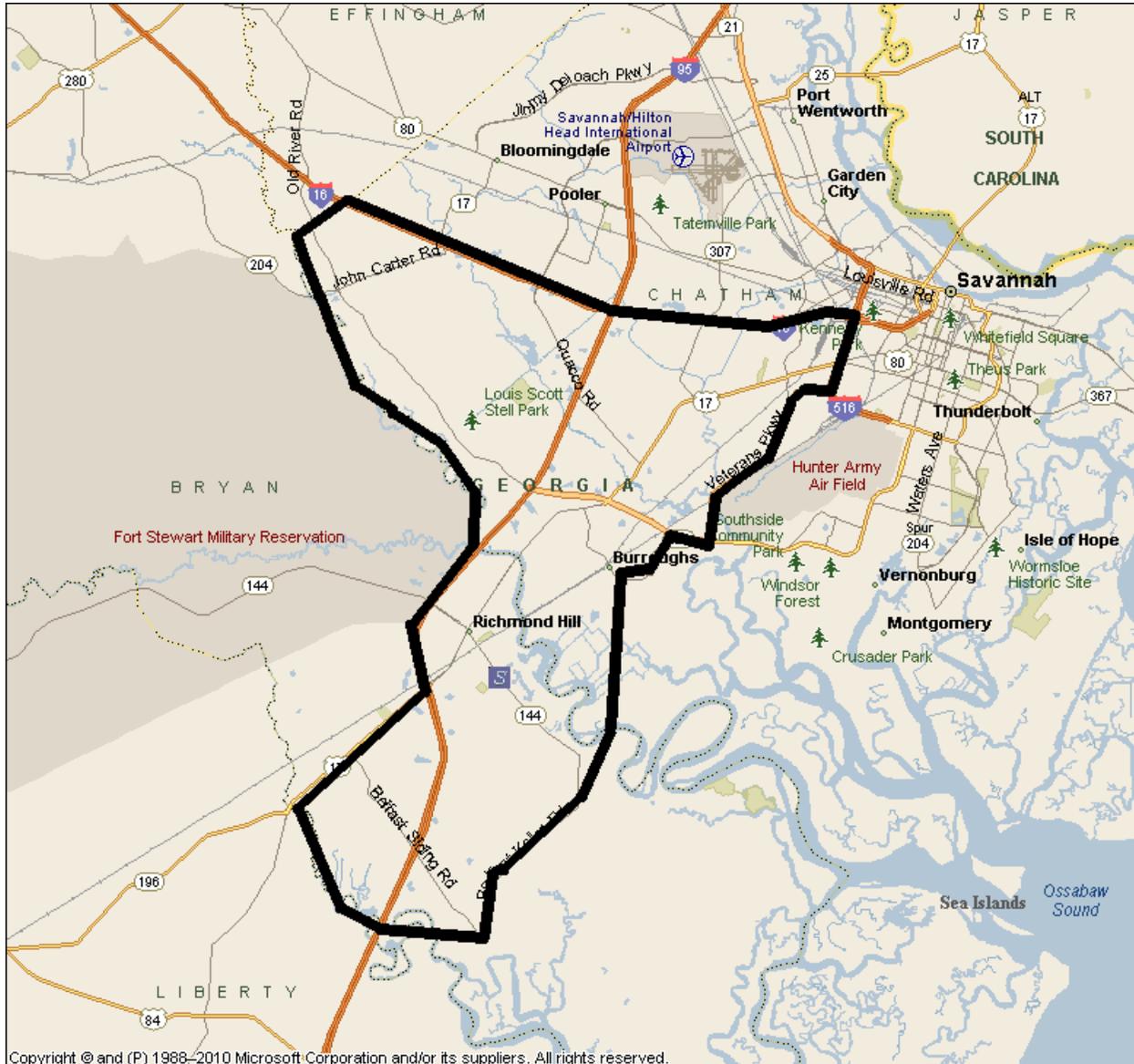
single-family residential, recreational, institutional and small-scale commercial uses. Single family homes vary from good to excellent condition and are well occupied. Commercial uses in the Subject's neighborhood are 100 percent occupied and in good condition. The Subject site has excellent access and exposure. The Subject will be a conforming use with in the neighborhood as the Subject will be in excellent condition.

D. MARKET AREA

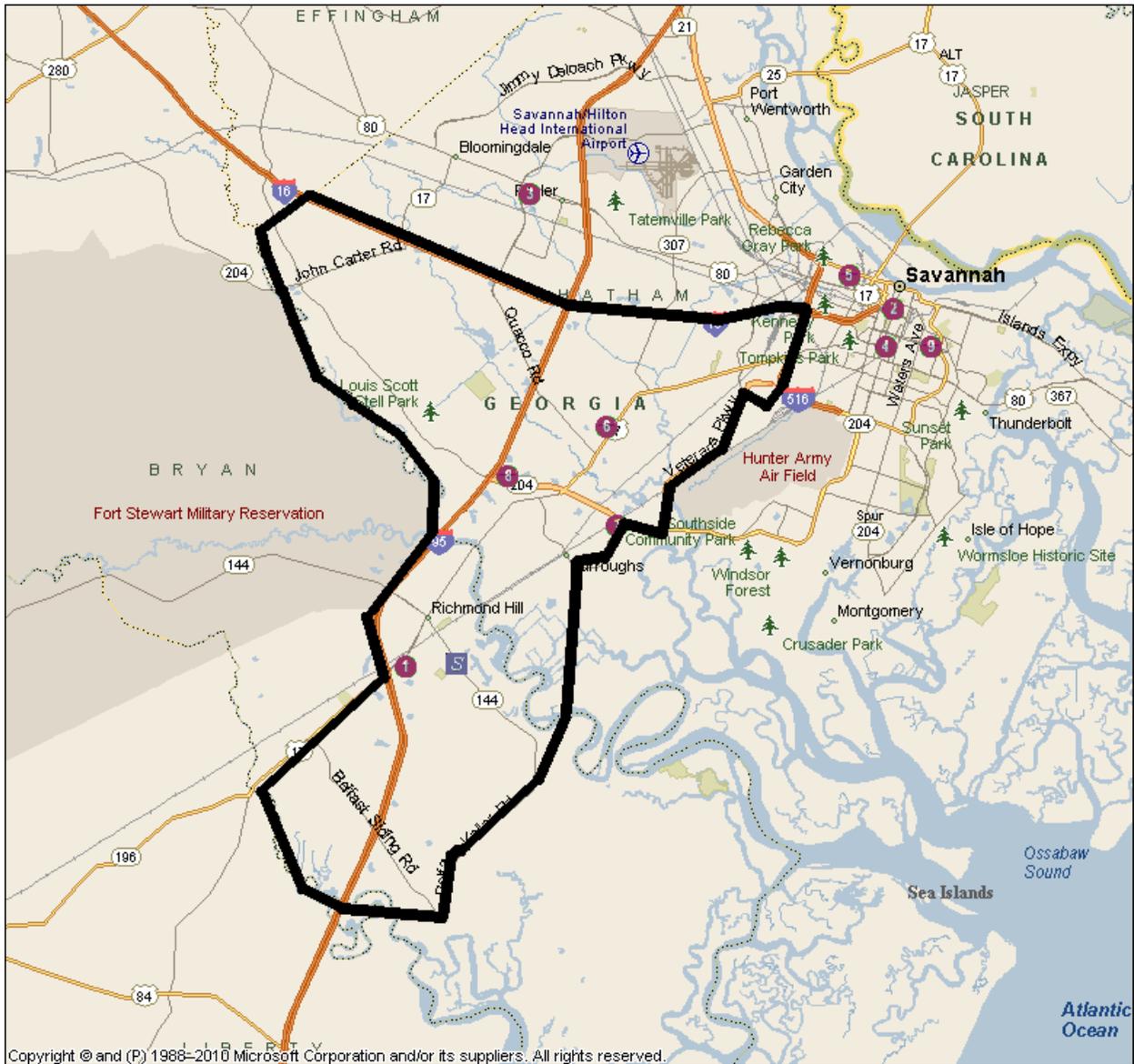
PRIMARY MARKET AREA

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



Primary Market Area Map - Comparable Properties



COMPARABLE PROPERTIES

#	Property Name	City	Tenancy	Type	Distance
1	Ashton At Richmond Hill	Richmond Hill	Family	@ 60%	1.8 miles
2	Rose Of Sharon	Savannah	Senior	@ 60%	21.6 miles
3	Sheppard Station	Pooler	Senior	@ 50%, @ 60%, Market	17.2 miles
4	Sister's Court	Savannah	Senior	@ 50%	21.6 miles
5	Sustainable Fellwood III	Savannah	Senior	@ 60%, PBRA, Market	21.8 miles
6	Century Fenwick Apartments	Savannah	Family	Market	9.8 miles
7	Preston Grove Apartments	Savannah	Family	Market	9.8 miles
8	The Links At Georgetown	Savannah	Family	Market	7.9 miles
9	Veranda At Midtown	Savannah	Senior	Market, PBRA	23.2 miles

Primary Market Area Map - Locational Amenities



Locational Amenities

Map #	Amenity	Type of Service	Distance from Subject
1	Richmond Hill Elementary School	Elementary School	2.1 miles
2	Richmond Hill Middle School	Middle School	1.4 miles
3	Richmond Hill High School	High School	1.5 miles
4	Publix	Grocery	1.9 miles
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11	Urgent Care Center	Medical Center	3.3 miles
12	Walgreens Pharmacy	Pharmacy	2.0 miles
13	CVS Pharmacy	Pharmacy	2.0 miles

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 MSA are areas of growth or contraction.

The Primary Market Area (PMA) encompasses portions of Bryan and Chatham counties south of Interstate 16 and west of Highway 204/Veterans Parkway. The area is bound by Interstate 16 to the north, Interstate 95/Highway 17/Fort Stewart Military Reservation to the west, the Bryan-Liberty county line to the south; and Veterans Parkway to the east. The farthest boundary from the Subject site is located approximately 16.8 miles (driving distance) northwest of the Subject site. The Subject site is located within 2.6 miles east of Interstate 95, which provides excellent access north towards Pooler, Garden City, and Savannah as well as access south along the coast towards areas such as Brunswick. The PMA is an irregular shape. This is due to the natural/manmade boundaries that limit development. This includes Fort Stewart Military base to the west, coastal areas to the east and south, and Interstate 16 to the north. We have not included urban areas in Savannah or the suburban areas of Pooler as these areas do not directly compete with Richmond Hill. While some tenants may move to Richmond Hill for new senior housing, these are unique submarkets that have limited competition with each other. Overall, we anticipate that the Subject would experience leakage from the PMA as it will target seniors. However, per GA DCA’s 2013 market study guidelines, GA DCA does not take into account leakage in the Demand Analysis.

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 Savannah, Georgia MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

1. Population Trends

The following tables illustrate (a) Total Population, (b.) Senior Population 55+ (c) Population by Age Group, and (d) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 1990 through 2017.

TOTAL POPULATION

Year	PMA		Savannah, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	17,839	-	257,957	-	248,709,873	-
2000	30,328	7.0%	292,995	1.4%	281,421,906	1.3%
2012	52,831	6.1%	358,556	1.8%	313,129,017	0.9%
Projected Mkt Entry July 2015	56,228	2.1%	375,725	1.6%	319,643,343	0.7%
2017	58,493	2.1%	387,171	1.6%	323,986,227	0.7%

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

TOTAL SENIOR POPULATION (55+)

Year	PMA		Savannah, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	2,219	-	52,077	-	52,389,754	-
2000	3,765	7.0%	59,353	1.4%	59,266,437	1.3%
2012	8,840	11.0%	85,130	3.5%	80,980,372	3.0%
Projected Mkt Entry July 2015	10,032	4.5%	94,207	3.6%	86,780,928	2.4%
2017	10,827	4.5%	100,259	3.6%	90,647,966	2.4%

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

POPULATION BY AGE GROUP

Age Cohort	PMA				
	1990	2000	2012	Projected Mkt Entry July	2017
0-4	1,438	2,354	4,397	4,701	4,903
5-9	1,541	2,380	3,848	4,117	4,296
10-14	1,426	2,379	3,651	3,931	4,117
15-19	1,274	2,144	3,339	3,471	3,559
20-24	1,320	2,408	4,463	4,502	4,528
25-29	1,933	2,904	5,190	5,530	5,757
30-34	1,970	2,659	4,717	5,026	5,232
35-39	1,641	2,776	3,929	4,306	4,558
40-44	1,382	2,717	3,561	3,583	3,598
45-49	973	2,100	3,443	3,514	3,562
50-54	724	1,740	3,457	3,518	3,558
55-59	594	1,115	2,699	2,950	3,117
60-64	533	822	2,301	2,561	2,735
65-69	465	576	1,472	1,780	1,985
70-74	275	516	954	1,161	1,299
75-79	192	373	593	685	746
80-84	104	199	435	464	484
85+	56	164	386	431	461
Total	17,841	30,326	52,835	56,231	58,495

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

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Savannah, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
1990	17,841	15,622	2,219	257,961	205,884	52,077
2000	30,326	26,561	3,765	293,000	233,647	59,353
2012	52,835	43,995	8,840	358,556	273,426	85,130
Projected Mkt Entry July 2015	56,231	46,199	10,032	375,725	281,518	94,207
2017	58,495	47,668	10,827	387,171	286,912	100,259

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

Senior population in the PMA is projected to increase at a 4.5 percent annual rate over the next five years, a rate that surpasses those of the MSA and nation. For the foreseeable future, senior population growth in both the PMA and MSA are expected to grow by rates at least double that of the overall population. However, annual population growth in the PMA and MSA is significant, with the PMA projected to have an annual growth rate three times faster than the nation from 2012 to 2017. In 2012, approximately seven percent of the population in the PMA was elderly (above the age of 65 years), and is projected to increase to 8.5 percent in 2017.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		Savannah, GA MSA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	6,367	-	94,939	-
2000	10,965	7.2%	111,910	1.8%
2012	19,316	6.2%	135,796	1.7%
Projected Mkt Entry July 2015	20,690	2.4%	143,192	1.8%
2017	21,606	2.4%	148,123	1.8%

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

TOTAL NUMBER OF SENIOR HOUSEHOLDS (55+)

Year	PMA		Savannah, GA MSA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	-	-	-	-
2000	2,437	-	38,687	-
2012	5,515	10.3%	52,987	3.0%
Projected Mkt Entry July 2015	6,442	5.6%	64,630	7.3%
2017	7,060	5.6%	72,392	7.3%

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

AVERAGE HOUSEHOLD SIZE

Year	PMA		Savannah, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.66	-	2.54	-	2.58	-
2012	2.64	-0.1%	2.54	0.0%	2.58	0.0%
Projected Mkt Entry July 2015	2.63	-0.1%	2.53	-0.1%	2.58	0.0%
2017	2.62	-0.1%	2.52	-0.1%	2.58	0.0%

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

Similar to population trends, annual senior household growth is projected to increase between 2012 and 2017 at a rapid rate of approximately six percent annually. However, unlike senior population trends, senior household annual growth rates in the MSA are higher than that of the PMA. Due to household growth, the average household size in the PMA is projected to remain relatively stable at 2.6 persons per household.

2b. Senior Households by Tenure

The table below depicts household growth by tenure from 1990 through 2017.

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	1,907	78.3%	530	21.7%
2012	4,203	76.2%	1,312	23.8%
Projected Mkt Entry				
July 2015	4,924	76.41%	1,519	23.59%
2017	5,404	76.5%	1,656	23.5%

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

As the table illustrates, owner-occupied housing units dominate the housing market in the PMA. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people. In 2012, approximately 24 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units.

2c. Households by Income

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

HOUSEHOLD INCOME DISTRIBUTION - PMA (AGE 55+)

Income Cohort	2012		Projected Mkt Entry July 2015		2017	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	344	6.2%	403	6.3%	443	6.3%
\$10,000-19,999	609	11.0%	701	10.9%	762	10.8%
\$20,000-29,999	764	13.9%	901	14.0%	991	14.0%
\$30,000-39,999	617	11.2%	724	11.2%	795	11.3%
\$40,000-49,999	571	10.4%	662	10.3%	723	10.2%
\$50,000-59,999	413	7.5%	483	7.5%	529	7.5%
\$60,000-74,999	530	9.6%	624	9.7%	686	9.7%
\$75,000-99,999	504	9.1%	598	9.3%	660	9.3%
\$100,000-124,999	474	8.6%	550	8.5%	601	8.5%
\$125,000-149,999	262	4.7%	303	4.7%	331	4.7%
\$150,000-199,999	246	4.5%	286	4.4%	312	4.4%
\$200,000+	181	3.3%	209	3.2%	227	3.2%
Total	5,515	100.0%	6,442	100.0%	7,060	100.0%

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

The Subject will target households with income between \$16,500 and \$28,800. Approximately 25 percent of seniors above the age of 55 earn incomes between \$10,000 and \$29,999. Households in these income cohorts are expected to create demand for the Subject.

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

The following table illustrates the number of persons per household among renter households ages 55+.

PMA RENTER HOUSEHOLD SIZE DISTRIBUTION OF SENIORS 55+

Household Size	2000		2012		2017	
	Total Renter Households	Percent	Total Renter Households	Percent	Total Renter Households	Percent
1 person	238	44.9%	780	59.5%	985	59.4%
2 persons	219	41.3%	350	26.7%	443	26.7%
3 persons	32	6.1%	105	8.0%	135	8.1%
4 persons	29	5.4%	30	2.3%	34	2.1%
5+ persons	12	2.3%	46	3.5%	60	3.6%
Total	530	100.0%	1,312	100.0%	1,656	100.0%

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

In 2012, approximately 86 percent of people over the age of 55 were living in one and two-person households in the PMA. This trend is projected to remain relatively stable over the next five years. This bodes well for the Subject's one- and two-bedroom units.

2e and f. Elderly and HFOP

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

CONCLUSION

The Subject is located in Richmond Hill, in Bryan County, Georgia. Overall demographics are strong for the Subject's age-restricted units as the PMA has been an area of growth. Senior population in 2012 was 8,840 and is projected to increase to 10,827 by 2017. There were 5,515 senior households in 2012, which is expected to increase to 7,060 by 2017. The senior population and household growth has been outpacing the growth rates of the MSA and the nation for over ten years. Senior population in the PMA is projected to increase at a 4.5 percent annual rate over the next five years, a rate nearly double that of the nation during the same period. This is a strong growth rate that suggests there is sufficient demand for the Subject.

In addition to the positive growth trends, the strong tenure patterns also demonstrate strong demand for the Subject. In 2012, approximately 24 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 81 percent lived in one or two-person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

The Subject will target households with income between \$16,500 and \$28,800. Approximately 38 percent of senior renters above the age of 55 earn incomes between \$10,000 and \$29,999. Households in these income cohorts are expected to create demand for the Subject.

The Subject is located in zip code 31324. According to RealtyTrac, this region experienced a low foreclosure rate in April 2013 with approximately one out of every 1,947 housing units filing for foreclosure in April 2013. Comparatively, Bryan County had a foreclosure rate of one in every 1,663 housing units; Georgia had a foreclosure rate of one in every 283 housing units; and the

nation experienced a foreclosure rate of one in every 418 housing units. Therefore, Richmond Hill had a lower foreclosure rate than all areas of analysis. We do not anticipate any tenants to sell homes in order to move to the Subject. Based upon site inspection, the Subject's immediate neighborhood did not include any abandoned or vacant structures.

F. EMPLOYMENT TRENDS

Employment Trends

In this section of the report we will provide an assessment of current and forecasted economic conditions and employment characteristics, including an analysis of recent trends and how they relate to demand for additional new rental housing. Economic data will focus on the Savannah, Georgia Metropolitan Statistical Area and Bryan County, Georgia. Examining economic data will provide a picture of the general health of the community and its ability to support new multifamily construction.

Consistent with national trends, the greater MSA and PMA areas have undergone economic contractions over 2009 that continued into 2011 and are just starting to turn around and show positive growth in 2012 and 2013. According to the Georgia Department of Labor’s profile on Bryan County, 52 percent of Bryan County residents work in Chatham County and 30 percent work in Bryan County. Of those working in Bryan County, 56 percent are from Bryan County and 24 percent are from Liberty and Chatham counties. Therefore, there is significant cross commuting occurring among Bryan, Chatham, and Liberty counties, indicating that general employment trends in the MSA affect those in Richmond Hill. As the following discussion will demonstrate, the local economy has begun to recover; however, total employment as of December 2012 remains below (97 percent) that of the MSA’s peak in 2007.

1. Total Jobs

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

Year	Total Employment	% Change
2001	4,343	
2002	4,360	0.39%
2003	4,539	3.94%
2004	4,633	2.03%
2005	5,207	11.02%
2006	5,828	10.66%
2007	6,355	8.29%
2008	6,241	-1.83%
2009	5,821	-7.22%
2010	5,800	-0.36%
2011 YTD Average*	5,813	0.23%
Sep-10	5,761	-
Sep-11	5,842	1.39%

Source: U.S. Bureau of Labor Statistics

*YTD as of Sept 11

Bryan County posted strong employment growth from 2005 to 2007 but total employment decreased significantly in 2009 due to the impact of the nation-wide recession and continuing economic downturn. Average annual employment estimates roughly reflect the year-over-year

change in total employment, which increased by 1.39 percent from September 2010 to September 2011. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the county.

SEPT 2011 EMPLOYMENT JOBS BY INDUSTRY

Bryan County

Industry	Number Employed	Percent Employed
Trade,Transportation, and Utilities	1,189	28.28%
Leisure and Hospitality	892	21.21%
Education and Health Services	570	13.56%
Professional and Business Services	375	8.92%
Construction	357	8.49%
Manufacturing	313	7.44%
Other Services	220	5.23%
Financial Activities	192	4.57%
Unclassified	44	1.05%
Natural Resources and Mining	30	0.71%
Information	23	0.55%
Public Administration*	-	0.00%
Total Employment	4,205	71.08%

*Monthly data is not available

Source: U.S. Bureau of Labor Statistics 2011. Covered Employment

The largest sector in Bryan County, according to the Bureau of Labor Statistics, is the trade/transportation/utilities industry, followed by the Leisure and Hospitality and Education and Health Services. Education and Health Services are historically considered to be stable employers and could provide some additional stability to the local economy during a recession. The Leisure/Hospitality and trade-transportation-utilities industry are historically unstable sectors and have suffered several layoffs and closures from the nation-wide recession as illustrated in the expansions/contractions section. However, due to the close proximity to Savannah, a major tourism spot in southern Georgia and the fourth largest port in the United States, these industries like Trade/Transportation and Leisure/Hospitality continue to prosper. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

The following table illustrates employment by industry in the PMA.

2010 EMPLOYMENT BY INDUSTRY

Occupation	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	2,892	14.32%	18,891,157	13.89%
Retail Trade	2,497	12.37%	15,464,986	11.37%
Educational Services	2,066	10.23%	14,168,096	10.42%
Accommodation/Food Services	1,892	9.37%	9,114,767	6.70%
Manufacturing	1,590	7.87%	13,047,475	9.59%
Construction	1,519	7.52%	8,872,843	6.52%
Transportation/Warehousing	1,325	6.56%	5,487,029	4.03%
Public Administration	1,122	5.56%	6,916,821	5.09%
Other Services (excl Publ Adm)	1,014	5.02%	6,679,783	4.91%
Prof/Scientific/Tech Services	761	3.77%	8,520,310	6.26%
Finance/Insurance	729	3.61%	6,883,526	5.06%
Wholesale Trade	681	3.37%	4,407,788	3.24%
Admin/Support/Waste Mgmt Srves	646	3.20%	5,114,479	3.76%
Arts/Entertainment/Recreation	451	2.23%	2,628,374	1.93%
Real Estate/Rental/Leasing	413	2.05%	2,825,263	2.08%
Information	306	1.52%	3,158,778	2.32%
Utilities	187	0.93%	1,115,793	0.82%
Agric/Forestry/Fishing/Hunting	97	0.48%	1,790,318	1.32%
Mgmt of Companies/Enterprises	3	0.01%	202,384	0.15%
Mining	0	0.00%	723,991	0.53%
Total Employment	20,191	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 largest industries in the PMA are healthcare/social assistance, retail trade, and educational services. Together, these three industries comprise 36.9 percent of employment in the PMA. Healthcare/Social Assistance and retail trade are overrepresented in the PMA when compared to the nation. Although the educational services industry is a large industry in the PMA, there are a slightly smaller percentage of workers employed in this industry than in the nation. The most overrepresented industries in the PMA are Accommodation Food Services and Transportation/Warehousing. The most underrepresented industries in the PMA when compared to the nation are Prof/Scientific/Tech Services and Finance/Insurance.

3. Major Employers

The diversification of the Bryan County economic base is indicated by the following list of the area's ten largest employers.

MAJOR EMPLOYERS

#	Employer	Industry	# of Employees
1	Bryan County Board of Education	Education	800
2	Bryan County	Public Administration	372
6	Oracal	Manufacturing	165
5	Oneida, Ltd	Distribution	150
7	Daniel Defense	Weapons and Armament Component	120
4	Atlantic Underground Utilities	Utilities	115
3	Hobart	Manufacturing	75
8	Ford Plantation	Residential Development	58

Source: Development Authority of Bryan County, 5/2013.

As illustrated, the major employers in the Bryan County economy are in relatively stable industries: education, government and manufacturing. While the economy does not appear to be very diverse, the major employers are primarily concentrated in stable industries such as education services. Manufacturing can be deemed a somewhat unstable industry in times of recession; however, the major manufacturing employers in Bryan County have remained stable. The one major employer that experienced a contraction over the past year is Ford Plantation. Its employee base decreased by 54 percent since June 2012 when their reported employee based consisted of 125 workers. Ford Plantation is a tourist destination with a golf course, equestrian center, marina, spa, etc. as well as a developer of residential communities. We attribute this contraction to the recession.

Expansions/Contractions

There are several recent and proposed expansions in Bryan County. We have detailed these in the following:

- Matson Logistics, which provides warehousing and distribution services in Savannah, signed a lease to expand its existing 135,000 square foot facility with an additional 237,600 square feet and 40 new jobs over the next five years. The facility is located in the Interstate Centre that offers a cross dock distribution facility.
- Kenco announced in third quarter of 2012 that they will be occupying 230,000 square feet of the Interstate Centre. The company provides distribution and fulfillment services, transportation, and intelligent information technology and will add more than 50 jobs to the area in the next five years.
- Savannah Global Solutions and Belo Horizonte broke ground on the renovations of the former Oldcastle precast plant in the Pembroke JD Harn Industrial Park. The facility is projected to employ approximately 50 people and will provide production and assembly of foundation equipment for foreign markets.

In total, these expansions are projected to add 150 jobs to the local economy in the next five years. According to the Georgia Department of Labor Worker Adjustment and Retraining Notifications (WARN), there have been no major layoffs in Richmond Hill in the past two years.

However, the reported number of employees for Ford Plantation has decreased by just over half since June 2012.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Savannah, GA MSA from 2001 through December 2012.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	<u>Savannah, GA MSA</u>				<u>USA</u>			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2001	139,002	-	3.4%	-	136,933,000	-	4.7%	-
2002	143,053	2.9%	4.0%	0.6%	136,485,000	-0.3%	5.8%	1.1%
2003	144,751	1.2%	4.1%	0.1%	137,736,000	0.9%	6.0%	0.2%
2004	153,284	5.9%	4.1%	0.0%	139,252,000	1.1%	5.5%	-0.5%
2005	159,349	4.0%	4.3%	0.2%	141,730,000	1.8%	5.1%	-0.4%
2006	164,833	3.4%	3.9%	-0.4%	144,427,000	1.9%	4.6%	-0.5%
2007	171,639	4.1%	3.9%	0.0%	146,047,000	1.1%	4.6%	0.0%
2008	169,948	-1.0%	5.5%	1.6%	145,362,000	-0.5%	5.8%	1.2%
2009	160,475	-5.6%	8.4%	2.9%	139,877,000	-3.8%	9.3%	3.5%
2010	158,933	-1.0%	9.1%	0.7%	139,064,000	-0.6%	9.6%	0.3%
2011	159,790	0.5%	9.0%	-0.1%	139,869,000	0.6%	8.9%	-0.7%
2012 YTD Average*	162,670	1.8%	9.1%	0.1%	142,469,083	1.9%	8.1%	-0.8%
Dec-2011	159,879	-	8.7%	-	140,681,000	-	8.3%	-
Dec-2012	166,197	4.0%	8.2%	-0.5%	143,060,000	1.7%	7.6%	-0.7%

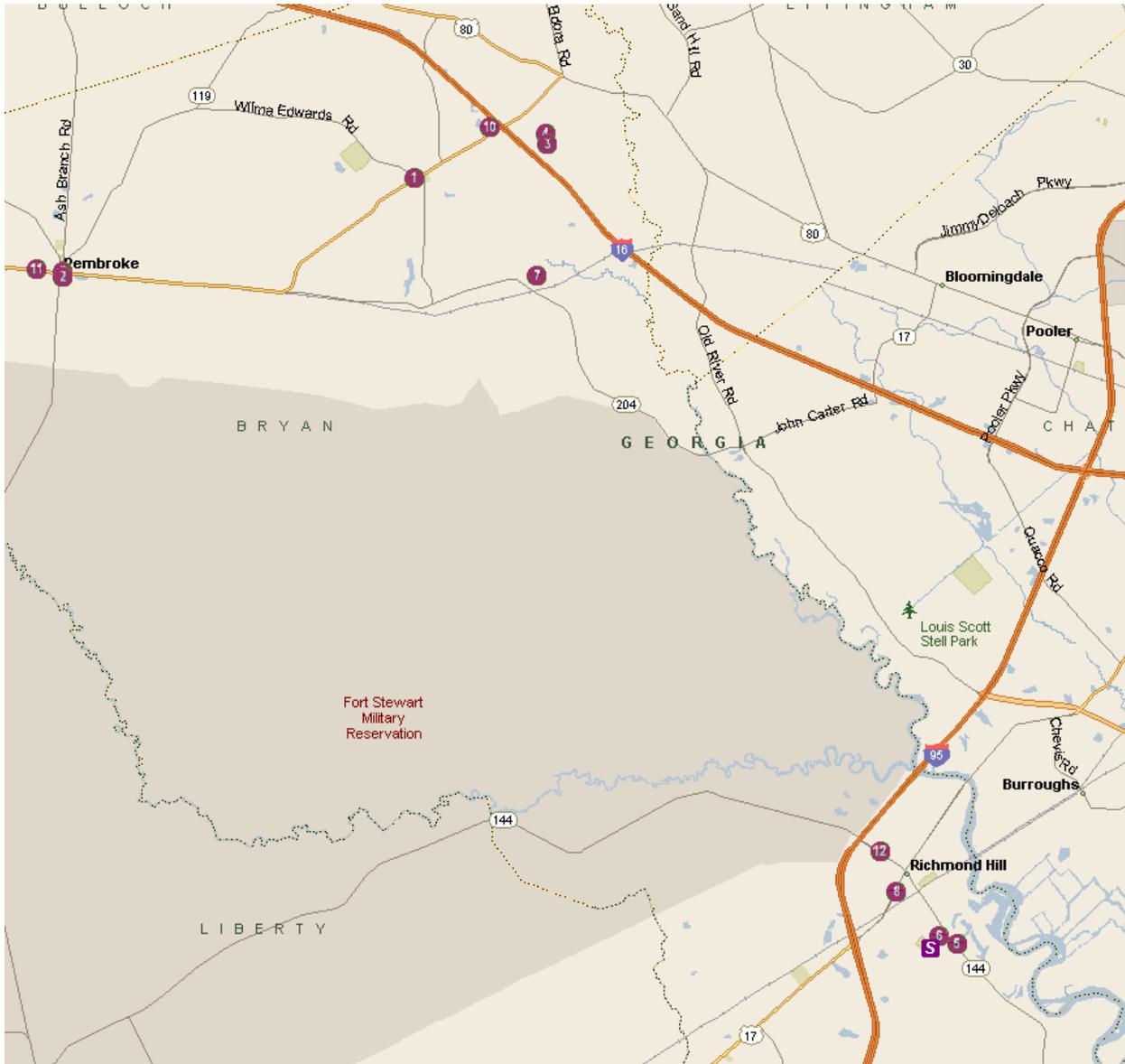
Source: U.S. Bureau of Labor Statistics December 2012

*2012 data is through Dec

The MSA posted employment growth from 2002 to 2007 but growth halted in 2008 due to the impact of the national recession. However, total employment growth increased by 0.5 percent in 2011, and has continued to increase through the past 12 months of statistical data. From December 2011 to December 2012, total employment in the MSA increased by 4.0 percent, a rate more than double that of the nation, which experienced an increase of 1.7 percent during the same period. The MSA experienced a decline in the unemployment rate from 2011 through the last 12 months of statistical data. The recent decline in the unemployment rate in the MSA is slightly less than the decrease in the unemployment rate experienced by the nation during the same period. As of December 2012, the MSA’s unemployment rate of 8.2 percent remains 60 basis points higher than the national rate of 7.6 percent. The local economy appears to be recovering from the recent recession, as indicated by the recent trends of total employment growth and unemployment decline in the MSA from 2011 through December 2012.

5. Map of Site and Major Employment Concentrations

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



MAJOR EMPLOYERS

Bryan County, GA			
Map #	Employer	Industry	Number Employed
1	Bryan County Board of Education	Education	800
2	Bryan County	Government	372
3	Oracal USA	Manufacturing	165
4	Oneida	Distribution	150
5	Ford Plantation	Residential Development	125
6	Atlantic Underground Utilities	Service	115
7	Daniel Defense	Manufacturing	120
8	Hobart	Manufacturing	75
9	Pembroke Telephone	Service	58
10	Dillion Transport	Trucking	55
11	Harveys	Retail	52
12	First Baptist Church of Richmond Hill	Church/Education	50

Source: Development Authority of Bryan County, 6/2012

Conclusion

Total employment in the MSA has been steadily increasing since 2011. As of December 2012, employment is at its highest level since 2008. Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.1 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US; however, the high rate of growth in total employment during this time indicates a recovery in the MSA in line with the nation. The largest employers in the PMA are the health care/social assistance, retail trade, and educational services industries. Lower skilled employees in these industries are likely to have incomes in line with the Subject’s income restrictions.

Overall, the Subject will cater to senior households who are likely to be retired. The forecasted growth in the economy in total employment and the decrease in unemployment combined with the modest business expansion will bode well for additional housing in the PMA.

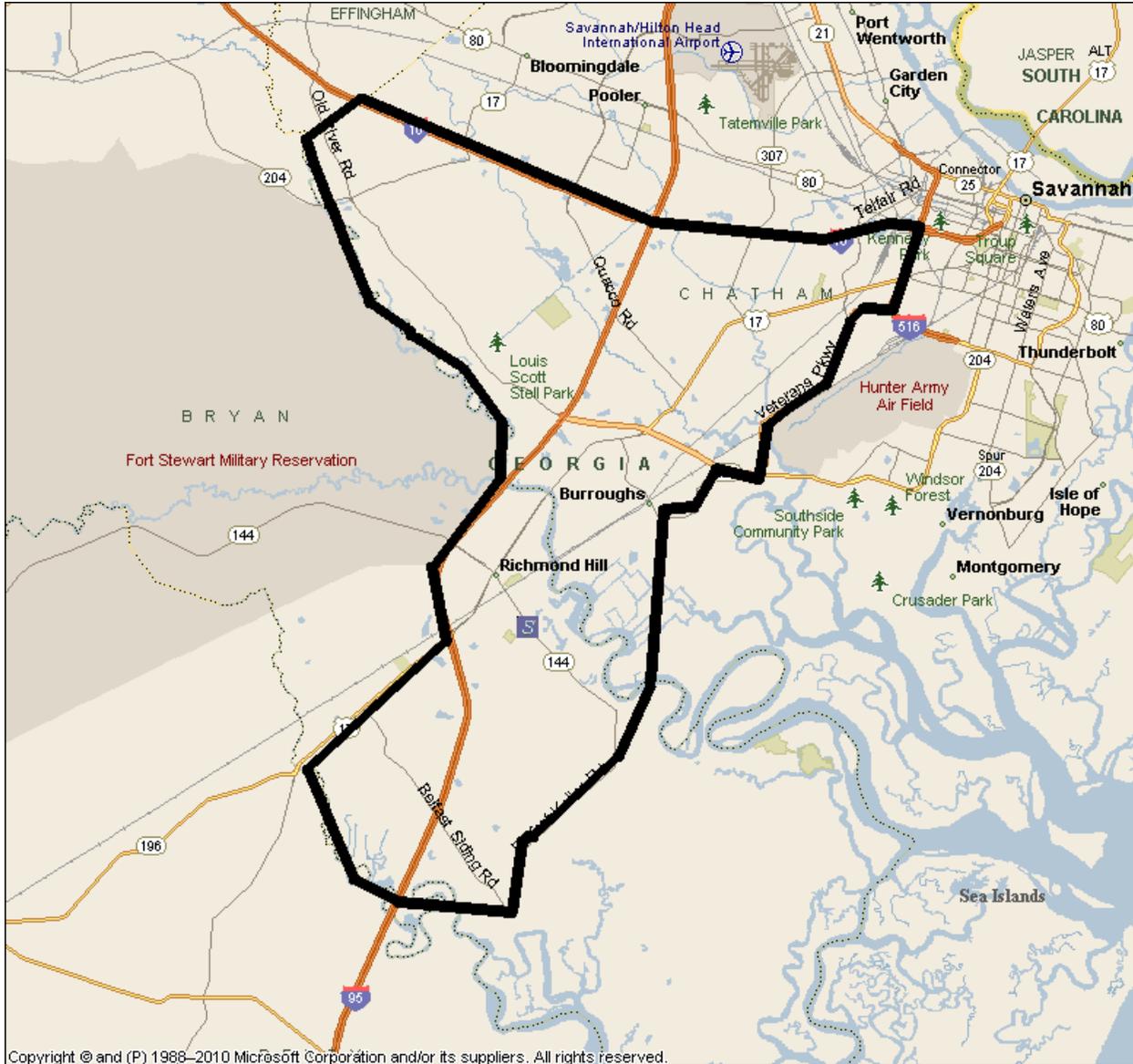
The major employers in the Bryan County economy are in relatively stable industries such as education, government and manufacturing. While the economy does not appear to be very diverse, the major employers are primarily contained in stable industries such as education services. Manufacturing can be deemed a somewhat unstable industry in times of recession. However we spoke with Josh Fenn, the Executive Director of the Development Authority of Bryan County and he informed us there have been no notable closures in manufacturing, or any other industry from 2011 to date. As a senior property, we expect that the Subject will be less affected by the local economic recession given that most senior tenants targeted for the Subject are retired.

G. 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 the Georgia Department of Community Affairs.

PRIMARY MARKET AREA (PMA)

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 SMA and the Primary Market Area (PMA) are areas of growth or contraction.



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 40 percent of its household income at the appropriate AMI level.

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

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

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

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2015, the anticipated date of market entry, as the base year for the analysis. Therefore, 2012 household population estimates are inflated to 2015 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 2015. This number takes the overall growth from 2000 to 2015 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. We have used an estimate of 40 percent rent-overburdened households based on CHAS data for the county.

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.

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

3C. ELDERLY HOMEOWNERS LIKELY TO CONVERT TO RENTERS

The third source is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that we have lowered the demand from seniors who convert to homeownership to be at or below two percent.

Management at Sister's Court estimated that 10 percent of tenants are previous homeowners. Sister's Court only offers units restricted at 50 percent of AMI; therefore, we believe that the percent of previous homeowners is somewhat understated. Given that the Subject will offer 60 percent AMI units and will be located in an affluent submarket such as Richmond Hill, we anticipate that the Subject's tenancy will include a higher former homeowner population. However, we have concluded to a homeownership conversion rate of two percent as this is the maximum allowed per GA DCA guidelines.

3D. OTHER

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

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2010 to the present.

ADDITIONS TO SUPPLY

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of the 2013 GA DCA guidelines, we have deducted the following units from the demand analysis:

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2011 and 2012.
- Vacancies in projects placed in service prior to 2011 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market in 2011 and 2012. As the following discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

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

There have been no senior allocations in the PMA since 2009. Therefore, we have not deducted any units from supply.

PMA OCCUPANCY

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

PMA OCCUPANCY

Name	City	Type	Tenancy	Total # of Units	Occupied Units	Occupancy Rate	Distance from Subject	Included/ Excluded	Reason for Exclusion
Plantation Apt (aka Plantation Ltd)	Richmond Hill	USDA RD	Family	58	49	85%	3.9 miles	Excluded	Not indicative of achievable rents
Plantation Apt III (Lakeview Ltd)	Richmond Hill	USDA RD	Family	54	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
The Plantation Apt (Richmond Hill Ltd)	Richmond Hill	USDA RD	Family	53	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
The Plantation IV	Richmond Hill	USDA RD/LIHTC	Family	49	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
Ashton At Richmond Hill	Richmond Hill	LIHTC	Family	232	224	97%	4.1 miles	Included	N/Av
Bradley Pointe	Savannah	LIHTC	Family	144	134	93%	9.1 miles	Excluded	Senior LIHTC data available
Oaks At Brandewood	Savannah	LIHTC, Market	Family	300	298	99%	17.4 miles	Excluded	Senior LIHTC data available
Overall				734	705	96%			

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 be new construction and will not operate with PBRA; therefore, we have calculated demand based upon the Subject needing to lease 100 percent of its units.

Capture Rates

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

Ashleigh Place, Richmond Hill, GA; Market Study

Renter Household Income Distribution 2012 to Projected Market Entry July 2015					
Ashleigh Place					
PMA					
	2012		Projected Mkt Entry July 2015		Percent
	#	%	#	%	Growth
\$0-9,999	90	6.8%	107	7.1%	16.3%
\$10,000-19,999	185	14.1%	204	13.4%	9.1%
\$20,000-29,999	306	23.3%	364	24.0%	15.9%
\$30,000-39,999	183	14.0%	210	13.8%	12.6%
\$40,000-49,999	134	10.2%	157	10.4%	14.9%
\$50,000-59,999	121	9.2%	138	9.1%	12.3%
\$60,000-74,999	79	6.0%	92	6.1%	13.8%
\$75,000-99,999	65	4.9%	78	5.1%	16.6%
\$100,000-124,999	52	3.9%	62	4.1%	16.4%
\$125,000-149,999	35	2.7%	40	2.6%	12.3%
\$150,000-199,999	37	2.8%	41	2.7%	9.1%
\$200,000+	25	1.9%	27	1.8%	7.7%
Total	1,312	100.0%	1,519	100.0%	13.6%

Renter Household Income Distribution Projected Market Entry July 2015			
Ashleigh Place			
	PMA		Change 2012 to Prj Mrkt Entry July 2015
	Projected Mkt Entry July 2015		
	#	%	#
\$0-9,999	107	7.1%	15
\$10,000-19,999	204	13.4%	28
\$20,000-29,999	364	24.0%	50
\$30,000-39,999	210	13.8%	29
\$40,000-49,999	157	10.4%	21
\$50,000-59,999	138	9.1%	19
\$60,000-74,999	92	6.1%	13
\$75,000-99,999	78	5.1%	11
\$100,000-124,999	62	4.1%	8
\$125,000-149,999	40	2.6%	5
\$150,000-199,999	41	2.7%	6
\$200,000+	27	1.8%	4
Total	1,519	100.0%	207

Tenure Prj Mrkt Entry July 2015	
Renter	23.6%
Owner	76.4%
Total	100.0%

Renter Household Size for Prj Mrkt Entry July 2015		
Size	Number	Percentage
1 Person	903	59.4%
2 Person	406	26.7%
3 Person	123	8.1%
4 Person	32	2.1%
5+ Person	55	3.6%
Total	1,519	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,138	30.6%
2 Person	1,142	30.7%
3 Person	787	21.2%
4 Person	420	11.3%
5+ Person	230	6.2%
Total	3,717	100.0%

50% AMI

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

Percent of AMI Level			50%		
Minimum Income Limit			\$16,440		
Maximum Income Limit			\$24,000		
Income Category	New Renter Households - Total Change in Households PMA 2012 to Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	14.59			
\$10,000-19,999	27.78	13.4%	3,559	35.6%	10
\$20,000-29,999	49.56	24.0%	4,000	40.0%	20
\$30,000-39,999	28.58	13.8%		0.0%	0
\$40,000-49,999	21.44	10.4%		0.0%	0
\$50,000-59,999	18.74	9.1%		0.0%	0
\$60,000-74,999	12.54	6.1%		0.0%	0
\$75,000-99,999	10.61	5.1%		0.0%	0
\$100,000-124,999	8.40	4.1%		0.0%	0
\$125,000-149,999	5.44	2.6%		0.0%	0
\$150,000-199,999	5.56	2.7%		0.0%	0
\$200,000+	3.65	1.8%		0.0%	0
	207	100.0%			30
Percent of renter households within limits versus total number of renter households					14.36%

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

Percent of AMI Level			50%		
Minimum Income Limit			\$16,440		
Maximum Income Limit			\$24,000		
Income Category	Total Renter Households PMA Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	107			
\$10,000-19,999	204	13.4%	\$3,559	36%	73
\$20,000-29,999	364	24.0%	\$4,000	40%	146
\$30,000-39,999	210	13.8%	\$0	0%	0
\$40,000-49,999	157	10.4%	\$0	0%	0
\$50,000-59,999	138	9.1%	\$0	0%	0
\$60,000-74,999	92	6.1%	\$0	0%	0
\$75,000-99,999	78	5.1%	\$0	0%	0
\$100,000-124,999	62	4.1%	\$0	0%	0
\$125,000-149,999	40	2.6%	\$0	0%	0
\$150,000-199,999	41	2.7%	\$0	0%	0
\$200,000+	27	1.8%	\$0	0%	0
	1,519	100.0%			218
Percent of renter households within limits versus total number of renter households					14.36%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Pj Mrkt Entry July 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$45,942
\$56,185
\$10,243
22.3%
3.7%
3.7%
Two year adjustment
1,0000
\$24,000
\$24,000
\$2
50%
\$548
\$548.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry July 2015

Income Target Population		50%
New Renter Households PMA		207
Percent Income Qualified		14.4%
New Renter Income Qualified Households		30

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

Demand from Existing Households 2012

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		1,519
Income Qualified		14.4%
Income Qualified Renter Households		218
Percent Rent Overburdened Prj Mrkt Entry July 2015		90.0%
Rent Overburdened Households		196

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		218
Percent Living in Substandard Housing		0.2%
Households Living in Substandard Housing		0

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		4924
Rural Versus Urban	0.1%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		201
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		201
Total New Demand		30
Total Demand (New Plus Existing Households)		231

Demand from Seniors Who Convert from Homeownership		5
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2.0 percent of Total Demand?		No

By Bedroom Demand

One Person	59.4%	137
Two Persons	26.7%	62
Three Persons	8.1%	19
Four Persons	2.1%	5
Five Persons	3.6%	8
Total	100.0%	231

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	96
Of two-person households in 1BR units	10%	6
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	30%	41
Of two-person households in 2BR units	90%	56
Of three-person households in 2BR units	60%	11
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	7
Of four-person households in 3BR units	80%	4
Of five-person households in 3BR units	70%	6
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	1
Of five-person households in 4BR units	30%	2
Total Demand		231

Total Demand by Bedroom	50%
1 BR	102
2 BR	97
Total Demand	199

Additions To Supply 2012 to Prj Mrkt Entry July 2015	50%
1 BR	0
2 BR	0
Total	0

Net Demand	50%
1 BR	102
2 BR	97
Total	199

Developer's Unit Mix	50%
1 BR	5
2 BR	11
Total	16

Capture Rate Analysis	50%
1 BR	4.9%
2 BR	11.4%
Total	8.0%

60%AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$18,540		
Maximum Income Limit			\$28,800		
Income Category	New Renter Households - Total Change in Households PMA 2012 to Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	14.59			
\$10,000-19,999	27.78	13.4%	1,459	14.6%	4
\$20,000-29,999	49.56	24.0%	8,800	88.0%	44
\$30,000-39,999	28.58	13.8%		0.0%	0
\$40,000-49,999	21.44	10.4%		0.0%	0
\$50,000-59,999	18.74	9.1%		0.0%	0
\$60,000-74,999	12.54	6.1%		0.0%	0
\$75,000-99,999	10.61	5.1%		0.0%	0
\$100,000-124,999	8.40	4.1%		0.0%	0
\$125,000-149,999	5.44	2.6%		0.0%	0
\$150,000-199,999	5.56	2.7%		0.0%	0
\$200,000+	3.65	1.8%		0.0%	0
	207	100.0%			48
Percent of renter households within limits versus total number of renter households					23.04%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$18,540		
Maximum Income Limit			\$28,800		
Income Category	Total Renter Households PMA Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	107			
\$10,000-19,999	204	13.4%	\$1,459	15%	30
\$20,000-29,999	364	24.0%	\$8,800	88%	320
\$30,000-39,999	210	13.8%	\$0	0%	0
\$40,000-49,999	157	10.4%	\$0	0%	0
\$50,000-59,999	138	9.1%	\$0	0%	0
\$60,000-74,999	92	6.1%	\$0	0%	0
\$75,000-99,999	78	5.1%	\$0	0%	0
\$100,000-124,999	62	4.1%	\$0	0%	0
\$125,000-149,999	40	2.6%	\$0	0%	0
\$150,000-199,999	41	2.7%	\$0	0%	0
\$200,000+	27	1.8%	\$0	0%	0
	1,519	100.0%			350
Percent of renter households within limits versus total number of renter households					23.04%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Pj Mrkt Entry July 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$45,942
\$56,185
\$10,243
22.3%
3.7%
3.7%
Two year adjustment
1,0000
\$28,800
\$28,800
\$2
60%
\$618
\$618.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry July 2015

Income Target Population		60%
New Renter Households PMA		207
Percent Income Qualified		23.0%
New Renter Income Qualified Households		48

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

Demand from Existing Households 2012

Demand form Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		1,519
Income Qualified		23.0%
Income Qualified Renter Households		350
Percent Rent Overburdened Prj Mrkt Entry July 2015		90.0%
Rent Overburdened Households		315

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		350
Percent Living in Substandard Housing		0.2%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		4924
Rural Versus Urban	0.2%	
Senior Demand Converting from Homeownership		7

Total Demand

Total Demand from Existing Households		323
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		323
Total New Demand		48
Total Demand (New Plus Existing Households)		371

Demand from Seniors Who Convert from Homeownership		7
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2.0 percent of Total Demand?		No

By Bedroom Demand

One Person	59.4%	221
Two Persons	26.7%	99
Three Persons	8.1%	30
Four Persons	2.1%	8
Five Persons	3.6%	13
Total	100.0%	371

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	154
Of two-person households in 1BR units	10%	10
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	30%	66
Of two-person households in 2BR units	90%	89
Of three-person households in 2BR units	60%	18
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	12
Of four-person households in 3BR units	80%	6
Of five-person households in 3BR units	70%	9
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	2
Of five-person households in 4BR units	30%	4
Total Demand		371

Total Demand by Bedroom	60%
1 BR	164
2 BR	155
Total Demand	320

Additions To Supply 2012 to Prj Mrkt Entry July 2015	60%
1 BR	0
2 BR	0
Total	0

Net Demand	60%
1 BR	164
2 BR	155
Total	320

Developer's Unit Mix	60%
1 BR	19
2 BR	45
Total	64

Capture Rate Analysis	60%
1 BR	11.6%
2 BR	29.0%
Total	20.0%

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$16,440		
Maximum Income Limit			\$28,800		
Income Category	New Renter Households - Total Change in Households PMA 2012 to Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	14.59			
\$10,000-19,999	27.78	13.4%	3,559	35.6%	10
\$20,000-29,999	49.56	24.0%	8,800	88.0%	44
\$30,000-39,999	28.58	13.8%		0.0%	0
\$40,000-49,999	21.44	10.4%		0.0%	0
\$50,000-59,999	18.74	9.1%		0.0%	0
\$60,000-74,999	12.54	6.1%		0.0%	0
\$75,000-99,999	10.61	5.1%		0.0%	0
\$100,000-124,999	8.40	4.1%		0.0%	0
\$125,000-149,999	5.44	2.6%		0.0%	0
\$150,000-199,999	5.56	2.7%		0.0%	0
\$200,000+	3.65	1.8%		0.0%	0
	207	100.0%			54
Percent of renter households within limits versus total number of renter households					25.86%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$16,440		
Maximum Income Limit			\$28,800		
Income Category	Total Renter Households PMA Pj Mrkt Entry July 2015		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	107			
\$10,000-19,999	204	13.4%	\$3,559	36%	73
\$20,000-29,999	364	24.0%	\$8,800	88%	320
\$30,000-39,999	210	13.8%	\$0	0%	0
\$40,000-49,999	157	10.4%	\$0	0%	0
\$50,000-59,999	138	9.1%	\$0	0%	0
\$60,000-74,999	92	6.1%	\$0	0%	0
\$75,000-99,999	78	5.1%	\$0	0%	0
\$100,000-124,999	62	4.1%	\$0	0%	0
\$125,000-149,999	40	2.6%	\$0	0%	0
\$150,000-199,999	41	2.7%	\$0	0%	0
\$200,000+	27	1.8%	\$0	0%	0
	1,519	100.0%			393
Percent of renter households within limits versus total number of renter households					25.86%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2012 Median Income

Change from 2012 to Pj Mrkt Entry July 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No
Senior
Rural
40%
\$45,942
\$56,185
\$10,243
22.3%
3.7%
3.7%
Two year adjustment
1,000
\$28,800
\$28,800
\$2
Overall
\$548
\$548.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	70%	30%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2012 to Prj Mrkt Entry July 2015

Income Target Population		Overall
New Renter Households PMA		207
Percent Income Qualified		25.9%
New Renter Income Qualified Households		54

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

Demand from Existing Households 2012

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		1,519
Income Qualified		25.9%
Income Qualified Renter Households		393
Percent Rent Overburdened Prj Mrkt Entry July 2015		90.0%
Rent Overburdened Households		353

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		393
Percent Living in Substandard Housing		0.2%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		4924
Rural Versus Urban	0.2%	
Senior Demand Converting from Homeownership		8

Total Demand

Total Demand from Existing Households		362
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		362
Total New Demand		54
Total Demand (New Plus Existing Households)		416

Demand from Seniors Who Convert from Homeownership		8
Percent of Total Demand From Homeownership Conversion		2.0%
Is this Demand Over 2.0 percent of Total Demand?		No

By Bedroom Demand

One Person	59.4%	247
Two Persons	26.7%	111
Three Persons	8.1%	34
Four Persons	2.1%	9
Five Persons	3.6%	15
Total	100.0%	416

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	70%	173
Of two-person households in 1BR units	10%	11
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	30%	74
Of two-person households in 2BR units	90%	100
Of three-person households in 2BR units	60%	20
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	40%	13
Of four-person households in 3BR units	80%	7
Of five-person households in 3BR units	70%	10
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	20%	2
Of five-person households in 4BR units	30%	4
Total Demand		416

Total Demand by Bedroom	Overall
1 BR	184
2 BR	174
Total Demand	358

Additions To Supply 2012 to Prj Mrkt Entry July 2015	Overall
1 BR	0
2 BR	0
Total	0

Net Demand	Overall
1 BR	184
2 BR	174
Total	358

Developer's Unit Mix	Overall
1 BR	24
2 BR	56
Total	80

Capture Rate Analysis	Overall
1 BR	13.0%
2 BR	32.1%
Total	22.3%

Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	GA DCA Threshold*	Absorption	Average Market Rent	Market Rents	
									Band Min-Max	Proposed Rents
1BR at 50% AMI	5	102	0	102	4.9%	-	7-8 months	\$674	\$405 - \$914	\$447
2BR at 50% AMI	11	97	0	97	11.4%	-	7-8 months	\$773	\$415 - \$1,074	\$539
All 50% AMI Units	16	199	0	199	8.0%	70.0%	7-8 months	-	-	-
1BR at 60% AMI	19	164	0	164	11.6%	-	7-8 months	\$672	\$466 - \$914	\$517
2BR at 60% AMI	45	155	0	155	29.0%	-	7-8 months	\$823	\$526 - \$1,074	\$649
All 60% AMI Units	64	320	0	320	20.0%	70.0%	7-8 months	-	-	-
1BR Overall	24	184	0	184	13.0%	35.0%	7-8 months	-	-	-
2BR Overall	56	174	0	174	32.1%	35.0%	7-8 months	-	-	-
All Units	80	358	0	358	22.3%	35.0%	7-8 months	-	-	-

*The Subject is located in a rural county.

Demand and Net Demand

	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	30	48	54
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	0	1	1
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	196	315	353
Sub Total	226	363	408
Demand from Existing Households - Elderly Homeowner Turnover	5	7	8
Equals Total Demand	231	371	416
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0
Equals Net Demand	231	371	416

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 4.9 to 11.4 percent, with an overall capture rate of 8.0 percent. The Subject's 60 percent AMI capture rates range from 11.6 to 29.0 percent, with an overall capture rate of 20.0 percent. The overall capture rate for the project's 50 and 60 percent units is 22.3 percent. While the capture rates at 60 percent AMI are high, we believe there is demand for the Subject as proposed given low vacancy in the market and the lack of LIHTC, particularly senior LIHTC supply in Richmond Hill.

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 nine “true” comparable properties containing 1,848 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 both LIHTC and unrestricted data in Richmond Hill is limited. We have included one family LIHTC property, Ashton at Richmond Hill, in Richmond Hill and eight properties in Savannah and Pooler. We have not included two family LIHTC properties in the PMA (in Savannah) due to their family tenancy and limited number of senior tenants. We have therefore included several senior LIHTC properties located outside the PMA in Pooler and Savannah. Portions of suburban Savannah are in the PMA while Pooler is not in the PMA. Our competitive survey includes nine comparable properties containing 1,848 units. While the senior LIHTC properties are located in Savannah and Pooler, we believe they operate within the same larger market as the Subject and are therefore indicative of the performance of a LIHTC property. In terms of market rate data, we have included the closest and newest unrestricted properties, the majority of which target general households with the exception of Veranda at Midtown in Savannah. Overall, the Subject will face limited direct competition from properties in Richmond Hill. Further, as the demographic analysis will demonstrate, there is a large percentage of senior renters in the PMA, which is an area that offers limited senior rental supply, indicating that there is latent demand in the market. As managers at properties like Ashton at Richmond Hill have reported, there are senior households living at family-oriented properties due to the lack of senior multifamily rental units in the market. The property manager at Ashton at Richmond Hill estimated that 20 percent of the property’s households are seniors. Other senior renter households are accounted for at independent and assisted living facilities.

General Market Overview/Included/Excluded Properties

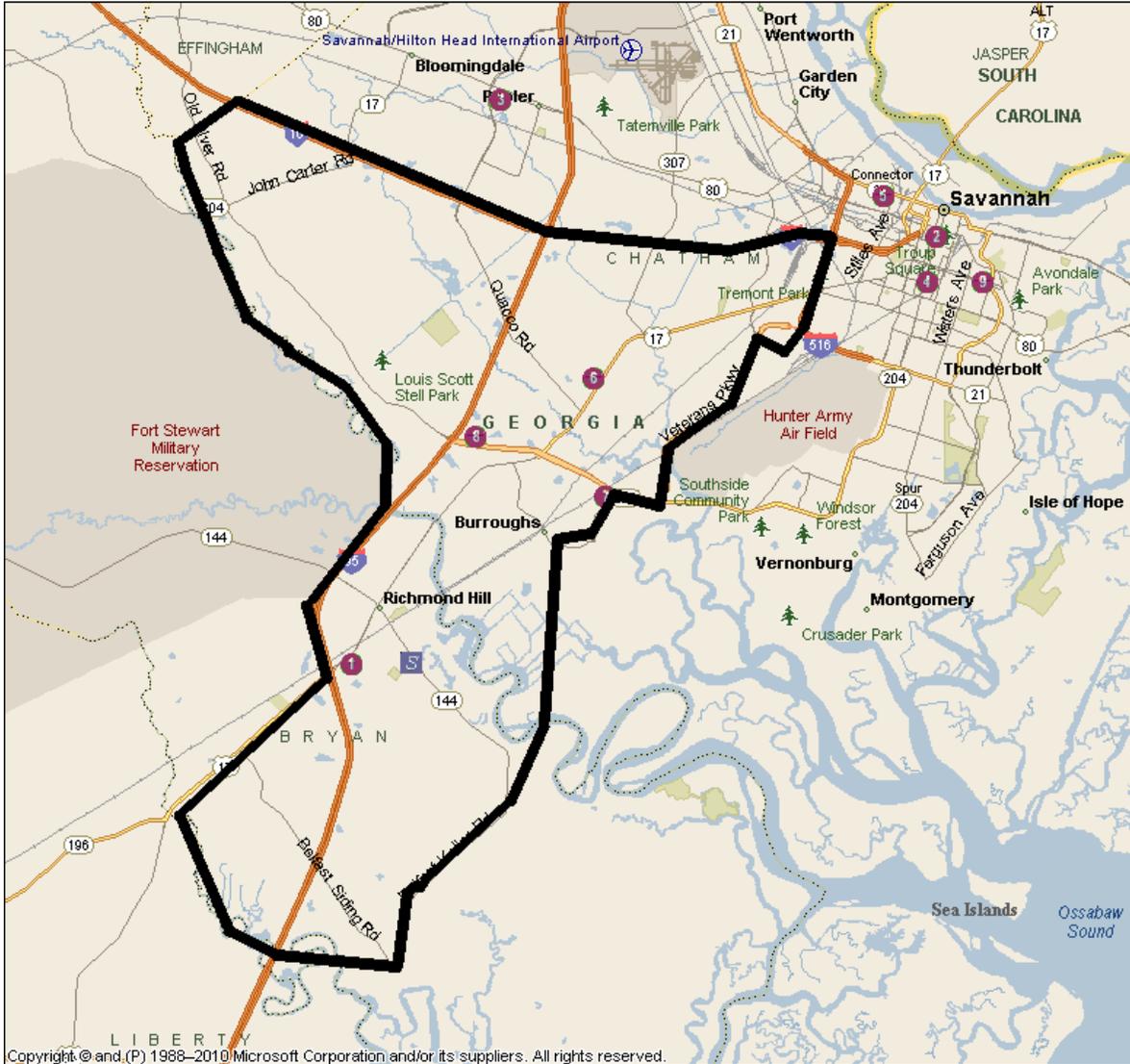
The following table illustrates properties that are within the PMA or a similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

GENERAL MARKET OVERVIEW

Name	City	Type	Tenancy	Total # of Units	Occupied Units	Occupancy Rate	Distance from Subject	Included/ Excluded	Reason for Exclusion
Plantation Apt (aka Plantation Ltd)	Richmond Hill	USDA RD	Family	58	49	85%	3.9 miles	Excluded	Not indicative of achievable rents
Plantation Apt III (Lakeview Ltd)	Richmond Hill	USDA RD	Family	54	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
The Plantation Apt (Richmond Hill Ltd)	Richmond Hill	USDA RD	Family	53	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
The Plantation IV	Richmond Hill	USDA RD/LIHTC	Family	49	N/Av	N/Av	3.9 miles	Excluded	Not indicative of achievable rents
Ashton At Richmond Hill	Richmond Hill	LIHTC	Family	232	224	97%	4.1 miles	Included	N/Av
Bradley Pointe	Savannah	LIHTC	Family	144	134	93%	9.1 miles	Excluded	Senior LIHTC data available
Oaks At Brandlewood	Savannah	LIHTC, Market	Family	300	298	99%	17.4 miles	Excluded	Senior LIHTC data available
Overall				734	705	96%			

As the previous table demonstrates, there is limited multifamily rental housing in the PMA. Overall occupancy at these properties is 98 percent, which indicates a healthy rental market.

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Tenancy	Type	Distance
1	Ashton At Richmond Hill	Richmond Hill	Family	@ 60%	4.1 miles
2	Rose Of Sharon	Savannah	Senior	@ 60%	24.2 miles
3	Sheppard Station	Pooler	Senior	@ 50%, @ 60%, Market	19.8 miles
4	Sister's Court	Savannah	Senior	@ 50%	24.2 miles
5	Sustainable Fellwood III	Savannah	Senior	@ 60%, PBRA, Market	24.4 miles
6	Century Fenwick Apartments	Savannah	Family	Market	12.4 miles
7	Preston Grove Apartments	Savannah	Family	Market	12.4 miles
8	The Links At Georgetown	Savannah	Family	Market	10.5 miles
9	Veranda At Midtown	Savannah	Senior	Market, PBRA	25.8 miles

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	Ashleigh Place Senior Hwy 144 Richmond Hill, GA 31324 Bryan County	n/a	Lowrise (age-restricted) (2 stories) 2014 / n/a	@50%, @60%	1BR / 1BA	5	6.25%	@50%	\$447	700	no		N/A	N/A
					1BR / 1BA	19	23.75%	@60%	\$517	700	no	N/A	N/A	
					2BR / 2BA	11	13.75%	@50%	\$539	950	no	N/A	N/A	
					2BR / 2BA	45	56.25%	@60%	\$649	950	no	N/A	N/A	
					80	100%						N/A	N/A	
1	Ashton At Richmond Hill 505 Harris Trail Richmond Hill, GA 31324 Bryan County	1.8 miles	Garden (2 stories) 1995 / n/a	@60%	1BR / 1BA	N/A	N/A	@60%	\$598	770	yes	No	0	N/A
					2BR / 1BA	N/A	N/A	@60%	\$703	920	yes	No	4	N/A
					2BR / 2BA	N/A	N/A	@60%	\$718	980	yes	No	1	N/A
					3BR / 2BA	N/A	N/A	@60%	\$823	1,150	yes	No	2	N/A
					232	100%						7	3.00%	
2	Rose Of Sharon 322 East Taylor Street Savannah, GA 31401 Chatham County	21.6 miles	Highrise (age-restricted) (12 stories) 1972 / 2007	@60%	Studio / 1BA	44	21.40%	@60%	\$421	418	n/a	23 HHs total	3	6.80%
					1BR / 1BA	140	68.00%	@60%	\$466	602	n/a	23 HHs total	4	2.90%
					1BR / 1BA	22	10.70%	@60%	\$466	627	n/a	23 HHs total	2	9.10%
						206	100%						9	4.40%
3	Sheppard Station 215 Brighton Woods Dr Pooler, GA 31322 Chatham County	17.2 miles	Lowrise (age-restricted) 2009 / n/a	@50%, @60%, Market	1BR / 1BA	25	38.50%	@50%	\$481	815	n/a	Yes	0	0.00%
					1BR / 1BA	1	1.50%	@60%	\$481	815	no	Yes	0	0.00%
					1BR / 1BA	7	10.80%	Market	\$543	815	n/a	Yes	0	0.00%
					2BR / 1BA	24	36.90%	@50%	\$526	1,000	n/a	Yes	0	0.00%
					2BR / 1BA	2	3.10%	@60%	\$526	1,000	no	Yes	0	0.00%
					2BR / 1BA	6	9.20%	Market	\$603	1,000	n/a	Yes	0	0.00%
					65	100%						0	0.00%	
4	Sister's Court 222 E 37th St Savannah, GA 31401 Chatham County	21.6 miles	Conversion (age-restricted) (3 stories) 1900s / 1999	@50%, @60%	1BR / 1BA	28	35.90%	@50%	\$405	500	no	No	0	0.00%
					1BR / 1BA	37	47.40%	@60%	\$415	500	no	No	0	0.00%
					1BR / 1BA	8	10.30%	@60%	\$220	500	no	No	0	0.00%
					2BR / 1BA	2	2.60%	@50%	\$455	650	no	No	0	0.00%
					2BR / 1BA	2	2.60%	@60%	\$485	750	no	No	0	0.00%
					2BR / 1BA	1	1.30%	Non-Rental	N/A	650	n/a	No	0	0.00%
					78	100%						0	0.00%	
5	Sustainable Fellwood III Exley Street Savannah, GA 31415 Chatham County	21.8 miles	Lowrise (age-restricted) (4 stories) 2012 / n/a	@60%, @60% (Project Based Rental Assistance - PBRA), Market	1BR / 1BA	41	41.00%	@60%	\$583	732	no	Yes	0	0.00%
					1BR / 1BA	37	37.00%	@60%	N/A	732	n/a	Yes	0	0.00%
					1BR / 1BA	7	7.00%	Market	\$639	732	n/a	Yes	0	0.00%
					2BR / 2BA	5	5.00%	@60%	\$702	951	no	Yes	0	0.00%
					2BR / 2BA	7	7.00%	@60%	N/A	951	n/a	Yes	0	0.00%
					2BR / 2BA	3	3.00%	Market	\$739	951	n/a	Yes	0	0.00%
					100	100%						0	0.00%	
6	Arium Links (fka The Links At Georgetown) 450 Henderson Blvd Savannah, GA 31419 Bryan County	7.9 miles	Garden (2 stories) 1998/2000 / n/a	Market	1BR / 1BA	48	13.30%	Market	\$753	552	n/a	No	N/A	N/A
					1BR / 1BA	56	15.60%	Market	\$839	871	n/a	No	N/A	N/A
					1BR / 1BA	30	8.30%	Market	\$914	982	n/a	No	N/A	N/A
					2BR / 2BA	88	24.40%	Market	\$939	1,132	n/a	No	N/A	N/A
					2BR / 2BA	102	28.30%	Market	\$1,039	1,242	n/a	No	N/A	N/A
					3BR / 2BA	36	10.00%	Market	\$1,104	1,282	n/a	No	N/A	N/A
					360	100%						52	14.40%	
7	Century Fenwick Apartments 101 Fenwick Village Savannah, GA 31419 Bryan County	9.8 miles	Garden (3 stories) 2007/2008 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$776	696	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$801	866	n/a	No	8	N/A
					2BR / 2BA	N/A	N/A	Market	\$892	1,084	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$952	1,133	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$987	1,227	n/a	No	17	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,116	1,430	n/a	No	8	N/A
					448	100%						33	7.40%	
8	Preston Grove Apartments 1825 Grove Point Road Savannah, GA 31419 Bryan County	9.8 miles	Garden (3 stories) 1999 / n/a	Market, Non-Rental	1BR / 1BA	57	22.40%	Market	\$869	817	n/a	No	2	3.50%
					2BR / 2BA	113	44.30%	Market	\$1,074	1,138	n/a	No	4	3.50%
					3BR / 2BA	25	9.80%	Market	\$1,263	1,362	n/a	No	6	24.00%
						255	100%						12	4.70%
9	Veranda At Midtown 1414 East Anderson Street Savannah, GA 31404 Chatham County	23.2 miles	Midrise (age-restricted) (4 stories) 2005 / n/a	Market, PBRA	1BR / 1BA	2	2.00%	Market	\$675	659	n/a	No	0	0.00%
					1BR / 1BA	6	6.00%	Market	\$675	664	n/a	No	1	16.70%
					1BR / 1BA	3	3.00%	Market	\$675	736	n/a	No	0	0.00%
					1BR / 1BA	2	2.00%	PBRA	\$637	654	n/a	Yes	0	0.00%
					1BR / 1BA	7	7.00%	PBRA	\$637	659	n/a	Yes	0	0.00%
					1BR / 1BA	27	27.00%	PBRA	\$637	664	n/a	Yes	0	0.00%
					1BR / 1BA	12	12.00%	PBRA	\$637	673	n/a	Yes	0	0.00%
					1BR / 1BA	5	5.00%	PBRA	\$637	696	n/a	Yes	0	0.00%
					1BR / 1BA	20	20.00%	PBRA	\$637	736	n/a	Yes	0	0.00%
					2BR / 1BA	16	16.00%	PBRA	\$710	918	n/a	Yes	1	6.20%
					100	100%						2	2.00%	

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

Effective Rent Date:	Apr-13	Units Surveyed:	1844	Weighted Occupancy:	93.80%
		Market Rate	1163	Market Rate	91.50%
		Tax Credit	681	Tax Credit	97.70%

One Bedroom One Bath

Two Bedrooms Two Bath

	Property	Average	Property	Average	
RENT	Arium Links (fka The Links At Georgetown)	\$914	Preston Grove Apartments	\$1,074	
	Preston Grove Apartments	\$869	Arium Links (fka The Links At Georgetown)	\$1,039	
	Arium Links (fka The Links At Georgetown)	\$839	Century Fenwick Apartments	\$987	
	Century Fenwick Apartments	\$801	Century Fenwick Apartments	\$952	
	Century Fenwick Apartments	\$776	Arium Links (fka The Links At Georgetown)	\$939	
	Arium Links (fka The Links At Georgetown)	\$753	Century Fenwick Apartments	\$892	
	Veranda At Midtown	\$675	Sustainable Fellwood III * (M)	\$739	
	Veranda At Midtown	\$675	Ashton At Richmond Hill * (60%)	\$718	
	Veranda At Midtown	\$675	Veranda At Midtown (IBA)	\$710	
	Sustainable Fellwood III * (M)	\$639	Sustainable Fellwood III * (60%)	\$702	
	Veranda At Midtown	\$637	Ashleigh Place Senior * (60%)	\$649	
	Veranda At Midtown	\$637	Sheppard Station * (IBA M)	\$603	
	Veranda At Midtown	\$637	Ashleigh Place Senior * (50%)	\$539	
	Veranda At Midtown	\$637	Sheppard Station * (IBA 50%)	\$526	
	Veranda At Midtown	\$637	Sheppard Station * (IBA 60%)	\$526	
	Veranda At Midtown	\$637	Sister's Court * (IBA 60%)	\$485	
	Ashton At Richmond Hill * (60%)	\$598	Sister's Court * (IBA 50%)	\$455	
	Sustainable Fellwood III * (60%)	\$583			
	Sheppard Station * (M)	\$543			
	Ashleigh Place Senior * (60%)	\$517			
	Sheppard Station * (50%)	\$481			
	Sheppard Station * (60%)	\$481			
	Rose Of Sharon * (60%)	\$466			
	Rose Of Sharon * (60%)	\$466			
	Ashleigh Place Senior * (50%)	\$447			
	Sister's Court * (60%)	\$415			
	Sister's Court * (50%)	\$405			
	Sister's Court * (60%)	\$220			
	SQUARE FOOTAGE	Arium Links (fka The Links At Georgetown)	982	Arium Links (fka The Links At Georgetown)	1,242
		Arium Links (fka The Links At Georgetown)	871	Century Fenwick Apartments	1,227
Century Fenwick Apartments		866	Preston Grove Apartments	1,138	
Preston Grove Apartments		817	Century Fenwick Apartments	1,133	
Sheppard Station * (50%)		815	Arium Links (fka The Links At Georgetown)	1,132	
Sheppard Station * (60%)		815	Century Fenwick Apartments	1,084	
Sheppard Station * (M)		815	Sheppard Station * (IBA 50%)	1,000	
Ashton At Richmond Hill * (60%)		770	Sheppard Station * (IBA 60%)	1,000	
Veranda At Midtown		736	Sheppard Station * (IBA M)	1,000	
Veranda At Midtown		736	Ashton At Richmond Hill * (60%)	980	
Sustainable Fellwood III * (60%)		732	Sustainable Fellwood III * (60%)	951	
Sustainable Fellwood III * (M)		732	Sustainable Fellwood III * (M)	951	
Ashleigh Place Senior * (50%)		700	Ashleigh Place Senior * (50%)	950	
Ashleigh Place Senior * (60%)		700	Ashleigh Place Senior * (60%)	950	
Century Fenwick Apartments		696	Veranda At Midtown (IBA)	918	
Veranda At Midtown		696	Sister's Court * (IBA 60%)	750	
Veranda At Midtown		673	Sister's Court * (IBA 50%)	650	
Veranda At Midtown		664			
Veranda At Midtown		664			
Veranda At Midtown		659			
Veranda At Midtown		659			
Veranda At Midtown		654			
Rose Of Sharon * (60%)		627			
Rose Of Sharon * (60%)		602			
Arium Links (fka The Links At Georgetown)		552			
Sister's Court * (50%)		500			
Sister's Court * (60%)		500			
Sister's Court * (60%)		500			
RENT PER SQUARE FOOT		Arium Links (fka The Links At Georgetown)	\$1.36	Preston Grove Apartments	\$0.94
		Century Fenwick Apartments	\$1.11	Century Fenwick Apartments	\$0.84
	Preston Grove Apartments	\$1.06	Arium Links (fka The Links At Georgetown)	\$0.84	
	Veranda At Midtown	\$1.02	Arium Links (fka The Links At Georgetown)	\$0.83	
	Veranda At Midtown	\$1.02	Century Fenwick Apartments	\$0.82	
	Veranda At Midtown	\$0.97	Century Fenwick Apartments	\$0.80	
	Veranda At Midtown	\$0.97	Sustainable Fellwood III * (M)	\$0.78	
	Arium Links (fka The Links At Georgetown)	\$0.96	Veranda At Midtown (IBA)	\$0.77	
	Veranda At Midtown	\$0.96	Sustainable Fellwood III * (60%)	\$0.74	
	Veranda At Midtown	\$0.95	Ashton At Richmond Hill * (60%)	\$0.73	
	Arium Links (fka The Links At Georgetown)	\$0.93	Sister's Court * (IBA 50%)	\$0.70	
	Century Fenwick Apartments	\$0.92	Ashleigh Place Senior * (60%)	\$0.68	
	Veranda At Midtown	\$0.92	Sister's Court * (IBA 60%)	\$0.65	
	Veranda At Midtown	\$0.92	Sheppard Station * (IBA M)	\$0.60	
	Sustainable Fellwood III * (M)	\$0.87	Ashleigh Place Senior * (50%)	\$0.57	
	Veranda At Midtown	\$0.87	Sheppard Station * (IBA 50%)	\$0.53	
	Sister's Court * (60%)	\$0.83	Sheppard Station * (IBA 60%)	\$0.53	
	Sister's Court * (50%)	\$0.81			
	Sustainable Fellwood III * (60%)	\$0.80			
	Ashton At Richmond Hill * (60%)	\$0.78			
	Rose Of Sharon * (60%)	\$0.77			
	Rose Of Sharon * (60%)	\$0.74			
	Ashleigh Place Senior * (60%)	\$0.74			
	Sheppard Station * (M)	\$0.67			
	Ashleigh Place Senior * (50%)	\$0.64			
	Sheppard Station * (50%)	\$0.59			
	Sheppard Station * (60%)	\$0.59			
	Sister's Court * (60%)	\$0.44			

PROPERTY PROFILE REPORT

Ashton At Richmond Hill

Effective Rent Date 5/06/2013
Location 505 Harris Trail
 Richmond Hill, GA 31324
 Bryan County
Distance 1.8 miles
Units 232
Vacant Units 7
Vacancy Rate 3.0%
Type Garden (2 stories)
Year Built/Renovated 1995 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Plantation Apartments, Bradley Point
Tenant Characteristics some military, 20% seniors, rest families
Contact Name Michelle
Phone 912-756-4870



Market Information

Program @60%
Annual Turnover Rate 18%
Units/Month Absorbed 19
HCV Tenants 4%
Leasing Pace Less than 2 weeks
Annual Chg. in Rent increased
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	770	\$560	\$0	@60%	No	0	N/A	yes	None
2	1	Garden (2 stories)	N/A	920	\$655	\$0	@60%	No	4	N/A	yes	None
2	2	Garden (2 stories)	N/A	980	\$670	\$0	@60%	No	1	N/A	yes	None
3	2	Garden (2 stories)	N/A	1,150	\$765	\$0	@60%	No	2	N/A	yes	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$560	\$0	\$560	\$38	\$598
2BR / 1BA	\$655	\$0	\$655	\$48	\$703
2BR / 2BA	\$670	\$0	\$670	\$48	\$718
3BR / 2BA	\$765	\$0	\$765	\$58	\$823

Ashton At Richmond Hill, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Dishwasher
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Carpeting
Coat Closet
Ceiling Fan
Oven
Walk-In Closet

Security

None

Services

None

Property

Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool
Volleyball Court

Central Laundry
On-Site Management
Playground
Tennis Court

Premium

None

Other

None

Comments

Property manager stated that the property is 20 percent seniors currently, and that the majority of seniors live in "Magnolia Manor" an age-restricted community that is very expensive. She also mentioned that there is limited market rate supply in the Richmond Hills area.

Ashton At Richmond Hill, continued

Trend Report

Vacancy Rates

2Q10	1Q11	2Q12	2Q13
5.2%	11.2%	3.4%	3.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$517	\$0	\$517	\$555
2011	1	N/A	\$517	\$0	\$517	\$555
2012	2	N/A	\$545	\$0	\$545	\$583
2013	2	N/A	\$560	\$0	\$560	\$598

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$605	\$0	\$605	\$653
2011	1	N/A	\$605	\$0	\$605	\$653
2012	2	N/A	\$635	\$0	\$635	\$683
2013	2	N/A	\$655	\$0	\$655	\$703

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$613	\$0	\$613	\$661
2011	1	N/A	\$613	\$0	\$613	\$661
2012	2	N/A	\$660	\$0	\$660	\$708
2013	2	N/A	\$670	\$0	\$670	\$718

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$698	\$0	\$698	\$756
2011	1	N/A	\$698	\$0	\$698	\$756
2012	2	N/A	\$750	\$0	\$750	\$808
2013	2	N/A	\$765	\$0	\$765	\$823

Trend: Comments

- 2Q10** The contact reported that there has been a lot of traffic, but many prospective tenants are over-qualified due to the income restrictions. The contact reported that rents are not at the maximum allowable level and that tenants cannot afford the maximum. Management could not report unit mix.
- 1Q11** The property manager could only provide updated rents and occupancy. All other information is current as of June 2010. The property manager reported that this is due to poor economic conditions and applicants have poor credit making them ineligible.
- 2Q12** Property Manager indicated that they recently increased the rents once they obtained approval to do so. She states the property is 20 percent seniors currently, and that the majority of seniors live in "Magnolia Manor" an age-restricted community that is very expensive. She also mentioned that there are no market properties in the Richmond Hills area, that all of the properties are LIHTC or subsidized.
- 2Q13** Property manager stated that the property is 20 percent seniors currently, and that the majority of seniors live in "Magnolia Manor" an age-restricted community that is very expensive. She also mentioned that there is limited market rate supply in the Richmond Hills area.

PROPERTY PROFILE REPORT

Rose Of Sharon

Effective Rent Date	4/12/2013
Location	322 East Taylor Street Savannah, GA 31401 Chatham County
Distance	21.6 miles
Units	206
Vacant Units	9
Vacancy Rate	4.4%
Type	Highrise (age-restricted) (12 stories)
Year Built/Renovated	1972 / 2007
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Sister's Court, Williams Court, Sheppard Station
Tenant Characteristics	Seniors
Contact Name	Tanya
Phone	912-234-5417



Market Information

Program	@60%
Annual Turnover Rate	17%
Units/Month Absorbed	N/A
HCV Tenants	50%
Leasing Pace	3 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	included -- central
Cooking	included -- electric
Water Heat	included -- gas
Heat	included -- gas
Other Electric	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
0	1	Highrise (12 stories)	44	418	\$495	\$0	@60%	23 HHs	3	6.8%	N/A	None
1	1	Highrise (12 stories)	140	602	\$567	\$0	@60%	23 HHs	4	2.9%	N/A	None
1	1	Highrise (12 stories)	22	627	\$567	\$0	@60%	23 HHs	2	9.1%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$495	\$0	\$495	-\$74	\$421
1BR / 1BA	\$567	\$0	\$567	-\$101	\$466

Rose Of Sharon, continued

Amenities

In-Unit

Cable/Satellite/Internet
Central A/C
Oven
Refrigerator

Carpeting
Hand Rails
Pull Cords

Security

Intercom (Buzzer)
Limited Access
Video Surveillance

Services

None

Property

Clubhouse/Meeting
Central Laundry
Off-Street Parking
Service Coordination

Elevators
Non-shelter Services
On-Site Management

Premium

Hairdresser / Barber

Other

None

Comments

Rents have remained stable over the past year and management does not anticipate that rents will increase in the near future. The property offers 43 project based Section 8 units and that these units have a lengthy waiting list. In addition to this project-based subsidy, an estimated half of the remaining tenants are using portable Housing Choice Vouchers.

Rose Of Sharon, continued

Trend Report

Vacancy Rates

2Q06	3Q10	2Q12	2Q13
0.0%	5.3%	2.4%	4.4%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$567	\$0	\$567	\$466
2010	3	6.2%	\$567	\$0	\$567	\$466
2012	2	3.1%	\$567	\$17	\$550	\$449
2013	2	3.7%	\$567	\$0	\$567	\$466

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$495	\$0	\$495	\$421
2010	3	2.3%	\$495	\$0	\$495	\$421
2012	2	0.0%	\$495	\$17	\$478	\$404
2013	2	6.8%	\$495	\$0	\$495	\$421

Trend: Comments

2Q06 N/A

3Q10 The property manager indicated that the property offers 43 project based Section 8 units and that these units have a lengthy waiting list. The contact reported that tenants cannot afford a higher rent and that seniors are not attracted to the highrise structure of the property. The majority of the current vacancies are due to turnover as a result of death.

2Q12 The contact was new and was unsure of annual turnover rate and leasing pace. The contact indicated that the property offers 43 project based Section 8 units and that these units have a lengthy waiting list. In addition to this project-based subsidy, an estimated half of the remaining tenants are using portable Housing Choice Vouchers.

2Q13 Rents have remained stable over the past year and management does not anticipate that rents will increase in the near future. The property offers 43 project based Section 8 units and that these units have a lengthy waiting list. In addition to this project-based subsidy, an estimated half of the remaining tenants are using portable Housing Choice Vouchers.

PROPERTY PROFILE REPORT

Sheppard Station

Effective Rent Date 4/25/2013
Location 215 Brighton Woods Dr
 Pooler, GA 31322
 Chatham County
Distance 17.2 miles
Units 65
Vacant Units 0
Vacancy Rate 0.0%
Type Lowrise (age-restricted)
Year Built/Renovated 2009 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None
Tenant Characteristics Seniors aged 55 and older; average age 65-70
Contact Name Gina
Phone (912) 748-0495



Market Information

Program @50%, @60%, Market
Annual Turnover Rate 15%
Units/Month Absorbed 12
HCV Tenants N/A
Leasing Pace Immediately
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
1	1	Lowrise	25	815	\$427	\$0	@50%	Yes	0	0.0%	N/A	None
1	1	Lowrise	1	815	\$427	\$0	@60%	Yes	0	0.0%	no	None
1	1	Lowrise	7	815	\$489	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Lowrise	24	1,000	\$462	\$0	@50%	Yes	0	0.0%	N/A	None
2	1	Lowrise	2	1,000	\$462	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise	6	1,000	\$539	\$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
1BR / 1BA	\$427	\$0	\$427	\$54	\$481	1BR / 1BA	\$427	\$0	\$427	\$54	\$481
2BR / 1BA	\$462	\$0	\$462	\$64	\$526	2BR / 1BA	\$462	\$0	\$462	\$64	\$526
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$489	\$0	\$489	\$54	\$543						
2BR / 1BA	\$539	\$0	\$539	\$64	\$603						

Sheppard Station, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Hand Rails
Pull Cords
Washer/Dryer

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

Security

In-Unit Alarm

Services

None

Property

Business Center/Computer Lab
Elevators
Off-Street Parking
Picnic Area
Service Coordination

Clubhouse/Meeting
Exercise Facility
On-Site Management
Recreation Areas

Premium

None

Other

Horseshoe pit, shuffleboard,

Comments

Management was unaware of the number of tenants using Housing Choice Vouchers, although they are accepted at the property. There are over 500 households on the waiting list.

Sheppard Station, continued

Trend Report

Vacancy Rates

2Q10	2Q12	1Q13	2Q13
0.0%	0.0%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$400	\$0	\$400	\$454
2012	2	0.0%	\$427	\$0	\$427	\$481
2013	1	0.0%	\$427	\$0	\$427	\$481
2013	2	0.0%	\$427	\$0	\$427	\$481

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$435	\$0	\$435	\$499
2012	2	0.0%	\$462	\$0	\$462	\$526
2013	1	0.0%	\$462	\$0	\$462	\$526
2013	2	0.0%	\$462	\$0	\$462	\$526

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$400	\$0	\$400	\$454
2012	2	0.0%	\$427	\$0	\$427	\$481
2013	1	0.0%	\$427	\$0	\$427	\$481
2013	2	0.0%	\$427	\$0	\$427	\$481

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$435	\$0	\$435	\$499
2012	2	0.0%	\$462	\$0	\$462	\$526
2013	1	0.0%	\$462	\$0	\$462	\$526
2013	2	0.0%	\$462	\$0	\$462	\$526

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$460	\$0	\$460	\$514
2012	2	0.0%	\$489	\$0	\$489	\$543
2013	1	0.0%	\$489	\$0	\$489	\$543
2013	2	0.0%	\$489	\$0	\$489	\$543

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$510	\$0	\$510	\$574
2012	2	0.0%	\$539	\$0	\$539	\$603
2013	1	0.0%	\$539	\$0	\$539	\$603
2013	2	0.0%	\$539	\$0	\$539	\$603

Trend: Comments

- 2Q10** Management reported that there is demand for additional senior housing in the area, particularly outside of Savannah. The property manager indicated that there is a trend for seniors to move outside the city in order to find more quiet areas. Management could not report whether tenants can afford higher rents. The property is owned by the Gateway Companies and managed by Ambling Management.
- 2Q12** The contact stated that they have no vacancies and the waiting list is two years long.
- 1Q13** The property manager reported that there are hundreds of households on the waiting list. Despite the property's high occupancy rate and lengthy waiting list, management has not increased rents over the past year. When asked about demand for senior LIHTC housing in surrounding markets including Hinesville, management reported that tenants would not likely move to Hinesville for affordable housing; but, Hinesville does have demand for its own senior LIHTC housing due to retired personnel from the base.
- 2Q13** Management was unaware of the number of tenants using Housing Choice Vouchers, although they are accepted at the property. There are over 500 households on the waiting list.

PROPERTY PROFILE REPORT

Sister's Court

Effective Rent Date	2/14/2013
Location	222 E 37th St Savannah, GA 31401 Chatham County
Distance	21.6 miles
Units	78
Vacant Units	0
Vacancy Rate	0.0%
Type	Conversion (age-restricted) (3 stories)
Year Built/Renovated	1900s / 1999
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Veranda at Midtown, Rose of Sharon, William Court
Tenant Characteristics	62+; Majority rely on SSI; 10% previous homeowners; 50% from Savannah; Several out of state (IN)
Contact Name	Sheila
Phone	(912) 447-4714



Market Information

Program	@30%, @50%, @60%
Annual Turnover Rate	12%
Units/Month Absorbed	N/A
HCV Tenants	9%
Leasing Pace	N/A
Annual Chg. in Rent	An increase of 2-3%
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	Conversion (3 stories)	28	500	\$405	\$0	@50%	No	0	0.0%	no	None
1	1	Conversion (3 stories)	37	500	\$415	\$0	@60%	No	0	0.0%	no	None
1	1	Conversion (3 stories)	8	500	\$220	\$0	@60% (LURA)	No	0	0.0%	no	None
2	1	Conversion (3 stories)	2	650	\$455	\$0	@50%	No	0	0.0%	no	None
2	1	Conversion (3 stories)	2	750	\$485	\$0	@60%	No	0	0.0%	no	None
2	1	Conversion (3 stories)	1	650	N/A	\$0	Non-Rental	N/A	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
1BR / 1BA	\$405	\$0	\$405	\$0	\$405	1BR / 1BA	\$220 - \$415	\$0	\$220 - \$415	\$0	\$220 - \$415
2BR / 1BA	\$455	\$0	\$455	\$0	\$455	2BR / 1BA	\$485	\$0	\$485	\$0	\$485
Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
2BR / 1BA	N/A	\$0	N/A	\$0	N/A						

Sister's Court, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Hand Rails
Pull Cords

Blinds
Central A/C
Garbage Disposal
Oven
Refrigerator

Security

None

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management

Elevators
Off-Street Parking

Premium

None

Other

None

Comments

The property manager reported that management anticipates starting a waiting list in the near future; the property has not historically maintained a waiting list.

Sister's Court, continued

Trend Report

Vacancy Rates

3Q10	2Q12	1Q13	2Q13
3.8%	6.4%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	4.1%	\$380	\$0	\$380	\$380
2012	2	5.5%	\$405	\$0	\$405	\$405
2013	1	0.0%	\$405	\$0	\$405	\$405
2013	2	0.0%	\$405	\$0	\$405	\$405

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$390	\$0	\$390	\$390
2012	2	20.0%	\$415	\$0	\$415	\$415
2013	1	0.0%	\$415	\$0	\$415	\$415
2013	2	0.0%	\$455	\$0	\$455	\$455

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	0.0%	\$220 - \$415	\$0	\$220 - \$415	\$220 - \$415

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	0.0%	\$485	\$0	\$485	\$485

Trend: Non-Rental

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	2	0.0%	N/A	\$0	N/A	N/A

Trend: Comments

3Q10	The contact reported that the current vacancies are due to regular turnover and that rents are not projected to increase at the property. Rents have not increased at the property in several years.
2Q12	Management reported that the current vacancy rate is higher than normal and that several tenants have recently moved to Section 8 properties. The contact was unsure of the leasing pace, as recently it has become longer.
1Q13	The property manager reported that management anticipates starting a waiting list in the near future; the property has not historically maintained a waiting list.
2Q13	N/A

PROPERTY PROFILE REPORT

Sustainable Fellwood III

Effective Rent Date	4/25/2013
Location	Exley Street Savannah, GA 31415 Chatham County
Distance	21.8 miles
Units	100
Vacant Units	0
Vacancy Rate	0.0%
Type	Lowrise (age-restricted) (4 stories)
Year Built/Renovated	2012 / N/A
Marketing Began	N/A
Leasing Began	3/15/2012
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Seniors 62+
Contact Name	Charlotte
Phone	912.544.0190



Market Information

Program	@60%, @60% (Project Based Rental)
Annual Turnover Rate	N/A
Units/Month Absorbed	30
HCV Tenants	21%
Leasing Pace	Prelease
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	Lowrise (4 stories)	41	732	\$583	\$0	@60%	Yes	0	0.0%	no	None
1	1	Lowrise (4 stories)	37	732	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Lowrise (4 stories)	7	732	\$639	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Lowrise (4 stories)	5	951	\$702	\$0	@60%	Yes	0	0.0%	no	None
2	2	Lowrise (4 stories)	7	951	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Lowrise (4 stories)	3	951	\$739	\$0	Market	Yes	0	0.0%	N/A	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$583	\$0	\$583	\$0	\$583	1BR / 1BA	\$639	\$0	\$639	\$0	\$639
2BR / 2BA	\$702	\$0	\$702	\$0	\$702	2BR / 2BA	\$739	\$0	\$739	\$0	\$739

Sustainable Fellwood III, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Hand Rails
Pull Cords
Washer/Dryer

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

Security

None

Services

None

Property

Business Center/Computer Lab
Exercise Facility
On-Site Management

Clubhouse/Meeting
Off-Street Parking
Recreation Areas

Premium

None

Other

None

Comments

Management reported that there is a waiting list but could not estimate the number of households on the waiting list.

Sustainable Fellwood III, continued

Trend Report

Vacancy Rates

2Q12	1Q13	2Q13
10.0%	5.0%	0.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$583	\$0	\$583	\$583
2013	1	N/A	\$583	\$0	\$583	\$583
2013	2	0.0%	\$583	\$0	\$583	\$583

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$702	\$0	\$702	\$702
2013	1	N/A	\$702	\$0	\$702	\$702
2013	2	0.0%	\$702	\$0	\$702	\$702

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$639	\$0	\$639	\$639
2013	1	N/A	\$639	\$0	\$639	\$639
2013	2	0.0%	\$639	\$0	\$639	\$639

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$739	\$0	\$739	\$739
2013	1	N/A	\$739	\$0	\$739	\$739
2013	2	0.0%	\$739	\$0	\$739	\$739

Trend: Comments

- 2Q12** Management indicated that the property began accepting applications on March 15 and is currently 90 percent occupied. Management reported that there is a strong need for LIHTC units targeting senior residents.
- 1Q13** The property stabilized in 2012 and is currently maintaining a 95 percent occupancy rate. Management reported that there is a waiting list but could not estimate the number of households on the waiting list. When asked about demand for senior LIHTC housing demand in surrounding markets including Hinesville, management reported that tenants from the Savannah area are not likely to move to areas such as Hinesville as there is a lack of public transportation, upon which tenants at Sustainable Fellwood rely. Further, seniors in Hinesville who are ex-military would not likely qualify for LIHTC housing.
- 2Q13** Management reported that there is a waiting list but could not estimate the number of households on the waiting list.

PROPERTY PROFILE REPORT

Arium Links (fka The Links At Georgetown)

Effective Rent Date	5/06/2013
Location	450 Henderson Blvd Savannah, GA 31419 Bryan County
Distance	7.9 miles
Units	360
Vacant Units	52
Vacancy Rate	14.4%
Type	Garden (2 stories)
Year Built/Renovated	1998/2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Preston Grove, Grand Oak, Century Fendwick
Tenant Characteristics	Mixed tenancy; 30%+ military hh's
Contact Name	Stephanie
Phone	912-927-1995



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	15-30 days
Annual Chg. in Rent	-15%
Concession	N/A

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
1	1	Garden (2 stories)	48	552	\$699	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	56	871	\$785	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	30	982	\$860	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	88	1,132	\$875	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	102	1,242	\$975	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	36	1,282	\$1,030	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$699 - \$860	\$0	\$699 - \$860	\$54	\$753 - \$914
2BR / 2BA	\$875 - \$975	\$0	\$875 - \$975	\$64	\$939 - \$1,039
3BR / 2BA	\$1,030	\$0	\$1,030	\$74	\$1,104

Arium Links (fka The Links At Georgetown), continued

Amenities

In-Unit

Blinds
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer

Cable/Satellite/Internet
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Central Laundry
On-Site Management
Playground
Tennis Court

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

Premium

View

Other

2 Hot Tubs

Comments

The property manager stated that the property had been sold recently, changed its name, and is under new management (Carroll Management Group). The property's pricing has dropped markedly since last year and vacancy is at 14 percent. Management could not provide the vacancies by unit type, only the total number. Although this is likely do to a reorganization effort from the new management company, the property manager said she had no insight into the cause. The property manager also stated she had only been working there for a week and had no knowledge of historical occupancy or turnover rates.

Arium Links (fka The Links At Georgetown), continued

Trend Report

Vacancy Rates

2Q10	1Q11	2Q12	2Q13
10.0%	2.5%	1.9%	14.4%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$780 - \$960	\$65 - \$80	\$715 - \$880	\$769 - \$934
2011	1	3.0%	\$785 - \$985	\$42	\$743 - \$943	\$797 - \$997
2012	2	1.5%	\$800 - \$960	\$0	\$800 - \$960	\$854 - \$1,014
2013	2	N/A	\$699 - \$860	\$0	\$699 - \$860	\$753 - \$914

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$1,005 - \$1,042	\$84 - \$87	\$921 - \$955	\$985 - \$1,019
2011	1	2.6%	\$1,005 - \$1,052	\$42	\$963 - \$1,010	\$1,027 - \$1,074
2012	2	2.6%	\$1,015 - \$1,075	\$0	\$1,015 - \$1,075	\$1,079 - \$1,139
2013	2	N/A	\$875 - \$975	\$0	\$875 - \$975	\$939 - \$1,039

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	22.2%	\$1,105	\$92	\$1,013	\$1,087
2011	1	0.0%	\$1,125	\$42	\$1,083	\$1,157
2012	2	0.0%	\$1,135	\$0	\$1,135	\$1,209
2013	2	N/A	\$1,030	\$0	\$1,030	\$1,104

Trend: Comments

- 2Q10** The contact reported that the property suffered from a military deployment in October 2009. At that time, the property went to an occupancy rate of 72 percent, and it was very hard to find new tenants. The property has gradually gone back up, and is currently 90 percent occupied. The contact reported that the small one-bedroom unit is the most popular, and that they are having a hard time renting the three bedroom units.
- 1Q11** The property manager indicated that the property does not compete with properties in Richmond Hill.
- 2Q12** Property manager stated that they have a large presence of military families. Their pricing has increased slightly since we last spoke, and they are no longer offering the \$500 off concession. Their only incentive is a look and lease special, where if you lease same day, they will waive application fees. She estimated the annual turnover to be about 30 percent, which is consistent with prior interviews.
- 2Q13** The property manager stated that the property had been sold recently, changed its name, and is under new management (Carroll Management Group). The property's pricing has dropped markedly since last year and vacancy is at 14 percent. Management could not provide the vacancies by unit type, only the total number. Although this is likely do to a reorganization effort from the new management company, the property manager said she had no insight into the cause. The property manager also stated she had only been working there for a week and had no knowledge of historical occupancy or turnover rates.

PROPERTY PROFILE REPORT

Century Fenwick Apartments

Effective Rent Date	5/06/2013
Location	101 Fenwick Village Savannah, GA 31419 Bryan County
Distance	9.8 miles
Units	448
Vacant Units	33
Vacancy Rate	7.4%
Type	Garden (3 stories)
Year Built/Renovated	2007/2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Springs at Chatham, Grand Oaks, Links at Georgetown
Tenant Characteristics	Roughly 20% military; Remaining are primarily from Savannah. Many work civilian jobs at Ft. Stewart
Contact Name	Sally
Phone	912-495-9392



Market Information

Program	Market
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	down 5-10%
Concession	\$500 off first month's rent all units

Utilities

A/C	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
1	1	Garden (3 stories)	N/A	696	\$800	\$42	Market	No	0	N/A	N/A	AVG*
1	1	Garden (3 stories)	N/A	866	\$825	\$42	Market	No	8	N/A	N/A	AVG*
2	2	Garden (3 stories)	N/A	1,084	\$915	\$42	Market	No	0	N/A	N/A	AVG*
2	2	Garden (3 stories)	N/A	1,133	\$975	\$42	Market	No	0	N/A	N/A	AVG*
2	2	Garden (3 stories)	N/A	1,227	\$1,010	\$42	Market	No	17	N/A	N/A	AVG*
3	2	Garden (3 stories)	N/A	1,430	\$1,140	\$42	Market	No	8	N/A	N/A	AVG*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$800 - \$825	\$42	\$758 - \$783	\$18	\$776 - \$801
2BR / 2BA	\$915 - \$1,010	\$42	\$873 - \$968	\$19	\$892 - \$987
3BR / 2BA	\$1,140	\$42	\$1,098	\$18	\$1,116

Century Fenwick Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Central Laundry
On-Site Management
Playground

Car Wash
Exercise Facility
Jacuzzi
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

Associate at the property stated they have recently switched over to LRO Pricing Software, a pricing software that changes daily based upon a multitude of factors (vacancies, units available per floor plan, etc). She said this pricing software makes it almost impossible to identify any trends in pricing increasing or decreasing as some units go up, and some down varying on multiple deciding factors in the software.

The property is currently offering a concession of \$500 off the first month's rent for all unit types. She said their average leasing pace is 7-10 days.

Century Fenwick Apartments, continued

Trend Report

Vacancy Rates

3Q10	1Q11	2Q12	2Q13
9.1%	6.4%	5.3%	7.4%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$820 - \$895	\$137 - \$140	\$683 - \$755	\$701 - \$773
2011	1	N/A	\$810 - \$845	\$68 - \$70	\$742 - \$775	\$760 - \$793
2012	2	N/A	\$855 - \$950	\$0	\$855 - \$950	\$873 - \$968
2013	2	N/A	\$800 - \$825	\$42	\$758 - \$783	\$776 - \$801

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$950 - \$1,030	\$158 - \$172	\$792 - \$858	\$811 - \$877
2011	1	N/A	\$920 - \$1,060	\$77 - \$88	\$843 - \$972	\$862 - \$991
2012	2	N/A	\$990 - \$1,070	\$0	\$990 - \$1,070	\$1,009 - \$1,089
2013	2	N/A	\$915 - \$1,010	\$42	\$873 - \$968	\$892 - \$987

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,180	\$197	\$983	\$1,001
2011	1	N/A	\$1,280	\$107	\$1,173	\$1,191
2012	2	N/A	\$1,165	\$0	\$1,165	\$1,183
2013	2	N/A	\$1,140	\$42	\$1,098	\$1,116

Trend: Comments

- 3Q10** The manager reported that the property is typically 94 percent occupied. However, due to the economy and the opening of new market rate properties in Pooler, occupancy at the property has decreased. As of the last interview in April 2009, the property maintained a 93 percent occupancy rate. The concession has been offered for one month. Rents range based upon various factors including location of the unit and floor level, which garners a \$20 premium per floor.
- 1Q11** The property manager indicated that there is a one month free concession on the 29 vacant units. There are several units on notice, and the concession on those units is one half off the first month's rent. As the majority of available units are vacant, we have applied the one month free concession to all units.
- 2Q12** Associate at the property stated they have recently switched over to LRO Pricing Software, a pricing software that changes daily based upon a multitude of factors (vacancies, units available per floor plan, etc). She said this pricing software makes it almost impossible to identify any trends in pricing increasing or decreasing as some units go up, and some down varying on multiple deciding factors in the software.
- They are no longer offering concessions, and are 94-95 percent occupied. She said their average leasing pace is 1-2 weeks.
- 2Q13** Associate at the property stated they have recently switched over to LRO Pricing Software, a pricing software that changes daily based upon a multitude of factors (vacancies, units available per floor plan, etc). She said this pricing software makes it almost impossible to identify any trends in pricing increasing or decreasing as some units go up, and some down varying on multiple deciding factors in the software.
- The property is currently offering a concession of \$500 off the first month's rent for all unit types. She said their average leasing pace is 7-10 days.

PROPERTY PROFILE REPORT

Preston Grove Apartments

Effective Rent Date	3/07/2013
Location	1825 Grove Point Road Savannah, GA 31419 Bryan County
Distance	9.8 miles
Units	255
Vacant Units	12
Vacancy Rate	4.7%
Type	Garden (3 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Georgetown Woods
Tenant Characteristics	20-30% military. Many households work at Ft. Stewart in civilian jobs, families, seniors, students
Contact Name	Jenny, Lacy
Phone	912-920-1520



Market Information

Program	Market, Non-Rental
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Two weeks
Annual Chg. in Rent	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	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
1	1	Garden (3 stories)	57	817	\$815	\$0	Market	No	2	3.5%	N/A	AVG*
1	1	Garden (3 stories)	0	817	\$850	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (3 stories)	57	817	\$775	\$0	Market	No	N/A	N/A	N/A	LOW
1	1	Garden (3 stories)	1	N/A	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None
2	2	Garden (3 stories)	113	1,138	\$1,010	\$0	Market	No	4	3.5%	N/A	AVG*
2	2	Garden (3 stories)	0	1,138	\$1,055	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (3 stories)	0	1,138	\$950	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (3 stories)	1	N/A	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None
3	2	Garden (3 stories)	25	1,362	\$1,189	\$0	Market	No	6	24.0%	N/A	AVG*
3	2	Garden (3 stories)	0	1,362	\$1,228	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (3 stories)	0	1,362	\$1,150	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (3 stories)	1	N/A	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None

Preston Grove Apartments, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$775 - \$850	\$0	\$775 - \$850	\$54	\$829 - \$904	1BR / 1BA	N/A	\$0	N/A	\$54	N/A
2BR / 2BA	\$950 - \$1,055	\$0	\$950 - \$1,055	\$64	\$1,014 - \$1,119	2BR / 2BA	N/A	\$0	N/A	\$64	N/A
3BR / 2BA	\$1,150 - \$1,228	\$0	\$1,150 - \$1,228	\$74	\$1,224 - \$1,302	3BR / 2BA	N/A	\$0	N/A	\$74	N/A

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Exterior Storage
Garbage Disposal
Oven
Washer/Dryer hookup

Blinds
Carpeting
Dishwasher
Ceiling Fan
Microwave
Refrigerator

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Jacuzzi
Off-Street Parking
Picnic Area
Swimming Pool
Volleyball Court

Clubhouse/Meeting
Garage
Central Laundry
On-Site Management
Playground
Tennis Court

Premium

None

Other

Lake views, coffee bar

Comments

Since the last time this property was surveyed in 2012, rents at this property on one, two, and three-bedroom unit types have decreased seven, one, and four percent, respectively.

Preston Grove Apartments, continued

Trend Report

Vacancy Rates

3Q10	1Q11	2Q12	1Q13
7.1%	3.1%	4.3%	4.7%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$745 - \$880	\$93 - \$110	\$652 - \$770	\$706 - \$824
2011	1	N/A	\$800 - \$900	\$0	\$800 - \$900	\$854 - \$954
2012	2	N/A	\$840 - \$920	\$0	\$840 - \$920	\$894 - \$974
2013	1	N/A	\$775 - \$850	\$0	\$775 - \$850	\$829 - \$904

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$890 - \$970	\$111 - \$121	\$779 - \$849	\$843 - \$913
2011	1	N/A	\$920 - \$1,055	\$0	\$920 - \$1,055	\$984 - \$1,119
2012	2	N/A	\$975 - \$1,055	\$0	\$975 - \$1,055	\$1,039 - \$1,119
2013	1	N/A	\$950 - \$1,055	\$0	\$950 - \$1,055	\$1,014 - \$1,119

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	\$1,150 - \$1,230	\$144 - \$154	\$1,006 - \$1,076	\$1,080 - \$1,150
2011	1	N/A	\$1,175 - \$1,245	\$0	\$1,175 - \$1,245	\$1,249 - \$1,319
2012	2	N/A	\$1,195 - \$1,275	\$0	\$1,195 - \$1,275	\$1,269 - \$1,349
2013	1	N/A	\$1,150 - \$1,228	\$0	\$1,150 - \$1,228	\$1,224 - \$1,302

Trend: Non-Rental

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	N/A	\$0	N/A	N/A
2011	1	N/A	N/A	\$0	N/A	N/A
2012	2	N/A	N/A	\$0	N/A	N/A
2013	1	N/A	N/A	\$0	N/A	N/A

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	N/A	\$0	N/A	N/A
2011	1	N/A	N/A	\$0	N/A	N/A
2012	2	N/A	N/A	\$0	N/A	N/A
2013	1	N/A	N/A	\$0	N/A	N/A

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	N/A	N/A	\$0	N/A	N/A
2011	1	N/A	N/A	\$0	N/A	N/A
2012	2	N/A	N/A	\$0	N/A	N/A
2013	1	N/A	N/A	\$0	N/A	N/A

Trend: Comments

- 3Q10** The contact reported that prices vary based on location, view, and proximity to amenities. The property has been influenced by military deportation and students. The contact reported that the property typically fluctuates between 93 and 95 percent occupancy. There is currently a concession of one and a half to two months rent free; the contact reported that the one and a half months rent concession is more typical. The two month concession is only offered on the three bedroom units. The contact reported that there are between four and five moveouts at the property each month; we used five per month to conservatively estimate turnover.
- 1Q11** The contact reported that prices vary based on location, view, and proximity to amenities. The property has been influenced by military deportation and students. The contact reported that the property typically fluctuates between 93 and 95 percent occupancy. Richmond Hill has better schools, less crime, less traffic, and is more residential, according the property manager. The property is 98 percent leased. The high turnover is due to military tenants.
- 2Q12** The rents have increased slightly at the property and the contact indicated that this is due to their occupancy remaining high. The contact noted that prices vary based on location, view, and proximity to amenities.
- The property has been affected by military deployment and student turnover. The remaining tenants are comprised of families. The contact noted that the property has received more traffic from elderly families. The associate reported that the property typically stays around 95 percent leased.
- The high turnover is due to military tenants but states they have no problem filling them with a 65% annual turnover rate.
- 1Q13** Since the last time this property was surveyed in 2012, rents at this property on one, two, and three-bedroom unit types have decreased seven, one, and four percent, respectively.

PROPERTY PROFILE REPORT

Veranda At Midtown

Effective Rent Date	4/30/2013
Location	1414 East Anderson Street Savannah, GA 31404 Chatham County
Distance	23.2 miles
Units	100
Vacant Units	2
Vacancy Rate	2.0%
Type	Midrise (age-restricted) (4 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Rose of Sharon
Tenant Characteristics	Seniors ages 62+; Average age is 65
Contact Name	Andre
Phone	(912) 236-0683



Market Information

Program	Market, PBRA
Annual Turnover Rate	12%
Units/Month Absorbed	Could not report
HCV Tenants	0%
Leasing Pace	Within 30 days
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	Midrise (4 stories)	2	659	\$675	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (4 stories)	6	664	\$675	\$0	Market	No	1	16.7%	N/A	None
1	1	Midrise (4 stories)	3	736	\$675	\$0	Market	No	0	0.0%	N/A	None
1	1	Midrise (4 stories)	2	654	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	7	659	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	27	664	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	12	673	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	5	696	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
1	1	Midrise (4 stories)	20	736	\$637	\$0	PBRA	Yes	0	0.0%	N/A	None
2	1	Midrise (4 stories)	16	918	\$710	\$0	PBRA	Yes	1	6.2%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	PBRA	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$675	\$0	\$675	\$0	\$675	1BR / 1BA	\$637	\$0	\$637	\$0	\$637
						2BR / 1BA	\$710	\$0	\$710	\$0	\$710

Veranda At Midtown, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Hand Rails
Pull Cords
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Oven
Refrigerator

Security

Limited Access

Services

None

Property

Clubhouse/Meeting
Exercise Facility
Off-Street Parking
Picnic Area

Elevators
Central Laundry
On-Site Management
Theatre

Premium

None

Other

Library

Comments

The contact indicated that there is a waiting list for the PBRA units that is maintained by the local housing authority.

Veranda At Midtown, continued

Trend Report

Vacancy Rates

4Q08	3Q10	2Q12	2Q13
0.0%	2.0%	2.0%	2.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	4	0.0%	\$650	\$0	\$650	\$650
2010	3	18.2%	\$675	\$0	\$675	\$675
2012	2	9.1%	\$675	\$0	\$675	\$675
2013	2	9.1%	\$675	\$0	\$675	\$675

Trend: PBRA

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	4	0.0%	\$637	\$0	\$637	\$637
2010	3	0.0%	\$637	\$0	\$637	\$637
2012	2	0.0%	\$637	\$0	\$637	\$637
2013	2	0.0%	\$637	\$0	\$637	\$637

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	4	0.0%	\$710	\$0	\$710	\$710
2010	3	0.0%	\$710	\$0	\$710	\$710
2012	2	6.2%	\$710	\$0	\$710	\$710
2013	2	6.2%	\$710	\$0	\$710	\$710

Trend: Comments

4Q08 N/A

3Q10 Management reported that the unrestricted units are not difficult to lease; the current vacancies are due to regular turnover. The contact indicated that there is demand for additional senior affordable units in the market. The waiting list for the PBRA units is managed by the housing authority and is estimated to be a two to three year wait. Management does accept Housing Choice Vouchers for the 11 units that do not operate with subsidy; however, currently none of the current tenants in those units are using vouchers.

2Q12 The contact indicated that there is a waiting list for the PBRA units that is maintained by the local housing authority.

2Q13 N/A

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Location	Tenancy	Housing Choice Voucher Tenants
Ashton At Richmond Hill	@ 60%	Richmond Hill	Family	4%
Rose Of Sharon	@ 60%	Savannah	Senior	50%
Sheppard Station	@ 50%, @ 60%, Market	Pooler	Senior	N/A
Sister's Court	@ 50%	Savannah	Senior	9%
Sustainable Fellwood III	@ 60%, @ 60% (PBRA), Market	Savannah	Senior	21%
Arium Links (fka The Links At Georgetown)	Market	Savannah	Family	0%
Century Fenwick Apartments	Market	Savannah	Family	0%
Preston Grove Apartments	Market	Savannah	Family	0%
Veranda At Midtown	Market, PBRA	Savannah	Senior	0%

As illustrated in the table, HCV rates among the LIHTC properties vary from three to 50 percent with the majority maintaining HCV rates of 21 percent or less. We do not believe that the Subject will rely on HCV tenants in order to maintain a healthy occupancy rate.

Waiting Lists

The following table illustrates the presence of waiting lists at the comparable properties, where applicable.

WAITING LISTS

Comparable Property	Type	Location	Tenancy	Waiting Lists
Ashton At Richmond Hill	@ 60%	Richmond Hill	Family	None
Rose Of Sharon	@ 60%	Savannah	Senior	23 HHs total
Sheppard Station	@ 50%, @ 60%, Market	Pooler	Senior	Waiting list for all units (500+ HHs)
Sister's Court	@ 50%	Savannah	Senior	None
Sustainable Fellwood III	@ 60%, @ 60% (PBRA), Market	Savannah	Senior	General waiting list for all units
Arium Links (fka The Links At Georgetown)	Market	Savannah	Family	None
Century Fenwick Apartments	Market	Savannah	Family	None
Preston Grove Apartments	Market	Savannah	Family	None
Veranda At Midtown	Market, PBRA	Savannah	Senior	Waiting list for PBRA units

Three of the LIHTC properties are maintaining waiting lists, which indicates demand for additional LIHTC housing in the market.

Lease Up History

The following table illustrates absorption rates at the newest senior LIHTC properties in the Savannah and Pooler areas.

ABSORPTION

Property name	Type	Location	Tenancy	Year Built	Units	
					Number of Units	Absorbed/ Month
Sheppard Station	@ 50%, @ 60%, Market	Pooler	Senior	2009	65	12
Sustainable Fellwood III	@ 60%, @ 60% (PBRA), Market	Savannah	Senior	2012	100	30

Ashleigh Place, Richmond Hill, GA; Market Study

Sheppard Station is located in Pooler (outside of the PMA), opened in 2009, and reported an absorption pace of approximately 12 units per month. Sustainable Fellwood III (in Savannah) opened in 2012 and stabilized at a rate of 30 units per month. This property's rapid absorption pace is likely due to the PBRA units at the property as well as the fact that it is one phase of an existing development. The Subject will not offer project-based rental assistance and is not part of a phased development. We have conservatively estimated that the Subject will lease approximately 10 units per month as the Subject will not have a waiting list at sister properties from which to draw tenants (as is the case with Sustainable Fellwood III). At this pace, the Subject will reach a stabilized occupancy of 93 percent within seven to eight months.

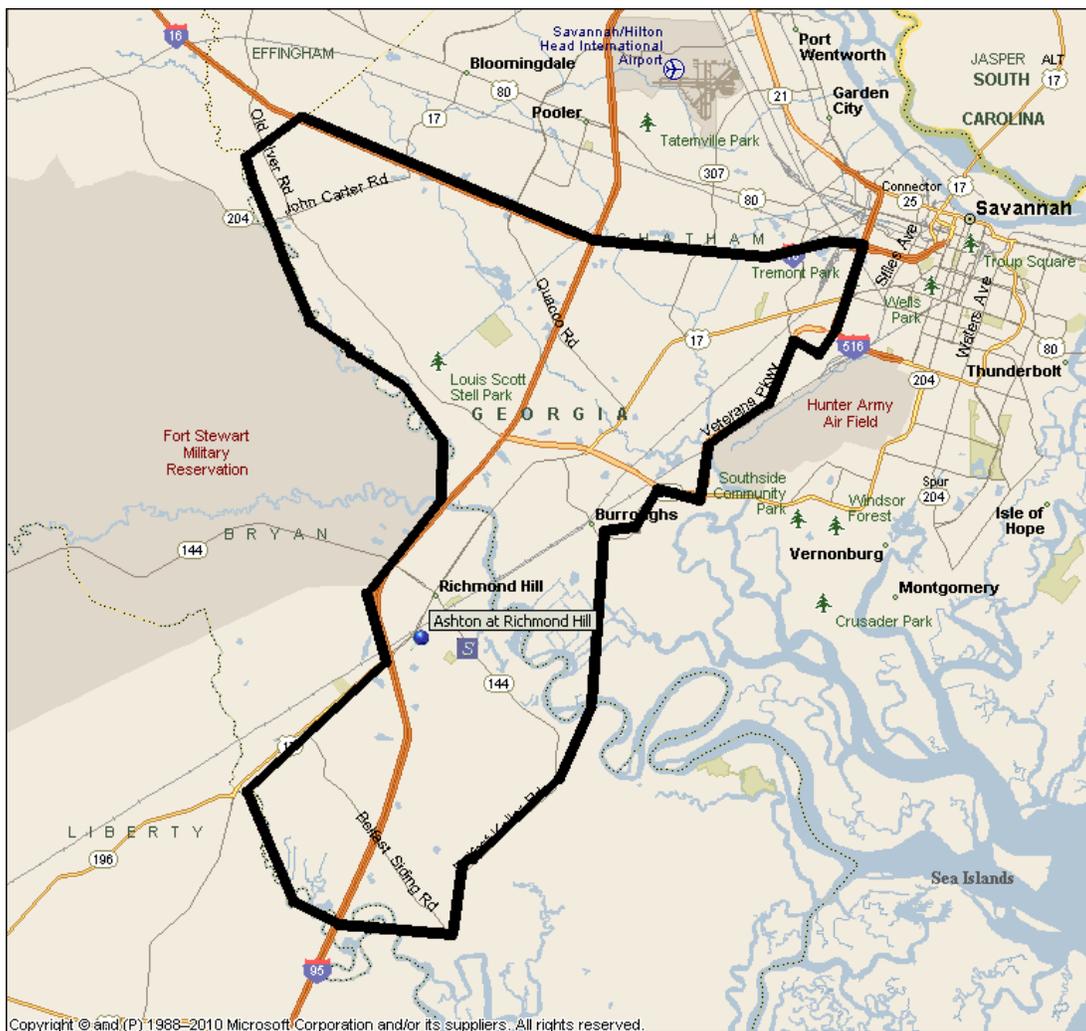
Phased Developments

The Subject is not part of a phased development.

Rural Areas

The Subject is located in Richmond Hill, which is considered a rural area. There is adequate unrestricted and LIHTC data in the larger market.

3. COMPETITIVE PROJECT MAP



Ashleigh Place, Richmond Hill, GA; Market Study

There is only one non-subsidized LIHTC property in Richmond Hill: Ashton at Richmond Hill. We have included this property, although it targets families, because it is located in Richmond Hill. The remaining comparables are located in Pooler and Savannah outside of the PMA.

There are two family LIHTC properties—Bradley Pointe and Oaks at Brandlewood—that are located in the PMA or just on the border. However, we do not believe these will be directly competitive with the Subject as they target families and are located in Savannah, not Richmond Hill.

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

	Ashleigh Place Senior	Ashton At Richmond Hill	Rose Of Sharon	Sheppard Station	Sister's Court	Sustainable Fellwood III	Century Fenwick Apartments	Preston Grove Apartments	The Links At Georgetown	Veranda At Midtown
Comp#	Subject	1	2	3	4	5	6	7	8	9
Property Information										
Property Type	Garden (age-restricted)	Garden (2 stories)	Highrise (age-restricted) (12 stories)	Lowrise (age-restricted)	Conversion (age-restricted)	Lowrise (age-restricted)	Garden (3 stories)	Garden (3 stories)	Garden	Midrise (age-restricted) (4 stories)
Year Built / Renovated	2014 / n/a	1995 / n/a	1972 / 2007	2009 / n/a	1900s / 1999	2012 / n/a	2007/2008 / n/a	1999 / n/a	1998/2000 / n/a	2005 / n/a
Market (Conv)/Subsidy Type	@50%, @60%	@60%	@60%	Market	@50%	@60%, @60% (Project Based Rental Assistance - PBRA), Market	Market	Market, Non-Rental	Market	Market, PBRA
Utility Adjustments										
Cooking	no	no	yes	no	no	no	no	no	no	no
Water Heat	no	no	yes	no	no	no	no	no	no	no
Heat	no	no	yes	no	no	no	no	no	no	no
Other Electric	no	no	yes	no	no	no	no	no	no	no
Water	yes	no	yes	no	yes	yes	no	no	no	yes
Sewer	yes	no	yes	no	yes	yes	no	no	no	yes
Trash Collection	yes	yes	yes	no	yes	yes	no	no	yes	yes
In-Unit Amenities										
Balcony/Patio	no	yes	no	yes	yes	yes	yes	yes	no	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Dishwasher	yes	yes	no	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	no	yes	yes	no	yes
Ceiling Fan	yes	no	no	no	no	no	yes	yes	yes	yes
Garbage Disposal	no	no	no	no	yes	yes	yes	yes	yes	yes
Hand Rails	yes	no	yes	yes	yes	yes	no	no	no	yes
Microwave	no	yes	no	no	no	no	no	yes	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	no	yes	yes	yes	yes	no	no	no	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	yes	no	no	no	no	no	no	yes	no
Washer/Dryer	no	no	no	yes	no	yes	no	no	yes	no
Washer/Dryer hookup	no	yes	no	yes	no	yes	yes	yes	no	yes

Ashleigh Place, Richmond Hill, GA; Market Study

Property Amenities										
Business										
Center/Computer Lab	yes	no	no	yes	no	yes	yes	yes	yes	no
Car Wash	no	no	no	no	no	no	yes	no	no	no
Clubhouse/Meeting										
Room/Community Room	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Elevators	yes	no	yes	yes	yes	no	no	no	no	yes
Exercise Facility	yes	no	no	yes	no	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	no	yes	yes	yes	no
Jacuzzi	no	no	no	no	no	no	yes	yes	no	no
Central Laundry	yes	yes	yes	no	yes	no	yes	yes	yes	yes
Non-shelter Services	no	no	yes	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes						
On-Site Management	yes	yes	yes	yes						
Picnic Area	no	yes	no	yes	no	no	yes	yes	yes	yes
Playground	no	yes	no	no	no	no	yes	yes	yes	no
Recreation Areas	yes	no	no	yes	no	yes	no	no	no	no
Service Coordination	no	no	yes	yes	no	no	no	no	no	no
Swimming Pool	no	yes	no	no	no	no	yes	yes	yes	no
Tennis Court	no	yes	no	no	no	no	no	yes	yes	no
Theatre	no	no	no	yes						
Volleyball Court	no	yes	no	no	no	no	no	yes	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	\$110.00	\$75.00	\$75.00	N/A

Services

Security										
In-Unit Alarm	no	no	no	yes	no	no	no	no	yes	no
Intercom (Buzzer)	no	no	yes	no	no	no	no	no	no	no
Limited Access	no	no	yes	no	no	no	no	yes	yes	yes
Perimeter Fencing	no	no	no	no	no	no	no	yes	yes	no
Video Surveillance	no	no	yes	no	no	no	no	no	no	no

Premium Amenities										
Hairdresser / Barber	no	no	yes	no	no	no	no	no	no	no
View	no	no	no	no	no	no	no	no	yes	no

Other Amenities										
Other	Gazebo, covered porch, arts/craft room, electronically-controlled solid covered plates over stovetop burners			Horseshoe pit, shuffleboard, library, garden			Lake views, coffee bar, 2 Hot Tubs, Library			
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Subject will offer a variety of amenities including a business center/computer lab, central laundry, a gazebo, covered porch, and arts and crafts room. However, the Subject will be at a disadvantage in terms of in-unit amenities as it will lack washer/dryer connections.

5. The Subject will target senior households. We have included the one family LIHTC property in Richmond Hill and the closest senior LIHTC properties in neighboring Savannah and Pooler.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY

Property name	Rent Structure	Location	Tenancy	Total Units	Vacant Units	Vacancy Rate
Ashton At Richmond Hill	@60%	Richmond Hill	Family	232	7	3.00%
Rose Of Sharon	@60%	Savannah	Senior	206	9	4.40%
Sheppard Station	@50%, @60%, Market	Pooler	Senior	65	0	0.00%
Sister's Court	@50%	Savannah	Senior	78	0	0.00%
Sustainable Fellwood III	@60%, @60% (PBRA), Market	Savannah	Senior	100	0	0.00%
Arium Links (fka The Links At Georgetown)	Market	Savannah	Family	360	52	14.40%
Century Fenwick Apartments	Market	Savannah	Family	448	33	7.40%
Preston Grove Apartments	Market	Savannah	Family	255	12	4.70%
Veranda At Midtown	Market, PBRA	Savannah	Senior	100	2	2.00%
Overall Vacancy				1,844	115	6.24%
Overall (Unrestricted)				1,163	99	8.51%
Overall (LIHTC)				681	16	2.35%

Overall vacancy is low at approximately six percent with LIHTC vacancy at 2.4 percent. Despite recent additions to supply such as Sustainable Fellwood III in 2012, vacancy rates among the LIHTC comparable properties have remained low. Vacancy among market rate properties is high at approximately nine percent, which is skewed upward by Arium Links. Arium Links is a market rate property that is formerly known as The Links at Georgetown. The property recently changed ownership and the current management reevaluated tenants as part of the transition, which resulted in turnover. Prior to the sale, the property maintained a vacancy rate of less than five percent according to the current site manager. This property's vacancy rate is an outlier in the market and inconsistent with its historical performance. Therefore, we do not believe that is an indicator of the potential performance of the Subject.

We have included senior LIHTC properties in Savannah and Pooler in order to supplement the supply analysis as there is a general lack of both senior and family LIHTC properties in Richmond Hill. The one unsubsidized LIHTC property in Richmond Hill is Ashton at Richmond Hill. The property manager at Ashton at Richmond Hill estimated that 20 percent of the property consists of senior households. The property is currently 97 percent occupied without a waiting list. Management indicated that the property typically remains fully occupied; however, it can be difficult to find tenants in Richmond Hill as many are over income qualified. The Subject will target seniors and will be the only senior LIHTC property in Richmond Hill, a desirable area. The senior LIHTC comparables are maintaining a vacancy rate of 2.0 percent and two of these properties (Sheppard Station and Veranda at Midtown) are maintaining waiting lists. Given the low vacancy in the market and the lack of senior LIHTC competition in Richmond Hill, we believe that the Subject will maintain a vacancy rate of five percent, or less, once stabilized.

7. Properties Under Construction and Proposed

According to information on Georgia Department of Community Affairs LIHTC allocation 2011 and 2012 lists, there have been no competitive LIHTC allocations in the PMA.

Plantation IV is an existing family Rural Development property in Richmond Hill that was allocated tax credits in 2011. Post-renovations, the property will offer 48 one- and two-bedroom units restricted at 50 and 60 percent of AMI. None of the units will operate with project-based subsidy. Per the LIHTC application, 29 of the units will need to be leased post-renovations as these units are either vacant or have over-income qualified households. Because the property targets families and is a USDA Rural Development property, we do not believe that it will be directly competitive with the Subject. Therefore, we have not deducted these units from the Demand Analysis.

Sustainable Fellwood III is currently stabilizing and is 90 percent occupied. We have not deducted these units from demand as this property is located outside of 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

Ashleigh Place, Richmond Hill, GA; Market Study

Similarity Matrix

#	Property Name	Type	Property		Location	Age /		Overall Comparison
			Amenities	Unit Features		Condition	Unit Size	
1	Ashton At Richmond Hill	@60%	Similar	Slightly superior	Similar	Inferior	Slightly Superior	0
2	Rose Of Sharon	@60%	Similar	Slightly Inferior	Slightly Inferior	Inferior	Inferior	-30
3	Sheppard Station	@50%, @60%, Market	Similar	Superior	Slightly Inferior	Similar	Superior	15
4	Sister's Court	@50%	Inferior	Similar	Slightly Inferior	Inferior	Inferior	-35
5	Sustainable Fellwood III	@60%, @60% (PBRA), Market	Similar	Superior	Slightly Inferior	Similar	Similar	5
6	Century Fenwick Apartments	Market	Superior	Slightly superior	Similar	Similar	Superior	25
7	Preston Grove Apartments	Market	Superior	Slightly superior	Similar	Inferior	Superior	15
8	The Links At Georgetown	Market	Superior	Superior	Similar	Inferior	Superior	20
9	Veranda At Midtown	Market, PBRA	Similar	Slightly superior	Slightly Inferior	Similar	Inferior	-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 50 and 60 percent AMI rents in the following table.

LIHTC Rent Comparison - @50%

Property Name	Location	Tenancy	1BR	2BR
Ashleigh Place Senior (Subject)	Richmond Hill	Senior	\$447	\$539
LIHTC Maximum (Net)	-	-	\$447	\$539
Sheppard Station	Savannah	Senior	\$481	\$526
Sister's Court	Savannah	Senior	\$405	\$455
Average (excluding Subject)	-		\$443	\$491

LIHTC Rent Comparison - @60%

Property Name	Location	Tenancy	1BR	2BR
Ashleigh Place Senior (Subject)	Richmond Hill	Senior	\$517	\$649
LIHTC Maximum (Net)	-	-	\$572	\$679
Ashton At Richmond Hill	Richmond Hill	Family	\$598	\$703 - \$718
Sustainable Fellwood III	Savannah	Senior	\$583	\$702
Sheppard Station	Pooler	Senior	\$481	\$526
Rose Of Sharon	Savannah	Senior	\$466	-
Sister's Court	Savannah	Senior	\$415	\$485
Average (excluding Subject)	-		\$532	\$614

The Subject's proposed rents are set below the maximum allowable levels. The Subject's 50 percent AMI rents will be above those at Sister's Court and below those at Sheppard Station while the Subject's 60 percent AMI rents will be below those of Ashton at Richmond Hill and Sustainable Fellwood and above those at Sheppard Station and Rose of Sharon.

Sister's Court and Sheppard Station offer units restricted at 50 percent AMI. Sister's Court is located in Savannah within walking distance of amenities and it offers a conversion design. The property is currently 100 percent occupied without a waiting list and it experienced a rent increase over the past year while maintaining an HCV rate of less than 10 percent. The Subject

will offer new construction and will be superior to Sister's Court in terms of age/condition as Sister's Court was converted in 1999. Further, Sister's Court does not appear to be testing the market given its high occupancy rate and low rents. Overall, we believe that the Subject's rents are feasible as proposed given the lack of senior LIHTC competition in Richmond Hill in conjunction with the Subject's age/condition.

Sheppard Station is located in Pooler and represents new construction as it was built in 2009. Its rents at 50 and 60 percent of AMI are set at the same levels. The property is currently 100 percent occupied with a lengthy waiting list of approximately 500 households; therefore, the property also does not appear to be testing the market with its rents. Sheppard Station offers superior unit sizes and in-unit amenities, slightly inferior location, similar age/condition, and similar property amenities when compared to those proposed for the Subject.

The Subject's 60 percent AMI rents are well below those at Ashton at Richmond Hill (family property) and Sustainable Fellwood III (senior property in Savannah). These properties will be similar or inferior to the Subject in terms of age/condition and they are maintaining vacancy rates ranging from zero to three percent, indicating that their rents are achievable in the market. While Ashton at Richmond Hill is a family property, management estimated that approximately 20 percent of the tenants are senior, indicating that seniors can afford those rents. Rose of Sharon is achieving the lowest rents at 60 percent AMI; however, this property will be slightly inferior or inferior to the Subject in terms of amenities, immediate neighborhood, unit sizes, and age/condition. Therefore, we believe that the Subject should achieve rents above this property. Overall, we believe that the Subject will be well-positioned in the market as proposed.

Analysis of "Market Rents"

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

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

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

SUBJECT RENT COMPARISON TO RENTS IN THE MARKET

Unit Type	Subject Proposed Rents	Surveyed Minimum	Surveyed Max	Surveyed Average	Subject Rent Advantage
1BR at 50% AMI	\$447	\$405	\$914	\$647	31%
2BR at 50% AMI	\$539	\$455	\$1,074	\$773	30%
1BR at 60% AMI	\$517	\$415	\$914	\$672	23%
2BR at 60% AMI	\$649	\$485	\$1,074	\$823	21%

Note: Per GA DCA guidelines, the previous table includes surveyed LIHTC rents among the comparables.

As the tables above depict, the Subject’s proposed rents are on the low end of the range of the rents surveyed in the market. Further, the Subject’s rents are at or below the unrestricted rents among the surveyed properties. Sheppard Station is achieving the lowest unrestricted rents. Sheppard Station is a senior LIHTC property in Pooler that offers unrestricted one- and two-bedroom units with adjusted rents at \$543 and \$603, respectively. The Subject’s proposed LIHTC rents will be below the unrestricted rents at Sheppard Station with the exception of the Subject’s two-bedroom rent at 60 percent AMI. The Subject will be similar to this property in age/condition as it was built in 2009. The property is currently 100 percent occupied with a waiting list and therefore does not appear to be testing the market. Sustainable Fellwood III and Veranda at Midtown are senior properties located in Savannah that are 90 and 98 percent occupied, respectively, as Sustainable Fellwood III is currently stabilizing. Both are achieving unrestricted rents that are higher than that of Sheppard Station. We believe that the Subject should achieve rents in the range of Sheppard Station, Sustainable Fellwood III, and Veranda at Midtown. Overall, the Subject will offer a positive price-value relationship as it will offer new construction with rents that are lower than the surveyed average market rents.

9. LIHTC Competition – Recent Allocations within Two Miles

Plantation IV is an existing family Rural Development property in Richmond Hill that was allocated tax credits in 2011 and is located within 1.3 miles of the Subject site. Post-renovations, the property will offer 48 one- and two-bedroom units restricted at 50 and 60 percent of AMI. None of the units will operate with project-based subsidy. Per the LIHTC application, 29 of the units will need to be leased post-renovations as these units are either vacant or have over-income qualified households. Because the property targets families and is a USDA Rural Development property, we do not believe that it will be directly competitive with the Subject. Therefore, we have not deducted these units from the Demand Analysis.

10. Rental Trends in the PMA

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

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
	2000	1,907	78.3%	530
2012	4,203	76.2%	1,312	23.8%
Projected Mkt Entry				
July 2015	4,924	76.41%	1,519	23.59%
2017	5,404	76.5%	1,656	23.5%

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

As the table illustrates, owner-occupied housing units dominate the housing market in the PMA. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people. In 2012, approximately 24 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units.

Change in Rental Rates

The following table illustrates any change in rents at the comparables over the past year.

RENT GROWTH				
Comparable Property	Rent Structure	Location	Tenancy	Rent Growth
Ashton At Richmond Hill	@60%	Richmond Hill	Family	Increased
Rose Of Sharon	@60%	Savannah	Senior	None
Sheppard Station	@50%, @60%, Market	Pooler	Senior	None
Sister's Court	@50%	Savannah	Senior	Increased 2-3%
Sustainable Fellwood III	@60%, @60% (PBRA), Market	Savannah	Senior	None
Arium Links (fka The Links At Georgetown)	Market	Savannah	Family	Decreased 15%
Century Fenwick Apartments	Market	Savannah	Family	Decreased 5-10%
Preston Grove Apartments	Market	Savannah	Family	Decreased 1-7%
Veranda At Midtown	Market, PBRA	Savannah	Senior	None

Two of the comparables experienced rent increases over the past year but given the inconsistent trend among the comparables, we do not anticipate that the Subject will experience rent growth in the near term.

11. Impact of Foreclosed, Abandoned and Vacant Structures

The Subject is located in zip code 31324. According to RealtyTrac, this region experienced a low foreclosure rate in April 2013 with approximately one out of every 1,947 housing units filing for foreclosure in April 2013. Comparatively, Bryan County had a foreclosure rate of one in every 1,663 housing units; Georgia had a foreclosure rate of one in every 283 housing units; and the nation experienced a foreclosure rate of one in every 418 housing units. Therefore, Richmond Hill had a lower foreclosure rate than all areas of analysis. Based upon site inspection, the Subject’s immediate neighborhood did not include any abandoned or vacant structures.

12. Primary Housing Void

There is a general lack of LIHTC housing in Richmond Hill and there are no senior LIHTC properties in the PMA. The senior LIHTC properties are located in neighboring submarkets (Pooler and Savannah) are maintaining high occupancy rates. Therefore, we believe that the Subject will fill a senior housing void in Richmond Hill.

13. Effect of Subject on Other Affordable Units in Market

There is only one family LIHTC property in Richmond Hill, Ashton at Richmond Hill, and it is currently 97 percent occupied. Further, the LIHTC comparables are maintaining an overall vacancy rate of 98 percent, indicating that there is demand for senior LIHTC housing in the larger market. Because there are no senior LIHTC properties in Richmond Hill, we do not believe that the Subject will have a long-term impact on other affordable units in the market.

Conclusions

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior LIHTC property. Overall vacancy is low at approximately two percent among the LIHTC properties. Sustainable Fellwood III is a senior LIHTC property in Savannah that opened in 2012 and stabilized quickly while LIHTC vacancy remained low despite additions to supply in the market. Further, two of the senior comparables are maintaining waiting lists and seven of the nine comparables reported vacancy rates of approximately five percent or less. The larger senior market is performing well and the Subject's proposed LIHTC rents are at or below the surveyed minimum unrestricted rents. Overall, we believe that there is demand for the Subject as proposed in a market that lacks senior LIHTC housing. The Subject's strengths include its age condition and its location within walking distance of commercial uses and the senior center.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

The following table illustrates absorption rates at the newest senior LIHTC properties in the Savannah and Pooler areas.

ABSORPTION

Property name	Type	Location	Tenancy	Year Built	Units	
					Number of Units	Absorbed/ Month
Sheppard Station	@50%, @60%, Market	Pooler	Senior	2009	65	12
Sustainable Fellwood III	@60%, @60% (PBRA), Market	Savannah	Senior	2012	100	30

Sheppard Station is located in Pooler (outside of the PMA), opened in 2009, and reported an absorption pace of approximately 12 units per month. Sustainable Fellwood III (in Savannah) opened in 2012 and stabilized at a rate of 30 units per month. This property’s rapid absorption pace is likely due to the PBRA units at the property as well as the fact that it is one phase of an existing development. The Subject will not offer project-based rental assistance and is not part of a phased development. We have conservatively estimated that the Subject will lease approximately 10 units per month as the Subject will not have a waiting list at sister properties from which to draw tenants (as is the case with Sustainable Fellwood III). At this pace, the Subject will reach a stabilized occupancy of 93 percent within seven to eight months.

J. INTERVIEWS

Rental Assistance Program, Waycross Southeast Regional Office

We attempted to contact this regional branch as they are the ones that issue the housing choice vouchers for the Bryan County Area. To date we have not been able to reach anyone at this office to speak about the voucher system and those issued

The current payment standard for Bryan County can be found in the following table.

BR	Payment Standard
0BR	\$657
1BR	\$733
2BR	\$816
3BR	\$1,083
4BR	\$1,239
5BR	\$1,424

The Subject’s gross rents at 50 and 60 percent AMI are below the payment standard.

Planning – City of Richmond Hill Planning and Zoning

According to the City of Richmond Hill Planning and Zoning, there are two proposed elementary schools in Bryan County: Bryan County Elementary in Pembroke and a new Richmond Hill school with grades from Kindergarten through fifth grade. Both are currently under construction. There are no proposed multifamily projects in Richmond Hill other than the Subject.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- The Subject is located in Richmond Hill, in Bryan County, Georgia. Overall demographics are strong for the Subject's age-restricted units as the PMA has been an area of growth. Senior population in 2012 was 8,840 and is projected to increase to 10,827 by 2017. There were 5,515 senior households in 2012, which is expected to increase to 7,060 by 2017. The senior population and household growth has been outpacing the growth rates of the MSA and the nation for over ten years. Senior population in the PMA is projected to increase at a 4.5 percent annual rate over the next five years, a rate nearly double that of the nation during the same period. This is a strong growth rate that suggests there is sufficient demand for the Subject.

In addition to the positive growth trends, the strong tenure patterns also demonstrate strong demand for the Subject. In 2012, approximately 24 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 81 percent lived in one or two-person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

The Subject will target households with income between \$16,500 and \$28,800. Approximately 38 percent of senior renters above the age of 55 earn incomes between \$10,000 and \$29,999. Households in these income cohorts are expected to create demand for the Subject.

- Total employment in the MSA has been steadily increasing since 2011. As of December 2012, employment is at its highest level since 2008. Similar to what occurred throughout the nation, the unemployment rate increased significantly in 2008 and 2009 and reached a peak rate of 9.1 percent in 2010. The unemployment rate in the MSA and nation has been decreasing since 2011. As of December 2012, the unemployment rate was above the unemployment rate of the US; however, the high rate of growth in total employment during this time indicates a recovery in the MSA in line with the nation. The largest employers in the PMA are the health care/social assistance, retail trade, and educational services industries. Lower skilled employees in these industries are likely to have incomes in line with the Subject's income restrictions.

Overall, the Subject will cater to senior households who are likely to be retired. The forecasted growth in the economy in total employment and the decrease in unemployment combined with the modest business expansion will bode well for additional housing in the PMA.

The major employers in the Bryan County economy are in relatively stable industries such as education, government and manufacturing. While the economy does not appear to be very diverse, the major employers are primarily contained in stable industries such as education services. Manufacturing can be deemed a somewhat unstable industry in times of recession. However we spoke with Josh Fenn, the Executive Director of the

Development Authority of Bryan County and he informed us there have been no notable closures in manufacturing, or any other industry from 2011 to date. As a senior property, we expect that the Subject will be less affected by the local economic recession given that most senior tenants targeted for the Subject are retired.

- The Subject’s capture rates at the 50 percent AMI level will range from 4.9 to 11.4 percent, with an overall capture rate of 8.0 percent. The Subject’s 60 percent AMI capture rates range from 11.6 to 29.0 percent, with an overall capture rate of 20.0 percent. The overall capture rate for the project’s 50 and 60 percent units is 22.3 percent. While the capture rates at 60 percent AMI are high, we believe there is demand for the Subject as proposed given low vacancy in the market and the lack of LIHTC, particularly senior LIHTC supply in Richmond Hill.

- The following table illustrates absorption rates at the newest senior LIHTC properties in the Savannah and Pooler areas.

ABSORPTION

Property name	Type	Location	Tenancy	Year Built	Units	
					Number of Units	Absorbed/ Month
Sheppard Station	@50%, @60%, Market	Pooler	Senior	2009	65	12
Sustainable Fellwood III	@60%, @60% (PBRA), Market	Savannah	Senior	2012	100	30

Sheppard Station is located in Pooler (outside of the PMA), opened in 2009, and reported an absorption pace of approximately 12 units per month. Sustainable Fellwood III (in Savannah) opened in 2012 and stabilized at a rate of 30 units per month. This property’s rapid absorption pace is likely due to the PBRA units at the property as well as the fact that it is one phase of an existing development. The Subject will not offer project-based rental assistance and is not part of a phased development. We have conservatively estimated that the Subject will lease approximately 10 units per month as the Subject will not have a waiting list at sister properties from which to draw tenants (as is the case with Sustainable Fellwood III). At this pace, the Subject will reach a stabilized occupancy of 93 percent within seven to eight months.

- Overall vacancy is low at approximately six percent with LIHTC vacancy at 2.4 percent. Despite recent additions to supply such as Sustainable Fellwood III in 2012, vacancy among the LIHTC comparable properties have remained low. Vacancy among market rate properties is high at approximately nine percent, which is skewed upward by Arium Links. Arium Links is a market rate property that is formerly known as The Links at Georgetown. The property recently changed ownership and the current management reevaluated tenants as part of the transition. Prior to the sale, the property maintained a vacancy rate of less than five percent according to the current site manager. This property’s vacancy rate is an outlier in the market and inconsistent with its historical performance. Therefore, we do not believe that is an indicator of the potential performance of the Subject.

We have included senior LIHTC properties in Savannah and Pooler in order to supplement the supply analysis as there is a general lack of both senior and family LIHTC properties in Richmond Hill. The one unsubsidized LIHTC property in Richmond

Hill is Ashton at Richmond Hill. The property manager at Ashton at Richmond Hill estimated that 20 percent of the property consists of senior households. The property is currently 97 percent occupied without a waiting list. Management indicated that the property typically remains fully occupied; however, it can be difficult to find tenants in Richmond Hill as many are over income qualified. The Subject will target seniors and will be the only senior LIHTC property in Richmond Hill, a desirable area. The senior LIHTC comparables are maintaining a vacancy rate of 2.0 percent and two—Sheppard Station and Veranda at Midtown—are maintaining waiting lists. Given the low vacancy in the market and the lack of senior LIHTC competition in Richmond Hill, we believe that the Subject will maintain a vacancy rate of five percent, or less, once stabilized.

- Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior LIHTC property. Overall vacancy is low at approximately two percent among the LIHTC properties. Sustainable Fellwood III is a senior LIHTC property in Savannah that opened in 2012 and stabilized quickly while LIHTC vacancy remained low despite additions to supply in the market. Further, two of the senior comparables are maintaining waiting lists and seven of the nine comparables reported vacancy rates of approximately five percent or less. The larger senior market is performing well and the Subject's proposed LIHTC rents are at or below the surveyed minimum unrestricted rents. Overall, we believe that there is demand for the Subject as proposed in a market that lacks senior LIHTC housing. The Subject's strengths include its age condition and its location within walking distance of commercial uses and the senior center.

Recommendations

- We believe that the Subject is feasible as proposed.

L. SIGNED STATEMENT REQUIREMENTS

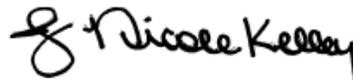
I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown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



H. Blair Kincer, MAI, CRE
LEED Certified Associate
Partner
Novogradac & Company LLP

6-7-2013

Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

6-7-2013

Date



Kristina V. Garcia
Real Estate Analyst
Novogradac & Company LLP

6-7-2013

Date

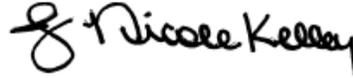
M. MARKET STUDY REPRESENTATION

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.



H. Blair Kincer, MAI, CRE
LEED Certified Associate
Partner
Novogradac & Company LLP

6-7-2013
Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

6-7-2013
Date



Kristina V. Garcia
Real Estate Analyst
Novogradac & Company LLP

6-7-2013
Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

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

V. Real Estate Assignments – Examples

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

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

H. Blair Kincer

Qualifications

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

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

KRISTINA V. GARCIA

I. Education

Emory University, Atlanta, Georgia
Bachelor of Arts

II. Professional Experience

Real Estate Analyst, Novogradac & Company LLP (April 2007 – Present)

III. Assignments

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

REPRESENTATIVE SAMPLE OF ENGAGEMENTS

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

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

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

HUD Rent Comparability Study Experience:

Analyst has conducted rent comparability studies within the following states:

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

Appraisal Research Experience:

Analyst has conducted research for appraisals within the following states:

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

Miscellaneous Housing Studies:

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