

PROFESSIONAL MARKET STUDY
FOR THE CHANDLER TRACE APARTMENTS
A PROPOSED LIHTC FAMILY DEVELOPMENT

LOCATED IN:
HARTWELL, HART COUNTY, GA

PREPARED FOR:
CHANDLER TRACE, L.P.

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SECTION A
EXECUTIVE SUMMARY

1. Project Description:

. Brief description of project location including address and/or position relative to the closet cross-street.

. The LIHTC multi-family development will target the general population in Hartwell and Hart County, Georgia. The subject property is located off Chandler Street, approximately 1 mile north of Downtown Hartwell.

. Construction and occupancy types.

. The proposed new construction development project design comprises four, two-story, 16-plex residential buildings. The development design provides for 142-parking spaces. The development will include a separate building to be used as a clubhouse / community room, central laundry, and manager's office.

The proposed *Occupancy Type* is for the **General Population** and is not age restricted.

. Unit mix including bedrooms, bathrooms, square footage, income targeting rents, utility allowance.

Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	12	806	Na
2BR/2b	36	1,048	Na
3BR/2b	16	1,211	Na
Total	64		

Project Rents:

The proposed development will target approximately 20% of the units at 50% or below of area median income (AMI), and approximately 80% at 60% AMI. Rent excludes all utilities, yet will include trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	8	\$266	\$171	\$437
2BR/2b	3	\$308	\$217	\$525
3BR/2b	2	\$337	\$269	\$606

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	4	\$309	\$171	\$480
2BR/2b	33	\$385	\$217	\$602
3BR/2b	14	\$430	\$269	\$699

*Based upon 2015 GA-DCA Middle Region Utility Allowances.

. Any additional subsidies available including project based rental assistance (PBRA).

- . The proposed LIHTC development will not include any additional deep subsidy rental assistance, including PBRA. The proposed LIHTC development will accept deep subsidy Section 8 vouchers.

. Brief description of proposed amenities and how they compare to existing properties.

- . Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the unit and the development amenity package.

2. Site Description/Evaluation:

. A brief description of physical features of the site and adjacent parcels. In addition, a brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).

- . The approximately 6-acre, polygon shaped tract is partially cleared and wooded, and relatively flat. At present, no physical structures are located on the tract. The site is not located within a 100-year flood plain.
- . The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: single-family residential use, with nearby institutional and commercial use.

- Directly north of the site, along Whitehall Street are several single-family homes. The Hart County EMS Station is approximately .2 miles north. Directly south of the site, is vacant land followed by commercial development along W Johnson Street. Directly west of the site, off Chandler Street is low density single-family development and a small single-family neighborhood situated along Emory Drive. Directly east of the site is single-family development. The Hart County Health Department is .2 miles east.

- ***A discussion of site access and visibility.***

- Access to the site is available off Chandler Street. Chandler Street is a primary residential connector in the city, which links the site to the downtown area of Hartwell to the south. It is a low to medium density road, with a speed limit of 45 miles per hour in the immediate vicinity of the site. Also, the location of the site off Chandler Street does not present problems of egress and ingress to the site.
- The site offers very good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities, including: noxious odors, very close proximity to cemeteries, high tension power lines, rail lines and junk yards.

- ***Any significant positive or negative aspects of the subject site.***

- Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, employment nodes, as well as nearby health care and educational facilities	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

- ***A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc...***

- Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, schools, and area churches.

All major facilities within Hartwell can be accessed within a 5 to 10-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site.

- **An overall conclusion of the site's appropriateness for the proposed development.**

- The site location is considered to be marketable. In the opinion of the analyst, the proposed site location offers attributes that will greatly enhance the rent-up process of the proposed LIHTC development.

3. Market Area Definition:

- **A brief definition of the primary market area including boundaries of the market area and their approximate distance from the subject property.**

- The Primary Market Area (PMA) for the proposed multi-family development consists of the following 2010 census tracts in Hart County, which comprise all of Hart County: 9601-9605.
- The PMA is located in the north-central portion of Georgia. Hartwell is approximately 23 miles southwest of Anderson, SC and 45 miles northeast of Athens. Hartwell, the county seat, is centrally located within Hart County.
- Hartwell is the largest populated place in the PMA, representing approximately 18% of the total population. In addition to Hartwell, there is one other, much smaller incorporated place located within the PMA. In 2010, the Town of Bowersville had a population of 456. Also, located within the PMA is the Reed Creek census designated place. Reed Creek is an unincorporated area that is located about 7 miles north of Hartwell. In 2010, it had a population of 2,604. For the most part, excluding Hartwell and Reed Creek, the PMA is very rural with much of the land use in agriculture or open space.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject Site
North	Hartwell Lake & GA/SC State Line	9 miles
East	Hartwell Lake & GA/SC State Line	7 to 10 miles
South	Elbert County	5 - 6 miles
West	Franklin & Madison Counties	10 miles

4. Community Demographic Data:

- **Current and projected household and population counts for the primary market area. For senior reports, data should be presented for both overall and senior households and populations/households.**
- Total population and household gains over the next several years, (2015-2017) are forecasted for the PMA, represented by a rate of change approximating +.60% per year. In the PMA, in 2010, the total population count was 25,213 versus 26,152 projected for 2017.
- In the PMA, in 2010, the total household count was 9,492 versus 10,511 projected by 2017. This represents an increase of +1.47% per year.
- **Households by tenure including any trends in rental rates.**
- The 2010 to 2017 tenure forecast trend revealed an increase in both owner-occupied and renter-occupied households within the PMA.
- **Households by income level.**
- It is projected that in 2017, approximately **18%** of the renter-occupied households in the PMA will be in the subject's 50% AMI LIHTC target income group of \$14,985 to \$25,200.
- It is projected that in 2017, approximately **20%** of the renter-occupied households in the PMA will be in the subject's 60% AMI LIHTC target income group of \$16,460 to \$30,240.
- In order to adjust for income overlap between the targeted income segments, the following adjustments were made: (1) the 50% AMI estimate was reduced to **8%**, and (2) the 60% AMI estimate was held constant at **17%**.
- **Impact of foreclosed, abandoned and vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development should be discussed.**
- The foreclosure problem is still very much evident Nationwide, Statewide, as well as in Hartwell and Hart County. ForeclosureListings.com is a nationwide data base with approximately 698,116 listings (54% foreclosures, 6% short sales, 30% auctions, and 10% brokers listings). As of 5/7/15, there were 79 foreclosure and foreclosure auction listings within Hartwell, of which 6 of the 21 foreclosure listings had a listed value of greater than \$100,000.
- In the Hartwell PMA, the relationship between the local area foreclosure market and existing or new LIHTC supply is not crystal clear. However, at the time of

the survey, the newest LIHTC property located in Hartwell and Hart County was 100% occupied, and maintained a waiting list with over 100 applicants.

- Note: Recent anecdotal news information points to the fact that in Georgia the majority of the foreclosure problem is concentrated in the Atlanta Metro Region more so than in rural markets within the State. Still, there are other metro housing markets in the State, as well as some rural housing markets that are severely impacted by a significant amount of foreclosures. Based on available data at the time of the survey, Hart County does not appear to be one of the semi-urban housing markets that have been placed in jeopardy due to the recent foreclosure phenomenon.

5. Economic Data:

- ***Trends in employment for the county and/or region. Employment should be based on the number of jobs in the county (i.e., covered employment).***

- Between 2005 and 2007, the average decrease in employment was approximately 72 workers or approximately -0.70% per year. The rate of employment loss between 2008 and 2009, was very significant at over -7%, representing a net loss of -686 workers. The rate of employment loss between 2010 and 2012, moderated at approximately -0.82% per year. The 2013 to 2014, rate of gain was significant (when compared to the preceding year) at +1.25%. The rate of employment change thus far into 2015, is forecasted to exhibited a moderate to significant increase owing to the recent economic growth announcement of a new automotive components manufacturer locating in Hart County and creating 800 jobs.
- With an exception for a decline in 2012, the gains in covered employment in Hart County between 2010 and 2013 were modest to moderate. The 2014 quarterly trend data suggests an increase in covered employment in 2014.

- ***Employment by sector for the county and/or region.***

- The top four employment sectors are: manufacturing, trade, government and service. The 2015 forecast is for the manufacturing sector to increase & the government sector to stabilize.

- ***Unemployment trends for the county and/or region for the past 5 years.***

- Monthly unemployment rates in 2013 and 2014 were much improved when compared to the 2009 to 2011 period. Monthly unemployment rates remained low in 2014, and were for the most part improving on a month to month basis, ranging between 6.8% and 10.1%. The annual unemployment rate in 2015 in Hart County is forecasted

to continue to decline, to the vicinity of 6% to 7% and improving on a relative year to year basis.

• ***A brief discussion of any recent or planned major employment contractions or expansions.***

- The Hartwell PMA economy is becoming more diversified. In addition to having a very sizable manufacturing sector, the local economy has exhibited gains in the service, trade and government sectors centered primarily in Hartwell. This diversification has in turn helped to offset the negative impact of the decline in the manufacturing sector in the city and elsewhere in the county. Still, the manufacturing sector is the backbone and engine of the local economy.
- The Hart County Industrial Building Authority is the lead economic development organization for Hart County and Hartwell. They work closely with other agencies including the Hartwell Downtown Development Authority and the Hart County Chamber to promote the County and provide information on sites and opportunities for business relocation and expansion. The Hart County IBA also works closely with the Joint Development Authority of Franklin, Hart, and Stephens Counties, which has resulted in significant development along Interstate I-85. Gateway Industrial Park, a fully developed 150-acre industrial park was completed in 2005, and features over one mile of frontage on I-85 at Exit 177.
- Hart County lost 10% its employment base in 2006, when Springs Global - the last of the county's textile plants - laid off 1,200 workers and contractors. Since that time, the primary focus has been on doing whatever it takes to create a diverse economy that might better weather future economic storms. The results have been companies representing a variety of sectors from manufacturing to agriculture, as well as a strong effort to use the natural resources to bolster tourism. The Gateway Industrial Park attracted tenants immediately upon completion, and other firms have located there over the past 10 years.
- Some of the recent announcements include the following:
 - (1) On December 16, 2014 the office of Governor Nathan Deal announced that Germany-based Häring, a leading global manufacturer of precision components and subassemblies for the automotive industry, will locate its first U.S. manufacturing facility in Hartwell, creating 800 jobs by 2025 and investing \$54 million into the project over the next five years. The company will construct a 196,000-foot facility as well as a separate training center and detached dining hall at 83 Anton Haering Street in the Gateway II Industrial Park.
 - (2) On January 15, 2014 the Hart County Industrial Building Authority announced that Lake Foods, a newly

established food processor, would be opening its first location in mid-February in Hart County Georgia. With an investment of \$4 million including the purchase and re-purpose of an existing 62,000-square-foot facility in Hart County's Industrial Park, located on U.S. Hwy 29 near the City of Hartwell.

(3) In July 2013 Field Service Engineering (FSE) announced that they were moving the corporate headquarters from Oakland County, Mich., to Hart County, Ga., creating 80 new full-time positions in an expanded facility.

• ***An overall conclusion regarding the stability of the county's overall economic environment. This conclusion should include an opinion if the current economic environment will negatively impact the demand for additional or renovated rental housing.***

- The Hartwell / Hart County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the acceptable site location of the subject, with good proximity to employment nodes, the proposed subject development will likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.
- In the opinion of the market analyst, a new LIHTC family development located within the PMA should fare very well. The opportunities for LIHTC households to buy a home are and will become ever more challenging, in the current underwriting and mortgage due diligence environment.
- The proposed subject property net rents at 50% and 60% AMI are marketable, and competitive with the area competitive environment.
- Recent economic indicators are more supportive of a continuing improving local economy in Hartwell and Hart County over the next year. Recent monthly unemployment rates have been declining to the 7% to 8% level over the last year and are forecasted to continue to decline into all of 2015.
- In addition, tourism is becoming a major contributor to the local economy. The primary reason for this growth is the increasing popularity of Hartwell Lake (56,000-acres and 962-miles of shoreline) as a recreational destination, as well as an emerging retirement destination. It is estimated that the lake is visited by over 10 million people annually.

6. Project-Specific Affordability and Demand Analysis:

- **Number of renter households income qualified for the proposed development given the proposed unit mix, income targeting, and rents. For senior projects, this should be age and income qualified renter households.**
- The forecasted number of income qualified renter households for the proposed LIHTC development is 424.
- **Overall estimate of demand based on DCA's demand methodology.**
- The overall forecasted number of income qualified renter households for the proposed LIHTC family development taking into consideration like-kind competitive supply introduced into the market since 2013 is 424.
- Capture Rates including: LIHTC & Market Rate

Proposed Project Capture Rate All Units	15.1%
Proposed Project Capture Rate LIHTC Units	15.1%
Proposed Project Capture Rate LIHTC Units @ 50% AMI	8.7%
Proposed Project Capture Rate LIHTC Units @ 60% AMI	18.6%
Proposed Project Capture Rate Market Rate Units	Na

- **A conclusion regarding the achievability of the above Capture Rates.**
- The above capture rates are well below the GA-DCA thresholds. They are considered to be a reliable quantitative indicator of market support for the proposed subject development.

7. Competitive Rental Analysis:

- **An analysis of the competitive properties in the PMA.**
- At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted apartment properties was less than 1%, at 0.6%.
- At the time of the survey, the overall vacancy rate of the four USDA-RD properties was 0%. All four properties maintain a waiting list.
- The Hartwell PMA has one LIHTC development within its physical geography. At the time of the survey, Juniper Court, a 52-unit LIHTC elderly development was 100% occupied and had over 100 applicants on the waiting list.
- At the time of the survey, the overall estimated

vacancy rate of the surveyed market rate properties targeting the general population was less than 2%, at 1.7%.

• **Number of properties.**

- Five program assisted family properties, as well as the Hartwell Housing Authority representing 334 units were surveyed in the subject's competitive environment.
- Eight market rate properties, representing 1,436 units were surveyed. Owing to the lack of traditional market rate apartment properties within the Hartwell PMA, all of the surveyed market rate properties are located in Anderson, SC, which is around 20 northeast of Hartwell.

• **Rent bands for each bedroom type proposed.**

Bedroom type	Rent Band (Subject)	Rent Band (Market Rate)
1BR/1b	\$266-\$309	\$550 - \$825
2BR/1b	Na	Na
2BR/2b	\$308-\$385	\$650 - \$979
3BR/2b	\$337-\$430	\$769 - \$1170

• **Average Market rents.**

Bedroom type	Average Market Rent
1BR/1b	\$683 (adjusted = \$620)
2BR/1b	Na
2BR/2b	\$812 (adjusted = \$700)
3BR/2b	\$943 (adjusted = \$845)

8. Absorption/Stabilization Estimate:

- **An estimate of the number of units to be leased at the subject property, on average.**
- The forecasted rent-up scenario suggests an average of 10-units being leased per month.
- **Number of units expected to be leased by AMI Targeting.**

AMI Target Group	Number of units Expected to be Leased*
50% AMI	13
60% AMI	51

* at the end of the 1 to 6-month absorption period

- **Number of months required for the project to reach stabilization of 93% occupancy.**
- A 93% occupancy rate is forecasted to occur within 6-months of the placed in service date. Stabilized occupancy is expected to be 93%+ up to but no later than a 3 month period beyond the absorption period.
- **The absorption rate should coincide with other key conclusions. For example, insufficient demand or unachievable rents should be reflected in the absorption rate.**
- A reconciliation of the proposed LIHTC net rents by bedroom type with current average market rate net rents by bedroom type are supportive of the forecasted absorption and stabilization periods.

9. Overall Conclusion:

- **A narrative detailing the key conclusions of the report including the analyst's opinion regarding the potential for success of the proposed development.**
- Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application **proceed forward based on market findings, as presently configured.**
- At present, there are no LIHTC family developments located within the Hartwell PMA.
- In the area of unit size, by bedroom type, the subject will offer very competitive unit sizes, by floor plan, in comparison with the existing market rate properties.
- The 1BR net rent advantage at 50% AMI is approximately 57%. At 60% AMI the 1BR net rent advantage is approximately 50%.
- The 2BR net rent advantage at 50% AMI is approximately 56%. At 60% AMI the 2BR net rent advantage is approximately 45%.
- The 3BR net rent advantage at 50% AMI is approximately 60%. At 60% AMI the 2BR net rent advantage is approximately 49%.
- The overall project rent advantage is estimated at approximately 49%.
- The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from single person household to large family households.

Summary Table				
Development Name: Chandler Trace Apartments			Total Number of Units: 64	
Location: Hartwell, GA (Hart Co)			# LIHTC Units: 64	
PMA Boundary: North 9 miles; East 7-10 miles South 5-6 miles; West 10 miles			Farthest Boundary Distance to Subject: 10 miles	
Rental Housing Stock (found on pages 68 - 92)				
Type	# Properties	Total Units	Vacant Units	Avg Occupancy
All Rental Housing	14	1,770	26	98.5%
Market Rate Housing	8	1,436	24	98.3%
Assisted/Subsidized Housing Ex LIHTC	5	282	2	99.3%
LIHTC	1	52	0	100%
Stabilized Comps	7	1,147	17	98.5%
Properties in Lease Up	Na	Na	Na	Na

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
Number Units	Number Bedrooms	# Baths	Size (SF)	Proposed Rent	Per Unit	Per SF	Adv (%)	Per Unit	Per SF
12	1	1	806	\$266-\$309	\$620	\$.80	50-57%	\$815	\$1.01
36	2	2	1048	\$308-\$385	\$700	\$.66	45-56%	\$940	\$0.85
16	3	2	1211	\$337-\$430	\$845	\$.65	49-60%	\$1140	\$0.85

Demographic Data (found on pages 38 & 63)						
	2010		2015		2017	
Renter Households	2,372	24.99%	2,557	24.67%	2,590	24.64%
Income-Qualified Renter HHs (LIHTC)	385	16.25%	418	16.35%	424	16.37%
Income-Qualified Renter HHs (MR)	Na	%	Na	%	Na	%

Targeted Income Qualified Renter Household Demand (found on pages 58 - 63)						
Type of Demand	30%	50%	60%	MR	Other	Overall
Renter Household Growth		3	6			9
Existing Households		146	269			415
Homeowner Conversion (Seniors)		Na	Na			Na
Total Primary Market Demand		149	275			424
Less Comparable Supply		0	0			0
Adjusted Income-Qualified Renter HHs		149	275			424
Capture Rates (found on page 64 - 65)						
Targeted Population	30%	50%	60%	MR	Other	Overall
Capture Rate		8.7%	18.6%			15.1%

MARKET STUDY FOLLOWS

SECTION B
PROPOSED PROJECT
DESCRIPTION

The proposed LIHTC multi-family development will target the general population in Hartwell and Hart County, Georgia. The subject property is located off Chandler Street, approximately 1 mile north of Downtown Hartwell.

Scope of Work

The market study assignment was to ascertain market demand for a proposed new construction multi-family LIHTC development to be known as the **Chandler Trace Apartments**, for Chandler Trace, L.P., under the following scenario:

Project Description:

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
1BR/1b	12	806	Na
2BR/2b	36	1,048	Na
3BR/2b	16	1,211	Na
Total	64		

The proposed new construction development project design comprises four, two-story, 16-plex residential buildings. The development design provides for 142-parking spaces. The development will include a separate building to be used as a clubhouse / community room, central laundry, and manager's office.

The proposed *Occupancy Type* is for the **General Population** and is not age restricted.

Project Rents:

The proposed development will target approximately 20% of the units at 50% or below of area median income (AMI), and approximately 80% of the units at 60% AMI. Rent excludes water and sewer, but includes trash removal.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	8	\$266	\$171	\$437
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*Based upon 2015 GA-DCA Middle Region Utility Allowances .

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	4	\$309	\$171	\$480
2BR/2b	33	\$385	\$217	\$602
3BR/2b	14	\$430	\$269	\$699

*Based upon 2015 GA-DCA Middle Region Utility Allowances.

The proposed LIHTC new construction family development will not have any project based rental assistant, nor private rental assistance.

Project Amenity Package

The proposed development will include the following amenity package:

Unit Amenities

- range
- microwave
- central air
- garbage disposal
- carpet
- ceiling fans
- energy star refrigerator
- energy star dish washer
- cable ready
- washer/dryer hook-ups
- window coverings
- patio/balcony w/storage closet

Development Amenities

- manager's office
- laundry facility
- playground
- community building
- gazebo w/picnic & barbecue facilities

The projected first full year that the **Chandler Trace Apartments** will be placed in service as a new construction property, is mid to late 2017. The first full year of occupancy is forecasted to be in 2017. Note: The 2015 GA QAP states that "owners of projects receiving credits in the 2015 round must place all buildings in the project in service by December 31, 2017".

The architectural firm for the proposed development is McKean & Associates Architects, LLC. At the time of the market study, the floor plans and elevations had not been completed. However, the conceptual site plan submitted to the market analyst was reviewed.

Utility estimates are Georgia DCA utility allowances for the Middle Region. Effective date: July 1, 2015.

SECTION C
SITE & NEIGHBORHOOD

The site of the proposed LIHTC new construction apartment development is located off Chandler Street, across from Emory Drive, within the city limits, approximately 1 mile north of Downtown Hartwell. Specifically, the site is located within Census Tract

9604, and Zip Code 30643.

Note: The site is not located within a Qualified Census Tract (QCT), nor within a Difficult Development Area (DDA).

Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers, schools, and area churches. All major facilities in Hartwell and the PMA can be accessed within a 5 to 10-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site. Source: Mr. Dan Spivey, Planning and Zoning Director, City of Hartwell, (706) 376-4756.

Site Characteristics

The approximately 6-acre, polygon shaped tract is partially cleared and wooded, and relatively flat. At present, no physical structures are located on the tract. The site is not located within a 100-year flood plain. Source: FEMA website (www:msc.fema.gov), Map Number 13147C0125C, Panel 125 of 200, Effective Date: September 25, 2008. All public utility services are available to the tract and excess capacity exists. However, these assessments are subject to both environmental and engineering studies.

The site is partially zoned R-2 Residential and B-2 Commercial, both of which allow multi-family development. The surrounding land uses and zoning designations around the site are detailed below:

Direction	Existing Land Use	Zoning
North	Single-family residential	R-1
East	Single-family residential	B-2
South	Vacant	R-1
West	Single-family residential	R-1

R1 - Single-Family Residential District
B2 - Commercial

Source: Hart County Parcel Maps

Neighborhood Description / Characteristics

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: single-family residential use, with nearby institutional and commercial use.

Directly north of the site, along Whitehall Street are several single-family homes. The Hart County EMS Station is approximately .2 miles north. Directly south of the site, is vacant land followed by commercial development along W Johnson Street.

Directly west of the site, off Chandler Street is low density single-family development and a small single-family neighborhood situated along Emory Drive. Directly east of the site is single-family development. The Hart County Health Department is approximately .2 miles east.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.

Crime & Perceptions of Crime

The overall setting of the site is considered to be one that is very acceptable for residential development and commercial development within the present neighborhood setting. The site and the immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood. The most recent crime rate data for Hart County reported by the Georgia Bureau of Investigation - Uniform Crime Report revealed that violent crime and property crime rate for Hart County was extremely low, particularly for violent Crime (homicide, rape, robbery and assault).

Between 2012 and 2013 violent crime in Hart County decreased by -5.2%. Property crimes increased by 2.6% in Hart County between 2012 and 2013, mainly due to an increase in burglary. However, the overall number of property crimes remained very low for each year.

Hart County			
Type of Offence	2012	2013	Change
Homicide	0	0	0
Rape	3	0	-3
Robbery	6	2	-4
Assault	87	89	2
Burglary	200	240	40
Larceny	657	623	-34
Motor Vehicle Theft	14	31	17
Hart County Total	967	985	18

Source: Georgia Bureau of Investigation, Uniform Crime Report



(1) Site access point, off Chandler, west to east.



(2) Site to the right, south to north.



(3) Site to the left, north to south.



(4) Diagonal view of site, northwest to southeast.



(5) Diagonal view of site, southwest to northeast.



(6) Interior view of site, southwest to northeast.



(7) Interior view of site, west to east.



(8) Emory Drive immediately west of site.



(9) Single-family home off Chandler west of site.

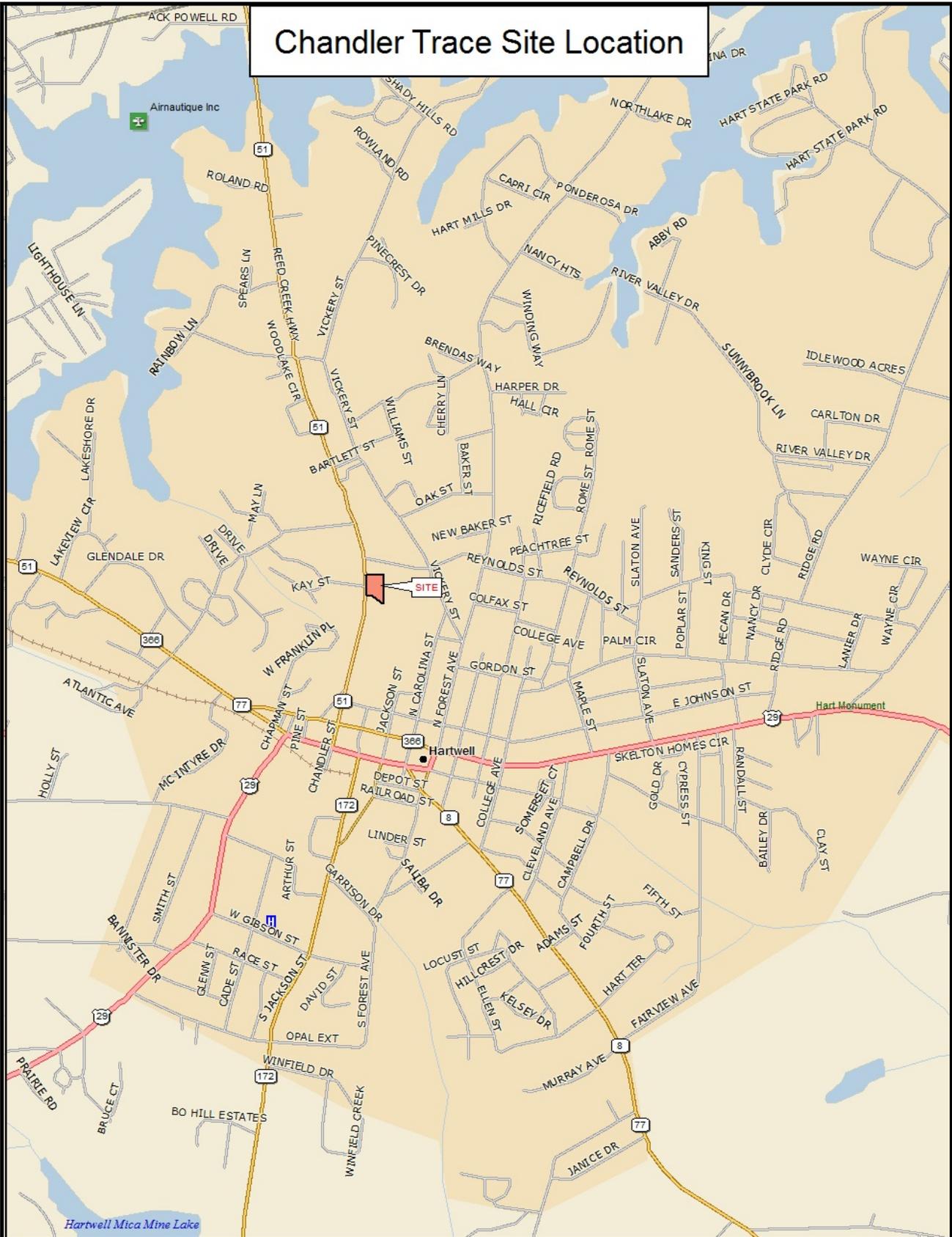


(10) Single-family home off Whitehall St, site behind.



(11) Hart County EMS, .2 miles north of site.

Chandler Trace Site Location



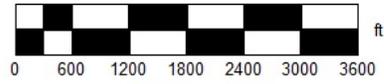
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MN (6.0° W)



Data Zoom 13-2

Access to Services

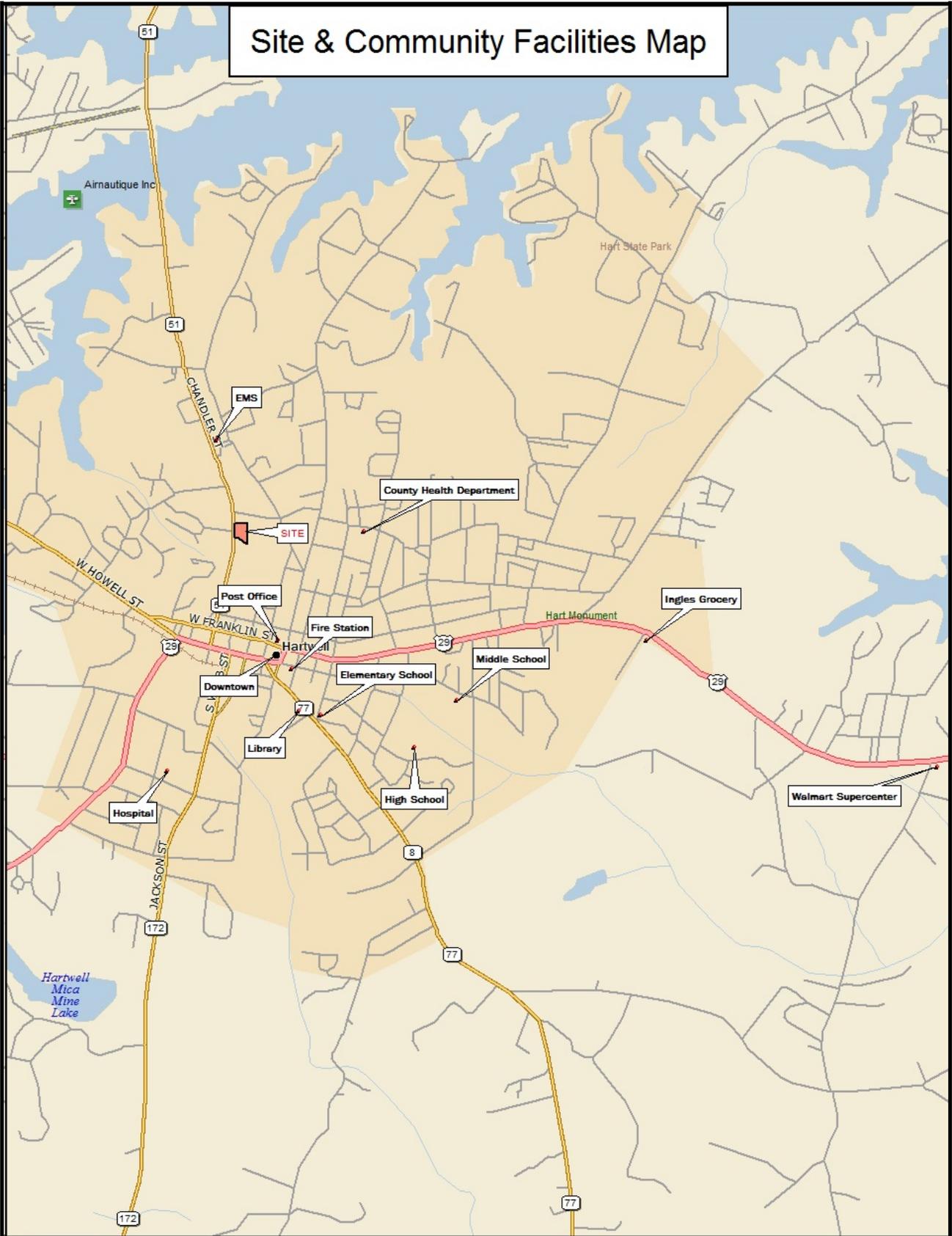
The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

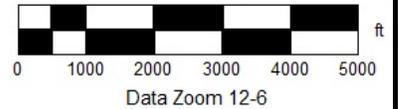
Points of Interest	Distance from Subject
Hart County Health Department	.6
Post Office	.7
Downtown Hartwell	.8
Access to US 29	.8
Fire Station	.9
Library	1.0
Hartwell Elementary School	1.1
Hospital	1.2
Hartwell Middle School	1.4
Hartwell High School	1.7
Ingles Grocery	2.0
Walmart Supercenter	3.3
Access to I-85	12.0
Lavona, GA	12.0
Royston, GA	12.0
Anderson, SC	20.0

Note: Distance from subject is in tenths of miles and are approximated.

Site & Community Facilities Map



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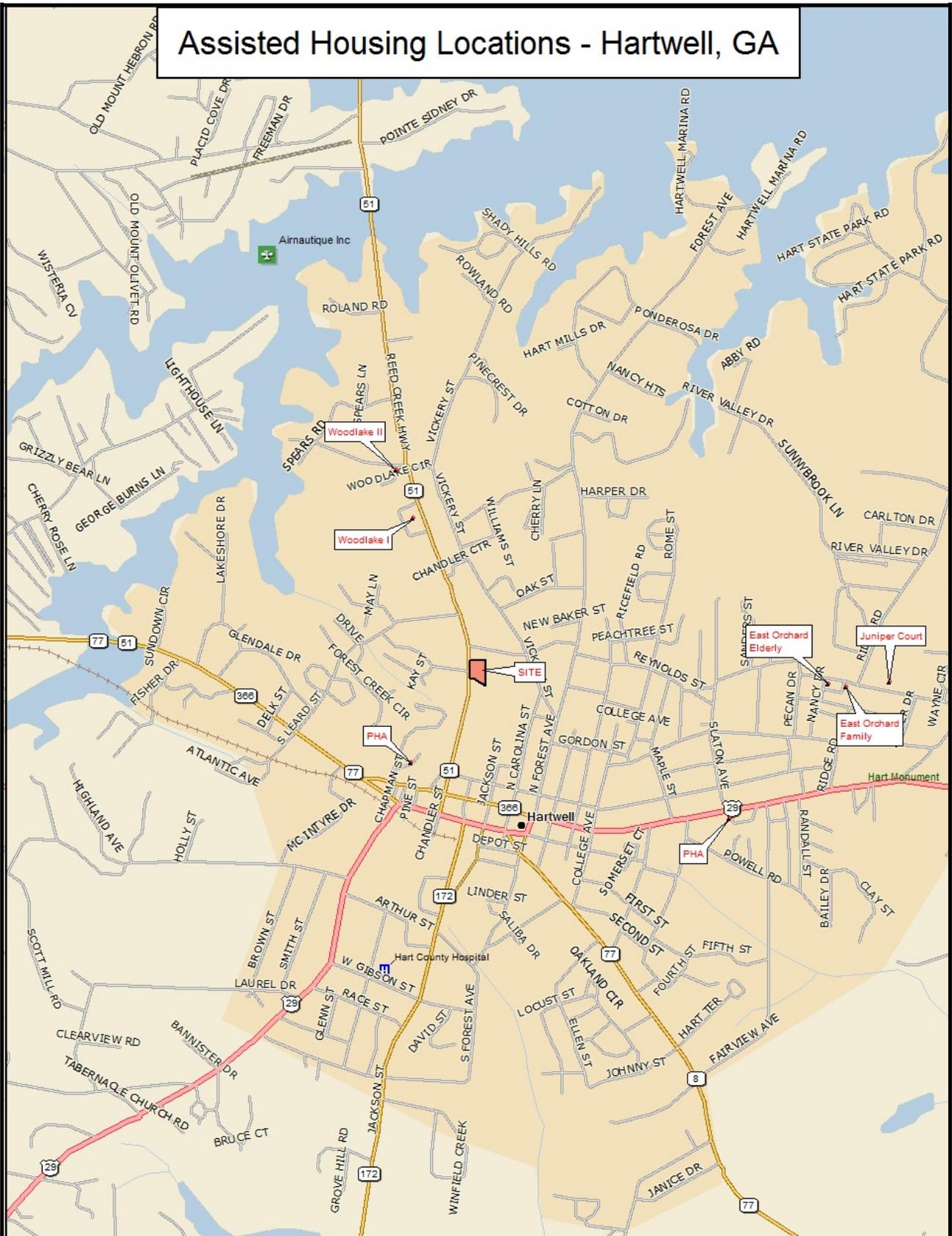
Program Assisted Apartments in Hartwell PMA

At present there are five existing program assisted apartment complexes in Hartwell, along with the Hartwell Housing Authority. A map (on the next page) exhibits the program assisted properties within Hartwell in relation to the site.

Project Name	Street Address	Program Type	Number of Units	Distance from Site
Juniper Court	283 Nancy Dr	LIHTC e1	52	2.3 miles
East Orchard II	111 Nancy Dr	USDA-RD e1	24	2.1 miles
East Orchard I	750 Nancy Dr	USDA-RD fm	24	2.0 miles
Woodlake I	111 Woodlake	USDA-RD fm	30	.5 miles
Woodlake II	700 Reed Creek	USDA-RD fm	30	.7 miles
Hartwell Public Housing Authority	Scattered	PHA	174	.5 and over

Distance in tenths of miles

Assisted Housing Locations - Hartwell, GA



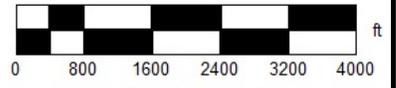
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Data Zoom 13-0

SUMMARY

The field visit for the site and surrounding market area was conducted on May 5, 2015. The site inspector was Mr. Jerry M. Koontz (of the firm Koontz & Salinger).

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: single-family residential use, with nearby institutional and commercial use.

Access to the site is available off Chandler Street. Chandler Street is a primary residential connector in the city, which links the site to the downtown area of Hartwell to the south. It is a low to medium density road, with a speed limit of 45 miles per hour in the immediate vicinity of the site. Also, the location of the site off Chandler Street does not present problems of egress and ingress to the site.

The site offers very good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of negative externalities including: noxious odors, very proximity to cemeteries, high tension power lines, rail lines and junk yards.

The site in relation to the subject and the surrounding roads is very agreeable to signage, and offers excellent visibility via nearby traffic along the surrounding neighborhood residential streets, in particular Chandler Street.

Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability. In the opinion of the analyst, the site of the subject is considered appropriate as a LIHTC multi-family development.

SITE/SUBJECT ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Good accessibility to services, trade, employment nodes, as well as nearby health care and educational facilities	
Good linkages to area road system	
Nearby road speed and noise are acceptable	
Surrounding land uses are acceptable	

SECTION D

MARKET AREA DESCRIPTION

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the **location** and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography as well as local interviews with key respondents regarding market specific input relating to market area delineation.

Primary Market Area

Based upon field research in Hartwell and a 10 to 15 mile area, along with an assessment: of the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers, the Primary Market Area (PMA) for the proposed LIHTC multi-family development consists of Hart County. The 2010 census tracts for Hart County are: 9601 to 9605.

Interviews with the City Manager of Hartwell confirmed that significant market support for the proposed development would include the City of Hartwell and extend out from Hartwell to include the county as a whole. In addition, managers and/or management companies of existing program assisted properties were surveyed, as to where the majority of their existing tenants previously resided.

The PMA is located in the north-central portion of Georgia. Hartwell is approximately 23 miles southwest of Anderson, SC and 45 miles northeast of Athens. Hartwell, the county seat, is centrally located within Hart County.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject Site
North	Hartwell Lake & GA/SC State Line	9 miles
East	Hartwell Lake & GA/SC State Line	7 to 10 miles
South	Elbert County	5 - 6 miles
West	Franklin & Madison Counties	10 miles

Hartwell is the largest populated place in the PMA, representing approximately 18% of the total population. In addition to Hartwell, there is one other, much smaller incorporated place located within the PMA. In 2010, the Town of Bowersville had a population of 456. Also, located within the PMA is the Reed Creek census designated place. Reed Creek is an unincorporated area that is located about 7 miles north of Hartwell. In 2010, it had a population of 2,604. For the most part, excluding Hartwell and Reed Creek, the PMA is very rural with much of the land use in agriculture or open space.

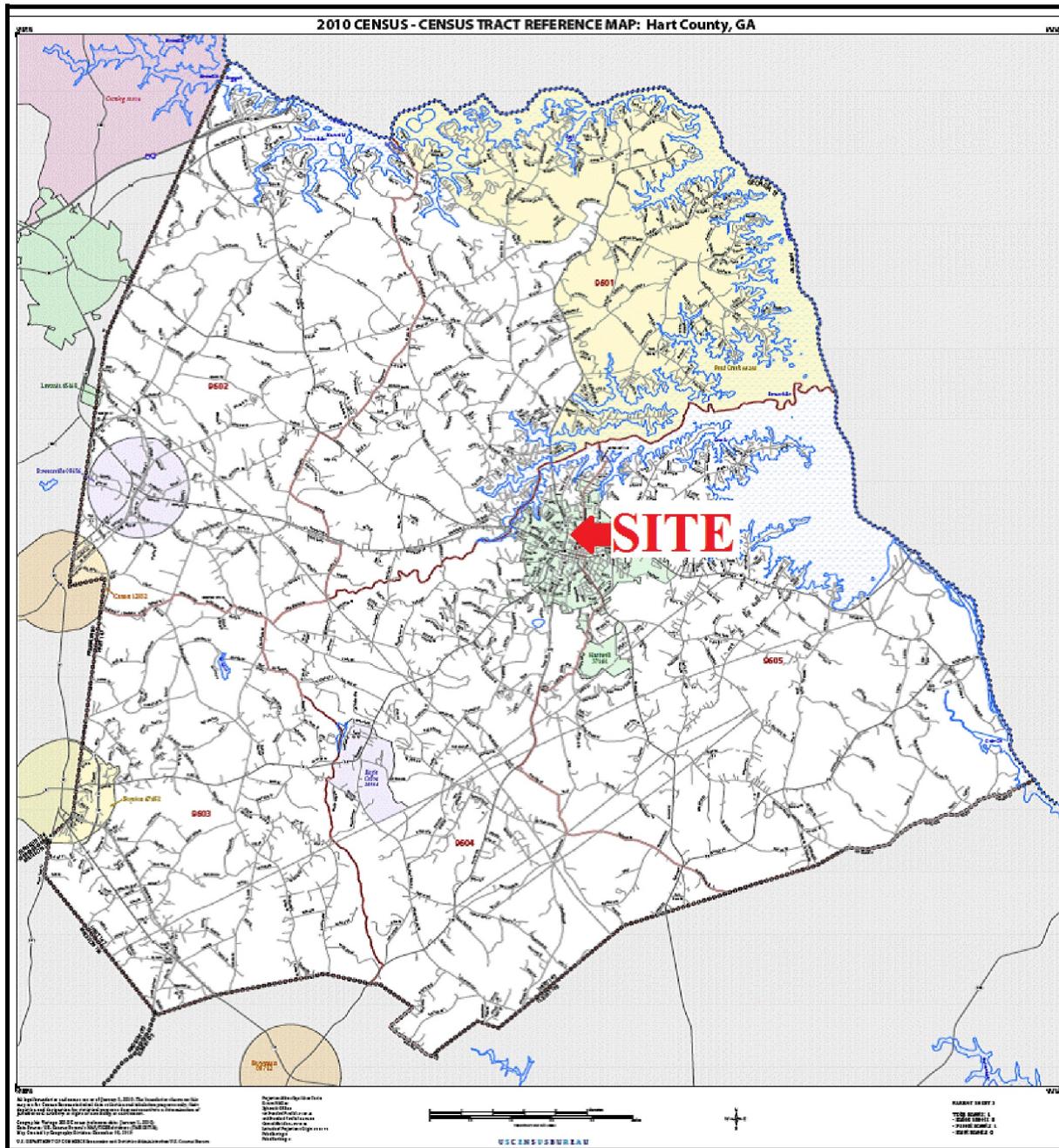
Hartwell is the regional trade area for the county regarding: employment opportunities, finance, retail and wholesale trade, entertainment and health care services.

Transportation access to the Hartwell is very good. US Highway 29 is the major east/west connector and State Roads 51 and 77 are the major north/south connectors. Access to I-85 is about 12 miles north of Hartwell.

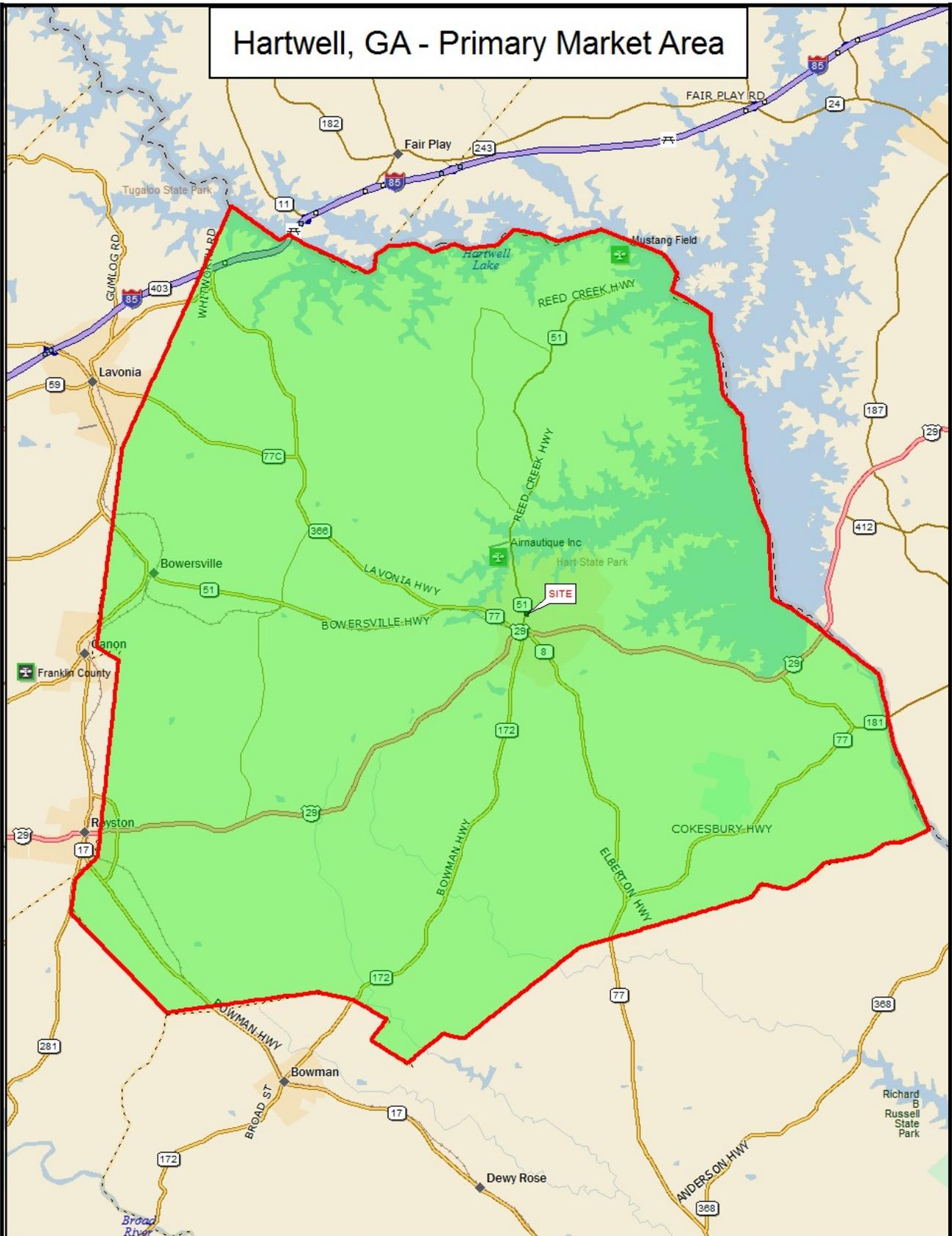
In addition, managers and/or management companies of existing program assisted properties were surveyed, as to where the majority of their existing tenants previously resided.

Secondary Market Area

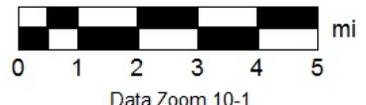
The Secondary Market Area (SMA) consists of that area beyond the PMA, principally from out of county, as well as from out of state. Note: The demand methodology **excluded** any potential demand from a SMA, as stipulated within the 2015 GA-DCA market study guidelines.



Hartwell, GA - Primary Market Area



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SECTION E

COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 6 exhibit indicators of trends in total population and household growth, for Hartwell and the Hartwell PMA (Hart County).

Population Trends

Table 1, exhibits the change in **total** population in Hartwell and the Hartwell PMA (i.e., Hart County) between 2000 and 2020.

The year 2017 is estimated to be the first year of availability for occupancy of the subject property, as noted within the 2014 GA-DCA Market Study Manual. The year 2015 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure, in accordance with the 2015 GA-DCA Market Study Manual (page 7 of 16, Summary Table).

The Town of Hartwell and the Hartwell PMA exhibited moderate to significant population gains between 2000 and 2010. The rate of increase within the PMA between 2000 and 2010, approximated +0.90% per year versus +0.65% for the Town of Hartwell. Moderate population increases in the PMA between 2015 and 2017 were forecasted at a rate of round +0.60% per year. The forecast for the 2017 to 2020 period is for population change within the PMA to be comparable to the preceding period at around +0.60% per year.

The majority of the rate of change within the PMA is subject to: (1) in and out-migration of population, and (2) a reduction in the local area labor force participation rate, owing to: (a) the cyclical economic environment within the county during much of the last decade, and (b) an increase in the number of baby boomers entering retirement. Recent indicators suggest an improving local economy, which in turn could increase the rate of population gain in the county and PMA in 2015 and 2017 at a rate above the current forecasts.

The projected change in population for Hartwell is subject to local annexation policy and in-migration of rural county and surrounding county residents into Hartwell. Recent indicators, including the 2013 and 2014 US Census estimates (at the place level) suggest that the population trend of the mid to late 2000's in Hartwell has continued at a similar rate of increase.

Population Projection Methodology

The forecast for total population is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas population projections.

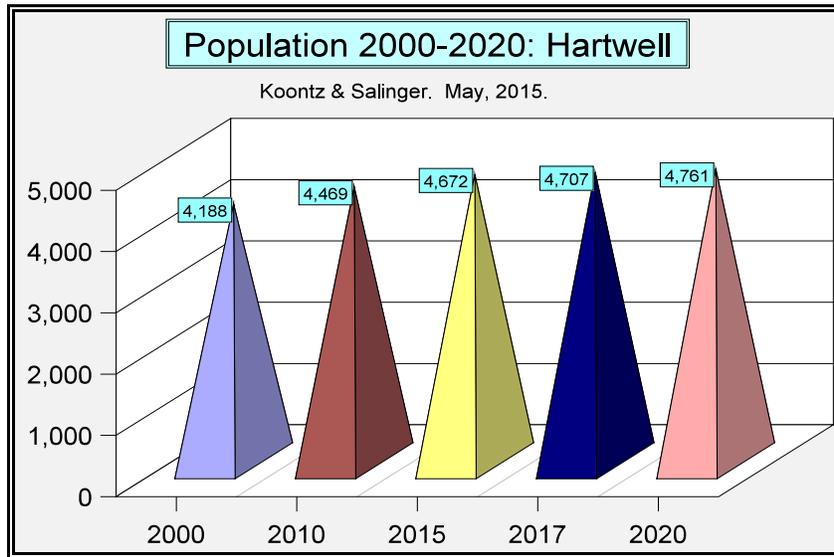
- Sources: (1) 2000 and 2010 US Census.
(2) Nielsen Claritas 2014 and 2019 Projections.
(3) 2013 and 2014 US Census population estimates.

Table 1					
Total Population Trends and Projections: Hartwell and Hartwell PMA (Hart County)					
Year	Population	Total Change	Percent	Annual Change	Percent
Hartwell					
2000	4,188	-----	-----	-----	-----
2010	4,469	+ 281	+ 6.71	+ 28	+ 0.65
2015	4,672	+ 203	+ 4.54	+ 41	+ 0.89
2017	4,707	+ 35	+ 0.75	+ 18	+ 0.37
2020	4,761	+ 54	+ 1.15	+ 18	+ 0.38
Hartwell PMA					
2000	22,997	-----	-----	-----	-----
2010	25,213	+ 2,216	+ 9.64	+ 222	+ 0.92
2015	25,833	+ 620	+ 2.46	+ 124	+ 0.49
2017*	26,152	+ 319	+ 1.23	+ 160	+ 0.62
2020	26,632	+ 480	+ 1.84	+ 160	+ 0.61

* 2017 - Estimated year that project will be placed in service.

Calculations - Koontz and Salinger. May, 2015.

Between 2000 and 2010, population increased at an annual rate of +0.65% within Hartwell. Between 2015 and 2017, population within Hartwell is forecasted to increase at a moderate to significant annual rate of almost +0.90%. The figure below presents a graphic display of the numeric change in population in Hartwell between 2000 and 2020.



Between 2000 and 2010, PMA population increased at an annual rate of +0.92%. The majority of the increase is occurring in the central portion of the PMA in the vicinity of Hartwell and that area between Hartwell and Hartwell Lake, and Hartwell and I-85. Between 2015 and 2017 the PMA population is forecasted to increase at a moderate annual rate of approximately 0.62%. The figure below presents a graphic display of the numeric change in population in the PMA between 2000 and 2020.

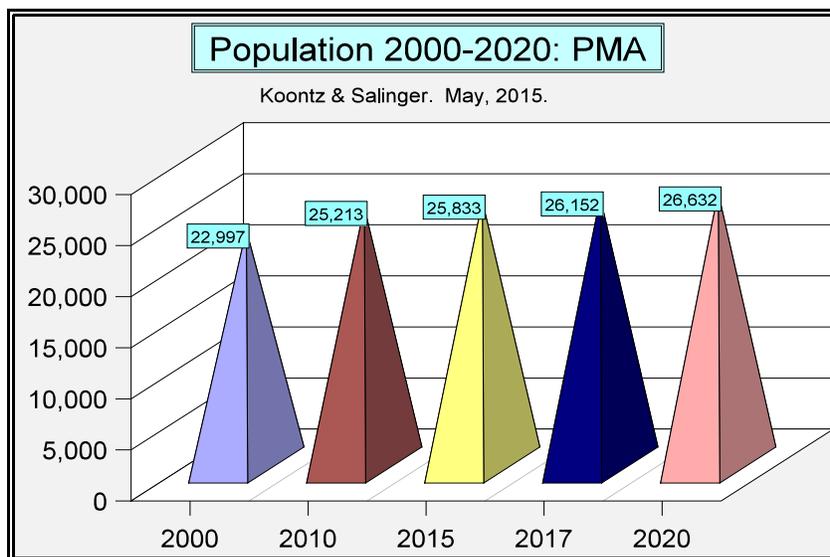


Table 2A exhibits the change in population by age group in Hartwell between 2010 and 2017. The most significant increase exhibited between 2015 and 2017 within Hartwell was in the 65-74 age group representing a increase of over 5% over the two year period.

Table 2A						
Population by Age Groups: Hartwell, 2010 - 2017						
	2010 Number	2010 Percent	2015 Number	2015 Percent	2017 Number	2017 Percent
Age Group						
0 - 24	1,430	32.00	1,501	32.13	1,515	32.19
25 - 44	1,029	23.03	1,057	22.62	1,059	22.50
45 - 54	563	12.60	563	12.05	561	11.92
55 - 64	565	12.64	581	12.44	570	12.11
65 - 74	417	9.33	495	10.60	523	11.11
75 +	465	10.41	475	10.17	479	10.18

Table 2B exhibits the change in population by age group in the Hartwell PMA between 2010 and 2017. The most significant increase exhibited between 2015 and 2017 within the Hartwell PMA was in the 65-74 age group representing a increase of almost 8% over the two year period. The 75+ age group is forecasted to increase by over 60 persons, or by approximately +3%.

Table 2B						
Population by Age Groups: Hartwell PMA, 2010 - 2017						
	2010 Number	2010 Percent	2015 Number	2015 Percent	2017 Number	2017 Percent
Age Group						
0 - 24	7,584	30.08	7,706	29.83	7,773	29.72
25 - 44	5,847	23.19	5,739	22.22	5,772	22.07
45 - 54	3,718	14.75	3,518	13.62	3,401	13.00
55 - 64	3,567	14.15	3,717	14.39	3,750	14.34
65 - 74	2,561	10.16	3,039	11.76	3,280	12.54
75 +	1,966	7.80	2,114	8.18	2,176	8.32

Sources: 2010 Census of Population, Georgia
Nielsen Claritas Projections
Koontz and Salinger. May, 2015

HOUSEHOLD TRENDS & CHARACTERISTICS

Table 3 exhibits the change in total households in the Hartwell PMA between 2000 and 2020. The moderate to significant increase in household formations in the Hartwell PMA has continued since the 2010 census and reflects the recent population trends and near term forecasts.

The ratio of persons per household is projected to stabilize at around 2.41 to 2.42 between 2015 and 2020 within the Hartwell PMA. The reduction in the rate of decline is based upon: (1) the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and the dynamics of roommate scenarios.

The forecast for group quarters is based on trends in the last two censuses. In addition, it includes information collected from local sources as to conditions and changes in group quarters supply since the 2010 census was taken.

The projection of household formations in the PMA between 2015 and 2017 exhibited a moderate increase of almost +75 households per year or approximately +0.71% per year.

Table 3					
Household Formations: 2000 to 2020					
Hartwell PMA					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household	Total Households
2000	22,997	534	22,463	2.4668	9,106
2010	25,213	663	24,550	2.5864	9,492
2015	25,833	700	25,133	2.4253	10,363
2017	26,152	720	25,432	2.4196	10,511
2020	26,632	750	25,882	2.4119	10,731

Sources: Nielsen Claritas Projections.
2000 and 2010 Census of Population, Georgia.

Calculations: Koontz & Salinger. May, 2015.

Table 4 exhibits households in the Hartwell PMA by owner-occupied and renter-occupied tenure. The 2015 to 2017 tenure trend revealed a moderate increase in renter-occupied tenure, in the Hartwell PMA on a percentage basis, exhibiting an annual increase of approximately +0.65%.

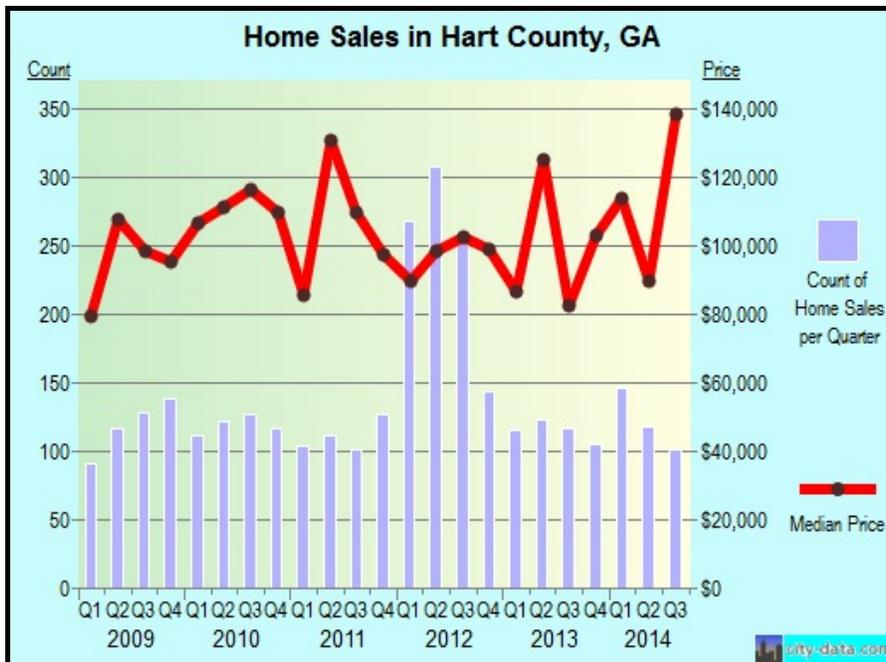
Overall, modest net numerical gains are forecasted for both owner-occupied and renter-occupied households within the PMA.

<p style="text-align: center;">Table 4</p> <p style="text-align: center;">Households by Tenure: 2000-2020</p> <p style="text-align: center;">Hartwell PMA</p>					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	9,106	7,359	80.81	1,747	19.19
2010	9,492	7,120	75.01	2,372	24.99
2015	10,363	7,806	75.33	2,557	24.67
2017	10,511	7,921	75.36	2,590	24.64
2020	10,731	8,092	75.41	2,639	24.59

Sources: 2000 & 2010 Census of Population, Georgia.
Nielsen Claritas Projections.
Koontz and Salinger. May, 2015.

For Sale Market

The figure below exhibits home sales in Hart County (the PMA) between 2009 and Third Quarter 2014. In general, the average sales price shows fluctuating prices from quarter to quarter, but the number of sales remained relatively consistent except for the first 3 quarters of 2012. Sales activity for Q1-Q3 2012 ranged from 250-300 sales per quarter compared to activity for the rest of the 2009-2014 period generally ranged from 100 to just under 150 sales per quarter. With the exception of the 2012 "spike", the overall trend for the 2009-2014 period indicates stable sales activity. Based on a sample of reported sales during the latter part of 2014 and early 2015 in the City of Hartwell in the site vicinity, residential sales prices ranged from a low of \$50,000 up to \$195,000. Prices for lakefront or larger detached houses in surrounding areas within the PMA were higher, with many in the high \$200K to \$350K range and some large lakefront properties selling for more than \$625K.



Source: www.city-data.com/county/Hart_County-GA.html

For-Sale Market (Buy Versus Rent)

The following analysis illustrates the comparative costs of home ownership of a typical single-family residence in Hartwell and environs compared to renting a unit in the subject development. According to Trulia (www.trulia.com) the current median list price for houses in Zip Code 30643 (which includes Hartwell and much of Hart County) is \$185,000 for the week ending April 1, 2015. The median sales price for the January-February 2015 period was significantly lower at \$98,500. (Analyst Note: Sales include foreclosures and short sales.) In this

case, the list price is considered a more reliable indicator of the likely cost of a home in the Hartwell area, and is used in the following example.

Based on an average price of \$185,000, and assuming a 95% LTV ratio (5% down payment), an interest rate of 5.25% and a 30 year term, the estimated monthly mortgage payment including taxes, hazard insurance and private mortgage insurance (PMI), is shown below:

COST OF TYPICAL HOME PURCHASE

Average Home Price (Trulia)	\$185,000
Mortgaged Value = 95% of Average Home Price	\$175,750
Interest Rate	5.25%
Term (years)	30
Monthly Principal and Interest	\$971
Taxes and Insurance (estimated at 25% of P&I)	\$276
Estimated monthly mortgage payment	\$1,247

While it is possible that some tenants in LIHTC properties could afford the monthly payments, the number who could afford the down payment and other closing costs is likely to be minimal. In the example above, the required down payment would be \$9,250. Additional closing costs could include the first years' hazard insurance premium, mortgage "points", and various bank fees. If total closing costs (including down payment) are equal to 6% of the purchase price, a prospective buyer would need \$11,100; if these costs rise to 7%, the cash needed for closing increases to \$12,950. Accordingly, home purchase is not considered to be competitive among LIHTC income qualified households.

With respect to mobile homes, the overall ratio of this housing type is quite small in the Hartwell PMA, and the ratio of renter occupied units is even smaller. Given the insignificant number of mobile homes in this market, little to no competition is expected from this housing type.

In summary, the proposed LIHTC family new construction development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Hartwell, GA home buying market. The majority of the tenants at the subject property will have annual incomes in the \$15,000 to \$30,000 range. Today's home buying market, both stick-built, modular, and mobile home requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents and/or the availability of deep subsidy rental assistance (RA) for USDA-RD developments.

The estimate of the upper income limit is based on the most recent set of HUD MTSP income limits for five person households (the maximum household size for a 3BR unit, for the purpose of establishing income limits) in Hart County, Georgia at 50% and 60% of the area median income (AMI).

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income.

Tables 5A and 5B exhibit renter households, by income group, in the Hartwell PMA estimated in 2010, and forecasted to 2015 and 2017.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2014 and 2019, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey.

Tables 5A and 5B exhibit renter-occupied households, by income in the Hartwell PMA in 2010, and projected in 2015 and 2017.

Table 5A				
Hartwell PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2010 Number	2010 Percent	2015 Number	2015 Percent
Under \$10,000	895	37.73	984	38.48
10,000 - 20,000	480	20.24	535	20.92
20,000 - 30,000	339	14.29	375	14.67
30,000 - 40,000	187	7.88	200	7.82
40,000 - 50,000	223	9.40	221	8.64
50,000 - 60,000	63	2.66	65	2.54
60,000 +	185	7.80	177	6.92
Total	2,372	100%	2,557	100%

Table 5B				
Hartwell PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2015 Number	2015 Percent	2017 Number	2017 Percent
Under \$10,000	984	38.48	1,065	41.12
10,000 - 20,000	535	20.92	550	21.24
20,000 - 30,000	375	14.67	366	14.13
30,000 - 40,000	200	7.82	194	7.49
40,000 - 50,000	221	8.64	197	7.61
50,000 - 60,000	65	2.54	63	2.43
60,000 +	177	6.92	155	5.98
Total	2,557	100%	2,590	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. May, 2015.

Table 6A								
Households by Owner-Occupied Tenure, by Person Per Household Hartwell PMA, 2010 - 2017								
Households	Owner				Owner			
	2010	2015	Change	% 2015	2015	2017	Change	% 2017
1 Person	1,597	1,766	+ 169	22.62%	1,766	1,805	+ 39	22.79%
2 Person	2,810	3,125	+ 315	40.03%	3,125	3,170	+ 45	40.02%
3 Person	1,186	1,286	+ 100	16.47%	1,286	1,304	+ 18	16.46%
4 Person	854	914	+ 60	11.71%	914	919	+ 5	11.60%
5 + Person	673	715	+ 42	9.16%	715	723	+ 8	9.13%
Total	7,120	7,806	+ 686	100%	7,120	7,921	+ 115	100%

Table 6B								
Households by Renter-Occupied Tenure, by Person Per Household Hartwell PMA, 2010 - 2017								
Households	Renter				Renter			
	2010	2015	Change	% 2015	2015	2017	Change	% 2017
1 Person	1,008	1,122	+ 114	43.88%	1,122	1,137	+ 15	43.90%
2 Person	615	606	- 9	23.70%	606	609	+ 3	23.51%
3 Person	301	334	+ 33	13.06%	334	340	+ 6	13.13%
4 Person	325	357	+ 32	13.96%	357	366	+ 9	14.13%
5 + Person	123	138	0	5.40%	138	138	0	5.33%
Total	2,372	2,557	+ 185	100%	2,557	2,590	+ 33	100%

Sources: Nielsen Claritas Projections
Koontz and Salinger. May, 2015

Table 6B indicates that in 2017 approximately 95% of the renter-occupied households in the Primary Market Area contain 1 to 5 persons (the target group by household size).

A significant increase in renter households by size is exhibited by 1 person households between 2015 and 2017. Note: Slight gains are exhibited by 2 through 4 person per households. One person households are typically attracted to both 1 and 2 bedroom rental units and 2 and 3 person households are typically attracted to 2 bedroom units, and to a lesser degree three bedroom units. It is estimated that between 20% and 25% of the renter households in the PMA fit the bedroom profile for a 3BR unit.

SECTION F
ECONOMIC & EMPLOYMENT
TRENDS

Analysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area to create and sustain growth, and job formation is typically the primary motivation for positive net in-

migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 7 through 13 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Hart County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 7			
Civilian Labor Force and Employment Trends, Hart County: 2005, 2013 and 2014			
	2005	2013	2014
Civilian Labor Force	11,002	9,761	9,711
Employment	10,254	8,777	8,885
Unemployment	748	984	826
Rate of Unemployment	6.8%	10.1%	8.5%

Table 8				
Change in Employment, Hart County				
Years	# Total	# Annual*	% Total	% Annual*
2005 - 2007	- 144	- 72	- 1.40	- 0.70
2008 - 2009	- 686	Na	- 7.08	Na
2010 - 2012	- 149	- 74	- 1.65	- 0.82
2013 - 2014	+ 108	Na	+ 1.23	Na

* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2005 - 2014. Georgia Department of Labor, Workforce Information Analysis.

Koontz and Salinger. May, 2015.

Table 9 exhibits the annual change in civilian labor force employment in Hart County between 2005 and 2015. Also, exhibited are unemployment rates for the County, State and Nation.

Table 9							
Change in Labor Force: 2005 - 2015							
	Hart County					GA	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2005	11,002	10,254	-----	748	6.8%	5.2%	5.1%
2006	10,971	10,265	11	706	6.4%	4.7%	4.6%
2007	10,829	10,110	(155)	719	6.6%	4.6%	4.6%
2008	10,631	9,691	(419)	940	8.8%	6.3%	5.8%
2009	10,382	9,005	(686)	1,377	13.3%	9.8%	9.3%
2010	10,290	9,057	52	1,233	12.0%	10.2%	9.6%
2011	10,370	9,166	109	1,204	11.6%	9.9%	8.9%
2012	10,006	8,908	(258)	1,098	11.0%	9.0%	8.1%
2013	9,761	8,777	(131)	984	10.1%	8.2%	7.4%
2014	9,711	8,885	108	826	8.5%	7.3%	6.2%
Month							
1/2015	10,157	9,448	-----	709	7.0%	6.3%	6.1%
2/2015	10,046	9,365	(33)	681	6.8%	6.2%	5.8%
3/2015	10,299	9,651	286	648	6.3%	6.2%	5.8%

Sources: Georgia Labor Force Estimates, 2005 - 2015.
 Georgia Department of Labor, Workforce Information Analysis.
 Koontz and Salinger. May, 2015.

Table 10 exhibits the annual change in covered employment in Hart County between 2003 and 2014. Covered employment data differs from civilian labor force data in that it is based on at-place employment within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

Table 10		
Change in Covered Employment: 2003 - 2014		
Year	Employed	Change
2003	7,039	-----
2004	7,089	50
2005	6,801	(288)
2006	6,725	(76)
2007	6,639	(86)
2008	6,277	(362)
2009	5,833	(444)
2010	5,870	37
2011	5,994	124
2012	5,774	(220)
2013	5,790	16
2014 1 st Q	5,841	-----
2014 2 nd Q	5,800	(41)
2014 3 rd Q	5,815	15

Sources: Georgia Department of Labor, Workforce Information Analysis, 2003 and 2014. Koontz and Salinger. May, 2015.

Commuting

The majority of the workforce within the PMA has relatively short commutes to work within Hart County. Data from the 2010-2013 American Community Survey indicate that some 40.3% of workers who did not work at home had commutes of 10-19 minutes; the mean commuting time for residents of Hart County is 22.9 minutes.

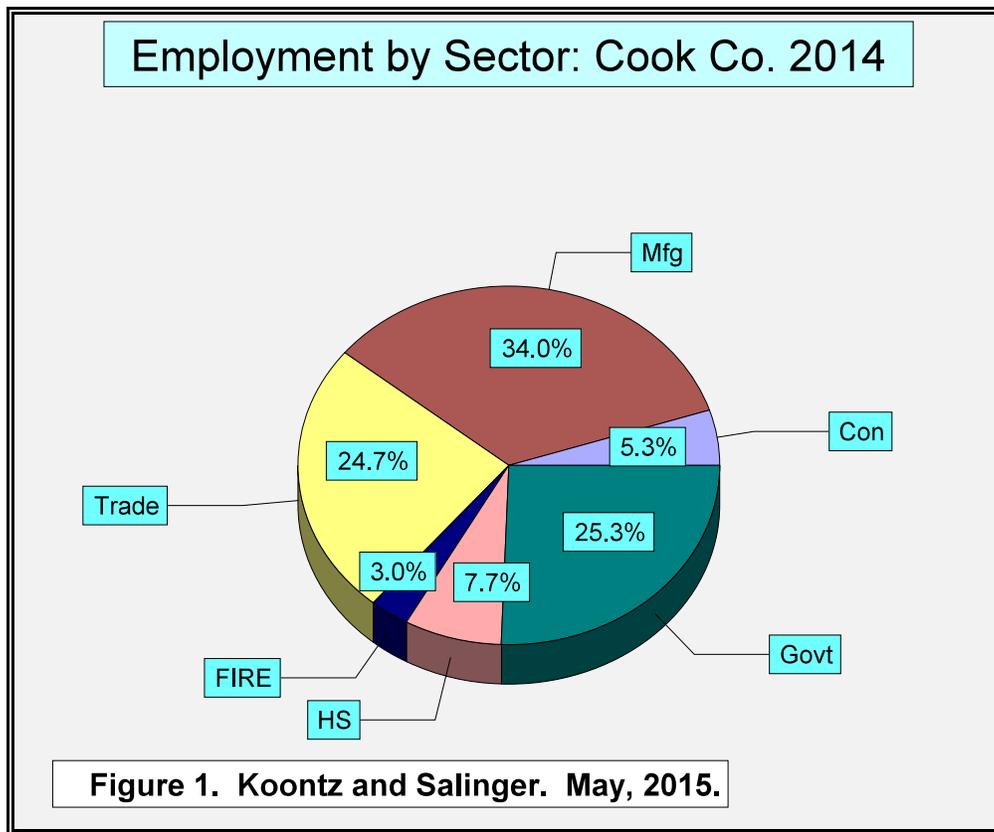
For the Hart County PMA, roughly 54.9% of employed persons living in the County also work in Hart County. Some 34.2% of County residents work in another Georgia county, and 10.9% work out of state, primarily in Anderson County, SC.

Source: 2009-2013 American Community Survey, US Census, and the Georgia Area Labor Profile for Hart County.

Table 11 Average Monthly Covered Employment by Sector, Hart County, 3 rd Quarter 2013 and 2014							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2013	5,721	224	1,418	1,053	119	411	1,104
2014	5,815	233	1,507	1,092	134	340	1,122
13-14 # Ch.	+ 94	+ 9	+ 89	+ 39	+ 15	- 71	+ 18
13-14 % Ch.	+ 1.6	+4.0	+ 6.3	+ 3.7	+12.6	-17.3	+ 1.6

Note: Con - Construction; Mfg - Manufacturing; T - Retail and Wholesale Trade; FIRE - Finance, Insurance and Real Estate; HCSS - Health Care and Social Services; G - Federal, State & Local Government

Figure 1 exhibits employment by sector in Hart County in the 3rd Quarter of 2014. The top four employment sectors are: manufacturing, trade, government and service. The 2015 forecast is for the manufacturing sector to increase & the government sector to stabilize.



Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, 2013 and 2014. Koontz and Salinger. May, 2015.

Table 12, exhibits average annual weekly wages in the 3rd Quarter of 2013 and 2014 in the major employment sectors in Hart County. It is estimated that the majority of workers in the service and trade sectors (excluding accommodation and food service workers) in 2015 will have average weekly wages between \$550 and \$800. Workers in the accommodation and food service sectors in 2015 will have average weekly wages in the vicinity of \$250.

Table 12				
Average 3rd Quarter Weekly Wages, 2013 and 2014				
Hart County				
Employment Sector	2013	2014	% Numerical Change	Annual Rate of Change
Total	\$ 660	\$ 674	+ 14	+ 2.1
Construction	\$ 653	\$ 801	+148	+22.7
Manufacturing	\$ 893	\$ 879	- 14	- 1.6
Wholesale Trade	\$ 825	\$ 785	- 40	- 4.9
Retail Trade	\$ 372	\$ 373	+ 1	+ 0.3
Transportation & Warehouse	\$ 713	\$ 713	0	0.0
Finance & Insurance	\$ 759	\$ 802	+ 43	+ 5.7
Real Estate Leasing	\$ 477	\$ 469	- 8	- 1.7
Health Care Services	\$ 670	\$ 720	+ 50	+ 7.5
Educational Services	Na	Na	Na	Na
Hospitality	\$ 245	\$ 249	+ 4	+ 1.6
Federal Government	\$1171	\$1129	- 42	- 3.6
State Government	\$ 552	\$ 554	+ 2	+ 0.4
Local Government	\$ 589	\$ 617	+ 28	+ 4.8

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2013 and 2014.

Koontz and Salinger. May, 2015.

Major Employers

The major employers in Hartwell and Hart County are listed in Table 13.

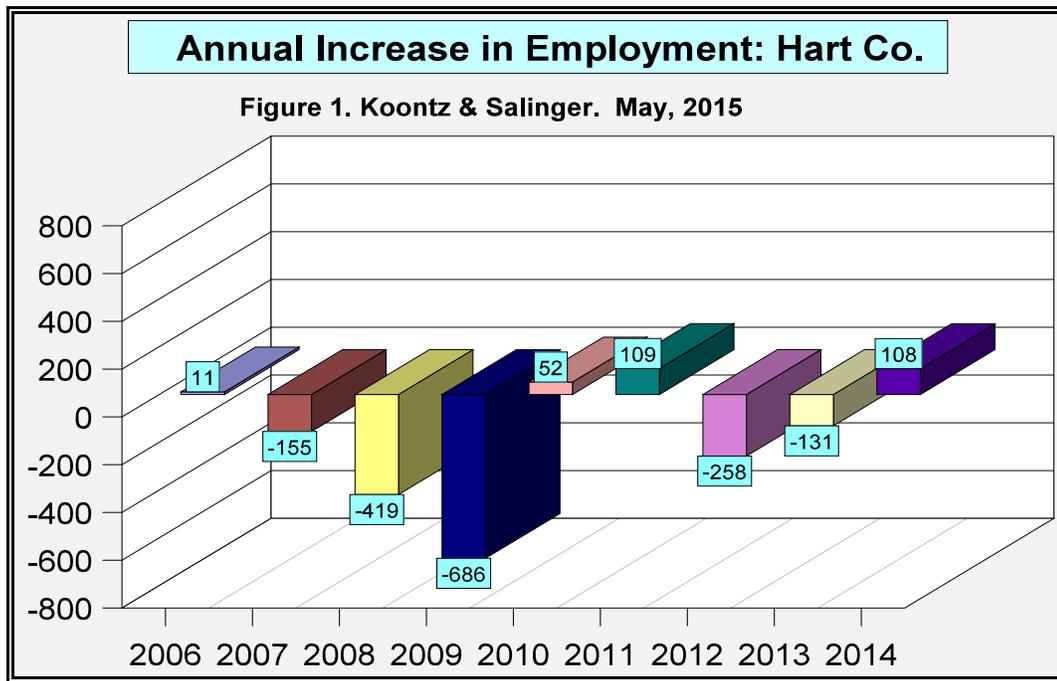
Table 13		
Major Employers		
Firm	Product/Service	Employees
Tenneco Automotive	Struts & Shocks	850
Royston, LLC	Sheet Metalwork	275
Pharma Tech	Talcum Powder	285
Fenner Dunlop	Conveyor Systems	185
Hartwell Classic	Apparel	80
TI Automotive	Plastic Gas Tanks	225
Newton Plant-Milliken	Cotton Weaving	91
RTS Packaging	Fiber Partitions	65
BASF	Mica	60
Fabritex Inc.	Tubular Wire	50
The Hartwell Sun	Publishing	25
Hart County	School System	Na
Hartwell & Hart Co.	Local Government	Na
Walmart Supercenter	Retail Trade	Na
Hart County Hospital	Health Care	Na
Hart Care Center	Nursing Home	Na

Sources: Hart County Chamber of Commerce, (706) 376-8590.

Hart County Industrial Building Authority

SUMMARY

The economic situation for Hart County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 7-13, Hart County experienced employment losses between 2007 and 2009. Like much of the state and nation, very significant employment losses were exhibited in 2009, followed by modest gains in 2010, and moderate gains in 2011. In 2014, the overall local economy continued to improve despite a reduction in the local labor force participation rate, resulting in a reduction of the unemployment rate to below 10% in the later portion of 2012, to an annual rate approximating 8.5%.



As represented in Figure 1 (and Table 8), between 2005 and 2007, the average decrease in employment was approximately 72 workers or approximately -0.70% per year. The rate of employment loss between 2008 and 2009, was very significant at over -7%, representing a net loss of -686 workers. The rate of employment loss between 2010 and 2012, moderated at approximately -0.82% per year. The 2013 to 2014, rate of gain was significant (when compared to the preceding year) at +1.25%. The rate of employment change thus far into 2015, is forecasted to exhibited a moderate to significant increase owing to the recent economic growth announcement of a new automotive components manufacturer locating in Hart County and creating 800 jobs.

Monthly unemployment rates in 2013 and 2014 were much improved when compared to the 2009 to 2011 period. Monthly unemployment rates remained low in 2014, and were for the most part improving on a month to month basis, ranging between 6.8% and 10.1%.

The National forecast for 2015 (at present) is for the unemployment rate to approximate 5% to 6% in the later portion of the year. Typically, during the last five years, the overall unemployment rate in Hart County has been above both the state and national average unemployment rates. The annual unemployment rate in 2015 in Hart County

is forecasted to continue to decline, to the vicinity of 6% to 7% and improving on a relative year to year basis.

The Hartwell PMA economy is becoming more diversified. In addition to having a very sizable manufacturing sector, the local economy has exhibited gains in the service, trade and government sectors centered primarily in Hartwell. This diversification has in turn helped to offset the negative impact of the decline in the manufacturing sector in the city and elsewhere in the county. Still, the manufacturing sector is the backbone and engine of the local economy, followed by a very strong agribusiness sector.

The Hart County Industrial Building Authority is the lead economic development organization for Hart County and Hartwell. They work closely with other agencies including the Hartwell Downtown Development Authority and the Hart County Chamber of Commerce to promote the County and provide information on sites and opportunities for business relocation and expansion. The Hart County IBA also works closely with the Joint Development Authority of Franklin, Hart, and Stephens Counties, which has resulted in significant development along Interstate I-85. Gateway Industrial Park, a fully developed 150-acre industrial park was completed in 2005, and features over one mile of frontage on I-85 at Exit 177.

The target industries are textiles, automotive, aerospace, machinery, woodworking and agriculture, which reflect existing industries as well as sectors that would be expected to perform well economically in the Tri-County area.

Hart County lost 10% its employment base in 2006, when Springs Global - the last of the county's textile plants - laid off 1,200 workers and contractors. Since that time, the primary focus has been on doing whatever it takes to create a diverse economy that might better weather future economic storms. The results have been companies representing a variety of sectors from manufacturing to agriculture, as well as a strong effort to use the natural resources to bolster tourism. The Gateway Industrial Park attracted tenants immediately upon completion, and other firms have located there over the past 10 years.

Some of the recent announcements include the following:

(1) On December 16, 2014 the office of Governor Nathan Deal announced that Germany-based Häring, a leading global manufacturer of precision components and subassemblies for the automotive industry, will locate its first U.S. manufacturing facility in Hartwell, creating 800 jobs by 2025 and investing \$54 million into the project over the next five years. The company will construct a 196,000-foot facility as well as a separate training center and detached dining hall at 83 Anton Haering Street in the Gateway II Industrial Park. The new facility will manufacture fuel injection parts and other precision components for the automotive industry. Some of the newly created positions will include extensive training, as well as learning German, at the company's headquarters in Bubsheim, Germany.

(2) On January 15, 2014 the Hart County Industrial Building Authority announced that Lake Foods, a newly established food processor, would be opening its first location in mid-February in Hart County Georgia. With an investment of \$4 million including the purchase and re-

purpose of an existing 62,000-square-foot facility in Hart County's Industrial Park, located on U.S. Hwy 29 near the City of Hartwell, the facility will provide a processing center, refrigerated inventory, and main hub for operations. The new facility will create some 120 new jobs.

(3) In July 2013 Field Service Engineering (FSE) announced that they were moving the corporate headquarters from Oakland County, Mich., to Hart County, Ga., creating 80 new full-time positions in an expanded facility.

Sources: <http://hartiba.com/>
[http://www.georgiatrend.com/February-2013/Hart-County-Fighting- Back/](http://www.georgiatrend.com/February-2013/Hart-County-Fighting-Back/)
<http://hartcountyga.gov/econdev.html>
<http://www.scda.biz/joint-development-authority.cfm>
<http://hartwellmainstreet.com/>

Local Economy - Relative to Subject & Impact on Housing Demand

The Hartwell / Hart County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the acceptable site location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.

In the opinion of the market analyst, a new LIHTC family development located within the PMA should fare very well. The opportunities for LIHTC households to buy a home are and will become ever more challenging, in the current underwriting and mortgage due diligence environment.

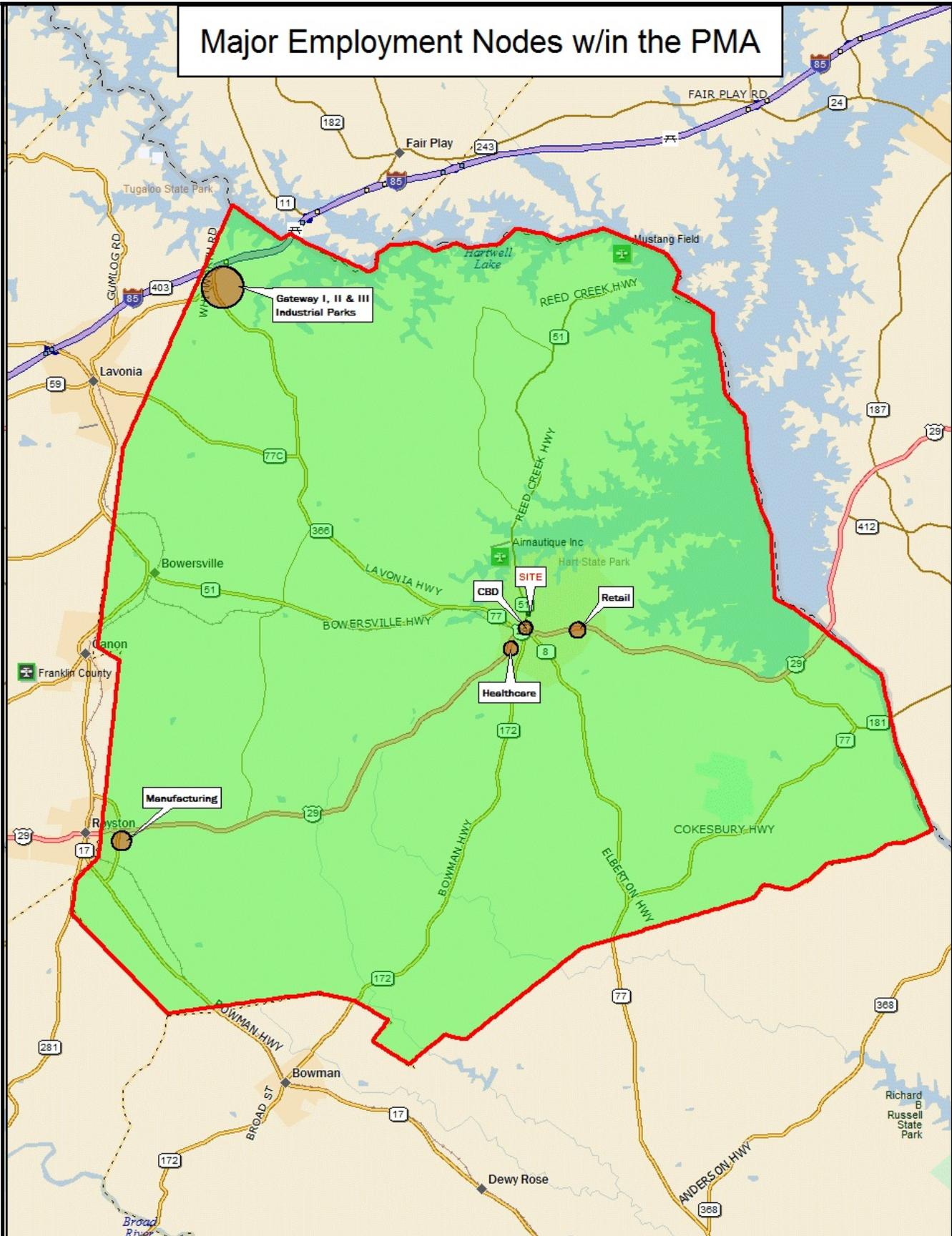
The proposed subject property net rents at 50% and 60% AMI are marketable, and competitive with the area competitive environment. Wages increased in most of the major employment sectors in Hart County between 2013 and 2014. However the overall average increase was only a little above the rate of inflation. Occurrences such as this, make new, professionally managed apartment properties, that are affordable and well amenitized, attractive to the low to moderate income households in need of housing or alternative housing choices.

In summary, recent economic indicators are more supportive of a continuing improving local economy in Hartwell and Hart County over the next year. Recent monthly unemployment rates have been declining to the 6% to 7% level over the last year and are forecasted to continue to decline into all of 2015.

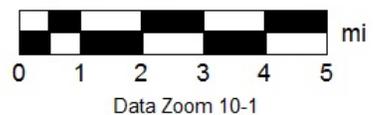
In addition, tourism is becoming a major contributor to the local economy. The primary reason for this growth is the increasing popularity of Hartwell Lake (56,000-acres and 962-miles of shoreline) as a recreational destination, as well as an emerging retirement destination. It is estimated that the lake is visited by over 10 million people annually.

The major employment nodes within Hartwell and the Hart PMA, relative to the location of the subject's site are exhibited on the Map on the following page.

Major Employment Nodes w/in the PMA



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 www.delorme.com



SECTION G

PROJECT-SPECIFIC DEMAND ANALYSIS

This incorporates several sources of income eligible demand, including demand from new renter household growth and demand from existing renter households already in the Hartwell market. In addition, given the amount of substandard housing that

still exists in the PMA market, the potential demand from substandard housing will be examined.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon the estimated year that the subject will be placed in service in 2017.

In this section, the effective project size is 64-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 5A and 5B from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered within the context of the current market conditions. This analysis assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like-kind competitive supply. In this case discriminated by age and income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted family apartment projects in the market area.

Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2015 HUD Income Guidelines were used.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 64 one, two and three bedroom units. The expected occupancy of people per unit is:

1BR - 1 and 2 persons
2BR - 2, 3 and 4 persons
3BR - 3, 4, 5 and 6 persons

Analyst Note: As long as the unit in demand is income qualified there is no minimum number of people per unit.

The proposed development will target approximately 20% of the units at 50% or below of area median income (AMI), approximately 80% at 60% AMI.

The lower portion of the LIHTC target income ranges is set by the proposed subject 1BR, 2BR, and 3BR rents at 50% and 60% AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property's intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income on rent. GA-DCA has set the estimate for non elderly applications at 35%.

The proposed 1BR net rent at 50% AMI is \$266. The estimated utility costs is \$171. The proposed 1BR gross rent at 50% AMI is \$437. Based on the proposed gross rents the lower income limits at 50% AMI was established at \$14,985.

The proposed 1BR net rent at 60% AMI is \$309. The estimated utility costs is \$171. The proposed 1BR gross rent at 60% AMI is \$480. Based on the proposed gross rent the lower income limits at 60% AMI was established at \$16,460.

The maximum income at 50% and 60% AMI for 1 to 5 person households in Hart County follows:

	<u>50%</u> <u>AMI</u>	<u>60%</u> <u>AMI</u>
1 Person -	\$16,350	\$19,620
2 Person -	\$18,650	\$22,380
3 Person -	\$21,000	\$25,200
4 Person -	\$23,300	\$27,960
5 Person -	\$25,200	\$30,240

Source: 2015 HUD MTSP income limits.

Overall Income Ranges by AMI

The overall income range for the targeting of income eligible households at 50% AMI is \$14,985 to \$25,200.

The overall income range for the targeting of income eligible households at 60% AMI is \$16,460 to \$30,240.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI

The subject will position 13-units at 50% of AMI.

The overall **Target Income Range** for the proposed subject property targeting households at 50% AMI is \$14,985 to \$25,200.

It is projected that in 2017, approximately **18%** of the renter households in the PMA will be in the subject property 50% AMI LIHTC target income group.

60% AMI

The subject will position 51-units at 60% of AMI.

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$16,460 to \$30,240.

It is projected that in 2017, approximately **20%** of the renter households in the PMA will be in the subject property 60% AMI LIHTC target income group.

Adjustments

In order to adjust for income overlap between the targeted income segments, the following adjustment was made. The 50% and 60% income segment estimates were reduced in order to account for overlap with each other, but only moderately at 60%, given fact that only 13-units will target renters at 50% AMI.

	<u>Renter-Occupied</u>
50% AMI	8.0%
60% AMI	17.0%

Effective Demand Pool

In this methodology, there are three basic sources of demand for an apartment project to acquire potential tenants:

- * net household formation (normal growth),
- * existing renters who are living in substandard housing, and
- * existing renters who choose to move to another unit, typically based on affordability (rent overburdened), project location and features.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the 2015 to 2017 forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2013 and 2014.

Growth

For the PMA, forecast housing demand through household formation totals 148 households over the 2015 to 2017 forecast period. By definition, were this to be growth it would equal demand for new housing units. This demand would further be qualified by tenure and income range to determine how many would belong to the subject target income group. During the 2015 to 2017 forecast period it is calculated that 33 or approximately 22% of the new households formations would be renters.

Based on 2017 income forecasts, 3 new renter households fall into the 50% AMI target income segment of the proposed subject property, and 6 into the 60% AMI target income segment.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2009-2013 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2009-2013 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 83 renter-occupied households were defined as residing in substandard housing. Based upon 2009-2013 American Community Survey data, 75 renter-occupied households were defined as residing in substandard housing. The forecast in 2017 was for 65 renter occupied households residing in substandard housing in the PMA.

Based on 2017 income forecasts, 5 substandard renter households fall into the target income segment of the proposed subject property at 50% AMI, and 11 are in the 60% AMI segment.

Demand from Existing Renters that are Rent Overburdened

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2009-2013 American Community Survey provides the most current *estimated* update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2017 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to the recent 2009-2013 national and worldwide recession since the report of the findings in the 2008-2012 American Community Survey. The 2009-2013 ACS indicates that within Hart County about 47% of all households age 18 to 64 (owners & renters) are rent or cost overburdened and the approximately 80% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened versus 20% in the \$20,000 to \$34,999 income range.

It is estimated that approximately 70% of the renters with incomes in the 50% AMI target income segment are rent overburdened, and 60% of the renters with incomes in the 60% AMI target income segment are rent overburdened.

In the PMA it is estimated that 141 existing renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property and 258 are in the 60% AMI segment.

***Note:** HUD and the US Census define a rent over burdened household at 30% of income to rent.

Total Effective Tenant Pool

The potential demand from these sources (within the PMA) total 149 households/units for the subject apartment development at 50% AMI. The potential demand from these sources (within the PMA) total 275 households/units for the subject apartment development at 60% AMI.

The total potential demand from the PMA is 424 households/units for the subject apartment development at 50% to 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

These estimates of demand will still need to be adjusted for the introduction of new like-kind LIHTC supply into the PMA that is either: (1) built in 2014, placed in service in 2014, or currently in the rent-up process, (2) under construction, and/or (3) in the pipeline for development.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct, like-kind competitive supply under construction and/or in the pipeline for development must be taken into consideration. At present, there are no LIHTC or Market Rate apartment developments under construction within the PMA, nor are there any in the permitted pipeline for development. Source: Mr. Dan Spivey, Planning and Zoning Director, City of Hartwell, (706) 376-4756.

A review of the 2012 to 2014 list of awards for both LIHTC & Bond applications made by the Georgia Department of Community Affairs revealed that no awards were made for a LIHTC family development within the Hartwell PMA.

The segmented, effective demand pool for the proposed LIHTC new construction development is summarized in Table 14.

Table 14: LIHTC Family

Quantitative Demand Estimate: Hartwell PMA

	50%	60%
	<u>AMI</u>	<u>AMI</u>
● <u>Demand from New Growth - Renter Households</u>		
Total Projected Number of Households (2017)	2,590	2,590
Less: Current Number of Households (2015)	<u>2,557</u>	<u>2,557</u>
Change in Total Renter Households	+ 33	+ 33
% of Renter Households in Target Income Range	<u>8%</u>	<u>17%</u>
Total Demand from New Growth	3	6
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing(2010)	75	75
Number of Households in Substandard Housing(2017)	65	65
% of Substandard Households in Target Income Range	<u>8%</u>	<u>17%</u>
Number of Income Qualified Renter Households	5	11
● <u>Demand from Existing Renter Households</u>		
Number of Renter Households (2017)	2,590	2,590
Minus substandard housing segment	65	65
Net Number of Existing Renter Households	2,525	2,525
% of Households in Target Income Range	<u>8%</u>	<u>17%</u>
Number of Income Qualified Renter Households	202	429
Proportion Income Qualified (that are Rent Overburden)	<u>70%</u>	<u>60%</u>
Total	141	258
● <u>Net Total Demand</u>	149	275
Minus New Supply of Competitive Units (2013-2014)	<u>- 0</u>	<u>- 0</u>
● <u>Gross Total Demand</u>	149	275

Table 14 - Converted w/in GA-DCA Required Table

	HH @30% AMI xx,xxx to xx,xxx	HH @50% AMI \$14,985 to \$25,200	HH@ 60% AMI \$16,460 to \$30,240	HH @ Market \$xx,xxx to \$xx,xxx	All LIHTC Households
Demand from New Households (age & income appropriate)		3	6		9
Plus					
Demand from Existing Renter Households - Substandard Housing		5	11		16
Plus					
Demand from Existing Renter Households - Rent Overburdened households		141	258		399
Sub Total		149	275		424
Demand from Existing Households - Elderly Homeowner Turnover (limited to 2%)		Na	Na		Na
Equals Total Demand		149	275		424
Less					
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the project market between 2013 and the present		0	0		0
Equals Net Demand		149	275		424

Capture Rate Analysis

Total Number of LIHTC Households Income Qualified = 424. For the subject 64 LIHTC units, this equates to an overall non adjusted LIHTC Capture Rate of 15.1%.

● <u>Capture Rate</u> (64 unit subject, by AMI)	50% <u>AMI</u>	60% <u>AMI</u>
Number of Units in Subject Development	13	51
Number of Income Qualified Households	149	275
Required Capture Rate	8.7%	18.6%

● Total Demand by Bedroom Mix

It is estimated that approximately 25% of the target group fits the profile for a 1BR unit, 50% for a 2BR unit, and 25% of the target group is estimated to fit a 3BR unit profile. Source: Table 6 and Survey of the Competitive Environment.

* At present, there are no LIHTC (family) like kind competitive properties under construction within the PMA.

Total Demand by Bedroom Type (at 50% AMI)

1BR - 37
2BR - 75
3BR - 37
Total - 149

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	37	0	37	8	21.6%
2BR	75	0	75	3	4.0%
3BR	37	0	37	2	5.4%

Total Demand by Bedroom Type (at 60% AMI)

1BR - 69
2BR - 137
3BR - 69
Total - 275

	<u>Total Demand</u>	<u>New Supply*</u>	<u>Net Demand</u>	<u>Units Proposed</u>	<u>Capture Rate</u>
1BR	69	0	69	4	5.8%
2BR	137	0	137	33	24.1%
3BR	69	0	69	14	20.3%

Capture Rate Analysis Chart

Income Targeting	Income Limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Abspt
30% AMI							
1BR							
2BR							
3BR							
4BR							
50% AMI							
1BR	\$14,985-\$18,650	8	37	0	37	21.6%	2 mos.
2BR	\$18,000-\$21,000	3	75	0	75	4.0%	1 mo.
3BR	\$20,775-\$25,200	2	37	0	37	5.4%	1 mo.
4BR							
60% AMI							
1BR	\$16,460-\$22,380	4	69	0	69	5.8%	1 mo.
2BR	\$20,640-\$25,200	33	137	0	137	24.1%	6 mos.
3BR	\$23,965-\$30,240	14	69	0	69	20.3%	3 mos.
4BR							
Market Rate							
1BR							
2BR							
3BR							
4BR							
Total 30%							
Total 50%	\$14,985-\$25,200	13	149	0	149	8.7%	2 mos.
Total 60%	\$16,460-\$30,240	51	275	0	275	18.6%	6 mos.
Total LIHTC	\$14,985-\$30,240	64	424	0	424	15.1%	6 mos.
Total Market							

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

The GA-DCA required Rent Analysis Chart follows:

Rent Analysis Chart

Income Targeting	Average Market Rent	Market Rent Band Min-Max	Proposed Rents
30% AMI			
1BR			
2BR			
3BR			
4BR			
50% AMI	Adjusted	Adjusted	
1BR	\$620	\$564-\$689	\$266
2BR	\$700	\$565-\$830	\$308
3BR	\$840	\$687-\$1005	\$337
4BR			
60% AMI	Adjusted	Adjusted	
1BR	\$620	\$564-\$689	\$309
2BR	\$700	\$565-\$830	\$385
3BR	\$840	\$687-\$1005	\$430
4BR			
Market Rate			
1BR			
2BR			
3BR			
4BR			

* Source: Comparable properties (adjusted rents)

Overall Impact to the Rental Market

In the opinion of the market analyst, the proposed LIHTC family development **will not negatively impact** the existing supply of program assisted LIHTC elderly properties located within the Hartwell PMA in the short or long term. At the time of the survey, the existing USDA-RD developments located within the area competitive environment were on 100% occupied, and all four properties maintain a waiting list.

At the time of the survey, the newest LIHTC elderly development (Juniper Court) introduced within Hartwell (in 2009) was 100% occupied, and maintained a lengthy waiting list, comprising over 100 applicants.

Some relocation of tenants in the area program assisted family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

SECTION H

COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS

This section of the report evaluates the general rental housing market conditions in the PMA apartment market, for both LIHTC and non LIHTC program assisted family properties and market rate properties.

Part I of the survey focused upon the existing program assisted family properties within the PMA.

Part II consisted of a sample survey of conventional apartment properties in the competitive environment. The analysis includes individual summaries and pictures of properties as well as an overall summary rent reconciliation analysis.

The Hartwell apartment market is representative of a semi-urban apartment market, greatly influenced by a much larger, surrounding rural hinterland. The Hartwell apartment market does not have any traditional market rate properties of size. The local market does contain one LIHTC elderly property, several small USDA-RD properties, and a public housing authority. Outside of Hartwell the rental market is primarily composed of single-family homes and single-wide trailers for rent. Owing to the fact that Hartwell lacks a sizable number of non subsidized / market rate properties the sample set included market rate properties located approximately 20 miles northeast of Hartwell in Anderson, South Carolina.

The selection process of "comparables" focused upon including those properties within the surveyed data set offering one, two and three-bedroom units, are non subsidized, were professionally managed, and in very good to excellent condition.

Part I - Survey of the Program Assisted Apartment Market

Five program assisted family properties, as well as the Hartwell Housing Authority representing 334 units were surveyed in the subject's competitive environment, in detail. One of the program assisted properties is LIHTC (elderly). Four properties are USDA-RD (1 elderly and 3 family). Several key findings in the local program assisted apartment market include:

- * At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted apartment properties was less than 1%, at 0.6%.
- * At the time of the survey, the overall vacancy rate of the four USDA-RD properties was 0%. All four properties maintain a waiting list.
- * The bedroom mix of the surveyed program assisted properties is 51.5% 1BR, 35.5% 2BR and 13% 3BR.
- * The Hartwell PMA has one LIHTC development within its physical geography. At the time of the survey, Juniper Court, a 52-unit LIHTC elderly development was 100% occupied and had over 100 applicants on the waiting list.

Part II - Sample Survey of Market Rate Apartments

Eight market rate properties, representing 1,436 units were surveyed in the subject's competitive environment, in detail. Owing to the lack of traditional market rate apartment properties within the Hartwell PMA, all of the surveyed market rate properties are located in Anderson, SC, which is approximately 20 northeast of Hartwell. Several key findings within the competitive apartment market environment include:

- * At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties targeting the general population was less than 2%, at 1.7%.
- * The typical occupancy rates reported for most of the surveyed properties ranges between the mid 90's to high 90's.
- * The bedroom mix of the surveyed market rate properties was 22% 1BR, 63% 2BR, and 15% 3BR.
- * A survey of the conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
1BR/1b	\$683	\$670	\$550-\$825
2BR/1b & 1.5b	\$650	\$639	\$590-\$679
2BR/2b	\$812	\$815	\$650-\$979
3BR/2b	\$943	\$850	\$769-\$1170

Source: Koontz & Salinger. May, 2015

- * One of the eight surveyed market rate properties includes water, sewer and trash removal within the net rent. One of the surveyed properties only includes trash removal, and six properties include nothing within the net rent.
- * Security deposits range between \$100 and \$500, or were based upon one month's rent. The overall estimated median security deposit within the surveyed competitive environment is \$200.
- * None of the surveyed market rate properties are presently offering rent concessions.

* Two of the surveyed market rate properties were built in the 1970's, two in the 90's, and four in the 2000's.

* A survey of the conventional apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Unit Size			
BR/Size	Average	Median	Range
1BR/1b	718	802	500-853
2BR/1b & 1.5b	965	946	900-1000
2BR/2b	1050	1056	870-1181
3BR/2b	1312	1255	1100-1450

Source: Koontz & Salinger. May, 2015

* In the area of unit size, by bedroom type, the subject will offer very competitive unit sizes, by floor plan, in comparison with the existing market rate properties. The proposed subject 1BR heated square footage is approximately 12% greater than the 1BR market average unit size. The proposed subject 2BR/2b heated square footage is comparable to the 2BR/2b market average unit size. The proposed subject 3BR/2b heated square footage is approximately 8% less than the 3BR/2b market average unit size.

Section 8 Vouchers

The Section 8 voucher program for Hart County is managed by the Georgia Department of Community Affairs, Athens Office. At the time of the survey the Georgia DCA regional office stated that 21 vouchers were under contract within Hart County. In addition, it was reported that presently there are 0 applicants on the waiting list owing primarily to the fact that the list is "closed", primarily due to current budget constraints. It is anticipated that the waiting list would be reopened in three to six weeks. Source: Ms. Nancy Dove, Office Director, (706) 369-5636, April 20, 2015.

Most Comparable Property

* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Ashton Park	Ashton Park	Ashton Park
Hamptons	Hamptons	Hamptons
Shadow Creek	Shadow Creek	Shadow Creek
Tanglewood	Tanglewood	Tanglewood
Walden Oaks	Walden Oaks	Walden Oaks
Wexford	Wexford	Wexford

Source: Koontz & Salinger. May, 2015

* The most direct like-kind comparable surveyed property to the proposed subject development in terms of age and income targeting are the existing USDA-RD family properties and to a lesser degree the existing LIHTC-elderly property in Hartwell, Juniper Court.

* In terms of market rents, and subject rent advantage, the most comparable properties, comprise six of the surveyed market rate properties located in Anderson, SC. Since these properties are located outside of the Hartwell PMA a distance value adjustment was applied within the rent reconciliation process.

Fair Market Rents

The 2015 Fair Market Rents for Hart County, GA are as follows:

Efficiency = \$ 430
1 BR Unit = \$ 433
2 BR Unit = \$ 586
3 BR Unit = \$ 826
4 BR Unit = \$1038

*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.org

Note: The proposed subject property LIHTC two-bedroom gross rents are comparable to slightly above the maximum Fair Market Rent and the 3BR gross rents are set below at 50% and 60% AMI. Thus, the subject property LIHTC 2BR and 3BR units at 50% and 60% AMI will be somewhat marketable to Section 8 voucher holders in Hart County. The subject 1BR gross rents at both 50% and 60% AMI are set above the 2015 Fair Market Rents.

Housing Voids

There are no LIHTC family properties located within the Hartwell PMA. There are three two older, small, USDA-RD housing properties for families, with partial project based subsidies. Of the three existing program assisted properties targeting the general population only 2 of the 84 units offer a 3BR floor plan to large families. The subject, Chandler Trace Apartments will fill this void in the market for good quality affordable rental units.

Rent Increase/Decrease

Between 2013 and 2014, and 2014 and 2015 the following change in net rents, by bedroom type, was reported on an annual basis for the existing LIHTC property located in Hartwell:

Juniper Court

1BR - 10%

2BR - 10%

Table 15 exhibits building permit data between 2000 and 2013. The permit data is for Hart County (including Hartwell). Data was not available for 2014.

Between 2010 and 2013, 125 permits were issued in Hart County, of which, 0 were multi-family units.

Table 15			
New Housing Units Permitted: Hart County, 2000-2014¹			
Year	Net Total²	Single-Family Units	Multi-Family Units
2000	15	7	8
2001	11	11	--
2002	12	12	--
2003	140	140	--
2004	165	165	--
2005	238	232	6
2006	229	212	17
2007	182	174	8
2008	209	186	104
2009	35	35	--
2010	29	29	--
2011	33	33	--
2012	29	29	--
2013	34	34	--
2014	Na	Na	Na
Total	1,442	1,299	143

¹Source: SOCDs Building Permits Database.

²Net total equals new SF and MF dwellings units.

Table 16, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed program assisted apartment properties in the Hartwell competitive environment.

Table 16											
SURVEY OF HARTWELL PMA APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	64	12	36	16	Na	\$266-\$309	\$308-\$385	\$337-\$430	806	1048	1211
LIHTC-EL											
Juniper Court	52	24	28	--	0	\$362-\$390	\$372-\$405	\$415-\$420	762	1060	--
USDA-RD											
E Orchard I	24	24	--	--	0	\$390	--	--	680	--	--
East Orchard II	24	6	16	2	0	\$410	\$465	\$488	665	816-940	962
Woodlake	30	12	18	--	0	\$355	\$390	--	596	833	--
Woodlake II	30	18	12	--	0	\$360	\$375-\$400	--	681	850-938	--
Sub Total	108	60	46	2	0						
PHA											
Hartwell PHA	174	88	44	42	2	\$221	\$260	\$326-\$365	534	700	918-1092
Total*	334	172	118	44	2						

* - Excludes the subject property

Note: The basic rent was noted for the USDA-RD properties

PHA rents are Flat Rents

Comparable properties highlighted in red.

Source: Koontz and Salinger. May, 2015.

Table 17 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed market rate apartment properties within the competitive environment.

Table 17											
SURVEY OF MARKET RATE COMPETITIVE SUPPLY											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	64	12	36	16	Na	\$266-\$309	\$308-\$385	\$337-\$430	806	1048	1211
Ashton Park	216	54	108	54	6	\$798	\$905-\$979	\$1056	850	1100	1450
Hamptons	184	44	109	31	0	\$595-\$650	\$660-\$725	\$795-\$850	680-820	870-1000	1434
Park Place	165	63	78	24	7	\$550	\$590-\$650	\$785	500	900-950	1100
Raintree	176	36	116	24	0	\$579	\$639-\$769	\$769	737-850	946-1000	1200-1300
Shadow Creek	192	36	132	24	6	\$740-\$820	\$815-\$865	\$975-\$1050	804	1098	1224
Tanglewood	168	40	112	16	2	\$665-\$670	\$685-\$690	\$805-\$830	615	925	1150
Walden Oaks	240	40	170	30	3	\$805-\$825	\$895-\$915	\$1110-\$1170	805	1097	1277
Wexford	95	7	80	8	0	\$725	\$825	\$935	802	1056-1156	1255
Total*	1,436	320	905	211	24						

* - Excludes the subject property

Comparable properties highlighted in red.

Source: Koontz and Salinger. May, 2015.

Table 18, exhibits the key amenities of the subject and the surveyed program assisted apartment properties. Overall, the subject is competitive to very competitive with all of the existing program assisted apartment properties in the market regarding the unit and development amenity package.

Table 18													
SURVEY OF HARTWELL PMA APARTMENT COMPLEXES UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
LIHTC-EL													
Juniper Court	x	x			x	x	x	x	x	x	x	x	x
USDA-RD													
E Orchard	x							x	x	x	x	x	
E Orchard II	x				x			x	x	x	x		
Woodlake					x			x	x	x	x		x
Woodlake II					x			x	x	x	x		x
PHA													
Hartwell PHA								x	x				

Source: Koontz and Salinger. May, 2015.

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

Table 19, exhibits the key amenities of the subject and the surveyed conventional apartment properties.

Table 19													
SURVEY OF CONVENTIONAL COMPETITIVE SUPPLY UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
Ashton Park	x	x	x		x	x	x	x	x	x	x	x	x
Hamptons	x	x	x		x	x	x	x	x	x	x	x	x
Park Place	x	x	x		x	x		x	x	x	x	x	x
Raintree	x	x	x		x	x		x	x	x	x		x
Shadow Creek	x	x	x		x	x	x	x	x	x	x		x
Tanglewood	x	x	x		x	x	x	x	x	x	x	x	x
Walden Oaks	x	x	x		x	x	x	x	x	x	x	x	x
Wexford	x	x	x		x	x	s	x	x	x	x	x	x

Source: Koontz and Salinger. May, 2015.

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information.

A map showing the location of the program assisted properties in the Hartwell PMA is provided on page 93. A map showing the location of the surveyed Market Rate properties located within the competitive environment is provided on page 94. A map showing the location of the surveyed Comparable properties located within the competitive environment is provided on page 95.

Survey of Program Assisted Properties

1. Juniper Court Apartments, 283 Nancy Dr (706) 376-2589

Contact: Ms Kassie Martin (4/20/15)
Tower Management

Type: LIHTC EL (50%&60% AMI & Market Rate)

Date Built: 2009

Condition: Excellent

Contact Type: Telephone interview

<u>Unit Type</u>	<u>50% Number</u>	<u>60% Number</u>	<u>Mrk</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Mrk</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	9	5	10	\$362	\$372	\$415	762	0
2BR/2b	12	10	6	\$390	\$405	\$420	1060	0
Total	21	15	16					0

Typical Occupancy Rate: 99%

Waiting List: Yes (100+)

Security Deposit: 1 month rent

Concessions: No

Utilities Included: trash

Turnover: "low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

Design: Two story w/elevator

Remarks: 2 existing tenants have Section 8 vouchers; most of the existing tenants came from Hart County; 100% occupied within 5 months; no negative impact is expected



2. East Orchard II Apartments, 110 Nancy Drive (706) 376-4347

Contact: Wes, USDA-RD & Tishco Mgmt (4/20/15) **Type:** USDA-RD el
Date Built: 1991 **Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	24	\$390	\$539	680	0
Total	24				0

Typical Occupancy Rate: 95%+ **Waiting List:** Yes
Security Deposit: 1 month basic rent **Concessions:** No
Utilities Included: water, sewer, trash **Turnover:** very low

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	No	Community Room	Yes
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	Yes

Design: 1 story

Remarks: 23 units have RA; most tenants are from Hartwell and Hart County; 1BR allowance is \$107; age targeting is 62+; expects no negative impact



3. East Orchard I Apartments, 750 Nancy Drive (706) 376-4347

Contact: Wes, USDA-RD & Tishco Mgmt (4/20/15) **Type:** USDA-RD el
Date Built: 1990 **Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	6	\$410	\$557	665	0
2BR/1b	16	\$465	\$635	816-940	0
3BR/2b	2	\$488	\$662	962	0
Total	24				0

Typical Occupancy Rate: 95%+ **Waiting List:** Yes
Security Deposit: 1 month basic rent **Concessions:** No
Utilities Included: trash removal **Turnover:** "low"

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	Yes

Design: 1-story and townhouse

Remarks: 9-units have RA; 1 3BR-unit is set aside for manager and is non revenue; utility allowance is 1BR \$78; 2BR \$131; 3BR \$186; expects no negative impact



4. Woodlake I Apartments, 111 Wood Lake Dr (706) 376-4862 or
 (706) 546-2471

Contact: Ms Kim, Mgr (4/7/15)
Date Built: 1984

Type: USDA-RD fm
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	12	\$355	\$505	596	0
2BR/1b	18	\$390	\$560	833	0
Total	30				0

Typical Occupancy Rate: 100%
Security Deposit: 1 month basic rent
Utilities Included: None

Waiting List: Yes (3)
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	No

Design: 1-story

Remarks: 12-units have RA; 0 Section 8 vouchers; 1BR allowance is \$105;
 2BR allowance is \$138; expects no long term negative impact



5. Woodlake II Apartments, 700 Reed Creek Rd (706) 376-4862 or
 (706) 546-2471

Contact: Ms Kim, Mgr (4/7/15)
Date Built: 1987

Type: USDA-RD fm
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	18	\$360	\$510	681	0
2BR/1b	12	\$375-\$400	\$525-\$550	850-938	0
Total	30				0

Typical Occupancy Rate: 99%-100%
Security Deposit: 1 month basic rent
Utilities Included: None

Waiting List: Yes ("small")
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	No

Design: 1-story & townhouse

Remarks: 0-units have RA; 2 Section 8 vouchers; 1BR allowance is \$117;
 2BR allowance is \$155 & \$162; expects no long term negative impact



6. Hartwell Housing Authority, scattered sites (706) 376-3153

Contact: Ms. Katina, Dir (4/7/15)
Date Built: 1952-1984

Type: PHA
Condition: Good to Fair

<u>Unit Type</u>	<u>Number</u>	<u>Flat Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	88	\$221	534	2
2BR/1b	44	\$260	700	0
3BR/1b	35	\$326	918	0
4BR/1b	7	\$365	1092	0
Total	174			2

Typical Occupancy Rate: 99%
Security Deposit: \$100
Utilities Included: water, sewer, trash

Waiting List: Yes (10-12)
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	No
Dishwasher	No	Carpeting	No
Disposal	No	Window Treatment	No
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

Design: 1-story



Survey of the Competitive Environment: Market Rate

1. Ashton Park Apartments, 50 Braeburn Dr (864) 222-6735

Contact: Chad, Manager (3/12/15)
Date Built: 2005

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	54	\$798	850	\$.94	1
2BR/2b	108	\$905-\$979	1100	\$.82-\$.89	3
3BR/2b	54	\$1056	1450	\$.73	2
Total	216				6

Typical Occupancy Rate: 95%-96%
Security Deposit: \$200
Utilities Included: None

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes
Fitness Center	Yes	Business Center	Yes

Design: three story walk-up

Remarks: rents based on Yieldstar system



2. Hamptons Apartments, 100 Hudson Circle (864) 224-6811

Contact: Michelle, Lsg Consultant (3/12/15) **Type:** Conventional
Date Built: 2003 **Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	44	\$595-\$650	680-820	\$.79-\$.88	0
2BR/2b	109	\$660-\$725	870-1000	\$.73-\$.76	0
3BR/2b	31	\$795-\$850	1434	\$.55-\$.59	0
Total	184				0

Typical Occupancy Rate: 95%+ **Waiting List:** No
Security Deposit: \$250, \$300, \$350 **Concessions:** No
Utilities Included: trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	No
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: three story walk-up;

Remarks: security gate; movie theater, car care center; security deposit is waived with good credit



3. Park Place Apartments, 153 Civic Center Blvd (864) 222-2333

Contact: Elisa, Mgr (3/12/15)
Date Built: 1996

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	63	\$550	500	\$1.10	1
2BR/1b	30	\$590	900	\$0.66	2
2BR/2b	48	\$650	950	\$0.68	2
3BR/2b	24	\$785	1100	\$0.71	2
Total	165				7

Typical Occupancy Rate: 95%
Security Deposit: 1 month rent
Utilities Included: None

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: three story walk-up

Remarks:



4. Raintree Apartments, 2420 Marchbanks Ave (864) 224-2859

Contact: Ms Lori, Mgr (3/12/15)
Date Built: 1972

Type: Conventional
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	36	\$579	737-850	\$.68-\$.70	0
2BR/1b	40	\$639	946	\$.68	0
2BR/1.5b	76	\$679	1000	\$.68	0
3BR/2b	24	\$769	1200-1300	\$.59-\$.64	0
Total	176				0

Typical Occupancy Rate: 98%-99%
Security Deposit: \$200 or 1 month rent
Utilities Included: water, sewer, trash

Waiting List: Yes (20-apps)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	No
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: two story walk-up

Remarks:



5. Shadow Creek Apartments, 100 Shadow Creek Ln (864) 224-8803

Contact: Barbara, Mgr (3/12/15)
Date Built: 1999

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	36	\$740-\$820	804	\$0.92-\$1.02	1
2BR/2b	132	\$815-\$865	1098	\$0.74-\$0.79	5
3BR/2b	24	\$975-\$1050	1224	\$0.80-\$0.86	0
Total	192				6

Typical Occupancy Rate: mid 90's
Security Deposit: \$100
Utilities Included: None

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: three story walk-up

Remarks: with approved credit there is no security deposit



6. Tanglewood Apartments, 2418 Marchbanks Ave (864) 226-5254

Contact: Ms Kelly, Mgr (3/12/15)
Date Built: 1976; rehab 2000

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	40	\$665-\$670	615	\$1.08-\$1.09	1
2BR/2b	112	\$685-\$690	925	\$0.74-\$0.75	1
3BR/2b	16	\$805-\$830	1150	\$0.70-\$0.72	0
Total	168				2

Typical Occupancy Rate: 95%+
Security Deposit: \$200
Utilities Included: None

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	Yes	Recreation Area	Yes

Design: two story walk-up

Remarks: no Section 8 voucher holders



7. Walden Oaks Apartments, 103 Allison Circle (864) 225-1009

Contact: Ms Tara, Mgr (3/12/15)
Date Built: 2007

Type: Conventional
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	40	\$805-\$825	805	\$1.00-\$1.02	0
2BR/2b	170	\$895-\$915	1097-1181	\$0.77-\$0.82	2
3BR/2b	30	\$1110-\$1170	1277-1386	\$0.84-\$0.87	1
Total	240				3

Typical Occupancy Rate: 96%
Security Deposit: \$100
Utilities Included: None

Waiting List: No
Concessions: Yes

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Business Room	Yes	Recreation Area	Yes
Fitness Center	Yes	Storage	Yes

Design: three story walk-up; controlled access; detached garages

Remarks: current rent special is: \$250 off 1st month rent



8. Wexford Apartments, 100 Wexford Dr

(864) 224-8300

Contact: Ms Jennifer, Mgr (3/12/15)
Date Built: 1998

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	12 7	\$725	802	\$.90	0
2BR/2b	99 80	\$825	1056-1156	\$.71-\$.78	0
3BR/2b	14 8	\$935	1255	\$.75	0
Total	220				0

*125 or 57% are owner-occupied condos; 95 or 43% are leased

Typical Occupancy Rate: high 90's
Security Deposit: \$500
Utilities Included: None

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes (some)	Window Treatment	No
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

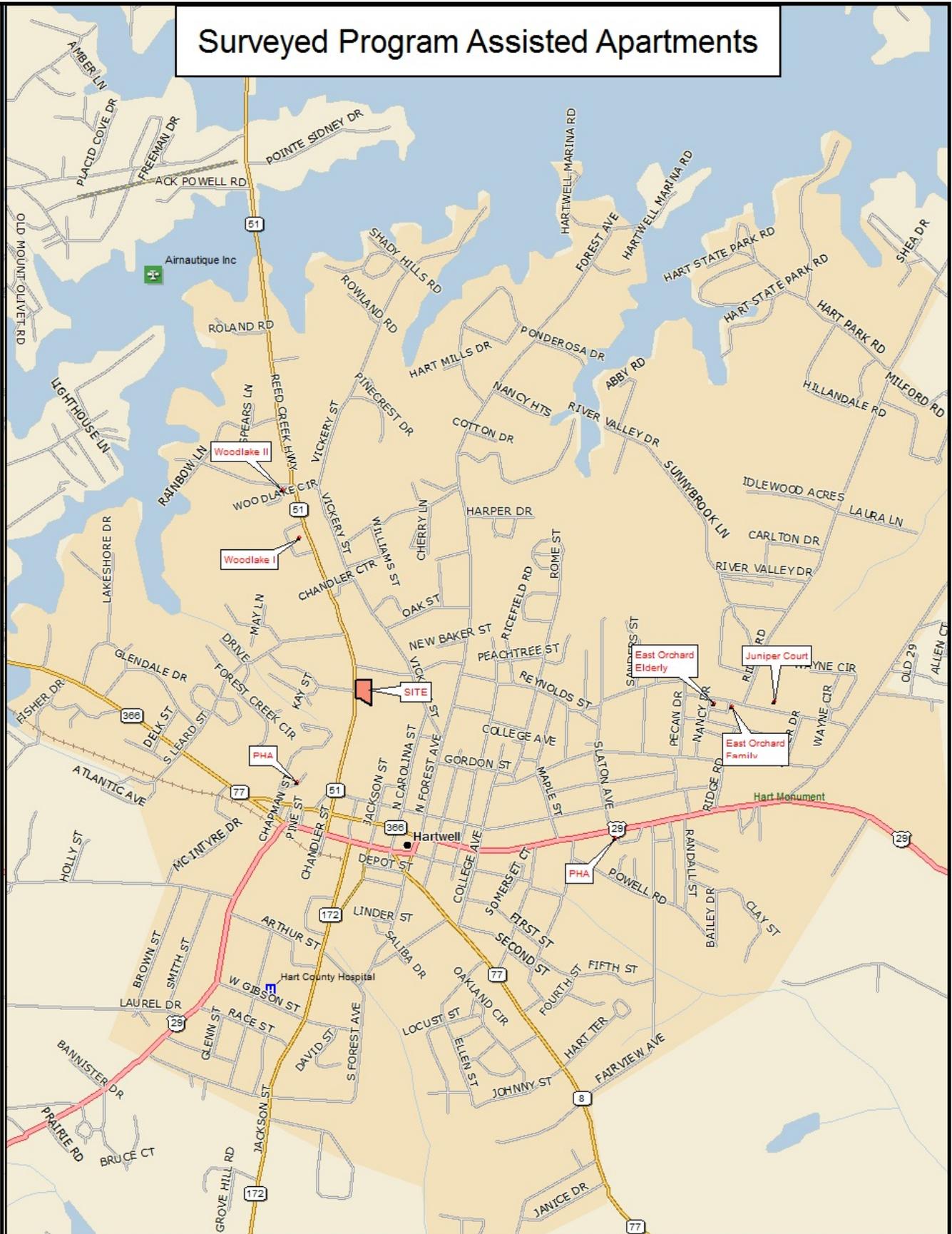
On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: three story walk-up

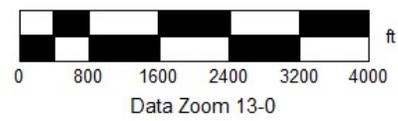
Remarks: \$90 premium for a garage; business center



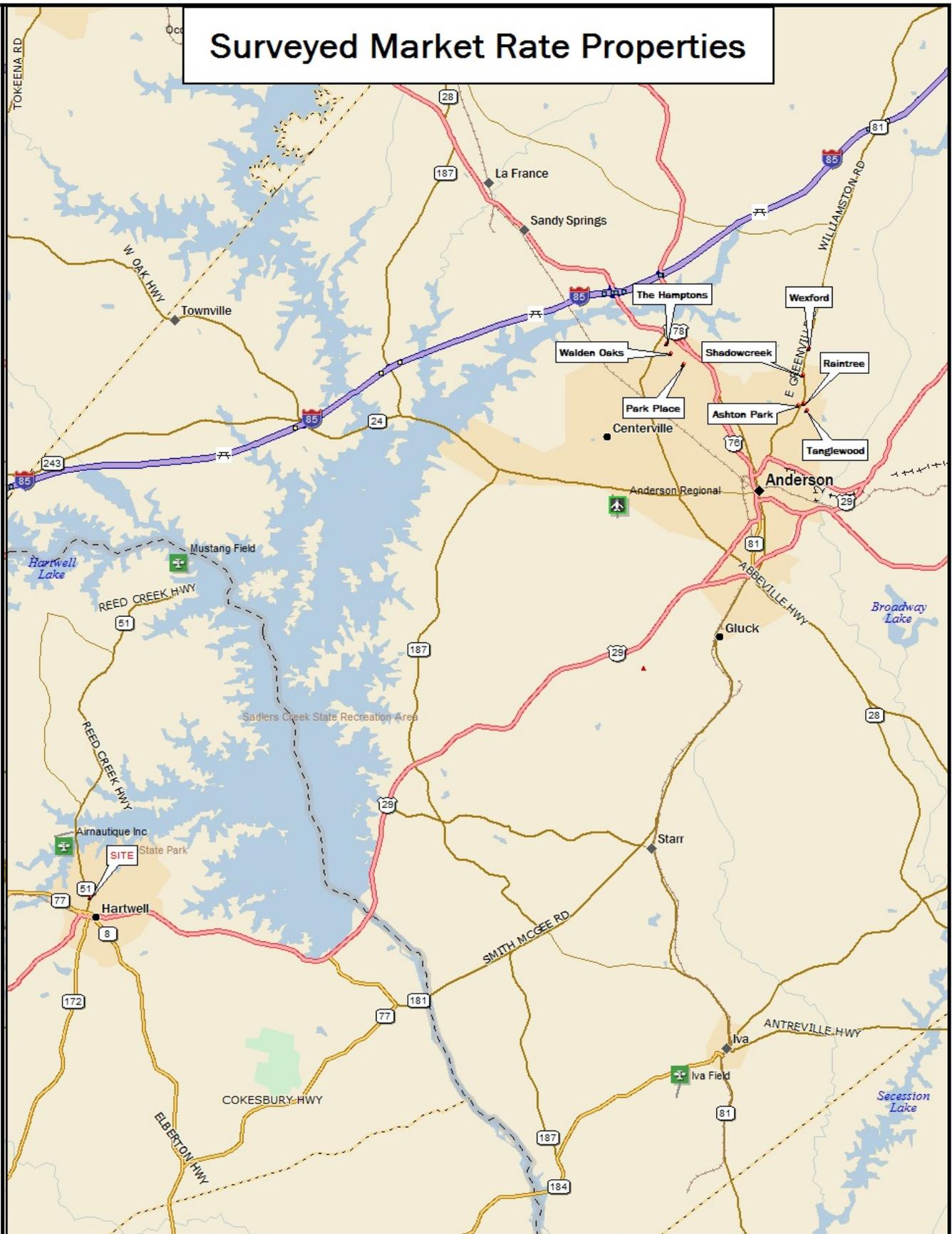
Surveyed Program Assisted Apartments



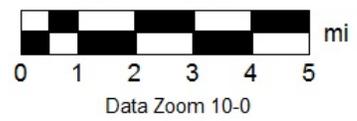
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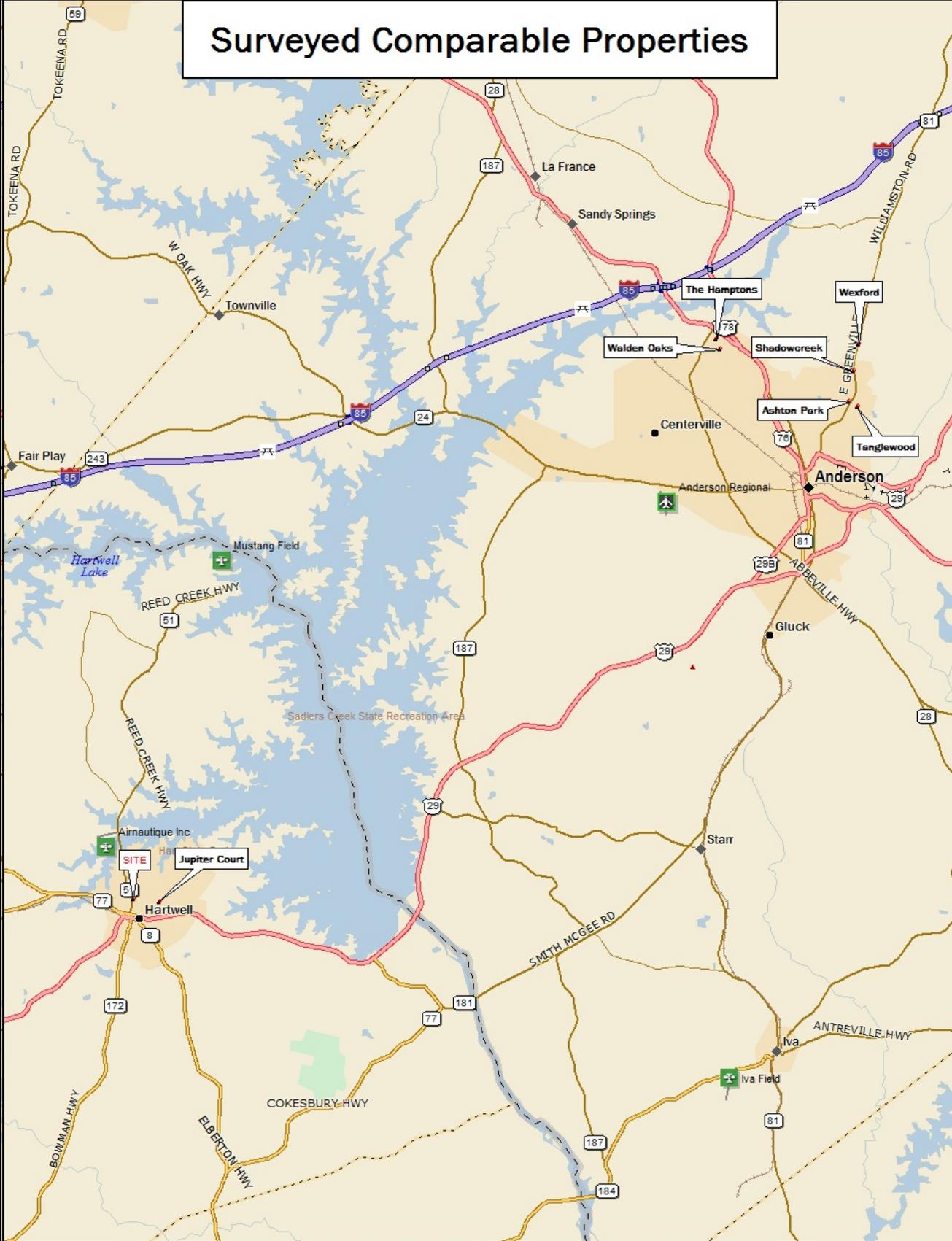
Surveyed Market Rate Properties



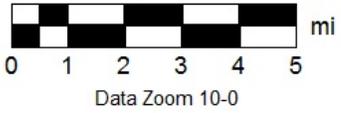
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Surveyed Comparable Properties



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SECTION I
ABSORPTION &
STABILIZATION RATES

Given the strength of the demand estimated in Table 14, the most likely/best case scenario for 93% to 100% rent-up is estimated to be within 6 months (at 10-units per month on average).

The rent-up period estimate is based upon the recently built LIHTC elderly development located within

Hartwell, GA:

Juniper Court (2009)	52-units	5-months to attain 100% occupancy
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Note: The absorption of the project is contingent upon an attractive product, professional management, and a strong marketing and pre-leasing program.

Stabilized occupancy, subsequent to initial lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.

NCHMA Definitions

Absorption Period: The period of time necessary for a newly constructed or renovated property to achieve the Stabilized Level of occupancy. The Absorption Period begins when the first certificate of occupancy is issued and ends when the last unit to reach the Stabilized Level of Occupancy has a signed lease. This assumes a typical pre-marketing period, prior to the issuance of the certificate of occupancy, of about three to six months. The month that leasing is assumed to begin should accompany all absorption estimates.

Absorption Rate: The average number of units rented each month during the Absorption Period.

Stabilized Level of Occupancy: The underwritten or actual number of occupied units that a property is expected to maintain after the initial rent-up period, expressed as a percentage of the total units.

SECTION J
INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research process. In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site

location, project size, bedroom mix, income targeting and net rents. The following observations/comments were made:

(1) - Mr. Dan Spivey, Planning and Zoning Director for the City of Hartwell, reported that no current infrastructure development was ongoing within the vicinity of the subject site, nor was any planned in the near future. In addition, he reported on the status of current and upcoming permitted apartment development within Hartwell. Contact Number: (706) 376-4756.

(2) - Ms Nancy Dove, of the Athens GA-DCA Office made available the number of Section 8 Housing Choice Vouchers being used within Hart County. In addition, it was stated that the current waiting list for a Section 8 Housing Choice Voucher is closed, partly due to demand being significantly greater than supply, and budgetary constraints. It was reported that the list is anticipated to reopen in late Spring 2015. Contact Number: (706) 369-5636.

(3) - Mr. Wes Barton, the manager (and former USDA-RD official) of the East Orchard I and II Apartments was interviewed. He stated there is a substantial need for additional income based, program assisted apartments in the market, and that additional supply would be beneficial to those in need and demand in Hartwell and Hart County. At the time of the survey, both East Orchard I and II were 100% occupied and both maintain a waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Hartwell. Contact Number: (706)376-4347, and (770) 267-1413.

(4) - Ms. Kim, the manager of the Woodlake I and II Apartments was interviewed. She stated that at the time of the survey, both Woodlake I and II were 100% occupied and both maintain a waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Hartwell. Contact Number: (706)376-4862, and (706) 546-2471.

(5) - Ms. Kassie Martin, the manager of the Jupiter Court (LIHTC Elderly) Apartments was interviewed. She stated that at the time of the survey, Jupiter Court was 100% occupied and had over 100 applicants on the waiting list. In addition, it was stated that no negative impact is expected should the proposed development be built in Hartwell. Contact Number: (706)376-3589.

(6) - Mr. David Aldrich, City Manager, City of Hartwell was interviewed. He stated that the city was for the proposed development, and that a need exists for additional affordable housing in the city and county. In addition, it was stated that the city had a very favorable opinion of developer (of the subject development), primarily based on the success of Jupiter Court ." Contact Number: (706) 376-4756.

SECTION K

CONCLUSIONS &
RECOMMENDATION

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that the Chandler Trace Apartments (a proposed LIHTC property) targeting the general population should proceed forward with the development process.

Detailed Support of Recommendation

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC family development of **64-units**. The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable, and within the GA-DCA threshold limits**.

2. The current LIHTC and USDA-RD program assisted apartment market is **not** representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted apartment properties was less than 1%, at 0.6%. At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties located within the competitive environment was less than 2%, at 1.7%.

3. The proposed complex amenity package is considered to be very competitive within the PMA apartment market for affordable properties. It will be competitive with older program assisted properties and older, smaller, market rate properties in Hartwell.

4. Bedroom Mix - The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from single person household to large family households.

5. Assessment of rents - The proposed net rents, by bedroom type, will be very competitive within the PMA apartment market at 50% and 60% AMI. Market rent advantage is greater than 40% in all AMI segments, and by bedroom type. The table on page 100, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties within the competitive environment.

6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 6-months.

7. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 93% or higher.

8. The site location is considered to be very marketable.

9. The proposed LIHTC family development will not negatively impact the existing supply of program assisted properties located within the Hartwell PMA competitive environment in the short or long term. At the time of the survey, the existing LIHTC elderly development located within the area competitive environment was on average 100% occupied, and maintained a waiting list with over 100 applications. The two existing USDA-RD Section 515 family properties, were 100% occupied, and both properties maintain a small waiting list. Presently, the Hartwell competitive environment has no LIHTC family properties.

10. No modifications to the proposed project development parameters as currently configured are recommended.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

Market Rent Advantage

The rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50% and 60% of AMI.

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	57%	50%
2BR/2b:	56%	45%
3BR/2b:	60%	49%
Overall:	49%	

Rent Reconciliation				
50% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$266	\$308	\$337	---
Estimated Market net rents	\$620	\$700	\$845	---
Rent Advantage (\$)	+\$354	+\$392	+\$508	---
Rent Advantage (%)	57%	56%	60%	---
60% AMI	1BR	2BR	3BR	4BR
Proposed subject net rents	\$309	\$385	\$430	---
Estimated Market net rents	\$620	\$700	\$845	---
Rent Advantage (\$)	+\$311	+\$315	+\$415	---
Rent Advantage (%)	50%	45%	49%	---

Source: Koontz & Salinger. May, 2015

Recommendation

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that the Chandler Trace Apartments (a proposed LIHTC new construction family development) proceed forward with the development process.

Negative Impact

The proposed LIHTC family development **will not negatively impact** the existing supply of program assisted properties located within the Hartwell PMA competitive environment in the short or long term. At the time of the survey, the existing LIHTC elderly development located within the area competitive environment was on average 100% occupied, and maintained a waiting list with over 100 applications. The two existing USDA-RD Section 515 family properties, were 100% occupied, and both properties maintain a small waiting list. Presently, the Hartwell competitive environment has no LIHTC family properties.

Some relocation of tenants in the area program assisted family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50% and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income qualified Section 8 Housing Choice Voucher holders within Hartwell and Hart County, for the proposed subject 1BR, 2BR, and 3BR units.

It is recommended that the proposed subject LIHTC net rents at 50% and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC family development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers, when taking into consideration differences in income restrictions, unit size and amenity package.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, it is recommended that the proposed net rents remain unchanged. In addition, the subject's gross rents are already closely positioned to be under Fair Market Rents for Hart County, while at the same time operating within a competitive environment.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained, is not recommended.

Mitigating Risks

The subject development is very well positioned to be successful in the market place. It will offer a product that will be very competitive regarding: rent positioning, project design, amenity package and professional management. The major unknown mitigating risk to the development process will be the status of the local economy during 2015-2016 and beyond.

At present, economic indicators point to a stable local economy. However, the operative word in forecasting the economic outlook in Hart County, the State, the Nation, and the Globe, at present is "uncertainty". At present, the Hartwell/Hart County local economic conditions are considered to be operating within an uncertain to fragile state, however, with recent signs that are cautiously optimistic.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

Rent Reconciliation Process

Six market rate properties in Anderson were used as comparables to the subject. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- an adjustment was made for the floor/level of the unit in the building; this adjustment is consider to be appropriate for elderly apartment properties in order to take into consideration 1 story structures and elevator status,
- no "time adjustment" was made; all of the comparable properties were surveyed in March and April, 2015,
- a "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being made between properties located in Anderson, SC to the subject in Hartwell,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout,
- an adjustment was made for the age of the property; this adjustment was made on a conservative basis,

- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment was made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- no adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. None of the comparable properties include cold water, and sewer within the net rent. Several include trash removal. An adjustment will be made for trash removal.

ADJUSTMENT ANALYSIS

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

Adjustments:

- Concessions: One of the six comparable market rate properties offers a concession. An adjustment is made.
- Structure/Floors: A \$15 net adjustment is made for 2 story structures versus the subject, based upon the difference of the availability of an elevator.
- Year Built: The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property. Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.
- Square Feet (SF) Area: In order to allow for differences in amenity package, and the balcony/patio adjustment, the overall SF adjustment factor used is .05 per sf per month, for each bedroom type.

- Number of Baths: No adjustment was made for the number of bathrooms. All properties were comparable in terms of bedroom/ bathroom mix.
- Balcony/Terrace/Patio: The subject will offer a traditional balcony/patio, with an attached storage closet. The balcony/patio adjustment is based on an examination of the market rate comps. The balcony/patio adjustment resulted in a \$5 value for the balcony/patio.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$175; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$4.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$600; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- Pool/Recreation Area: The subject offers recreational space on the property. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$10 for a tennis court and \$25 for a pool.
- Water: The subject excludes cold water and sewer in the net rent. None of the comparable properties include water and sewer in the net rent. The source for the utility estimates by bedroom type is based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2015). See Appendix.

- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.
- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$25. Note: None of the comparable properties are inferior to the subject regarding location.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Several of the comparable properties exclude trash in the net rent. An adjustment will be made. If required the adjustment was based upon the Georgia Department of Community Affairs Utility Allowances - Middle Region (effective 7/1/2015). See Appendix.

Adjustment Factor Key:

Distance Factor - \$105

SF - .05 per sf per month

Patio/balcony - \$5

Elevator - \$15

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse, Microwave, Ceiling Fan - \$2 (each)

Disposal - \$4

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$20 W/D Units - \$40

Pool - \$25 Tennis Court - \$10

Playground - \$5 (Na for elderly) Walking Trail - \$2

Full bath - \$25; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;
Inferior - minus \$10

Water & Sewer - 1BR - \$63; 2BR - \$80; 3BR - \$99 (Source: GA-DCA Middle Region, 7/1/15)

Trash Removal - \$20 (Source: GA-DCA Middle Region, 7/1/15)

Age - \$.50 per year (differential) Note: If difference is less than or near to 5/10 years, a choice is provided for no valuation adjustment.*

*Could be included with the year built (age) adjustment, thus in most cases will not be double counted/adjusted.

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Chandler Trace		Ashton Park		The Hamptons		Shadow Creek	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$798		\$620		\$780	
Utilities	t	None	\$21	t		None	\$21
Concessions		No		No		No	
Effective Rent		\$819		\$620		\$801	
B. Design, Location, Condition							
Structures/Stories	2	3		3		3	
Year Built	2017	2005	\$6	2003	\$7	1999	\$9
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	806	850	(\$2)	750	\$3	804	
Balcony/Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	Y/Y	(\$4)	Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$130		-\$124		-\$125
G. Adjusted & Achievable Rent		\$689		\$496		\$676	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Chandler Trace		Tanglewood		Walden Oaks		Wexford	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$665		\$815		\$725	
Utilities	t	None	\$21	None	\$21	None	\$21
Concessions		No		Yes	(\$21)	No	
Effective Rent		\$686		\$815		\$746	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2/3	
Year Built	2017	2000	\$8	2007		1998	\$9
Condition	Excell	V Good		Excell		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	806	615	\$10	805		802	
Balcony/Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$35)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	N/N		Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$122		-\$129		-\$125
G. Adjusted & Achievable Rent		\$564		\$686		\$621	
Estimated Market Rent (Avg of 6 comps, rounded)		\$622	Rounded to: \$620		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Chandler Trace		Ashton Park		The Hamptons		Shadow Creek	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$940		\$690		\$840	
Utilities	t	None	\$21	t		None	\$21
Concessions		No		No		No	
Effective Rent		\$961		\$690		\$861	
B. Design, Location, Condition							
Structures/Stories	2	3		3		3	
Year Built	2017	2005	\$6	2003	\$7	1999	\$9
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	2		2		2	
Size/SF	1048	1100	(\$3)	1000	\$2	1098	(\$2)
Balcony-Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	Y/Y	(\$4)	Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$131		-\$125		-\$127
G. Adjusted & Achievable Rent		\$830		\$565		\$734	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

Two Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Chandler Trace		Tanglewood		Walden Oaks		Wexford	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$685		\$905		\$825	
Utilities	t	None	\$21	None	\$21	None	\$21
Concessions		No		Yes	(\$21)	No	
Effective Rent		\$706		\$905		\$846	
B. Design, Location, Condition							
Structures/Stories	2	2		3		2/3	
Year Built	2017	2000	\$8	2007		1998	\$9
Condition	Excell	V Good		Excell		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	2		2		2	
Size/SF	1048	925	\$6	1097	(\$2)	1106	(\$3)
Balcony/Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$35)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	N/N		Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$126		-\$136		-\$128
G. Adjusted & Achievable Rent		\$580		\$769		\$718	
Estimated Market Rent (Avg of 6 comps, rounded)		\$699	Rounded to: \$700		see Table	% Adv	

Three Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Chandler Trace		Ashton Park		The Hamptons		Shadow Creek	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$1056		\$825		\$1010	
Utilities	t	None	\$21	t		None	\$21
Concessions		No		No		No	
Effective Rent		\$1077		\$825		\$1031	
B. Design, Location, Condition							
Structures/Stories	2	3		3		3	
Year Built	2017	2005	\$6	2003	\$7	1999	\$9
Condition	Excell	V Good		V Good		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1211	1450	(\$12)	1434	(\$11)	1224	(\$1)
Balcony/Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	Y/Y	(\$4)	Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$140		-\$138		-\$126
G. Adjusted & Achievable Rent		\$937		\$687		\$905	
Estimated Market Rent (Avg of x comps, rounded)		Next Page	Rounded to:	see Table	% Adv		

Three Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Chandler Trace		Tanglewood		Walden Oaks		Wexford	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$815		\$1140		\$935	
Utilities	t	None	\$21	None	\$21	None	\$21
Concessions		No		Yes	(\$21)	No	
Effective Rent		\$836		\$1140		\$956	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2/3	
Year Built	2017	2000	\$8	2007	\$5	1998	\$9
Condition	Excell	V Good		Excell		V Good	
Location	Good	Distance	(\$105)	Distance	(\$105)	Distance	(\$105)
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1211	1150	\$3	1332	(\$6)	1255	(\$2)
Balcony-Patio/Stor	Y/Y	Y/Y		Y/Y		Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		Y	
Pool/Tennis Court	N/N	Y/Y	(\$35)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	N/N	N/N		Y/Y	(\$4)	Y/Y	(\$4)
F. Adjustments							
Net Adjustment			-\$129		-\$135		-\$127
G. Adjusted & Achievable Rent							
		\$707		\$1005		\$829	
Estimated Market Rent (Avg of x comps, rounded)		\$845	Rounded to: \$845		see Table	% Adv	

SECTION L & M
IDENTITY OF INTEREST
&
REPRESENTATION STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property area and that information has been used in the full study of need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

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.

The report was written in accordance with my understanding of the 2015 GA-DCA Market Study Manual and 2015 GA-DCA Qualified Action Plan.

DCA may rely upon the representation made in the market study provided. In addition, the market study is assignable to other lenders that are parties to the DCA loan transaction.

CERTIFICATION

Koontz and Salinger
P.O. Box 37523
Raleigh, North Carolina 27627

Jerry M Koontz 5-30-15

Jerry M. Koontz
Real Estate Market Analyst
(919) 362-9085

MARKET ANALYST
QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental

agencies.

JERRY M. KOONTZ

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.
B.A. Economics 1980 Florida Atlantic Un.
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC.

1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC.

1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.

1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

AREAS OF

EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 31+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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Member in Good Standing: National Council of Housing Market Analysts (NCHMA)

NCHMA Market Study Index

Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number.

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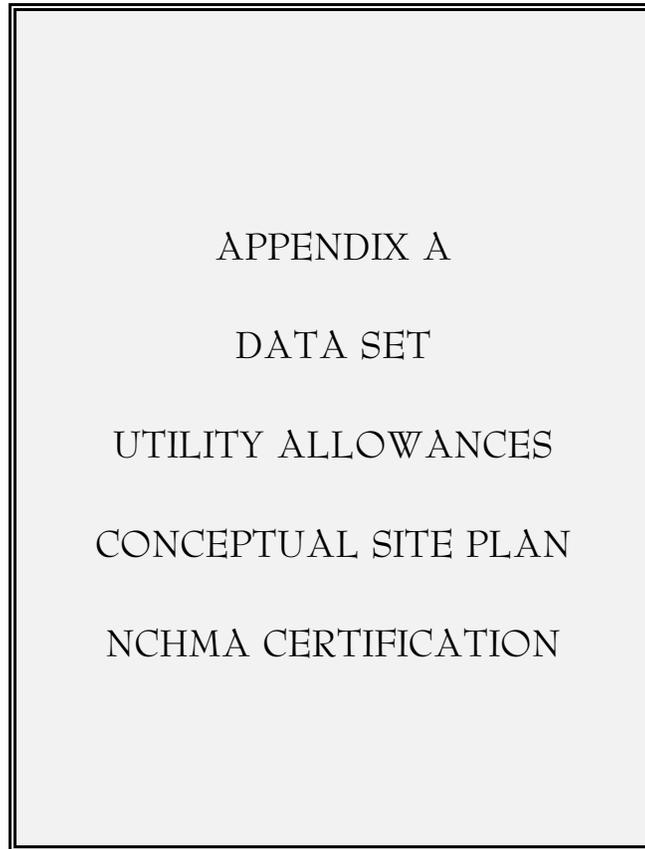
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NA

10 - Subject is not a rehab development of an existing apt complex

34-36 - Not a senior development



DATA SET



B25072

AGE OF HOUSEHOLDER BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units

2009-2013 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Hart County, Georgia	
	Estimate	Margin of Error
Total:	2,636	+/-366
Householder 15 to 24 years:	359	+/-153
Less than 20.0 percent	113	+/-110
20.0 to 24.9 percent	53	+/-76
25.0 to 29.9 percent	31	+/-49
30.0 to 34.9 percent	0	+/-25
35.0 percent or more	138	+/-90
Not computed	24	+/-24
Householder 25 to 34 years:	668	+/-184
Less than 20.0 percent	188	+/-107
20.0 to 24.9 percent	86	+/-71
25.0 to 29.9 percent	73	+/-68
30.0 to 34.9 percent	27	+/-26
35.0 percent or more	265	+/-124
Not computed	29	+/-30
Householder 35 to 64 years:	1,177	+/-245
Less than 20.0 percent	271	+/-132
20.0 to 24.9 percent	43	+/-38
25.0 to 29.9 percent	175	+/-96
30.0 to 34.9 percent	57	+/-40
35.0 percent or more	418	+/-165
Not computed	213	+/-104
Householder 65 years and over:	432	+/-167
Less than 20.0 percent	51	+/-49
20.0 to 24.9 percent	115	+/-99
25.0 to 29.9 percent	0	+/-25
30.0 to 34.9 percent	11	+/-17
35.0 percent or more	216	+/-120
Not computed	39	+/-34

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.



B25074

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN THE PAST 12 MONTHS

Universe: Renter-occupied housing units
2009-2013 American Community Survey 5-Year Estimates

Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.

Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.

Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.

	Hart County, Georgia	
	Estimate	Margin of Error
Total:	2,636	+/-366
Less than \$10,000:	700	+/-209
Less than 20.0 percent	0	+/-25
20.0 to 24.9 percent	0	+/-25
25.0 to 29.9 percent	56	+/-69
30.0 to 34.9 percent	28	+/-31
35.0 percent or more	483	+/-187
Not computed	133	+/-93
\$10,000 to \$19,999:	739	+/-213
Less than 20.0 percent	45	+/-42
20.0 to 24.9 percent	106	+/-98
25.0 to 29.9 percent	0	+/-25
30.0 to 34.9 percent	29	+/-26
35.0 percent or more	499	+/-170
Not computed	60	+/-49
\$20,000 to \$34,999:	487	+/-180
Less than 20.0 percent	110	+/-91
20.0 to 24.9 percent	77	+/-80
25.0 to 29.9 percent	189	+/-103
30.0 to 34.9 percent	38	+/-30
35.0 percent or more	55	+/-62
Not computed	18	+/-25
\$35,000 to \$49,999:	152	+/-86
Less than 20.0 percent	39	+/-43
20.0 to 24.9 percent	24	+/-37
25.0 to 29.9 percent	34	+/-44
30.0 to 34.9 percent	0	+/-25
35.0 percent or more	0	+/-25
Not computed	55	+/-47
\$50,000 to \$74,999:	308	+/-159
Less than 20.0 percent	220	+/-148
20.0 to 24.9 percent	75	+/-64
25.0 to 29.9 percent	0	+/-25
30.0 to 34.9 percent	0	+/-25
35.0 percent or more	0	+/-25
Not computed	13	+/-23

	Hart County, Georgia	
	Estimate	Margin of Error
\$75,000 to \$99,999:	161	+/-102
Less than 20.0 percent	120	+/-92
20.0 to 24.9 percent	15	+/-25
25.0 to 29.9 percent	0	+/-25
30.0 to 34.9 percent	0	+/-25
35.0 percent or more	0	+/-25
Not computed	26	+/-29
\$100,000 or more:	89	+/-83
Less than 20.0 percent	89	+/-83
20.0 to 24.9 percent	0	+/-25
25.0 to 29.9 percent	0	+/-25
30.0 to 34.9 percent	0	+/-25
35.0 percent or more	0	+/-25
Not computed	0	+/-25

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these tables.

While the 2009-2013 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.

Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.

Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey

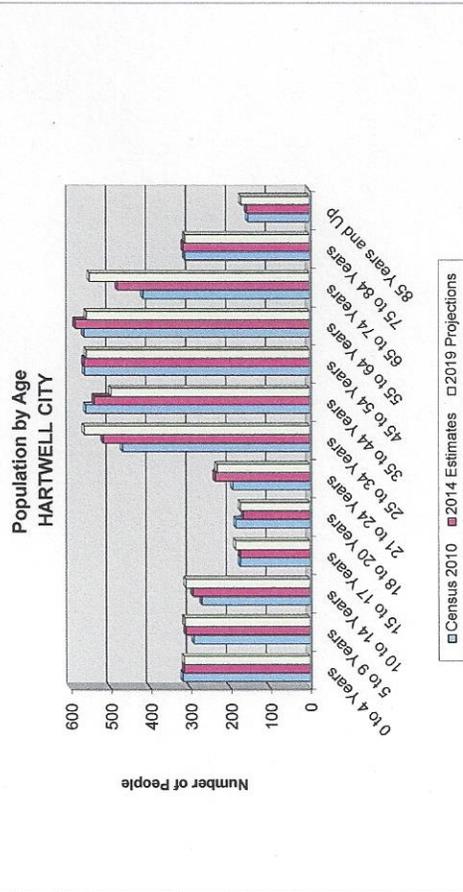
Explanation of Symbols:

1. An '***' entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '-' entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
3. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
4. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
5. An '****' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
6. An '*****' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
7. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.
8. An '(X)' means that the estimate is not applicable or not available.

Population by Age & Sex HARTWELL CITY							
Census 2010		Current Year Estimates - 2014		Five-Year Projections - 2019			
Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	151	167	318	0 to 4 Years	159	156	315
5 to 9 Years	165	125	290	5 to 9 Years	156	154	310
10 to 14 Years	127	143	270	10 to 14 Years	154	138	292
15 to 17 Years	95	79	174	15 to 17 Years	86	88	174
18 to 20 Years	101	84	185	18 to 20 Years	86	80	166
21 to 24 Years	91	102	193	21 to 24 Years	127	110	237
25 to 34 Years	230	239	469	25 to 34 Years	260	257	517
35 to 44 Years	275	285	560	35 to 44 Years	257	282	539
45 to 54 Years	276	287	563	45 to 54 Years	275	289	564
55 to 64 Years	253	312	565	55 to 64 Years	274	312	586
65 to 74 Years	169	248	417	65 to 74 Years	199	282	481
75 to 84 Years	112	199	311	75 to 84 Years	113	203	316
85 Years and Up	36	118	154	85 Years and Up	36	121	157
Total	2,081	2,388	4,469	Total	2,182	2,472	4,654
Under 18 Years	538	514	1,052	Under 18 Years	555	536	1,091
18 - 34 Years	422	425	847	18 - 34 Years	473	447	920
35 - 54 Years	551	572	1,123	35 - 54 Years	532	571	1,103
55+ Years	570	877	1,447	55+ Years	622	918	1,540
62+ Years	n/a	n/a	1,055	62+ Years	n/a	n/a	1,128
Median Age:	41.0			Median Age:	40.9		

Source: Nielsen Claritas; Ribbon Demographics

Ribbon Demographics, LLC
www.ribbondata.com
Tel: 916-830-1644



Source: Nielsen Claritas; Ribbon Demographics

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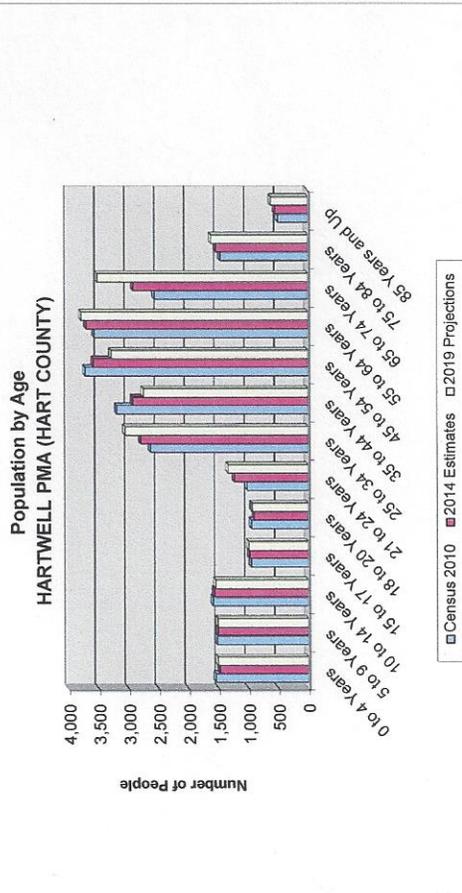
POPULATION DATA

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Population by Age & Sex HARTWELL PMA (HART COUNTY)															
Census 2010					Current Year Estimates - 2014					Five-Year Projections - 2019					
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	778	764	1,542	0 to 4 Years	753	727	1,480	0 to 4 Years	771	738	1,509	0 to 4 Years	771	738	1,509
5 to 9 Years	807	715	1,522	5 to 9 Years	774	736	1,510	5 to 9 Years	769	742	1,511	5 to 9 Years	769	742	1,511
10 to 14 Years	825	765	1,590	10 to 14 Years	804	760	1,564	10 to 14 Years	791	753	1,544	10 to 14 Years	791	753	1,544
15 to 17 Years	512	445	957	15 to 17 Years	513	469	982	15 to 17 Years	512	483	997	15 to 17 Years	512	483	997
18 to 20 Years	508	446	954	18 to 20 Years	482	419	901	18 to 20 Years	497	445	942	18 to 20 Years	497	445	942
21 to 24 Years	528	491	1,019	21 to 24 Years	672	563	1,235	21 to 24 Years	724	614	1,338	21 to 24 Years	724	614	1,338
25 to 34 Years	1,359	1,268	2,627	25 to 34 Years	1,470	1,326	2,796	25 to 34 Years	1,667	1,388	3,055	25 to 34 Years	1,667	1,388	3,055
35 to 44 Years	1,590	1,600	3,190	35 to 44 Years	1,488	1,439	2,927	35 to 44 Years	1,381	1,369	2,750	35 to 44 Years	1,381	1,369	2,750
45 to 54 Years	1,883	1,835	3,718	45 to 54 Years	1,781	1,795	3,576	45 to 54 Years	1,631	1,654	3,285	45 to 54 Years	1,631	1,654	3,285
55 to 64 Years	1,728	1,839	3,567	55 to 64 Years	1,825	1,875	3,700	55 to 64 Years	1,864	1,920	3,784	55 to 64 Years	1,864	1,920	3,784
65 to 74 Years	1,181	1,380	2,561	65 to 74 Years	1,351	1,568	2,919	65 to 74 Years	1,635	1,886	3,521	65 to 74 Years	1,635	1,886	3,521
75 to 84 Years	622	844	1,466	75 to 84 Years	636	879	1,515	75 to 84 Years	700	916	1,616	75 to 84 Years	700	916	1,616
85 Years and Up	134	366	500	85 Years and Up	160	388	548	85 Years and Up	196	424	620	85 Years and Up	196	424	620
Total	12,455	12,758	25,213	Total	12,729	12,944	25,673	Total	13,138	13,334	26,472	Total	13,138	13,334	26,472
Under 18 Years	2,922	2,689	5,611	Under 18 Years	2,844	2,692	5,536	Under 18 Years	2,843	2,718	5,561	Under 18 Years	2,843	2,718	5,561
18 - 34 Years	2,395	2,205	4,600	18 - 34 Years	2,624	2,308	4,932	18 - 34 Years	2,888	2,447	5,335	18 - 34 Years	2,888	2,447	5,335
35 - 54 Years	3,473	3,435	6,908	35 - 54 Years	3,269	3,234	6,503	35 - 54 Years	3,012	3,023	6,035	35 - 54 Years	3,012	3,023	6,035
55+ Years	3,665	4,429	8,094	55+ Years	3,592	4,710	8,702	55+ Years	4,395	5,146	9,541	55+ Years	4,395	5,146	9,541
62+ Years	n/a	n/a	n/a	62+ Years	n/a	n/a	n/a	62+ Years	n/a	n/a	n/a	62+ Years	n/a	n/a	n/a
Median Age:	42.5			Median Age:	43.1			Median Age:	43.5			Median Age:	43.5		

Source: Nielsen Claritas; Ribbon Demographics

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Owner Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	41	80	9	13	0	143
\$10,000-20,000	39	29	83	30	86	267
\$20,000-30,000	185	47	106	5	24	367
\$30,000-40,000	78	46	172	104	95	495
\$40,000-50,000	36	141	94	30	56	357
\$50,000-60,000	7	78	111	180	39	415
\$60,000-75,000	8	152	104	124	69	457
\$75,000-100,000	16	77	129	106	160	488
\$100,000-125,000	0	47	32	58	54	191
\$125,000-150,000	0	36	40	28	2	106
\$150,000-200,000	0	16	27	27	31	101
\$200,000+	2	12	28	23	17	82
Total	412	761	935	728	633	3,469

Owner Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	170	88	6	17	1	282
\$10,000-20,000	400	250	24	0	12	686
\$20,000-30,000	228	307	74	1	0	610
\$30,000-40,000	141	280	31	12	9	473
\$40,000-50,000	38	263	45	0	3	349
\$50,000-60,000	63	181	6	25	0	275
\$60,000-75,000	37	257	16	15	3	328
\$75,000-100,000	55	193	29	40	9	326
\$100,000-125,000	26	107	13	10	1	157
\$125,000-150,000	11	62	3	1	1	78
\$150,000-200,000	12	39	3	1	1	56
\$200,000+	4	22	1	4	0	31
Total	1,185	2,049	251	126	40	3,651

Owner Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	123	66	6	16	1	212
\$10,000-20,000	362	165	24	0	11	562
\$20,000-30,000	203	256	47	1	0	507
\$30,000-40,000	90	189	21	10	9	319
\$40,000-50,000	35	150	28	0	3	216
\$50,000-60,000	30	126	6	15	0	177
\$60,000-75,000	37	183	5	15	1	241
\$75,000-100,000	35	129	28	30	0	222
\$100,000-125,000	22	73	6	4	0	105
\$125,000-150,000	4	30	2	0	0	36
\$150,000-200,000	9	18	3	0	1	31
\$200,000+	2	16	1	2	0	21
Total	952	1,401	177	93	26	2,649

Owner Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	211	168	15	30	1	425
\$10,000-20,000	439	279	107	30	98	953
\$20,000-30,000	413	354	180	6	24	977
\$30,000-40,000	219	326	203	116	104	968
\$40,000-50,000	74	404	139	30	59	706
\$50,000-60,000	70	259	117	205	39	690
\$60,000-75,000	45	409	120	139	72	785
\$75,000-100,000	71	270	158	146	169	814
\$100,000-125,000	26	154	45	68	55	348
\$125,000-150,000	11	98	43	29	3	184
\$150,000-200,000	12	55	30	28	32	157
\$200,000+	6	34	29	27	17	113
Total	1,597	2,810	1,186	854	673	7,120

Renter Households						
Age 15 to 54 Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	451	77	130	45	5	708
\$10,000-20,000	7	43	67	127	4	248
\$20,000-30,000	29	93	0	47	39	208
\$30,000-40,000	22	39	22	64	3	150
\$40,000-50,000	23	81	13	1	35	153
\$50,000-60,000	0	0	34	8	0	42
\$60,000-75,000	0	15	0	3	12	30
\$75,000-100,000	0	25	7	3	0	35
\$100,000-125,000	0	0	0	3	0	3
\$125,000-150,000	1	0	0	1	1	3
\$150,000-200,000	0	0	0	2	0	2
\$200,000+	0	0	0	3	1	4
Total	533	373	273	307	100	1,586

Renter Households						
Aged 55+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	155	30	0	0	2	187
\$10,000-20,000	184	21	23	2	2	232
\$20,000-30,000	15	110	0	4	2	131
\$30,000-40,000	6	26	1	1	3	37
\$40,000-50,000	45	21	1	1	2	70
\$50,000-60,000	18	0	0	0	3	21
\$60,000-75,000	15	4	0	2	1	22
\$75,000-100,000	12	18	1	4	1	36
\$100,000-125,000	9	3	0	2	2	16
\$125,000-150,000	8	1	0	1	3	13
\$150,000-200,000	7	6	2	1	1	17
\$200,000+	1	2	0	0	1	4
Total	475	242	28	18	23	786

Renter Households						
Aged 62+ Years						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	80	7	0	0	2	89
\$10,000-20,000	184	0	0	1	2	187
\$20,000-30,000	15	63	0	3	1	82
\$30,000-40,000	6	25	0	1	3	35
\$40,000-50,000	14	6	1	1	2	24
\$50,000-60,000	18	0	0	0	3	21
\$60,000-75,000	8	1	0	1	1	11
\$75,000-100,000	10	1	1	3	1	16
\$100,000-125,000	5	1	0	2	2	10
\$125,000-150,000	5	0	0	0	3	8
\$150,000-200,000	2	6	2	1	1	12
\$200,000+	1	1	0	0	1	3
Total	348	111	4	13	22	498

Renter Households						
All Age Groups						
Base Year: 2006 - 2010 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	606	107	130	45	7	895
\$10,000-20,000	191	64	90	129	6	480
\$20,000-30,000	44	203	0	51	41	339
\$30,000-40,000	28	65	23	65	6	187
\$40,000-50,000	68	102	14	2	37	223
\$50,000-60,000	18	0	34	8	3	63
\$60,000-75,000	15	19	0	5	13	52
\$75,000-100,000	12	43	8	7	1	71
\$100,000-125,000	9	3	0	5	2	19
\$125,000-150,000	9	1	0	2	4	16
\$150,000-200,000	7	6	2	3	1	19
\$200,000+	1	2	0	3	2	8
Total	1,008	615	301	325	123	2,372

Owner Households						
Age 15 to 54 Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	35	72	4	7	0	118
\$10,000-20,000	20	29	56	36	69	210
\$20,000-30,000	149	43	110	15	36	353
\$30,000-40,000	62	36	156	101	93	448
\$40,000-50,000	28	94	96	42	51	311
\$50,000-60,000	3	55	93	142	28	321
\$60,000-75,000	10	153	126	140	78	507
\$75,000-100,000	14	69	105	90	153	431
\$100,000-125,000	0	83	51	134	100	368
\$125,000-150,000	0	24	28	27	2	81
\$150,000-200,000	0	10	22	20	27	79
\$200,000+	1	13	31	11	19	75
Total	322	681	878	765	656	3,302

Owner Households						
Aged 55+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	241	114	11	30	0	396
\$10,000-20,000	528	318	36	1	16	899
\$20,000-30,000	250	348	116	2	0	716
\$30,000-40,000	147	309	50	11	14	531
\$40,000-50,000	54	368	79	0	1	502
\$50,000-60,000	61	247	8	26	0	342
\$60,000-75,000	35	284	26	19	5	369
\$75,000-100,000	52	191	49	42	12	346
\$100,000-125,000	26	135	17	9	3	190
\$125,000-150,000	13	36	1	1	3	54
\$150,000-200,000	15	40	4	1	0	60
\$200,000+	3	32	2	5	0	42
Total	1,425	2,422	399	147	54	4,447

Owner Households						
Aged 62+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	185	84	10	29	0	308
\$10,000-20,000	471	227	36	0	15	749
\$20,000-30,000	227	286	66	2	0	581
\$30,000-40,000	78	198	34	10	14	334
\$40,000-50,000	52	284	63	0	1	400
\$50,000-60,000	26	158	8	18	0	210
\$60,000-75,000	35	203	9	19	3	269
\$75,000-100,000	32	137	48	36	3	256
\$100,000-125,000	18	74	9	1	2	104
\$125,000-150,000	2	10	0	0	3	15
\$150,000-200,000	15	20	4	1	0	40
\$200,000+	3	9	0	3	0	15
Total	1,144	1,690	287	119	41	3,281

Owner Households						
All Age Groups						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	276	186	15	37	0	514
\$10,000-20,000	548	347	92	37	85	1,109
\$20,000-30,000	399	391	226	17	36	1,069
\$30,000-40,000	209	345	206	112	107	979
\$40,000-50,000	82	462	175	42	52	813
\$50,000-60,000	64	302	101	168	28	663
\$60,000-75,000	45	437	152	159	83	876
\$75,000-100,000	66	260	154	132	165	777
\$100,000-125,000	26	218	68	143	103	558
\$125,000-150,000	13	60	29	28	5	135
\$150,000-200,000	15	50	26	21	27	139
\$200,000+	4	45	33	16	19	117
Total	1,747	3,103	1,277	912	710	7,749

HISTA 2.2 Summary Data

Hartwell Primary Market Area



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Nielsen Claritas

Renter Households						
Age 15 to 54 Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	415	79	153	37	9	693
\$10,000-20,000	11	36	58	124	6	235
\$20,000-30,000	26	101	0	56	48	231
\$30,000-40,000	20	32	20	87	4	163
\$40,000-50,000	25	54	17	3	34	133
\$50,000-60,000	0	0	36	4	0	40
\$60,000-75,000	0	9	0	3	8	20
\$75,000-100,000	1	18	7	3	0	29
\$100,000-125,000	0	0	0	3	2	5
\$125,000-150,000	0	0	1	1	0	2
\$150,000-200,000	0	0	1	2	0	3
\$200,000+	2	0	3	3	1	9
Total	500	329	296	326	112	1,563

Renter Households						
Aged 55+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	215	34	0	0	2	251
\$10,000-20,000	247	13	28	3	1	292
\$20,000-30,000	15	125	0	4	4	148
\$30,000-40,000	6	29	2	2	1	40
\$40,000-50,000	56	38	0	3	4	101
\$50,000-60,000	21	0	0	2	3	26
\$60,000-75,000	15	5	0	3	2	25
\$75,000-100,000	13	18	1	6	0	38
\$100,000-125,000	12	1	1	3	2	19
\$125,000-150,000	8	3	0	0	1	12
\$150,000-200,000	4	9	1	1	3	18
\$200,000+	3	0	2	0	3	8
Total	615	275	35	27	26	978

Renter Households						
Aged 62+ Years						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	109	8	0	0	2	119
\$10,000-20,000	247	0	2	2	0	251
\$20,000-30,000	15	78	0	3	3	99
\$30,000-40,000	6	28	1	2	1	38
\$40,000-50,000	19	19	0	2	3	43
\$50,000-60,000	21	0	0	1	2	24
\$60,000-75,000	5	0	0	2	2	9
\$75,000-100,000	11	1	1	5	0	18
\$100,000-125,000	5	0	1	2	1	9
\$125,000-150,000	3	0	0	0	1	4
\$150,000-200,000	2	9	1	1	2	15
\$200,000+	0	0	2	0	2	4
Total	443	143	8	20	19	633

Renter Households						
All Age Groups						
Year 2014 Estimates						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	630	113	153	37	11	944
\$10,000-20,000	258	49	86	127	7	527
\$20,000-30,000	41	226	0	60	52	379
\$30,000-40,000	26	61	22	89	5	203
\$40,000-50,000	81	92	17	6	38	234
\$50,000-60,000	21	0	36	6	3	66
\$60,000-75,000	15	14	0	6	10	45
\$75,000-100,000	14	36	8	9	0	67
\$100,000-125,000	12	1	1	6	4	24
\$125,000-150,000	8	3	1	1	1	14
\$150,000-200,000	4	9	2	3	3	21
\$200,000+	5	0	5	3	4	17
Total	1,115	604	331	353	138	2,541

Owner Households						
Age 15 to 54 Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	53	121	12	10	1	197
\$10,000-20,000	13	35	70	42	94	254
\$20,000-30,000	148	52	143	21	56	420
\$30,000-40,000	42	32	160	127	113	474
\$40,000-50,000	19	87	90	47	58	301
\$50,000-60,000	1	51	80	154	41	327
\$60,000-75,000	2	84	92	127	76	381
\$75,000-100,000	9	69	89	88	157	412
\$100,000-125,000	0	36	22	64	46	168
\$125,000-150,000	0	15	16	22	1	54
\$150,000-200,000	0	5	15	13	17	50
\$200,000+	3	4	22	12	11	52
Total	290	591	811	727	671	3,090

Owner Households						
Aged 55+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	323	178	21	62	1	585
\$10,000-20,000	641	437	59	1	22	1,160
\$20,000-30,000	251	417	152	5	0	825
\$30,000-40,000	147	370	65	20	16	618
\$40,000-50,000	36	366	96	1	1	500
\$50,000-60,000	50	291	9	26	0	376
\$60,000-75,000	25	226	25	23	3	302
\$75,000-100,000	46	197	64	49	13	369
\$100,000-125,000	12	65	10	5	3	95
\$125,000-150,000	9	26	3	0	1	39
\$150,000-200,000	11	26	3	0	1	41
\$200,000+	3	24	4	4	0	35
Total	1,554	2,623	511	196	61	4,945

Owner Households						
Aged 62+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	248	131	20	59	0	458
\$10,000-20,000	573	325	59	0	22	979
\$20,000-30,000	238	349	90	5	0	682
\$30,000-40,000	81	234	44	18	16	393
\$40,000-50,000	35	284	80	1	1	401
\$50,000-60,000	22	189	9	18	0	238
\$60,000-75,000	25	168	10	23	1	227
\$75,000-100,000	29	146	62	40	3	280
\$100,000-125,000	10	34	7	2	2	55
\$125,000-150,000	3	7	1	0	0	11
\$150,000-200,000	10	13	3	0	1	27
\$200,000+	3	8	2	1	0	14
Total	1,277	1,888	387	167	46	3,765

Owner Households						
All Age Groups						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	376	299	33	72	2	782
\$10,000-20,000	654	472	129	43	116	1,414
\$20,000-30,000	399	469	295	26	56	1,245
\$30,000-40,000	189	402	225	147	129	1,092
\$40,000-50,000	55	453	186	48	59	801
\$50,000-60,000	51	342	89	180	41	703
\$60,000-75,000	27	310	117	150	79	683
\$75,000-100,000	55	266	153	137	170	781
\$100,000-125,000	12	101	32	69	49	263
\$125,000-150,000	9	41	19	22	2	93
\$150,000-200,000	11	31	18	13	18	91
\$200,000+	6	28	26	16	11	87
Total	1,844	3,214	1,322	923	732	8,035

Renter Households						
Age 15 to 54 Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	459	131	186	54	15	845
\$10,000-20,000	8	38	61	134	9	250
\$20,000-30,000	26	85	0	57	49	217
\$30,000-40,000	17	28	20	81	3	149
\$40,000-50,000	19	20	14	3	31	87
\$50,000-60,000	0	1	30	4	1	36
\$60,000-75,000	0	5	1	2	7	15
\$75,000-100,000	0	14	4	3	0	21
\$100,000-125,000	0	0	0	2	1	3
\$125,000-150,000	0	0	0	1	0	1
\$150,000-200,000	0	0	0	1	1	2
\$200,000+	2	0	1	2	2	7
Total	531	322	317	344	119	1,633

Renter Households						
Aged 55+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	250	46	0	1	3	300
\$10,000-20,000	264	19	27	3	3	316
\$20,000-30,000	9	123	0	4	5	141
\$30,000-40,000	3	31	0	3	2	39
\$40,000-50,000	39	43	0	4	0	86
\$50,000-60,000	19	0	0	4	1	24
\$60,000-75,000	11	4	0	3	0	18
\$75,000-100,000	8	17	0	4	1	30
\$100,000-125,000	6	1	0	2	2	11
\$125,000-150,000	4	1	0	1	0	6
\$150,000-200,000	5	6	2	1	0	14
\$200,000+	3	0	0	0	2	5
Total	621	291	29	30	19	990

Renter Households						
Aged 62+ Years						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	122	14	0	1	2	139
\$10,000-20,000	264	0	1	2	2	269
\$20,000-30,000	9	76	0	3	4	92
\$30,000-40,000	3	30	0	3	1	37
\$40,000-50,000	15	22	0	3	0	40
\$50,000-60,000	19	0	0	3	1	23
\$60,000-75,000	4	0	0	2	0	6
\$75,000-100,000	7	1	0	3	1	12
\$100,000-125,000	3	0	0	1	2	6
\$125,000-150,000	3	0	0	0	0	3
\$150,000-200,000	3	6	1	1	0	11
\$200,000+	1	0	0	0	1	2
Total	453	149	2	22	14	640

Renter Households						
All Age Groups						
Year 2019 Projections						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	709	177	186	55	18	1,145
\$10,000-20,000	272	57	88	137	12	566
\$20,000-30,000	35	208	0	61	54	358
\$30,000-40,000	20	59	20	84	5	188
\$40,000-50,000	58	63	14	7	31	173
\$50,000-60,000	19	1	30	8	2	60
\$60,000-75,000	11	9	1	5	7	33
\$75,000-100,000	8	31	4	7	1	51
\$100,000-125,000	6	1	0	4	3	14
\$125,000-150,000	4	1	0	2	0	7
\$150,000-200,000	5	6	2	2	1	16
\$200,000+	5	0	1	2	4	12
Total	1,152	613	346	374	138	2,623

UTILITY ALLOWANCES

Georgia Department of Community Affairs

UTILITY ALLOWANCES

Effective 7/1/2015

Unit Type Use	Appliance Type	NORTHERN Region				MIDDLE Region				SOUTHERN Region							
		0 BR	1 BR	2 BR	3 BR	4 BR	0 BR	1 BR	2 BR	3 BR	4 BR	0 BR	1 BR	2 BR	3 BR	4 BR	
MULTI-FAMILY	Heating	21	30	38	47	60	18	24	30	38	48	11	15	20	24	30	
	Natural Gas																
	Electric	27	38	49	60	77	23	33	42	51	65	18	25	32	39	50	
	Propane	62	86	110	134	172	52	72	93	114	145	38	52	65	79	103	
	78%+ AFUE Gas	14	18	22	30	37	11	14	18	23	28	5	7	9	11	13	
	Electric Heat Pump	9	11	14	20	24	7	7	9	14	17	2	2	2	3	4	
	Electric Aquatherm	19	27	34	42	54	16	23	29	36	46	12	17	22	27	35	
	Gas Aquatherm	14	21	26	33	42	13	16	22	27	34	8	11	14	16	21	
	Cooking	Natural Gas	5	8	9	12	14	5	8	9	11	14	4	7	8	10	12
	Electric	7	9	12	14	18	7	9	12	15	19	7	10	13	15	20	
Propane	17	21	28	34	41	17	21	28	34	41	17	21	28	34	41		
Hot Water	Natural Gas	14	20	25	30	38	14	19	24	29	37	12	16	21	25	32	
Electric	20	28	36	44	56	21	29	37	45	57	22	30	39	48	61		
Propane	41	55	72	86	110	41	55	72	86	110	41	55	72	86	110		
Air Cond.	Electric	18	25	32	39	50	23	33	42	51	65	27	38	49	60	77	
Lights/Refr.	Electric	19	26	34	41	52	19	27	34	42	53	20	28	36	44	56	
Sewer Water	Electric	18	24	28	37	45	32	42	53	65	81	20	25	32	38	45	
Trash Collection	Water	10	13	16	22	28	18	24	30	37	45	12	16	21	26	33	
		22	22	22	22	22	21	21	21	21	21	15	15	15	15	15	
SINGLE FAMILY	Heating	24	33	43	52	67	19	27	34	42	53	12	16	22	26	33	
	Natural Gas																
	Electric	30	43	55	67	85	26	36	46	57	72	20	28	35	43	55	
	Propane	69	96	124	151	189	59	79	103	124	158	41	59	72	89	114	
	78%+ AFUE Gas	22	29	37	43	55	16	23	28	33	42	8	11	13	15	20	
	Electric Heat Pump	20	30	33	38	51	14	22	24	28	38	4	7	7	8	11	
	Electric Aquatherm	21	30	38	47	60	18	25	33	40	51	14	19	25	30	39	
	Gas Aquatherm	17	24	30	37	47	14	19	24	29	37	9	12	15	19	23	
	Cooking	Natural Gas	5	8	9	12	14	5	8	9	11	14	4	7	8	10	12
	Electric	7	10	12	14	18	7	9	12	15	19	7	10	13	15	20	
Propane	17	21	28	34	41	17	21	28	34	41	17	21	28	34	41		
Hot Water	Natural Gas	14	20	25	30	38	14	19	24	29	37	12	16	21	25	32	
Electric	20	29	36	44	56	21	29	37	45	57	22	30	39	48	61		
Propane	41	55	72	86	110	41	55	72	86	110	41	55	72	86	110		
Air Cond.	Electric	20	28	35	43	55	26	36	46	57	72	30	43	55	67	85	
Lights/Refr.	Electric	21	30	37	46	58	21	30	38	46	59	22	31	40	49	63	
Sewer	Water	18	24	30	36	45	31	43	54	65	81	19	26	32	37	45	
Water	Water	10	14	18	22	28	18	24	30	36	45	12	17	21	26	33	
Trash Collection	Trash Collection	22	22	22	22	22	21	21	21	21	21	15	15	15	15	15	

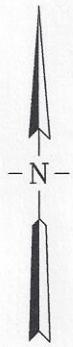
SCHEMATIC SITE PLAN

LEGEND		COUNT
UNIT TYPE		
UNIT 'A' - ONE BEDROOM		10 UNITS
UNIT 'B' - ONE BEDROOM - HANDICAP		1 UNIT
UNIT 'C' - ONE BEDROOM - SENSORY		1 UNIT
UNIT 'D' - TWO BEDROOM		33 UNITS
UNIT 'E' - TWO BEDROOM - HANDICAP		2 UNITS
UNIT 'F' - TWO BEDROOM - SENSORY		1 UNIT
UNIT 'G' - THREE BEDROOM		15 UNITS
UNIT 'H' - THREE BEDROOM - HANDICAP		1 UNIT
TOTAL UNITS:		64 UNITS

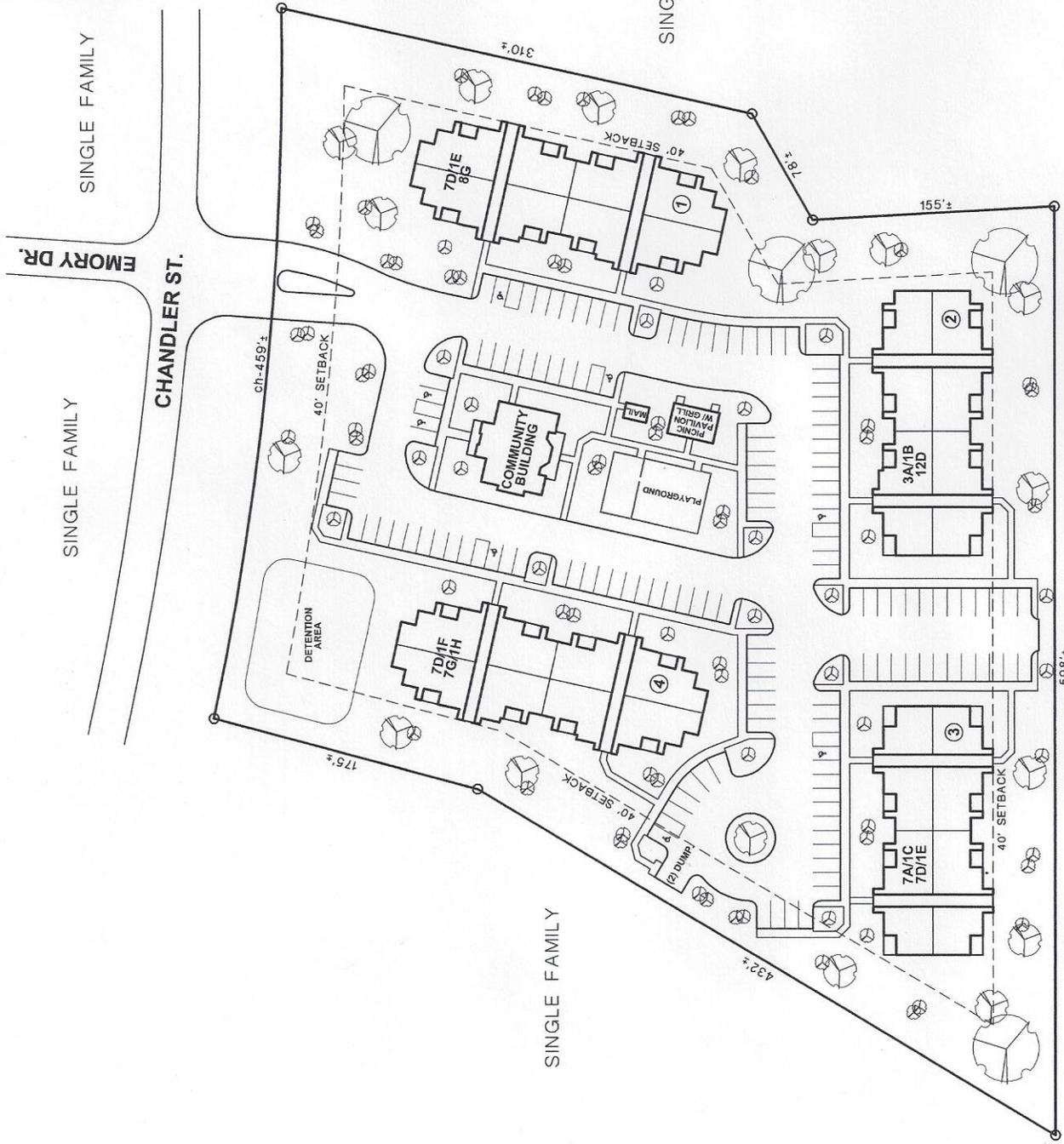
SITE DATA	
PARKING SPACES:	142
SITE AREA:	5.98 ACRES±

OWNER/DEVELOPER
 CHANDLER TRACE, L.P.
 1341 CASSVILLE ROAD
 NW CARTERSVILLE, GEORGIA 30120

ARCHITECT
 MCKEAN & ASSOCIATES, ARCHITECTS, LLC
 2315 EASTCHASE LANE
 MONTGOMERY, ALABAMA 36117



SINGLE FAMILY



SINGLE FAMILY

SINGLE FAMILY

SINGLE FAMILY

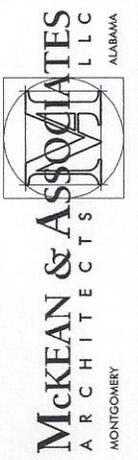
SINGLE FAMILY

COMMERCIAL

SINGLE FAMILY

MARCH 17, 2015

SCHEMATIC SITE PLAN
CHANDLER TRACE APARTMENTS
 HARTWELL, GEORGIA



NCHMA CERTIFICATION

Certificate of Professional Designation

This certificate verifies that

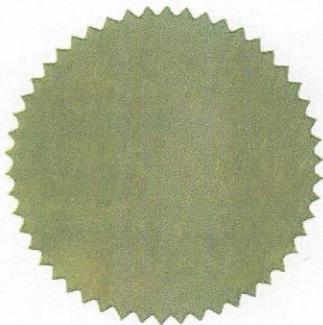
Jerry M. Koontz
Koontz & Salinger

*Has completed NCHMA's Professional Member Designation requirements
and is hence an approved (Peer Reviewed) member of:*



Formerly known as
National Council of Affordable
Housing Market Analysts

National Council of Housing Market Analysts
1400 16th St. NW, Suite 420
Washington, DC 200036
(202) 939-1750



Designation Term
07/01/2014-06/30/2015

Thomas Amdur
Executive Director, NCHMA