

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

MARKET STUDY

OF

PRAIRIE SUMMIT APARTMENTS

***A Proposed Low Income Housing Tax Credit Development
Application 08-064***

GORDON, GEORGIA

LEXINGTON REALTY SERVICES

A Subsidiary of Lexington Realty Group, LLC

7935 Harwood Avenue ▪ Wauwatosa, WI 53213 ▪ (414)475-1975 ▪ Fax (414)475-1770

LEXINGTON REALTY SERVICES

A Subsidiary of Lexington Realty Group, LLC
7935 Harwood Avenue ▪ Wauwatosa, WI 53213 ▪ (414)475-1975 ▪ Fax (414)475-1770

August 15, 2008

Ms. Cathy Johnson
Office of Affordable Housing
Georgia Department of Community Affairs
60 Executive Park South , N.E.
Atlanta, GA 30329-2231

Subject: Prairie Summit Apartments
Proposed Family Tax Credit Apartments
Application 08-064
Gordon, Georgia

Dear Ms. Johnson,

In accordance with your request, we have prepared a market study for the proposed rehabilitation of a Prairie Summit Apartments, an existing 72-unit family apartment development currently subsidized under a HUD Section 8 Housing Assistant Payments Contract. Prairie Summit Apartments is located at 153 Westbrook Road in Gordon, Georgia.

This study seeks to estimate market rents and determine whether sufficient demand exists for the development which is to be comprised of 72 income-restricted units within ten residential buildings with a one-story community building on a 10.0 acre site. The improvements are projected to be placed in service on November 30, 2010. The subject site and the subject's market area were inspected on July 15, 2008.

In addition to the inspection of the subject site, we reviewed competitive rental facilities and linkages in the market area and analyzed demographic data of the area. We interviewed municipal government officials, regional economic development personnel, multifamily property owners and managers.

We invite your attention to the market study that documents our descriptions, analyses and conclusions. If you have any questions regarding our descriptions, analyses and conclusions, or require further information about the ensuing report, please contact the undersigned. Please note that this report may be published only upon the express consent of the undersigned.

Respectfully submitted,

LEXINGTON REALTY SERVICES

by:



Dale R. Mussatti

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Conclusions	1
Summary Of Facts	2

PROJECT DESCRIPTION

Project Address, Legal Description, and Location	5
Improvement Description	7
Unit Amenities, Unit Mix, Rents and Utility Allowances	7
Rehabilitation Plan	9

SITE EVALUATION

Date of Inspection	11
Site Description	11
Neighborhood Location, Surrounding Land Uses, and Linkages	11
Site Plan and Subject Photographs	12
Low-Income Housing Within The Primary Market Area	24

MARKET AREA DESCRIPTION

Market Area Definition	25
------------------------	----

COMMUNITY DEMOGRAPHIC DATA

Population Trends	27
Household Trends	28
Employment Trends	29
Employment By Industry	29
Major Employers	31
Location Of Large Employers	31
Employment and Unemployment Trends	34
Conclusions	35

DEMAND ANALYSIS

Target Market Definition	36
Demand From New Households	36
Demand From Existing Households	38
Households Living In Substandard Housing	37
Rent Over-burdened Households	41
Net Demand, Capture Rate and Stabilization Calculations	42
Existing Comparable Supply	42
Proposed Comparable Supply	43
Market Area Building Permits	43
Net Demand	43
Capture Rates	45
Market Vacancy	45
Absorption Analysis	47

COMPARABLE RENTAL ANALYSIS

Rent Comparison	57
Conclusion To Market Rent	61
Impact On Existing Assisted Rental Housing In The Market Area	61

<u>INTERVIEWS</u>	62
<u>CONCLUSIONS AND RECOMMENDATIONS</u>	63
<u>STATEMENT OF LIMITING CONDITIONS</u>	64
<u>CERTIFICATION</u>	65

APPENDICES

1. Demographic Data
2. Relocation/Displacement Project Spreadsheet
3. Rent Comparables
4. Market Analyst Certification and Checklist
5. Qualifications of the Consultants

EXECUTIVE SUMMARY

CONCLUSIONS

We find that the data and our analysis demonstrate that currently there is adequate support for the proposed project with its proposed unit mix of income-restricted units. Our analysis indicates the capture rates at all of the subject property's set-aside levels and bedroom types are below the maximum Georgia DCA limits for rural counties. Therefore, we believe the subject development as proposed with its current unit mix and set-aside levels is feasible. **However, our rent analysis indicates the proposed income-restricted rents for Prairie Summit's one and two bedroom units are above or near our estimated market rents for those units.**

Our findings are based on our demographic analysis, which indicates there is sufficient demand in the income categories that the proposed subject development is targeting. Although the subject's market area has shown stagnant population growth, our analysis indicates demand would primarily be from rent over-burdened households in the market area.

<u>Unit Size</u>	<u>Income Limits</u>	<u>Units Proposed (1)</u>	<u>Total Demand</u>	<u>Supply (2)</u>	<u>Net Demand</u>	<u>Capture Rate</u>	<u>Absorption (3)</u>	<u>Median Market Rent (4)</u>	<u>Proposed Rent</u>
1 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	0	15	0	15	0.0%	0 Months	\$504 (5)	\$442
	60% AMI	0	15	0	15	0.0%	0 Months	\$504 (5)	\$442
	Market Rate	0	-	-	-	-	-	-	-
1 BR	TOTAL	0	30	0	30	0.0%	0 Months	-	-
2 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	2	16	0	16	12.5%	0 Months	\$445 (6)/\$521 (5)	\$501
	60% AMI	2	16	0	16	12.5%	0 Months	\$445 (6)/\$521 (5)	\$501
	Market Rate	0	-	-	-	-	-	-	-
2 BR	TOTAL	4	32	0	32	12.5%	0 Months	-	-
3 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	0	4	0	4	0.0%	0 Months	\$560 (6)/\$682 (5)	\$535
	60% AMI	1	4	0	4	25.0%	0 Months	\$560 (6)/\$682 (5)	\$535
	Market Rate	0	-	-	-	-	-	-	-
3 BR	TOTAL	1	8	0	8	12.5%	0 Months	-	-

Proposed Project Capture Rate LIHTC Units	7.1%
Proposed Project Capture Rate Market Rate Units	-
Proposed Project Capture Rate ALL Units	7.1%
Proposed Project Stabilization Period	0 Months

- Notes: 1. As of May 14, 2008, as stated in the Relocation/Displacement Project Spreadsheet, the subject had four vacant two bedroom units and one three bedroom unit with a tenant that would not income-qualify to occupy the subject property after rehabilitation with LIHTC income restrictions.
2. No comparable supply was found in the subject's market area.
3. No absorption period is estimated as the five available units of the subject property are equal to the number of vacant units at stabilized occupancy of 93%.
4. Median market rent is based on adjusted rents of market rate units of rent comparables.
5. Median for all market rate rent comparable units, including outside of the defined market area.
6. Median for market rate rent comparable units only within the defined market area.

General economic and employment conditions in the defined market area are stable and in general support the proposed rehabilitation of Prairie Summit Apartments. Based on the current occupancy level of Prairie Summit Apartments and the occupancy levels of existing properties in the market area, we believe a stabilized occupancy rate of 7% for a rehabilitated, income-restricted, family multifamily development is feasible. Considering the limited number of vacant and non-income-qualified units within the subject property that are defined as project demand, we project the property will be at stabilized occupancy at completion based on the developer's tenant relocation plan.

Based upon the high occupancy of subsidized family rental housing developments in the market area and the limited number of the subject's apartment units (5) that comprise project demand, we believe the subject will not adversely impact the long term occupancy and health of existing assisted rental housing properties in the market area.

The primary market area does not have any existing comparable supply and we are unaware of any planned comparable supply. Overall, the subject's proposed unit mix and unit sizes appear to be appropriate. The interior and exterior amenities proposed for the subject property, including its appliance package, with the exception of the exclusion of in-unit washer/dryer hook-ups, is appropriate for the market area and is similar to other amenity packages that have been well-received in similar affordable properties.

With the exception of a variety of shopping venues and large employment centers in the immediate area of the subject property, most linkages important to family renter households are within a short distance of the subject site and are typical for smaller rural communities.

<u>Property Component</u>	<u>Project</u>
Number of Units	72
Number of Income Restricted Units	72
Stabilized Vacancy	7%
Absorption	None Projected
Months to Reach Full Occupancy (93%)	At Completion

SUMMARY OF FACTS

Location:	153 Westbrook Road, Gordon, Georgia
Construction Type:	Rehab of existing development
Occupancy Type:	Family
Special Population Target:	None
Site Size:	10.0 acres
Improvement Description:	Ten two-story residential buildings, a community building, and a 119 space surface parking lot. The improvements are projected to be placed in service on November 30, 2010.
Common Area Description:	Common areas available to residents will include a community building with computer center, furnished exercise room, a furnished children's activity center, a furnished library, and common laundry rooms. Exterior common amenities include a walking path with exercise

stations, a covered pavilion with picnic/barbecue area, an equipped playground, and fenced community gardens.

Proposed Rehabilitation Plan:

The developer of Prairie Summit Apartments has proposed a comprehensive interior and exterior rehabilitation plan with a preliminary construction budget of approximately \$56,000 per unit.

Unit Description:

The subject will be comprised of 72 income-restricted units. The unit mix and income set-aside schedule is as follows:

SUMMARY OF UNIT MIX/INCOME SET-ASIDE

<u>Unit Type</u>	<u>30% AMI</u>	<u>50% AMI</u>	<u>60% AMI</u>	<u>Market</u>	<u>Total</u>
1 BR/1 BA - 526 SF	0	5	11	0	16
2 BR/1 BA - 729 SF	0	10	22	0	32
3 BR/2 BA - 987 SF	<u>0</u>	<u>8</u>	<u>16</u>	<u>0</u>	<u>24</u>
Total	0	23	49	0	72

Utility Charges:

The owner will pay for refuse collection. Tenants and HUD will pay for electric heat (heat pump), air conditioning, electric domestic hot water, electric for cooking, unit electric, water and sewer.

Concluded Rents:

Concluded market rents derived from a rental survey and analysis are summarized below:

PROPOSED RENT SCHEDULE AND ESTIMATED MARKET RENTS

<u>Unit Type</u>	<u>Unit Size</u>	<u>Number Of Units</u>	<u>Proposed Rent</u>	<u>Estimated Market Rent</u>
1 BR/1 BA - 50% AMI	526	5	\$442	\$425
1 BR/1 BA - 60% AMI	526	11	\$442	\$425
2 BR/1 BA - 50% AMI	729	10	\$501	\$500
2 BR/1 BA - 60% AMI	729	22	\$501	\$500
3 BR/2 BA - 50% AMI	987	8	\$535	\$575
3 BR/2 BA - 60% AMI	987	<u>16</u>	\$535	\$575
Total:		72		

Primary Market Area:

Census tract 9603 in Wilkinson County, Georgia. The primary market area encompasses the City of Gordon and outlying unincorporated areas adjacent to the city.

1990 Market Area Population:

4,545 - Per 1990 Census

2000 Market Area Population:

4,509 - Per 2000 Census

2007 Market Area Population:

4,431 - Per DemographicsNow.com

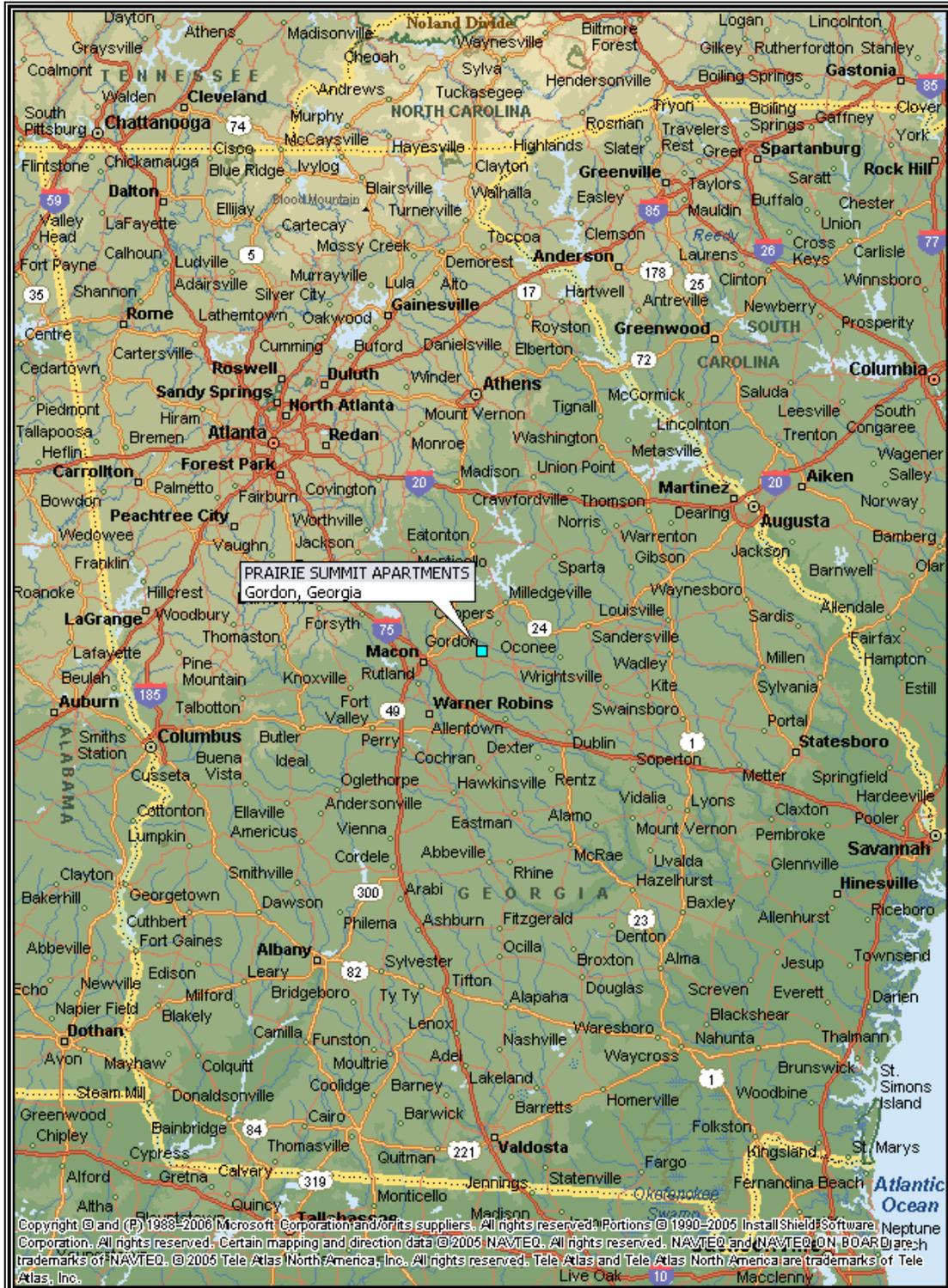
2012 Market Area Population:

4,455 - Per DemographicsNow.com

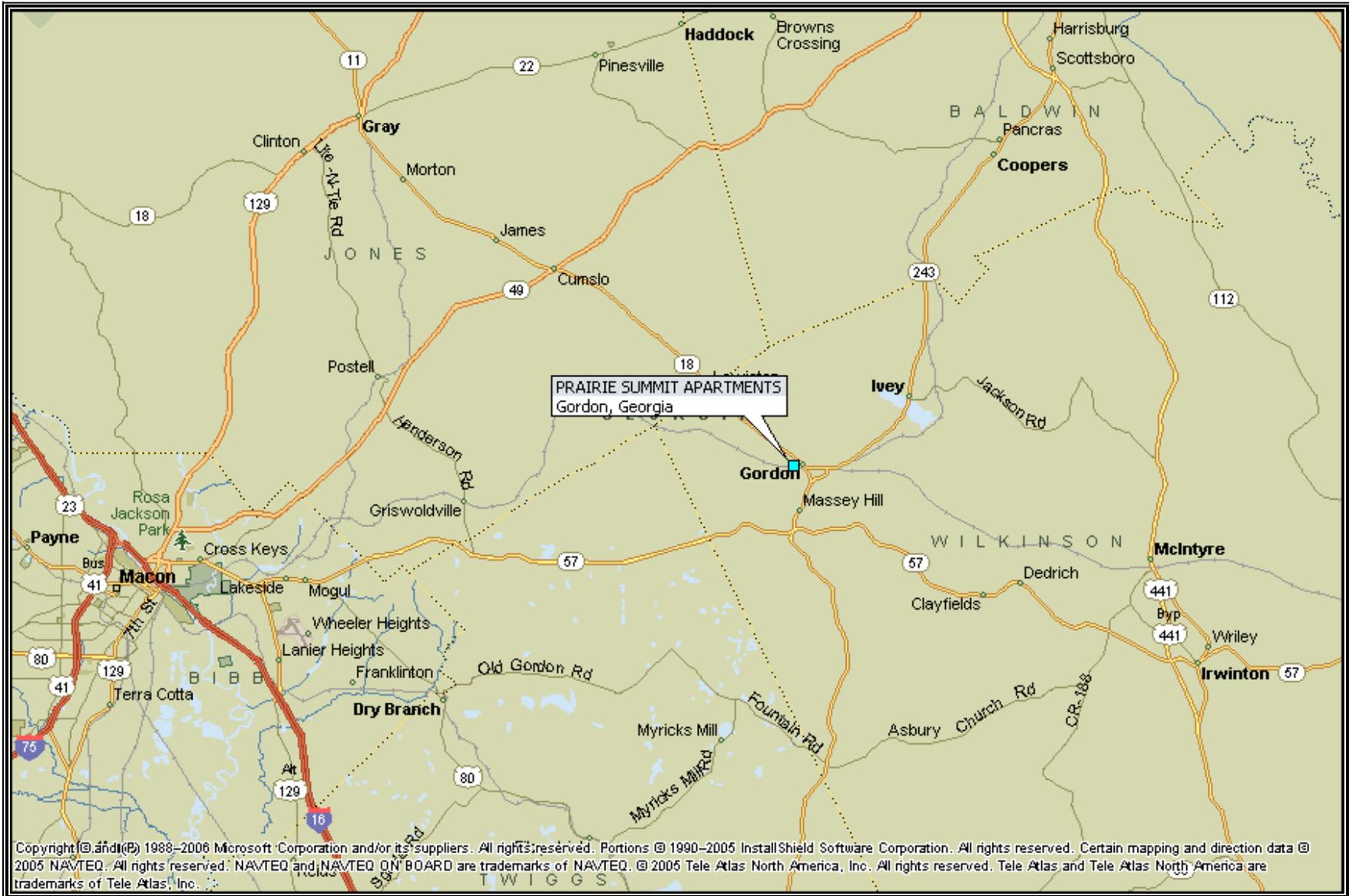
PROJECT DESCRIPTION

Project Address, Legal Description, and Location

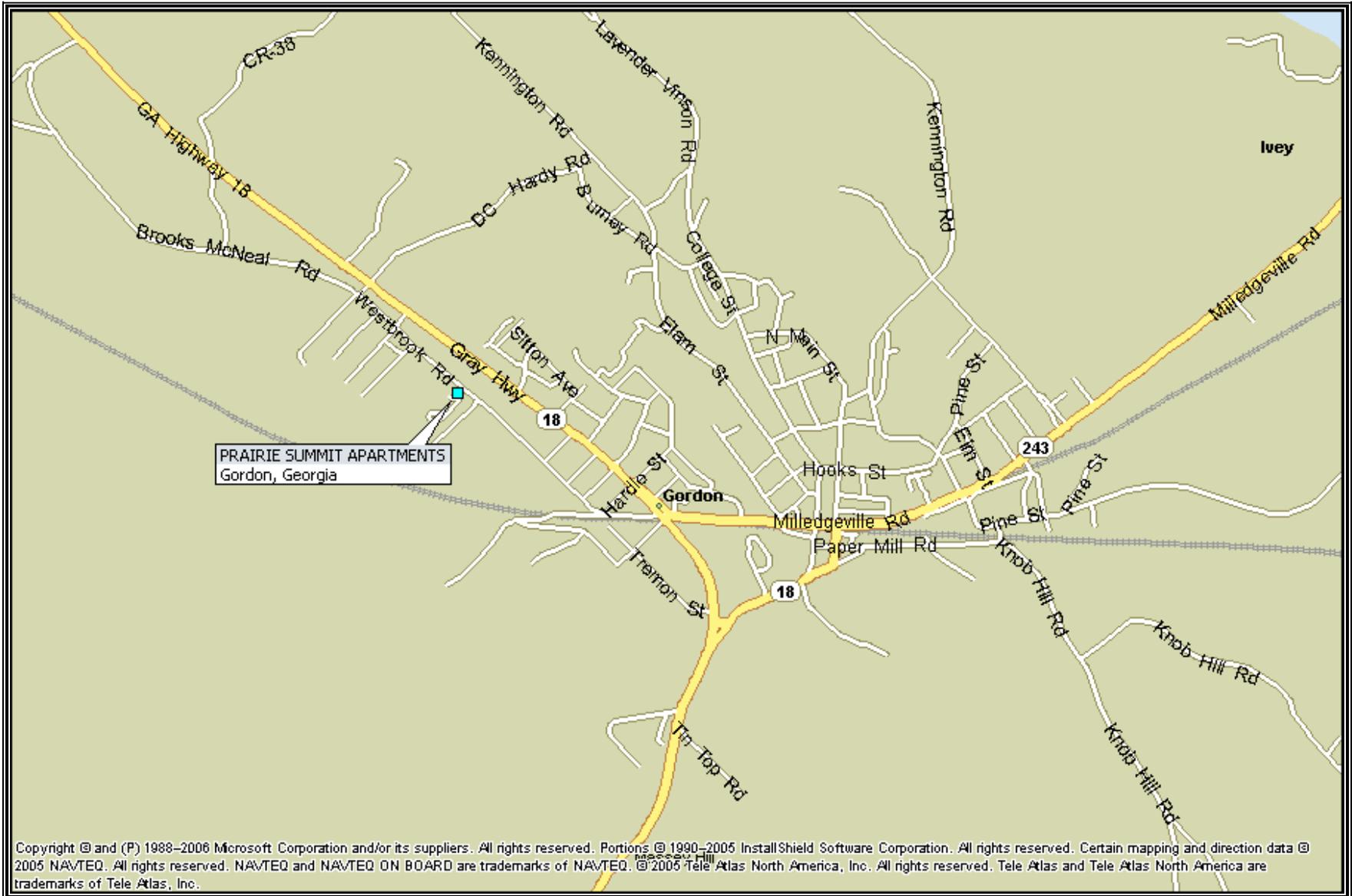
This development is located at 153 Westbrook Road in Gordon, Georgia. The City of Gordon is located in central Georgia, in western Wilkinson County, approximately 15 miles east of the City of Macon. We were unable to obtain a legal description for the subject site. An Area Map is shown below.



Major roadways serving Gordon include State Highways 18, 243, and 57. State Highway 57 intersects with Interstate Highway 16 approximately 18 miles west of Gordon.



The subject site is located on the west side of the City of Gordon approximately one mile northwest of Gordon's established central business district. A Location Map is shown below.



Improvement Description

The improvements consist of ten two-story residential buildings, a community building, and a 119 space surface parking lot. The improvements are to have a comprehensive interior and exterior rehabilitation and are projected to be placed in service for family occupancy on November 30, 2010.

Common areas available to residents will include a community building with computer center, furnished exercise room, a furnished children’s activity center, and a furnished library. Exterior common amenities include a walking path with exercise stations, a covered pavilion with picnic/barbecue area, an equipped playground, and fenced community gardens.

The subject’s 119 space surface parking lot will result in a parking ratio of 1.65 spaces to each unit and is considered to be adequate for general occupancy multifamily residential properties

Unit Amenities, Unit Mix, Rents and Utility Allowances

All the subject’s units will be flat-style units and will be accessed through private entrances and the residential buildings will not have any common interior hallways.

Units include kitchens with an electric oven/range, refrigerator, dishwasher, microwave oven, air conditioning, and garbage disposal. All units will be carpeted in bedrooms and living rooms and with vinyl flooring in kitchens and bathrooms. The unit mix will be as follows:

RENT AND UNIT SUMMARY

<u>Unit Type</u>	<u>Size</u>	<u>Count</u>	<u>Proposed Rent</u>	<u>Utility Allowance</u>	<u>Rent And Utility Allowance</u>
1 BR/1 BA - 50% AMI	526	5	\$442	\$131	\$573
1 BR/1 BA - 60% AMI	526	11	\$442	\$131	\$573
2 BR/1 BA - 50% AMI	729	10	\$501	\$168	\$669
2 BR/1 BA - 60% AMI	729	22	\$501	\$168	\$669
3 BR/2 BA - 50% AMI	987	8	\$535	\$207	\$742
3 BR/2 BA - 60% AMI	987	<u>16</u>	\$535	\$207	\$742
Total Units:		72			

Tenants, with subsidy from HUD, will pay for electric heat (electric heat pump), air conditioning, electric domestic hot water, electric for cooking, water and sewer, and unit electric. The owner will pay for refuse collection. The following is a summary of our utility allowance calculations.

UTILITY ALLOWANCE CALCULATION

<u>Utility</u>	<u>One Bedroom Units</u>	<u>Two Bedroom Units</u>	<u>Three Bedroom Units</u>
Electric Heat Pump	\$6	\$8	\$12
Electric Cooking	\$8	\$10	\$13
Electric Hot Water	\$25	\$32	\$39
Electric Air Conditioning	\$28	\$36	\$44
Electric Lights/Refrigerator	\$23	\$29	\$36
Sewer	\$23	\$30	\$36
Water	<u>\$18</u>	<u>\$23</u>	<u>\$27</u>
Total	\$131	\$168	\$207

Source: 2008 Georgia DCA Utility Allowances, Middle Region

The subject has a 100% Project Based Section 8 HAP Contract with tenants paying a maximum of 30% of their gross income as rent.

Rehabilitation Plan

The developer of Prairie Summit Apartments has proposed a comprehensive rehabilitation plan with a preliminary construction budget of approximately \$56,000 per unit. The proposed rehabilitation plan includes the following:

PROPOSED REHABILITATION PLAN

Prairie Summit Apartments

SITE WORK

Parking Lot Repair
 Sidewalk Repair
 Site Lighting
 Landscaping
 Site Fencing
 Entry Gate
 Signage

EXTERIOR BUILDING

Masonry Repair, Tuckpointing
 Siding
 Roofing, Gutters & Downspouts
 Soffit/Fascia
 Windows/Doors

HVAC

Complete HVAC
 Fire Suppression
 Water Heaters
 Water Meters

INTERIOR BUILDING

Interior Trim
 New Drywall
 Carpet/Vinyl Floors
 Interior Painting
 Lighting Fixtures
 Interior Doors

KITCHENS

Kitchen Cabinets
 Appliances
 Fixtures

BATHROOMS

Bathroom Medicine Cabinets
 Tub Surrounds
 Fixtures
 Bathroom Cabinets

COMMON AMENITIES

Clubhouse/Leasing Center
 Pavilion
 Playground/Community Garden

Overall, the functional utility of the buildings and units is considered good, and well suited for family, apartment style living. The general design of the units and buildings is consistent with properties that have been well received in other areas of southeast Georgia.

SITE EVALUATION

Date of Inspection

The subject site was inspected on July 15, 2008.

Site Description

This site is a 10.0 acre, nearly rectangular, land parcel. The front of the subject site slopes slightly downward to the west, but is generally level in most areas, and is level with parcels adjacent to it. The site has approximately 231 feet of frontage on Westbrook Road and has good exposure and visibility from the street with proper maintenance of on-site vegetation near the street.

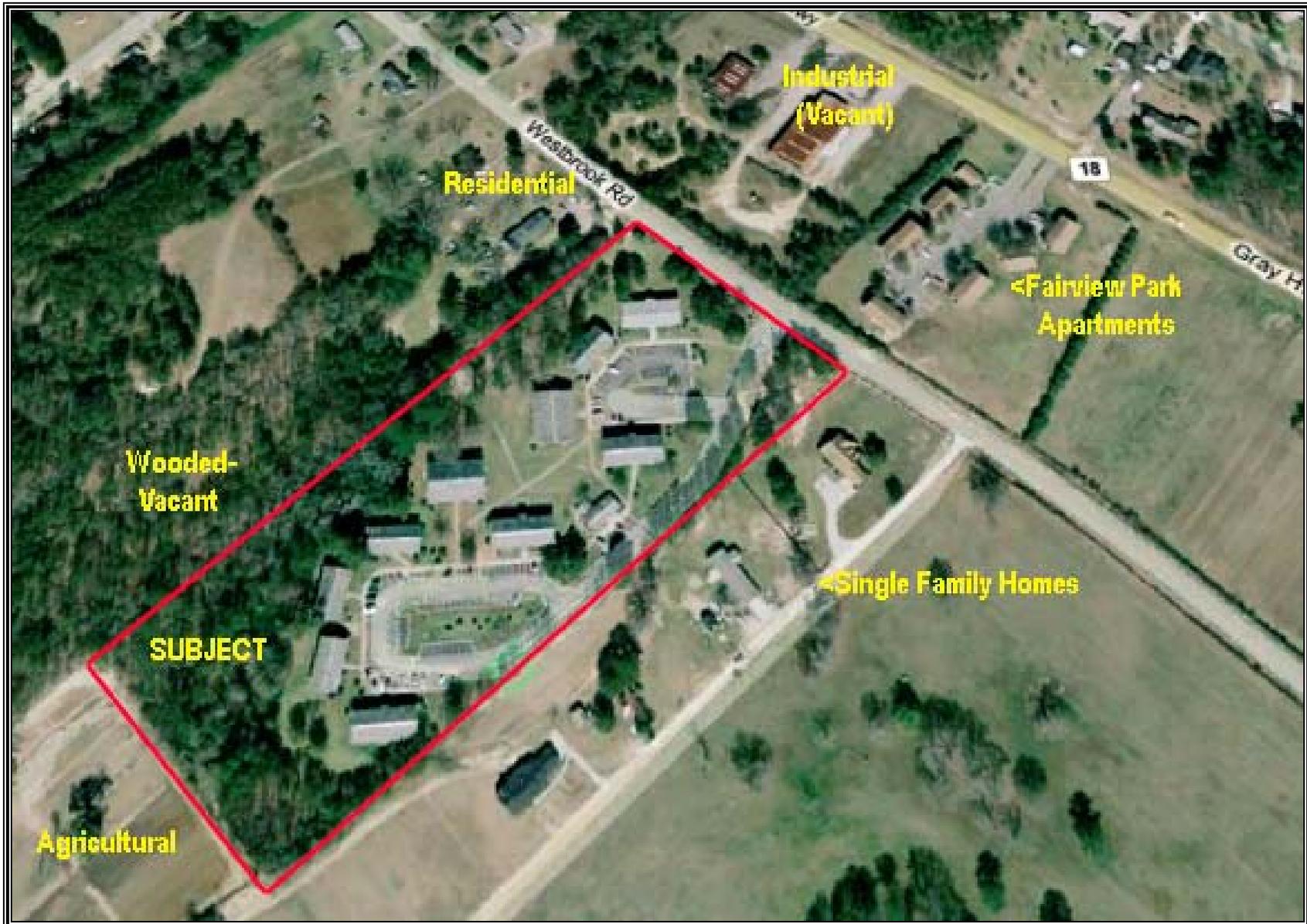
Vehicular access to the subject site is from a single curb cut at the north side of the site along Westbrook Road. Road access is adequate for the site and there were no adverse influences, visible environmental concerns, nuisances, hazards, or easements observed that could have a significant negative impact on the marketability of the subject apartment units. The subject site is situated in an area of generally complementary uses and is typical in comparison to similar projects in terms of size, shape, topography, availability of utilities, setbacks, landscaping, and parking. Overall, the subject site is considered adequate and suitable for multifamily residential development.

Neighborhood Location, Surrounding Land Uses, and Linkages

The subject site is located on Westbrook Road on the west side of the City of Gordon. The subject's immediate neighborhood includes a mix of residential, agricultural, industrial, and vacant land uses. Immediately to the north of the subject property, across Westbrook Road, is the back end of an industrial property and a multifamily development (Fairview Park Apartments), both of which are screened from Westbrook Road by thick vegetation. To the east are single-family residential properties and vacant land. The south side of the site is heavily wooded. South of the site is agricultural land and to its west is vacant wooded land and a single-family residence. The improved properties near the subject site are generally in average condition. We are not aware of any major road or infrastructure improvements planned or under construction in the primary market area in the near term.

On the following pages are an aerial view of the subject site and the area immediately around it. Also, on the following pages are a site plan and photographs of the subject site and the area surrounding it.

AERIAL PHOTOGRAPH





TOP: Front Of A Subject Apartment Building
BOTTOM: Rear Of A Subject Apartment Building



TOP: View Of Subject Site Looking Southwest From Its Entrance On Its North End At Westbrook Road
BOTTOM: View Of Subject Site Looking Southeast From Its Northwest Corner



TOP: View Of Subject Site Looking East From Its West End At Its Far Southwest Non-Wooded Corner
BOTTOM: View Of Subject Site Looking North From Its West End At Its Far Southwest Non-Wooded Corner



TOP: Typical Unit Living Room
BOTTOM: Typical Unit Kitchen



TOP: Typical Unit Bedroom
BOTTOM: Typical Unit Bathroom



TOP: View East On Westbrook Road With Subject Site On Right At Chain Link Fence
BOTTOM: View West On Westbrook Road With Subject Site On Left Past Fence



TOP: Fence Line And Residential Property Located Directly To The East Of The Subject Site
BOTTOM: Residential Property Located Along Westbrook Road Directly West Of The Subject Site



TOP: Single Family Homes Located Directly East Of The Subject Site
BOTTOM: View Across Westbrook Road Of Back Side Of Nearby Industrial And Multifamily Sites

The following linkages exist with respect to the subject site:

LINKAGES

	Nearest Facility	
	Miles From Subject	Facility Name
Medical Clinic	0.9	Reese Family Health Care
	1.4	Rural Health Service, Inc.
	1.4	Gordon Medical Center
	1.6	Omni Health Solution
Hospital	15.2	Oconee Regional Medical Center
Shopping Center	1.4	Family Dollar Store
	2.0	Dollar General
	13.1	Kmart
Employment Centers	1.0	BASF Catalysts LLC
	1.2	Downtown Gordon
	0.7	Tremon Industrial Park
	18.0	Downtown Macon
Banks	1.3	Gordon Bank
Supermarket	1.3	Piggly Wiggly
Public Elementary School	11.1	Wilkinson County Elementary School
Public Middle School	9.7	Wilkinson County Middle School
Public High School	9.7	Wilkinson County Senior High School
Child Daycare Center	6.6	Kathy's Daycare
Park	0.6	Little League Field
	1.5	Recreation Park
Library	1.3	Gordon Library

Amenities and linkages in the subject’s immediate neighborhood and in Gordon are limited with respect to shopping and large employments centers. However, Gordon has relatively good transportation linkages to the Macon metro area to the west and Milledgeville to the northeast. Overall, linkages within the subject neighborhood are considered average.

An Aerial Map of Gordon and a Linkage Map are shown on the following pages

AERIAL MAP OF THE CITY OF GORDON

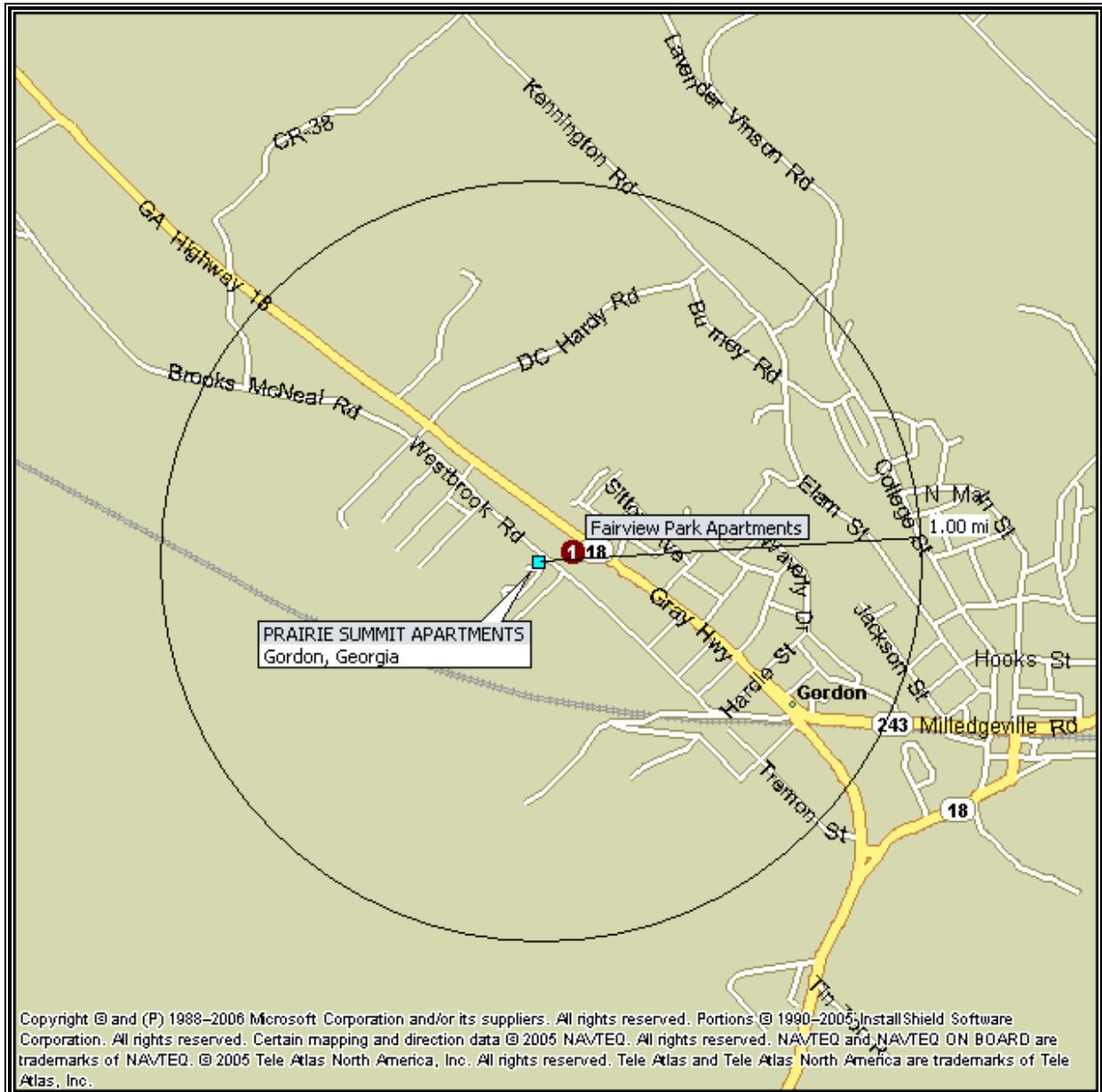


Low-Income Housing Within The Primary Market Area

The defined market area has a total of 22 low-income rental housing units within one property (excluding the subject). The following is a list of the low-income rental housing within the defined market area. Also, shown below is a map showing the location of the property.

MARKET AREA LOW-INCOME RENTAL HOUSING

<u>No.</u>	<u>Property</u>	<u>Address</u>	<u>Year Built</u>	<u>Program</u>	<u>Units</u>	<u>Miles From Subject</u>
1	Fairview Park Apartments	249 Gray Highway, Gordon	1983	Section 515	22	0.1



MARKET AREA DESCRIPTION

MARKET AREA DEFINITION

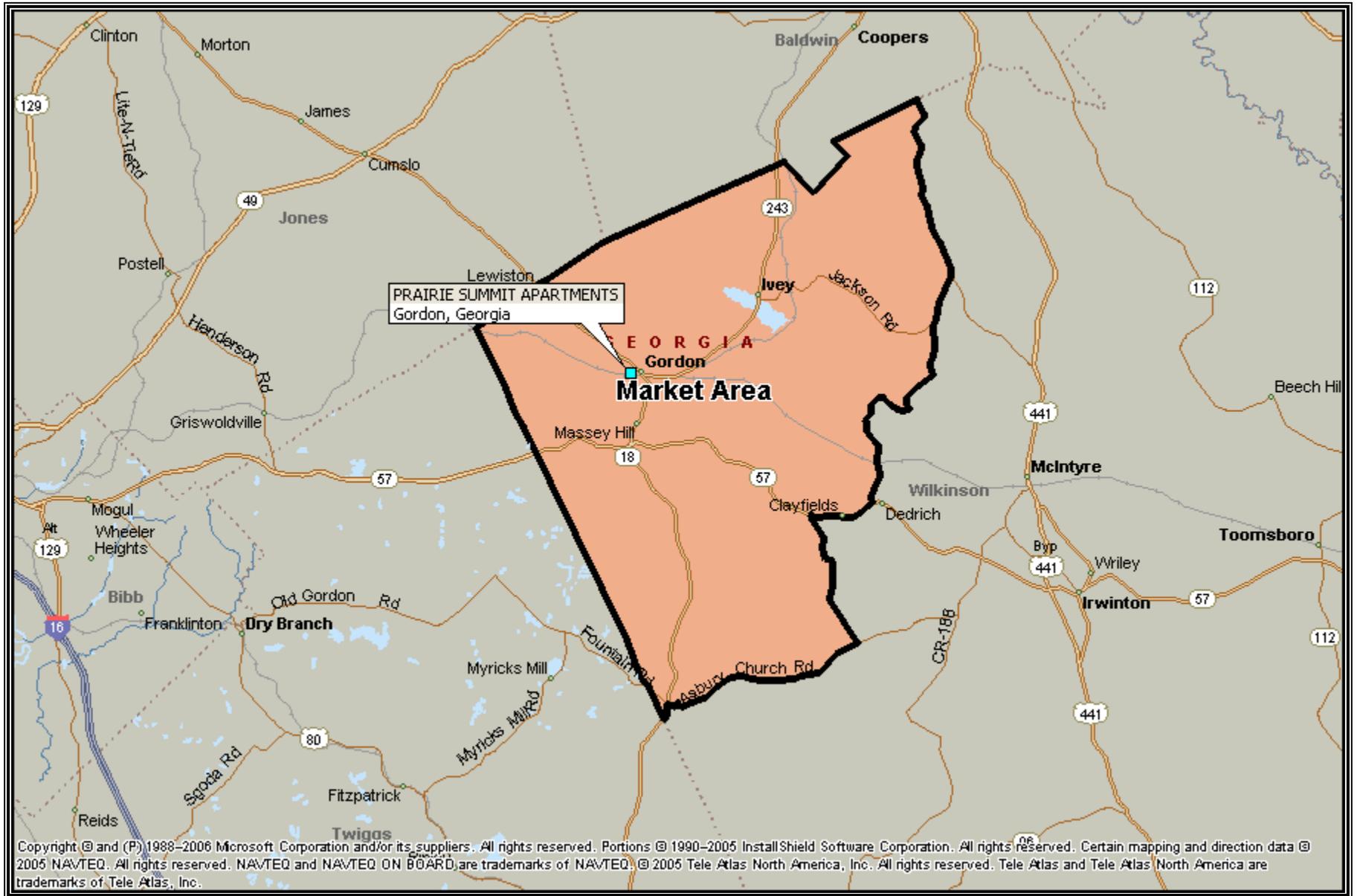
The subject's market area is defined by the geographic boundaries from which the subject will attract most of its residents and in which the subject will compete with existing and proposed family multifamily developments. Households within a market area tend to retain residence within that area.

Gordon serves as the center of economic activity, governmental services, retail shopping, medical services, and education services for its immediate area of Wilkinson County and nearby unincorporated areas of adjacent counties.

The subject site is located on the west side of the City of Gordon in a neighborhood with a mix of residential and commercial development. Due to the subject's proposed income restricted units with below market rents, and due to the relatively small geographic size of Gordon, we have included in the subject's defined primary market area all of the City of Gordon and the unincorporated areas immediate adjacent to it which have a very limited amount of multifamily rental housing. Our definition of the primary market area is based on geographic proximity, transportation linkages, shopping and service linkages, density of population, and by supply of competitive housing. Therefore, based on these locational and rental market factors, the subject's primary market area is defined as Wilkinson County census tract 9603.

A Market Area Map is shown on the following page.

MARKET AREA MAP



COMMUNITY DEMOGRAPHIC DATA

POPULATION TRENDS

The defined primary market area has had a small population decline since 1990 of -2.5%, and the City of Gordon has had a larger population decline of -9.6% since 1990. Wilkinson County population grew by only 0.5% between 1990 and 2007. The defined market area and Wilkinson County are projected to have a slight increase in population between 2007 and 2012, while the City of Gordon is projected to have a very slight decline in population for the same time period.

	<u>POPULATION</u>				<u>% Change</u>	<u>% Change</u>
	<u>1990 (1)</u>	<u>2000 (1)</u>	<u>2007 (2)</u>	<u>2012 (2)</u>	<u>1990-2007</u>	<u>2007-2012</u>
Market Area	4,545	4,509	4,431	4,455	-2.5%	0.5%
City of Gordon	2,296	2,152	2,075	2,063	-9.6%	-0.6%
Wilkinson County	10,229	10,220	10,282	10,477	0.5%	1.9%
Macon MSA	206,617	222,368	231,308	240,177	12.0%	3.8%
State of Georgia	6,478,221	8,186,453	9,409,496	10,251,889	45.2%	9.0%
United States	248,710,012	281,421,906	301,825,750	316,054,480	21.4%	4.7%

1. Source: Census 1990 & 2000, US Census Bureau Quickfacts

2. Source: SRC, Inc., DemographicsNow.com, *Demographic Detail Summary Report*

Population by age group trends indicate the median age for the defined market area is projected to decrease from 35.7 years of age in 2007 to 35.4 years of age in 2012. Four age categories are expected to decline in population between 2007 and 2012, while the remaining all age categories are projected to increase in population. A summary of population by age trends between 1990 and 2012 for the defined market area is shown below.

MARKET AREA POPULATION BY AGE

	<u>1990</u>		<u>2000</u>		<u>2007</u>		<u>2012</u>		<u>Percent Change</u>	
	<u>Census</u>		<u>Census</u>		<u>Estimate</u>		<u>Projection</u>		<u>1990 to</u>	<u>2007 to</u>
									<u>2000</u>	<u>2012</u>
0 to 4	360	7.9%	359	8.0%	364	8.2%	374	8.4%	-0.3%	2.7%
5 to 14	771	17.0%	693	15.4%	629	14.2%	648	14.5%	-10.1%	3.0%
15 to 19	340	7.5%	332	7.4%	276	6.2%	263	5.9%	-2.4%	-4.7%
20 to 24	337	7.4%	301	6.7%	332	7.5%	319	7.2%	-10.7%	-3.9%
25 to 34	751	16.5%	593	13.2%	578	13.0%	601	13.5%	-21.0%	4.0%
35 to 44	600	13.2%	670	14.9%	567	12.8%	499	11.2%	11.7%	-12.0%
45 to 54	471	10.4%	584	13.0%	635	14.3%	623	14.0%	24.0%	-1.9%
55 to 64	403	8.9%	432	9.6%	474	10.7%	512	11.5%	7.2%	8.0%
65 to 74	314	6.9%	328	7.3%	332	7.5%	352	7.9%	4.5%	6.0%
75 to 84	168	3.7%	171	3.8%	188	4.2%	202	4.5%	1.8%	7.4%
85+	30	0.7%	46	1.0%	56	1.3%	62	1.4%	53.3%	10.7%
	4,545	100.0%	4,509	100.0%	4,431	100.0%	4,455	100.0%		

Median Age:

Total Population	31.1	34.6	35.7	35.4	11.4%	-0.8%
------------------	------	------	------	------	-------	-------

Source: SRC, Inc., DemographicsNow.com, *Demographic Detail Summary Report*

HOUSEHOLD TRENDS

Although the market area population is projected to decline slightly between 2000 and 2012 from 4,509 to 4,455, the number of market area households is projected to increase from 1,714 to 1,744 due to smaller average household size in the market area. Average household size has trended downward since 1990. The under age 65 population within the primary market area is estimated to be 3,855 as of 2007 and is projected to decline slightly to 3,839 by 2012.

MARKET AREA POPULATION AND HOUSEHOLD DATA

	<u>1990</u>	<u>2000</u>	<u>2007</u>	<u>2012</u>
Total Population - Per DemographicsNow.com (1)	4,545	4,509	4,431	4,455
Households - Per DemographicsNow.com (1)	1,635	1,714	1,716	1,744
Average Household Size - Per DemographicsNow.com	2.78	2.63	2.58	2.55
Percentage Change in Population		-0.8%	-1.7%	0.5%
Percentage Change in Households		4.8%	0.1%	1.6%
<u>Population - Per DemographicsNow.com (1)</u>				
Under 65	4,033	3,964	3,855	3,839
65 and over	<u>512</u>	<u>545</u>	<u>576</u>	<u>616</u>
Total Population	4,545	4,509	4,431	4,455
Percentage Increase Population <65		-1.7%	-2.7%	-0.4%
Percentage Increase Population 65+		6.4%	5.7%	6.9%
<u>Household Income (2)</u>		<u>Total Households</u>		
\$0-\$9,999		244	206	196
\$10,000-\$14,999		104	88	84
\$15,000-\$19,999		159	134	128
\$20,000-\$24,999		88	64	60
\$25,000-\$29,999		103	74	70
\$30,000-\$34,999		104	75	71
\$35,000-\$39,999		180	130	122
\$40,000-\$59,999		381	450	376
\$60,000-\$74,999		174	170	228
\$75,000-\$99,999		104	185	212
\$100,000-\$124,999		42	72	90
\$125,000-\$149,999		15	34	56
\$150,000+		<u>15</u>	<u>34</u>	<u>53</u>
Total		1,714	1,716	1,744

(1) Source: DemographicsNow.com; *Demographic Detail Report*

(2) Source: DemographicsNow.com; *Income by Age Summary Report*

MARKET AREA TENURE BY HOUSEHOLD INCOME

<u>Income Range</u>	<u>Total Households</u>	<u>Owner Households</u>	<u>Renter Households</u>	<u>Renter Percentage</u>
Less than \$5,000	117	74	43	36.8%
\$5,000 to \$9,999	131	100	31	23.7%
\$10,000 to \$14,999	136	91	45	33.1%
\$15,000 to \$19,999	128	94	34	26.6%
\$20,000 to \$24,999	92	88	4	4.3%
\$25,000 to \$34,999	214	192	22	10.3%
\$35,000 to \$49,999	398	331	67	16.8%
\$50,000 to \$74,999	312	281	31	9.9%
\$75,000 to \$99,999	111	103	8	7.2%
\$100,000 to \$149,999	60	57	3	5.0%
\$150,000 or more	<u>15</u>	<u>15</u>	<u>0</u>	0.0%
Total	1,714	1,426	288	16.8%

Source: 2000 US Census, Tenure By Household Income In 1999, Summary File 4, Table HCT 35

Census data for the defined market area indicates the percentage of renters declines significantly at household incomes above \$50,000. 2000 Census data indicates renter percentages are generally between 15% and 25% across all household sizes, with one-person households having the highest renter percentage of 22.7%.

MARKET AREA TENURE BY HOUSEHOLD SIZE

<u>Household Size</u>	<u>Total Households</u>	<u>Owner Households</u>	<u>Renter Households</u>	<u>Renter Percentage</u>
1-person household	418	323	95	22.7%
2-person household	516	454	62	12.0%
3-person household	358	292	66	18.4%
4-person household	230	196	34	14.8%
5-person household	131	110	21	16.0%
6-person household	37	32	5	13.5%
7-or-more person household	<u>24</u>	<u>20</u>	<u>4</u>	16.7%
Total	1,714	1,427	287	16.7%

Source: 2000 US Census, Tenure By Household Size, Summary File 1, Table H15

EMPLOYMENT TRENDS

Employment By Industry

Employment by industry statistics from the 2000 Census indicate the civilian labor force in the defined market area has a significantly higher proportion of persons employed in Health Care and Social Assistance, Mining, and Public Administration than the State of Georgia. The market area has a lower proportion of jobs in Accommodation and Food Services, Finance and Insurance, Professional Scientific and Technical Services, Retail, and Wholesale Trade than the State of Georgia.

EMPLOYMENT BY INDUSTRY

	<u>Market Area</u>		<u>City of Gordon</u>		<u>Wilkinson County</u>		<u>Macon MSA</u>		<u>State of Georgia</u>
Accommodation and food services	59	3.1%	34	3.7%	136	3.3%	6,220	6.5%	6.0%
Administrative and support and waste management service	48	2.5%	25	2.8%	96	2.3%	2,556	2.7%	3.6%
Agriculture forestry fishing and hunting	13	0.7%	7	0.8%	80	1.9%	1,029	1.1%	1.2%
Arts entertainment and recreation	7	0.4%	0	0.0%	7	0.2%	917	1.0%	1.2%
Construction	125	6.5%	46	5.0%	310	7.5%	6,642	7.0%	7.9%
Educational services	182	9.4%	85	9.3%	342	8.3%	7,916	8.3%	8.2%
Finance and insurance	55	2.8%	22	2.4%	115	2.8%	6,009	6.3%	4.6%
Health care and social assistance	270	14.0%	135	14.8%	620	15.0%	12,201	12.8%	9.4%
Information	73	3.8%	38	4.2%	112	2.7%	1,881	2.0%	3.5%
Management of companies and enterprises	0	0.0%	0	0.0%	0	0.0%	43	0.0%	0.1%
Manufacturing	254	13.2%	119	13.1%	629	15.2%	12,420	13.0%	14.8%
Mining	165	8.5%	96	10.5%	399	9.7%	684	0.7%	0.2%
Other services (except public administration)	140	7.3%	73	8.1%	216	5.2%	5,109	5.4%	4.7%
Professional scientific and technical services	37	1.9%	24	2.6%	67	1.6%	3,507	3.7%	5.8%
Public administration	204	10.6%	108	11.8%	352	8.5%	6,731	7.1%	5.0%
Real estate and rental and leasing	10	0.5%	6	0.6%	20	0.5%	1,725	1.8%	2.0%
Retail trade	156	8.1%	52	5.7%	346	8.4%	11,548	12.1%	12.0%
Transportation and warehousing	93	4.8%	30	3.3%	198	4.8%	3,818	4.0%	5.0%
Utilities	27	1.4%	5	0.6%	44	1.1%	973	1.0%	1.0%
Wholesale Trade	<u>12</u>	0.6%	<u>6</u>	0.7%	<u>41</u>	1.0%	<u>3,511</u>	3.7%	3.9%
Total Employed Civilian Labor Force	1,930	100.0%	911	100.0%	4,130	99.5%	95,440	99.7%	98.3%
In Armed Forces	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>22</u>	<u>0.5%</u>	<u>333</u>	<u>0.3%</u>	<u>1.7%</u>
Total Employed Labor Force	1,930	100.0%	911	100.0%	4,152	100.0%	95,773	100.0%	100.0%

Footnote: 1. Source: SRC, Inc., DemographicsNow.com, 2000 US Census Employment Summary Report

Major Employers

Large employers in the market area are limited. Listed below are the largest employers in Wilkinson County, five of which are located in Gordon. The remaining employers listed are located in or near Irwinton, the county seat located approximately 14 miles southeast of Gordon. Another large employment base near the market area is the city of Macon, located approximately 15 miles east of Gordon.

MAJOR MARKET AREA & WILKINSON COUNTY EMPLOYERS

<u>Employer</u>	<u>Number of Employees</u>
Wilkinson County (Government - Irwinton)	294
Professional Nursing Services (Home Health Care - Gordon)	50
Rescar Industrial Inc. (Railroad Car Rebuilding - Gordon)	50
Wilkinson Kaolin (Kaolin Mining - Gordon)	50
Shepherd Brothers Timber Co. (Timber Company - Irwinton)	50
Brunos Supermarkets (Piggly Wiggly - Gordon)	40
Howard Shepherd Co. (Trucking - Irwinton)	40
Georgia Power (Utility - Gordon)	20

Source: D&B Million Dollar Database

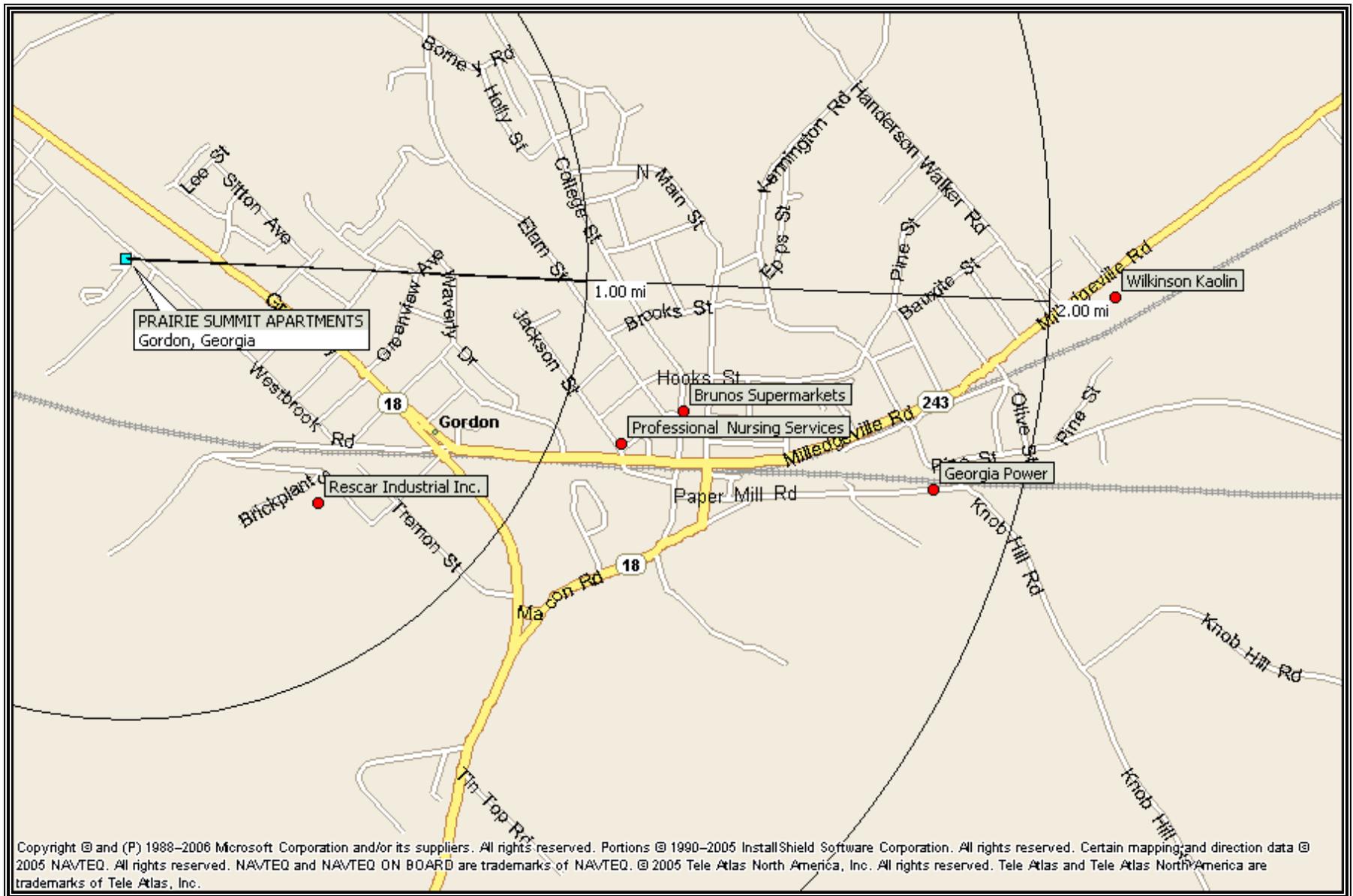
Through our market research we are not aware of any anticipated employment expansions or contractions or newly planned employers coming into the defined market area. Also, our search of State of Georgia Department of Labor’s *Business Layoff and Closure Listing* database did not indicate any sizeable layoffs or business closings in the past two years within the market area.

Location Of Large Employers

On the following pages are maps of employment centers within the defined market area and areas near it. According to local government officials, a substantial number of Gordon residents commute outside of Gordon for employment. The Macon metro area, located approximately 15 miles west of the subject site serves as a large employment base within central Georgia and for Gordon residents.

Gordon is served by Georgia State Highways 57, 18, and 243. State Highway 57, which is primarily four lanes between Gordon and Macon, is located approximately two miles south of Gordon and provides quick access to the Macon metro area to the west. State Highway 57 also provides access to Irwinton, the Wilkinson County seat, approximately 14 miles to the southeast of Gordon. State Highway 18 is a north-south, two-lane highway providing access to Gray, 14 miles to the northwest, and Jeffersonville, 18 miles to the south. State Highway 243 State Highway provides access to the City of Milledgeville located 17 miles northeast of Gordon.

LOCAL AREA EMPLOYMENT CENTERS



Employment and Unemployment Trends

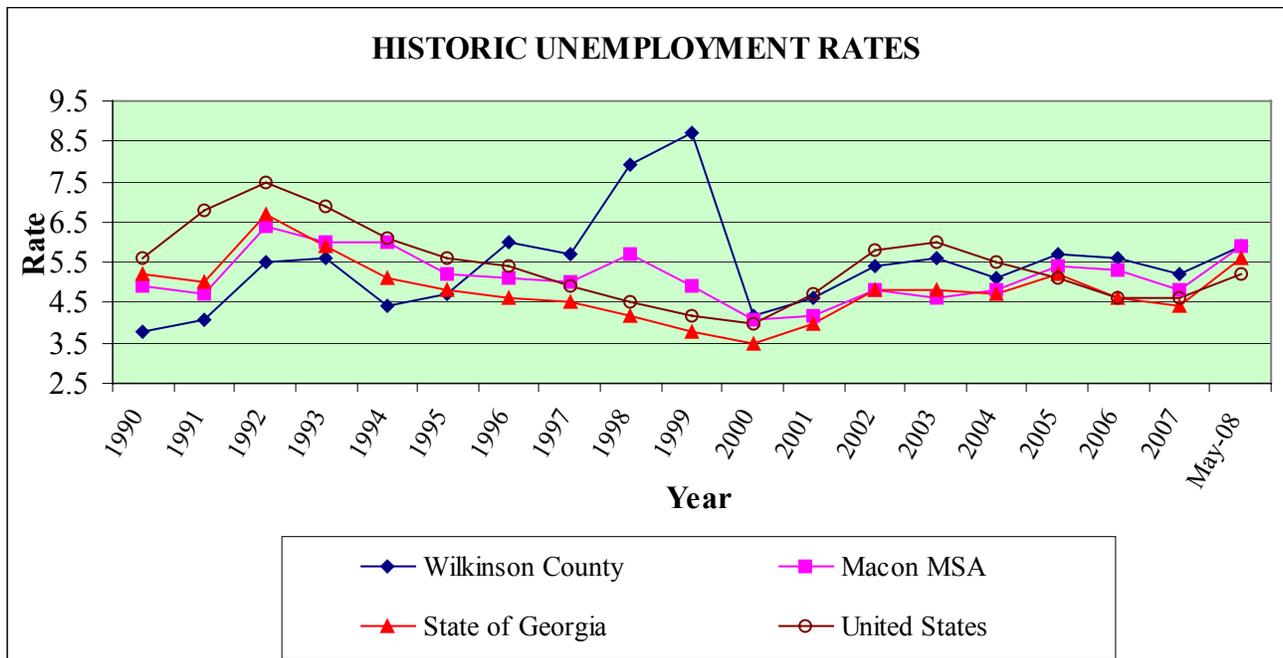
Specific workforce statistics for the defined market area are not available. Employment statistics between 1990 and 2008 for the City of Gordon and Wilkinson County indicate employment decreased by 9.6% and 2.9%, respectively. Employment growth for the State of Georgia between 1990 and May 2008 is estimated to be 47.6%.

EMPLOYMENT

	<u>1990</u>	<u>2000</u>	<u>May-08</u>	<u>% Change</u>
City of Gordon (1)	1,010	911	913	-9.6%
Wilkinson County (2)	4,475	4,340	4,345	-2.9%
Macon MSA (2)	92,206	100,115	106,109	15.1%
State of Georgia (2)	3,129,389	4,095,362	4,617,821	47.6%
United States (2)	118,793,000	136,891,000	145,926,000	22.8%

1. Source: SRC, Inc., DemographicsNow.com, *Demographic Detail Summary Report*
2. Source: Georgia Department of Labor, *Yearly Average Labor Force Estimates, Civilian Labor Force Estimates*

Historic unemployment in the area is as follows:



HISTORIC UNEMPLOYMENT RATES*

<u>Year</u>	<u>Wilkinson County</u>	<u>Macon MSA</u>	<u>State of Georgia</u>	<u>United States</u>
1990	3.8	4.9	5.2	5.6
1991	4.1	4.7	5.0	6.8
1992	5.5	6.4	6.7	7.5
1993	5.6	6.0	5.9	6.9
1994	4.4	6.0	5.1	6.1
1995	4.7	5.2	4.8	5.6
1996	6.0	5.1	4.6	5.4
1997	5.7	5.0	4.5	4.9
1998	7.9	5.7	4.2	4.5
1999	8.7	4.9	3.8	4.2
2000	4.2	4.1	3.5	4.0
2001	4.6	4.2	4.0	4.7
2002	5.4	4.8	4.8	5.8
2003	5.6	4.6	4.8	6.0
2004	5.1	4.8	4.7	5.5
2005	5.7	5.4	5.2	5.1
2006	5.6	5.3	4.6	4.6
2007	5.2	4.8	4.4	4.6
May-08	5.9	5.9	5.6	5.2

*Source: Georgia Department of Labor, *Yearly Average Labor Force Estimates, Civilian Labor Force Estimates, Not seasonably adjusted*

Wilkinson County has historically had unemployment exceeding the unemployment rate for the State of Georgia and the neighboring Macon MSA. However, the Wilkinson County unemployment rate has been moderately low since 2000.

Conclusions

Recent employment statistics indicate the unemployment rate in Wilkinson County has recently increased to 5.9% as of May 2008. We believe the unemployment rate in the defined market area at the western end of Wilkinson County is similar to the overall county unemployment rate. The market area economy is also affected by the Macon MSA economy as some residents of Gordon and the defined market area commute to Macon for employment. Overall, we consider the current employment base and local economic conditions to be generally sound.

DEMAND ANALYSIS

The source of demand for the subject’s units consists primarily of its target market. Our demand analysis on the following pages consists of defining the subject’s target market and then quantifying it in terms of households.

TARGET MARKET DEFINITION

The subject’s target market consists of age and income-qualified households. Only those households having appropriate income levels will be considered among the pool of potential tenants.

Upper income limits for the subject’s proposed income-restricted units are based on 2008 HUD specified income limits for household size categories for Wilkinson County. Maximum household size for the subject’s units is based on 1.5 persons per bedroom. A current upper income limit of \$30,120 has been set as the maximum for the subject’s 60% AMI units based on limits imposed by the tax credit program for five person households in Wilkinson County. The subject has a 100% Project Based Section 8 HAP Contract with tenants paying a maximum of 30% of their gross income as rent. Therefore, the lower income limit for the subject is \$0. Given these age and income parameters, the target market consists of households with incomes between \$0 and \$30,120 for the subject’s units.

ESTIMATED TARGET MARKET INCOME RANGES

	<u>50% AMI UNITS</u>			<u>60% AMI UNITS</u>		
	1 Bedroom	2 Bedroom	3 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
Unit Type	1 Bedroom	2 Bedroom	3 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
Maximum Household Size (1)	2 Persons	3 Persons	5 Persons	2 Persons	3 Persons	5 Persons
Lower Income Limit	\$0	\$0	\$0	\$0	\$0	\$0
Upper Income Limit (2)	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120

Notes: 1. Based on 1.5 persons per bedroom
 2. Income-restricted unit upper income limits are based on 2008 HUD specified income limits for Wilkinson County.

DEMAND FROM NEW HOUSEHOLDS

Based on projections from SRC, Inc., DemographicsNow.com of the number of market area households, we have extrapolated between 2007 and 2012 household projections to estimate the number of market area households in 2010, the anticipated initial occupancy date for the rehabilitated subject development (November 30, 2010).

FORECAST OF MARKET AREA 2010 HOUSEHOLDS

Total Households

<u>Household Income</u>	<u>2000</u>	<u>2007</u>	<u>2012</u>	<u>Change Between 2007 & 2012</u>	<u>Per Year Change 2007-2012</u>	<u>Forecast 2010 Households</u>	<u>Change In Households Since 2000</u>
\$0-\$9,999	244	206	196	-10	-2	200	-45
\$10,000-\$14,999	104	88	84	-4	-1	85	-19
\$15,000-\$19,999	159	134	128	-7	-1	130	-29
\$20,000-\$24,999	88	64	60	-4	-1	62	-27
\$25,000-\$29,999	103	74	70	-5	-1	72	-31
\$30,000-\$34,999	104	75	71	-5	-1	72	-32
\$35,000-\$39,999	180	130	122	-8	-2	125	-55
\$40,000-\$59,999	381	450	376	-74	-15	406	25
\$60,000-\$74,999	174	170	228	58	12	205	31
\$75,000-\$99,999	104	185	212	27	5	201	97
\$100,000-\$124,999	42	72	90	18	4	83	41
\$125,000-\$149,999	15	34	56	22	4	47	32
\$150,000+	<u>15</u>	<u>34</u>	<u>53</u>	<u>19</u>	<u>4</u>	<u>45</u>	<u>30</u>
Total	1,714	1,716	1,744	28	6	1,733	19

Source: DemographicsNow.com; Income by Age Summary Report

As shown above, since 2000 the defined market area has a projected decrease in all household income categories below \$40,000. Based on the forecasted decrease in market area households with incomes under \$40,000 as indicated within the above specified income categories, we have estimated a decrease in new household demand as indicated on the following page. Because over 20% of the subject's units have three bedrooms, we have allocated the estimated decline in households by household size. The following is a summary of market area households based on household size.

MARKET AREA HOUSEHOLDS BY SIZE

	<u>Number Of Households</u>	<u>Percent Of Total</u>
1-person household	418	24.4%
2-person household	516	30.2%
3-person household	360	21.1%
4-person household	228	13.3%
5-person household	125	7.3%
6-person household	35	2.0%
7-or-more-person household	<u>28</u>	1.6%

1,710

Source: 2000 US Census, Summary File 4, PCT17

Based on the distribution 5+ person households within the defined market area, we have allocated 10.9% of the decrease in income-qualified market area households to three bedroom units with equal division among 50% and 60% AMI units.

ESTIMATED NEW HOUSEHOLD DEMAND

Unit Type	<u>50% AMI UNITS</u>			<u>60% AMI UNITS</u>		
	1 Bedroom	2 Bedroom	3 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
Lower Income Limit	\$0	\$0	\$0	\$0	\$0	\$0
Upper Income Limit	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Set-Aside Lower Income Limit	\$0			\$0		
Set-Aside Upper Income Limit			\$25,100			\$30,120
New Household Demand Within Income Range Of Set-Aside (1)		-76			-76	
Estimated Renter Percentage		26%			24%	
New Household Demand For Set-Aside (2)		-20			-18	
Total Income Range For Bedroom Type (3)	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Allocation Based On Bedroom Type (4)	41.6%	47.5%	10.9%	41.6%	47.5%	10.9%
New Household Demand For Bedroom Type Within Set-Aside	-8	-9	-2	-8	-9	-2

- Notes: 1. Assumes equal division among 50% and 60% AMI units.
 2. New household demand within income range of set-aside multiplied by estimated renter percentage
 3. Specific set-aside bedroom type upper income limit minus its lower income limit
 4. Percentage based on set-aside bedroom type income range compared to total of income ranges for all bedroom types for each specific set-aside with allocation of 10.9% of demand for three bedroom units with 5+ person households.

DEMAND FROM EXISTING HOUSEHOLDS

Households Living In Substandard Housing

Additional demand for the proposed development is expected to come from households living in substandard housing. Substandard housing includes rental housing that is overcrowded with greater than 1.5 persons per room, and rental housing that lacks complete plumbing.

As summarized below, the market area has no rental housing units with more than 1.5 persons per room.

OCCUPANTS PER ROOM IN MARKET AREA RENTAL HOUSING

<u>Occupants Per Room</u>	<u>Occupied Housing Units</u>
0.50 or less	188
0.51 to 1.00	78
1.01 to 1.50	22
1.51 to 2.00	0
2.01 or more	0

Source: 2000 US Census, Summary File 3, Table H20, *Tenure By Occupants Per Room*

Census data indicates the market area has four housing units lacking complete plumbing and occupied by renters (2000 US Census, Summary File 4, Table HCT13, *Tenure By Plumbing Facilities By Occupants Per Room*). Census data also indicates all the housing units without complete plumbing are occupied by households with less than 1.5 persons per room.

Shown on the following page is a summary of how we allocated demand attributed to renter households in substandard housing to the subject's proposed income set-aside schedule and unit mix.

**ALLOCATION OF DEMAND AMONG SET-ASIDE
LEVELS FOR HOUSEHOLDS IN SUBSTANDARD
HOUSING**

Overcrowded Households

<u>Total Demand</u>	<u>Set-Aside</u>	Percent Of Demand <u>Allocated</u>	Demand Allocated <u>(Households)</u>
0	50% AMI	50%	0
	60% AMI	50%	0

Households With Inadequate Plumbing

<u>Total Demand</u>	<u>Set-Aside</u>	Percent Of Demand <u>Allocated</u>	Demand Allocated <u>(Households)</u>
4	50% AMI	50%	2
	60% AMI	50%	2

Total Demand From Households In Substandard Housing

<u>Set-Aside</u>	Total Demand
50% AMI	2
60% AMI	2

Shown on the following page is estimated demand from households in substandard housing allocated among specific set-aside levels and unit types.

DEMAND FROM HOUSEHOLDS LIVING IN SUBSTANDARD HOUSING

Unit Type	<u>50% AMI UNITS</u>			<u>60% AMI UNITS</u>		
	1 Bedroom	2 Bedroom	3 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
Lower Income Limit	\$0	\$0	\$0	\$0	\$0	\$0
Upper Income Limit	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Set-Aside Lower Income Limit	\$0			\$0		
Set-Aside Upper Income Limit			\$25,100			\$30,120
Households In Substandard Housing (1)		2			2	
Total Income Range For Bedroom Type (2)	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Allocation Based On Bedroom Type (3)	41.6%	47.5%	10.9%	41.6%	47.5%	10.9%
Households In Substandard Housing For Bedroom Type And Set-Aside	1	1	0	1	1	0

Notes: 1. Assumes equal division among 50% and 60% AMI units.
 2. Specific set-aside bedroom type upper income limit minus its lower income limit
 3. Percentage based on set-aside bedroom type income range compared to total of income ranges for all bedroom types for each specific set-aside with allocation of 10.9% of demand for three bedroom units with 5+ person households.

Rent Over-burdened Households

An additional source of demand for the proposed development is renter-occupied households paying greater than 35% of their household income for gross rent. Ninety market area households are rent over-burdened. The following is a summary of the number of rent over-burdened households within the defined market area.

MARKET AREA HOUSEHOLDS WITH GROSS RENT OF 35% OR MORE OF GROSS INCOME

<u>Household Income</u>	<u>Households</u>
Less than \$10,000	56
\$10,000 to \$19,999	34
\$20,000 to \$34,999	0
\$35,000 to \$49,999	0
\$50,000 to \$99,999	0
\$100,000 or more	0

Source: Renter-occupied housing units, 2000 Census Summary File 3, Table H73, Household Income In 1999 By Gross Rent As A Percentage Of Household Income In 1999

On the following page we have allocated among specific set-aside levels and unit types the estimated market area rent over-burdened households.

DEMAND FROM RENT OVER-BURDENED HOUSEHOLDS

Unit Type	<u>50% AMI UNITS</u>			<u>60% AMI UNITS</u>		
	1 Bedroom	2 Bedroom	3 Bedroom	1 Bedroom	2 Bedroom	3 Bedroom
Lower Income Limit	\$0	\$0	\$0	\$0	\$0	\$0
Upper Income Limit	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Set-Aside Lower Income Limit	\$0			\$0		
Set-Aside Upper Income Limit			\$25,100			\$30,120
Rent Over-Burdened Households (1)		45			45	
Total Income Range For Bedroom Type (2)	\$18,600	\$20,950	\$25,100	\$22,320	\$25,140	\$30,120
Allocation Based On Bedroom Type (3)	41.6%	47.5%	10.9%	41.6%	47.5%	10.9%
Rent Over-burdened Households For Bedroom Type And Set-Aside	19	21	5	19	21	5

- Notes: 1. Assumes equal division among 50% and 60% AMI units.
 2. Specific set-aside bedroom type upper income limit minus its lower income limit
 3. Percentage based on set-aside bedroom type income range compared to total of income ranges for all bedroom types for each specific set-aside with allocation of 10.9% of demand for three bedroom units with 5+ person households.

NET DEMAND, CAPTURE RATE AND STABILIZATION CALCULATIONS

Total demand for set-asides and unit types as estimated above is as follows:

TOTAL DEMAND FOR SET-ASIDES AND UNIT TYPES

Unit Type	<u>50% AMI UNITS</u>				<u>60% AMI UNITS</u>			
	<u>1 BR</u>	<u>2 BR</u>	<u>3 BR</u>	<u>Total</u>	<u>1 BR</u>	<u>2 BR</u>	<u>3BR</u>	<u>Total</u>
New Household Demand	-8	-9	-2	-19	-8	-9	-2	-19
Households In Substandard Housing	1	1	0	2	1	1	0	2
Rent Over-burdened Households	<u>19</u>	<u>21</u>	<u>5</u>	<u>45</u>	<u>19</u>	<u>21</u>	<u>5</u>	<u>45</u>
Total Demand For Bedroom Type And Set-Aside	12	13	3	28	12	13	3	28

Existing Comparable Supply

We interviewed Kenneth Turner, Mayor of the City of Gordon, George Winn, Building Inspector and Public Works Administrator for the City of Gordon, and Mayor Ann Evans of the City of Ivey, each about recent, proposed, and under construction multifamily development in the city. Our analysis of DCA databases and discussion with local governmental officials, indicated there is currently no existing comparable supply in the market area.

Proposed Comparable Supply

No new multifamily rental housing developments are proposed or under construction in the defined market area. According to Mr. Winn, Public Works Director for the City of Gordon, there currently is no vacant land in the City of Gordon that is zoned for multifamily development. However, the City of Gordon would be receptive to rezoning land for new multifamily development.

Mayor Ann Evans of the City of Ivey stated multifamily development is not allowed in Ivey under its current zoning code, and there currently is no multifamily development planned or under construction in the city. Ms. Evans stated the city would consider a plan to rezone a site for new multifamily development on a case-by-case basis.

In summary, our research indicates there currently is no comparable supply within the defined market area. Also, no new multifamily rental properties are currently planned or under construction in the defined market area.

Market Area Building Permits

The following is a summary of multifamily building permits we were able to obtain from the local government officials for the defined market area:

MULTIFAMILY DEVELOPMENT PERMITS

<u>Year</u>	<u>Multifamily Housing Units</u>		
	<u>City Of Gordon (1)</u>	<u>City of Ivey (2)</u>	<u>Wilkinson County</u>
2008	0	0	0
2007	0	0	0
2006	0	0	0
2005	0	0	0

- Notes: 1. As per Gordon Mayor Kenneth Turner
 2. As per Ivey Mayor Ann Evans
 3. Building permits are not required for unincorporated areas of the county.

Net Demand

Considering our demand and supply estimates, net demand for the proposed subject development is estimated on the following page:

NET DEMAND CALCULATION

	HH at 30% AMI (min. income to max. income)	HH at 50% AMI (min. income to max. income)	HH at 60% AMI (min. income to max. income)	HH at > 60% AMI (min. income to max. income)
a) Demand from New Household migration into the market and growth from existing households in the market: age and income appropriate	N/A	-19	-19	N/A
Plus				
Demand from Existing Renter Households - Substandard Housing	N/A	2	2	N/A
Plus				
Demand from Existing Renter Households - Rent Over Burdened Households	N/A	45	45	N/A
Plus				
Secondary Market Demand adjustment @ 15%	N/A	7	7	N/A
Sub Total				
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	N/A	N/A	N/A	N/A
Plus				
Demand from Existing Households - Elderly Homeowner Relocation (Limited to 20% where applicable)	N/A	N/A	N/A	N/A
Plus				
Demand for Existing HFOP Rental Households (Limited to 10% where applicable)	N/A	N/A	N/A	N/A
Equals Total Demand	N/A	35	35	N/A
Less				
Supply of directly comparable affordable housing units built/or awarded in the project market between 2000 and the present	N/A	0	0	N/A
Equals Net Demand	N/A	35	35	N/A

Capture Rates

Calculated capture rates for the propose subject development are as follows:

<u>Unit Size</u>	<u>Income Limits</u>	<u>Units Proposed (1)</u>	<u>Total Demand</u>	<u>Supply (2)</u>	<u>Net Demand</u>	<u>Capture Rate</u>	<u>Absorption (3)</u>	<u>Median Market Rent (4)</u>	<u>Proposed Rent</u>
1 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	0	15	0	15	0.0%	0 Months	\$504 (5)	\$442
	60% AMI	0	15	0	15	0.0%	0 Months	\$504 (5)	\$442
	Market Rate	0	-	-	-	-	-	-	-
1 BR	TOTAL	0	30	0	30	0.0%	0 Months	-	-
2 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	2	16	0	16	12.5%	0 Months	\$445 (6)/\$521 (5)	\$501
	60% AMI	2	16	0	16	12.5%	0 Months	\$445 (6)/\$521 (5)	\$501
	Market Rate	0	-	-	-	-	-	-	-
2 BR	TOTAL	4	32	0	32	12.5%	0 Months	-	-
3 BR	30% AMI	0	-	-	-	-	-	-	-
	50% AMI	0	4	0	4	0.0%	0 Months	\$560 (6)/\$682 (5)	\$535
	60% AMI	1	4	0	4	25.0%	0 Months	\$560 (6)/\$682 (5)	\$535
	Market Rate	0	-	-	-	-	-	-	-
3 BR	TOTAL	1	8	0	8	12.5%	0 Months	-	-

Proposed Project Capture Rate LIHTC Units	7.1%
Proposed Project Capture Rate Market Rate Units	-
Proposed Project Capture Rate ALL Units	7.1%
Proposed Project Stabilization Period	0 Months

- Notes: 1. As of May 14, 2008, as stated in the Relocation/Displacement Project Spreadsheet, the subject had four vacant two bedroom units and one three bedroom unit with a tenant that would not income-qualify to occupy the subject property after rehabilitation with LIHTC income restrictions.
2. No comparable supply was found in the subject's market area.
3. No absorption period is estimated as the five available units of the subject property are equal to the number of vacant units at stabilized occupancy of 93%.
4. Median market rent is based on adjusted rents of market rate units of rent comparables.
5. Median for all market rate rent comparable units, including outside of the defined market area.
6. Median for market rate rent comparable units only within the defined market area.

Our analysis indicates the capture rates for each of the subject’s set-aside levels and bedroom types are below the maximum DCA limits for rural counties. Therefore, we believe the subject development as proposed with its current unit mix and set-aside levels is feasible.

Market Vacancy

As of May 14, 2008, according to the Relocation/Displacement Project Spreadsheet, the subject property was 94.4% occupied. The current weighted average vacancy rate among the three, stabilized, surveyed rent comparables with a total of 33 family units is 6.1%. Based on vacancy levels currently indicated for the market area, we conclude use of a stabilized vacancy rate of 7% for the subject appears reasonable for underwriting purposes.

MARKET AREA SURVEYED FAMILY RENTAL HOUSING

<u>No.</u>	<u>Property</u>	<u>Address</u>	<u>Year</u> <u>Built</u>	<u>Program</u>	<u>Subsidized</u> <u>Units</u>	<u>Affordable</u> <u>Units</u>	<u>Market</u> <u>Rate Units</u>	<u>Total</u> <u>Units</u>	<u>Vacancy</u>	<u>Waiting</u> <u>List</u>	<u>Contact</u>
1	Fairview Park Apartments	249 Gray Highway, Gordon	1983	Section 515	22	0	0	22	9.1%	0	478-233-0165
2	102-106 Sycamore Street	102-106 Sycamore St., Gordon	1964	Market Rate	0	0	6	6	0.0%	Yes	478-628-2101
3	201 Gray Highway	201 Gray Highway, Gordon	1996	Market Rate	0	0	5	5	0.0%	Yes	478-628-2101
Total					22	0	11	33			

	<u>Subsidized</u> <u>Units</u>	<u>Affordable</u> <u>Units</u>	<u>Market</u> <u>Rate Units</u>	<u>Total</u> <u>Units</u>
Weighted-Average Vacancy	9.1%	NA	0.0%	6.1%

Absorption Analysis

Assuming a 93% stabilized occupancy rate for Prairie Summit Apartments, the development would have five vacant units at stabilization. Considering only five apartment units at Prairie Summit Apartments qualify for our demand calculation due to their current vacancy or tenancy by a household that does not income-qualify for tax credit units, we project the property will not require an absorption period after completion, as the property is projected to be at stabilized occupancy at completion.

COMPARABLE RENTAL ANALYSIS

A survey of existing rental housing in the market area has been completed. In general, we focused on better quality, and when available, newer or updated family, rental apartment properties in the defined market area. Due to the limited number of rent comparable properties in Gordon we have included newer, market rate, family apartment properties located in Milledgeville and on the eastern fringe of Macon.

The Subject’s proposed rents are summarized below while our rental survey is summarized on the following pages; detailed survey data is included in the Appendix.

RENT AND UNIT SUMMARY

Maximum Allowed Tax Credit Rents & Proposed Rents

<u>Unit Type</u>	<u>Size</u>	<u>Units</u>	<u>Maximum Tax Credit Rent (1)</u>	<u>Utility Allowance</u>	<u>Maximum Net Tax Credit Rent</u>	<u>Proposed Rent (2)</u>
1 BR/1 BA - 50% AMI	526	5	436	\$131	\$305	\$442
1 BR/1 BA - 60% AMI	526	11	523	\$131	\$392	\$442
2 BR/1 BA - 50% AMI	729	10	523	\$168	\$355	\$501
2 BR/1 BA - 60% AMI	729	22	628	\$168	\$460	\$501
3 BR/2 BA - 50% AMI	987	8	604	\$207	\$397	\$535
3 BR/2 BA - 60% AMI	987	<u>16</u>	725	\$207	\$518	\$535
Total Units:		72				

Footnotes: 1. 2008 Wilkinson County maximum rents. Includes utilities
 2. According to the developer's tax credit application, proposed gross rents exceed LIHTC program rents due to rents being established by HUD under the Sec. 8 program guidelines. The tenant portion of unit rent will not exceed LIHTC guidelines. The difference between proposed rents and the tenants actual rents will be paid by HUD.

Tenants, via HUD rental assistance, will pay for electric heat, an electric heat pump, air conditioning, electric domestic hot water, electric for cooking, water and sewer, and unit electric. The owner will pay for refuse collection.

COMPARABLE RENTAL SUMMARY

<u>Rental Project</u>	<u>Units</u>	<u>Year Built</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Utilities</u>				<u>Concession</u>	<u>Unit Amenities(1)</u>				<u>Vacancy</u>	
							<i>Heat</i>	<i>Domestic Hot Water</i>	<i>Water & Sewer</i>	<i>Unit Electric</i>		<i>Dishwasher</i>	<i>Washer/Dryer</i>	<i>Patio/Balocny</i>	<i>Fireplace</i>		
Subject: Prairie Summit Apartments Gordon, GA	72	2010, Rehab.	1 BR/1 BA - 50% AMI	526	\$442	\$0.84	T	T	T	T	None	DW					
			1 BR/1 BA - 60% AMI	526	\$442	\$0.84					None	DW					
			2 BR/1 BA - 50% AMI	729	\$501	\$0.69					None	DW					
			2 BR/1 BA - 60% AMI	729	\$501	\$0.69					None	DW					
			3 BR/2 BA - 50% AMI	987	\$535	\$0.54					None	DW					
			3 BR/2 BA - 60% AMI	987	\$535	\$0.54					None	DW					
1 102-106 Sycamore Street Gordon, GA	6	1964	2 BR/1 BA	630	\$250	\$0.40	T	T	T	T	None		HU			0.0%	
2 201 Gray Highway Gordon, GA	5	1996	2 BR/1 BA	820	\$350	\$0.43	T	T	T	T	None		HU			0.0%	
3 Fairview Park Apartments Gordon, GA	22	1983	2 BR/1.5 BA	850	\$426	\$0.50	T	T	T	T	None		HU	PB		9.1%	
			3 BR/1.5 BA	1,000	\$445	\$0.45					None		HU	PB			
4 Jefferson Apartments (2) Macon, GA	88	1979	1 BR/1 BA	650	30% AGI	NA	T	T	O	T	None					0.0%	
			2 BR/1 BA	800	30% AGI	NA					None						
			3 BR/1.5 BA	950	30% AGI	NA					None						

COMPARABLE RENTAL SUMMARY

<u>Rental Project</u>	<u>Units</u>	<u>Year Built</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Utilities</u>			<u>Unit Amenities(1)</u>				<u>Vacancy</u>		
							<i>Heat</i>	<i>Domestic Hot Water</i>	<i>Water & Sewer Unit Electric</i>	<u>Concession</u>	<i>Dishwasher</i>	<i>Washer/Dryer</i>	<i>Patio/Balcony</i>		<i>Fireplace</i>	
5 Highland Hills Macon, GA	241	1971	1 BR/1 BA Apartment	864	\$490	\$0.57	T	T	O	T	None	DW	HU	PB	3.7%	
			1 BR/1 BA Apartment	922	\$525	\$0.57					None	DW	HU	PB		
			2 BR/2 BA Apartment	1,187	\$485	\$0.41					None	DW	HU	PB		FP
			2 BR/2 BA Apartment	1,187	\$565	\$0.48					None	DW	HU	PB		FP
			2 BR/2 BA Apartment	1,175	\$550	\$0.47					None	DW	HU	PB		
			2 BR/2 BA Apartment	1,175	\$565	\$0.48					None	DW	HU	PB		
			2 BR/1.5 BA Townhome	1,142	\$535	\$0.47					None	DW	HU	PB		
			2 BR/1.5 BA Townhome	1,298	\$555	\$0.43					None	DW	HU	PB		
			2 BR/1.5 BA Townhome	1,298	\$575	\$0.44					None	DW	HU	PB		
			3 BR/2 BA Apartment	1,257	\$675	\$0.54					None	DW	HU	PB		
			3 BR/2.5 BA Townhome	1,493	\$775	\$0.52					None	DW	HU	PB		
			3 BR/2.5 BA Tri-level	1,798	\$795	\$0.44					None	DW	HU	PB		
4 BR/3.5 BA Tri-level	2,047	\$1,000	\$0.49					None	DW	HU	PB					
6 Lakeview Apartments Macon, GA	144	1980+/-	1 BR/1 BA Townhome	900	\$400	\$0.44	T	T	O	T	.5 Mo/1 Yr	DW	HU	PB	4.2%	
			1 BR/1 BA Townhome	900	\$425	\$0.47					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/1 BA Townhome	1,100	\$490	\$0.45					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/1 BA Townhome	1,100	\$515	\$0.47					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/1.5 BA Townhome	1,100	\$500	\$0.45					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/1.5 BA Townhome	1,100	\$525	\$0.48					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/2 BA Apartment	1,150	\$510	\$0.44					.5 Mo/1 Yr	DW	HU	PB		
			2 BR/2 BA Apartment	1,150	\$535	\$0.47					.5 Mo/1 Yr	DW	HU	PB		
			3 BR/2.5 BA Townhome	1,500	\$600	\$0.40					.5 Mo/1 Yr	DW	HU	PB		
			3 BR/2.5 BA Townhome	1,500	\$625	\$0.42					.5 Mo/1 Yr	DW	HU	PB		
7 The Cliffs (2) Macon, GA	142	1972, Renov. 2005+/-	1 BR/1 BA	700	\$525	\$0.75	T	T	O	T	None	DW	HU	PB	3.5%	
			1 BR/1 BA Deluxe	750	\$575	\$0.77					None	DW	HU	PB		
			2 BR/1 BA	850	\$599	\$0.70					None	DW	HU	PB		
			2 BR/1 BA	900	\$640	\$0.71					None	DW	HU	PB		

COMPARABLE RENTAL SUMMARY

<u>Rental Project</u>	<u>Units</u>	<u>Year Built</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<u>Rent/SF</u>	<u>Utilities</u>				<u>Concession</u>	<u>Unit Amenities(1)</u>				<u>Vacancy</u>
							<i>Heat</i>	<i>Domestic Hot Water</i>	<i>Water & Sewer</i>	<i>Unit Electric</i>		<i>Dishwasher</i>	<i>Washer/Dryer</i>	<i>Patio/Balcony</i>	<i>Fireplace</i>	
8 Overlook Gardens Macon, GA	184	1988- 1989	1 BR/1 BA	733	\$499	\$0.68	T	T	T	T	None	DW	HU	PB	2.2%	
			2 BR/1 BA	971	\$549	\$0.57					None	DW	HU	PB		
			2 BR/2 BA	1,094	\$599	\$0.55					None	DW	HU	PB		
			2 BR/2 BA	1,255	\$699	\$0.56					None	DW	HU	PB		
9 Waterford Place (2) Milledgeville, GA	80	2004	1 BR/1 BA - 60% AMI	700	\$337	\$0.48	T	T	T	T	None	DW	HU	PB	0.0%	
			1 BR/1 BA	700	\$425	\$0.61					None	DW	HU	PB		
			2 BR/2 BA - 60% AMI	875	\$402	\$0.46					None	DW	HU	PB		
			2 BR/2 BA	875	\$500	\$0.57					None	DW	HU	PB		
			3 BR/2 BA - 60% AMI	1,025	\$452	\$0.44					None	DW	HU	PB		
3 BR/2 BA	1,025	\$550	\$0.54					None	DW	HU	PB					
10 Cedaridge (2) Milledgeville, GA	60	1984	1 BR/1 BA	700	\$485	\$0.69	T	T	O	T	None	DW	HU	PB	1.7%	
			2 BR/2 BA	875	\$550	\$0.63					None	DW	HU	PB		
11 Legacy Mills Milledgeville, GA	130	2005 2007	2 BR/2.5 BA Townhome	1,200	\$650	\$0.54	T	T	T	T	None	DW	HU	PB	0.0%	
			2 BR/2 BA Duplex	1,050	\$650	\$0.62					None	DW	HU	PB		
12 Carrington Woods Milledgeville, GA	76	1972	1 BR/1 BA	700	\$434	\$0.62	T	T	O	T	None	DW	HU	PB	1.3%	
			1 BR/1 BA Loft	900	\$484	\$0.54					None	DW	HU	PB		
			2 BR/1 BA	900	\$579	\$0.64					None	DW	HU	PB		
			2 BR/1 BA	1,100	\$629	\$0.57					None	DW	HU	PB		
			3 BR/1.5 BA Townhome	1,400	\$686	\$0.49					None	DW	HU	PB		

Notes: 1. All units have air conditioning and surface parking.

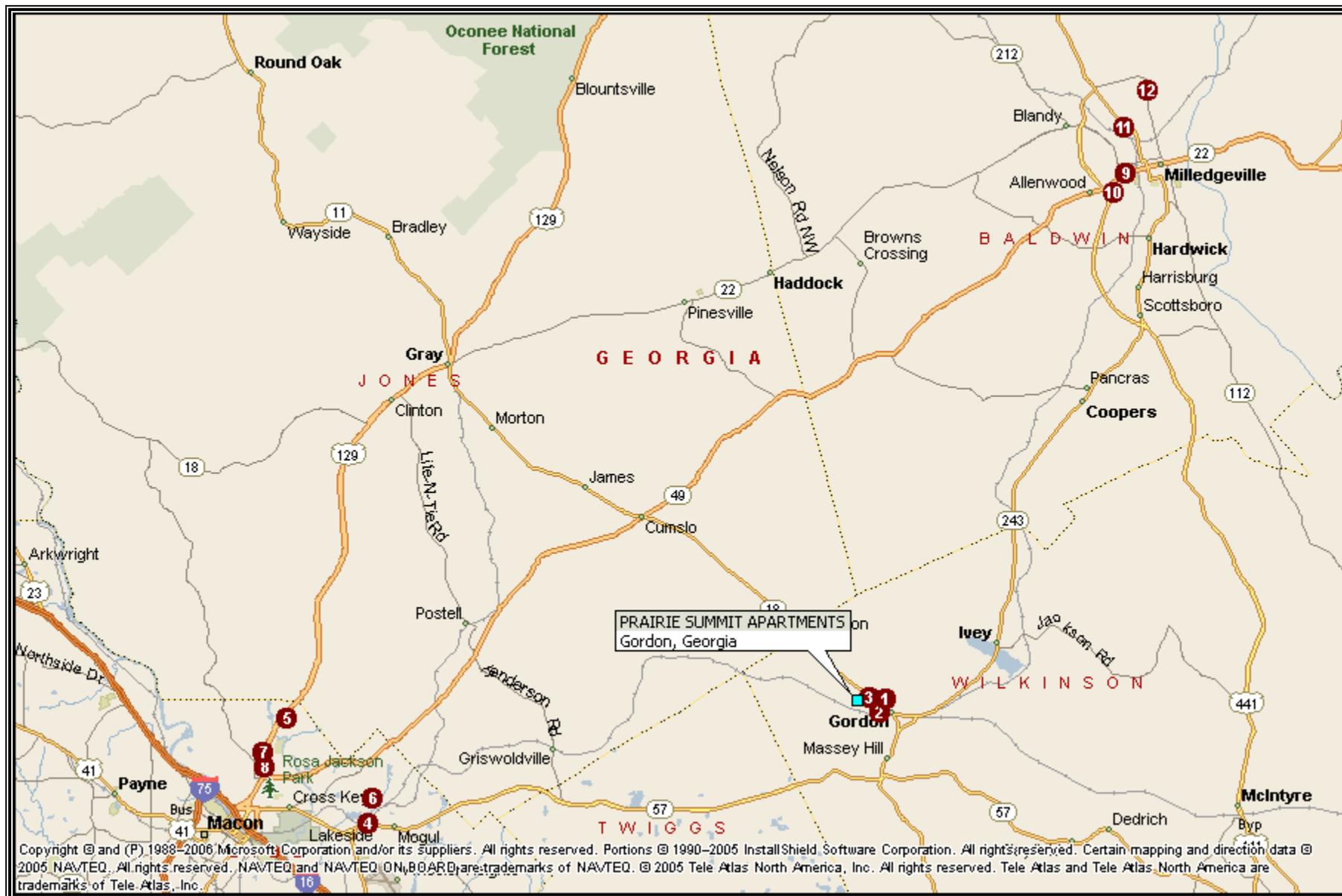
2. Unit square footages are estimated

Key: N/A=Not available, S=Some, T=Tenant-paid, O=Owner-paid, DW=Dishwasher, IU=In-unit washer/dryer, HU=Washer/dryer hook-up, PB=Patio or balcony, FP=Fireplace, AGI=Adjusted gross income

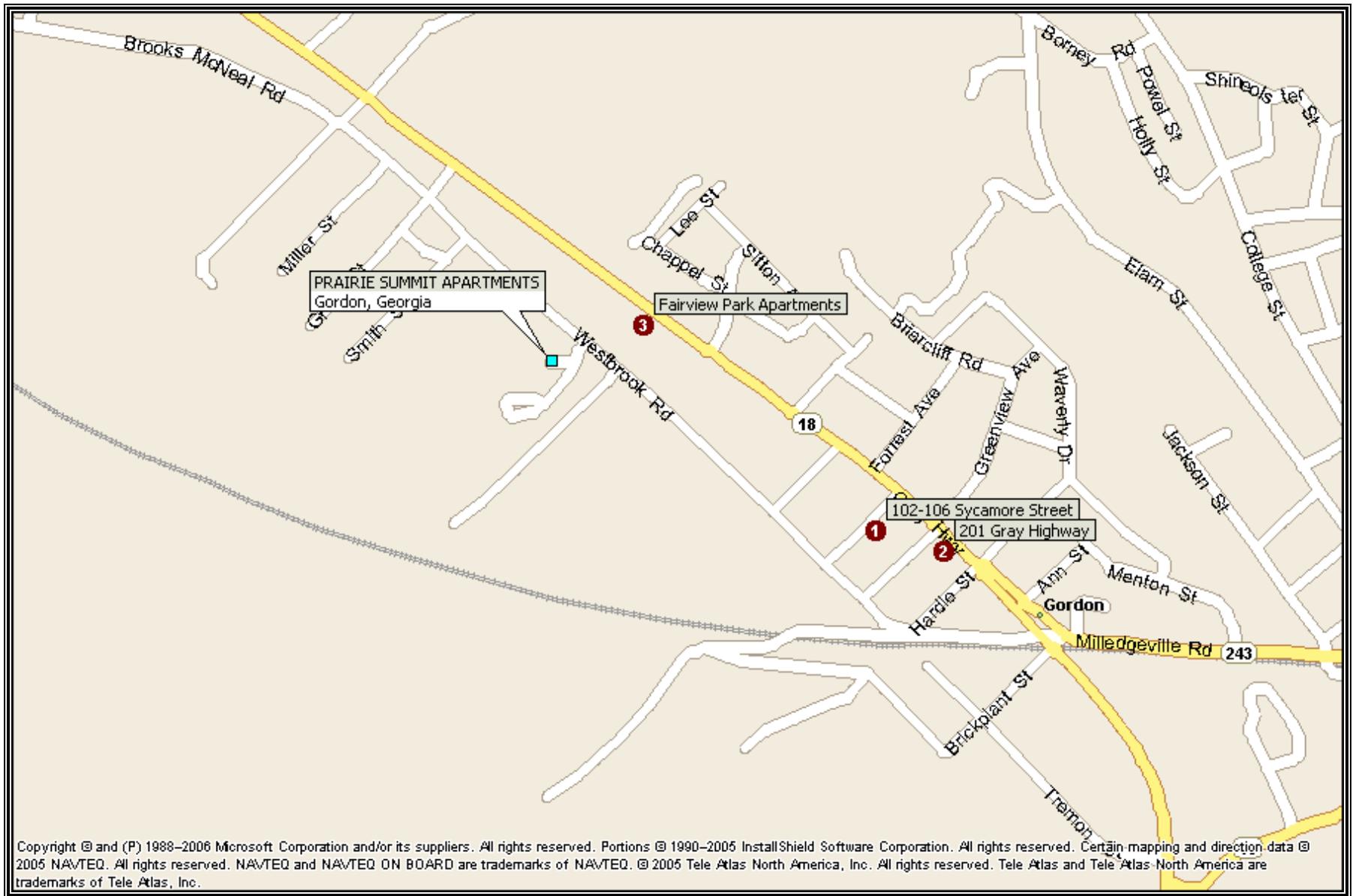
RENT COMPARABLE COMMON AMENITIES

<u>Rental</u>	<u>Project</u>	<u>Units</u>	<u>Year Built</u>	<i>Clubhouse/Community Building</i>	<i>Common Patio/Gazebo/Pavilion</i>	<i>Business/Computer Center</i>	<i>Resident Storage</i>	<i>Exercise Facility</i>	<i>Children's Activity Center</i>	<i>Laundry Facility</i>	<i>Library</i>	<i>Swimming Pool</i>	<i>Walking Path w/Exercise Stations</i>	<i>Playground</i>	<i>Fenced Community Gardens</i>	<i>Basketball Court</i>	<i>Tennis Court</i>	<i>Soccer Field</i>	<i>Gated Community</i>
Subject	Prairie Summit Apartme	72	2010, Rehab.	X	X	X		X	X	X	X		X	X	X				
1	102-106 Sycamore Stree	6	1964																
2	201 Gray Highway	5	1996																
3	Fairview Park Aaprtmen	22	1983				X												
4	Jefferson Apartments	88	1979							X									
5	Highland Hills	241	1971							X		X		X		X	X	X	
6	Lakeview Apartments	144	1970's-1980's											X					
7	The Cliffs	142	1972					X						X					X
8	Overlook Gardens	184	1988-1989			X				X		X							X
9	Waterford Place	80	2004	X			X			X		X		X					
10	Cedaridge	60	1984									X		X					
11	Legacy Mills	130	2005-2007																
12	Carrington Woods	76	1972																

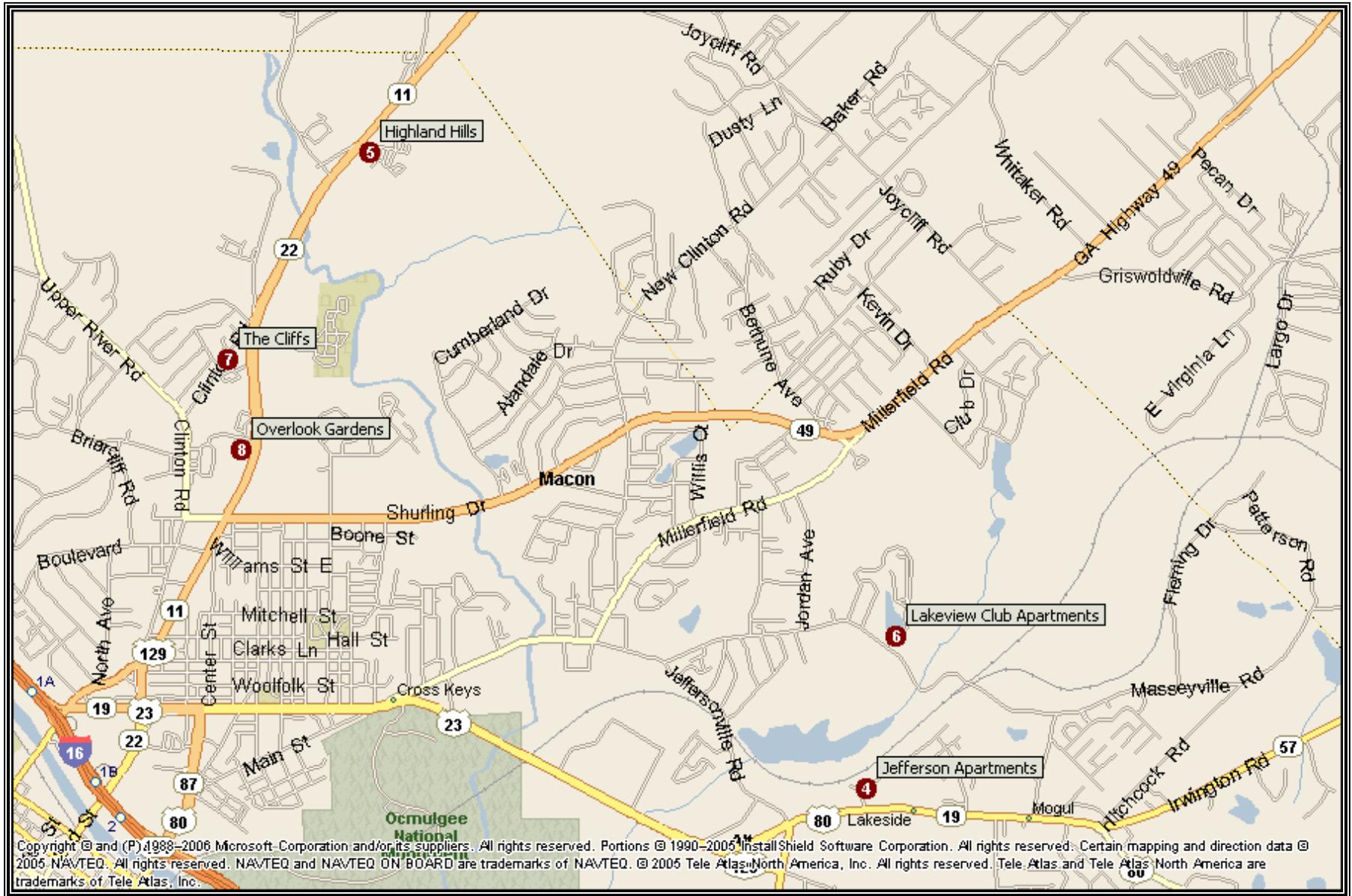
RENT COMPARABLE MAP



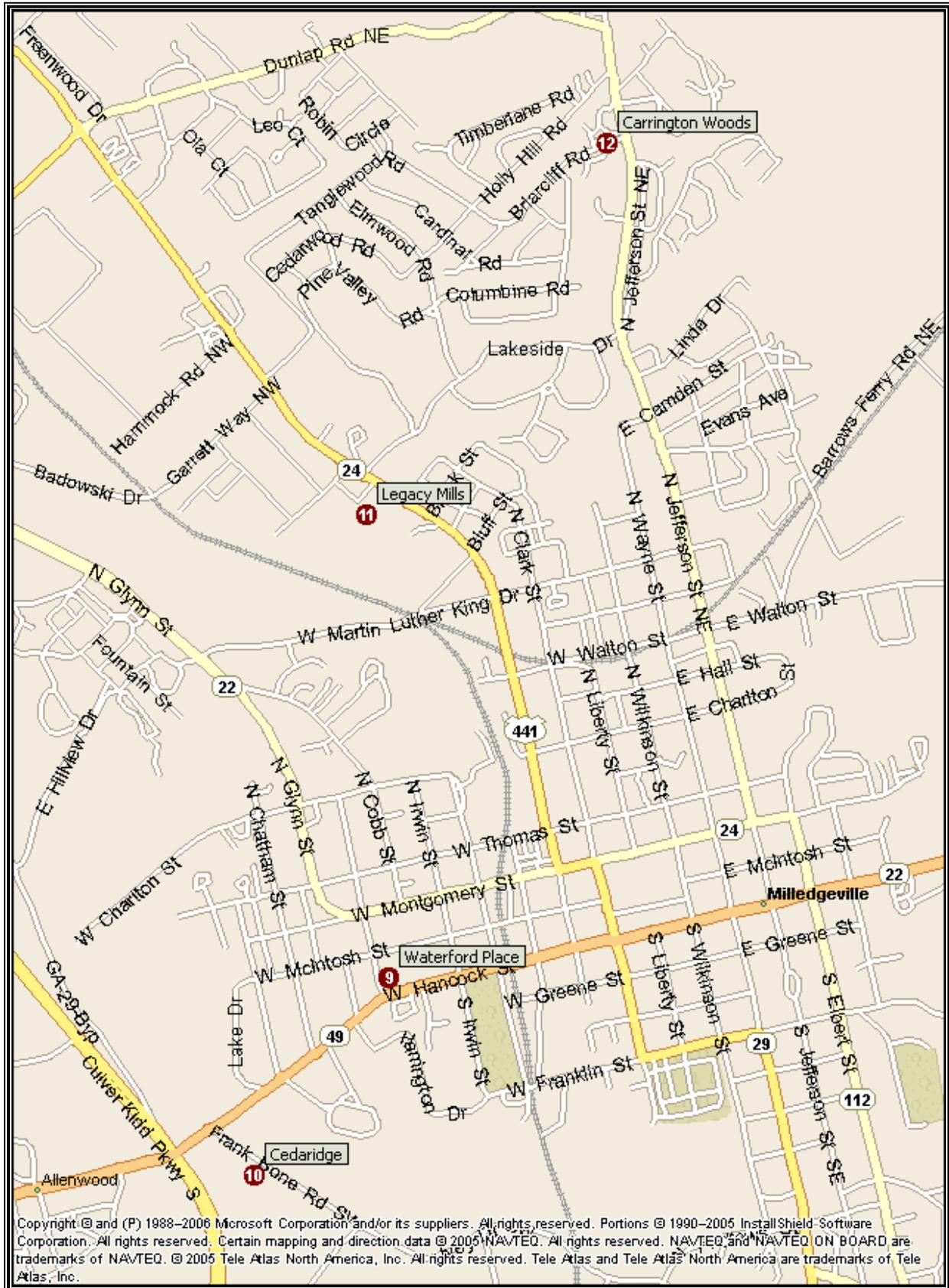
RENT COMPARABLE MAP – GORDON



RENT COMPARABLE MAP – MACON



RENT COMPARABLE MAP – MILLEDGEVILLE



Copyright © and (P) 1988–2006 Microsoft Corporation and/or its suppliers. All rights reserved. Portions © 1990–2005 InstallShield Software Corporation. All rights reserved. Certain mapping and direction data © 2005 NAVTEQ. All rights reserved. NAVTEQ and NAVTEQ ON BOARD are trademarks of NAVTEQ. © 2005 Tele Atlas North America, Inc. All rights reserved. Tele Atlas and Tele Atlas North America are trademarks of Tele Atlas, Inc.

Rent Comparison

Adjustments for differences in locational and physical characteristics were made in order to place the subject's proposed rents in a market context.

The subject will have tenant-paid electric heat pump, air conditioning, electric domestic hot water, electric cooking, unit electric, water and sewer. The owner will pay for trash collection. All of the comparables have tenant-paid heat, unit electric, and domestic hot water. One bedroom rent comparables with owner-paid water and sewer are adjusted downward \$41, two bedroom rent comparables with owner-paid water and sewer are adjusted downward \$53, and three bedroom rent comparables with owner-paid water and sewer are adjusted downward \$63.

The subject and each comparable offers surface parking to its residents. Therefore, no adjustment is made for parking.

Comparables offering concessions are adjusted downward by the monthly equivalent of the concession.

We have adjusted rents for comparables located in Macon downward \$25 per month for location.

The rehabilitation of the subject is proposed and, upon completion in 2010, will be in like new condition. Upward adjustments for age/condition are made to those comparables that will be five or more years old in 2010.

Two bedroom and three bedroom rent comparables are adjusted for differences in bathroom count for the subject on the basis of \$25 per month for half-bathroom differences and \$50 per month for full bathroom differences.

The subject units will include an oven/range, refrigerator, dishwasher, and air conditioning. Upward rent adjustments were made to comparables without these amenities. Downward adjustments were made to comparables with a patio or balcony, washer/dryer hook-up, in-unit washer/dryer, and/or a fireplace. An upward adjustment was made to Rent Comparable #1, 102-106 Sycamore Street in Gordon, and Rent Comparable #2, 201 Gray Highway in Gordon, as each does not include kitchen appliances.

Common areas available to residents at Prairie Summit Apartments after its rehabilitation will include a community building with computer center, furnished exercise room, a furnished children's activity center, and a furnished library. Exterior common amenities include a walking path with exercise stations, a covered pavilion with picnic/barbecue area, an equipped playground, and fenced community gardens. Varying adjustments were made to comparables based on the subject's proposed common amenities.

A summary of rental adjustments supporting market rents is provided on the following pages.

RENTAL COMPARISON

<u>Rental Project</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<u>Utilities</u>	<u>Parking</u>	<u>Concessions</u>	<u>Location</u>	<u>Age/Condition</u>	<u>Bathrooms</u>	<u>Dishwasher</u>	<u>Washer/Dryer</u>	<u>Patio/Balcony</u>	<u>Fireplace</u>	<u>Appliances</u>	<u>Common Areas</u>	<u>Adjusted Rent</u>	<u>Adjusted Rent/SF</u>	
ONE BEDROOM UNITS																		
5	Highland Hills	1 BR/1 BA Apartment	864	\$490	(\$41)	\$0	\$0	(\$25)	\$120	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$519	\$0.60
5	Highland Hills	1 BR/1 BA Apartment	922	\$525	(\$41)	\$0	\$0	(\$25)	\$120	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$554	\$0.60
6	Lakeview Apartments	1 BR/1 BA Townhome	900	\$400	(\$41)	\$0	(\$17)	(\$25)	\$90	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$397	\$0.44
7	The Cliffs	1 BR/1 BA	700	\$525	(\$41)	\$0	\$0	(\$25)	\$15	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$20	\$459	\$0.66
7	The Cliffs	1 BR/1 BA Deluxe	750	\$575	(\$41)	\$0	\$0	(\$25)	\$15	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$20	\$509	\$0.68
8	Overlook Gardens	1 BR/1 BA	733	\$499	\$0	\$0	\$0	(\$25)	\$60	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$514	\$0.70
9	Waterford Place	1 BR/1 BA - 60% AMI	700	\$337	\$0	\$0	\$0	\$0	\$15	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$327	\$0.47
9	Waterford Place	1 BR/1 BA	700	\$425	\$0	\$0	\$0	\$0	\$15	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$415	\$0.59
10	Cedaridge	1 BR/1 BA	700	\$485	(\$41)	\$0	\$0	\$0	\$75	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$499	\$0.71
12	Carrington Woods	1 BR/1 BA	700	\$434	(\$41)	\$0	\$0	\$0	\$105	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$488	\$0.70
12	Carrington Woods	1 BR/1 BA Loft	900	\$484	(\$41)	\$0	\$0	\$0	\$105	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$538	\$0.60
Minimum			700	\$337												\$327	\$0.44	
Average			779	\$471												\$474	\$0.61	
Maximum			922	\$575												\$554	\$0.71	

RENTAL COMPARISON

<u>Rental Project</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<u>Utilities</u>	<u>Parking</u>	<u>Concessions</u>	<u>Location</u>	<u>Age/Condition</u>	<u>Bathrooms</u>	<u>Dishwasher</u>	<u>Washer/Dryer</u>	<u>Patio/Balcony</u>	<u>Fireplace</u>	<u>Vaulted Ceiling</u>	<u>Common Areas</u>	<u>Adjusted Rent</u>	<u>Adjusted Rent/SF</u>
TWO BEDROOM UNITS																	
1	102-106 Sycamore Street	2 BR/1 BA	630	\$250	\$0	\$0	\$0	\$150	\$0	\$15	(\$20)	\$0	\$0	\$25	\$25	\$445	\$0.71
2	201 Gray Highway	2 BR/1 BA	820	\$350	\$0	\$0	\$0	\$30	\$0	\$15	(\$20)	\$0	\$0	\$25	\$25	\$425	\$0.52
3	Fairview Park Apartments	2 BR/1.5 BA	850	\$426	\$0	\$0	\$0	\$75	(\$25)	\$15	(\$20)	(\$5)	\$0	\$0	\$25	\$491	\$0.58
5	Highland Hills	2 BR/2 BA Apartment	1,187	\$525	(\$53)	\$0	(\$25)	\$120	(\$50)	\$0	(\$20)	(\$15)	(\$10)	\$0	\$10	\$482	\$0.41
5	Highland Hills	2 BR/2 BA Apartment	1,175	\$558	(\$53)	\$0	(\$25)	\$120	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$525	\$0.45
5	Highland Hills	2 BR/1.5 BA Townhome	1,142	\$535	(\$53)	\$0	(\$25)	\$120	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$527	\$0.46
5	Highland Hills	2 BR/1.5 BA Townhome	1,298	\$565	(\$53)	\$0	(\$25)	\$120	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$557	\$0.43
6	Lakeview Apartments	2 BR/1 BA Townhome	1,100	\$490	(\$53)	\$0	(\$20)	\$90	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$472	\$0.43
6	Lakeview Apartments	2 BR/1.5 BA Townhome	1,100	\$500	(\$53)	\$0	(\$21)	\$90	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$456	\$0.41
6	Lakeview Apartments	2 BR/2 BA Apartment	1,150	\$510	(\$53)	\$0	(\$21)	\$90	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$441	\$0.38
7	The Cliffs	2 BR/1 BA	850	\$599	(\$53)	\$0	(\$25)	\$15	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$20	\$521	\$0.61
7	The Cliffs	2 BR/2 BA	900	\$640	(\$53)	\$0	(\$25)	\$15	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$20	\$512	\$0.57
8	Overlook Gardens	2 BR/1 BA	971	\$549	\$0	\$0	(\$25)	\$60	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$564	\$0.58
8	Overlook Gardens	2 BR/2 BA	1,094	\$599	\$0	\$0	(\$25)	\$60	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$564	\$0.52
8	Overlook Gardens	2 BR/2 BA	1,255	\$699	\$0	\$0	(\$25)	\$60	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$664	\$0.53
9	Waterford Place	2 BR/2 BA - 60% AMI	875	\$402	\$0	\$0	\$0	\$15	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$342	\$0.39
9	Waterford Place	2 BR/2 BA	875	\$500	\$0	\$0	\$0	\$15	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$440	\$0.50
10	Cedaridge	2 BR/2 BA	875	\$550	(\$53)	\$0	\$0	\$75	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$15	\$502	\$0.57
11	Legacy Mills	2 BR/2.5 BA Townhome	1,200	\$650	\$0	\$0	\$0	\$0	(\$75)	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$565	\$0.47
11	Legacy Mills	2 BR/2 BA Duplex	1,050	\$650	\$0	\$0	\$0	\$0	(\$50)	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$590	\$0.56
12	Carrington Woods	2 BR/1 BA	900	\$579	(\$53)	\$0	\$0	\$105	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$621	\$0.69
12	Carrington Woods	2 BR/1 BA	1,100	\$629	(\$53)	\$0	\$0	\$105	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$671	\$0.61
Minimum			630	\$250												\$342	\$0.38
Average			1,018	\$534												\$517	\$0.52
Maximum			1,298	\$699												\$671	\$0.71

RENTAL COMPARISON

<u>Rental Project</u>	<u>Unit Type</u>	<u>Square Feet</u>	<u>Rent</u>	<i>Utilities</i>	<i>Parking</i>	<i>Concessions</i>	<i>Location</i>	<i>Age/Condition</i>	<i>Bathrooms</i>	<i>Dishwasher</i>	<i>Washer/Dryer</i>	<i>Patio/Balcony</i>	<i>Fireplace</i>	<i>Appliances</i>	<i>Common Areas</i>	<u>Adjusted Rent</u>	<u>Adjusted Rent/SF</u>
THREE BEDROOM UNITS																	
3	Fairview Park Apartments	3 BR/1.5 BA	1,000	\$445	\$0	\$0	\$0	\$75	\$25	\$15	(\$20)	(\$5)	\$0	\$0	\$25	\$560	\$0.56
5	Highland Hills	3 BR/2 BA Apartment	1,257	\$675	(\$63)	\$0	(\$25)	\$120	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$682	\$0.54
5	Highland Hills	3 BR/2.5 BA Townhome	1,493	\$775	(\$63)	\$0	(\$25)	\$120	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$757	\$0.51
5	Highland Hills	3 BR/2.5 BA Tri-level	1,798	\$795	(\$63)	\$0	(\$25)	\$120	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$777	\$0.43
6	Lakeview Apartments	3 BR/2.5 BA Townhome	1,500	\$600	(\$63)	\$0	(\$25)	\$90	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$542	\$0.36
9	Waterford Place	3 BR/2 BA - 60% AMI	1,000	\$452	\$0	\$0	\$0	\$15	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$417	\$0.42
9	Waterford Place	3 BR/2 BA	1,000	\$550	\$0	\$0	\$0	\$15	(\$25)	\$0	(\$20)	(\$15)	\$0	\$0	\$10	\$515	\$0.52
12	Carrington Woods	3 BR/1.5 BA Townhome	1,400	\$686	(\$63)	\$0	\$0	\$105	\$0	\$0	(\$20)	(\$15)	\$0	\$0	\$25	\$718	\$0.51
Minimum			1,000	\$445												\$417	\$0.36
Average			1,306	\$622												\$621	\$0.48
Maximum			1,798	\$795												\$777	\$0.56

Conclusion To Market Rent

One Bedroom Units

Adjusted one bedroom rents for market rate units range between \$397 and \$554, or \$.44 and \$.715 per square foot. The average adjusted one bedroom rent for market rate units is \$489 or \$.63 per square foot. The subject's one bedroom units have a proposed size of 526 square feet. Considering their proposed size and the adjusted comparable rents, we estimate a market rent of \$425 per month or \$.81 per square foot for the subject's one bedroom units.

Two Bedroom Units

Adjusted market rate two bedroom rents range between \$425 and \$671, or \$.38 and \$.71 per square foot. The average adjusted market rate two bedroom rent is \$525 or \$.52 per square foot. Considering the adjusted rents of the comparables and the 729 square foot size of the subject's proposed two bedroom units, we estimate a market rent of \$500 per month or \$.69 per square foot for the subject's two bedroom units.

Three Bedroom Units

Adjusted market rate three bedroom rents range between \$515 and \$777, or \$.36 and \$.56 per square foot. The average adjusted comparable market rate three bedroom rent is \$650 or \$.49 per square foot. Considering the size of the subject's three bedroom units (987 square feet) and the adjusted market rate rent comparable rents, we estimate a market rent of \$575 per month or \$.58 per square foot for the subject's three bedroom units.

50% and 60% AMI Rents - Based on these conclusions of market rent, the proposed restricted rents for the subject's units at the 50% AMI and 60% AMI level are above or near our estimated market rents for the subject's one and two bedroom units.

The subject's estimated current market rents are summarized below.

PROPOSED RENT SCHEDULE AND ESTIMATED MARKET RENTS

<u>Unit Type</u>	<u>Unit Size</u>	<u>Number Of Units</u>	<u>Proposed Rent</u>	<u>Estimated Market Rent</u>
1 BR/1 BA - 50% AMI	526	5	\$442	\$425
1 BR/1 BA - 60% AMI	526	11	\$442	\$425
2 BR/1 BA - 50% AMI	729	10	\$501	\$500
2 BR/1 BA - 60% AMI	729	22	\$501	\$500
3 BR/2 BA - 50% AMI	987	8	\$535	\$575
3 BR/2 BA - 60% AMI	987	<u>16</u>	\$535	\$575
Total:		72		

Impact On Existing Assisted Rental Housing In The Market Area

Based upon the high occupancy of Fairview Park Apartments, the only subsidized family rental housing development in the market area, we believe the subject will not adversely impact the long term occupancy and health of existing assisted rental housing properties in the market area.

INTERVIEWS

The following are interviews we have conducted for this market study:

Kenneth L. Turner, City of Gordon Mayor	478-628-2222
Bruce Daniel, Director of City of Gordon Development Authority	478-628-2215
George Winn, City of Gordon Building Inspector and Public Works Director	478-628-2222
Dr. Garner, Owner of apartments at 201 Gray Highway, Gordon	478-628-2102
Ann Evans, City of Ivey Mayor	478-628-2479
Christie Moore, Manager Fairview Park Apartments	478-233-0165
Charlie, Manager of Jefferson Apartments	478-743-7547
Angie, Manager of Highlands Hills Apartments	478-742-3668
Eric, Manager of Lakeview Apartments	478-745-4201
Cecil, Manager of The Cliffs Apartments	478-746-7434
Andrea, Manager of Overlook Gardens Apartments	478-743-0577
Glenda, Manager of Waterford Place Apartments	478-453-8049
Frankie, Manager of Cedaridge Apartments	478-453-7310
Debra Weiner, Manager of Legacy Mills Apartments	478-453-8022
Suzanne, Manager of Carrington Woods Apartments	478-452-1918
Wanda, Manager of Prairie Summit Apartments	478-628-5583

CONCLUSIONS AND RECOMMENDATIONS

We find that the data and our analysis demonstrate that currently there is adequate support for the proposed project with its proposed unit mix of income-restricted units. Our analysis indicates the capture rates at all of the subject property's set-aside levels and bedroom types are below the maximum Georgia DCA limits for rural counties. Therefore, we believe the subject development as proposed with its current unit mix and set-aside levels is feasible. **However, our rent analysis indicates the proposed income-restricted rents for Prairie Summit's one and two bedroom units are above or near our estimated market rents for those units.**

Our findings are based on our demographic analysis, which indicates there is sufficient demand in the income categories that the proposed subject development is targeting. Although the subject's market area has shown stagnant population growth, our analysis indicates demand would primarily be from rent over-burdened households in the market area.

General economic and employment conditions in the defined market area are stable and in general support the proposed rehabilitation of Prairie Summit Apartments. Based on the current occupancy level of Prairie Summit Apartments and the occupancy levels of existing properties in the market area, we believe a stabilized occupancy rate of 7% for a rehabilitated, income-restricted, family multifamily development is feasible. Considering the limited number of vacant and non-income-qualified units within the subject property that are defined as project demand, we project the property will be at stabilized occupancy at completion based on the developer's tenant relocation plan.

Based upon the high occupancy of the other subsidized family rental housing development in the market area (Fairview Park Apartments), and the limited number of the subject's apartment units (5) that comprise project demand, we believe the subject will not adversely impact the long term occupancy and health of existing assisted rental housing properties in the market area.

The primary market area does not have any existing comparable supply and we are unaware of any planned comparable supply. Overall, the subject's proposed unit mix and unit sizes appear to be appropriate. The interior and exterior amenities proposed for the subject property, including its appliance package, with the exception of the exclusion of in-unit washer/dryer hook-ups, is appropriate for the market area and is similar to other amenity packages that have been well-received in similar affordable properties.

With the exception of a variety of shopping venues and large employment centers in the immediate area of the subject property, most linkages important to family renter households are within a short distance of the subject site and are typical for smaller rural communities.

STATEMENT OF LIMITING CONDITIONS

This report is subject to the following conditions as set forth by the Lexington Realty Services:

1. All information regarding the subject property's land/site data, general improvement data, unit data, market data, and amenities was furnished by the proposed developer, the developer's municipality, U.S. Census, SRC, Inc., or obtained through personal interviews and is assumed to be correct.
2. Inferences of market demand which combine census data estimates and parameters generated from market research are always subject to an unknown degree of error due to timing differences in underlying economic conditions and other circumstances.
3. The presentation and analysis of the data in this report has been done in a professional manner, but the results suggested are only intended to provide an evaluation of the existing market conditions and projected future market conditions within the defined market areas. Lexington Realty Services does not guarantee that the projected market conditions, estimates of rental rates, occupancy rates, and/or absorption rates will be realized.
4. A substantial amount of information in this report was furnished by others. While this information is believed to be reliable, the information is not guaranteed by Lexington Realty Services.
5. Consent is hereby given for use and reliance by the client, the client's investors, and the client's lender in making underwriting or lending decisions regarding the proposed development. Possession of this report or any copy thereof does not carry with it the right of duplication without the previous written consent of the Lexington Realty Services.

CERTIFICATION

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market does not support the project as shown in the study. I understand that any misrepresentations 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.



Dale R. Mussatti

APPENDIX 1



Date: 07/29/08

Current Geography Selection: (1 Selected) Census Tracts: 13319960300

Your title for this geography: GORDON_ GA_Prairie MS08

Demographic Detail Summary Report

Population Demographics

	1990		2000		2007		2012		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2007 to 2012
Total Population	4,545		4,509		4,431		4,455		-0.8%	0.5%
Population Density (Pop/Sq Mi)	54.5		54.1		53.1		53.4		-0.8%	0.5%
Total Households	1,635		1,714		1,716		1,744		4.8%	1.6%
Population by Gender:										
Male	2,142	47.1%	2,140	47.5%	2,116	47.8%	2,135	47.9%	-0.1%	0.9%
Female	2,403	52.9%	2,369	52.5%	2,315	52.3%	2,320	52.1%	-1.4%	0.2%

Population by Race/Ethnicity

	1990		2000		2007		2012		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2007 to 2012
White	3,045	67.0%	2,972	65.9%	2,952	66.6%	2,985	67.0%	-2.4%	1.1%
Black	1,489	32.8%	1,489	33.0%	1,427	32.2%	1,433	32.2%	0.0%	0.4%
American Indian or Alaska Native	2	0.0%	9	0.2%	9	0.2%	7	0.2%	350.0%	-22.2%
Asian or Pacific Islander	5	0.1%	3	0.1%	4	0.1%	5	0.1%	-40.0%	25.0%
Some Other Race	4	0.1%	8	0.2%	9	0.2%	6	0.1%	100.0%	-33.3%
Two or More Races			28	0.6%	30	0.7%	19	0.4%		-36.7%
Hispanic Ethnicity	13	0.3%	23	0.5%	46	1.0%	63	1.4%	76.9%	37.0%
Not Hispanic or Latino	4,532	99.7%	4,486	99.5%	4,385	99.0%	4,392	98.6%	-1.0%	0.2%

Population by Age

	1990		2000		2007		2012		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2007 to 2012
0 to 4	360	7.9%	359	8.0%	364	8.2%	374	8.4%	-0.3%	2.7%
5 to 14	771	17.0%	693	15.4%	629	14.2%	648	14.5%	-10.1%	3.0%
15 to 19	340	7.5%	332	7.4%	276	6.2%	263	5.9%	-2.4%	-4.7%
20 to 24	337	7.4%	301	6.7%	332	7.5%	319	7.2%	-10.7%	-3.9%
25 to 34	751	16.5%	593	13.2%	578	13.0%	601	13.5%	-21.0%	4.0%
35 to 44	600	13.2%	670	14.9%	567	12.8%	499	11.2%	11.7%	-12.0%
45 to 54	471	10.4%	584	13.0%	635	14.3%	623	14.0%	24.0%	-1.9%

55 to 64	403	8.9%	432	9.6%	474	10.7%	512	11.5%	7.2%	8.0%
65 to 74	314	6.9%	328	7.3%	332	7.5%	352	7.9%	4.5%	6.0%
75 to 84	168	3.7%	171	3.8%	188	4.2%	202	4.5%	1.8%	7.4%
85+	30	0.7%	46	1.0%	56	1.3%	62	1.4%	53.3%	10.7%

Median Age:

Total Population	31.1		34.6		35.7		35.4		11.4%	-0.8%
------------------	------	--	------	--	------	--	------	--	-------	-------

Households by Income

	1990		2000		2007		2012		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2007 to 2012
\$0 - \$15,000	439	26.9%	382	22.3%	324	18.9%	306	17.5%	-13.0%	-5.6%
\$15,000 - \$24,999	327	20.0%	215	12.5%	205	11.9%	204	11.7%	-34.3%	-0.5%
\$25,000 - \$34,999	296	18.1%	212	12.4%	165	9.6%	133	7.6%	-28.4%	-19.4%
\$35,000 - \$49,999	352	21.5%	413	24.1%	316	18.4%	269	15.4%	17.3%	-14.9%
\$50,000 - \$74,999	153	9.4%	316	18.4%	381	22.2%	421	24.1%	179.6%	10.5%
\$75,000 - \$99,999	48	2.9%	104	6.1%	185	10.8%	212	12.2%	116.7%	14.6%
\$100,000 - \$149,999	9	0.6%	57	3.3%	106	6.2%	146	8.4%	533.3%	37.7%
\$150,000 +	6	0.4%	15	0.9%	34	2.0%	53	3.0%	150.0%	55.9%
Average Hhld Income	\$31,179		\$40,046		\$43,821		\$47,142		28.4%	7.6%
Median Hhld Income	\$26,793		\$36,455		\$43,524		\$48,338		36.1%	11.1%
Per Capita Income	\$11,216		\$15,223		\$16,970		\$18,455		35.7%	8.7%

Employment and Business

	1990		2000		2007		2012		Percent Change	
	Census		Census		Estimate		Projection		1990 to 2000	2007 to 2012
Age 16 + Population	3,345		3,389		3,383		3,382		1.3%	-0.0%
In Labor Force	2,148	64.2%	2,068	61.0%	2,091	61.8%	2,086	61.7%	-3.7%	-0.2%
Employed	1,997	93.0%	1,930	93.3%	1,975	94.5%	1,970	94.4%	-3.4%	-0.3%
Unemployed	147	6.8%	138	6.7%	116	5.6%	116	5.6%	-6.1%	0.0%
In Armed Forces	3	0.1%	0	0.0%	0	0.0%	0	0.0%	-100.0%	N/A%
Not In Labor Force	1,197	35.8%	1,321	39.0%	1,292	38.2%	1,296	38.3%	10.4%	0.3%
Number of Employees (Daytime Pop)					660					
Number of Establishments					119					
Emp in Blue Collar Occupations			1,042	54.0%						
Emp in White Collar Occupations			888	46.0%						

Housing Units

Percent Change

	1990 Census		2000 Census		2007 Estimate		2012 Projection		1990 to 2000	2007 to 2012
Total Housing Units	1,864		1,991		2,015		2,068		6.8%	2.6%
Owner Occupied	1,323	71.0%	1,427	71.7%	1,413	70.1%	1,428	69.1%	7.9%	1.1%
Renter Occupied	312	16.7%	287	14.4%	303	15.0%	316	15.3%	-8.0%	4.3%
Vacant	229	12.3%	277	13.9%	299	14.8%	324	15.7%	21.0%	8.4%

Vehicles Available

	1990 Census		2000 Census		2007 Estimate		2012 Projection		Percent Change	
									1990 to 2000	2007 to 2012
Average Vehicles Per Hhld	1.90		1.60		1.90		2.00		-11.6%	3.5%
0 Vehicles Available	160	9.5%	130	7.6%	115	6.7%	103	5.9%	-18.8%	-10.4%
1 Vehicle Available	479	28.3%	475	27.7%	473	27.6%	476	27.3%	-0.8%	0.6%
2+ Vehicles Available	1,053	62.2%	1,109	64.7%	1,128	65.7%	1,165	66.8%	5.3%	3.3%

Marital Status

	1990 Census		2000 Census		2007 Estimate		2012 Projection		Percent Change	
									1990 to 2000	2007 to 2012
Age 15+ Population	3,414		3,457		3,438		3,434		1.3%	-0.1%
Married, Spouse Present	1,955	57.3%	1,833	53.0%	1,827	53.1%	1,826	53.2%	-6.2%	-0.1%
Married, Spouse Absent	106	3.1%	158	4.6%	157	4.6%	157	4.6%	49.1%	0.0%
Divorced	264	7.7%	396	11.5%	396	11.5%	395	11.5%	50.0%	-0.3%
Widowed	288	8.4%	258	7.5%	254	7.4%	253	7.4%	-10.4%	-0.4%
Never Married	801	23.5%	812	23.5%	804	23.4%	803	23.4%	1.4%	-0.1%

Educational Attainment

	1990 Census		2000 Census		2007 Estimate		2012 Projection		Percent Change	
									1990 to 2000	2007 to 2012
Age 25+ Population	2,737		2,824		2,830		2,851		3.2%	0.7%
Grade K - 8	412	15.1%	195	6.9%	181	6.4%	157	5.5%	-52.7%	-13.3%
Grade 9 - 12	497	18.2%	500	17.7%	452	16.0%	415	14.6%	0.6%	-8.2%
High School Graduate	1,112	40.6%	1,189	42.1%	1,220	43.1%	1,251	43.9%	6.9%	2.5%
Some College, No Degree	339	12.4%	490	17.4%	502	17.7%	514	18.0%	44.5%	2.4%
Associates Degree	81	3.0%	118	4.2%	137	4.8%	149	5.2%	45.7%	8.8%
Bachelor's Degree	150	5.5%	205	7.3%	221	7.8%	236	8.3%	36.7%	6.8%
Graduate Degree	145	5.3%	109	3.9%	117	4.1%	129	4.5%	-24.8%	10.3%
No Schooling Completed			18	0.6%						

Current year data is for the year **2007**, 5 year projected data is for the year **2012**. More About Our Data.
Demographic data © 2007 by Experian/Applied Geographic Solutions.

© **2008. DemographicsNow is brought to you by SRC, LLC.**

SRC, DemographicsNow.com and the SRC and DemographicsNow.com logos are trademarks of SRC, LLC. All rights reserved.

[Privacy Statement](#) | [License Agreement](#)



Date: 07/29/08

Current Geography Selection: (1 Selected) Census Tracts: 13319960300

Your title for this geography: GORDON_ GA_Prairie MS08

Income By Age Summary Report

Household Demographics

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
Total Households	1,714		1,716		1,744		0.1%	1.6%
Age 15 - 24	93	5.4%	93	5.4%	93	5.3%	0.0%	0.0%
Age 25 - 34	268	15.6%	262	15.3%	273	15.7%	-2.2%	4.2%
Age 35 - 44	374	21.8%	314	18.3%	279	16.0%	-16.0%	-11.1%
Age 45 - 54	340	19.8%	367	21.4%	364	20.9%	7.9%	-0.8%
Age 55 - 64	255	14.9%	277	16.1%	302	17.3%	8.6%	9.0%
Age 65 - 74	225	13.1%	225	13.1%	241	13.8%	0.0%	7.1%
Age 75 +	159	9.3%	178	10.4%	192	11.0%	12.0%	7.9%
Median Age of Head of Household	48.4		50.1		51.2			

Income by Age of Head of Householder

Age 15 - 24 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	44	47.3%	33	35.5%	32	34.4%	-25.0%	-3.0%
\$ 20,000 - \$39,999	27	29.0%	25	26.9%	24	25.8%	-7.4%	-4.0%
\$ 40,000 - \$59,999	22	23.7%	25	26.9%	21	22.6%	13.6%	-16.0%
\$ 60,000 - \$74,999	0	0.0%	1	1.1%	3	3.2%	N/A%	200.0%
\$ 75,000 - \$99,999	0	0.0%	1	1.1%	3	3.2%	N/A%	200.0%
\$100,000 - \$124,999	0	0.0%	5	5.4%	5	5.4%	N/A%	0.0%
\$125,000 - \$149,999	0	0.0%	0	0.0%	3	3.2%	N/A%	N/A%
\$150,000 +	0	0.0%	3	3.2%	2	2.2%	N/A%	-33.3%

Age 25 - 34 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	56	20.9%	49	11.1%	48	17.6%	-12.5%	-2.0%
\$ 20,000 - \$39,999	79	29.5%	57	21.8%	57	20.9%	-27.8%	0.0%
\$ 40,000 - \$59,999	87	32.5%	95	36.3%	86	31.5%	9.2%	-9.5%
\$ 60,000 - \$74,999	31	11.6%	30	11.5%	40	14.7%	-3.2%	33.3%
\$ 75,000 - \$99,999	6	2.2%	12	4.6%	15	5.5%	100.0%	25.0%

\$100,000 - \$124,999	9	3.4%	16	6.1%	21	7.7%	77.8%	31.3%
\$125,000 - \$149,999	0	0.0%	2	0.8%	2	0.7%	N/A%	0.0%
\$150,000 +	0	0.0%	1	0.4%	4	1.5%	N/A%	300.0%

Age 35 - 44 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	64	17.1%	55	17.5%	45	16.1%	-14.1%	-18.2%
\$ 20,000 - \$39,999	140	37.4%	77	24.5%	65	23.3%	-45.0%	-15.6%
\$ 40,000 - \$59,999	87	23.3%	92	29.3%	69	24.7%	5.7%	-25.0%
\$ 60,000 - \$74,999	47	12.6%	36	11.5%	43	15.4%	-23.4%	19.4%
\$ 75,000 - \$99,999	17	4.5%	28	8.9%	28	10.0%	64.7%	0.0%
\$100,000 - \$124,999	14	3.7%	14	4.5%	16	5.7%	0.0%	14.3%
\$125,000 - \$149,999	5	1.3%	10	3.2%	10	3.6%	100.0%	0.0%
\$150,000 +	0	0.0%	2	0.6%	3	1.1%	N/A%	50.0%

Age 45 - 54 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	84	24.7%	74	20.2%	67	18.4%	-11.9%	-9.5%
\$ 20,000 - \$39,999	78	22.9%	60	16.3%	54	14.8%	-23.1%	-10.0%
\$ 40,000 - \$59,999	88	25.9%	97	26.4%	77	21.2%	10.2%	-20.6%
\$ 60,000 - \$74,999	32	9.4%	30	8.2%	38	10.4%	-6.3%	26.7%
\$ 75,000 - \$99,999	37	10.9%	61	16.6%	68	18.7%	64.9%	11.5%
\$100,000 - \$124,999	7	2.1%	13	3.5%	17	4.7%	85.7%	30.8%
\$125,000 - \$149,999	6	1.8%	14	3.8%	19	5.2%	133.3%	35.7%
\$150,000 +	8	2.4%	18	4.9%	24	6.6%	125.0%	33.3%

Age 55 - 64 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	77	30.2%	68	24.5%	65	21.5%	-11.7%	-4.4%
\$ 20,000 - \$39,999	44	17.3%	40	14.4%	37	12.3%	-9.1%	-7.5%
\$ 40,000 - \$59,999	58	22.7%	79	28.5%	66	21.9%	36.2%	-16.5%
\$ 60,000 - \$74,999	41	16.1%	40	14.4%	60	19.9%	-2.4%	50.0%
\$ 75,000 - \$99,999	24	9.4%	38	13.7%	45	14.9%	58.3%	18.4%
\$100,000 - \$124,999	4	1.6%	6	2.2%	8	2.7%	50.0%	33.3%
\$125,000 - \$149,999	4	1.6%	4	1.4%	15	5.0%	0.0%	275.0%
\$150,000 +	3	1.2%	2	0.7%	6	2.0%	-33.3%	200.0%

Age 65 - 74 Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	99	44.0%	75	33.3%	73	30.3%	-24.2%	-2.7%
\$ 20,000 - \$39,999	63	28.0%	51	22.7%	54	22.4%	-19.0%	5.9%
\$ 40,000 - \$59,999	31	13.8%	41	18.2%	40	16.6%	32.3%	-2.4%

\$ 60,000 - \$74,999	16	7.1%	19	8.4%	25	10.4%	18.8%	31.6%
\$ 75,000 - \$99,999	10	4.4%	21	9.3%	24	10.0%	110.0%	14.3%
\$100,000 - \$124,999	2	0.9%	8	3.6%	9	3.7%	300.0%	12.5%
\$125,000 - \$149,999	0	0.0%	3	1.3%	4	1.7%	N/A%	33.3%
\$150,000 +	4	1.8%	7	3.1%	12	5.0%	75.0%	71.4%

Age 75 Plus Years

	2000		2007		2012		Percent Change	
	Census		Estimate		Projection		2000 to 2007	2007 to 2012
\$ 0 - \$19,999	84	52.8%	74	41.6%	77	40.1%	-11.9%	4.1%
\$ 20,000 - \$39,999	44	27.7%	33	18.5%	31	16.1%	-25.0%	-6.1%
\$ 40,000 - \$59,999	8	5.0%	21	11.8%	17	8.9%	162.5%	-19.0%
\$ 60,000 - \$74,999	7	4.4%	14	7.9%	19	9.9%	100.0%	35.7%
\$ 75,000 - \$99,999	10	6.3%	24	13.5%	29	15.1%	140.0%	20.8%
\$100,000 - \$124,999	6	3.8%	10	5.6%	14	7.3%	66.7%	40.0%
\$125,000 - \$149,999	0	0.0%	1	0.6%	3	1.6%	N/A%	200.0%
\$150,000 +	0	0.0%	1	0.6%	2	1.0%	N/A%	100.0%

Current year data is for the year **2007**, 5 year projected data is for the year **2012**. More About Our Data.
Demographic data © 2007 by Experian/Applied Geographic Solutions.

© 2008. DemographicsNow is brought to you by SRC, LLC.

SRC, DemographicsNow.com and the SRC and DemographicsNow.com logos are trademarks of SRC, LLC. All rights reserved.

Privacy Statement | License Agreement

APPENDIX 2

BUILDING NO.	BEDROOM SIZE	OCC VAC	# RESIDENTS	RESIDENT NAME	Current Monthly RENT PAID	LEASE TERM		MONTHLY UTILITY ALLOWANCE	GROSS ANTICIPATED INCOME	MAX ALLOWABLE 60% AMI	INCOME ELIGIBLE Y/N	PROJECTED NEW RENT	30% INCOME RENT	RENT BURDENED Y/N
						BEGIN	END							
A	2	OCC	2	Nancy White	\$194	02/01/03	MTM	\$115	\$15,288	\$22,320	yes	\$51	\$382	no
A	2	OCC	2	Carl Evans	\$269	03/21/06	MTM	\$115	\$15,768	\$22,320	yes	\$51	\$394	no
A	2	OCC	2	Vacant										
A	2	OCC	3	Kaycee Jackson	\$0	01/23/08	01/23/09	\$115	\$3,000	\$25,140	yes	\$51	\$75	no
A	2	OCC	3	Markita Wimberly	\$16	02/19/08	02/19/09	\$115	\$8,298	\$25,140	yes	\$51	\$207	no
A	2	OCC	3	Shirley Shihholder	\$485	06/02/05	MTM	\$115	\$2,704	\$25,140	yes	\$51	\$68	no
A	2	OCC	2	Vacant										
A	2	OCC	2	Jessica Briscoe	\$67	12/03/07	MTM	\$115	\$7,774	\$22,320	yes	\$51	\$194	no
B	3	OCC	4	Johanne Jacobs	\$0	04/02/08	04/02/09	\$202	\$14,684	\$27,900	yes	\$35	\$367	no
B	3	OCC	4	Sherrita Williams	\$22	04/14/05	MTM	\$202	\$10,392	\$27,900	yes	\$35	\$260	no
B	3	OCC	5	Michael Hughes	\$0	01/23/08	01/23/09	\$202	\$5,171	\$30,120	yes	\$35	\$129	no
B	3	OCC	4	Sharonida Boyd	\$0	11/20/05	MTM	\$202	\$6,044	\$27,900	yes	\$35	\$151	no
B	3	OCC	3	Shanda Brand	\$0	11/21/00	MTM	\$202	\$17,680	\$25,140	yes	\$35	\$442	no
C	3	OCC	5	Shameilus Jones	\$0	07/26/96	MTM	\$202	\$9,552	\$30,120	yes	\$35	\$239	no
C	3	OCC	5	Stephanie Jackson	\$0	02/03/00	MTM	\$202	\$8,111	\$30,120	yes	\$35	\$203	no
C	3	OCC	6	Leslie Edmond	\$136	03/18/03	MTM	\$202	\$16,320	\$32,340	yes	\$35	\$408	no
C	3	OCC	1	Pearly Burrey	\$0	11/01/85	MTM	\$202	\$5,822	\$19,560	yes	\$35	\$146	no
C	3	OCC	4	Darlene Fox	\$0	02/02/01	MTM	\$202	\$1,908	\$27,900	yes	\$35	\$48	no
C	3	OCC	4	Sherrita Jackson	\$0	02/16/96	MTM	\$202	\$8,616	\$27,900	yes	\$35	\$215	no
C	3	OCC	3	Tamara Smith	\$0	02/03/04	MTM	\$202	\$9,360	\$25,140	yes	\$35	\$234	no
D	2	OCC	2	Glorestine Johnson	\$159	12/07/07	MTM	\$115	\$12,397	\$22,320	yes	\$51	\$310	no
D	2	OCC	2	Kimberly Jones	\$0	02/05/05	MTM	\$115	\$3,000	\$22,320	yes	\$51	\$75	no
D	2	OCC	2	Crystal Harris	\$0	07/21/06	MTM	\$115	\$3,120	\$22,320	yes	\$51	\$78	no
D	2	OCC	3	Tonia Merrell	\$147	06/29/07	MTM	\$115	\$11,440	\$25,140	yes	\$51	\$286	no
D	2	OCC	3	Tawana Brown	\$0	01/30/08	01/30/09	\$115	\$3,360	\$25,140	yes	\$51	\$84	no
D	2	OCC	4	Tabetha Harris	\$0	07/02/01	MTM	\$115	\$2,204	\$27,900	yes	\$51	\$55	no
D	2	OCC	2	Vacant										
D	2	OCC	1	Latasha Fordham	\$0	03/10/08	03/10/09	\$115	\$3,000	\$19,560	yes	\$51	\$75	no
E	2	OCC	2	Ashley Whipple	\$0	04/05/08	MTM	\$115	\$3,300	\$22,320	yes	\$51	\$83	no
E	2	OCC	1	Gloria Massey	\$12	03/16/06	MTM	\$115	\$5,484	\$19,560	yes	\$51	\$137	no
E	2	OCC	2	Tammy Smith	\$0	04/01/08	04/01/09	\$115	\$1,197	\$22,320	yes	\$51	\$30	no
E	2	OCC	4	Taketa Kine	\$0	12/01/06	MTM	\$115	\$0	\$27,900	yes	\$51	\$0	no
E	2	OCC	2	Neteava Taylor	\$263	04/21/08	04/21/09	\$115	\$15,600	\$22,320	yes	\$51	\$390	no
E	2	OCC	2	Selena Wiggins	\$41	11/03/03	MTM	\$115	\$6,638	\$22,320	yes	\$51	\$166	no
E	2	OCC	2	Kenya Blackhear	\$165	05/14/08	05/14/09	\$115	\$12,870	\$22,320	yes	\$51	\$322	no
F	3	OCC	3	Ethel Veal	\$52	06/01/07	MTM	\$202	\$11,791	\$25,140	yes	\$51	\$75	no
F	3	OCC	3	Kimberly Johnson	\$95	02/01/08	02/01/09	\$202	\$12,432	\$25,140	yes	\$51	\$285	no
F	3	OCC	1	Bernice Renfroe	\$0	12/01/85	MTM	\$202	\$7,476	\$19,560	yes	\$51	\$187	no
F	3	OCC	5	Shaunta Carwell	\$0	05/01/00	MTM	\$202	\$2,832	\$30,120	yes	\$51	\$71	no
F	3	OCC	4	Pamela Johnson	\$0	10/06/00	MTM	\$202	\$2,400	\$27,900	yes	\$51	\$80	no
F	3	OCC	3	Faica Kine	\$7	06/01/99	MTM	\$202	\$7,620	\$25,140	yes	\$51	\$191	no

BUILDING NO.	BEDROOM SIZE	OCC MC	# RESIDENTS	RESIDENT NAME	Current Monthly RENT PAID	LEASE TERM		SUBSIDIY AMOUNT	SUBSIDIY TYPE	MONTHLY UTILITY ALLOWANCE	GROSS ANTICIPATED INCOME	MAX ALLOWABLE 60% AMI	INCOME ELIGIBLE Y/N	MAX ALLOW. 50% AMI	INCOME ELIGIBLE Y/N	PROJECTED NEW Rent	30% INCOME RENT	RENT BURDENED Y/N
						BEGIN	END											
F	3	OCC	3	Gail Jackson	\$0	07/10/07	MTM	\$648	Section 8	\$202	\$4,824	\$25,140	yes	20,950.00	yes	535	\$121	no
F	3	OCC	3	Margale Sims	\$0	04/03/107	MTM	\$599	Section 8	\$202	\$5,854	\$25,140	yes	20,950.00	yes	535	\$174	no
G	3	OCC	3	Eugene Cooper	\$92	04/21/08	04/21/09	\$179	Section 8	\$202	\$28,997	\$25,140	no	20,950.00	no	535	\$725	no
G	3	OCC	2	Johanne Fehrming	\$0	04/05/06	MTM	\$576	Section 8	\$202	\$7,488	\$22,320	yes	18,600.00	yes	535	\$187	no
G	3	OCC	5	Demetris Renfro	\$0	04/21/08	04/21/09	\$636	Section 8	\$202	\$5,975	\$30,120	yes	25,100.00	yes	535	\$149	no
G	3	OCC	4	Alice Bluns	\$0	02/12/93	MTM	\$659	Section 8	\$202	\$3,800	\$27,900	yes	23,250.00	yes	535	\$80	no
H	1	OCC	1	David Burney	\$28	05/10/07	MTM	\$118	Section 8	\$97	\$4,892	\$19,560	yes	16,300.00	yes	442	\$125	no
H	1	OCC	1	Emerson Veal	\$272	07/08/06	MTM	\$170	Section 8	\$97	\$15,822	\$19,560	yes	16,300.00	yes	442	\$366	no
H	1	OCC	1	Elia Johnson	\$77	08/22/06	MTM	\$305	Section 8	\$97	\$7,354	\$19,560	yes	16,300.00	yes	442	\$184	no
H	1	OCC	1	Ethel Rojler	\$0	01/19/06	MTM	\$461	Section 8	\$97	\$3,120	\$19,560	yes	16,300.00	yes	442	\$78	no
H	1	OCC	1	Vanesha Kine	\$95	04/24/01	MTM	\$356	Section 8	\$97	\$7,716	\$19,560	yes	16,300.00	yes	442	\$193	no
H	1	OCC	1	George Boyington	\$95	08/19/83	MTM	\$356	Section 8	\$97	\$7,716	\$19,560	yes	16,300.00	yes	442	\$193	no
H	1	OCC	1	Bridgette Madison	\$0	02/21/08	02/21/09	\$464	Section 8	\$97	\$0	\$19,560	yes	16,300.00	yes	442	\$0	no
H	1	OCC	1	John Woodcock*	\$442													
I	1	OCC	1	Larry Wheeler	\$0	03/01/08	MTM	\$479	Section 8	\$97	\$2,400	\$19,560	yes	16,300.00	yes	442	\$60	no
I	1	OCC	1	Ernest Green	\$172	02/16/07	MTM	\$270	Section 8	\$97	\$11,176	\$19,560	yes	16,300.00	yes	442	\$279	no
I	1	OCC	1	Gladya Hall	\$80	10/04/95	MTM	\$356	Section 8	\$97	\$7,716	\$19,560	yes	16,300.00	yes	442	\$193	no
I	1	OCC	1	Willie Anderson	\$96	11/07/06	MTM	\$356	Section 8	\$97	\$7,716	\$19,560	yes	16,300.00	yes	442	\$193	no
I	1	OCC	1	Trellesha Draines	\$6	02/02/07	MTM	\$438	Section 8	\$97	\$4,500	\$19,560	yes	16,300.00	yes	442	\$113	no
I	1	OCC	1	Amy Harrell	\$116	06/05/91	MTM	\$326	Section 8	\$97	\$6,904	\$19,560	yes	16,300.00	yes	442	\$243	no
I	1	OCC	1	Jesse Lamar	\$87	04/02/07	MTM	\$375	Section 8	\$97	\$7,889	\$19,560	yes	16,300.00	yes	442	\$197	no
I	1	OCC	1	Vacant														
J	2	OCC	4	Gwendolyn Jackson	\$0	11/22/00	MTM	\$591	Section 8	\$115	\$1,860	\$27,900	yes	23,250.00	yes	501	\$47	no
J	2	OCC	2	LaQuanna Knight	\$0	03/03/06	MTM	\$581	Section 8	\$115	\$1,860	\$22,320	yes	18,600.00	yes	501	\$47	no
J	2	OCC	2	Elizabeth Massey	\$0	10/10/80	MTM	\$545	Section 8	\$115	\$3,300	\$22,320	yes	18,600.00	yes	501	\$83	no
J	2	OCC	1	Sarah May	\$5	04/25/03	MTM	\$496	Section 8	\$115	\$4,800	\$19,560	yes	16,300.00	yes	501	\$120	no
J	2	OCC	3	Shelia Porter	\$48	01/02/91	MTM	\$453	Section 8	\$115	\$7,478	\$25,140	yes	20,950.00	yes	501	\$187	no
J	2	OCC	3	Marissa Emory	\$0	01/09/06	MTM	\$553	Section 8	\$115	\$7,540	\$25,140	yes	20,950.00	yes	501	\$189	no
J	2	OCC	3	Todd Vandy	\$0	04/29/08	04/29/09	\$591	Section 8	\$115 *	\$1,800	\$25,140	yes	20,950.00	yes	501	\$45	no
J	2	OCC	5	Monique Curry	\$0	08/23/05	MTM	\$591	Section 8	\$115 *	\$0	\$30,120	yes	25,100.00	yes	501	\$0	no

*Maintenance

APPENDIX 3



COMPARABLE RENTAL #1

102-106 Sycamore Street
Gordon, Georgia

COMPARABLE RENTAL #1

Project Name: 102-106 Sycamore Street
Location: 102-106 Sycamore Street
Gordon, Georgia
Improvements: Three one-story, side-by-side duplex buildings with surface parking
Total Units: 6

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
2 BR/1 BA	630	\$250	Tenant	Surface	None

Year Built: 1964
Unit Amenities: Washer/dryer hook-up and window air-conditioning
Project Amenities: None
Utilities Included: None. All utilities and trash collection are paid by the tenant.
Additional Charges: None
Vacancy: 0.0%
Comments: These are older duplex buildings located near the subject property.
This property has a small waiting list.
Contact: 478-628-2102, Dr. Garner



COMPARABLE RENTAL #2

201 Gray Highway
Gordon, Georgia

COMPARABLE RENTAL #2

Project Name: 201 Gray Highway

Location: 201 Gray Highway
Gordon, Georgia

Improvements: Two one-story buildings with surface parking

Total Units: 5

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
2 BR/1 BA	820	\$350	Tenant	Surface	None

Year Built: 1996

Unit Amenities: Central air conditioning and washer/dryer hook-up

Project Amenities: None

Utilities Included: None. All utilities and trash collection are paid by the tenant.

Additional Charges: None

Vacancy: 0.0%

Comments: These one-story buildings are located near the subject property.
This property has a small waiting list.

Contact: 478-628-2102, Dr. Garner



COMPARABLE RENTAL #3

Fairview Park Apartments
Gordon, Georgia

COMPARABLE RENTAL #3

Project Name: Fairview Park Apartments

Location: 249 Gray Highway
Gordon, Georgia

Improvements: Two-story townhouse buildings with surface parking

Total Units: 22

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
2 BR/1.5 BA	850	\$426	Tenant	Surface	None
3 BR/1.5 BA	1,000	\$445	Tenant	Surface	None

Year Built: 1983

Unit Amenities: Stove, refrigerator, washer/dryer hook-up, central air-conditioning, blinds, exterior tenant storage locker, and small patio at rear of unit.

Project Amenities: Management office

Utilities Included: None. All utilities and trash collection are paid by the tenant.

Additional Charges: None

Vacancy: 9.1%

Comments: Rents are market rents for Section 515 family property located approximate one-half block north of the subject property.

Contact: 478-233-0165, Christie Moore



COMPARABLE RENTAL #4

Jefferson Apartments
Macon, Georgia

COMPARABLE RENTAL #4

Project Name: Jefferson Apartments
Location: 3068 Jeffersonville Road
Macon, Georgia
Improvements: Twelve two-story walk-up buildings with surface parking
Total Units: 88

<u>Unit Type</u>	<u>Size (SF)*</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA	650	30% of AGI	Tenant	Surface	None
2 BR/1 BA	800	30% of AGI	Tenant	Surface	None
3 BR/1.5 BA	950	30% of AGI	Tenant	Surface	None

*Unit sizes are estimated

Year Built: 1979
Unit Amenities: Stove, refrigerator, central air-conditioning
Project Amenities: Laundry room
Utilities Included: Water, sewer and trash pick-up are included in rent. Tenant pays unit electricity, gas heat and cooking gas
Additional Charges: None
Vacancy: 0%
Comments: Low-income, section 8 property
Contact: 478-743-7547, Charlie



COMPARABLE RENTAL #5

Highland Hills
Macon, Georgia

COMPARABLE RENTAL #5

Project Name: Highland Hills
Location: 2275 Gray Highway
Macon, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 241

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent*</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA Apartment	864	\$490	Tenant	Surface	None
1 BR/1 BA Apartment	922	\$525	Tenant	Surface	None
2 BR/2 BA with fireplace apt	1,187	\$485-565	Tenant	Surface	None
2 BR/2 BA Apartment	1,175	\$550-565	Tenant	Surface	None
2 BR/1.5 BA Townhome	1,142	\$535	Tenant	Surface	None
2 BR/1.5 BA Townhome	1,298	\$555-575	Tenant	Surface	None
3 BR/2 BA Apartment	1,257	\$675	Tenant	Surface	None
3 BR/2.5 BA Townhome	1,493	\$775	Tenant	Surface	None
3 BR/2.5 BA Tri-level	1,798	\$795	Tenant	Surface	None
4 BR/3.5 BA Tri-level	2,047	\$1,000	Tenant	Surface	None

* Higher end of the rent range is due to newer carpeting and better overall unit condition

Year Built: 1971
Unit Amenities: Stove, refrigerator, dishwasher, garbage disposal, washer/dryer hook-ups, central air-conditioning, patio or balcony
Project Amenities: Basketball court, playground, tennis courts, soccer field, swimming pool, laundry facilities
Utilities Included: Water and sewer are included. Tenant pays unit electricity, (100% electric, no gas)
Additional Charges: None
Vacancy: 3.7%
Comments: The property has been recently updated
Contact: 478-742-3668, Angie



COMPARABLE RENTAL #6

Lakeview Apartments
Macon, Georgia

COMPARABLE RENTAL #6

Project Name: Lakeview Apartments
Location: 2800 Masseyville Road
Macon, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 144

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA Townhome	900	\$400-\$425	Tenant	Surface	.5 Mo/1 Yr
2 BR/1 BA Townhome	1,100	\$490-\$515	Tenant	Surface	.5 Mo/1 Yr
2 BR/1.5 BA Townhome	1,100	\$500-\$525	Tenant	Surface	.5 Mo/1 Yr
2 BR/2 BA Apartment	1,150	\$510-\$535	Tenant	Surface	.5 Mo/1 Yr
3 BR/2.5 BA Townhome	1,500	\$600-\$625	Tenant	Surface	.5 Mo/1 Yr

Year Built: 1980+/-

Unit Amenities: Stove, refrigerator, dishwasher, garbage disposal, washer/dryer hook-ups, air-conditioning, blinds, patio or balcony

Project Amenities: Playground

Utilities Included: Water and sewer are included. Tenant pays unit electricity, (100% electric, no gas)

Additional Charges: None

Vacancy: 4.2%

Comments: The higher end of the rent range for each unit type is due to pond views. This property is located in a suburban area in a somewhat secluded area.

Contact: 478-745-4201, Eric



COMPARABLE RENTAL #7

The Cliffs
Macon, Georgia

COMPARABLE RENTAL #7

Project Name: The Cliffs
Location: 1895 Old Clinton Road
Macon, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 142

<u>Unit Type</u>	<u>Size (SF)*</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA	700	\$525	Tenant	Surface	None
1 BR/1 BA deluxe	750	\$575	Tenant	Surface	None
2 BR/1 BA	850	\$599	Tenant	Surface	None
2 BR/2 BA	900	\$640	Tenant	Surface	None

*Unit sizes are estimated

Year Built: 1972, renovated 2005+/-
Unit Amenities: Stove, refrigerator, dishwasher, microwave, washer/dryer hook-ups, air-conditioning, patio or balcony
Project Amenities: Gated access, fitness center, playground with water park area
Utilities Included: Water, sewer and trash collection are included in rent. Tenant pays unit electricity, (100% electric, no gas)
Additional Charges: None
Vacancy: 3.5%
Comments: Newly renovated inside to include new carpeting, paint, and appliances.
Contact: 478-746-7434, Cecil



COMPARABLE RENTAL #8

Overlook Gardens
Macon, Georgia

COMPARABLE RENTAL #8

Project Name: Overlook Gardens
Location: 1400 Gray Highway
Macon, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 184

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA	733	\$499	Tenant	Surface	None
2 BR/1 BA	971	\$549	Tenant	Surface	None
2 BR/2 BA	1,094	\$599	Tenant	Surface	None
2 BR/2 BA	1,255	\$699	Tenant	Surface	None

Year Built: 1988-1989

Unit Amenities: Private entrances, stove, refrigerator, dishwasher, central air-conditioning, washer/dryer hook-ups, ceiling fans, blinds, patio or balcony

Project Amenities: Gated access, swimming pool, laundry room, business center,

Utilities Included: None. Tenant pays water, sewer, and unit electricity, (100% electric, no gas)

Additional Charges: None

Vacancy: 2.2%

Comments: This is an attractive apartment property located on the northeast end of the Macon metro area.

Contact: 478-743-0577, Andrea



COMPARABLE RENTAL #9

Waterford Place
Milledgeville, Georgia

COMPARABLE RENTAL #9

Project Name: Waterford Place
Location: 131 North Pickens Street
Milledgeville, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 80

<u>Unit Type</u>	<u>Size (SF)*</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA - 60% AMI	700	\$337	Tenant	Surface	None
1 BR/1 BA - Market	700	\$425	Tenant	Surface	None
2 BR/2 BA - 60% AMI	875	\$402	Tenant	Surface	None
2 BR/2 BA - Market	875	\$500	Tenant	Surface	None
3 BR/2 BA - 60% AMI	1,025	\$452	Tenant	Surface	None
3 BR/2 BA - Market	1,025	\$550	Tenant	Surface	None

*Unit sizes are estimated

Year Built: 2004
Unit Amenities: Stove, refrigerator, dishwasher, garbage disposal, air-conditioning, washer/dryer hook-ups, ceiling fans, blinds, patio or balcony, and outside storage
Project Amenities: Clubhouse, laundry facilities, playground, swimming pool
Utilities Included: None. Tenant pays water, sewer, and unit electricity, (100% electric, no gas)
Additional Charges: None
Vacancy: 0%
Comments: This is a family tax credit housing development located on the west side of Milledgeville.
Contact: 478-453-8049, Glenda



COMPARABLE RENTAL #10

Cedaridge
Milledgeville, Georgia

COMPARABLE RENTAL #10

Project Name: Cedaridge
Location: 141 Frank Bone Road
Milledgeville, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 60

<u>Unit Type</u>	<u>Size (SF)*</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1 BA	700	\$485	Tenant	Surface	None
2 BR/2 BA	875	\$550	Tenant	Surface	None

*Unit sizes are estimated

Year Built: 1984
Unit Amenities: Stove, refrigerator, dishwasher, garbage disposal, central air-conditioning, washer/dryer hook-ups, ceiling fans, patio or balcony
Project Amenities: Playground, swimming pool
Utilities Included: Water, sewer, and trash collection are included in rent. Tenant pays unit electricity, (100% electric)
Additional Charges: None
Vacancy: 1.7%
Comments: This property is located in a wooded area on the west side of Milledgeville.
Contact: 478-453-7310, Frankie



COMPARABLE RENTAL #11

Legacy Mills
Milledgeville, Georgia

COMPARABLE RENTAL #11

Project Name: Legacy Mills
Location: 1524 N. Columbia Street
Milledgeville, Georgia
Improvements: Two-story walk-up townhome buildings and one-story duplex buildings with surface parking
Total Units: 130

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
2 BR/2.5 BA Townhome	1,200	\$650	Tenant	Surface	None
2 BR/2 BA Duplex	1,050	\$650	Tenant	Surface	None

Year Built: 2005-2007
Unit Amenities: Stove, refrigerator, dishwasher, washer/dryer hook-ups, central air-conditioning, ceiling fans, blinds, patio
Project Amenities: None
Utilities Included: None. Tenant pays water, sewer, trash collection, and unit electricity, (100% electric, no gas)
Additional Charges: None
Vacancy: 0%
Comments: Approximately 50% of the renters at this property are college students. Units have ceramic tile flooring in kitchens & bathrooms.
Contact: 478-453-8022, Debra Weiner



COMPARABLE RENTAL #12

Carrington Woods
Milledgeville, Georgia

COMPARABLE RENTAL #12

Project Name: Carrington Woods
Location: 1980 Briarcliff Road
Milledgeville, Georgia
Improvements: Two-story walk-up buildings with surface parking
Total Units: 76

<u>Unit Type</u>	<u>Size (SF)</u>	<u>Rent</u>	<u>Heat</u>	<u>Parking</u>	<u>Concession</u>
1 BR/1BA	700	\$434	Tenant	Surface	None
1 BR/1BA Loft	900	\$484	Tenant	Surface	None
2 BR/1BA	900	\$579	Tenant	Surface	None
2 BR/1BA	1,100	\$629	Tenant	Surface	None
3 BR/1.5 BA Townhouse	1,400	\$686	Tenant	Surface	None

Year Built: 1972
Unit Amenities: Stove, refrigerator, dishwasher, washer/dryer hook-ups, air-conditioning, patio/balcony
Project Amenities: None
Utilities Included: Water, sewer and trash collection are included. Tenant pays unit electricity, (100% electric)
Additional Charges: None
Vacancy: 1.3%
Comments: This property is located on the north side of Milledgeville.
Contact: 478-452-1918, Suzanne

APPENDIX 4

Market Analyst Certification and Checklist

I understand that by initializing (or checking) the following items, I am stating those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report.

The report was written according to DCA's market study requirements, that the information included is accurate and that the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

I also certify that I have inspected the subject property as well as all the rent comparables.

Signed:  Date: 8-19-08

A. Executive Summary

Market demand for subject property given the economic conditions of the area	Page 1	<u>DCA</u>
Projected Stabilized Occupancy Level and Timeframe	Page 2	<u>DCA</u>
Appropriateness of unit mix, rent and unit sizes	Pages 1&2	<u>DCA</u>
Appropriateness of interior and exterior amenities including appliances	Page 2	<u>DCA</u>
Location and distance of subject in relationship to local amenities	Page 2	<u>DCA</u>
Discussion of capture rates in relationship to subject	Page 1	<u>DCA</u>
Conclusion regarding the strength of the market for subject	Page 1	<u>DCA</u>

B. Project Description

Project address, legal description and location	Page 5	<u>DCA</u>
Number of units by unit type	Page 8	<u>DCA</u>
Unit size, # of bedrooms and structure type (ie townhouse, garden apartment, etc)	Page 8	<u>DCA</u>
Rents and Utility Allowance	Page 8	<u>DCA</u>
Existing or proposed project based rental assistance	Page 9	<u>DCA</u>
Proposed development amenities (ie washer/dryer hookups, dishwasher etc.)	Page 8	<u>DCA</u>
For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of the property	Pages 9, 45, App 2,	<u>DCA</u>
Projected placed in service date	Page 8	<u>DCA</u>
Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page 8	<u>DCA</u>
Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs	Page 8	<u>DCA</u>
Special Population Target (if applicable)	Page	<u>-</u>

C. Site Evaluation

Date of Inspection of Subject Property by Market Analyst	Page 11	<u>DCA</u>
Physical features of Subject Property and Adjacent Uses	Page 11	<u>DCA</u>
Subject Photographs (front, rear, and side elevations as well as street scenes)	Page 13	<u>DCA</u>
Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject	Page 23	<u>DCA</u>
Developments in vicinity to subject and proximity in miles (Identify developments surrounding the subject on all sides)	Page 11	<u>DCA</u>
Map identifying location of subject and proximity in miles (Identify developments surrounding the subject on all sides)	Page 23	<u>DCA</u>
Road or infrastructure improvements planned or under construction in the PMA	Page 11	<u>DCA</u>
Comment on access, ingress/egress and visibility of subject	Page 11	<u>DCA</u>

Any visible environmental or other concerns
Overall conclusions of site and their marketability

Page 11
Page 11

DM
Wells

D. Market Area

Map identifying Subject's Location within PMA
Map identifying Subject's Location within SMA, If applicable

Page 26
Page

DM
—

E. Community Demographic Data

Data on Population and Households Five Years Prior to Market Entry, and Projected Five Years Post Market Entry

Page 27

DM

1. Population Trends

- a. Total Population
- b. Population By Age Group
- c. Number of elderly and non-elderly (for elderly projects)
- d. If a special needs is proposed, additional information for this segment

Page 27
Page 27
Page
Page

DM
DM
—
—

2. Household Trends

Elderly by tenure, if applicable

- a. Total number of households and average household size
- b. Households by tenure (# of owner and renter households)
- c. Households by Income (Elderly, if applicable, should be allocated separately)
- d. Renter households by # of persons in the household

Page 28
Page 29
Page 28
Page 29

DM
DM
DM
DM

3. Employment Trend

- a. Employment by industry-- #s & % (ie manufacturing: 150,000 (20%))
- c. Major employers, product or service, total employees, anticipated expansions, contractions in work forces, as well as newly planned employers and impact on employment in the PMA
- c. Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.
- d. Map of the site and location of major employment concentrations.
- e. Overall conclusions

Page 30
Page 31
Page 34
Page 32
Page 35

DM
DM
DM
DM
DM

F. Project Specific Demand Analysis

Income Restrictions - uses applicable incomes and rents in the development's tax application.
Affordability - Delineation of Income Bands
Comparison of market rents of competing properties with proposed subject market rent
Comparison of market rents of competing properties with proposed LIHTC rents
Demand Analysis Using Projected Service Date (within 2 years)

- a. New Households Using Growth Rates from Reputable Sources
- b. Demand from Existing Households
- c. Elderly Households Converting to Rentership (applicable only to elderly)
- d. Elderly Households Relocating to the Market (applicable only to elderly)
- e. Deduction of Supply of "Comparable Units"
- f. Capture Rates for Each Bedroom Type
- g. Anticipated Absorption period for the property

Page 36
Page 36
Page 36
Page
Page 61
Page 36
Page 36
Page 38
Page
Page 44
Page 45
Page 47

DM
DM
DM
—
DM
DM
DM
DM
—
DM
DM
DM

G. Supply Analysis

Comparative chart of subject amenities and competing properties	Page 43	<u>DM</u>
Supply & analysis of competing developments under constructin & pending	Page 43	<u>DM</u>
Comparison of competing developments (occupancy, unit mix and rents)	Page 43	<u>DM</u>
Rent Comparable Map (showing subject and comparables)	Page 53	<u>DM</u>
Rental Assisted Projects in PMA	Page 24	<u>DM</u>
Multi-Family Building Permits issued in PMA in last two years	Page 43	<u>DM</u>

H. Interviews

Names, Title and Telephone # of Individuals Interviewed	Page 62	<u>DM</u>
---	---------	-----------

I. Conclusions and Recommendations

Conclusion as to Impact of Subject on PMA	Page 63	<u>DM</u>
Recommendations as to Subject's Viability in PMA	Page 63	<u>DM</u>

J. Signed Statement

Signed Statement from Analyst	Page 65	<u>DM</u>
-------------------------------	---------	-----------

K. Comparison of Competing Properties

Separate Letter addressing addition of more than one competing property	Page	<u>—</u>
---	------	----------

APPENDIX 5

QUALIFICATIONS OF
DALE R. MUSSATTI

Professional Position

Proficient in all phases of commercial real estate valuation and evaluation, including market studies, feasibility analysis, appraisal, and investment analysis of market rate and subsidized apartment developments, vacant land, commercial and retail properties. Areas of specialization include performance of market studies for tax credit multifamily developments, independent and assisted living senior housing developments, and condominium developments.

Education

Master of Science - Real Estate Appraisal and Investment Analysis
University of Wisconsin, Madison, 1984

Master of Business Administration
University of Michigan, Ann Arbor, 1983

Bachelor of Business Administration - Finance
University of Wisconsin, Whitewater, 1979

Professional Experience

Professional experience includes commercial real estate valuation and evaluation, commercial real estate mortgage underwriting and brokerage, property acquisitions and investment analysis.

2007 – Present	Principal, Lexington Realty Services, Wauwatosa, Wisconsin
2000-Present	Appraiser/Consultant, Market Consulting Services, Mequon, Wisconsin
1992 - 2000	Principal, Lexington Realty Services, Wauwatosa, Wisconsin
1990 - 1992	Vice President, John Hancock Real Estate Finance, Chicago, Illinois
1989 - 1990	Senior Investment Analyst, Fifield Realty Investors, Chicago, Illinois
1984 - 1989	Manager, Prudential Mortgage Capital Company, Chicago, Illinois

Authorizations and Certifications

Wisconsin Housing and Economic Development Authority authorized market study provider

HUD authorized MAP market study provider

Certified General Appraiser (CGA), State of Wisconsin

The following is a partial list of market study assignments completed by Mr. Mussatti:

- Glenveagh Apartments, Baraboo, WI - 48 Units
- The Glen Gerry, Shawano, WI - 48 Units
- The Boardwalk, Burlington, WI - 128 Units
- Capitol Hill Senior Apartments, Brookfield, WI - 70 Units
- Craftsman Village of Manitowoc, Manitowoc, WI - 40 Units
- Manitowoc Senior Apartments - Manitowoc, WI - 48 Units
- Wyndham Senior Villas - Marshfield, WI - 48 Units
- Rockford Senior Campus - Rockford, IL - 120 Units
- Briarwood Cottages, Stevens Point, WI - 40 Units
- Craftsman Village of Plover, Plover, WI - 40 Units
- The Berkshire, Waukesha, WI - 78 Units
- River Grove Senior Village, Wisconsin Rapids, WI - 40 Units
- Woodland Ridge, Greenfield, WI - 76 Units
- Wilson Commons Senior Campus, Milwaukee, WI - 244 Units
- Hunter's Ridge Senior Villas, Whitewater, WI - 48 Units
- Killarney Kourt, Sturtevant, WI - 79 Units
- Mission Village of Plover, Plover, WI - 36 Units
- Cedar Creek Senior Apartments, Rothschild, WI - 48 Units
- Craftsman Village of Appleton, Appleton, WI - 64 Units
- Lake Tomah Senior Village, Tomah, WI - 22 Units
- Prairie Hill at Woodland Ridge, Greenfield, WI - 68 Units
- River Grove Senior Village II, Wisconsin Rapids, WI - 40 Units
- Woodland Crossing, Manitowoc, WI - 24 Units
- Wolf River Senior Village, Manawa, WI - 18 Units
- Mission Village of Menasha, Menasha, WI - 38 Units
- Hart Park Square, Wauwatosa, WI - 134 Units
- San Camillo RCAC, Wauwatosa, WI - 45 Units
- New Village West, Milwaukee, WI - 54 Units
- New Village East, Milwaukee, WI - 68 Units
- Dancing Oaks, Menomonie, WI - 38 Units
- King Drive Commons II, Milwaukee, WI - 24 Units
- St. Vincent Lofts, Milwaukee, WI - 24 Units
- Granville Heights, Milwaukee, WI - 60 Units
- Clock Tower Center, Neenah, WI - 60 Units
- Alta Mira Condominiums, Menomonee Falls, WI - 90 Units
- Brodhead Senior Village, Brodhead, WI - 24 Units
- Adams-Friendship Senior Village, Adams, WI - 24 Units
- Lincolnshire, Mount Pleasant, WI - 24 Units
- Toussaint Square, Milwaukee, WI - 23 Units
- Dr. Wesley L. Scott Senior Living Community, Milwaukee, WI - 80 Units
- Villas of Combined Locks, Combined Locks, WI - 24 Units
- Red Pines Senior Housing, Greenfield, WI - 88 Units
- Juneau Senior Housing, Juneau, WI - 24 Units
- Francis Woods Condominiums, Franklin, WI - 50 Units
- Lancaster Senior Village, Lancaster, WI - 24 Units
- Olen Park Senior Village, Clintonville, WI - 24 Units
- Royalton Manor, Superior, WI - 109 Units
- Fond du Lac Center, Milwaukee, WI - 24 Units
- Kenwood Commons, Menasha, WI - 50 Units
- Green Ridge Senior Housing, Greenfield, WI - 38 Units
- Calumet Apartments, Fond du Lac, WI - 33 Units
- Parkway Highlands, Green Bay, WI - 84 Units
- The Courtyard At Willow Woods, Tomah, WI - 72 Units
- Teutonia Gardens, Milwaukee, WI - 24 Units
- Prince Hall Village, Milwaukee, WI - 24 Units
- Morris Park Senior Village, Milwaukee, WI - 22 Units
- Birchwood Highlands, Weston, WI - 71 Units
- Ridgeview Highlands, Appleton, WI - 60 Units