



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

**71 WEST FELTON ROAD
CARTERSVILLE, BARTOW COUNTY, GEORGIA 30120**

**Effective Date: April 30, 2015
Report Date: May 7, 2015**

Prepared For

**Caryn Winter
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Prepared By

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May 7, 2015

Ms. Caryn Winter
Oracle Design Group
1221 S. 4th Street
Louisville, Kentucky 40203

Re: Market Study for a Proposed Development
Cartersville, Bartow County, Georgia 30120

Dear Ms. Winter:

At your request, Novogradac & Company LLP performed a market study of the rental market in the Cartersville, Bartow 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 new construction of a proposed 70-unit multifamily LIHTC development with units restricted to households 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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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.
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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

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

TABLE OF CONTENTS

A. EXECUTIVE SUMMARY AND CONCLUSION	1
B. PROJECT DESCRIPTION	10
C. SITE EVALUATION	13
D. MARKET AREA.....	27
Primary Market Area	28
E. COMMUNITY DEMOGRAPHIC DATA	33
F. EMPLOYMENT TRENDS.....	39
G. PROJECT-SPECIFIC DEMAND ANALYSIS	48
H. COMPETITIVE RENTAL ANALYSIS	66
I. ABSORPTION AND STABILIZATION RATES	85
J. INTERVIEWS.....	86
K. CONCLUSIONS AND RECOMMENDATIONS	124
L. SIGNED STATEMENT REQUIREMENTS.....	127

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

The Subject is a proposed new construction 70-unit LIHTC development targeting families located at 71 West Felton Road in Cartersville, Bartow County, Georgia 30120. The Subject will consist of 12 one and two-story, townhouse and garden-style residential buildings and one one-story community building which will contain the leasing office, exercise room, computer lab, yoga/meditation room, and children's center. The design will feature wood frame construction with brick façade and hard-plank cement siding. The following table illustrates the proposed unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance. As illustrated, the proposed LIHTC rents are set below the 2014 and 2015 maximum allowable levels for all units and set asides.

PROPOSED RENTS							
Unit Type	Number of Units	Unit Size (SF)	Asking Rent	Utility Allowance (1)	Gross Rent	2014 LIHTC Maximum Allowable Gross Rent	2015 LIHTC Maximum Allowable Gross Rent
<i>50% AMI</i>							
1BR/1BA	2	700	\$450	\$128	\$578	\$604	\$640
2BR/1.5BA	1	900	\$530	\$160	\$690	\$725	\$767
2BR/1.5BA -TH	5	900	\$530	\$160	\$690	\$725	\$767
3BR/2BA	1	1,250	\$595	\$203	\$798	\$837	\$886
3BR/2BA -TH	5	1,275	\$595	\$203	\$798	\$837	\$886
<i>60% AMI</i>							
1BR/1BA	2	700	\$475	\$128	\$603	\$725	\$768
2BR/1.5BA	2	900	\$545	\$160	\$705	\$870	\$921
2BR/1.5BA - TH	24	900	\$545	\$160	\$705	\$870	\$921
3BR/2BA	2	1,250	\$625	\$203	\$828	\$1,005	\$1,064
3BR/2BA -TH	26	1,275	\$625	\$203	\$828	\$1,005	\$1,064
Total	70						

Notes (1) Source of Utility Allowance provided by the Georgia DCA (Northern Region), effective 7/1/2014

The Subject will offer the following unit amenities: balcony/patio, blinds, cable/satellite/internet access, central air conditioning and heating, coat closet, carpeting, walk-in closet, dishwasher, ceiling fan, microwave, oven, refrigerator, and washer/dryer connections. Property amenities will include: computer lab/business center, clubhouse/meeting room/community center, exercise facility, yoga/meditation room, children's art and

playroom, on-site laundry facility, off-street parking, on-site management, playground, and picnic area. The children's center will be available to residents seven days a week and will be accessible via key card with a parent or guardian present. Additionally, the yoga/meditation room will offer yoga and meditation classes for residents and the community at large. Overall, the Subject's amenities will be competitive with those at the comparable properties.

2. Site Description/Evaluation:

The Subject site is located in Cartersville and is proximate to many area amenities that are desirable for affordable multifamily developments. The Subject site is currently improved with a vacant elementary school that was known as Cloverleaf Elementary. The improvements are in poor condition and will be razed prior to construction. The Subject is located in a mixed use neighborhood. Immediate uses consist primarily of commercial and retail uses, single-family homes in average to good condition, and vacant undeveloped land. Adjacent to the north of the Subject site is a personal storage facility in average condition. Further north, across US-41, are commercial and retail uses in average condition. Northeast of the Subject is a motel and then a medical center across US-41. Adjacent to the east of the Subject site is retail uses in fair to average condition. Further east, across North Tennessee Street, is vacant undeveloped land and various retail and commercial uses. To the south of the Subject site is a single-family subdivision in good condition. Southwest of the Subject site are single-family homes in average condition as well as vacant undeveloped land. Adjacent to the west of the Subject site are railroad tracks and vacant undeveloped land. Further west are single-family homes in average condition. During the site inspection, it appeared that the commercial/retail uses are approximately 95 percent occupied. Overall, both the Subject site and the land uses in the Subject's neighborhood are considered compatible for multifamily use.

3. Market Area Definition:

The Primary Market Area (PMA) is defined by Kingston Highway, Law Road, Shotgun Road, and Interstate 75 to the north, Highway 20 NE, Altoona Lake, State Highway 401, and Old Highway 41 to the east, Bartow/Paulding County line to the south, and Raccoon Creek, Etowah River, and Reynolds Bridge Road to the west. This area includes Cartersville, Emerson, Bartow, and Oakland Heights, as well as unincorporated parts of Bartow County.

The area was defined based on interviews with the local housing authority and property managers at comparable properties. The north boundary of the PMA is approximately six miles from the Subject site; the eastern boundary of the PMA is approximately four miles from the Subject site; and the southern boundary of the PMA is approximately eight miles from the Subject site; and the western boundary of the PMA is approximately seven miles from the Subject site.

4. Community Demographic Data:

The Subject is located in Cartersville in Bartow County, Georgia. Overall demographics are strong for the Subject's family units as the PMA has been an area of growth. Population in 2014 in the PMA was 60,536 and is projected to increase to 65,322 by 2019. There were 21,900 households in 2014, which is expected to increase to 23,619 by 2019. Population in the PMA is projected to increase at a 1.6 percent annual rate over the next five years, a rate higher than that of the MSA and 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 tenure growth patterns also demonstrate demand for the Subject. In 2014, approximately 39.5 percent of people in the PMA resided in renter-occupied housing units. Renter-occupied housing units are expected to increase by 333 housing units by the market entry date, and another 180 housing units by 2019.

Approximately 73.1 percent of renter households in the PMA earn between \$0 and \$39,999. Households in these income cohorts are expected to create demand for the Subject. The Subject's LIHTC units will target family households earning between \$19,817 and \$44,220.

According to RealtyTrac, one in every 1,328 housing units in Cartersville had received foreclosure filings in March 2015. This compares to one in every 1,156 housing units in Bartow County, one in every 1,085 housing units in the state of Georgia, and one in every 1,082 housing units in the nation at the same time. It appears that the mortgage and foreclosure crisis has affected Cartersville, although its foreclosure rate is lower than the county, state, and nation. However, during our site inspection, there did not appear to be any vacant or abandoned homes in the Subject's neighborhood.

5. Economic Data:

The Atlanta-Sandy Springs-Roswell, GA MSA has experienced employment growth for seven of the last ten years. From 2004 through 2007, total employment in the MSA increased significantly each year. However, from 2008 through 2010, the MSA experienced decreasing total employment and rising unemployment, due to the recent national recession and housing crisis. The job losses in the MSA during this period were generally greater than the nation. Further, from February 2014 through February 2015, total employment increased by 4.3 percent in the MSA, compared to a 2.1 percent increase in the nation. Further, the unemployment rate decreased 1.1 percentage points for the twelve-month period ending in February 2015. As of February 2015, the unemployment rate in the MSA was 6.1 percent, compared to the national unemployment rate of 5.8 percent. Thus, it appears that the MSA is still affected by the recent national recession, though there have been decreases in unemployment since 2011. We contact Connie Salter with Cartersville Bartow Economic Development to inquire about business expansions/contraction in the county. Ms. Salter stated that there have been several business expansions in the area over the past several years. It appears the regional economy is has recovered from the impact of the recent national recession, as current employment levels are similar to pre-recessionary levels. Additional positive anecdotal evidence includes new construction of retail and commercial development in the neighborhood.

The largest proportion of the workforce in the PMA is employed in the manufacturing, retail trade, and educational services sectors, which represent 14.6, 13.2, and 10.5 percent of total employment in the PMA, respectively. Sectors such as manufacturing, retail trade, and construction are overrepresented in the PMA compared to the nation. Conversely, sectors such as health care/social assistance, professional/scientific/technical services, and finance/insurance are underrepresented in the PMA compared to the nation. The relatively high representation of cyclical industries, compared to the nation, such as manufacturing, construction, and retail trade in the PMA likely provides some instability to the local economy.

**6. Project-Specific Affordability
And Demand Analysis:**

Our demand analysis indicates that there are approximately 1,429 income qualified renter households in the PMA. The following table illustrates capture rates for the Subject’s units.

CAPTURE RATE ANALYSIS CHART										
Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50% AMI	\$19,817-\$27,300	2	199	0	199	1.0%	6 months	\$723	\$650-\$798	\$450
1BR at 60% AMI	\$23,657-\$32,760	2	251	0	251	0.8%	6 months	\$889	\$650-\$798	\$475
2BR at 50% AMI	\$27,360-\$30,700	6	208	0	208	2.9%	6 months	\$979	\$764-\$1,130	\$530
2BR at 60% AMI	\$20,674-\$36,840	26	262	0	262	9.9%	6 months	\$723	\$764-\$1,130	\$545
3BR at 50% AMI	\$24,171-\$36,850	6	226	0	226	2.7%	6 months	\$889	\$900-\$1,146	\$595
3BR at 60% AMI	\$28,389-\$44,220	28	284	0	284	9.9%	6 months	\$979	\$900-\$1,146	\$625
Overall 50% AMI	\$20,674-\$36,850	10	658	0	658	2.2%	6 months	-	-	-
Overall 60% AMI	\$24,789-\$44,220	60	771	0	771	7.0%	6 months	-	-	-
Total Overall	\$19,817-\$44,220	70	1,429	0	1,429	8.4%	6 months	\$864	-	-

The overall capture rate is 8.4 percent. We believe that the capture rates are reasonable for the Subject based on its target population, and there is adequate demand based on our conclusions.

7. Competitive Rental Analysis:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. To evaluate the competitive position of the Subject, 1,812 units in 10 rental properties were surveyed in depth. The data in the PMA is considered adequate on which to base our conclusions. The comparable properties in our survey include a range of units targeting several different AMI levels and unrestricted units. The Subject will offer 50 and 60 percent AMI units. The Subject’s proposed rents offer an advantage over the average rents at the comparable properties.

Vacancy rates in the market for the stabilized comparables range from zero to 3.6 percent, averaging 1.6 percent. The average weighted vacancy rate among the stabilized LIHTC comparables is 2.0 percent, while the average weighted vacancy rate among the market rate comparables is 1.1 percent. Additionally, one LIHTC property reported a waiting list. The Subject will be new construction and will be superior to the majority of the comparables in terms of condition. The Subject’s proposed rents are at the low end of the range of the LIHTC comparables and appear to be achievable with upward potential.

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.

SUBJECT COMPARISON TO MARKET RENTS @50%					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$450	\$650	\$798	\$723	-38%
2 BR	\$530	\$764	\$1,130	\$889	-40%
3 BR	\$595	\$900	\$1,146	\$979	-39%

SUBJECT COMPARISON TO MARKET RENTS @60%					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$475	\$650	\$798	\$723	-34%
2 BR	\$545	\$764	\$1,130	\$889	-39%
3 BR	\$625	\$900	\$1,146	\$979	-36%

As illustrated the Subject’s proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables. Avonlea Highlands is the most similar market rate property in terms of location, and this property reported rents generally at the low end of the range. However, this property was constructed in 2001 and will be inferior to the Subject in terms of condition and similar in terms of amenities. Rosewood Apartments, Stonemill Apartments, The Glen, and The Vineyards are all located in similar to slightly superior locations and offer generally superior amenity packages when compared to the Subject. The remaining market rate comparables are located in Acworth, which is a slightly superior location relative to the Subject. However, the average market rate vacancy is very low, and the Subject’s proposed LIHTC rents are well below the rents reported by these comparables.

Overall, we believe that the Subject’s proposed rents are achievable in the market and will offer a substantial market rent advantage.

8. Absorption/Stabilization Estimate:

None of the comparables utilized in this report were able to provide absorption information. As an alternative, we

expanded our search to the Atlanta-Sandy Springs-Roswell, GA MSA. The following table details absorption information for two LIHTC properties and one market rate property within the MSA.

ABSORPTION							
Property name	Location	Distance from Subject	Type	Tenancy	Year Built	Number of Units	Units Absorbed
Parkside At Mechanicsville	Atlanta	39.1 miles	LIHTC	Family	2012	196	60
Retreat At Edgewood	Atlanta	40.4 miles	LIHTC	Family	2011	100	20
The Crest at Laurelwood*	Woodstock	18.1 miles	Market	Family	2015	272	25

Property still in initial lease-up

As illustrated, absorption rates range from 25 to 60 units per month. Parkside at Mechanicsville, a LIHTC, Public Housing, and market rate property, opened in January 2012 and reached a stabilized occupancy within three months. This development consists of 196 one, two, and three-bedroom units. As such, the absorption rate was 60 units per month. Secondly, Retreat at Edgewood, an LIHTC property, opened in November 2011 and reached stabilized occupancy within five months. This development consists of 100 one, two, and three-bedroom units. As such, the absorption rate was 20 units per month. Lastly, The Crest at Laurelwood, a market rate development, opened at the beginning of April 2015 and has 25 units leased out of 272 total units during the first month of occupancy. At a rate of 25 units per month, the development will be fully absorbed within 10 months. It is important to consider the metropolitan location of the two LIHTC developments used in this analysis; thus we have concluded to a slightly slower absorption rate for the Subject due to the less populated location. Overall, we anticipate that the Subject will absorb 12 units per month, for an absorption period of approximately six months. It should be noted that per DCA guidelines, absorption has been calculated to 93 percent occupancy.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. To evaluate the competitive position of the Subject, 1,812 units in 10 rental properties were surveyed in depth. The data in the PMA is considered adequate on which to base our conclusions. The comparable properties in our survey include a range of units targeting several different AMI levels and unrestricted units. The Subject will offer 50 and 60 percent AMI units.

The Subject's proposed rents offer an advantage over the average rents at the comparable properties.

Vacancy rates in the market for the comparables range from zero to 3.6 percent, averaging 1.6 percent. The average weighted vacancy rate among the LIHTC comparables is 2.0 percent, while the average weighted vacancy rate among the market rate comparables is 1.1 percent. Additionally, one LIHTC property reported a waiting list. The Subject will be new construction and be superior to the majority of the comparables in terms of construction. The Subject's proposed rents are at the low end of the range of the LIHTC comparables and appear to be achievable.

Summary Table:

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

Development Name:	Cloverleaf Apartments	Total # Units:	70
Location:	71 West Felton Road Cartersville, Bartow County, GA 30120	# LIHTC Units:	70
PMA Boundary:	North: Kingston Highway, Law Road, Interstate 75; South: Bartow County Line; East: Highway 20 NE, Altoona Lake, State Highway 401, Old Highway 41; West: Raccoon Creek, Etowah River, Reynolds Bridge Road		
	Farthest Boundary Distance to Subject:		<u>10.3 miles</u>

Rental Housing Stock (found on pages 20)

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	29	2,696	54	98.0%
Market-Rate Housing	16	1,753	35	98.0%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	7	363	0	100.0%
LIHTC	6	580	6	99.0%
Stabilized Comps	29	2,696	54	98.0%
Properties in Construction & Lease Up	0	0	0	N/Ap

*Only includes properties in PMA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
2	1BR at 50% AMI	1	700	\$450	\$723	\$1.03	38%	\$798	\$1.14
7	2BR at 50% AMI	1.5	900	\$530	\$889	\$0.99	40%	\$1,130	\$1.26
5	3BR at 50% AMI	2	1,250	\$595	\$979	\$0.78	39%	\$1,146	\$0.92
2	1BR at 60% AMI	1	700	\$475	\$723	\$1.03	34%	\$798	\$1.14
35	2BR at 60% AMI	1.5	900	\$545	\$889	\$0.99	39%	\$1,130	\$1.26
19	3BR at 60% AMI	2	1,250	\$625	\$979	\$0.78	36%	\$1,146	\$0.92

Demographic Data (found on page 27-30)

	2010		2015		2017	
Renter Households	7,918	36.90%	8,657	39.50%	8,990	39.10%
Income-Qualified Renter HHs (LIHTC)	2,597	32.80%	2,839	32.80%	2,949	32.80%

Targeted Income-Qualified Renter Household Demand (found on pages 55)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	84	106	N/Ap	N/Ap	111
Existing Households (Overburdened + Substandard)	N/Ap	513	653	N/Ap	N/Ap	685
Homeowner conversion (Seniors)	N/Ap	0	0	N/Ap	N/Ap	0
Total Primary Market Demand	N/Ap	597	759	N/Ap	N/Ap	796
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	597	759	N/Ap	N/Ap	796

Capture Rates (found on page 55)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	2.40%	7.50%	N/Ap	N/Ap	9.00%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at 71 West Felton Road in Cartersville, Bartow County, Georgia 30120.
Construction Type:	The Subject will consist of 12 newly constructed one and two-story, townhouse and garden-style residential buildings and one one-story clubhouse using wood frame construction with brick façade and hardi-plank siding.
Occupancy Type:	The Subject will target families.
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	None of the units will operate with Project-Based Rental Assistance upon completion.
Proposed Development Amenities:	See following property profile.
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’s approximate market entry date is October 2017.
Conclusion:	The Subject will consist of 12 one and two-story, townhouse and garden-style residential buildings and one one-story clubhouse. As new construction, the Subject will not suffer from deferred maintenance or functional obsolescence.

Property Profile Report												
Cloverleaf Apartments												
Comp #	Subject											
Effective Rent	4/30/2015											
Location	71 West Felton Road											
Distance	n/a											
Units	70											
Vacant Units	0											
Vacancy Rate	0.0%											
Type	Garden											
Year Built / Renovated	Proposed 2017											
												
Market												
Program	@ 50%, @ 60%				Leasing Pace				N/A			
Annual Turnover Rate	N/A				Change in Rent (Past				N/A			
Units/Month Absorbed	N/A				Concession							
Section 8 Tenants	N/A											
Utilities												
A/C	not included -- central				Other Electric				not included			
Cooking	not included -- electric				Water				not included			
Water Heat	not included -- electric				Sewer				not included			
Heat	not included -- electric				Trash Collection				included			
Unit Mix (face rent)												
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?	Range
1	1	Garden	2	700	\$450	\$0	@ 50%	N/A	N/A	N/A	no	
1	1	Garden	2	700	\$475	\$0	@ 60%	N/A	N/A	N/A	no	
2	1.5	Garden	1	900	\$530	\$0	@ 50%	N/A	N/A	N/A	no	
2	1.5	Garden	2	900	\$545	\$0	@ 60%	N/A	N/A	N/A	no	
2	1.5	Townhouse (2 stories)	5	900	\$530	\$0	@ 50%	N/A	N/A	N/A	no	
2	1.5	Townhouse (2 stories)	24	900	\$545	\$0	@ 60%	N/A	N/A	N/A	no	
3	2	Garden	1	1,250	\$595	\$0	@ 50%	N/A	N/A	N/A	no	
3	2	Garden	2	1,250	\$625	\$0	@ 60%	N/A	N/A	N/A	no	
3	2	Townhouse (2 stories)	5	1,275	\$595	\$0	@ 50%	N/A	N/A	N/A	no	
3	2	Townhouse (2 stories)	26	1,275	\$625	\$0	@ 60%	N/A	N/A	N/A	no	
In-Unit	Balcony/Patio				Security				Video Surveillance			
	Blinds											
	Carpeting											
	Central A/C											
	Coat Closet											
	Dishwasher											
	Ceiling Fan											
	Microwave											
	Oven											
	Refrigerator											
	Walk-In Closet											
	Washer/Dryer hookup											
Property	Business Center/Computer Lab				Premium				none			
	Clubhouse/Meeting Room/Community Room											
	Exercise Facility											
	Central Laundry											
	Off-Street Parking (158 spaces)											
	On-Site Management											
	Picnic Area											
	Playground											
	Recreation Areas											
	Wi-Fi											
Services	none				Other				Yoga/meditation room, children's center			

C. SITE EVALUATION

SITE EVALUATION

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

Sterling Battle, an employee of Novogradac & Company LLP, visited the site on April 30, 2015.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

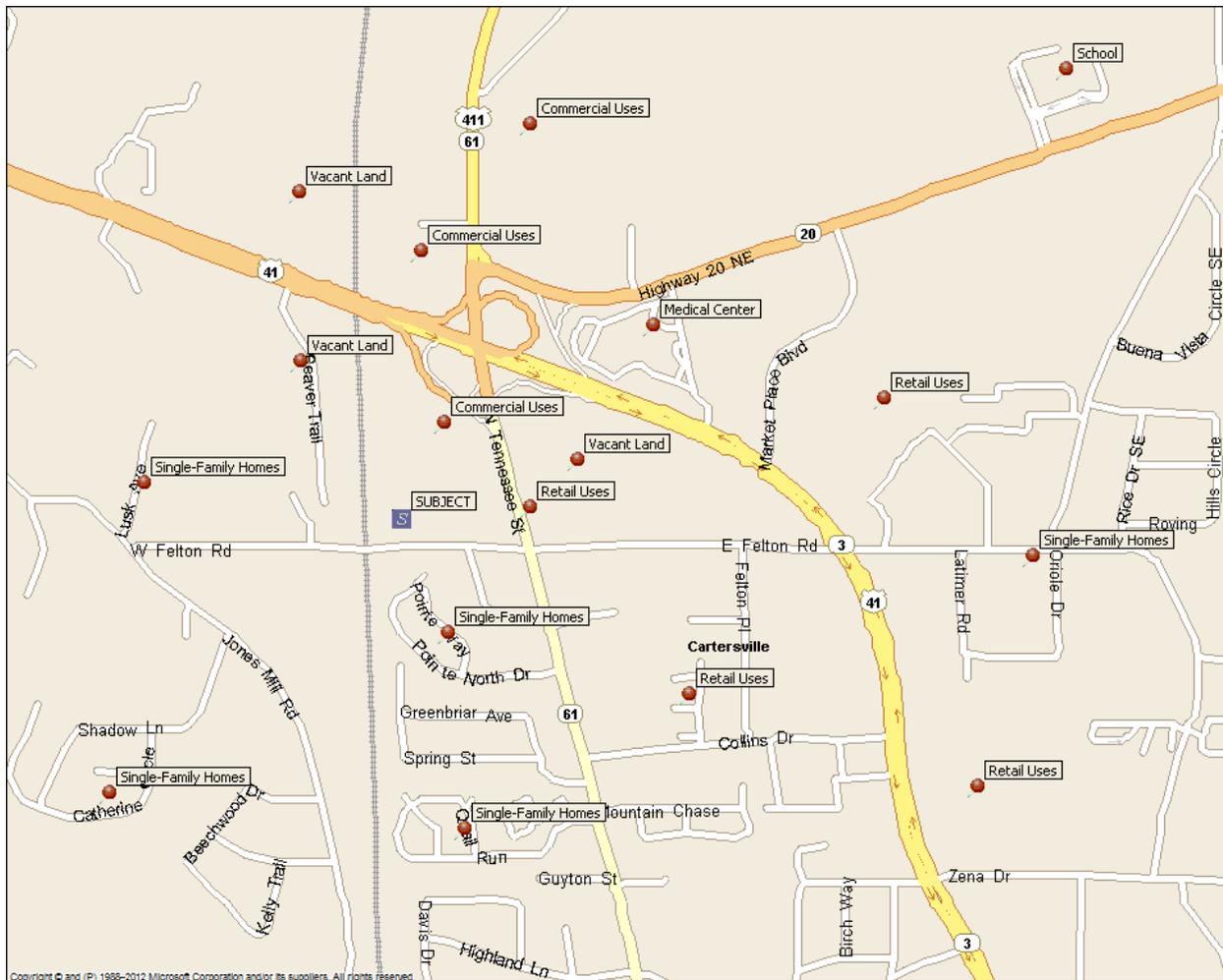
The site has frontage along the north side of West Felton Road.

Visibility/Views:

The Subject has good visibility from West Felton Road. Views from the Subject site are of undeveloped land, single-family homes, and commercial and retail uses. Overall, views are considered average.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject site is located in a developing mixed use neighborhood with retail uses nearby. The Subject site is currently improved with a vacant elementary school that was known as Cloverleaf Elementary. The improvements are in poor condition and will be razed prior to construction. The residential uses to the north, south, east, and west primarily consist of single-family homes typically in average to good condition. There is significant retail and commercial development east, northeast, and southeast of the Subject site, located along North Tennessee Street/Joes Frank Harris Parkway and appeared to be around 95 percent occupied at the time of inspection and in good to condition. Retail and commercial uses along US-2/GA-316 include convenience/grocery stores, restaurants, gas stations, medical clinic, pharmacies, and retail stores.

Positive/Negative Attributes of Site: As previously mentioned, the Subject will be within close proximity to railroad tracks; however, the site plan has been designed to mitigate any negative effects from the railroad. Further, there single-family homes and other retail and commercial developments that have not been affected by the railroad tracks. Positive attributes include walking distance to retail and commercial uses, and Cartersville Medical Center.

3. Physical Proximity to Locational Amenities:

The Subject site is located in Cartersville, Bartow County, Georgia. There are restaurants, convenience/grocery stores, and other retail located within walking distance of the Subject site. Below is an aerial photograph of the Subject.



4. Pictures of Site and Adjacent Uses:

The following pages show pictures of the Subject site as well as adjacent land uses. The Subject site is currently improved with a vacant elementary school that was known as Cloverleaf Elementary. The improvements are in poor condition and will be razed prior to construction.



SUBJECT SIGNAGE



SUBJECT SITE LOOKING NORTH



SUBJECT SITE LOOKING EAST



SUBJECT SITE LOOKING SOUTH



SUBJECT SITE LOOKING WEST



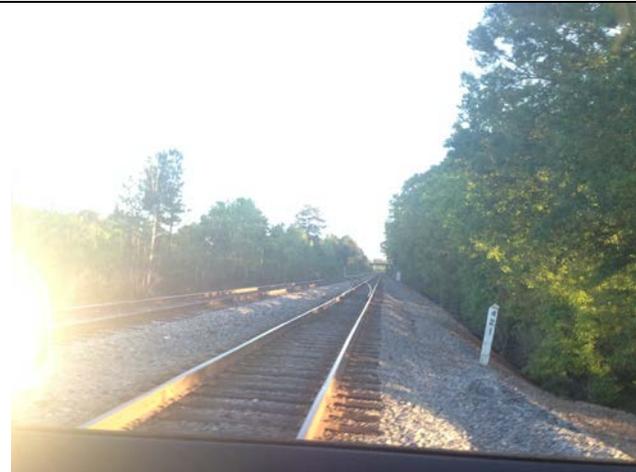
LOOKING NORTH ON SUBJECT'S PROPERTY ROAD



LOOKING WEST ON WEST FELTON ROAD



LOOKING EAST ON WEST FELTON ROAD



VIEW OF TRAIN TRACKS WEST OF SUBJECT



SINGLE-FAMILY HOME WEST OF SUBJECT



TYPICAL SINGLE-FAMILY HOME



SINGLE-FAMILY HOME WEST OF SUBJECT



SINGLE-FAMILY HOME SOUTH OF SUBJECT



SINGLE-FAMILY HOME SOUTHWEST OF SUBJECT



RETAIL USES NORTHEAST OF SUBJECT



RETAIL USES EAST OF SUBJECT



FIRE STATION NORTHEAST OF SUBJECT



RETAIL USES EAST OF SUBJECT



SHOPPING CENTER NORTHEAST OF SUBJECT



GAS STATION



BANK EAST OF SUBJECT



MEDICAL CENTER



GROCERY STORE

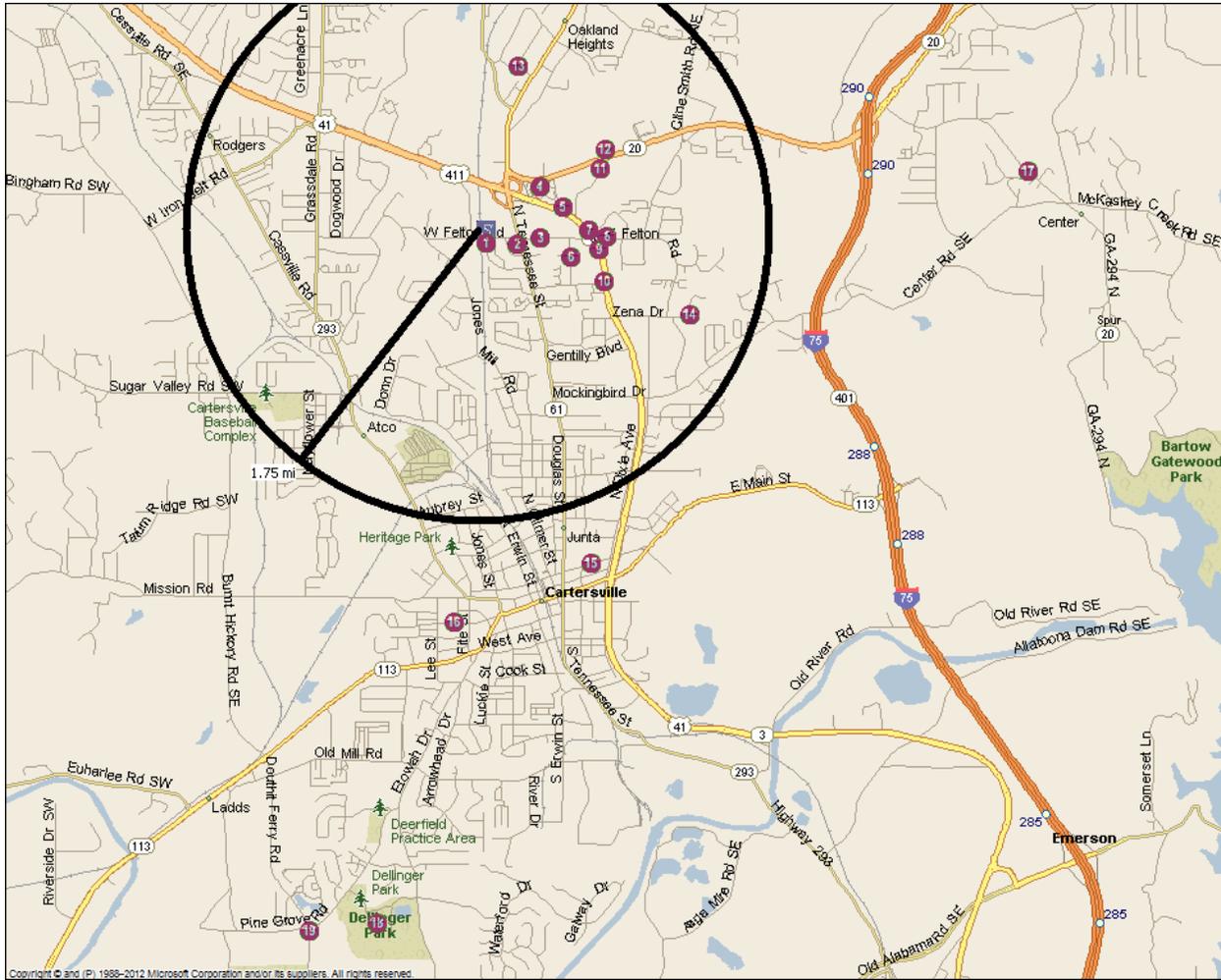


RETAIL USES EAST OF THE SUBJECT

5. Proximity to Locational Amenities:

The following table details the Subject's distance from key locational amenities. It should be noted that Bartow County operates a dial-a-ride transit service, available by request for \$1.00 per ride within in county, \$5.00 to Rome, GA, and \$2.50 to Acworth, GA.

LOCATIONAL AMENITIES					
Map #	Service or Amenity	Distance from Subject	Map #	Service or Amenity	Distance from Subject
1	The Gingerbread House Pre-School	< 0.1 miles	11	Walmart Supercenter	0.9 miles
2	CITGO Gas Station	0.2 miles	12	Bartow County Fire Station	0.9 miles
3	Buffalo Southwest Café	0.4 miles	13	Oakland Heights Church	1.1 miles
4	Cartersville Medical Center	0.5 miles	14	Bartow County Sheriff's Department	1.2 miles
5	Rite Aid Pharmacy	0.5 miles	15	Cartersville High School	2.0 miles
6	Cartersville Dental Group	0.6 miles	16	Bartow County Library	2.3 miles
7	U.S. Post Office	0.6 miles	17	Cloverleaf Elementary School	3.4 miles
8	Dollar General	0.7 miles	18	Dellinger Park	4.2 miles
9	Ingles Grocery Store	0.7 miles	19	Cartersville Middle School	4.3 miles
10	Bank of America	0.8 miles	-	-	-



6. Description of Land Uses:

The Subject site is located in a mixed use neighborhood with single-family homes, vacant undeveloped land, and commercial and retail uses nearby. The residential uses to the north, south, east, and west primarily consist of single-family homes typically in average to good condition. There is significant retail and commercial development south and southwest of the Subject site, located along US-41 and GA-61/North Tennessee Street and appeared to be around 95 percent occupied at the time of inspection and in average to good condition. Retail/commercial uses along US-41 and GA-61/North Tennessee Street include convenience/grocery stores, restaurants, gas stations, medical center, pharmacies, and retail stores. Overall, the Subject site is considered a desirable building site for multifamily housing and the Subject will be compatible with the surrounding uses.

7. Multifamily Residential within Two Miles:

The following table illustrates comparable multifamily properties located within two miles of the Subject site.

Property Name	Type	Tenancy	Distance
Amberwood Apartments	Market	Family	0.5 miles
Club Court Apartments I & II	Rural Development	Family	0.8 miles
Collins Pointe	Market	Family	1.0 miles
Morgan Square	Market	Family	1.2 miles
The Glen*	Market	Family	1.4 miles
Huntwood Terrace Senior	Section 8	Senior	1.5 miles
Crossfield Apartments Phase I	LIHTC/RD	Family	1.5 miles
Crossfield Apartments Phase II	LIHTC/RD	Family	1.5 miles
The Cove	LIHTC	Senior	1.6 miles
The Vineyards*	Market	Family	1.7 miles
Rosewood Apartments*	Market	Family	1.9 miles
222 North Erwin Street	Market	Family	1.9 miles
Shangri-La Park	LIHTC/HOME	Senior	1.9 miles
Fieldmont Apartments	Rural Development	Family	1.9 miles
The Avenue	Market	Family	2.0 miles

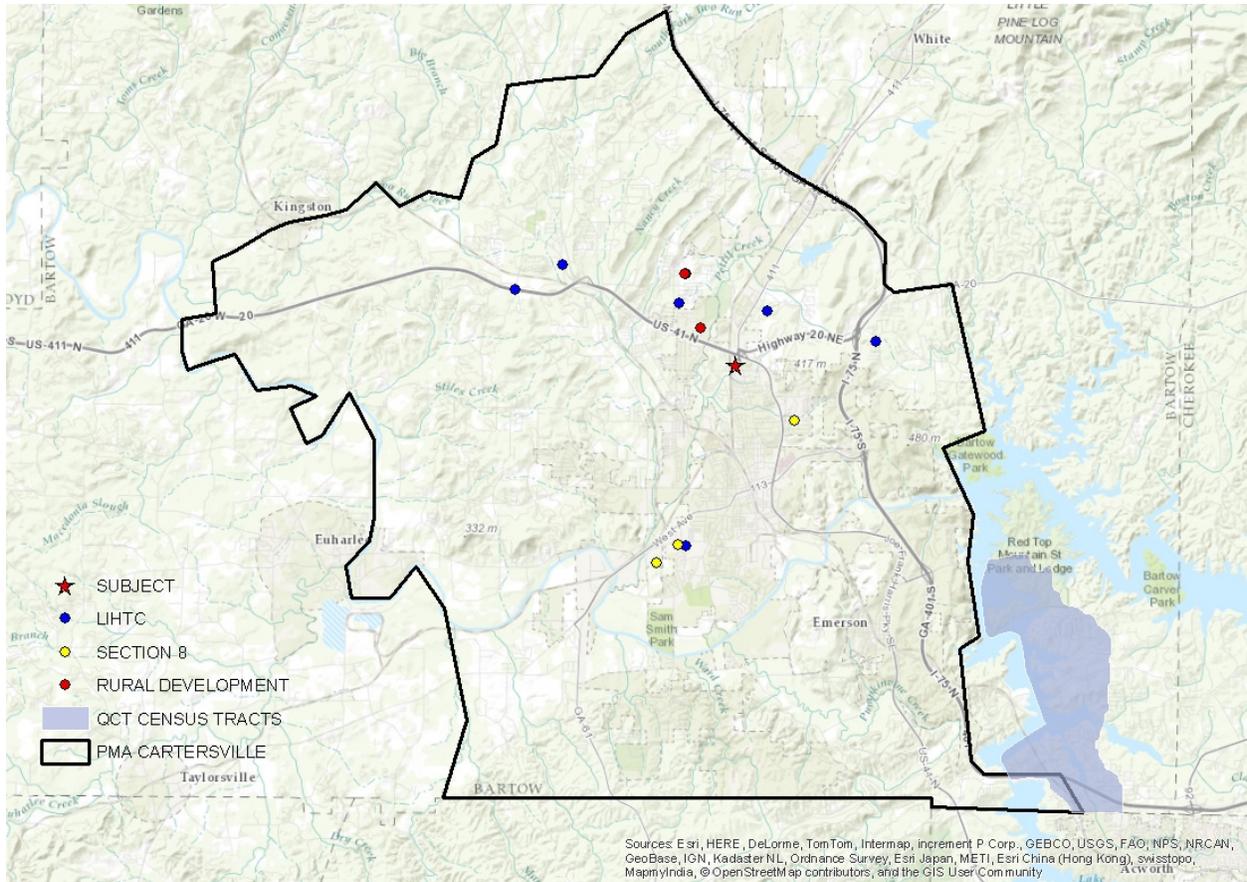
*Utilized as a comparable

8. Existing Assisted Rental Housing

Property Map:

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

GENERAL MARKET OVERVIEW										
Name	Occupancy Rate	Address	City	County	State	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
Carter Manor Apartments	100%	142 Old Gilliam Springs Rd SW	Cartersville	Bartow	GA	LIHTC/Market	Senior	Excluded	Dissimilar tenancy	4.3 miles
Cass Towne Apartments	100%	1341 Cassville Road NW	Cartersville	Bartow	GA	LIHTC	Senior	Excluded	Dissimilar tenancy	3.9 miles
Crossfield Apartments Phase I	N/Av	7 Crossfield Circle	Cartersville	Bartow	GA	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Crossfield Apartments Phase II	N/Av	7 Crossfield Circle	Cartersville	Bartow	GA	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Etowah Village	99%	366 Old Mill Road	Cartersville	Bartow	GA	LIHTC	Family	Included	N/A	3.3 miles
Somerset Club Apartments	96%	91 Somerset Club Drive SE	Cartersville	Bartow	GA	LIHTC/Market	Family	Included	N/A	2.6 miles
The Cove	100%	90 Liberty Square Drive NE	Cartersville	Bartow	GA	LIHTC	Senior	Excluded	Dissimilar tenancy	1.6 miles
Shangri-La Park	100%	69 Gilreath Rd NW	Cartersville	Bartow	GA	LIHTC/HOME	Senior	Excluded	Dissimilar tenancy	1.9 miles
Cartersville Gardens Apartments	100%	378 Old Mill Road	Cartersville	Bartow	GA	Section 8	Senior	Excluded	Dissimilar tenancy	3.4 miles
Huntwood Terrace Senior	100%	71 Center Rd SE	Cartersville	Bartow	GA	Section 8	Senior	Excluded	Dissimilar tenancy	1.5 miles
The Jared House	N/Av	245 Douthit Ferry Rd	Cartersville	Bartow	GA	Section 8	Family	Excluded	Rents subsidized	3.7 miles
Fieldmont Apartments	N/Av	34 Gilreath Rd	Cartersville	Bartow	GA	Rural Development	Family	Excluded	Rents subsidized	1.9 miles
Club Court Apartments I & II	99%	72 Massell Dr.	Cartersville	Bartow	GA	RD/Market	Family	Excluded	Rents subsidized	0.8 miles
Collins Pointe	100%	18 Roving Road	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar property type	1.0 miles
Etowah Area Consolidated HA Portfolio	99%	Scattered Site	Cartersville	Bartow	GA	Market	Family	Excluded	Inferior condition	2.6 miles
Grandview Apartments	100%	73 Grandview Court NW	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar property type	2.2 miles
Hannah Apartments	100%	390 Old Mill Road	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar unit mix	3.4 miles
Magnolia Gardens	94%	134 Leake Street	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar property type	2.4 miles
Morgan Square	N/Av	290 East Felton Road	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar unit mix	1.2 miles
Park Place Townhomes	90%	81 Pine Grove Road	Cartersville	Bartow	GA	Market	Family	Excluded	Closer comparables used	4.0 miles
Rosewood Apartments	98%	531 Grassdale Road	Cartersville	Bartow	GA	Market	Family	Included	N/A	1.9 miles
Stonemill Apartments	98%	50 Stone Mill Drive SE	Cartersville	Bartow	GA	Market	Family	Included	N/A	3.0 miles
The Avenue	91%	25 Gilreath Road NW	Cartersville	Bartow	GA	Market	Family	Excluded	Inferior condition	2.0 miles
The Glen	100%	200 Governor's Court	Cartersville	Bartow	GA	Market	Family	Included	N/A	1.4 miles
The Vineyards	100%	11 Sheffield Place	Cartersville	Bartow	GA	Market	Family	Included	N/A	1.7 miles
222 North Erwin Street	100%	222 North Erwin Street	Cartersville	Bartow	GA	Market	Family	Excluded	Dissimilar unit mix	1.9 miles
Alexandria Landing	100%	370 Old Mill Road	Cartersville	Bartow	GA	Market	Family	Excluded	Closer comparables used	3.4 miles
Amberwood Apartments	98%	1116 N. Tennessee Street	Cartersville	Bartow	GA	Market	Family	Excluded	Inferior condition	0.5 miles
Avonlea Highlands	100%	950 East Main Street	Cartersville	Bartow	GA	Market	Family	Included	N/A	2.1 miles



Cartersville, GA



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

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

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

The Subject will have access from the north side of West Felton Road. West Felton Road is a lightly traveled two-way east/west traversing street. West Felton Road provides access to GA-61/North Tennessee Street less than 0.1 miles east of the Subject site, and US-41 approximately 0.5 miles east of the Subject site. GA-61/North Tennessee Street provides access to several retail and commercial uses in the Subject’s neighborhood, as well as access to Interstate 75 approximately 3.5 miles northeast of the Subject. Interstate 75 is a major route throughout Georgia, and provides access to Atlanta approximately 35 miles southeast of the Subject. US-41 provides access to downtown Cartersville, as well as other municipalities throughout Bartow County.

Overall visibility, access, and ingress/egress are considered good.

11. Environmental Concerns:

None visible upon site inspection. Novogradac & Company LLP does not offer expertise in this field and cannot opine as to the adequacy of the soil conditions, drainage, or existence of adverse environmental conditions. Further analysis is beyond the scope of this report.

12. Detrimental Influences:

The Subject will be within close proximity to railroad tracks; however, the site plan has been designed to mitigate any negative effects from the railroad. Further, there single-family homes and other retail and commercial developments that have not been affected by the railroad tracks. Positive attributes include walking distance to retail and commercial uses, and Cartersville Medical Center.

13. Conclusion:

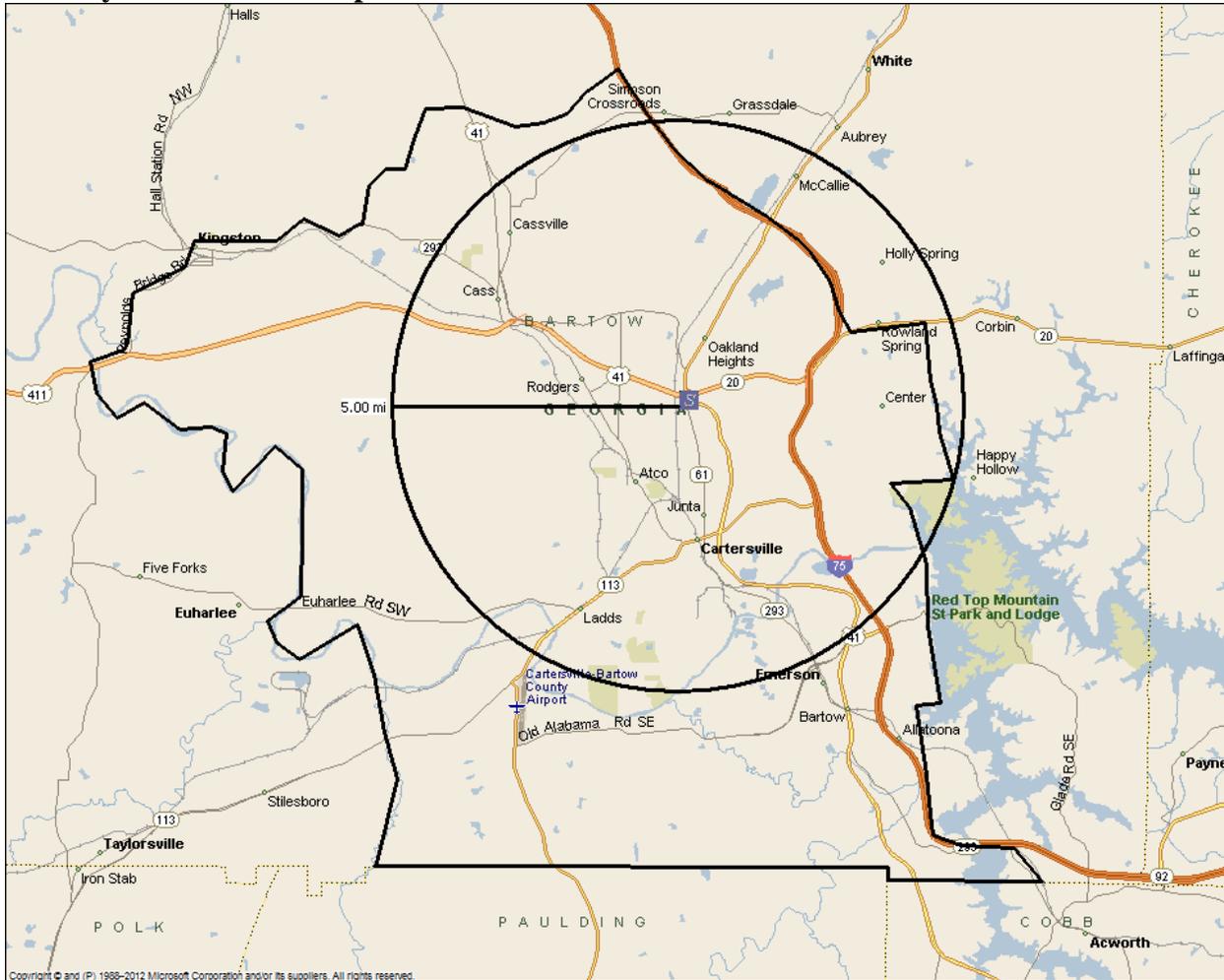
The Subject is located less than 0.1 mile from GA-61/North Tennessee Street, which contains a mixture of newly constructed retail and commercial and residential uses. Retail in the area is in average to good condition and occupancy appears to be approximately 95 percent. Single-family homes in the immediate area appear to be in average to good condition. The Subject site is within walking distance to retail and commercial uses. Overall, the community presents a desirable location for an affordable, multifamily development and we believe that the Subject will have a positive impact on the local neighborhood.

D. MARKET AREA

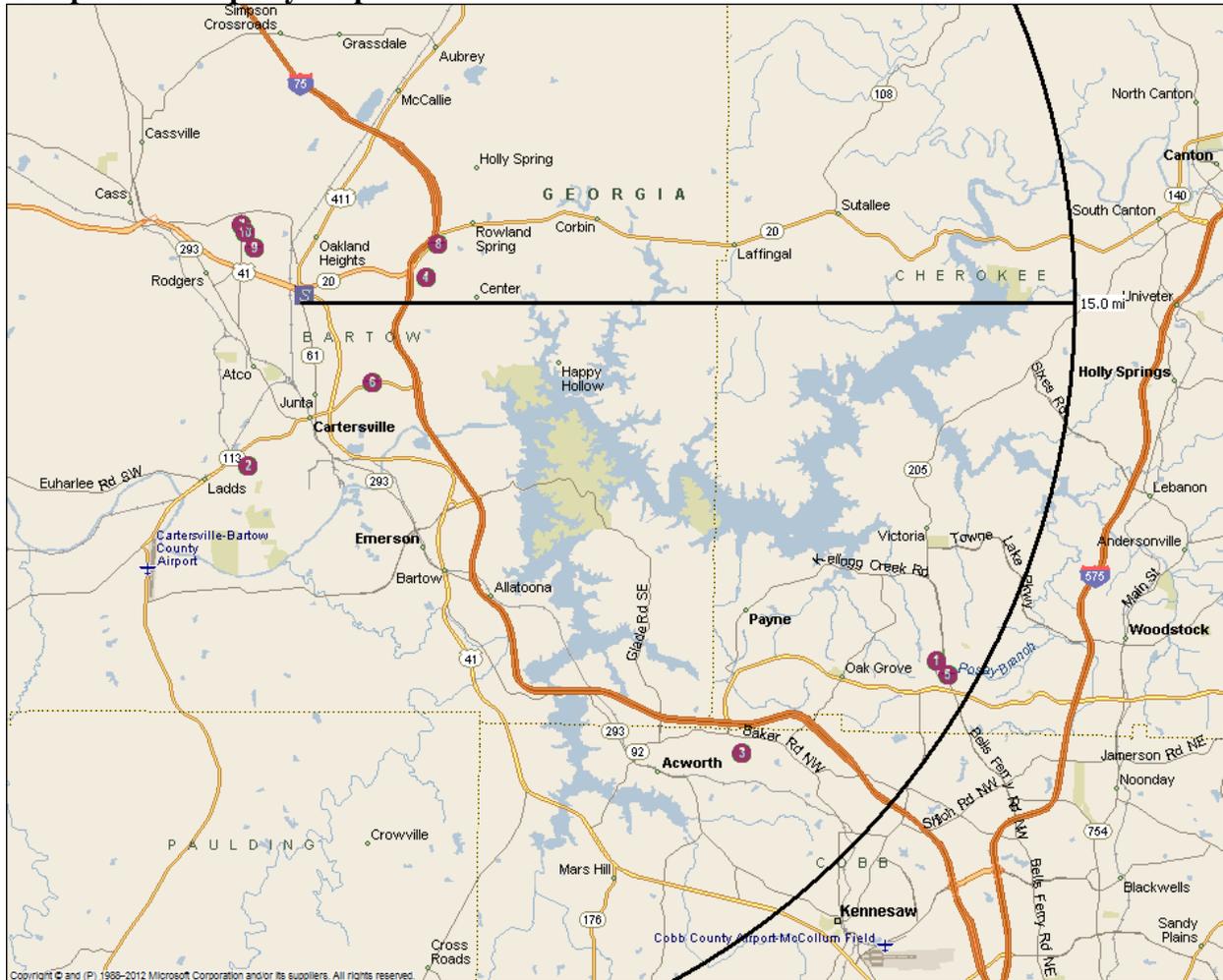
PRIMARY MARKET AREA

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

Primary Market Area Map



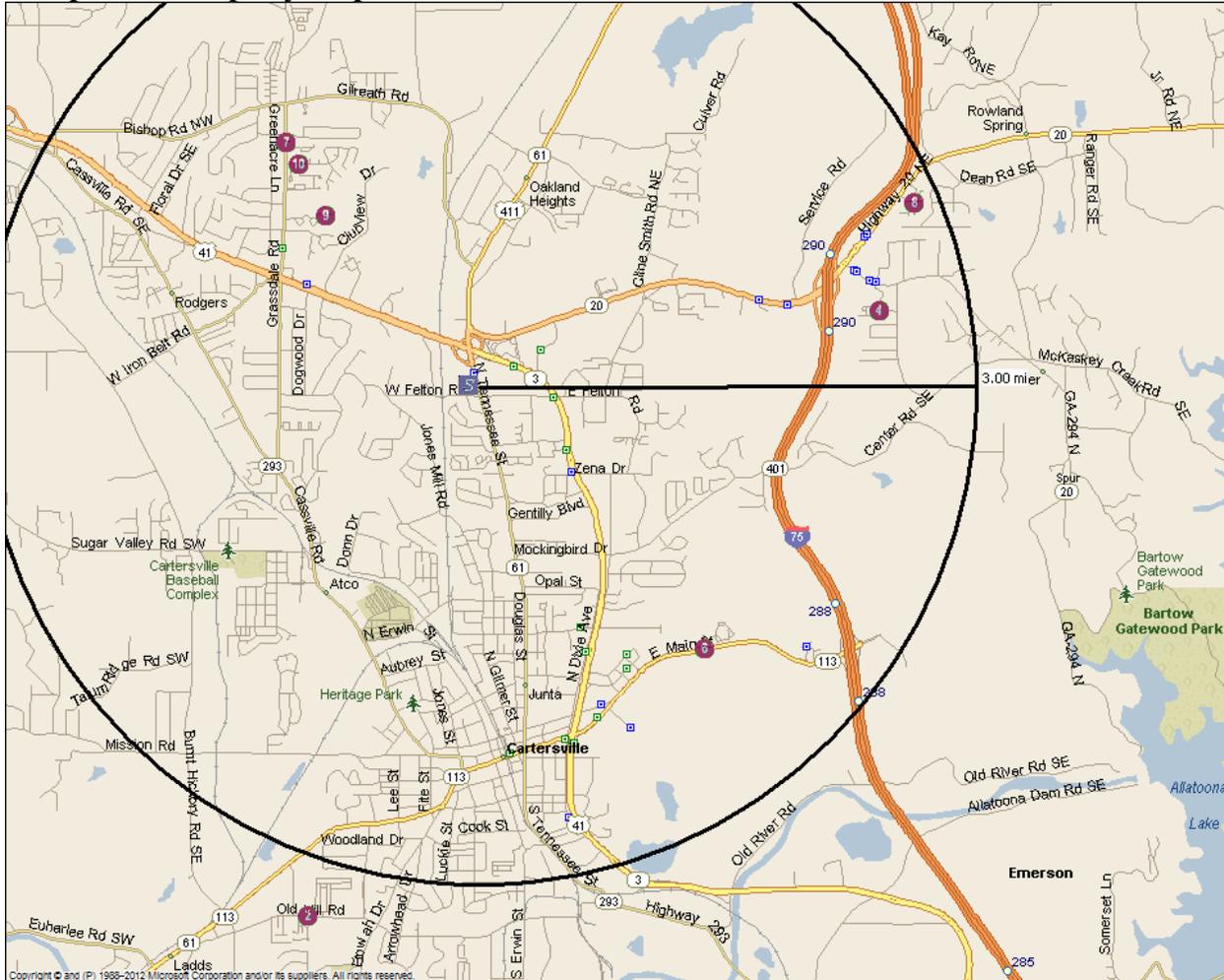
Comparable Property Map I



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Cherokee Summit*	Acworth	LIHTC	14.3 miles
2	Etowah Village	Cartersville	LIHTC	3.3 miles
3	Legacy At Acworth*	Acworth	LIHTC/Market	12.3 miles
4	Somerset Club Apartments	Cartersville	LIHTC/Market	2.6 miles
5	The Peaks Of Bells Ferry*	Acworth	LIHTC/Market	14.3 miles
6	Avonlea Highlands	Cartersville	Market	2.1 miles
7	Rosewood Apartments	Cartersville	Market	1.9 miles
8	Stonemill Apartments	Cartersville	Market	3.0 miles
9	The Glen	Cartersville	Market	1.4 miles
10	The Vineyards	Cartersville	Market	1.7 miles

* Located outside of the PMA

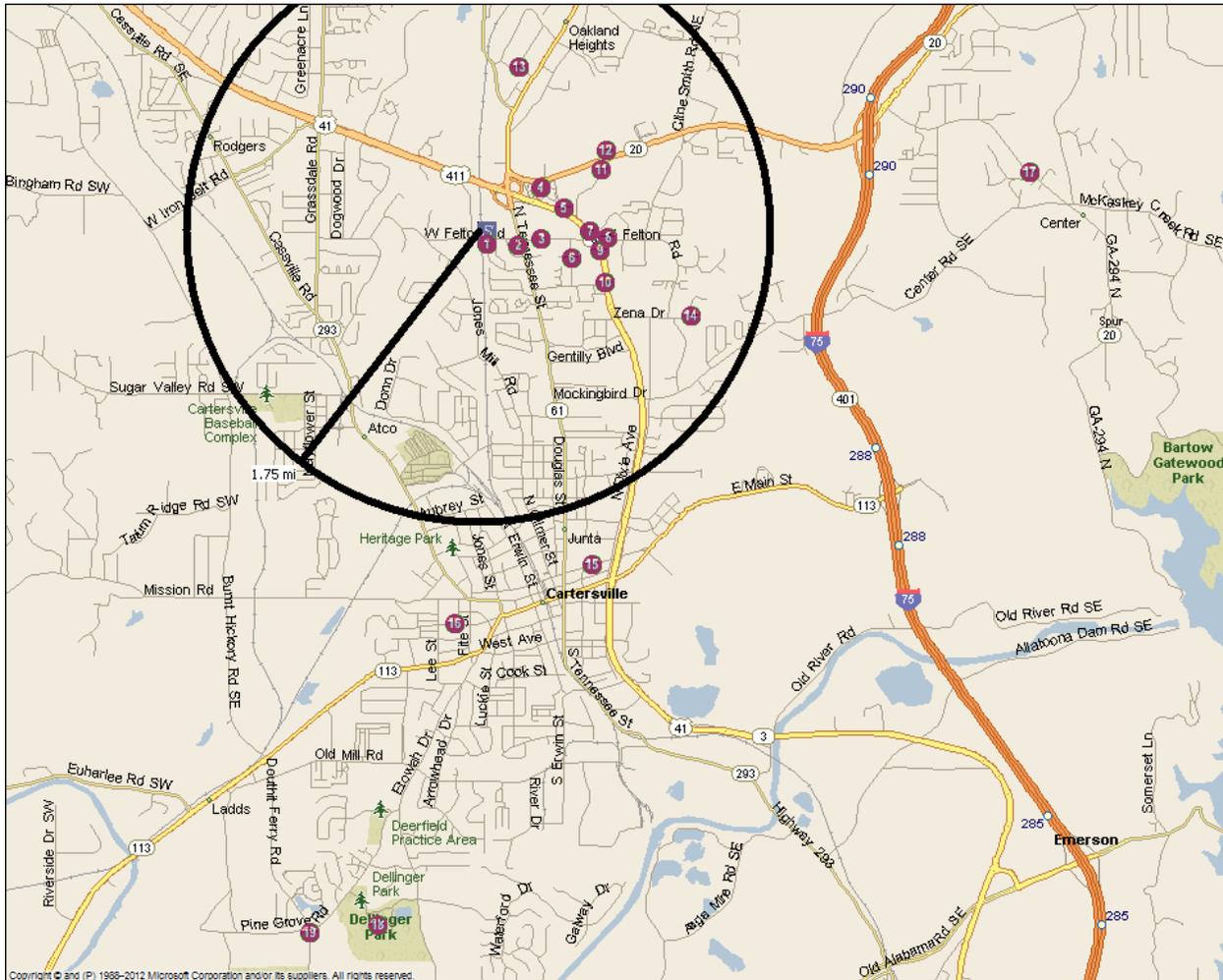
Comparable Property Map II



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Cherokee Summit*	Acworth	LIHTC	14.3 miles
2	Etowah Village	Cartersville	LIHTC	3.3 miles
3	Legacy At Acworth*	Acworth	LIHTC/Market	12.3 miles
4	Somerset Club Apartments	Cartersville	LIHTC/Market	2.6 miles
5	The Peaks Of Bells Ferry*	Acworth	LIHTC/Market	14.3 miles
6	Avonlea Highlands	Cartersville	Market	2.1 miles
7	Rosewood Apartments	Cartersville	Market	1.9 miles
8	Stonemill Apartments	Cartersville	Market	3.0 miles
9	The Glen	Cartersville	Market	1.4 miles
10	The Vineyards	Cartersville	Market	1.7 miles

* Located outside of the PMA

LOCATIONAL AMENITY MAP



LOCATIONAL AMENITIES

Map #	Service or Amenity	Distance from Subject	Map #	Service or Amenity	Distance from Subject
1	The Gingerbread House Pre-School	< 0.1 miles	11	Walmart Supercenter	0.9 miles
2	CITGO Gas Station	0.2 miles	12	Bartow County Fire Station	0.9 miles
3	Buffalo Southwest Café	0.4 miles	13	Oakland Heights Church	1.1 miles
4	Cartersville Medical Center	0.5 miles	14	Bartow County Sheriff's Department	1.2 miles
5	Rite Aid Pharmacy	0.5 miles	15	Cartersville High School	2.0 miles
6	Cartersville Dental Group	0.6 miles	16	Bartow County Library	2.3 miles
7	U.S. Post Office	0.6 miles	17	Cloverleaf Elementary School	3.4 miles
8	Dollar General	0.7 miles	18	Dellinger Park	4.2 miles
9	Ingles Grocery Store	0.7 miles	19	Cartersville Middle School	4.3 miles
10	Bank of America	0.8 miles	-	-	-

It should be noted that Bartow County operates a dial-a-ride transit service, available by request for \$1.00 per ride within in county, \$5.00 to Rome, GA, and \$2.50 to Acworth, GA.

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 Atlanta-Sandy Spring-Roswell, GA MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

- North: Kingston Highway, Law Road, Shotgun Road, Interstate 75
- East: Highway 20 NE, Altoona Lake, State Highway 401, Old Highway 41
- South: Bartow County line
- West: Raccoon Creek, Etowah River, Reynolds Bridge Road

This area includes the cities of Cartersville, Emerson, Bartow, and Oakland Heights, as well as unincorporated parts of Bartow County. The area was defined based on interviews with the local housing authority and property managers at comparable properties. The north boundary of the PMA is approximately six miles from the Subject site; the eastern boundary of the PMA is approximately four miles from the Subject site; and the southern boundary of the PMA is approximately eight miles from the Subject site; and the western boundary of the PMA is approximately seven miles from the Subject site.

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

1. Population Trends

The following tables illustrate Total Population from 2000 through 2019 and Population by Age Group within population in PMA, the MSA, and nationally.

TOTAL POPULATION						
Year	PMA		Atlanta-Sandy Springs-Roswell, 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	44,571	-	4,263,438	-	281,421,906	-
2010	59,315	3.3%	5,286,728	2.4%	308,745,538	1.0%
2014	60,536	0.5%	5,467,379	0.8%	314,467,933	0.4%
Projected Mkt Entry	63,647	1.6%	5,677,553	1.2%	321,862,230	0.7%
2019	65,322	1.6%	5,790,724	1.2%	325,843,774	0.7%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

POPULATION BY AGE IN 2014						
Age Cohort	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-4	4,231	7.0%	372,554	6.8%	19,987,250	6.4%
5-9	4,257	7.0%	386,307	7.1%	20,264,567	6.4%
10-14	4,367	7.2%	397,721	7.3%	20,621,313	6.6%
15-19	4,000	6.6%	374,613	6.9%	21,171,596	6.7%
20-24	4,137	6.8%	382,617	7.0%	22,787,955	7.2%
25-29	4,191	6.9%	385,740	7.1%	21,439,374	6.8%
30-34	4,066	6.7%	386,348	7.1%	20,988,843	6.7%
35-39	3,878	6.4%	380,563	7.0%	19,373,719	6.2%
40-44	4,229	7.0%	417,482	7.6%	20,731,962	6.6%
45-49	4,297	7.1%	399,503	7.3%	21,208,891	6.7%
50-54	4,270	7.1%	393,331	7.2%	22,540,388	7.2%
55-59	3,895	6.4%	341,601	6.2%	21,076,535	6.7%
60-64	3,224	5.3%	278,435	5.1%	18,494,651	5.9%
65-69	2,685	4.4%	221,182	4.0%	14,213,405	4.5%
70-74	1,853	3.1%	142,182	2.6%	10,364,917	3.3%
75-79	1,276	2.1%	90,869	1.7%	7,569,578	2.4%
80-84	861	1.4%	60,129	1.1%	5,722,550	1.8%
85+	819	1.4%	56,202	1.0%	5,910,439	1.9%
Total	60,536	100.0%	5,467,379	100.0%	314,467,933	100.0%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

The total population in the PMA in 2000 was 44,571 and 60,536 in 2014. The total population in the PMA and MSA increased annually by 0.5 and 0.8 percent, respectively, from 2010 to 2014. The total population in the PMA is anticipated to increase 1.6 percent through 2019. The MSA and nation will grow at annual rates of 1.2 and 0.7 percent, respectively, annually through market entry and 2019. The growth in population in the PMA will increase demand for housing of all types of housing.

2. Household Trends

2a. Total Number of Households and Average Household Size

TOTAL NUMBER OF HOUSEHOLDS						
Year	PMA		Atlanta-Sandy Springs-Roswell, 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	16,096	-	1,566,711	-	105,991,193	-
2010	21,464	3.3%	1,943,885	2.4%	116,716,292	1.0%
2014	21,900	0.5%	2,010,072	0.8%	118,979,182	0.5%
Projected Mkt Entry October 2017	23,017	1.6%	2,089,526	1.2%	121,894,895	0.8%
2019	23,619	1.6%	2,132,309	1.2%	123,464,895	0.8%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

AVERAGE HOUSEHOLD SIZE						
	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
<i>Year</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.72	-	2.67	-	2.58	-
2010	2.72	0.0%	2.68	0.0%	2.58	0.0%
2014	2.72	0.0%	2.68	0.0%	2.58	0.0%
Projected Mkt Entry October 2017	2.72	0.0%	2.68	0.0%	2.57	0.0%
2019	2.72	0.0%	2.68	0.0%	2.57	0.0%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

General household growth in the PMA and MSA increased at an annual rate of 3.3 and 2.4 percent, respectively, between 2000 and 2010, faster than the nation's increase of 1.0 percentage points annually through the same time period. The household growth is expected to increase at a slower annual rate of 1.6 percent for the PMA, 1.2 percent for the MSA, and 0.8 percentage points for the nation through the market entry date and 2019. The average household size is 2.72 in the PMA and 2.68 in the MSA, which are both larger than the national average of 2.58 in 2014. The average household size in the PMA, MSA, and nation is anticipated to remain stable through market entry and 2019. It should be noted, the growth in households in the PMA will

increase demand for housing of all types of affordable housing in *Cartersville*, especially for two- and three-bedroom units like those offered by the Subject.

2b. Households by Tenure

The tables below depicts general household growth by tenure from 2000 through 2019.

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,351	70.5%	4,745	29.5%
2010	13,546	63.1%	7,918	36.9%
2014	13,243	60.5%	8,657	39.5%
Projected Mkt Entry October 2017	14,027	60.9%	8,990	39.1%
2019	14,449	61.2%	9,170	38.8%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

In 2014, approximately 60.5 percent of households in the PMA were owner-occupied, while the remaining 39.5 percent are renter-occupied. The percentage of renter-occupied households in the PMA is expected to decrease slightly through the market entry date, although the total number of renter-occupied units is expected to increase. Further, the total number of renter households will increase by 513 households by 2019. This indicates an ongoing need for quality affordable renter housing in the PMA. The percentage of renter households in the PMA is higher than the national average of 36.4 percent (not shown).

2c. Households by Income

The following table depicts both the general population income in 2010, 2014, at market entry, and in 2019 for the PMA.

HOUSEHOLD INCOME DISTRIBUTION - PMA								
Income Cohort	2010		2014		Projected Mkt Entry October 2017		2019	
	Number	%	Number	%	Number	%	Number	%
\$0-9,999	1,627	7.6%	3,006	13.7%	3,671	15.9%	4,029	17.1%
\$10,000-19,999	2,606	12.1%	3,374	15.4%	4,018	17.5%	4,366	18.5%
\$20,000-29,999	2,176	10.1%	3,306	15.1%	3,979	17.3%	4,341	18.4%
\$30,000-39,999	2,425	11.3%	2,861	13.1%	2,993	13.0%	3,064	13.0%
\$40,000-49,999	2,138	10.0%	2,604	11.9%	2,857	12.4%	2,993	12.7%
\$50,000-59,999	2,086	9.7%	2,241	10.2%	1,768	7.7%	1,513	6.4%
\$60,000-74,999	2,236	10.4%	1,511	6.9%	1,293	5.6%	1,175	5.0%
\$75,000-99,999	2,411	11.2%	1,444	6.6%	1,223	5.3%	1,104	4.7%
\$100,000-124,999	1,421	6.6%	642	2.9%	587	2.6%	558	2.4%
\$125,000-149,999	969	4.5%	484	2.2%	332	1.4%	249	1.1%
\$150,000-199,999	869	4.0%	326	1.5%	218	0.9%	159	0.7%
\$200,000+	500	2.3%	100	0.5%	79	0.3%	67	0.3%
Total	21,464	100.0%	21,900	100.0%	23,017	100.0%	23,619	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, April 2015

According to the previous tables, 57.3 percent of the households in the PMA make less than \$40,000 per year, and 44.2 percent make less than \$30,000 per year. This data bodes well for affordable housing in the Subject’s area.

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

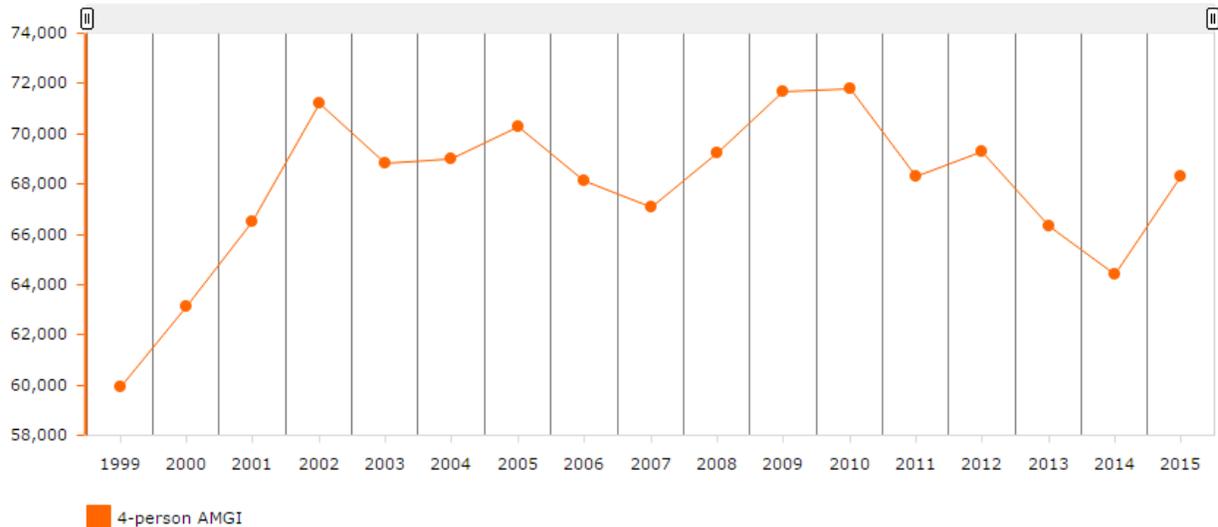
The following table illustrates the number of persons per household among renter households.

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA								
	2000		2014		Projected Mkt Entry October 2017		2019	
	Number	%	Number	%	Number	%	Number	%
With 1 Person	1,328	28.0%	2,548	29.4%	2,661	29.6%	2,723	29.7%
With 2 Persons	1,263	26.6%	2,096	24.2%	2,171	24.1%	2,212	24.1%
With 3 Persons	887	18.7%	1,524	17.6%	1,588	17.7%	1,623	17.7%
With 4 Persons	704	14.8%	1,274	14.7%	1,312	14.6%	1,333	14.5%
With 5+ Persons	563	11.9%	1,216	14.0%	1,258	14.0%	1,280	14.0%
Total Renter Households	4,745	100.0%	8,657	100.0%	8,990	100.0%	9,170	100.0%

Source: Ribbon Demographics 2014, Novogradac & Company LLP, April 2015

Approximately 71.2 percent of the renter households in the PMA have three or fewer total persons, and the percentage is anticipated remain stable through both the market entry date and through 2019. This data bodes well for the Subject’s proposed unit mix.

For Section 42 LIHTC rent determination purposes, the AMI is used. The following chart illustrates the AMI level for a four-person household in Bartow County.



Display: 4-person AMGI

Average Increase (AMGI): 0.8%/year

Novogradac & Company LLP, 4/2015

Overall, the AMI has increased by an average 0.8 percent annually between 1999 and 2015, but it is still well below the peak in 2009 and 2010. It should be noted that the AMI in Bartow County decreased in 2013 and 2014, but increased in 2015. Therefore, developments placed in service on or before 2010 will be held harmless at the 2010 maximum allowable levels, while developments placed in service in after 2012, such as the Subject, will be restricted to the 2015 maximum allowable rent and income levels. The Subject's proposed rents for its units at 50 and 60 percent of AMI are set below the 2015 maximum allowable levels, and future rental increases will not be limited by increases in AMI, but primarily based on market conditions.

CONCLUSION

The Subject is located in Cartersville, Bartow County, GA. The population in the PMA is PROJECTED to increase at a similar rate to the MSA but significantly faster than the nation through market entry and 2019. Approximately 57.3 percent of households in the PMA have annual earnings below \$40,000. The Subject will target households earning between \$19,817 and \$44,220. Persons within these income cohorts are expected to create demand for the Subject.

F. EMPLOYMENT TRENDS

Employment Trends

The Atlanta-Sandy Springs-Roswell, GA MSA has a stable economy with increasing total employment for seven of the last 10 years. The only decreases in employment occurred from 2008 through 2010, which is the result of the recent national recession. From 2004 through 2007, the unemployment rate in the MSA was relatively similar to that of the national unemployment rate. However, from 2008 through February 2015, the unemployment rate in the MSA has been consistently above the national average. It appears that the local economy is still recovering, as total employment numbers are similar to pre-recessionary levels. The local economy appears to be diverse and consist of relatively low-paying jobs offered in the education, retail trade, manufacturing, construction, government, and accommodation/food services sectors, which are expected to generate demand for affordable housing in the PMA.

1. Total Jobs

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

TOTAL JOBS IN BARTOW COUNTY, GEORGIA		
Year	Total Employment	% Change
2005	42,034	-
2006	42,696	1.5%
2007	43,620	2.1%
2008	43,592	-0.1%
2009	40,810	-6.8%
2010	42,007	2.8%
2011	42,270	0.6%
2012	42,683	1.0%
2013	42,992	0.7%
2014	43,736	1.7%
YTD 2015 Average	44,115	0.9%
Mar-14	43,615	-
Mar-15	44,086	1.1%

Source: U.S. Bureau of Labor Statistics

YTD as of March 2015

Total employment in Bartow County has increased from 2010 through March of 2015. However, total employment decreased in Barrow County from 2008 through 2009, which can be attributed to the recent national recession. The total employment, as of March 2015, is slightly above the pre-recession levels.

2. Total Jobs by Industry

The following table illustrates the annual total jobs by employment sectors within the PMA and USA as of 2014.

2014 EMPLOYMENT BY INDUSTRY				
Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	3,343	14.6%	15,162,651	10.6%
Retail Trade	3,039	13.2%	16,592,605	11.6%
Educational Services	2,418	10.5%	12,979,314	9.1%
Health Care/Social Assistance	2,201	9.6%	20,080,547	14.0%
Construction	2,147	9.3%	8,291,595	5.8%
Accommodation/Food Services	1,796	7.8%	10,849,114	7.6%
Other Services (excl Publ Adm)	1,115	4.9%	7,850,739	5.5%
Public Administration	1,071	4.7%	6,713,073	4.7%
Transportation/Warehousing	970	4.2%	5,898,791	4.1%
Prof/Scientific/Tech Services	903	3.9%	9,808,289	6.8%
Admin/Support/Waste Mgmt Srvc	824	3.6%	6,316,579	4.4%
Wholesale Trade	768	3.3%	3,628,118	2.5%
Finance/Insurance	576	2.5%	6,884,133	4.8%
Real Estate/Rental/Leasing	583	2.5%	2,627,562	1.8%
Information	437	1.9%	2,577,845	1.8%
Arts/Entertainment/Recreation	294	1.3%	3,151,821	2.2%
Utilities	259	1.1%	1,107,105	0.8%
Agric/Forestry/Fishing/Hunting	110	0.5%	1,800,354	1.3%
Mining	107	0.5%	868,282	0.6%
Mgmt of Companies/Enterprises	9	0.0%	97,762	0.1%
Total Employment	22,970	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2015

The largest proportion of the workforce in the PMA is employed in the manufacturing, retail trade, and educational services sectors, which represent 14.6, 13.2, and 10.5 percent of total employment in the PMA, respectively. Sectors such as manufacturing, retail trade, and construction are overrepresented in the PMA compared to the nation. Conversely, sectors such as health care/social assistance, professional/scientific/technical services, and finance/insurance are underrepresented in the PMA compared to the nation. The relatively high representation of cyclical industries, compared to the nation, such as manufacturing, construction, and retail trade in the PMA likely provides some instability to the local economy.

3. Major Employers

The following table details the major employers within Bartow County.

BARTOW COUNTY MAJOR EMPLOYERS		
Employer	Industry	Number of Employees
Shaw Industries Group, Inc.	Manufacturing (Flooring)	2,562
Bartow County School System	Education	1,765
Bartow County Government	Government	882
Cartersville Medical Center	Health Care	750
Toyo Tire NA	Manufacturing (Tires)	732
Anheuser-Busch Inbev	Brewing Company	570
Quest Global, Inc	Transportation	500
Cartersville School System	Education	500
City of Cartersville Government	Government	479
Walmart	Retail	420
Kennesaw Transportation	Transportation	420
Georgia Power/Plant Bowen	Utilities	368
Chattahoochee Technical College	Education	353
Gerdau	Manufacturing (Steel)	340
Aquafil USA Inc	Manufacturing (Textiles)	250
Americo Manufacturing	Manufacturing (Textiles)	250
T.I. Group Automotive	Manufacturing (Automotive Components)	232
Yanmar America Corporation	Manufacturing (Marine/Agriculture)	205
Beaulieu Commercial	Manufacturing (Textiles)	200
Phoenix Air	Transportation	180
Chemical Products Technologies	Manufacturing (Chemicals)	173
Zep Commercial	Manufacturing (Chemicals)	135
Trinity Rail	Transportation	127
Atco Rubber Products, Inc	Manufacturing	119
Graham Packaging	Packaging	102

Source: Cartersville-Bartow County Economic Development, Novogradac & Company LLP, 4/2015

As illustrated in the previous table, the local economy is heavily reliant on the manufacturing sector. Of the top 25 major employers in Bartow County, 11 are in the manufacturing sector. Approximately 15 percent of workers in the PMA are employed by manufacturers. Six of the top 25 major employers are in relatively stable industries including education, government, and health care.

Expansions/Contractions

We spoke with Connie Salter, Operations Manager with Cartersville Bartow Economic Development, to inquire about business expansions/contraction in the county. Ms. Salter provided us the following business expansion information.

- Pattillo Industrial Real Estate published plans to develop a 265,000 square foot facility in the Cartersville Business Park. The facility will be located in the northern portion of Cartersville, just east of Interstate 75 on Cass White Road.
- Vista Metals will invest \$17 million to expand its existing 57,500 square foot manufacturing facility. The expansion is expected to create at least 30 new jobs.
- Surya announced plans to open a state-of-the-art 1,000,000 square foot facility that is expected to create 250 jobs in Cartersville. The expansion began in August 2014 and is expected to cost \$30 million.
- Beaulieu International Group announced plans to establish headquarters in Cartersville and will create 350 new jobs over the next five years. The manufacturing plant will sit on 120 acres of land in the northern portion of Cartersville.
- Toyo Tire is in the process of expanding its current facility, which will create 650 new jobs over the next four years. The expansion is estimated at \$371 million and will add 700,000 square feet in manufacturing space.

According to the Georgia Department of Economic Development’s Worker Adjustment and Retraining Notification (WARN) list, there have been few layoffs reported for Bartow County in 2012 to year-to-date 2015. The following table details the layoffs according to the WARN notices.

WARN LISTINGS - BARTOW COUNTY				
Company Name	Location	Type	Date	# Jobs Lost
K-Mart	Cartersville	Closure	10/23/2012	74
ATOS	Cartersville	Closure	2/28/2014	1
Wynn Buick GMC	Cartersville	Layoff	10/3/2014	36
Spring Global	Cartersville	Closure	11/28/2014	24

Source: Georgia Department of Economic Development; Novogradac & Company LLP, 4/2015

According the WARN list for Bartow County, during 2012 and 2015 year-to-date, the county experienced 135 total layoffs.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the Atlanta-Sandy Springs-Roswell, GA MSA from 2001 through February 2015.

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

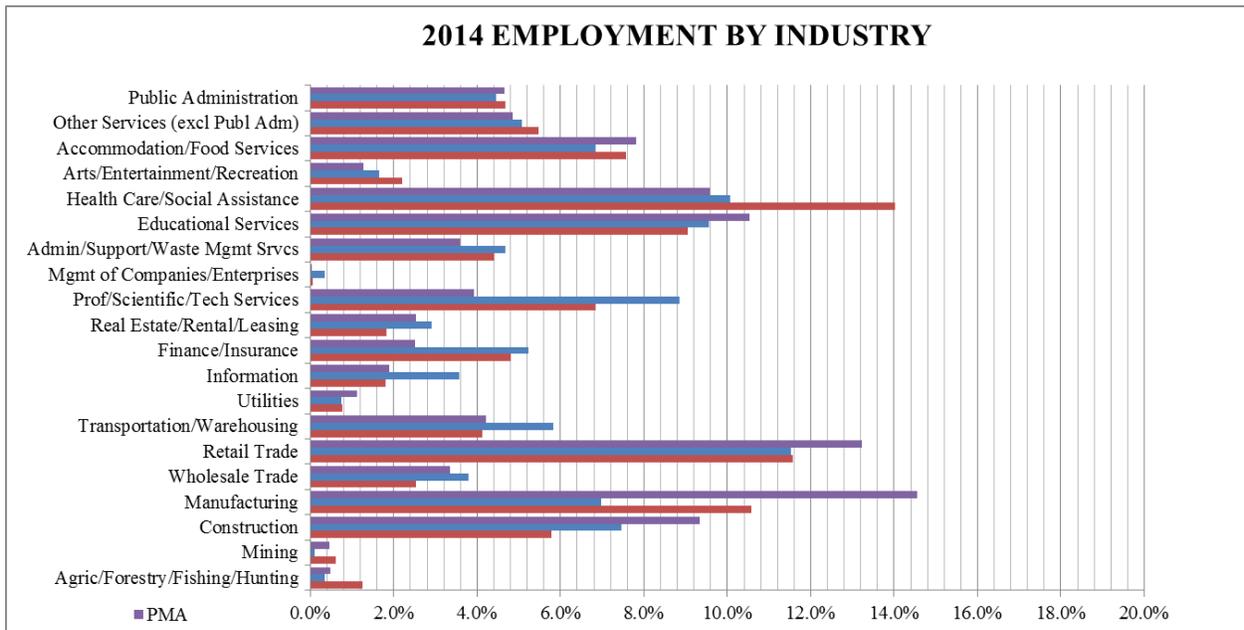
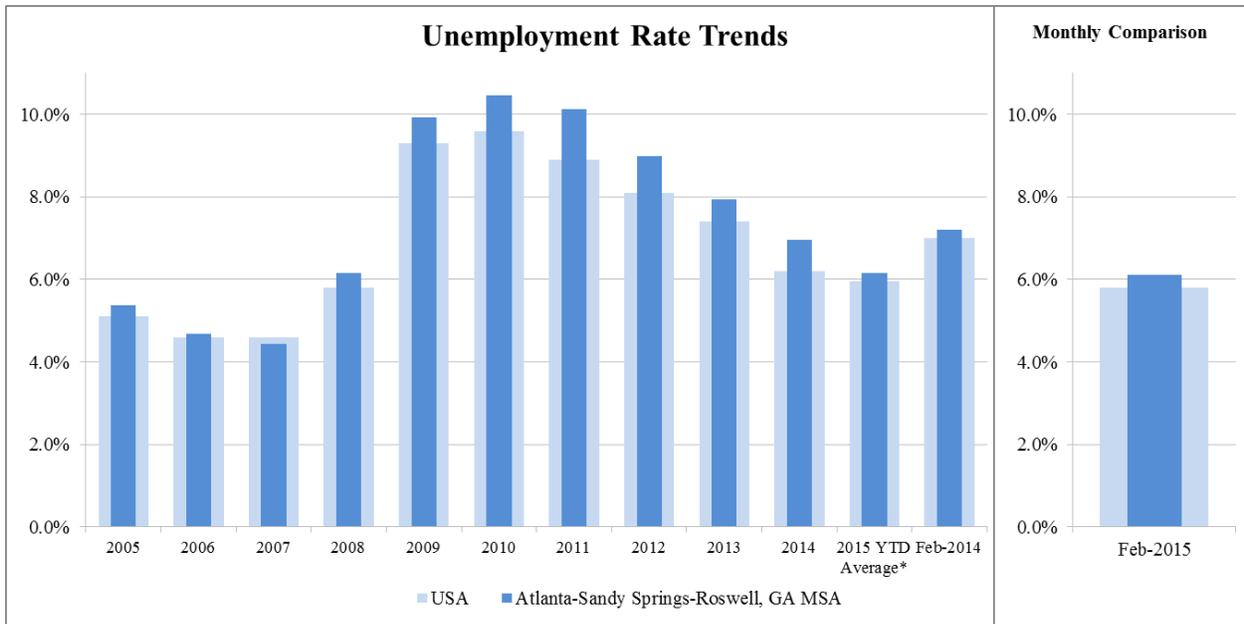
Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	% Change	Total Employment	% Change	Unemployment Rate	% Change
2001	2,329,891	-	3.7%	-	136,933,000	-	4.7%	-
2002	2,324,880	-0.2%	5.0%	1.3%	136,485,000	-0.3%	5.8%	1.1%
2003	2,347,173	1.0%	4.9%	-0.2%	137,736,000	0.9%	6.0%	0.2%
2004	2,382,163	1.5%	4.8%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,445,674	2.7%	5.4%	0.6%	141,730,000	1.8%	5.1%	-0.4%
2006	2,538,141	3.8%	4.7%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	146,047,000	1.1%	4.6%	0.0%
2008	2,606,822	-0.5%	6.2%	1.7%	145,362,000	-0.5%	5.8%	1.2%
2009	2,452,057	-5.9%	9.9%	3.8%	139,877,000	-3.8%	9.3%	3.5%
2010	2,389,549	-2.5%	10.5%	0.5%	139,064,000	-0.6%	9.6%	0.3%
2011	2,428,103	1.6%	10.1%	-0.3%	139,869,000	0.6%	8.9%	-0.7%
2012	2,487,638	2.5%	9.0%	-1.1%	142,469,000	1.9%	8.1%	-0.8%
2013	2,513,530	1.0%	7.9%	-1.1%	143,929,000	1.0%	7.4%	-0.7%
2014	2,552,790	1.6%	7.0%	-1.0%	146,305,000	1.7%	6.2%	-1.2%
2015 YTD Average*	2,636,456	3.3%	6.2%	-0.8%	146,835,000	0.4%	6.0%	-0.3%
Feb-2014	2,533,810	-	7.2%	-	144,134,000	-	7.0%	-
Feb-2015	2,641,634	4.3%	6.1%	-1.1%	147,118,000	2.1%	5.8%	-1.2%

Source: U.S. Bureau of Labor Statistics April 2015

*2015 data is through Dec

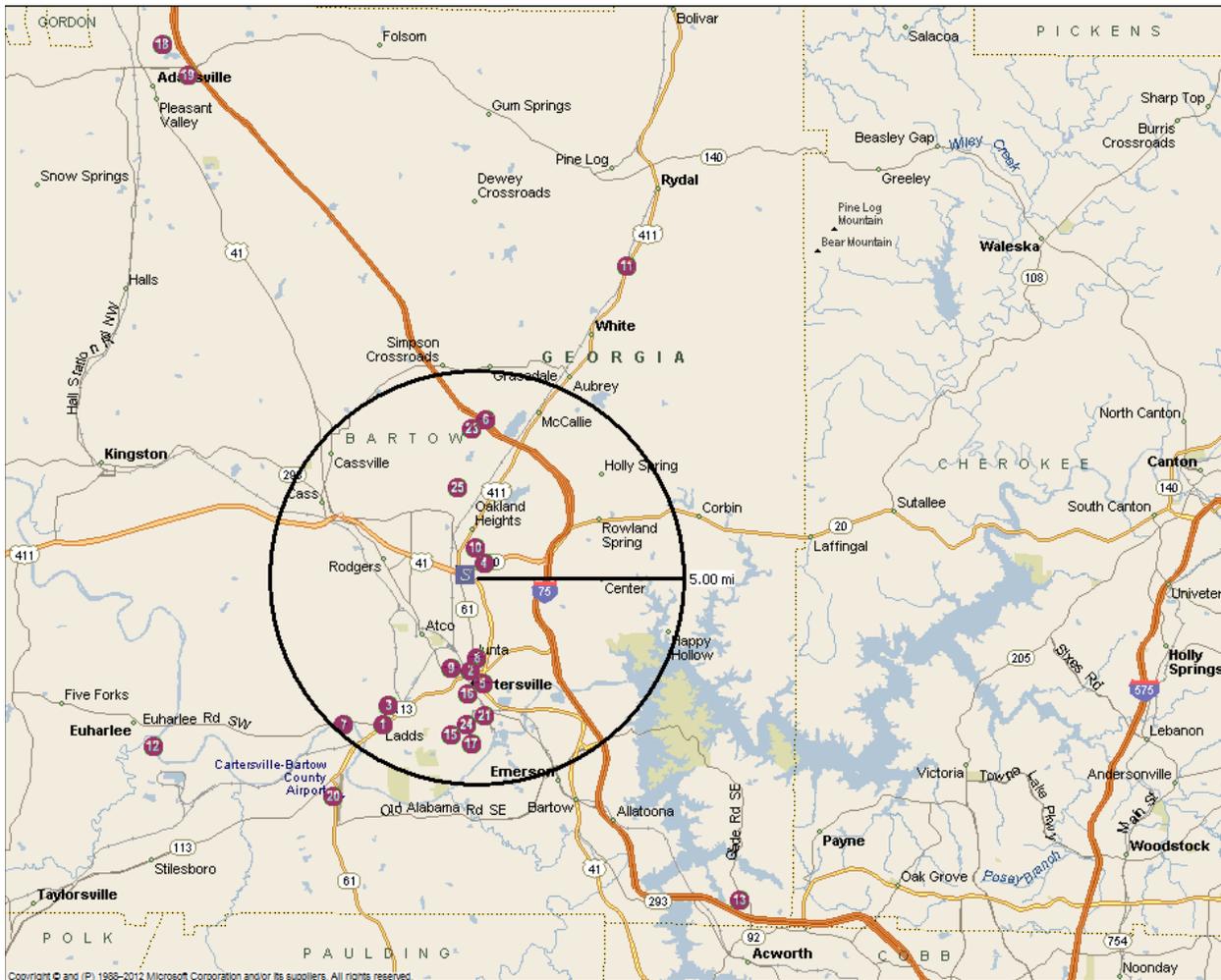
Historically, total employment levels within the MSA have performed well relative to the nation. Prior to the latest recession, the MSA experienced significant total employment growth from 2003 to 2007, at an annual rate of 1.0 percent or greater. Similar to other rapidly growing metro areas throughout the country, the recession of 2008 to 2010 severely impacted total employment levels in the MSA. From 2008 to 2009, total employment within the MSA decreased 5.9 percent, which exceeded the nation's decline by 3.8 percent. The MSA's unemployment rate increased 6.2 percent to 9.9 percent over the same period of time. Its unemployment rate peaked in 2010 at 10.5 percent.

Since the recent recession, the MSA's economic recovery has generally been on pace with the nation. The MSA's year-over-year total employment growth figure in 2013 was 1.0 percent. Over the same time period, the nation's total employment level also increased 1.0 percent. As of February 2015, the unemployment rate in the MSA has decreased 4.4 percent from its peak in 2010. As of February 2015, the MSA's unemployment rate stands at 6.4 percent, 0.3 percent above that of the nation. As the recent data suggests, the MSA is recovering from the most recent national recession, and we anticipate continued recovery at a rate similar to the nation.



5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Bartow County, GA.



#	Employer	Industry	# Employed
1	Shaw Industries Group, Inc.	Manufacturing (Flooring)	2,562
2	Bartow County School System	Education	1,765
3	Bartow County Government	Government	882
4	Cartersville Medical Center	Health Care	750
5	Toyo Tire NA	Manufacturing (Tires)	732
6	Anheuser-Busch Inbev	Brewing Company	570
7	Quest Global, Inc	Transportation	500
8	Cartersville School System	Education	500
9	City of Cartersville Government	Government	479
10	Walmart	Retail	420
11	Kennesaw Transportation	Transportation	420
12	Georgia Power/Plant Bowen	Utilities	368
13	Chattahoochee Technical College	Education	353
14	Gerda	Manufacturing (Steel)	340
15	Aquafil USA Inc	Manufacturing (Textiles)	250
16	Americo Manufacturing	Manufacturing (Textiles)	250
17	T.I. Group Automotive	Manufacturing (Automotive Components)	232
18	Yanmar America Corporation	Manufacturing (Marine/Agriculture)	205
19	Beaulieu Commercial	Manufacturing (Textiles)	200
20	Phoenix Air	Transportation	180
21	Chemical Products Technologies	Manufacturing (Chemicals)	173
22	Zep Commercial	Manufacturing (Chemicals)	135
23	Trinity Rail	Transportation	127
24	Atco Rubber Products, Inc	Manufacturing	119
25	Graham Packaging	Packaging	102
TOTAL			12,614

Conclusion

The Atlanta-Sandy Springs-Roswell, GA MSA has an improving economy with increasing total employment for seven of the last 10 years. The only decreases in employment occurred from 2008 through 2010, which is the result of the recent national recession. The unemployment rate in the MSA has generally been below the national unemployment rate. It appears that the local economy is still recovering, as total employment numbers have recently reached similar levels to pre-recessionary levels. The local economy appears to be diverse and consist of relatively low-paying jobs offered in the retail, distribution, and manufacturing, industries which are expected to generate demand for affordable housing in the PMA.

PROJECT-SPECIFIC DEMAND ANALYSIS

DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

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

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

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

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

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2016, the anticipated date of market entry, as the base year for the analysis. Therefore, 2014 household population estimates are inflated to 2016 by interpolation of the difference between 2014 estimates and 2019 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 2016. This number takes the overall growth from 2014 to 2016 and applies it

to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

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

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

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

3C. SECONDARY MARKET AREA

Per the GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. OTHER

DCA does not consider household turnover to be a source of market demand. Therefore, we have not accounted for household turnover in our demand analysis.

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 2011 to the present.

ADDITIONS TO SUPPLY

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we 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 to 2014.
- 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 to 2014. 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.

Based on DCA’s allocation lists, there are currently no LIHTC multifamily properties proposed for the Subject’s PMA. Additionally, there are no market rate properties proposed, under construction, or that have entered the market in 2011 to 2014. There have been no LIHTC allocation from 2011 through 2015 YTD.

Additionally, we contacted the Cartersville Planning Department to inquire about multifamily apartments that were recently completed, are currently under construction, or are in the site plan review process. According to Richard Osborne, City Planner, there are no competitive market rate developments coming online over the next several years.

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. The bold properties were included as comparables.

GENERAL MARKET OVERVIEW							
Name	Occupancy Rate	Address	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
Carter Manor Apartments	100%	142 Old Gilliam Springs Rd SW	LIHTC/Market	Senior	Excluded	Dissimilar tenancy	4.3 miles
Cass Towne Apartments	100%	1341 Cassville Road NW	LIHTC	Senior	Excluded	Dissimilar tenancy	3.9 miles
Crossfield Apartments Phase I	N/Av	7 Crossfield Circle	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Crossfield Apartments Phase II	N/Av	7 Crossfield Circle	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Etowah Village	99%	366 Old Mill Road	LIHTC	Family	Included	N/A	3.3 miles
Somerset Club Apartments	96%	91 Somerset Club Drive SE	LIHTC/Market	Family	Included	N/A	2.6 miles
The Cove	100%	90 Liberty Square Drive NE	LIHTC	Senior	Excluded	Dissimilar tenancy	1.6 miles
Shangri-La Park	100%	69 Gilreath Rd NW	LIHTC/HOME	Senior	Excluded	Dissimilar tenancy	1.9 miles
Cartersville Gardens Apartments	100%	378 Old Mill Road	Section 8	Senior	Excluded	Dissimilar tenancy	3.4 miles
Huntwood Terrace Senior	100%	71 Center Rd SE	Section 8	Senior	Excluded	Dissimilar tenancy	1.5 miles
The Jared House	N/Av	245 Douthit Ferry Rd	Section 8	Family	Excluded	Rents subsidized	3.7 miles
Fieldmont Apartments	N/Av	34 Gilreath Rd	Rural Development	Family	Excluded	Rents subsidized	1.9 miles
Club Court Apartments I & II	99%	72 Massell Dr.	Rural Development	Family	Excluded	Rents subsidized	0.8 miles
Collins Pointe	100%	18 Roving Road	Market	Family	Excluded	Dissimilar property type	1.0 miles
Etowah Area Consolidated HA Portfolio	99%	Scattered Site	Market	Family	Excluded	Inferior condition	2.6 miles
Grandview Apartments	100%	73 Grandview Court NW	Market	Family	Excluded	Dissimilar property type	2.2 miles
Hannah Apartments	100%	390 Old Mill Road	Market	Family	Excluded	Dissimilar unit mix	3.4 miles
Magnolia Gardens	94%	134 Leake Street	Market	Family	Excluded	Dissimilar property type	2.4 miles
Morgan Square	N/Av	290 East Felton Road	Market	Family	Excluded	Dissimilar unit mix	1.2 miles
Park Place Townhomes	90%	81 Pine Grove Road	Market	Family	Excluded	Closer comparables used	4.0 miles
Rosewood Apartments	98%	531 Grassdale Road	Market	Family	Included	N/A	1.9 miles
Stonemill Apartments	98%	50 Stone Mill Drive SE	Market	Family	Included	N/A	3.0 miles
The Avenue	91%	25 Gilreath Road NW	Market	Family	Excluded	Inferior condition	2.0 miles
The Glen	100%	200 Governor's Court	Market	Family	Included	N/A	1.4 miles
The Vineyards	100%	11 Sheffield Place	Market	Family	Included	N/A	1.7 miles
222 North Erwin Street	100%	222 North Erwin Street	Market	Family	Excluded	Dissimilar unit mix	1.9 miles
Alexandria Landing	100%	370 Old Mill Road	Market	Family	Excluded	Closer comparables used	3.4 miles
Amberwood Apartments	98%	1116 N. Tennessee Street	Market	Family	Excluded	Inferior condition	0.5 miles
Avonlea Highlands	100%	950 East Main Street	Market	Family	Included	N/A	2.1 miles

As the previous table demonstrates, the overall occupancy rate in the PMA is stable at approximately 98 percent.

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.

As new construction, this methodology does not apply to the Subject.

Capture Rates

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

Renter Household Income Distribution 2014 to Projected Market Entry October 2017					
Cloverleaf Apartments					
PMA					
	2014		Projected Mkt Entry October 2017		Percent
	#	%	#	%	Growth
\$0-9,999	1,831	21.2%	2,121	23.6%	13.7%
\$10,000-19,999	1,897	21.9%	2,126	23.6%	10.8%
\$20,000-29,999	1,460	16.9%	1,595	17.7%	8.5%
\$30,000-39,999	1,140	13.2%	1,117	12.4%	-2.1%
\$40,000-49,999	918	10.6%	947	10.5%	3.0%
\$50,000-59,999	762	8.8%	565	6.3%	-35.0%
\$60,000-74,999	297	3.4%	238	2.6%	-24.7%
\$75,000-99,999	156	1.8%	125	1.4%	-24.5%
\$100,000-124,999	95	1.1%	71	0.8%	-33.5%
\$125,000-149,999	35	0.4%	37	0.4%	5.6%
\$150,000-199,999	47	0.5%	33	0.4%	-41.4%
\$200,000+	20	0.2%	16	0.2%	-20.1%
Total	8,657	100.0%	8,990	100.0%	3.7%

Renter Household Income Distribution Projected Market Entry October 2017			
Cloverleaf Apartments			
PMA			
	Projected Mkt Entry October 2017		Change 2014 to Prj Mrkt Entry October 2017
	#	%	#
\$0-9,999	2,121	23.6%	79
\$10,000-19,999	2,126	23.6%	79
\$20,000-29,999	1,595	17.7%	59
\$30,000-39,999	1,117	12.4%	41
\$40,000-49,999	947	10.5%	35
\$50,000-59,999	565	6.3%	21
\$60,000-74,999	238	2.6%	9
\$75,000-99,999	125	1.4%	5
\$100,000-124,999	71	0.8%	3
\$125,000-149,999	37	0.4%	1
\$150,000-199,999	33	0.4%	1
\$200,000+	16	0.2%	1
Total	8,990	100.0%	333

Tenure Prj Mrkt Entry October 2017	
Renter	39.1%
Owner	60.9%
Total	100.0%

Renter Household Size for Prj Mrkt Entry October 2017		
Size	Number	Percentage
1 Person	2,661	29.6%
2 Person	2,171	24.1%
3 Person	1,588	17.7%
4 Person	1,312	14.6%
5+ Person	1,258	14.0%
Total	8,990	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,328	28.0%
2 Person	1,263	26.6%
3 Person	887	18.7%
4 Person	704	14.8%
5+ Person	563	11.9%
Total	4,745	100.0%

50% AMI

Calculation of New Renter Household Demand by Income Cohort by % of AMI							
Percent of AMI Level				50% AMI			
Minimum Income Limit				\$19,817			
Maximum Income Limit				\$36,850 5 Persons			
Income Category	New Renter Households - Total Change in Households PMA 2014 to Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	Count	Percentage			Count	Percentage	
\$0-9,999	78.65	23.6%		0.0%		0	
\$10,000-19,999	78.85	23.6%		0.0%		0	
\$20,000-29,999	59.17	17.7%	10,182	101.8%		60	
\$30,000-39,999	41.41	12.4%	6,850	68.5%		28	
\$40,000-49,999	35.11	10.5%		0.0%		0	
\$50,000-59,999	20.95	6.3%		0.0%		0	
\$60,000-74,999	8.82	2.6%		0.0%		0	
\$75,000-99,999	4.65	1.4%		0.0%		0	
\$100,000-124,999	2.64	0.8%		0.0%		0	
\$125,000-149,999	1.37	0.4%		0.0%		0	
\$150,000-199,999	1.23	0.4%		0.0%		0	
\$200,000+	0.61	0.2%		0.0%		0	
	333	100.0%				89	
Percent of renter households within limits versus total number of renter households						26.58%	
Calculation of Potential Household Demand by Income Cohort by % of AMI							
Percent of AMI Level				50% AMI			
Minimum Income Limit				\$19,817			
Maximum Income Limit				\$36,850 5 Persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Households within Bracket		
	Count	Percentage			Count	Percentage	
\$0-9,999	2,121	23.6%		0.0%		0	
\$10,000-19,999	2,126	23.6%		0.0%		0	
\$20,000-29,999	1,595	17.7%	\$10,182	101.8%		1,624	
\$30,000-39,999	1,117	12.4%	\$6,850	68.5%		765	
\$40,000-49,999	947	10.5%		0.0%		0	
\$50,000-59,999	565	6.3%		0.0%		0	
\$60,000-74,999	238	2.6%		0.0%		0	
\$75,000-99,999	125	1.4%		0.0%		0	
\$100,000-124,999	71	0.8%		0.0%		0	
\$125,000-149,999	37	0.4%		0.0%		0	
\$150,000-199,999	33	0.4%		0.0%		0	
\$200,000+	16	0.2%		0.0%		0	
	8,990	100.0%				2,389	
Percent of renter households within limits versus total number of renter households						26.58%	
Does the Project Benefit from Rent Subsidy? (Y/N)	No						
Type of Housing (Family vs Senior)	Family						
Location of Subject (Rural versus Urban)	Rural						
Percent of Income for Housing	35%						
2000 Median Income	\$43,857						
Projected Mkt Entry October 2017 Median Income	\$49,876						
Change from 2000 to Prj Mrkt Entry October 2017	\$6,019						
Total Percent Change	12.1%						
Average Annual Change	0.1%						
Inflation Rate	0.1%		Two year adjustment		1.0000		
Maximum Allowable Income	\$36,850						
Maximum Allowable Income Inflation Adjusted	\$36,850						
Maximum Number of Occupants	5						
Rent Income Categories	50% AMI						
Initial Gross Rent for Smallest Unit	\$578						
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$578						
Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	100%	0%	0%	100%
5+	0%	0%	0%	100%	0%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2014 to Prj Mrkt Entry October 2017

Income Target Population	50% AMI
New Renter Households PMA	333
Percent Income Qualified	26.6%
New Renter Income Qualified Households	89

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

Demand from Existing Households 2014

Demand form Rent Overburdened Households

Income Target Population	50% AMI
Total Existing Demand	8,990
Income Qualified	26.6%
Income Qualified Renter Households	2,389
Percent Rent Overburdened Prj Mrkt Entry October 2017	22.6%
Rent Overburdened Households	539

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	2,389
Percent Living in Substandard Housing	0.2%
Households Living in Substandard Housing	5

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

Senior Households Converting from Homeownership

Income Target Population	50% AMI
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households	544
Adjustment Factor - Leakage from SMA	100%
Adjusted Demand from Existing Households	544
Total New Demand	89
Total Demand (New Plus Existing Households)	633

Demand from Seniors Who Convert from Homeownership	0
Percent of Total Demand From Homeownership Conversion	0.0%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	29.6%	187
Two Persons	24.1%	153
Three Persons	17.7%	112
Four Persons	14.6%	92
Five Persons	14.0%	89
Total	100.0%	633

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	169
Of two-person households in 1BR units	20%	31
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
<u>Of five-person households in 1BR units</u>	<u>0%</u>	<u>0</u>
Of one-person households in 2BR units	10%	19
Of two-person households in 2BR units	80%	122
Of three-person households in 2BR units	60%	67
Of four-person households in 2BR units	0%	0
<u>Of five-person households in 2BR units</u>	<u>0%</u>	<u>0</u>
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%	45
Of four-person households in 3BR units	100%	92
Of five-person households in 3BR units	100%	89
Total Demand		633
Check		OK

Total Demand by Bedroom	50% AMI
1 BR	199
2 BR	208
3 BR	226
Total Demand	633

Additions To Supply 2014 to Prj Mrkt Entry October 2017	50% AMI
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	50% AMI
1 BR	199
2 BR	208
3 BR	226
Total	633

Developer's Unit Mix	50% AMI
1 BR	2
2 BR	6
3 BR	6
Total	14

Capture Rate Analysis	50% AMI
1 BR	1.0%
2 BR	2.9%
3 BR	2.7%
Total	2.2%

60% AMI

Calculation of New Renter Household Demand by Income Cohort by % of AMI						
Percent of AMI Level		60% AMI				
Minimum Income Limit		\$20,674				
Maximum Income Limit		\$44,220 5 Persons				
Income Category	New Renter Households - Total Change in Households PMA 2014 to Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Renter Household s within Bracket	
\$0-9,999	78.65	23.6%		0.0%		0
\$10,000-19,999	78.85	23.6%		0.0%		0
\$20,000-29,999	59.17	17.7%	9,325	93.3%		55
\$30,000-39,999	41.41	12.4%	9,999	100.0%		41
\$40,000-49,999	35.11	10.5%	4,220	42.2%		15
\$50,000-59,999	20.95	6.3%		0.0%		0
\$60,000-74,999	8.82	2.6%		0.0%		0
\$75,000-99,999	4.65	1.4%		0.0%		0
\$100,000-124,999	2.64	0.8%		0.0%		0
\$125,000-149,999	1.37	0.4%		0.0%		0
\$150,000-199,999	1.23	0.4%		0.0%		0
\$200,000+	0.61	0.2%		0.0%		0
	333	100.0%				111
Percent of renter households within limits versus total number of renter households						33.41%

Calculation of Potential Household Demand by Income Cohort by % of AMI						
Percent of AMI Level		60% AMI				
Minimum Income Limit		\$20,674				
Maximum Income Limit		\$44,220 5 Persons				
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Household s within Bracket	
\$0-9,999	2,121	23.6%		0.0%		0
\$10,000-19,999	2,126	23.6%		0.0%		0
\$20,000-29,999	1,595	17.7%	\$9,325	93.3%		1,488
\$30,000-39,999	1,117	12.4%	\$9,999	100.0%		1,117
\$40,000-49,999	947	10.5%	\$4,220	42.2%		399
\$50,000-59,999	565	6.3%		0.0%		0
\$60,000-74,999	238	2.6%		0.0%		0
\$75,000-99,999	125	1.4%		0.0%		0
\$100,000-124,999	71	0.8%		0.0%		0
\$125,000-149,999	37	0.4%		0.0%		0
\$150,000-199,999	33	0.4%		0.0%		0
\$200,000+	16	0.2%		0.0%		0
	8,990	100.0%				3,004
Percent of renter households within limits versus total number of renter households						33.41%

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Family
Location of Subject (Rural versus Urban)	Rural
Percent of Income for Housing	35%
2000 Median Income	\$43,857
Projected Mkt Entry October 2017 Median Income	\$49,876
Change from 2000 to Prj Mrkt Entry October 2017	\$6,019
Total Percent Change	12.1%
Average Annual Change	0.1%
Inflation Rate	0.1%
	Two year adjustment 1.0000
Maximum Allowable Income	\$44,220
Maximum Allowable Income Inflation Adjusted	\$44,220
Maximum Number of Occupants	5
Rent Income Categories	60% AMI
Initial Gross Rent for Smallest Unit	\$603
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$603

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

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2014 to Prj Mrkt Entry October 2017

Income Target Population	60% AMI
New Renter Households PMA	333
Percent Income Qualified	33.4%
New Renter Income Qualified Households	111

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

Demand from Existing Households 2014

Demand form Rent Overburdened Households

Income Target Population	60% AMI
Total Existing Demand	8,990
Income Qualified	33.4%
Income Qualified Renter Households	3,004
Percent Rent Overburdened Prj Mrkt Entry October 2017	22.6%
Rent Overburdened Households	678

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	3,004
Percent Living in Substandard Housing	0.2%
Households Living in Substandard Housing	7

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

Senior Households Converting from Homeownership

Income Target Population	60% AMI
Total Senior Homeowners	0
Rural Versus Urban	5.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		684
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		684
Total New Demand		111
Total Demand (New Plus Existing Households)		796

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	29.6%	236
Two Persons	24.1%	192
Three Persons	17.7%	141
Four Persons	14.6%	116
Five Persons	14.0%	111
Total	100.0%	796

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	212
Of two-person households in 1BR units	20%	38
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
<u>Of five-person households in 1BR units</u>	<u>0%</u>	<u>0</u>
Of one-person households in 2BR units	10%	24
Of two-person households in 2BR units	80%	154
Of three-person households in 2BR units	60%	84
Of four-person households in 2BR units	0%	0
<u>Of five-person households in 2BR units</u>	<u>0%</u>	<u>0</u>
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%	56
Of four-person households in 3BR units	100%	116
Of five-person households in 3BR units	100%	111
Total Demand		796
Check		OK

Total Demand by Bedroom	60% AMI
1 BR	251
2 BR	262
3 BR	284
Total Demand	796

Additions To Supply 2014 to Prj Mrkt Entry October 2017	60% AMI
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	60% AMI
1 BR	251
2 BR	262
3 BR	284
Total	796

Developer's Unit Mix	60% AMI
1 BR	2
2 BR	26
3 BR	28
Total	56

Capture Rate Analysis	60% AMI
1 BR	0.8%
2 BR	9.9%
3 BR	9.9%
Total	7.0%

Overall Demand

Calculation of New Renter Household Demand by Income Cohort by % of AMI							
Percent of AMI Level		Overall					
Minimum Income Limit		\$19,817					
Maximum Income Limit		\$44,220 5 Persons					
Income Category	New Renter Households - Total Change in Households PMA 2014 to Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Renters within Households within Bracket		
\$0-9,999	78.65	23.6%		0.0%	0		
\$10,000-19,999	78.85	23.6%		0.0%	0		
\$20,000-29,999	59.17	17.7%	10,182	101.8%	60		
\$30,000-39,999	41.41	12.4%	9,999	100.0%	41		
\$40,000-49,999	35.11	10.5%	4,220	42.2%	15		
\$50,000-59,999	20.95	6.3%		0.0%	0		
\$60,000-74,999	8.82	2.6%		0.0%	0		
\$75,000-99,999	4.65	1.4%		0.0%	0		
\$100,000-124,999	2.64	0.8%		0.0%	0		
\$125,000-149,999	1.37	0.4%		0.0%	0		
\$150,000-199,999	1.23	0.4%		0.0%	0		
\$200,000+	0.61	0.2%		0.0%	0		
	333	100.0%			116		
Percent of renter households within limits versus total number of renter households					34.93%		
Calculation of Potential Household Demand by Income Cohort by % of AMI							
Percent of AMI Level		Overall					
Minimum Income Limit		\$19,817					
Maximum Income Limit		\$44,220 5 Persons					
Income Category	Total Renter Households PMA Prj Mrkt Entry October 2017		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	2,121	23.6%		0.0%	0		
\$10,000-19,999	2,126	23.6%		0.0%	0		
\$20,000-29,999	1,595	17.7%	\$10,182	101.8%	1,624		
\$30,000-39,999	1,117	12.4%	\$9,999	100.0%	1,117		
\$40,000-49,999	947	10.5%	\$4,220	42.2%	399		
\$50,000-59,999	565	6.3%		0.0%	0		
\$60,000-74,999	238	2.6%		0.0%	0		
\$75,000-99,999	125	1.4%		0.0%	0		
\$100,000-124,999	71	0.8%		0.0%	0		
\$125,000-149,999	37	0.4%		0.0%	0		
\$150,000-199,999	33	0.4%		0.0%	0		
\$200,000+	16	0.2%		0.0%	0		
	8,990	100.0%			3,140		
Percent of renter households within limits versus total number of renter households					34.93%		
Does the Project Benefit from Rent Subsidy? (Y/N)	No						
Type of Housing (Family vs Senior)	Family						
Location of Subject (Rural versus Urban)	Rural						
Percent of Income for Housing	35%						
2000 Median Income	\$43,857						
Projected Mkt Entry October 2017 Median Income	\$49,876						
Change from 2000 to Prj Mrkt Entry October 2017	\$6,019						
Total Percent Change	12.1%						
Average Annual Change	0.1%						
Inflation Rate	0.1% Two year adjustment 1.0000						
Maximum Allowable Income	\$44,220						
Maximum Allowable Income Inflation Adjusted	\$44,220						
Maximum Number of Occupants	5						
Rent Income Categories	Overall						
Initial Gross Rent for Smallest Unit	\$578						
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$578						
Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	100%	0%	0%	100%
5+	0%	0%	0%	100%	0%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2014 to Prj Mrkt Entry October 2017

Income Target Population		Overall
New Renter Households PMA		333
Percent Income Qualified		34.9%
New Renter Income Qualified Households		116

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

Demand from Existing Households 2014

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		8,990
Income Qualified		34.9%
Income Qualified Renter Households		3,140
Percent Rent Overburdened Prj Mrkt Entry October 2017		22.6%
Rent Overburdened Households		708

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,140
Percent Living in Substandard Housing		0.2%
Households Living in Substandard Housing		7

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		715
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		715
Total New Demand		116
Total Demand (New Plus Existing Households)		832

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	29.6%	246
Two Persons	24.1%	201
Three Persons	17.7%	147
Four Persons	14.6%	121
Five Persons	14.0%	116
Total	100.0%	832

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	222
Of two-person households in 1BR units	20%	40
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	10%	25
Of two-person households in 2BR units	80%	161
Of three-person households in 2BR units	60%	88
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%	59
Of four-person households in 3BR units	100%	121
Of five-person households in 3BR units	100%	116
Total Demand		832
Check		OK

Total Demand by Bedroom	Overall
1 BR	262
2 BR	274
3 BR	297
Total Demand	832

Additions To Supply 2014 to Prj Mrkt Entry October 2017	Overall
1 BR	0
2 BR	0
3 BR	0
Total	0

Net Demand	Overall
1 BR	262
2 BR	274
3 BR	297
Total	832

Developer's Unit Mix	Overall
1 BR	4
2 BR	32
3 BR	34
Total	70

Capture Rate Analysis	Overall
1 BR	1.5%
2 BR	11.7%
3 BR	11.5%
Total	8.4%

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.

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

- The number of households in the PMA is expected to increase 1.6 percent between 2014 to the market entry date. The percentage of renter-occupied households in the PMA is expected to decrease slightly through the market entry date, although the total number of renter-occupied units is expected to increase. Further, the total number of renter households will increase by 513 households by 2019.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART										
Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50% AMI	\$19,817-\$27,300	2	199	0	199	1.0%	6 months	\$723	\$650-\$798	\$450
1BR at 60% AMI	\$23,657-\$32,760	2	251	0	251	0.8%	6 months	\$889	\$650-\$798	\$475
2BR at 50% AMI	\$27,360-\$30,700	6	208	0	208	2.9%	6 months	\$979	\$764-\$1,130	\$530
2BR at 60% AMI	\$20,674-\$36,840	26	262	0	262	9.9%	6 months	\$723	\$764-\$1,130	\$545
3BR at 50% AMI	\$24,171-\$36,850	6	226	0	226	2.7%	6 months	\$889	\$900-\$1,146	\$595
3BR at 60% AMI	\$28,389-\$44,220	28	284	0	284	9.9%	6 months	\$979	\$900-\$1,146	\$625
Overall 50% AMI	\$20,674-\$36,850	10	658	0	658	2.2%	6 months	-	-	-
Overall 60% AMI	\$24,789-\$44,220	60	771	0	771	7.0%	6 months	-	-	-
Total Overall	\$19,817-\$44,220	70	1,429	0	1,429	8.4%	6 months	\$864	-	-

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)	84	106	111
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	5	6	7
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	508	647	678
PLUS	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0	0
Sub Total	597	760	796
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0
Equals Total Demand	597	760	796
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0
Equals Net Demand	597	760	796

As the analysis illustrates, the Subject's capture rate for its 50 percent AMI units is 2.2 percent, while the 60 percent AMI units are 7.0 percent. The Subject has an overall capture rate of 8.4 percent. This is also supported by the low vacancy rates at the stabilized comparables. Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Project

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 10 “true” comparable properties containing 1,812 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in this section. A map illustrating the location of the Subject in relation to comparable properties is also provided in this section. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC is considered average. We have included five LIHTC properties, two of which are located in the PMA. We have included five market rate properties, all of which are located within the PMA. Due to the lack of LIHTC properties in the Subject’s immediate area, we extended our search to nearby Acworth and included three newer LIHTC comparables. Overall, we consider the availability of market data to be average.

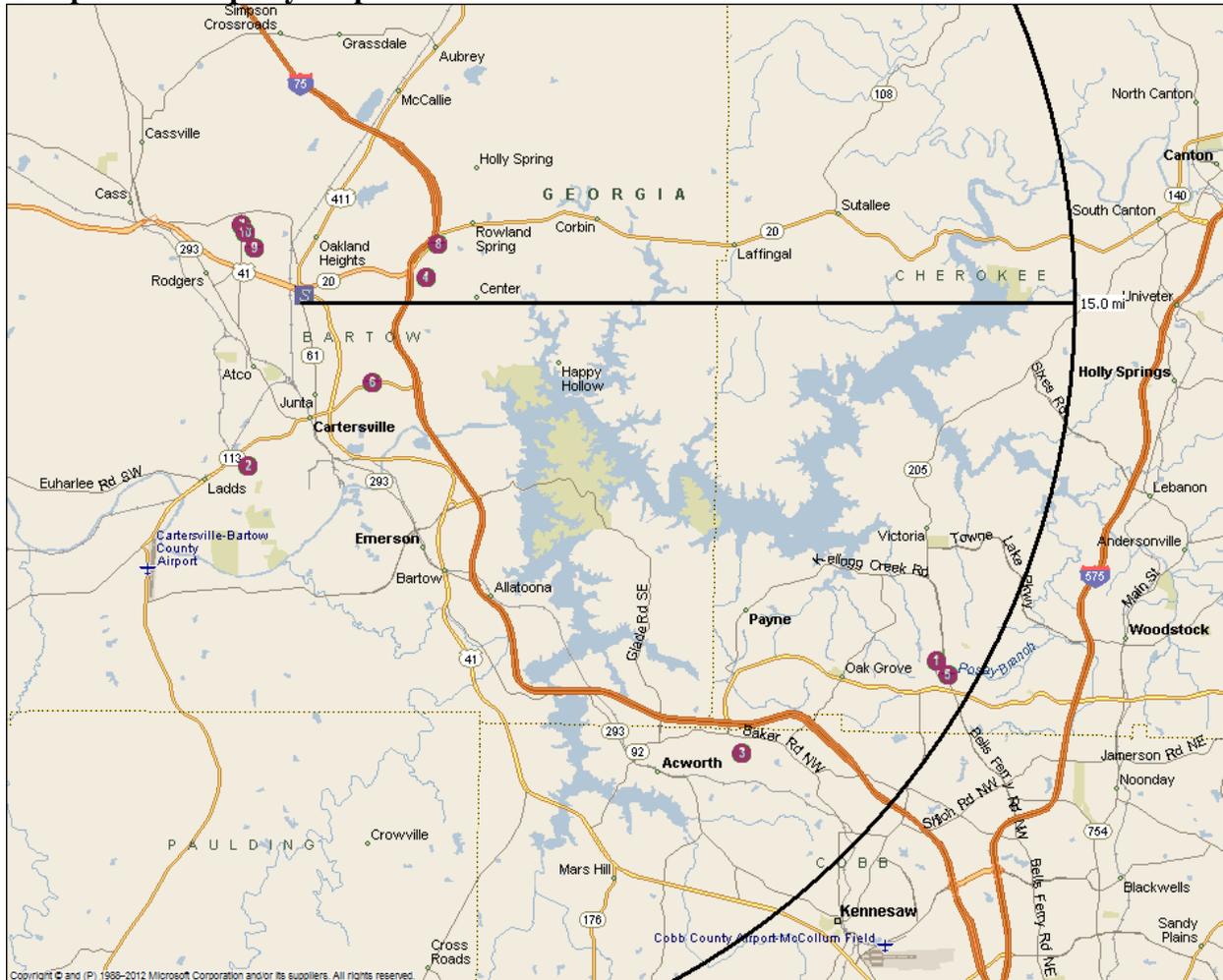
It should be noted that the selected mix of comparables may change slightly in a future complete market study based on the availability of data and any new comparables entering the market.

General Market Overview/Included/Excluded Properties

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

GENERAL MARKET OVERVIEW							
Name	Occupancy Rate	Address	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
Carter Manor Apartments	100%	142 Old Gilliam Springs Rd SW	LIHTC/Market	Senior	Excluded	Dissimilar tenancy	4.3 miles
Cass Towne Apartments	100%	1341 Cassville Road NW	LIHTC	Senior	Excluded	Dissimilar tenancy	3.9 miles
Crossfield Apartments Phase I	N/Av	7 Crossfield Circle	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Crossfield Apartments Phase II	N/Av	7 Crossfield Circle	LIHTC/RD	Family	Excluded	Rents subsidized	1.5 miles
Etowah Village	99%	366 Old Mill Road	LIHTC	Family	Included	N/A	3.3 miles
Somerset Club Apartments	96%	91 Somerset Club Drive SE	LIHTC/Market	Family	Included	N/A	2.6 miles
The Cove	100%	90 Liberty Square Drive NE	LIHTC	Senior	Excluded	Dissimilar tenancy	1.6 miles
Shangri-La Park	100%	69 Gilreath Rd NW	LIHTC/HOME	Senior	Excluded	Dissimilar tenancy	1.9 miles
Cartersville Gardens Apartments	100%	378 Old Mill Road	Section 8	Senior	Excluded	Dissimilar tenancy	3.4 miles
Huntwood Terrace Senior	100%	71 Center Rd SE	Section 8	Senior	Excluded	Dissimilar tenancy	1.5 miles
The Jared House	N/Av	245 Douthit Ferry Rd	Section 8	Family	Excluded	Rents subsidized	3.7 miles
Fieldmont Apartments	N/Av	34 Gilreath Rd	Rural Development	Family	Excluded	Rents subsidized	1.9 miles
Club Court Apartments I & II	99%	72 Massell Dr.	Rural Development	Family	Excluded	Rents subsidized	0.8 miles
Collins Pointe	100%	18 Roving Road	Market	Family	Excluded	Dissimilar property type	1.0 miles
Etowah Area Consolidated HA Portfolio	99%	Scattered Site	Market	Family	Excluded	Inferior condition	2.6 miles
Grandview Apartments	100%	73 Grandview Court NW	Market	Family	Excluded	Dissimilar property type	2.2 miles
Hannah Apartments	100%	390 Old Mill Road	Market	Family	Excluded	Dissimilar unit mix	3.4 miles
Magnolia Gardens	94%	134 Leake Street	Market	Family	Excluded	Dissimilar property type	2.4 miles
Morgan Square	N/Av	290 East Felton Road	Market	Family	Excluded	Dissimilar unit mix	1.2 miles
Park Place Townhomes	90%	81 Pine Grove Road	Market	Family	Excluded	Closer comparables used	4.0 miles
Rosewood Apartments	98%	531 Grassdale Road	Market	Family	Included	N/A	1.9 miles
Stonemill Apartments	98%	50 Stone Mill Drive SE	Market	Family	Included	N/A	3.0 miles
The Avenue	91%	25 Gilreath Road NW	Market	Family	Excluded	Inferior condition	2.0 miles
The Glen	100%	200 Governor's Court	Market	Family	Included	N/A	1.4 miles
The Vineyards	100%	11 Sheffield Place	Market	Family	Included	N/A	1.7 miles
222 North Erwin Street	100%	222 North Erwin Street	Market	Family	Excluded	Dissimilar unit mix	1.9 miles
Alexandria Landing	100%	370 Old Mill Road	Market	Family	Excluded	Closer comparables used	3.4 miles
Amberwood Apartments	98%	1116 N. Tennessee Street	Market	Family	Excluded	Inferior condition	0.5 miles
Avonlea Highlands	100%	950 East Main Street	Market	Family	Included	N/A	2.1 miles

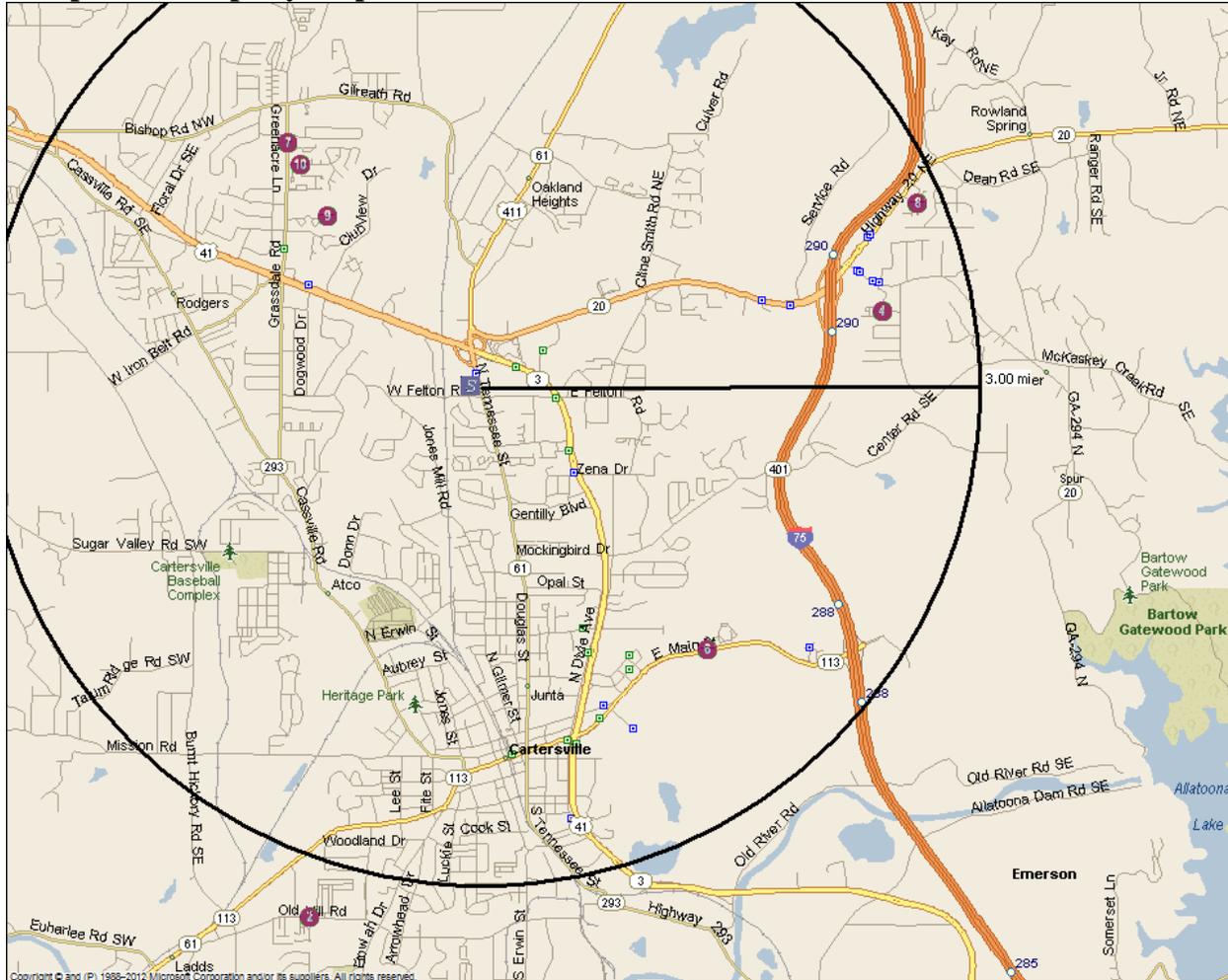
Comparable Property Map I



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Cherokee Summit*	Acworth	LIHTC	14.3 miles
2	Etowah Village	Cartersville	LIHTC	3.3 miles
3	Legacy At Acworth*	Acworth	LIHTC/Market	12.3 miles
4	Somerset Club Apartments	Cartersville	LIHTC/Market	2.6 miles
5	The Peaks Of Bells Ferry*	Acworth	LIHTC/Market	14.3 miles
6	Avonlea Highlands	Cartersville	Market	2.1 miles
7	Rosewood Apartments	Cartersville	Market	1.9 miles
8	Stonemill Apartments	Cartersville	Market	3.0 miles
9	The Glen	Cartersville	Market	1.4 miles
10	The Vineyards	Cartersville	Market	1.7 miles

* Located outside of the PMA

Comparable Property Map II



COMPARABLE PROPERTIES				
#	Property Name	City	Type	Distance
1	Cherokee Summit*	Acworth	LIHTC	14.3 miles
2	Etowah Village	Cartersville	LIHTC	3.3 miles
3	Legacy At Acworth*	Acworth	LIHTC/Market	12.3 miles
4	Somerset Club Apartments	Cartersville	LIHTC/Market	2.6 miles
5	The Peaks Of Bells Ferry*	Acworth	LIHTC/Market	14.3 miles
6	Avonlea Highlands	Cartersville	Market	2.1 miles
7	Rosewood Apartments	Cartersville	Market	1.9 miles
8	Stonemill Apartments	Cartersville	Market	3.0 miles
9	The Glen	Cartersville	Market	1.4 miles
10	The Vineyards	Cartersville	Market	1.7 miles

* Located outside of the PMA

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

Cloverleaf Apartments, Cartersville, GA; Market Study

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	Cloverleaf Apartments 71 West Felton Road Cartersville, GA 30120 Bartow County	n/a	Various (2 stories) Proposed	LIHTC	1BR / 1BA (Garden)	2	2.9%	@50%	\$450	700	no	N/A	N/A	N/A
					1BR / 1BA (Garden)	2	2.9%	@60%	\$475	700	no	N/A	N/A	N/A
					2BR / 1.5BA (Garden)	1	1.4%	@50%	\$530	900	no	N/A	N/A	N/A
					2BR / 1.5BA (Garden)	2	2.9%	@60%	\$545	900	no	N/A	N/A	N/A
					2BR / 1.5BA (Townhouse)	5	7.1%	@50%	\$530	850	no	N/A	N/A	N/A
					2BR / 1.5BA (Townhouse)	24	34.3%	@60%	\$545	850	no	N/A	N/A	N/A
					3BR / 2BA (Garden)	1	1.4%	@50%	\$595	1,250	no	N/A	N/A	N/A
					3BR / 2BA (Garden)	2	2.9%	@60%	\$625	1,250	no	N/A	N/A	N/A
					3BR / 2BA (Townhouse)	5	7.1%	@50%	\$595	1,275	no	N/A	N/A	N/A
					3BR / 2BA (Townhouse)	26	37.1%	@60%	\$625	1,275	no	N/A	N/A	N/A
					70	100%							0	0.00%
1	Cherokee Summit 5920 Bells Ferry Road Acworth, GA 30102 Cherokee County	14.3 miles	Garden (3 stories) 2000 / n/a	LIHTC	1BR / 1BA	48	17.6%	@60%	\$673	975	no	No	0	0.0%
					2BR / 2BA	184	67.6%	@60%	\$757	1,150	no	No	2	1.1%
					3BR / 2BA	40	14.7%	@60%	\$929	1,350	no	No	0	0.0%
					272	100%							2	0.7%
2	Etowah Village 366 Old Mill Road Cartersville, GA 30120 Bartow County	3.3 miles	Garden (2 stories) 1998 / 2012	LIHTC	2BR / 2BA	24	25.0%	@50%	\$556	1,106	no	Yes	0	0.0%
					3BR / 2BA	36	37.5%	@50%	\$623	1,237	no	Yes	0	0.0%
					3BR / 2BA	36	37.5%	@60%	\$623	1,237	no	No	1	2.8%
					96	100%							1	1.0%
3	Legacy At Acworth 4801 Baker Grove Road Acworth, GA 30101 Cobb County	12.3 miles	Garden (2 stories) 1997 / n/a	LIHTC/Market	1BR / 1BA	N/A	N/A	@60%	\$673	840	no	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$698	840	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	@60%	\$791	1,056	no	No	1	N/A
					2BR / 2BA	N/A	N/A	Market	\$806	1,056	n/a	No	1	N/A
					3BR / 2BA	N/A	N/A	@60%	\$906	1,254	no	No	2	N/A
					3BR / 2BA	N/A	N/A	Market	\$940	1,254	n/a	No	1	N/A
					192	100%							5	2.6%
4	Somerset Club Apartments 91 Somerset Club Drive SE Cartersville, GA 30121 Bartow County	2.6 miles	Garden (3 stories) 2004 / n/a	LIHTC/Market	1BR / 1BA	44	22.9%	@60%	\$625	864	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$720	864	n/a	No	N/A	N/A
					2BR / 2BA	84	43.8%	@60%	\$711	1,200	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$764	1,200	n/a	No	N/A	N/A
					3BR / 2BA	40	20.8%	@60%	\$754	1,300	n/a	No	N/A	N/A
4BR / 3BA	24	12.5%	Market	\$1,050	1,460	n/a	No	N/A	N/A					
					192	100%							7	3.6%
5	The Peaks Of Bells Ferry 100 Peaks Ridge Acworth, GA 30102 Cherokee County	14.3 miles	Garden (3 stories) 2003 / n/a	LIHTC/Market	1BR / 1BA	50	20.2%	@60%	\$663	874	yes	No	0	0.0%
					1BR / 1BA	12	4.8%	Market	\$723	874	n/a	No	0	0.0%
					2BR / 2BA	98	39.5%	@60%	\$796	1,149	yes	No	1	1.0%
					2BR / 2BA	25	10.1%	Market	\$831	1,149	n/a	No	1	4.0%
					3BR / 2BA	51	20.6%	@60%	\$876	1,388	yes	No	2	3.9%
					3BR / 2BA	12	4.8%	Market	\$910	1,388	n/a	No	1	8.3%
					248	100%							5	2.0%
6	Avonlea Highlands 950 East Main Street Cartersville, GA 30121 Bartow County	2.1 miles	Garden (4 stories) 2001 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$660	660	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$758	843	n/a	No	N/A	N/A
					1BR / 1BA	N/A	N/A	Market	\$798	912	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$923	1,048	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,101	1,210	n/a	No	N/A	N/A
					2BR / 2BA	N/A	N/A	Market	\$1,130	1,337	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,059	1,366	n/a	No	N/A	N/A
					3BR / 2BA	N/A	N/A	Market	\$1,146	1,439	n/a	No	N/A	N/A
					228	100%							1	0.4%

SUMMARY MATRIX														
Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
7	Rosewood Apartments 531 Grassdale Road Cartersville, GA 30121 Bartow County	1.9 miles	Garden (2 stories) 1984 / 2014	Market	1BR / 1BA	18	12.2%	Market	\$700	575	n/a	No	2	11.1%
					1BR / 1BA	30	20.3%	Market	\$725	800	n/a	No	1	3.3%
					2BR / 2BA	92	62.2%	Market	\$900	1,140	n/a	No	0	0.0%
					3BR / 2BA	8	5.4%	Market	\$900	1,170	n/a	No	0	0.0%
						148	100%							3
8	Stonemill Apartments 50 Stone Mill Drive SE Cartersville, GA 30121 Bartow County	3 miles	Garden (2 stories) 2001 / n/a	Market	1BR / 1BA	16	9.1%	Market	\$752	774	n/a	No	N/A	N/A
					1BR / 1BA	52	29.5%	Market	\$797	828	n/a	No	N/A	N/A
					2BR / 2BA	92	52.3%	Market	\$927	1,084	n/a	No	N/A	N/A
					3BR / 2BA	16	9.1%	Market	\$1,047	1,277	n/a	No	N/A	N/A
						176	100%							5
9	The Glen 200 Governor's Court Cartersville, GA 30121 Bartow County	1.4 miles	Garden (2 stories) 1992 / n/a	Market	1BR / 1BA	N/A	N/A	Market	\$650	701	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$675	750	n/a	No	0	N/A
					1BR / 1BA	N/A	N/A	Market	\$735	908	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$770	938	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$820	1,136	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$870	1,300	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	Market	\$880	1,305	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$905	1,290	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$935	1,406	n/a	No	0	N/A
						108	100%							0
10	The Vineyards 11 Sheffield Place Cartersville, GA 30121 Bartow County	1.7 miles	Garden (2 stories) 1997 / n/a	Market	1BR / 1BA	46	30.3%	Market	\$732	850	n/a	No	0	0.0%
					2BR / 2BA	60	39.5%	Market	\$832	1,000	n/a	No	0	0.0%
					3BR / 2BA	46	30.3%	Market	\$972	1,200	n/a	No	0	0.0%
						152	100%							0

Cloverleaf Apartments, Cartersville, GA; Market Study

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.						
Effective Rent Date:		Apr-15	Units Surveyed:	1,812	Weighted Occupancy:	98.4%
			Market Rate	812	Market Rate	98.9%
			Tax Credit	1,000	Tax Credit	98.0%
One Bedroom One Bath		Two Bedrooms One and a half Bath		Three Bedrooms Two Bath		
RENT	Property	Average	Property	Average	Property	Average
	Avonlea Highlands	\$798	Avonlea Highlands (2BA)	\$1,130	Avonlea Highlands	\$1,146
	Stonemill Apartments	\$797	Avonlea Highlands (2BA)	\$1,101	Avonlea Highlands	\$1,059
	Avonlea Highlands	\$758	Stonemill Apartments (2BA)	\$927	Stonemill Apartments	\$1,047
	Stonemill Apartments	\$752	Avonlea Highlands (2BA)	\$923	The Vineyards	\$972
	The Glen	\$735	Rosewood Apartments (2BA)	\$900	Legacy At Acworth * (M)	\$940
	The Vineyards	\$732	The Glen (2BA)	\$880	The Glen	\$935
	Rosewood Apartments	\$725	The Glen (2BA)	\$870	Cherokee Summit * (60%)	\$929
	The Peaks Of Bells Ferry * (M)	\$723	The Vineyards (2BA)	\$832	The Peaks Of Bells Ferry * (M)	\$910
	Somerset Club Apartments * (M)	\$720	The Peaks Of Bells Ferry * (2BA M)	\$831	Legacy At Acworth * (60%)	\$906
	Rosewood Apartments	\$700	The Glen (2BA)	\$820	The Glen	\$905
	Legacy At Acworth * (M)	\$698	Legacy At Acworth * (2BA M)	\$806	Rosewood Apartments	\$900
	The Glen	\$675	The Peaks Of Bells Ferry * (2BA 60%)	\$796	The Peaks Of Bells Ferry * (60%)	\$876
	Cherokee Summit * (60%)	\$673	Legacy At Acworth * (2BA 60%)	\$791	Somerset Club Apartments * (60%)	\$754
	Legacy At Acworth * (60%)	\$673	The Glen (2BA)	\$770	Cloverleaf Apartments * (60%)	\$625
	The Peaks Of Bells Ferry * (60%)	\$663	Somerset Club Apartments * (2BA M)	\$764	Cloverleaf Apartments * (60%)	\$625
	Avonlea Highlands	\$660	Cherokee Summit * (2BA 60%)	\$757	Etowah Village * (50%)	\$623
	The Glen	\$650	Somerset Club Apartments * (2BA 60%)	\$711	Etowah Village * (60%)	\$623
	Somerset Club Apartments * (60%)	\$625	Etowah Village * (2BA 50%)	\$556	Cloverleaf Apartments * (50%)	\$595
	Cloverleaf Apartments * (60%)	\$475	Cloverleaf Apartments * (60%)	\$545	Cloverleaf Apartments * (50%)	\$595
	Cloverleaf Apartments * (50%)	\$450	Cloverleaf Apartments * (60%)	\$545		
			Cloverleaf Apartments * (50%)	\$530		
			Cloverleaf Apartments * (50%)	\$530		
SQUARE FOOTAGE	Cherokee Summit * (60%)	975	Avonlea Highlands (2BA)	1,337	Avonlea Highlands	1,439
	Avonlea Highlands	912	The Glen (2BA)	1,305	The Glen	1,406
	The Glen	908	The Glen (2BA)	1,300	The Peaks Of Bells Ferry * (60%)	1,388
	The Peaks Of Bells Ferry * (60%)	874	Avonlea Highlands (2BA)	1,210	The Peaks Of Bells Ferry * (M)	1,388
	The Peaks Of Bells Ferry * (M)	874	Somerset Club Apartments * (2BA 60%)	1,200	Avonlea Highlands	1,366
	Somerset Club Apartments * (60%)	864	Somerset Club Apartments * (2BA M)	1,200	Cherokee Summit * (60%)	1,350
	Somerset Club Apartments * (M)	864	Cherokee Summit * (2BA 60%)	1,150	Somerset Club Apartments * (60%)	1,300
	The Vineyards	850	The Peaks Of Bells Ferry * (2BA 60%)	1,149	The Glen	1,290
	Avonlea Highlands	843	The Peaks Of Bells Ferry * (2BA M)	1,149	Stonemill Apartments	1,277
	Legacy At Acworth * (60%)	840	Rosewood Apartments (2BA)	1,140	Cloverleaf Apartments * (50%)	1,275
	Legacy At Acworth * (M)	840	The Glen (2BA)	1,136	Cloverleaf Apartments * (60%)	1,275
	Stonemill Apartments	828	Etowah Village * (2BA 50%)	1,106	Legacy At Acworth * (60%)	1,254
	Rosewood Apartments	800	Stonemill Apartments (2BA)	1,084	Legacy At Acworth * (M)	1,254
	Stonemill Apartments	774	Legacy At Acworth * (2BA 60%)	1,056	Cloverleaf Apartments * (50%)	1,250
	The Glen	750	Legacy At Acworth * (2BA M)	1,056	Cloverleaf Apartments * (60%)	1,250
	The Glen	701	Avonlea Highlands (2BA)	1,048	Etowah Village * (50%)	1,237
	Cloverleaf Apartments * (50%)	700	The Vineyards (2BA)	1,000	Etowah Village * (60%)	1,237
	Cloverleaf Apartments * (60%)	700	The Glen (2BA)	938	The Vineyards	1,200
	Avonlea Highlands	660	Cloverleaf Apartments * (50%)	900	Rosewood Apartments	1,170
	Rosewood Apartments	575	Cloverleaf Apartments * (60%)	900		
			Cloverleaf Apartments * (50%)	850		
			Cloverleaf Apartments * (60%)	850		
RENT PER SQUARE FOOT	Rosewood Apartments	\$1.22	Avonlea Highlands (2BA)	\$0.91	Stonemill Apartments	\$0.82
	Avonlea Highlands	\$1.00	Avonlea Highlands (2BA)	\$0.88	The Vineyards	\$0.81
	Stonemill Apartments	\$0.97	Stonemill Apartments (2BA)	\$0.86	Avonlea Highlands	\$0.80
	Stonemill Apartments	\$0.96	Avonlea Highlands (2BA)	\$0.85	Avonlea Highlands	\$0.78
	The Glen	\$0.93	The Vineyards (2BA)	\$0.83	Rosewood Apartments	\$0.77
	Rosewood Apartments	\$0.91	The Glen (2BA)	\$0.82	Legacy At Acworth * (M)	\$0.75
	The Glen	\$0.90	Rosewood Apartments (2BA)	\$0.79	Legacy At Acworth * (60%)	\$0.72
	Avonlea Highlands	\$0.90	Legacy At Acworth * (2BA M)	\$0.76	The Glen	\$0.70
	Avonlea Highlands	\$0.88	Legacy At Acworth * (2BA 60%)	\$0.75	Cherokee Summit * (60%)	\$0.69
	The Vineyards	\$0.86	The Peaks Of Bells Ferry * (2BA M)	\$0.72	The Glen	\$0.67
	Somerset Club Apartments * (M)	\$0.83	The Glen (2BA)	\$0.72	The Peaks Of Bells Ferry * (M)	\$0.66
	Legacy At Acworth * (M)	\$0.83	The Peaks Of Bells Ferry * (2BA 60%)	\$0.69	The Peaks Of Bells Ferry * (60%)	\$0.63
	The Peaks Of Bells Ferry * (M)	\$0.83	The Glen (2BA)	\$0.67	Somerset Club Apartments * (60%)	\$0.58
	The Glen	\$0.81	The Glen (2BA)	\$0.67	Etowah Village * (50%)	\$0.50
	Legacy At Acworth * (60%)	\$0.80	Cherokee Summit * (2BA 60%)	\$0.66	Etowah Village * (60%)	\$0.50
	The Peaks Of Bells Ferry * (60%)	\$0.76	Cloverleaf Apartments * (60%)	\$0.64	Cloverleaf Apartments * (60%)	\$0.50
	Somerset Club Apartments * (60%)	\$0.72	Somerset Club Apartments * (2BA M)	\$0.64	Cloverleaf Apartments * (60%)	\$0.49
	Cherokee Summit * (60%)	\$0.69	Cloverleaf Apartments * (50%)	\$0.62	Cloverleaf Apartments * (50%)	\$0.48
	Cloverleaf Apartments * (60%)	\$0.68	Cloverleaf Apartments * (60%)	\$0.61	Cloverleaf Apartments * (50%)	\$0.47
	Cloverleaf Apartments * (50%)	\$0.64	Somerset Club Apartments * (2BA 60%)	\$0.59		
			Cloverleaf Apartments * (50%)	\$0.59		
			Etowah Village * (2BA 50%)	\$0.50		

PROPERTY PROFILE REPORT

Cherokee Summit

Effective Rent Date	4/17/2015
Location	5920 Bells Ferry Road Acworth, GA 30102 Cherokee County
Distance	14.3 miles
Units	272
Vacant Units	2
Vacancy Rate	0.7%
Type	Garden (3 stories)
Year Built/Renovated	2000 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	The Peaks at Bells Ferry, Gregory Lane Apartments
Tenant Characteristics	Would not disclose
Contact Name	Adda
Phone	678.494.9400



Market Information

Program	@60%
Annual Turnover Rate	22%
Units/Month Absorbed	N/Av
HCV Tenants	3%
Leasing Pace	2-Weeks
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- gas
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	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)	48	975	\$651	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (3 stories)	184	1,150	\$735	\$0	@60%	No	2	1.1%	no	None
3	2	Garden (3 stories)	40	1,350	\$907	\$0	@60%	No	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$651	\$0	\$651	\$22	\$673
2BR / 2BA	\$735	\$0	\$735	\$22	\$757
3BR / 2BA	\$907	\$0	\$907	\$22	\$929

Cherokee Summit, continued

Amenities

In-Unit

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

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

Security

Limited Access
Perimeter Fencing

Services

Afterschool Program

Property

Basketball Court
Car Wash
Exercise Facility
Off-Street Parking
Playground
Swimming Pool

Business Center/Computer Lab
Clubhouse/Meeting
Central Laundry
On-Site Management
Sport Court
Tennis Court

Premium

None

Other

Video library, aerobic

Comments

The contact had no additional comments.

Cherokee Summit, continued

Trend Report

Vacancy Rates

2Q08	1Q10	2Q14	2Q15
5.1%	1.8%	5.5%	0.7%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$625	\$0	\$625	\$647
2010	1	N/A	\$625	\$0	\$625	\$647
2014	2	6.2%	\$651	\$0	\$651	\$673
2015	2	0.0%	\$651	\$0	\$651	\$673

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$705	\$46	\$659	\$681
2010	1	N/A	\$705	\$0	\$705	\$727
2014	2	5.4%	\$735	\$0	\$735	\$757
2015	2	1.1%	\$735	\$0	\$735	\$757

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$810	\$61	\$749	\$771
2010	1	N/A	\$759	\$0	\$759	\$781
2014	2	5.0%	\$907	\$0	\$907	\$929
2015	2	0.0%	\$907	\$0	\$907	\$929

Trend: Comments

2Q08	The contact stated that management has been offering reduced rents (at varying levels) for at least two weeks. The property's current occupancy rate at 95 percent is typical according to the contact although prior interviews show occupancy rates below 90 percent. The contact stated that demand is highest for the two-bedroom units but could not disclose information on the number of Housing Choice Voucher tenants or other tenant characteristics including tenant turnover rates.
1Q10	Contact had no additional comments.
2Q14	The property prices its units with the LRO system, therefore, prices change daily. The contact would not disclose the tenant characteristics.
2Q15	The contact had no additional comments.

PROPERTY PROFILE REPORT

Etowah Village

Effective Rent Date 4/27/2015
Location 366 Old Mill Road
 Cartersville, GA 30120
 Bartow County
Distance 3.3 miles
Units 96
Vacant Units 1
Vacancy Rate 1.0%
Type Garden (2 stories)
Year Built/Renovated 1998 / 2012
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics Mostly from local area
Contact Name Michelle
Phone 770-383-9995



Market Information

Program LIHTC
Annual Turnover Rate 60%
Units/Month Absorbed N/A
HCV Tenants 8%
Leasing Pace Within one month
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	24	1,106	\$556	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	36	1,237	\$623	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	36	1,237	\$623	\$0	@60%	No	1	2.8%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$556	\$0	\$556	\$0	\$556	3BR / 2BA	\$623	\$0	\$623	\$0	\$623
3BR / 2BA	\$623	\$0	\$623	\$0	\$623						

Etowah Village, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator

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

Security

None

Services

None

Property

Basketball Court
Car Wash
Central Laundry
On-Site Management
Volleyball Court

Business Center/Computer Lab
Carport
Off-Street Parking
Playground

Premium

None

Other

None

Comments

No additional comments.

Etowah Village, continued

Trend Report

Vacancy Rates

1Q07	3Q07	1Q15	2Q15
22.9%	9.4%	1.0%	1.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	1	0.0%	\$550	\$0	\$550	\$550
2007	3	0.0%	\$550	\$76	\$474	\$474
2015	1	0.0%	\$556	\$0	\$556	\$556
2015	2	0.0%	\$556	\$0	\$556	\$556

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	1	30.6%	\$599	\$0	\$599	\$599
2007	3	0.0%	\$650	\$83	\$567	\$567
2015	1	0.0%	\$623	\$0	\$623	\$623
2015	2	0.0%	\$623	\$0	\$623	\$623

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2007	1	30.6%	\$599	\$0	\$599	\$599
2007	3	25.0%	\$650	\$106	\$544	\$544
2015	1	2.8%	\$623	\$0	\$623	\$623
2015	2	2.8%	\$623	\$0	\$623	\$623

Trend: Comments

1Q07	Contact said that there has been no change in rent over the past year, but going by the last interview there has been a increase/decrease in rents.
3Q07	The contact stated that there is enough affordable housing to meet the demand in this area.
1Q15	The two and three-bedroom units have waiting lists of two households and four households, respectively. The contact was unable to provide the number of households currently on the waiting list. Management reported that occupancy at the property is typical. The contact was unable to provide the number of parking spaces the property offers or comment on the parking utilization rate.
2Q15	No additional comments.

Photos



PROPERTY PROFILE REPORT

Legacy At Acworth (FKA Wingate Falls)

Effective Rent Date	4/17/2015
Location	4801 Baker Grove Road Acworth, GA 30101 Cobb County
Distance	12.3 miles
Units	192
Vacant Units	5
Vacancy Rate	2.6%
Type	Garden (2 stories)
Year Built/Renovated	1997 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Stanton Place, Gregory Lane, Cobblestone
Tenant Characteristics	Local tenants, mixed
Contact Name	Candice
Phone	877-544-0612



Market Information

Program	@60%, Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	18%
Leasing Pace	1-2 weeks
Annual Chg. in Rent	Increased 9-14%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	840	\$710	\$0	@60%	No	0	N/A	no	None
1	1	Garden (2 stories)	N/A	840	\$735	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,056	\$835	\$0	@60%	No	1	N/A	no	None
2	2	Garden (2 stories)	N/A	1,056	\$850	\$0	Market	No	1	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,254	\$965	\$0	@60%	No	2	N/A	no	None
3	2	Garden (2 stories)	N/A	1,254	\$999	\$0	Market	No	1	N/A	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	\$710	\$0	\$710	-\$37	\$673	1BR / 1BA	\$735	\$0	\$735	-\$37	\$698
2BR / 2BA	\$835	\$0	\$835	-\$44	\$791	2BR / 2BA	\$850	\$0	\$850	-\$44	\$806
3BR / 2BA	\$965	\$0	\$965	-\$59	\$906	3BR / 2BA	\$999	\$0	\$999	-\$59	\$940

Legacy At Acworth (FKA Wingate Falls), continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Patrol
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Playground

Exercise Facility
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

No additional comments.

Legacy At Acworth (FKA Wingate Falls), continued

Trend Report

Vacancy Rates

2Q08	3Q13	2Q14	2Q15
5.2%	8.3%	4.2%	2.6%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$715	\$13	\$702	\$665
2013	3	N/A	\$635	\$0	\$635	\$598
2014	2	N/A	\$650	\$0	\$650	\$613
2015	2	N/A	\$710	\$0	\$710	\$673

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$855	\$13	\$842	\$798
2013	3	N/A	\$755	\$0	\$755	\$711
2014	2	N/A	\$750	\$0	\$750	\$706
2015	2	N/A	\$835	\$0	\$835	\$791

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$970	\$14	\$956	\$897
2013	3	N/A	\$835	\$0	\$835	\$776
2014	2	N/A	\$850	\$0	\$850	\$791
2015	2	N/A	\$965	\$0	\$965	\$906

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$775	\$18	\$757	\$720
2013	3	N/A	\$655	\$0	\$655	\$618
2014	2	N/A	\$680	\$0	\$680	\$643
2015	2	N/A	\$735	\$0	\$735	\$698

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$875	\$15	\$860	\$816
2013	3	N/A	\$775	\$0	\$775	\$731
2014	2	N/A	\$780	\$0	\$780	\$736
2015	2	N/A	\$850	\$0	\$850	\$806

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	N/A	\$1,000	\$17	\$983	\$924
2013	3	N/A	\$895	\$0	\$895	\$836
2014	2	N/A	\$880	\$0	\$880	\$821
2015	2	N/A	\$999	\$0	\$999	\$940

Trend: Comments

- 2Q08** Typical occupancy for this property is 95 percent and higher. Seven out of the 10 vacant units are LIHTC; however, the majority (60 percent) of the property is LIHTC, which equals approximately 115 units. The contact could not provide a unit mix breakdown but indicated that there are 32 one-bedroom units and demand is highest for the one-bedrooms followed by the three-bedroom units. Overall, management indicated that there is demand for both LIHTC and market units. Tenancy was reported to be mixed. Management indicated that there are no other LIHTC properties in the immediate area and that the market could support another LIHTC property of no more than 150 units. Many residents come from the Acworth area but management markets all the way to Woodstock.
- 3Q13** The contact was not able to provide a breakdown of units or vacancies but indicated that 86 units are LIHTC (which is approximately 45 percent of their property) and that the vacant units were evenly split between LIHTC and market rate. The contact indicated that there were 64 units of the one, two, and three-bedroom units each. Many residents come from the Acworth area but management markets in Woodstock and Kennesaw too. The contact indicated that typical occupancy levels are usually 95 percent and they had several units that would be filled in the coming few weeks.
- 2Q14** The high turnover is due to tenants buying houses and students. There are very few seniors at the property.
- 2Q15** No additional comments.

PROPERTY PROFILE REPORT

Somerset Club Apartments

Effective Rent Date 4/27/2015
Location 91 Somerset Club Drive SE
 Cartersville, GA 30121
 Bartow County
Distance 2.6 miles
Units 192
Vacant Units 7
Vacancy Rate 3.6%
Type Garden (3 stories)
Year Built/Renovated 2004 / N/A
Marketing Began 3/10/2004
Leasing Began 3/10/2004
Last Unit Leased 12/09/2004
Major Competitors Stone Mountain
Tenant Characteristics None identified
Contact Name Bruce
Phone 678-721-3090



Market Information

Program LIHTC/Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants N/A
Leasing Pace Within two weeks
Annual Chg. in Rent None
Concession 14 days free rent

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	44	864	\$650	\$25	@60%	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	N/A	864	\$749	\$29	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	84	1,200	\$740	\$29	@60%	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,200	\$795	\$31	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	40	1,300	\$785	\$31	@60%	No	N/A	N/A	N/A	None
4	3	Garden (3 stories)	24	1,460	\$1,093	\$43	Market	No	N/A	N/A	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	\$650	\$25	\$625	\$0	\$625	1BR / 1BA	\$749	\$29	\$720	\$0	\$720
2BR / 2BA	\$740	\$29	\$711	\$0	\$711	2BR / 2BA	\$795	\$31	\$764	\$0	\$764
3BR / 2BA	\$785	\$31	\$754	\$0	\$754	4BR / 3BA	\$1,093	\$43	\$1,050	\$0	\$1,050

Somerset Club Apartments, continued

Amenities

In-Unit

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

Carpeting
Coat Closet
Ceiling Fan
Oven
Walk-In Closet

Security

Perimeter Fencing

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground
Volleyball Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

Management had no additional comments.

Somerset Club Apartments, continued

Trend Report

Vacancy Rates

2Q06	3Q07	1Q15	2Q15
7.8%	0.5%	3.6%	3.6%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	2.3%	\$549	\$23	\$526	\$526
2007	3	0.0%	\$569	\$0	N/A	N/A
2015	1	N/A	\$650	\$25	\$625	\$625
2015	2	N/A	\$650	\$25	\$625	\$625

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	4.8%	\$649	\$27	\$622	\$622
2007	3	1.2%	\$679	\$0	N/A	N/A
2015	1	N/A	\$740	\$29	\$711	\$711
2015	2	N/A	\$740	\$29	\$711	\$711

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	12.5%	\$799	\$33	\$766	\$766
2007	3	0.0%	\$859	\$0	N/A	N/A
2015	1	N/A	\$785	\$31	\$754	\$754
2015	2	N/A	\$785	\$31	\$754	\$754

4BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	20.8%	\$995	\$41	\$954	\$954

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$629	\$0	\$629	\$629
2007	3	N/A	\$689	\$0	\$689	\$689
2015	1	N/A	\$749	\$29	\$720	\$720
2015	2	N/A	\$749	\$29	\$720	\$720

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$699	\$0	\$699	\$699
2007	3	N/A	\$789	\$0	N/A	N/A
2015	1	N/A	\$795	\$31	\$764	\$764
2015	2	N/A	\$795	\$31	\$764	\$764

4BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	2	N/A	\$1,059	\$0	\$1,059	\$1,059
2007	3	0.0%	\$989	\$0	N/A	N/A
2015	1	N/A	\$1,093	\$43	\$1,050	\$1,050
2015	2	N/A	\$1,093	\$43	\$1,050	\$1,050

Trend: Comments

- 2Q06** Somerset Club apartments has 15 units available. All of the vacant units are tax credit units. They have several incentives on the tax credit units only. They are offering televisions, computers or gift cards if you move in by the end of the month. Also they are offering half off 1st month month for tax credit units only.
- 3Q07** The contact stated that there is enough affordable housing to meet the demand in this area. Also, the property is planning to add picnic tables soon.
- 1Q15** Management indicated that there are pending applications for the vacancies and the property does not currently maintain a waiting list. Management reported that washers and dryers rent for \$40 per month. The contact was unable to provide the percentage of tenants using Housing Choice Vouchers or the annual turnover ratio at the property.
- 2Q15** Management had no additional comments.

Photos



PROPERTY PROFILE REPORT

The Peaks Of Bells Ferry

Effective Rent Date	4/17/2015
Location	100 Peaks Ridge Acworth, GA 30102 Cherokee County
Distance	14.3 miles
Units	248
Vacant Units	5
Vacancy Rate	2.0%
Type	Garden (3 stories)
Year Built/Renovated	2003 / N/A
Marketing Began	6/01/2003
Leasing Began	8/01/2003
Last Unit Leased	6/30/2005
Major Competitors	Brentwood, Cherokee Summit
Tenant Characteristics	Mixed tenancy from Cherokee
Contact Name	Annitia
Phone	770-928-0860



Market Information

Program	@60%, Market
Annual Turnover Rate	10%
Units/Month Absorbed	11
HCV Tenants	40%
Leasing Pace	7 days
Annual Chg. in Rent	Increased 2-6%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	50	874	\$700	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (3 stories)	12	874	\$760	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	98	1,149	\$840	\$0	@60%	No	1	1.0%	yes	None
2	2	Garden (3 stories)	25	1,149	\$875	\$0	Market	No	1	4.0%	N/A	None
3	2	Garden (3 stories)	51	1,388	\$935	\$0	@60%	No	2	3.9%	yes	None
3	2	Garden (3 stories)	12	1,388	\$969	\$0	Market	No	1	8.3%	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	\$700	\$0	\$700	-\$37	\$663	1BR / 1BA	\$760	\$0	\$760	-\$37	\$723
2BR / 2BA	\$840	\$0	\$840	-\$44	\$796	2BR / 2BA	\$875	\$0	\$875	-\$44	\$831
3BR / 2BA	\$935	\$0	\$935	-\$59	\$876	3BR / 2BA	\$969	\$0	\$969	-\$59	\$910

The Peaks Of Bells Ferry, continued

Amenities

In-Unit

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

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

Security

In-Unit Alarm
Intercom (Buzzer)
Limited Access
Patrol
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Swimming Pool

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

The contact had no additional comments.

The Peaks Of Bells Ferry, continued

Trend Report

Vacancy Rates

1Q10	3Q10	2Q14	2Q15
10.1%	4.0%	0.0%	2.0%

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$605	\$0	\$605	\$568
2010	3	10.0%	\$599	\$0	\$599	\$562
2014	2	0.0%	\$684	\$0	\$684	\$647
2015	2	0.0%	\$700	\$0	\$700	\$663

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$724	\$0	\$724	\$680
2010	3	2.0%	\$699	\$0	\$699	\$655
2014	2	0.0%	\$804	\$0	\$804	\$760
2015	2	1.0%	\$840	\$0	\$840	\$796

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$830	\$0	\$830	\$771
2010	3	5.9%	\$799	\$0	\$799	\$740
2014	2	0.0%	\$909	\$0	\$909	\$850
2015	2	3.9%	\$935	\$0	\$935	\$876

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$670	\$0	\$670	\$633
2010	3	0.0%	\$775	\$0	\$775	\$738
2014	2	0.0%	\$744	\$0	\$744	\$707
2015	2	0.0%	\$760	\$0	\$760	\$723

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$910	\$0	\$910	\$866
2010	3	0.0%	\$910	\$0	\$910	\$866
2014	2	0.0%	\$864	\$0	\$864	\$820
2015	2	4.0%	\$875	\$0	\$875	\$831

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$1,100	\$0	\$1,100	\$1,041
2010	3	0.0%	\$1,100	\$0	\$1,100	\$1,041
2014	2	0.0%	\$909	\$0	\$909	\$850
2015	2	8.3%	\$969	\$0	\$969	\$910

Trend: Comments

- 1Q10** Contact indicate that the low occupancy is due to tenants relocating and moving in with family members. Three of the vacant units have pending applications.
- 3Q10** Occupancy was reportedly standard. Contact could not provide annual turnover or the number of tenants utilizing vouchers, although they were accepted.
- 2Q14** The property is 100 percent occupied. There is a pet fee for \$300.
- 2Q15** The contact had no additional comments.

PROPERTY PROFILE REPORT

Avonlea Highlands

Effective Rent Date 4/27/2015
Location 950 East Main Street
 Cartersville, GA 30121
 Bartow County
Distance 2.1 miles
Units 228
Vacant Units 1
Vacancy Rate 0.4%
Type Garden (4 stories)
Year Built/Renovated 2001 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Somerset Club, Stonemill
Tenant Characteristics N/A
Contact Name Angie
Phone 770-387-0900



Market Information

Program Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace 1 week
Annual Chg. in Rent Change daily
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (4 stories)	N/A	660	\$697	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	843	\$795	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (4 stories)	N/A	912	\$835	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,048	\$967	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,210	\$1,145	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (4 stories)	N/A	1,337	\$1,174	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,366	\$1,118	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (4 stories)	N/A	1,439	\$1,205	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$697 - \$835	\$0	\$697 - \$835	-\$37	\$660 - \$798
2BR / 2BA	\$967 - \$1,174	\$0	\$967 - \$1,174	-\$44	\$923 - \$1,130
3BR / 2BA	\$1,118 - \$1,205	\$0	\$1,118 - \$1,205	-\$59	\$1,059 - \$1,146

Avonlea Highlands, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Exterior Storage
Oven
Washer/Dryer

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
On-Site Management
Playground
Tennis Court

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

Premium

None

Other

None

Comments

The contact had no additional comments.

Avonlea Highlands, continued

Trend Report

Vacancy Rates

2Q05	3Q05	1Q15	2Q15
4.8%	7.9%	0.4%	0.4%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	3.3%	\$650 - \$745	\$0	\$650 - \$745	\$613 - \$708
2005	3	N/A	\$650 - \$745	\$50	\$600 - \$695	\$563 - \$658
2015	1	N/A	\$697 - \$835	\$0	\$697 - \$835	\$660 - \$798
2015	2	N/A	\$697 - \$835	\$0	\$697 - \$835	\$660 - \$798

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	5.9%	\$775 - \$840	\$0	\$775 - \$840	\$731 - \$796
2005	3	N/A	\$775 - \$840	\$50	\$725 - \$790	\$681 - \$746
2015	1	N/A	\$967 - \$1,174	\$0	\$967 - \$1,174	\$923 - \$1,130
2015	2	N/A	\$967 - \$1,174	\$0	\$967 - \$1,174	\$923 - \$1,130

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	5.6%	\$955	\$0	\$955	\$896
2005	3	N/A	\$955	\$50	\$905	\$846
2015	1	N/A	\$1,118 - \$1,205	\$0	\$1,118 - \$1,205	\$1,059 - \$1,146
2015	2	N/A	\$1,118 - \$1,205	\$0	\$1,118 - \$1,205	\$1,059 - \$1,146

Trend: Comments

2Q05	Avonlea Highlands is a market rate property with 228 total units. Management indicated the market has been picking up slowly and required a large amount of marketing. The property is not currently offering a concession, although there are frequent weekly specials. The exterior storage at the property is an additional \$40 per month.
3Q05	Avonlea Highlands is a market rate property with 228 total units. Management indicated the market has been picking up slowly and required a large amount of marketing. The property is currently offering a concession of \$50 off market. The exterior storage at the property is an additional \$40 per month. The contact did not know the breakdown of vacant units, but reported that it is an even mix. There is no waiting list. The property is managed by Quintus Corporation.
1Q15	The property is gated. The rents change daily depending upon occupancy. The annual turnover rate was not available.
2Q15	The contact had no additional comments.

PROPERTY PROFILE REPORT

Rosewood Apartments

Effective Rent Date 4/27/2015
Location 531 Grassdale Road
 Cartersville, GA 30121
 Bartow County
Distance 1.9 miles
Units 148
Vacant Units 3
Vacancy Rate 2.0%
Type Garden (2 stories)
Year Built/Renovated 1984 / 2014
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Mostly from Bartow County.
Contact Name Autumn
Phone 770-400-9263



Market Information

Program Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within one week
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 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)	18	575	\$700	\$0	Market	No	2	11.1%	N/A	None
1	1	Garden (2 stories)	30	800	\$725	\$0	Market	No	1	3.3%	N/A	None
2	2	Garden (2 stories)	92	1,140	\$900	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	8	1,170	\$900	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$700 - \$725	\$0	\$700 - \$725	\$0	\$700 - \$725
2BR / 2BA	\$900	\$0	\$900	\$0	\$900
3BR / 2BA	\$900	\$0	\$900	\$0	\$900

Rosewood Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Fireplace
Oven
Walk-In Closet

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

Security

None

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground
Tennis Court

Clubhouse/Meeting
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments.

Rosewood Apartments, continued

Trend Report

Vacancy Rates

2Q05	3Q05	1Q15	2Q15
N/A	2.0%	2.0%	2.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$490	\$0	N/A	N/A
2005	3	6.2%	\$700 - \$725	\$0	\$700 - \$725	\$700 - \$725
2015	1	6.2%	\$700 - \$725	\$0	\$700 - \$725	\$700 - \$725
2015	2	6.2%	\$700 - \$725	\$0	\$700 - \$725	\$700 - \$725

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$580	\$0	N/A	N/A
2005	3	0.0%	\$900	\$0	\$900	\$900
2015	1	0.0%	\$900	\$0	\$900	\$900
2015	2	0.0%	\$900	\$0	\$900	\$900

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$750	\$0	N/A	N/A
2005	3	0.0%	\$900	\$0	\$900	\$900
2015	1	0.0%	\$900	\$0	\$900	\$900
2015	2	0.0%	\$900	\$0	\$900	\$900

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	N/A	\$0	N/A	N/A

Trend: Comments

2Q05	The majority of the information for this property was gathered from www.ApartmentGuide.com . Rental rates are the base rates displayed on the website.
3Q05	The property was renovated in 2014. Exterior renovations included new siding, roof and fascia repairs, upgraded swimming pool, and enclose balconies. Interior renovations included new cabinets, fixtures, and flooring. Rents increased an average of \$150 per month following the renovation. The small one-bedroom units include a stackable washer and dryer. The remaining units have connections for full size washers and dryers.
1Q15	N/A
2Q15	The contact had no additional comments.

Rosewood Apartments, continued

Photos



PROPERTY PROFILE REPORT

Stonemill Apartments

Effective Rent Date 4/27/2015
Location 50 Stone Mill Drive SE
 Cartersville, GA 30121
 Bartow County
Distance 3 miles
Units 176
Vacant Units 5
Vacancy Rate 2.8%
Type Garden (2 stories)
Year Built/Renovated 2001 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Somerset Club, Avonlea Highlands
Tenant Characteristics N/A
Contact Name Amanda
Phone 770-382-0087



Market Information

Program Market
Annual Turnover Rate N/A
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace N/A
Annual Chg. in Rent Change daily
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 (2 stories)	16	774	\$730	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	52	828	\$775	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	92	1,084	\$905	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	16	1,277	\$1,025	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$730 - \$775	\$0	\$730 - \$775	\$22	\$752 - \$797
2BR / 2BA	\$905	\$0	\$905	\$22	\$927
3BR / 2BA	\$1,025	\$0	\$1,025	\$22	\$1,047

Stonemill Apartments, continued

Amenities

In-Unit

Balcony/Patio
Central A/C
Ceiling Fan
Oven
Vaulted Ceilings
Washer/Dryer hookup

Carpeting
Dishwasher
Garbage Disposal
Refrigerator
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Garage
Off-Street Parking
Picnic Area

Exercise Facility
Central Laundry
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments.

Stonemill Apartments, continued

Trend Report

Vacancy Rates

2Q05	3Q05	1Q15	2Q15
1.1%	1.7%	2.8%	2.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	0.0%	\$675	\$0	\$675	\$697
2005	3	N/A	\$675	\$0	\$675	\$697
2015	1	N/A	\$730 - \$775	\$0	\$730 - \$775	\$752 - \$797
2015	2	N/A	\$730 - \$775	\$0	\$730 - \$775	\$752 - \$797

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	2.2%	\$710	\$0	\$710	\$732
2005	3	N/A	\$710	\$0	\$710	\$732
2015	1	N/A	\$905	\$0	\$905	\$927
2015	2	N/A	\$905	\$0	\$905	\$927

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	0.0%	\$815	\$0	\$815	\$837
2005	3	N/A	\$815	\$0	\$815	\$837
2015	1	N/A	\$1,025	\$0	\$1,025	\$1,047
2015	2	N/A	\$1,025	\$0	\$1,025	\$1,047

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	0.0%	\$650	\$0	\$650	\$650
2005	3	N/A	\$650	\$0	\$650	\$650

Trend: Comments

- 2Q05** Stonemill Apartments consists of two to three story low rises; there are eleven buildings total. The average length of the waiting list for a unit is 30 days. There is a variation in price for three-bedroom units, depending on whether the unit contains a garden tub. Concessions are usually offered, but none are available at this time. A detached garage is available for tenant use for \$85 per month.
- 3Q05** Stonemill Apartments consists of two to three story low rises; there are eleven buildings total. There is no waiting list. Rent for the studio ranges from \$615-\$650. There is a variation in price for three-bedroom units, depending on whether the unit contains a garden tub. Concessions are usually offered, but none are available at this time. During the July 2005 interview, the contact did not know the breakdown of vacancies by unit. A detached garage is available for tenant use for \$85 per month. The property is managed by Ram.
- 1Q15** Garage parking is \$100 per month. Pricing changes daily depending on occupancy. The annual turnover rate was not available.
- 2Q15** The contact had no additional comments.

Stonemill Apartments, continued

Photos



PROPERTY PROFILE REPORT

The Glen

Effective Rent Date	4/27/2015
Location	200 Governor's Court Cartersville, GA 30121 Bartow County
Distance	1.4 miles
Units	108
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	1992 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Most tenants from Cartersville.
Contact Name	Tina
Phone	770-386-1483



Market Information

Program	Market
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased, amount N/Av
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	701	\$650	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	750	\$675	\$0	Market	No	0	N/A	N/A	None
1	1	Garden (2 stories)	N/A	908	\$735	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	938	\$770	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,136	\$820	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,300	\$870	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,305	\$880	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,290	\$905	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (2 stories)	N/A	1,406	\$935	\$0	Market	No	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$650 - \$735	\$0	\$650 - \$735	\$0	\$650 - \$735
2BR / 2BA	\$770 - \$880	\$0	\$770 - \$880	\$0	\$770 - \$880
3BR / 2BA	\$905 - \$935	\$0	\$905 - \$935	\$0	\$905 - \$935

The Glen, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

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

Security

None

Services

None

Property

Car Wash
Exercise Facility
Off-Street Parking
Playground

Clubhouse/Meeting
Garage
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

The contact had no additional comments.

The Glen, continued

Trend Report

Vacancy Rates

2Q05	3Q05	1Q15	2Q15
4.6%	3.7%	0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	16.7%	\$695	\$0	\$695	\$695
2005	3	N/A	\$632	\$0	\$632	\$632
2015	1	N/A	\$650 - \$735	\$0	\$650 - \$735	\$650 - \$735
2015	2	N/A	\$650 - \$735	\$0	\$650 - \$735	\$650 - \$735

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	0.0%	\$845	\$0	\$845	\$845
2005	3	0.0%	\$815	\$0	\$815	\$815
2015	1	N/A	\$770 - \$880	\$0	\$770 - \$880	\$770 - \$880
2015	2	N/A	\$770 - \$880	\$0	\$770 - \$880	\$770 - \$880

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	0.0%	\$895	\$0	\$895	\$895
2005	3	N/A	\$842	\$0	\$842	\$842
2015	1	N/A	\$905 - \$935	\$0	\$905 - \$935	\$905 - \$935
2015	2	N/A	\$905 - \$935	\$0	\$905 - \$935	\$905 - \$935

Trend: Comments

- 2Q05** The Glen apartments is a market rate property with 108 total units. Management was unable to provide a unit mix, vacancy breakdown, or sizes of units. Although the manager did indicate that the market has been stable and improving in recent months. The property rents washer/dryer units for an additional \$50 per month.
- 3Q05** The Glen apartments is a market rate property with 108 total units. Managed by Bayrock, the property is 96 percent occupied with no concession or waiting list. Rents have dropped since the June interview. One-bedrooms which previously went for \$695 now range from \$595-\$670. Two-bedroom units went for \$845, and are now at \$815, and three-bedroom units which were \$895 are now ranging from \$825-\$860. The rents in the table are averaged. The manager did indicate in the June interview that the market had been stable and improving in recent months. The property rents washer/dryer units for an additional \$50 per month and there are nine floor-plans available.
- 1Q15** The property offers 30 one-bedroom units, 48 two-bedroom units, and 30 three-bedroom units. Garages rent for \$85 per month. Storage lockers rent for \$25 per month.
- 2Q15** The contact had no additional comments.

Photos



PROPERTY PROFILE REPORT

The Vineyards

Effective Rent Date 4/27/2015
Location 11 Sheffield Place
 Cartersville, GA 30121
 Bartow County
Distance 1.7 miles
Units 152
Vacant Units 0
Vacancy Rate 0.0%
Type Garden (2 stories)
Year Built/Renovated 1997 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors The Glen, The Rosewood
Tenant Characteristics Mostly singles, couples, and single parents from Bartow County.
Contact Name Ian
Phone 770-607-0796



Market Information

Program Market
Annual Turnover Rate 60%
Units/Month Absorbed N/A
HCV Tenants 0%
Leasing Pace Within two weeks
Annual Chg. in Rent Increased 3-7%.
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 (2 stories)	46	850	\$710	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	60	1,000	\$810	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	46	1,200	\$950	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$710	\$0	\$710	\$22	\$732
2BR / 2BA	\$810	\$0	\$810	\$22	\$832
3BR / 2BA	\$950	\$0	\$950	\$22	\$972

The Vineyards, continued

Amenities

In-Unit

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

Blinds
Central A/C
Exterior Storage
Garbage Disposal
Refrigerator
Walk-In Closet

Security

None

Services

None

Property

Car Wash
Garage
On-Site Management
Swimming Pool

Exercise Facility
Off-Street Parking
Playground
Tennis Court

Premium

None

Other

None

Comments

The contact had no additional comments.

The Vineyards, continued

Trend Report

Vacancy Rates

2Q05	3Q05	1Q15	2Q15
3.9%	1.3%	0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	2.2%	\$585	\$17	\$568	\$590
2005	3	N/A	\$585	\$35	\$550	\$572
2015	1	0.0%	\$710	\$0	\$710	\$732
2015	2	0.0%	\$710	\$0	\$710	\$732

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	6.7%	\$685	\$17	\$668	\$690
2005	3	N/A	\$685	\$35	\$650	\$672
2015	1	0.0%	\$810	\$0	\$810	\$832
2015	2	0.0%	\$810	\$0	\$810	\$832

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	2.2%	\$785	\$17	\$768	\$790
2005	3	N/A	\$785	\$35	\$750	\$772
2015	1	0.0%	\$950	\$0	\$950	\$972
2015	2	0.0%	\$950	\$0	\$950	\$972

Trend: Comments

2Q05 Vineyards at Cartersville is a market rate property with 152 total units. The property was previously interviewed in December 2004. At that time the property was 81 percent occupied and offering \$50 per month for a 12-month lease. Management indicated that the older concession helped improve the occupancy level. The current concession is expected to remain until the property is fully occupied.

According to the property manager 60% of tenants come from areas within a 15-20 mile radius and 40% come from other areas, mostly Florida, Alabama, and a lot of tenants from Tennessee.

3Q05 Vineyards at Cartersville is a market rate property with 152 total units. In the initial December 2004 interview, the property was 81 percent occupied and offering \$50 per month for a 12-month lease. Management indicated that that concession helped improve the occupancy level. The June 2005 concession was \$200 off the first month. As of July 2005, the concession is \$35 off the market rent, as well as a 99 cent move-in special. The contact reported a waiting list on all units, and 99 percent occupancy.

According to the property manager 60% of tenants come from areas within a 15-20 mile radius and 40% come from other areas, mostly Florida, Alabama, and a lot of tenants from Tennessee.

1Q15 Garage parking is \$75 per month.

2Q15 The contact had no additional comments.

Photos



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

Housing Choice Vouchers

TENANTS WITH VOUCHERS		
Comparable Property	Type	Housing Choice Voucher Tenants
Cherokee Summit*	LIHTC	3%
Etowah Village	LIHTC	8%
Legacy At Acworth*	LIHTC/Market	18%
Somerset Club Apartments	LIHTC/Market	N/A
The Peaks Of Bells Ferry*	LIHTC/Market	40%
Avonlea Highlands	Market	0%
Rosewood Apartments	Market	0%
Stonemill Apartments	Market	0%
The Glen	Market	0%
The Vineyards	Market	0%

*Located outside the PMA

As illustrated in the table, four of the LIHTC properties reported having voucher tenants. The average number of voucher tenants at the LIHTC properties is 17 percent. None of the market rate properties reported currently having tenants utilizing housing choice vouchers. Overall, the local market does not appear to be dependent on voucher tenants, and we anticipate the Subject would maintain less than 15 percent voucher tenants.

Lease Up History

None of the comparables utilized in this report were able to provide absorption information. As an alternative, we expanded our search to the Atlanta-Sandy Springs-Roswell, GA MSA. The following table details absorption information for two LIHTC properties and one market rate property within the MSA.

ABSORPTION							
Property name	Location	Distance from Subject	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Parkside At Mechanicsville	Atlanta	39.1 miles	LIHTC	Family	2012	196	60
Retreat At Edgewood	Atlanta	40.4 miles	LIHTC	Family	2011	100	20
The Crest at Laurelwood*	Woodstock	18.1 miles	Market	Family	2015	272	25

Property still in initial lease-up

As illustrated, absorption rates range from 25 to 60 units per month. Parkside at Mechanicsville, an LIHTC, Public Housing, and market rate property, opened in January 2012 and reached a stabilized occupancy within three months. This development consists of 196 one, two, and three-bedroom units. As such, the absorption rate was 60 units per month. Secondly, Retreat at Edgewood, a LIHTC property, opened in November 2011 and reached stabilized occupancy within five months. This development consists of 100 one, two, and three-bedroom units. As such, the absorption rate was 20 units per month. Lastly, The Crest at Laurelwood, a market rate development, opened at the beginning of April 2015 and has 25 units leased out of 272 total units during the first month of occupancy. At a rate of 25 units per month, the development will be fully absorbed within 10 months. It is important to consider the metropolitan location of the two

LIHTC developments used in this analysis; thus we have concluded to a slightly slower absorption rate for the Subject due to the less populated location. Overall, we anticipate that the Subject will absorb 12 units per month, for an absorption period of approximately six months. It should be noted that per DCA guidelines, absorption has been calculated to 93 percent occupancy.

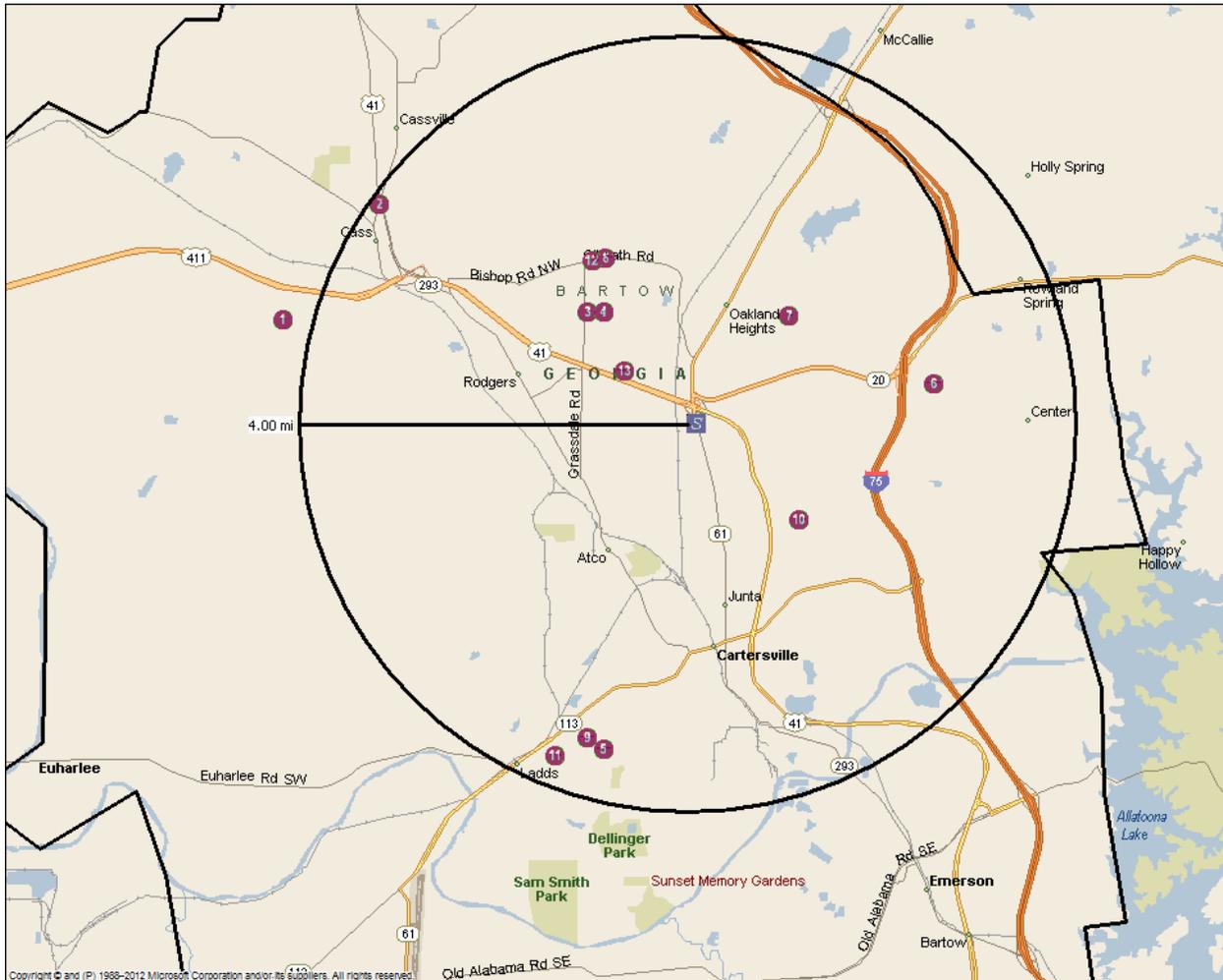
Phased Developments

The Subject is not part of a phased development.

Rural Areas

The Subject is located in a rural area.

3. COMPETITIVE PROJECT MAP



Map #	Property Name	Address	City	Type	Tenancy	Distance from Subject
1	Carter Manor Apartments	142 Old Gilliam Springs Rd SW	Cartersville	LIHTC	Senior	4.3 miles
2	Cass Towne Apartments	1341 Cassville Road NW	Cartersville	LIHTC	Senior	3.9 miles
3	Crossfield Apartments Phase I	7 Crossfield Circle	Cartersville	LIHTC/RD	Family	1.5 miles
4	Crossfield Apartments Phase II	7 Crossfield Circle	Cartersville	LIHTC/RD	Family	1.5 miles
5	Etowah Village*	366 Old Mill Road	Cartersville	LIHTC	Family	3.3 miles
6	Somerset Club Apartments*	91 Somerset Club Drive SE	Cartersville	LIHTC	Family	2.6 miles
7	The Cove	90 Liberty Square Drive NE	Cartersville	LIHTC	Senior	1.6 miles
8	Shangri-La Park	69 Gilreath Rd NW	Cartersville	LIHTC/HOME	Senior	1.9 miles
9	Cartersville Gardens Apartments	378 Old Mill Road	Cartersville	Section 8	Senior	3.4 miles
10	Huntwood Terrace Senior	71 Center Rd SE	Cartersville	Section 8	Senior	1.5 miles
11	The Jared House	245 Douthit Ferry Rd	Cartersville	Section 8	Family	3.7 miles
12	Fieldmont Apartments	34 Gilreath Rd	Cartersville	Rural Development	Family	1.9 miles
13	Club Court Apartments I & II	72 Massell Dr.	Cartersville	Rural Development	Family	0.8 miles

*Utilized as a comparable

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in pink, 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 grey.

UNIT MATRIX REPORT											
Comp #	Cloverleaf Apartments	Cherokee Summit	Flowah Village	Legacy At Acworth	Somerset Club Apartments	The Peaks Of Bells Ferry	Avonlea Highlands	Rosewood Apartments	Stonemill Apartments	The Glen	The Vineyards
Comp #	Subject	1	2	3	4	5	6	7	8	9	10
Property Information											
Property Type	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden (4 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)
Year Built / Renovated	Proposed 2017	2000 / n/a	1998 / 2012	1997 / n/a	2004 / n/a	2003 / n/a	2001 / n/a	1984 / 2014	2001 / n/a	1992 / n/a	1997 / n/a
Market (Conv./Subsidy Type)	LIHTC	LIHTC	LIHTC	LIHTC/Market	LIHTC/Market	LIHTC/Market	Market	Market	Market	Market	Market
Utility Adjustments											
Cooking	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	yes	yes	no	no	no	no
Sewer	no	no	no	yes	no	yes	yes	no	no	no	no
Trash Collection	yes	no	yes	yes	yes	yes	yes	yes	no	yes	no
In-Unit Amenities											
Balcony/Patio	yes	yes	yes	yes	no	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	yes	no	no	no	no	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	yes	yes	no	no	yes	yes	no	yes	yes
Ceiling Fan	yes	yes	yes	yes	yes	yes	no	no	yes	yes	yes
Fireplace	no	no	no	no	no	no	no	yes	no	no	no
Garbage Disposal	no	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	no	no	no	yes	no	no	no	no	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes	no	yes
Walk-In Closet	yes	yes	no	yes	yes	yes	no	yes	yes	yes	yes
Washer/Dryer	no	no	no	no	no	no	yes	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities											
Basketball Court	no	yes	yes	no	no	no	no	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	no	no	yes	yes	no	yes	no	no
Car Wash	no	yes	yes	no	yes	yes	yes	yes	no	yes	yes
Carport	no	no	yes	no	no	no	no	no	no	no	no
Clubhouse/Community Room	yes	yes	no	yes	yes	yes	yes	yes	no	yes	no
Exercise Facility	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	yes	yes	no	yes	yes	yes
Central Laundry	yes	yes	yes	yes	yes	yes	no	yes	yes	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	yes	no	yes	yes	no	yes	no	no
Playground	yes	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
Recreation Areas	yes	no	no	no	no	no	no	no	no	no	no
Sport Court	no	yes	no	no	no	no	no	no	no	no	no
Swimming Pool	no	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Tennis Court	no	yes	no	no	no	no	yes	yes	no	no	yes
Volleyball Court	no	no	yes	no	yes	no	no	no	no	no	no
Wi-Fi	yes	no	no	no	no	no	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$100.00	\$100.00	N/A	\$85.00	\$85.00	N/A
Services											
After-school Program	no	yes	no	no	no	no	no	no	no	no	no
Security											
In-Unit Alarm	no	no	no	yes	no	yes	no	no	no	no	no
Intercom (Buzzer)	no	no	no	no	no	yes	no	no	no	no	no
Limited Access	no	yes	no	no	no	yes	yes	no	yes	no	no
Patrol	no	no	no	yes	no	yes	no	no	no	no	no
Perimeter Fencing	no	yes	no	yes	yes	yes	yes	no	yes	no	no
Video Surveillance	yes	no	no	no	no	no	no	no	no	no	no
Other Amenities											
Other	Yoga/meditation room, children's center	Video library, aerobic classes, continental bkfst	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

The Subject will offer similar amenities compared to the majority of the comparables.

5. The Subject will target family households. Therefore, per DCA's guidelines, only family properties were included.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY				
Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Cherokee Summit*	LIHTC	272	2	0.7%
Etowah Village	LIHTC	96	1	1.0%
Legacy At Acworth*	LIHTC/Market	192	5	2.6%
Somerset Club Apartments	LIHTC/Market	192	7	3.6%
The Peaks Of Bells Ferry*	LIHTC/Market	248	5	2.0%
Avonlea Highlands	Market	228	1	0.4%
Rosewood Apartments	Market	148	3	2.0%
Stonemill Apartments	Market	176	5	2.8%
The Glen	Market	108	0	0.0%
The Vineyards	Market	152	0	0.0%
Total LIHTC		1,000	20	2.0%
Total Market		812	9	1.1%
Total		1,812	29	1.6%

*Located outside the PMA

As illustrated, vacancy rates in the market range from zero to 3.6 percent, averaging 3.4 percent. The LIHTC comparable properties have vacancy rates ranging from 0.7 percent to 3.6 percent, with a low average vacancy rate of just 2.0 percent. The market rate comparables we surveyed have vacancy rates ranging from zero percent to 2.8 percent. The average market rate vacancy rate is 1.1 percent, indicating a stable market for market rate units. Further, one of the LIHTC comparables maintains a waiting list for its affordable units.

The Subject will be similar to superior to the majority of the market rate and tax credit properties in terms of age and condition. Thus, we believe that the Subject will have a stabilized vacancy rate at four percent or less as a restricted property, similar to the majority of the LIHTC properties.

7. Properties Under Construction and Proposed

Based on DCA's allocation lists, there are currently no LIHTC multifamily properties proposed for the Subject's PMA. Additionally, there are no market rate properties proposed, under construction, or that have entered the market in 2011 to 2014.

8. Rental Advantage

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

Similarity Matrix								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Cherokee Summit	LIHTC	Similar	Slightly superior	Superior	Slightly inferior	Superior	20
2	Etowah Village	LIHTC	Similar	Slightly superior	Similar	Similar	Slightly superior	10
3	Legacy At Acworth	LIHTC/Market	Similar	Superior	Superior	Inferior	Superior	20
4	Somerset Club Apartments	LIHTC/Market	Similar	Similar	Similar	Slightly inferior	Superior	5
5	The Peaks Of Bells Ferry	LIHTC/Market	Similar	Slightly superior	Superior	Slightly inferior	Superior	20
6	Avonlea Highlands	Market	Slightly Superior	Similar	Slightly inferior	Slightly inferior	Slightly superior	0
7	Rosewood Apartments	Market	Similar	Slightly superior	Slightly superior	Similar	Similar	10
8	Stonemill Apartments	Market	Similar	Similar	Similar	Slightly inferior	Slightly superior	0
9	The Glen	Market	Similar	Slightly superior	Slightly superior	Inferior	Slightly superior	5
10	The Vineyards	Market	Similar	Superior	Slightly superior	Inferior	Slightly superior	10

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

The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following tables.

LIHTC RENT COMPARISON - @50%			
Property Name	1BR	2BR	3BR
Cloverleaf Apartments (Subject)	\$450	\$530	\$595
2015 LIHTC Maximum (Net)	\$477	\$560	\$629
Hold Harmless LIHTC Maximum (Net)	\$530	\$625	\$704
Etowah Village	-	\$556	\$623
Average (excluding Subject)	-	\$556	\$623
Novoco's Achievable LIHTC Rents	\$477	\$560	\$629

LIHTC RENT COMPARISON - @60%			
Property Name	1BR	2BR	3BR
Cloverleaf Apartments (Subject)	\$475	\$545	\$625
2015 LIHTC Maximum (Net)	\$605	\$714	\$807
Bartow County Hold Harmless LIHTC Maximum (Net)	\$669	\$792	\$896
Cherokee County Hold Harmless LIHTC Maximum (Net)	\$669	\$792	\$896
Cobb County Hold Harmless LIHTC Maximum (Net)	\$669	\$792	\$896
Cherokee Summit*	\$673	\$757	\$929
Etowah Village	-	-	\$623
Legacy At Acworth*	\$673	\$791	\$906
Somerset Club Apartments	\$625	\$711	\$754
The Peaks Of Bells Ferry*	\$663	\$796	\$876
Average (excluding Subject)	\$659	\$764	\$818
Novoco's Achievable LIHTC Rents	\$550	\$650	\$725

*Located outside the PMA

The Subject's proposed LIHTC rents are set below the maximum allowable levels at the 50 and 60 percent AMI maximum allowable levels. Three comparable properties, Cherokee Summit, Legacy At Acworth, and The Peaks Of Bells Ferry, reported achieving 60 percent rents at the maximum allowable levels, while the only comparable at the reported rents at the 50 percent AMI level reported rents below the maximum allowable limits. It should be noted that some of the comparable rents may appear to be above maximum allowable rents due to differences in utility allowances used for calculations, as well as comparables being held harmless at higher maximum allowable rents.

The Subject's proposed 50 and 60 percent rents are below the comparable range; however, as previously noted, the comparables are held harmless at higher maximum allowable levels. The Subject, upon completion, will be considered the most similar to Somerset Club Apartments and Etowah Village, the two most recently completed/renovated LIHTC comparables in Cartersville. These comparables reported vacancy rates of 1.0 percent to 3.6 percent and management at Etowah Village reported maintaining waiting lists of approximately five households. The low vacancy rates and presence of a waiting list at the most similar LIHTC comparables indicates demand in the local area for affordable housing.

Relative to the most similar comparables, the Subject's property amenity package will be similar, its in-unit amenity package will be similar to slightly inferior, and its age and condition will be slightly superior to superior. Additionally, the Subject's location will be similar; however, the Subject will offer significantly smaller unit sizes. Overall, given the strong occupancy rates of the comparables and reported 50 and 60 percent rents achieved at the most similar comparables, we believe the Subject's proposed 50 and 60 percent rents are achievable with upward potential to the maximum allowable rents at the 50 percent AMI level and slightly higher 60 percent AMI rents. However, it should be noted that we have tempered our conclusion of achievable LIHTC rents due to the Subject's smaller unit sizes.

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 comparables with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comparables. In a small rural market there may be neither tax credit comparables nor market rate comparables with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market."

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

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

SUBJECT COMPARISON TO MARKET RENTS @50%					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$450	\$650	\$798	\$723	-38%
2 BR	\$530	\$764	\$1,130	\$889	-40%
3 BR	\$595	\$900	\$1,146	\$979	-39%

SUBJECT COMPARISON TO MARKET RENTS @60%					
Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR	\$475	\$650	\$798	\$723	-34%
2 BR	\$545	\$764	\$1,130	\$889	-39%
3 BR	\$625	\$900	\$1,146	\$979	-36%

As illustrated the Subject's proposed 50 and 60 percent rents are well below the surveyed average when compared to the comparables, both LIHTC and market rate. Avonlea Highlands is the most similar market rate property in terms of location, and this property reported rents generally at the low end of the range. However, this property was constructed in 2001 and will be inferior to the Subject in terms of condition and similar in terms of amenities. Rosewood Apartments, Stonemill Apartments, The Glen, and The Vineyards are all located in similar to slightly superior locations and offer generally superior amenity packages when compared to the Subject. The remaining market rate comparables are located in Acworth, which is a slightly superior location relative to the Subject. However, the average market rate vacancy is very low, and the Subject's proposed LIHTC rents are well below the rents reported by these comparables.

Overall, we believe that the Subject's proposed rents are achievable in the market and will offer a substantial market rent advantage.

9. LIHTC Competition – Recent Allocations within Two Miles

Based on DCA's allocation lists, there are currently no LIHTC multifamily properties proposed for the Subject's PMA. Additionally, there are no market rate properties proposed, under construction, or that have entered the market in 2011 to 2013. There have been no LIHTC allocation from 2011 through 2015 YTD.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA				
Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	11,351	70.5%	4,745	29.5%
2010	13,546	63.1%	7,918	36.9%
2014	13,243	60.5%	8,657	39.5%
Projected Mkt Entry October 2017	14,027	60.93%	8,990	39.07%
2019	14,449	61.2%	9,170	38.8%

Source: ESRI Demographics 2014, Novogradac & Company LLP, April 2015

In 2014, approximately 60.5 percent of households in the PMA were owner-occupied, while the remaining 39.5 percent are renter-occupied. The percentage of renter-occupied households in the PMA is expected to decrease slightly through the market entry date, although the total number of renter-occupied units is expected to increase. Further, the total number of renter households will increase by 513 households by 2019. This indicates an ongoing need for quality affordable renter housing in the PMA.

Historical Vacancy

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

CHANGE IN VACANCY RATES										
Property name	Type	Total Units	2QTR 2005	2QTR 2006	1QTR 2007	2QTR 2008	1QTR 2010	3QTR 2013	2QTR 2014	2QTR 2015
Cherokee Summit*	LIHTC	272	-	-	-	5.1%	1.8%	-	5.5%	0.7%
Etowah Village	LIHTC	96	-	-	22.9%	9.4%	-	-	-	1.0%
Legacy At Acworth*	LIHTC/Market	192	-	-	-	5.2%	-	8.3%	4.2%	2.6%
Somerset Club Apartments	LIHTC/Market	192	-	7.8%	0.5%	-	-	-	-	3.6%
The Peaks Of Bells Ferry*	LIHTC/Market	248	-	-	-	-	10.1%	-	0.0%	2.0%
Avonlea Highlands	Market	228	4.8%	7.9%	-	-	-	-	-	0.4%
Rosewood Apartments	Market	148	2.0%	-	-	-	-	-	-	2.0%
Stonemill Apartments	Market	176	1.1%	1.7%	-	-	-	-	-	2.8%
The Glen	Market	108	4.6%	3.7%	-	-	-	-	-	0.0%
The Vineyards	Market	152	3.9%	1.3%	-	-	-	-	-	0.0%

*Located outside the PMA

As illustrated in the table, we have limited historical occupancy information for the comparables properties. However, it appears that the majority of the comparables have demonstrated stable or improved performance, suggesting the local market is stable.

Change in Rental Rates

The following table illustrates changes in rent at the comparable properties over the past year.

RENT GROWTH		
Comparable Property	Rent Structure	Rent Growth
Cherokee Summit*	LIHTC	Increased 3-12%
Etowah Village	LIHTC	None
Legacy At Acworth*	LIHTC/Market	Increased 9-14%
Somerset Club Apartments	LIHTC/Market	None
The Peaks Of Bells Ferry*	LIHTC/Market	Increased 2-6%
Avonlea Highlands	Market	Change daily
Rosewood Apartments	Market	Increased, amount N/Av
Stonemill Apartments	Market	Change daily
The Glen	Market	Increased, amount N/Av
Cherokee Summit*	Market	Increased 3-7%

*Located outside the PMA

Three of the LIHTC comparables and three of the market rate comparables reported rent increases over the past year, two LIHTC comparables reported no change, and two market rate comparables reported that rents fluctuate daily. The Subject's rents at 50 and 60 percent of AMI are set below maximum allowable levels. Therefore, we anticipate that the Subject will experience rent growth in the future that is in line with the market.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to RealtyTrac, one in every 1,328 housing units in Cartersville had received foreclosure filings in March 2015. This compares to one in every 1,156 housing units in Bartow County, one in every 1,085 housing units in the state of Georgia, and one in every 1,082 housing units in the nation at the same time. It appears that the mortgage and foreclosure crisis has affected Cartersville, although its foreclosure rate is lower than the county, state, and nation. However, during our site inspection, there did not appear to be any vacant or abandoned homes in the Subject's neighborhood.

12. Primary Housing Void

Although the majority of the comparables reported relatively low vacancy rates, it should be noted that the majority of the housing stock is older construction. There is a void of new construction housing in the market, which the Subject will help fill. The Subject will be superior to the majority of the comparables in the area and thus, provide good quality affordable housing.

13. Affect of Subject on Other Affordable Units in Market

The Subject will be superior to the majority of the LIHTC comparables. The stabilized LIHTC comparables maintains low vacancy levels, indicating demand for good quality affordable units. Additionally, one LIHTC property reported to currently maintain a waiting list for at least some of their affordable units. Based on the relatively low capture rates, which indicates strong demand for affordable housing, it is anticipated that the Subject will not have a negative long-term impact on affordable units in the market.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. The Subject will be superior in terms of condition to the majority of the comparables. The Subject's proposed rents are slightly below the rents reported by the majority of the LIHTC comparables due to the comparables being held harmless at higher maximum allowable rent levels. Additionally, several of the comparables reported a vacancy rate below two percent, indicating demand for good quality units. Overall, we believe there is demand for the Subject given its excellent condition, low capture rates, competitive amenities and unit sizes.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

None of the comparables utilized in this report were able to provide absorption information. As an alternative, we expanded our search to the Atlanta-Sandy Springs-Roswell, GA MSA. The following table details absorption information for two LIHTC properties and one market rate property within the MSA.

ABSORPTION							
Property name	Location	Distance from Subject	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Parkside At Mechanicsville	Atlanta	39.1 miles	LIHTC	Family	2012	196	60
Retreat At Edgewood	Atlanta	40.4 miles	LIHTC	Family	2011	100	20
The Crest at Laurelwood*	Woodstock	18.1 miles	Market	Family	2015	272	25

Property still in initial lease-up

As illustrated, absorption rates range from 25 to 60 units per month. Parkside at Mechanicsville, a LIHTC, Public Housing, and market rate property, opened in January 2012 and reached a stabilized occupancy within three months. This development consists of 196 one, two, and three-bedroom units. As such, the absorption rate was 60 units per month. Secondly, Retreat at Edgewood, an LIHTC property, opened in November 2011 and reached stabilized occupancy within five months. This development consists of 100 one, two, and three-bedroom units. As such, the absorption rate was 20 units per month. Lastly, The Crest at Laurelwood, a market rate development, opened at the beginning of April 2015 and has 25 units leased out of 272 total units during the first month of occupancy. At a rate of 25 units per month, the development will be fully absorbed within 10 months. It is important to consider the metropolitan location of the two LIHTC developments used in this analysis; thus we have concluded to a slightly slower absorption rate for the Subject due to the less populated location. Overall, we anticipate that the Subject will absorb 12 units per month, for an absorption period of approximately six months. It should be noted that per DCA guidelines, absorption has been calculated to 93 percent occupancy.

J. INTERVIEWS

INTERVIEWS

Barrow County Housing Authority

We spoke with Nancy Dove, Section 8 Office Director for the Georgia Department of Community Affairs (DCA) Athens Section 8 Department, to gather information pertaining to the use of Housing Choice Vouchers. Ms. Dove reported that the DCA distributes approximately 78 vouchers for Bartow County, and all are in use. In addition, there currently is no waiting list. However, Ms. Dove stated that they are currently updating their system and plan on opening a waiting list towards the end of the year. They will give preferences to those who either live or work in the county. The payment standards for the one-, two-, and three-bedroom units are \$810, \$916, and \$1,213 respectively. These are above the Subject's proposed LIHTC rents.

Planning

We interviewed Richard Osborne, City Planner with the City of Cartersville Planning and Zoning Department to determine if any other multifamily apartments were in the planning or construction phases in the city. According to Mr. Osborne, there are no multifamily developments in the planning or construction stages in Cartersville.

Economic Development

We spoke with Connie Salter, Operations Manager with Cartersville Bartow Economic Development, to inquire about business expansions/contraction in the county. Ms. Salter provided us the following business expansion information.

- Pattillo Industrial Real Estate published plans to develop a 265,000 square foot facility in the Cartersville Business Park. The facility will be located in the northern portion of Cartersville, just east of Interstate 75 on Cass White Road.
- Vista Metals will invest \$17 million to expand its existing 57,500 square foot manufacturing facility. The expansion is expected to create at least 30 new jobs.
- Surya announced plans to open a state-of-the-art 1,000,000 square foot facility that is expected to create 250 jobs in Cartersville. The expansion began in August 2014 and is expected to cost \$30 million.
- Beaulieu International Group announced plans to establish headquarters in Cartersville and will create 350 new jobs over the next five years. The manufacturing plant will sit on 120 acres of land in the northern portion of Cartersville.
- Toyo Tire is in the process of expanding its current facility, which will create 650 new jobs over the next four years. The expansion is estimated at \$371 million and will add 700,000 square feet in manufacturing space.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- The Subject is located in Cartersville in Bartow County, Georgia. Overall demographics are strong for the Subject’s family units as the PMA has been an area of growth. Population in 2014 in the PMA was 60,536 and is projected to increase to 65,322 by 2019. There were 21,900 households in 2014, which is expected to increase to 23,619 by 2019. In 2014, approximately 39.5 percent of people in the PMA resided in renter-occupied housing units. Renter-occupied housing units are expected to increase by 333 housing units by the market entry date, and another 180 housing units by 2019. Approximately 73.1 percent of renter households in the PMA earn between \$0 and \$39,999. Households in these income cohorts are expected to create demand for the Subject. The Subject’s LIHTC units will target family households earning between \$19,817 and \$44,220.
- The Atlanta-Sandy Springs-Roswell, GA MSA has an improving economy with increasing total employment for seven of the last 10 years. The only decreases in employment occurred from 2008 through 2010, which is the result of the recent national recession. The unemployment rate in the MSA has generally been below the national unemployment rate. However, it appears that the local economy is recovering, as total employment numbers are similar to pre-recessionary levels. The local economy appears to be diverse and consist of relatively low-paying jobs offered in the retail, distribution, and manufacturing, industries which are expected to generate demand for affordable housing in the PMA.
- The Subject’s capture rate for its 50 percent AMI units is 2.2 percent, while the 60 percent AMI units are 7.0 percent. The Subject has an overall capture rate of 8.4 percent. This is also supported by the low vacancy rates at the stabilized comparables. Therefore, we believe there is adequate demand for the Subject.
- None of the comparables utilized in this report were able to provide absorption information. As an alternative, we expanded our search to the Atlanta-Sandy Springs-Roswell, GA MSA. The following table details absorption information for two LIHTC properties and one market rate property within the MSA.

ABSORPTION							
Property name	Location	Distance from Subject	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
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Property still in intitial lease-up

As illustrated, absorption rates range from 25 to 60 units per month. Parkside at Mechanicsville, an LIHTC, Public Housing, and market rate property, opened in January 2012 and reached a stabilized occupancy within three months. This development consists of 196 one, two, and three-bedroom units. As such, the absorption rate was 60 units per month. Secondly, Retreat at Edgewood, an LIHTC property, opened in November 2011 and reached stabilized occupancy within five months. This development consists of 100 one, two, and three-bedroom units. As such, the absorption rate was 20 units per month.

Lastly, The Crest at Laurelwood, a market rate development, opened at the beginning of April 2015 and has 25 units leased out of 272 total units during the first month of occupancy. At a rate of 25 units per month, the development will be fully absorbed within 10 months. It is important to consider the metropolitan location of the two LIHTC developments used in this analysis; thus we have concluded to a slightly slower absorption rate for the Subject due to the less populated location. Overall, we anticipate that the Subject will absorb 12 units per month, for an absorption period of approximately six months. It should be noted that per DCA guidelines, absorption has been calculated to 93 percent occupancy.

- Vacancy rates in the market range from zero to 3.6 percent, averaging 3.4 percent. The LIHTC comparable properties have vacancy rates ranging from 0.7 percent to 3.6 percent, with a low average vacancy rate of just 2.0 percent. The market rate comparables we surveyed have vacancy rates ranging from zero percent to 2.8 percent. The average market rate vacancy rate is 1.1 percent, indicating a stable market for market rate units. Further, one of the LIHTC comparables maintains a waiting list for its affordable units.

The Subject will be similar to superior to the majority of the market rate and tax credit properties in terms of age and condition. Thus, we believe that the Subject will have a stabilized vacancy rate at three percent or less as a restricted property, similar to the majority of the LIHTC properties.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. The Subject will be superior in terms of condition to the majority of the comparables. The Subject's proposed rents are slightly below the rents reported by the majority of the LIHTC comparables due to the comparables being held harmless at higher maximum allowable rent levels. Additionally, several of the comparables reported a vacancy rate below two percent, indicating demand for good quality units. Overall, we believe there is demand for the Subject given its excellent condition, low capture rates, and competitive amenities.

Recommendations

We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can 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.



Rebecca S. Arthur, MAI
Partner



Matthew Hummel
Manager
Matthew.Hummel@novoco.com
913-677-4600 ext.1517



Andrea Strange
Real Estate Researcher



Sterling Battle
Real Estate Researcher

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.



Rebecca S. Arthur, MAI
Partner



Matthew Hummel
Manager
Matthew.Hummel@novoco.com
913-677-4600 ext.1517



Andrea Strange
Real Estate Researcher



Sterling Battle
Real Estate Researcher

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS
REBECCA S. ARTHUR, MAI

I. Education

University of Nebraska, Lincoln, Nebraska
Bachelor of Science in Business Administration – Finance

Appraisal Institute
Designated Member (MAI)

II. Licensing and Professional Affiliation

Designated Member of the Appraisal Institute (MAI)
 Kansas City Chapter of the Appraisal Institute Board of Directors – 2013 & 2014
Member of Commercial Real Estate Women (CREW) Network
Member of National Council of Housing Market Analysts (NCHMA)

State of Arkansas Certified General Real Estate Appraiser No. CG2682N
State of Arizona Certified General Real Estate Appraisal No. 31992
State of California Certified General Real Estate Appraiser No. AG041010
State of Hawaii Certified General Real Estate Appraiser No. CGA-1047
State of Iowa Certified General Real Estate Appraiser No. CG03200
State of Indiana Certified General Real Estate Appraiser No. CG41300037
State of Kansas Certified General Real Estate Appraiser No. G-2153
State of Michigan Certified General Real Estate Appraiser No. 1201074011
State of Minnesota Certified General Real Estate Appraiser No. 40219655
State of Missouri Certified General Real Estate Appraiser No. 2004035401
State of New Mexico Certified General Real Estate Appraiser No. 02511-G
State of Texas Certified General Real Estate Appraiser No. TX-1338818-G

III. Professional Experience

Partner, Novogradac & Company LLP
Principal, Novogradac & Company LLP
Manager, Novogradac & Company LLP
Real Estate Analyst, Novogradac & Company LLP
Corporate Financial Analyst, Deloitte & Touche LLP

IV. Professional Training

The Appraiser as an Expert Witness: Preparation & Testimony, April 2013
Forecasting Revenue, December 2012
USPAP Update, May 2012
How to Analyze and Value Income Properties, May 2011
Appraising Apartments – The Basics, May 2011
Business Practices and Ethics, December 2010

HUD MAP Third Party Training, June 2010
HUD LEAN Third Party Training, January 2010
National Uniform Standards of Professional Appraisal Practice, April 2010
MAI Comprehensive Four Part Exam, July 2008
Report Writing & Valuation Analysis, December 2006
Advanced Applications, October 2006
Highest and Best Use and Market Analysis, July 2005
Advanced Sales Comparison and Cost Approaches, April 2005
Advanced Income Capitalization, October 2004
Basic Income Capitalization, September 2003
Appraisal Procedures, October 2002
Appraisal Principals, September 2001

V. Real Estate Assignments

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

- In general, have managed and conducted numerous market analyses and appraisals for various types of commercial real estate since 2001, with an emphasis on multifamily housing and land.
- Have managed and conducted numerous market and feasibility studies for multifamily housing. Properties types include Section 42 Low Income Housing Tax Credit (LIHTC) Properties, Section 8, USDA and/or conventional. Local housing authorities, developers, syndicators, HUD and lenders have used these studies to assist in the financial underwriting and design of multifamily properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying, and overall market analysis. The Subjects include both new construction and rehabilitation properties in both rural and metro regions throughout the United States and its territories.
- Have managed and conducted numerous appraisals of multifamily housing. 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 market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs, as well as the LIHTC PILOT Program.
- 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 and FreddieMac appraisals of affordable and market rate multi-family properties for DUS Lenders.
- Managed and Completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 8 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Managed and conducted various City and County-wide Housing Needs Assessments in order to determine the characteristics of existing housing, as well as determine the need for additional housing within designated areas.
- Performed numerous valuations of the General and/or Limited Partnership Interest in a real estate transaction, as well as LIHTC Year 15 valuation analysis.

VI. Speaking Engagements

A representative sample of industry speaking engagements follows:

- Institute for Professional Education and Development (IPED): Tax Credit Seminars
- Institute for Responsible Housing Preservation (IRHP): Annual Meetings
- National Council of Housing Market Analysts (NCHMA): Seminars and Workshops
- Novogradac & Company LLP: LIHTC, Developer and Bond Conferences
- AHF Live! Affordable Housing Finance Magazine Annual Conference
- Kansas Housing Conference
- California Council for Affordable Housing Meetings

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MATTHEW A. HUMMEL

I. EDUCATION

Rockhurst University – Kansas City, Missouri

Master of Business Administration - Concentration in Management and International, 2008

University of Missouri-Columbia

Bachelor of Business Administration - Finance and Banking, 2006

II. LICENSING AND PROFESSIONAL AFFILIATION

State of Kansas Certified General Real Estate Appraiser No. G-2959

State of Washington Certified General Real Estate Appraiser No. 1102285

State of California Certified General Real Estate Appraiser No. 3002505

State of Missouri Certified General Real Estate Appraiser No. 2014030618

State of Texas Certified General Real Estate Appraiser No. TX1380146-G

III. PROFESSIONAL EXPERIENCE

Manager - Novogradac & Company LLP

Real Estate Analyst - Novogradac & Company LLP

Researcher - Novogradac & Company LLP

December 2010 to Present

Investor Reporting Analyst - KeyBank Real Estate Capital

Insurance Specialist - KeyBank Real Estate Capital

May 2009 to December 2010

IV. PROFESSIONAL TRAINING

Educational requirements successfully completed for the Appraisal Institute

Basic Appraisal Principles - March 2012

Basic Appraisal Procedures - December 2012

Statistics, Modeling, and Finance - April 2013

General Appraiser Market Analysis Highest and Best Use - April 2013

National Uniform Standards of Professional Appraisal Practice - May 2013

General Appraiser Sales Comparison Approach – June 2013

General Appraiser Site Valuation and Cost Approach – July 2013

General Report Writing and Case Studies – August 2013

General Appraiser Income Approach – September 2013

Commercial Appraisal Review – September 2013

Expert Witness for Commercial Appraisers – October 2013

Supervisor – Trainee Course – December 2014

The Nuts and Bolts of Green Building – March 2015

Even Odder – More Oddball Appraisal – March 2015

Mortgage Fraud – April 2015

2014-2015 National USPAP Course – April 2015

V. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income

qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.

- Prepared Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.
- Performed market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing (MAP) program. These reports meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7/Appendix 7 of the HUD MAP Guide for 221(d)(4) and 223(f) programs.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Andrea M. Strange

I. EDUCATION

University of Missouri-Kansas City – Kansas City, Missouri
Bachelor of Arts – Communications, 2012

II. PROFESSIONAL EXPERIENCE

Researcher – Novogradac & Company LLP
February 2014 to Present

Public Relations Coordinator – Sullivan Higdon & Sink
September 2012 to February 2014

III. REAL ESTATE ASSIGNMENTS

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

- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, assisted living, large family, and acquisition with rehabilitation.
- Assisted in the preparation of Rent Comparability Studies for expiring Section 8 contracts and USDA contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Researched and analyzed local and national economy and economic indicators for specific projects throughout the United States. Research included employment industries analysis, employment historical trends and future outlook, and demographic analysis.
- Examined local and national housing market statistical trends and potential outlook in order to determine sufficient demand for specific projects throughout the United States.