

# MARKET FEASIBILITY ANALYSIS

*OF*

CUMBERLAND COVE  
151 MARTHA DRIVE  
ST. MARY'S, GEORGIA 31558

*FOR*

MS. CATHY JOHNSON  
GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS  
60 EXECUTIVE PARK SOUTH, NE  
ATLANTA, GEORGIA 30329

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869 W. Goodale Blvd.,

Columbus, OH 43212

(614) 225-9500

Fax: (614) 225-9505

12731 Research Blvd.,

Building A, Suite 110,

Austin, TX 78759

(512) 351-4781

Fax: (512) 258-8244

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# INTRODUCTION

## **A. PURPOSE**

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in St. Mary's, Georgia by Southport Financial Services, Inc. This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA).

## **B. METHODOLOGIES**

Methodologies used by VWB Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. PMAs are not defined by a radius. The use of a radius is an ineffective approach, because it does not consider mobility patterns, changes in socioeconomic or demographic character of neighborhoods, or physical landmarks that might impede development.

PMAs are established using a variety of factors including, but not limited to:

- A detailed demographic and socioeconomic evaluation.
  - Interviews with area planners, realtors, and other individuals who are familiar with area growth patterns.
  - A drive-time analysis to the site.
  - Personal observations by the field analyst.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of unit mix, vacancies, rent levels, and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property.
- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of those two property types provides an indication of the potential of the proposed development.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics, and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, timing of the project, and its impact on the market and the proposed development.
- We conduct an analysis of the proposed project's required capture of the number of income-appropriate households within the PMA based on GDCA's demand estimate guidelines. This capture rate analysis considers all income-qualified renter households. For senior projects, the market analyst is permitted to use conversion of homeowners to renters as an additional support component. Demand is conducted by bedroom type and targeted AMHI for the subject project. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- A determination of achievable market rent for the proposed subject development is conducted. Using a Rent Comparability Grid, the features of the proposed development are compared item by item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

## **C. REPORT LIMITATIONS**

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. VWB Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, VWB Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. VWB Research is not responsible for errors or omissions in the data provided by other sources.

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#### **D. SOURCES**

VWB Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 1990 and 2000 Census on Housing
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local Housing Authority representatives
- Real Estate Center at Texas A&M University
- HISTA Data (household income by household size, tenure, and age of head of household) by Ribbon Demographics

## SECTION A. EXECUTIVE SUMMARY

Based on the findings reported in our market study, it is our opinion that a market does not exist for the 75 units proposed at the subject site, assuming it is developed as detailed in this report. As currently configured the proposed project has capture rates that are not considered achievable, largely as a result of the supply of existing family Tax Credit units. Changes in the project's site, rent, amenities, or opening date may alter these findings. Following is a summary of our findings:

- The proposed project involves the new construction of the 75-unit Cumberland Cove apartment property in St. Mary's, Georgia. The proposed project will be developed using Low-Income Housing Tax Credits and target households with incomes of up to 50% and 60% of Area Median Household Income (AMHI) as well as market-rate renters with no maximum income limitation. The proposed Tax Credit collected rents range from \$481 to \$743, and the proposed market-rate two-bedroom rent is \$675.
- Lease-up history for this market was not available, as there have been no new LIHTC units completed since 2000. Based on our analysis contained in this report, it is our opinion that the proposed project is not supportable as currently proposed given the very high capture rates for the proposed project. If the proposed property were to be developed, it would likely experience a very slow lease-up period of no more than four to five units per month, with an absorption period of 13 to 17 months. The market-rate units proposed could be absorbed within one to two months. Absorption rates by bedroom type are two to three units per month for two-bedroom units and approximately one unit per month for both the three- and four-bedroom units.
- The proposed subject project will include 71 Low-Income Housing Tax Credit (LIHTC) units, none of which will also operate with Rental Assistance. We identified four existing and one under construction Low-Income Housing Tax Credit projects within the St. Mary's Site PMA. These existing LIHTC projects are considered comparable with the proposed subject development in that they target households with incomes similar to those that will be targeted at the subject site. These competitive properties and the proposed subject development are summarized as follows. (Note: information regarding property address and phone number, contact name, date of contact, and utility responsibility is included in Addendum A-Field Survey of Conventional Rentals of this report):

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	PHYSICAL CONDITION	TARGET MARKET
SITE	CUMBERLAND COVE	2010	71*	-	A	FAMILIES; 50% & 60% AMHI
1	ASHTON COVE APTS.	2000	72	100.0%	B+	FAMILIES; 45% & 60% AMHI
2	ASHTON PINES AT SUGAR MILL	1998	70	100.0%	B+	FAMILIES; 50% & 60% AMHI
4	KINGSLAND PHASE II-FAMILY	2008	60	U/C	A-	FAMILIES; 50% & 60% AMHI
16	OLD JEFFERSON ESTATES	1995	62	100.0%	B+	FAMILIES; 50% AMHI
19	ROYAL POINT APTS.	2000	144	91.0%	A-	FAMILIES; 50% & 60% AMHI

U/C - Under construction

\*Does not include market-rate units

- The comparable properties have a combined occupancy rate of 96.3%, with three of the four existing properties fully occupied. Management attributed the vacancies at Royal Point Apartments to decreased ease of accessibility for potential renter traffic as a result of road construction occurring around the site. The manager also noted the property typically has a higher occupancy rate of nearly 100.0%. Two of the five comparable properties maintain waiting lists ranging from 44 households and six to eight months, further indicating the strong demand for affordable rental housing in the market.
- The proposed subject gross LIHTC rents, \$589 to \$718 for a two-bedroom unit, \$691 to \$830 for a three-bedroom unit, and \$771 to \$925 for a four-bedroom unit will be priced slightly higher than the 50% and 60% rents at the other properties, except Kingsland Phase II-Family, which is under construction. The proposed rents are considered achievable and supportable, so long as demand for the other LIHTC units in the market remains relatively high, particularly given the inferior quality and features of these competing projects.
- The proposed development will offer the largest two-bedroom and four-bedroom units and some of the largest three-bedroom unit sizes when compared with the competitive LIHTC projects in the market. The number of baths offered at the subject site is equal to most of the LIHTC units in the market. As such, the unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing low-income units in the market.
- The amenity packages included at the proposed subject development will be very competitive with the competing low-income projects. The appliances offered at the package will compete favorably, as the site will offer all modern kitchen appliances, as well as features like washer/dryer hookups and walk-in closets. The subject development does not appear to be lacking any amenities that would hinder its marketability to operate as a Low-Income Housing Tax Credit project.

- The proposed project will also include four market-rate units among its 75 total units. The proposed project will be of the highest quality and will offer the most comprehensive amenity package in the market. We identified six properties within the St. Mary's Site PMA that offered quality, rents, and features comparable to the subject project. Note that two of these properties are four-bedroom single-family rental homes, as four-bedroom market-rate apartments are not a readily available housing alternative in this market. These competitive properties and the proposed subject development are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	CONCESSIONS	DISTANCE TO SITE
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>2010</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>
3	CAMDEN WAY	1987	118	98.3%	NONE	5.7 MILES
6	311 SUNNYSIDE DR.	1978	1	100.0%	NONE	5.0 MILES
7	COLERAIN OAKS RENTAL HOMES	1991	212	94.8%	NONE	4.2 MILES
11	HARBOR PINE APTS.	1989	200	88.5%	NONE	1.5 MILES
17	PARK PLACE APTS.	1989	200	95.5%	NONE	1.7 MILES
23	518 MOECKEL LN.	1974	1	100.0%	NONE	2.0 MILES

- The comparable properties have a combined occupancy rate of 93.9%. One property, Harbor Pine Apartments, is just 88.5% occupied. Management could not provide a definitive answer why the occupancy rate is low at this project, but it is of note that this is a former Tax Credit property. None of the selected market-rate comparables is offering rent concessions.
- The proposed subject collected rent, \$675 for a two-bedroom unit, will be within the range of other two-bedroom units in the market. This will enable the proposed market-rate units to be competitive in the market, particularly given the amenities and quality of the proposed project.
- The proposed development will offer the largest two- and three-bedroom and competitively sized four-bedroom units when compared with the most competitive market-rate projects in the market. The number of baths offered at the subject site is equal to most market-rate units in the market. As such, the unit sizes and number of baths will enable the proposed units at the site to compete well with the comparable market-rate units in the market.
- The subject site is a vacant, wooded parcel located at the southern corner of Martha Drive and Myrtle Street in the central portion of St. Mary's, Camden County, Georgia. The site is in a developed area of St. Mary's. Surrounding land uses include single-family homes, multifamily apartments, wooded land, a middle school, and retail and commercial opportunities. The surrounding land uses will have a positive impact on the marketability of the site. Visibility and access are considered excellent, as the site will be visible from both bordering streets and access will be convenient for motorist traveling in either direction along Martha Drive and Myrtle Street.

- The site is within close proximity to shopping, employment, recreation, entertainment, and education opportunities. Social services and public safety services are all within 5.0 miles of the site, with the exception of the senior center in Woodbine. The site has convenient access to major roadways, including State Route 40, Interstate 95, and U.S. Highway 17. Overall, we consider the site's location and proximity to community services to have a positive impact on the marketability of the site.
- The St. Mary's Site PMA includes the cities of St. Mary's and Kingsland, and outlying unincorporated areas. The boundaries of the Site PMA include Colerain Road, Laurel Island Parkway, Winding Road, the boundary of the Kings Bay Naval Base, and North River Causeway to the north; State Route 40 Spur and St. Mary's River to the east; St. Mary's River to the south; and U.S. Highway 17/State Route 25 and the Kingsland city boundary to the west. The Site PMA includes the following Census Tracts: 103.01, 104, and 106.
- The St. Mary's Site PMA population base increase by 9,263 between 1990 and 2000. This represents a 57.6% increase over the 1990 total population, or an annual rate of almost 5.8%. Between 2000 and 2008, the Site PMA population increased by 5,301 or 20.9%. It is projected that the total population will increase by 1,400 people, or 4.6%, between 2008 and 2010. This represents continuing stable population growth in the market.
- Within the St. Mary's Site PMA, households increased by 3,316 (59.0%) between 1990 and 2000. Total household growth continued, albeit at a slower 21.7% rate, between 2000 and 2008, and is projected to continue to increase until in 2010 there will be a total of 11,378 households. This is an increase of 244 households annually between 2000 and 2010.
- With an economy based primarily in government, retail trade, and services, the Camden County economy has historically performed well. The presence of the Kings Bay Naval Submarine Base provides the area with a significant military employment presence, and the base is not planned for any closings or realignment, and as such should continue to be a very stable part of the economy over the foreseeable future. When also considering the presence of health care, government, and education employment in the area, and the resistance these types of employment typically have to economic slowdowns or downturns, we anticipate Camden County will continue to have a stable and growing economy for at least the next few years. As a result of the growing number of households in the Site PMA, the demand for all housing should continue to grow moderately.

- We conducted an on-site survey of 24 conventional properties totaling 1,900 units. Of these properties, 18 are non-subsidized (market-rate or Tax Credit) with 1,502 units. Among these non-subsidized units, 94.5% are occupied. We consider this a good occupancy rate indicative of a stable rental housing market. More specifically, the market-rate units were 94.0% occupied and the Tax Credit units are 96.3% occupied. All of the Tax Credit vacancies are at Royal Point Apartments, a LIHTC property built in 2000 with 13 vacancies in 144 units, located in Kingsland. The manager of the property noted it is usually at or near full occupancy, and said that road construction outside the apartments has resulted in decreased accessibility and decreased foot traffic. The four other Tax Credit properties surveyed in the Site PMA are all fully occupied. This indicates that demand is high. Waiting lists range from 44 households to six to eight months.
- There are also six government-subsidized projects in the market with a total of 398 units. These units have an overall occupancy rate of 100.0%, with most of these properties maintaining lengthy waiting lists. These projects operate under various programs including HUD Section 8 and Public Housing.
- The share of one-bedroom apartments surveyed is somewhat low compared to most conventional rental markets, while the Site PMA has an abnormally high number of three- and four-bedroom apartments. The site will have shares of units that reflect the current market trends.
- Based on our market-driven rent analysis found in Section G of this report, it was determined that the market-driven rent for units similar to the proposed subject development are \$740 for a two-bedroom unit, \$840 for a three-bedroom unit, and \$900 for a four-bedroom unit.

BEDROOM TYPE	COLLECTED RENT		
	PROPOSED SUBJECT	MARKET-DRIVEN	PROPOSED RENT AS SHARE OF MARKET
TWO-BEDROOM	\$481 (50%)	\$740	65.0%
	\$601 (60%)		81.2%
	\$675 (MR)		91.2%
THREE-BEDROOM	\$548 (50%)	\$840	65.2%
	\$687 (60%)		81.8%
FOUR-BEDROOM	\$589 (50%)	\$900	65.4%
	\$743 (60%)		82.6%

- The proposed collected Tax Credit rents are 65.0% to 82.6% of market-driven rents and appear to be excellent values for the subject market. The proposed market-rate rent of \$675 for a two-bedroom will also appear as a good value for the area. The proposed LIHTC rents represent a 17.4% to 35.0% market-rent advantage. This excellent market-rent advantage is considered in our absorption estimates and conclusions.

- Based on the demand calculations found on page F-5 of this analysis, the overall Tax Credit capture rate is more than 65.0%, and is an indication that this market may be nearing saturation in terms of LIHTC units. Note that the somewhat high capture rates of 40.0% at 50% of AMHI and 46.5% at 60% of AMHI illustrate lack of sufficient demand, especially when units added to the market since the 2000 Census are not included in the supply.

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	AVERAGE MARKET RENT	SUBJECT RENTS
ONE-BEDROOM (22.0%)	50%	-	18	-	18	-	-	\$644	-
	60%	-	30	-	30	-	-	\$644	-
	MR	-	253	-	253	-	-	\$644	-
<b>ONE-BEDROOM</b>	<b>TOTAL TC</b>	-	<b>37</b>	-	<b>37</b>	-	-	\$644	-
TWO-BEDROOM (51.0%)	50%	11	43	9	34	32.4%	2 MO	\$779	\$598
	60%	25	70	18	52	48.1%	1.5 MO	\$779	\$718
	MR	4	587	-	587	0.7%	-	\$779	\$792
<b>TWO-BEDROOM</b>	<b>TOTAL TC</b>	<b>40</b>	<b>86</b>	<b>27</b>	<b>59</b>	<b>67.8%</b>	<b>3 MO</b>	\$779	-
THREE-BEDROOM (23.0%)	50%	9	19	15	4	100.0%+	.5 MO	\$813	\$691
	60%	16	32	18	14	100.0%+	1 MO	\$813	\$830
	MR	-	264	-	264	-	-	\$813	-
<b>THREE-BEDROOM</b>	<b>TOTAL TC</b>	<b>25</b>	<b>39</b>	<b>33</b>	<b>6</b>	<b>100.0%</b>	<b>1 MO</b>	\$813	-
FOUR-BEDROOM (4.0%)	50%	4	3	-	3	100.0%+	.5 MO	\$783	\$771
	60%	6	5	-	5	100.0%+	.5 MO	\$783	\$925
	MR	-	46	-	46	-	-	\$783	-
<b>FOUR-BEDROOM</b>	<b>TOTAL TC</b>	<b>10</b>	<b>7</b>	-	<b>7</b>	<b>100.0%+</b>	<b>1 MO</b>	\$783	-

\*Includes overlap between the targeted income levels at the subject site.

\*\*Directly comparable units built and/or funded in the project market over the projection period.

- The capture rates by bedroom type are high, except for the four two-bedroom market-rate units with a 0.7% capture rate by bedroom type. The capture rates for the two-bedroom units are moderate to high at 32.4% to 48.1%, with a Tax Credit overall capture rate of 67.8% for two-bedroom units. All of the proposed three- and four-bedroom units have capture rates of more than 100.0%, indicating these unit types are not considered feasible. Given the proposed project's very high capture rates, we do not consider the proposed project supportable under this methodology, despite the ongoing population and household growth.
- In our opinion the proposed project could be made more supportable by reducing the proposed rents by 5.0% or more, so as to allow for a greater band of affordability, as well as decreasing the number of three and four bedroom units, while adding several one-bedroom units to the proposed project. Even with these changes, the proposed project could still have some very high capture rates in some bedroom types.
- In general, with the amount of modern Tax Credit supply in the market, and the more than 500 market-rate units planned for the area, as well as new LIHTC units under construction, the rental market may be nearing saturation and an expected decrease in occupancy rates over the next few years before it is able to regain balance.

## **COMPARABLE PROPERTY MATRIX**

We have provided a Comparable Property Matrix on the following page that summarizes key occupancy, property age, quality (both site and neighborhood), rents, square footages, and number of baths for each of the selected comparable properties used in our analysis.

### Comparable Property Analysis

Apartment Complex	# Units	Occ Rate	Year Built	QR	NR	Unit Type	TWO BEDROOM					THREE BEDROOM					FOUR BEDROOM					
							Units	Size	Rent	Adj. \$	P.S.F.	Units	Size	Rent	Adj. \$	P.S.F.	Units	Size	Rent	Adj. \$	P.S.F.	
<b>MARKET-RATE APARTMENTS</b>																						
SITE	Cumberland Cove	4	-	2010	A	B	2 BA	4	1,040	\$675	\$816	\$0.78										
3	Camden Way	118	98.3%	1987	B-	B	1 BA	10	865	\$595	\$736	\$0.85										
							2 BA	11	865	\$620	\$761	\$0.88	5	1,152	\$695	\$868	\$0.75					
6	311 Sunnyside Dr.	1	100.0%	1978	B+	B	2 BA											1	1,500	\$1,000	\$1,293	\$0.86
7	Colerain Oaks Rental Homes	212	94.8%	1991	C-	C	2 BA	76	935	\$525	\$724	\$0.77	117	1,125	\$575	\$813	\$0.72	19	1,400	\$675	\$968	\$0.69
11	Harbor Pine Apts.	200	88.5%	1989	B	B	1 BA															
							2 BA	100	950	\$675	\$859	\$0.90	30	1,150	\$775	\$998	\$0.87					
17	Park Place Apts.	200	95.5%	1989	A-	B	1 BA	72	950	\$720	\$904	\$0.95										
							2 BA	72	950	\$740	\$924	\$0.97	24	1,100	\$840	\$1,063	\$0.97					
23	518 Moeckel Ln.	1	100.0%	1974	B-	B	2 BA											1	1,500	\$875	\$1,168	\$0.78
<b>TAX CREDIT @ 60%</b>																						
SITE	Cumberland Cove	47	-	2010	A	B	2 BA-@60%	25	1,040	\$601	\$742	\$0.71	16	1,278	\$687	\$860	\$0.67	6	1,466	\$743	\$963	\$0.66
2	Ashton Pines at Sugar Mill	34	100.0%	1998	B+	B	2 BA-@60%	17	984	\$517	\$701	\$0.71	17	1,164	\$587	\$810	\$0.70					
4	Kingsland Phase II-Family	0	0.0%	2008	A-	B	2 BA-@60%	0	900	\$589	\$730	\$0.81	0	1,100	\$667	\$840	\$0.76					
19	Royal Point Apts.	84	89.3%	2000	A-	B	2 BA-@60%	42	990	\$558	\$699	\$0.71	42	1,189	\$636	\$809	\$0.68					
<b>TAX CREDIT @ 50%</b>																						
SITE	Cumberland Cove	24	-	2010	A	B	2 BA-@50%	11	1,040	\$481	\$622	\$0.60	9	1,278	\$548	\$721	\$0.56	4	1,466	\$589	\$809	\$0.55
1	Ashton Cove Apts.	18	100.0%	2000	B+	B	1 BA-@50%	4	914	\$427	\$611	\$0.67										
							2 BA-@50%	4	946	\$427	\$611	\$0.65	5	1,167	\$490	\$713	\$0.61					
2	Ashton Pines at Sugar Mill	36	100.0%	1998	B+	B	2 BA-@50%	18	984	\$426	\$610	\$0.62	18	1,164	\$480	\$703	\$0.60					
4	Kingsland Phase II-Family	0	0.0%	2008	A-	B	2 BA-@50%	0	900	\$464	\$605	\$0.67	0	1,100	\$534	\$707	\$0.64					
16	Old Jefferson Estates	62	100.0%	1995	B+	B	2 BA-@50%						24	1,297	\$443	\$705	\$0.54	38	1,329	\$463	\$783	\$0.59
19	Royal Point Apts.	60	93.3%	2000	A-	B	2 BA-@50%	30	990	\$438	\$579	\$0.58	30	1,189	\$497	\$670	\$0.56					
<b>TAX CREDIT @ 45%</b>																						
1	Ashton Cove Apts.	54	100.0%	2000	B+	B	1 BA-@45%	15	914	\$373	\$557	\$0.61										
							2 BA-@45%	15	946	\$373	\$557	\$0.59	11	1,167	\$421	\$644	\$0.55					
<b>ACHIEVABLE MARKET RENTS</b>																						
	Subject Estimate	24	-	2010	A	B	2 BA	40	1,040	\$740	\$740	\$0.71	25	1,278	\$840	\$840	\$0.66	10	1,466	\$900	\$900	\$0.61
<b>TOTALS/AVERAGES</b>																						
	MARKET-RATE APARTMENTS	732	93.9%	1985				341	941	\$661	\$845	\$0.90	176	1,127	\$649	\$880	\$0.78	21	1,410	\$700	\$993	\$0.70
	TAX CREDIT @ 60%	118	92.4%	2002				59	988	\$546	\$700	\$0.71	59	1,182	\$622	\$809	\$0.68	0				
	TAX CREDIT @ 50%	176	97.7%	2000				56	980	\$433	\$594	\$0.61	77	1,215	\$476	\$691	\$0.57	38	1,329	\$463	\$783	\$0.59
	TAX CREDIT @ 45%	54	100.0%	2000				30	930	\$373	\$557	\$0.60	11	1,167	\$421	\$644	\$0.55	0				

\* - QR = Quality Rating, NR = Neighborhood Rating  
 \*\* - Some unit types not shown

## SECTION B - PROJECT DESCRIPTION

The proposed project involves the new construction of the 75-unit Cumberland Cove apartment property in St. Mary’s, Georgia. The proposed project will be developed using Low-Income Housing Tax Credits and target households with incomes of up to 50% and 60% of Area Median Household Income (AMHI) as well as market-rate renters with no maximum income limitation. The proposed Tax Credit collected rents range from \$481 to \$743, and the proposed market-rate two-bedroom rent is \$675. Additional details of the subject project are as follows:

### A. PROJECT DESCRIPTION

- 1. PROJECT NAME:** Cumberland Cove
  
- 2. PROPERTY LOCATION:** Southern corner of Martha Drive and Myrtle Street  
St. Mary’s, Georgia 31558
  
- 3. PROJECT TYPE:** Low-Income Housing Tax Credit and market-rate

### 4. UNIT CONFIGURATION AND RENTS:

TOTAL UNITS	BEDROOM TYPE	BATHS	STYLE	SQUARE FEET	PERCENT OF AMHI	PROPOSED RENTS		
						COLLECTED	UTILITY ALLOWANCE	GROSS
11	TWO-BR.	2.0	GARDEN	1,040	50%	\$481	\$117	\$598
25	TWO-BR.	2.0	GARDEN	1,040	60%	\$601	\$117	\$718
4	TWO-BR.	2.0	GARDEN	1,040	MR	\$675	\$117	\$792
9	THREE-BR.	2.0	GARDEN	1,278	50%	\$548	\$143	\$691
16	THREE-BR.	2.0	GARDEN	1,278	60%	\$687	\$143	\$830
4	FOUR-BR.	2.0	GARDEN	1,466	50%	\$589	\$182	\$771
6	FOUR-BR.	2.0	GARDEN	1,466	60%	\$743	\$182	\$925
75								

\*Source: Southport Financial Services, Inc; Georgia Dept. of Community Affairs  
 AMHI – Area Median Household Income (Camden County, GA)  
 BR. – Bedroom  
 MR – Market-rate

- 5. TARGET MARKET:** Family
  
- 6. PROJECT DESIGN:** Seven two- and three-story walk-up buildings with wood and brick exteriors.
  
- 7. ORIGINAL YEAR BUILT:** Not applicable/new construction



**8. PROJECTED OPENING**

**DATE:**

June 2010

**9. UNIT AMENITIES:**

- RANGE
- REFRIGERATOR
- MICROWAVE OVEN
- DISHWASHER
- GARBAGE DISPOSAL
- STORAGE
- CENTRAL AIR CONDITIONING
- CARPET
- WINDOW BLINDS
- WASHER/DRYER HOOKUPS
- WALK-IN CLOSETS
- BALCONY/PATIO

**10. COMMUNITY AMENITIES:**

- ON-SITE MANAGEMENT
- SWIMMING POOL
- WALKING PATH
- LIBRARY
- COVERED PAVILION
- PLAYGROUND
- COMMUNITY BUILDING
- EXERCISE ROOM
- BUSINESS CENTER
- PICNIC AREA
- LAUNDRY FACILITY

**11. RESIDENT SERVICES:** None

**12. TENANT UTILITY RESPONSIBILITY:**

Water, sewer and trash removal will be included. Tenants will pay for the following:

- ELECTRICITY
- ELECTRIC COOKING
- ELECTRIC HEATING & COOLING
- ELECTRIC HOT WATER HEAT

**13. RENTAL ASSISTANCE:** None

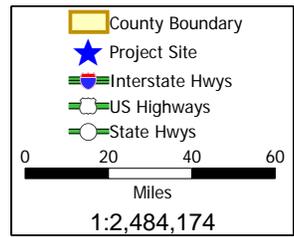
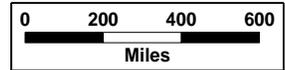
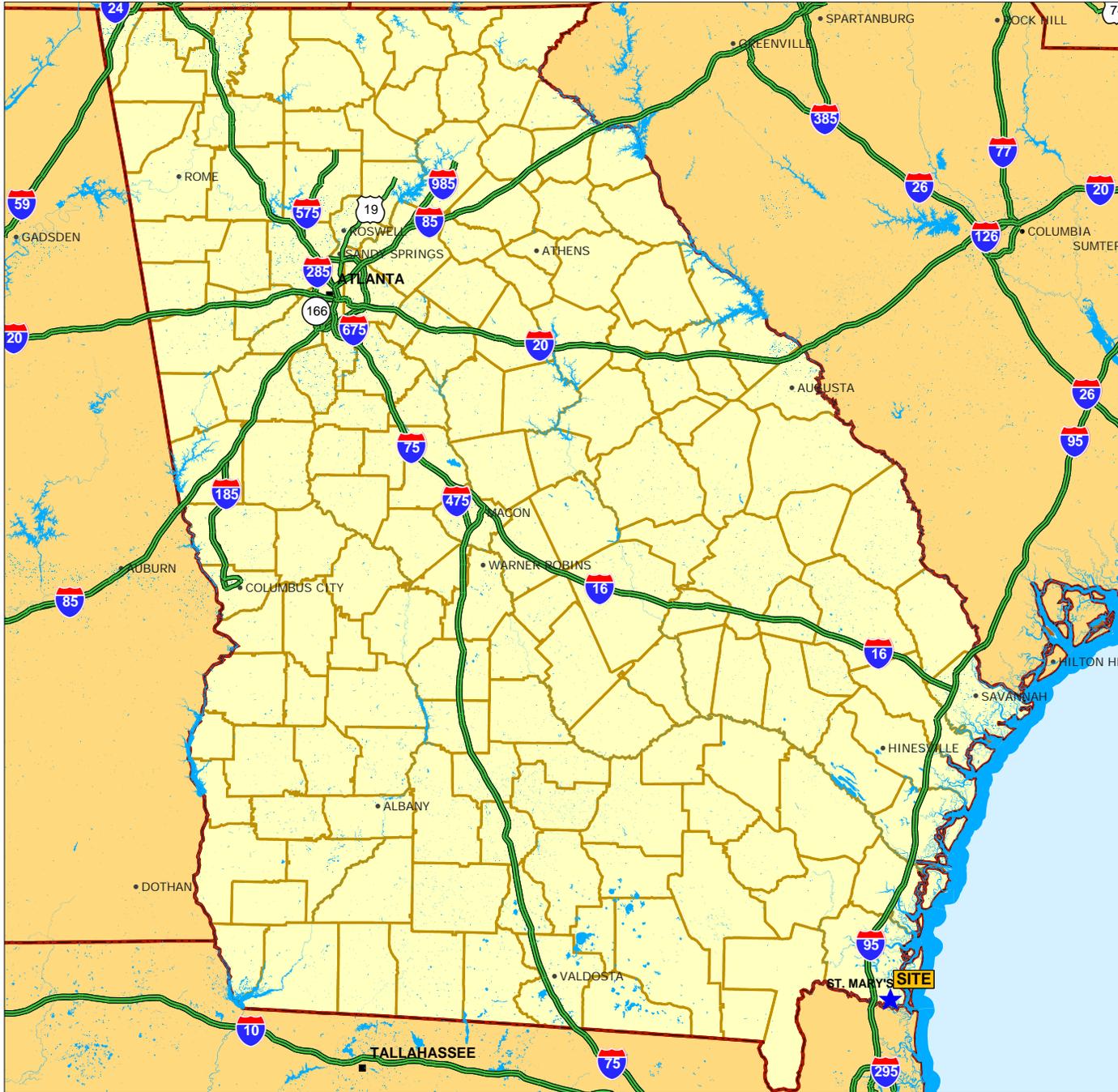
**14. PARKING:** The subject site will offer 152 open lot parking spaces.

**15. CURRENT PROJECT STATUS:** Proposed

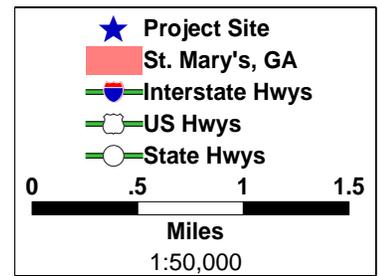
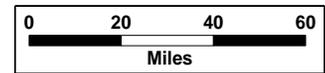
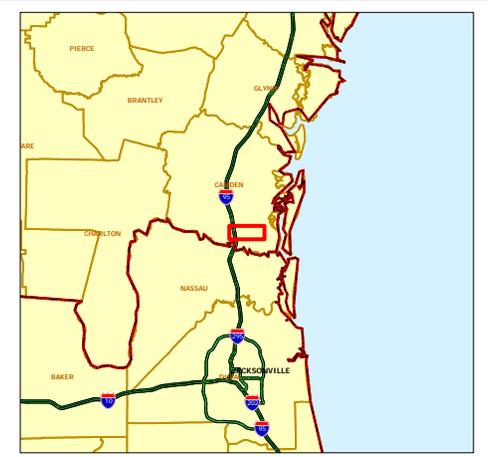
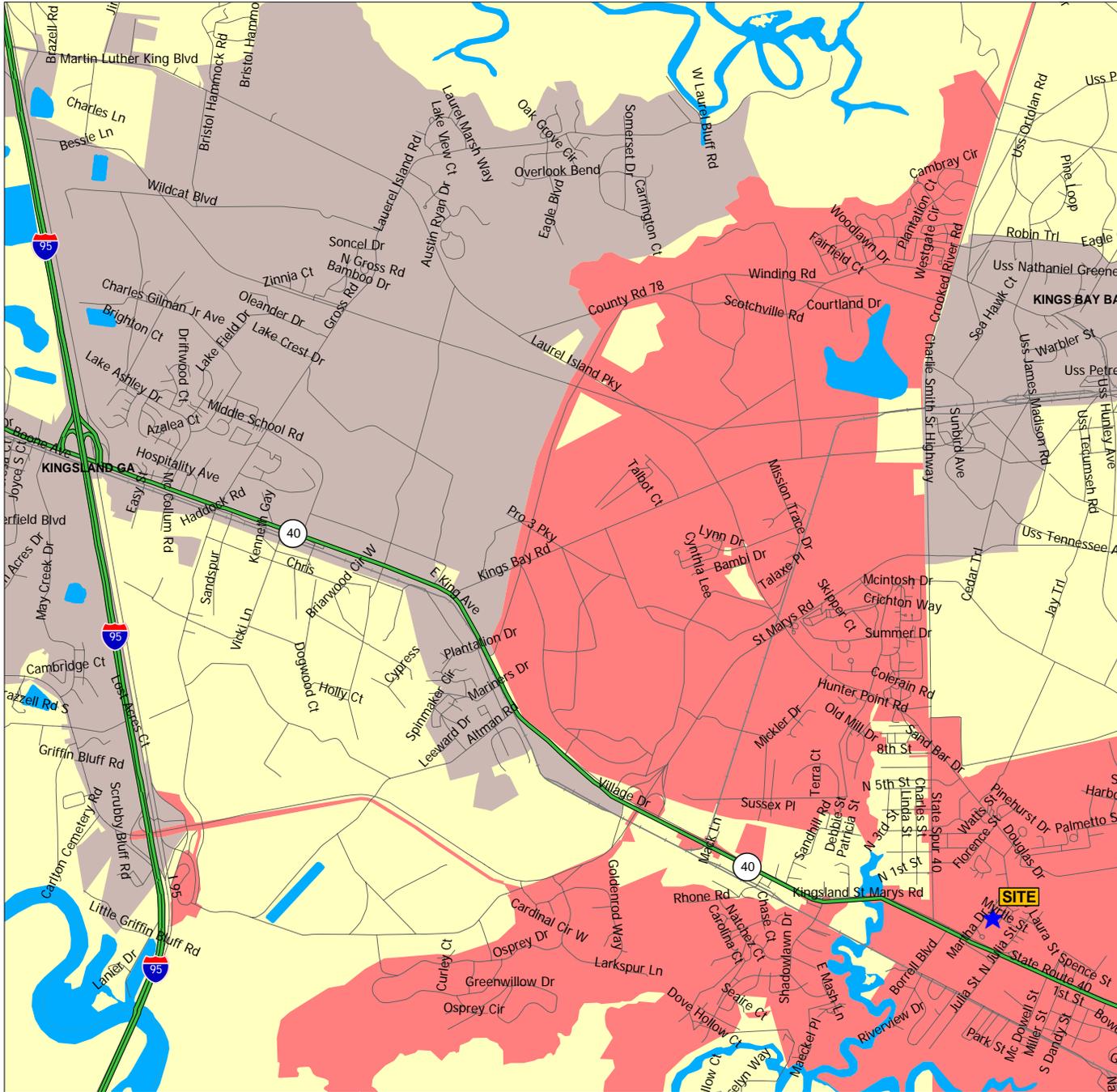
**16. STATISTICAL AREA:** Camden County, GA (2008)

A state map, regional map, and map illustrating the site neighborhood are on the following pages.

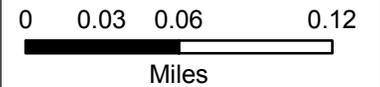
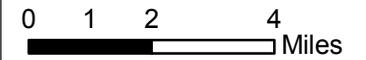
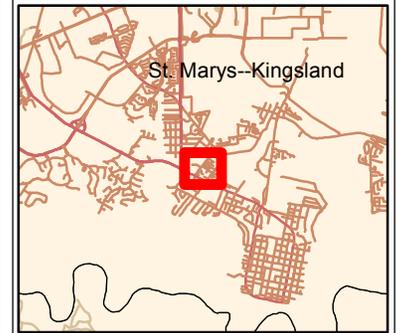
# State of Georgia



# St. Mary's, GA: Surrounding Area



# St. Mary's, GA: Site Neighborhood



**VWB**  
v o g t williams bowen  
RESEARCH

## **SECTION C – SITE DESCRIPTION AND EVALUATION**

### **1. SITE INSPECTION DATE**

Ted Uritus, an employee of VWB Research, inspected the site and area apartments during the week of July 14, 2008. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

### **2. SITE DESCRIPTION AND SURROUNDING LAND USES**

The subject site is a vacant, wooded parcel located at the southern corner of Martha Drive and Myrtle Street in the central portion of St. Mary's, Camden County, Georgia. The site is in a developed area of St. Mary's. St. Mary's is 30.0 miles north of Jacksonville, Florida and 96.0 miles south of Savannah, Georgia.

The subject site is within an established area of St. Mary's, Georgia. Surrounding land uses include single-family homes, multifamily apartments, wooded land, a middle school, and retail and commercial opportunities. Adjacent land uses are detailed as follows:

North -	The intersection of Martha Drive and Myrtle Street, both moderately traveled arterials, borders the site to the north. Farther north is the newly constructed St. Mary's Middle School. Continuing north are moderately sized single-family homes and multifamily apartments, all of which are satisfactory condition.
East -	Myrtle Street and a small collection of owner occupied townhomes in satisfactory condition border the site to the east. Farther east are moderately sized single-family homes in satisfactory condition. Continuing east is the St. Mary's Airport. The airport is approximately 0.5 miles from the site, but is not perceived as a nuisance, as the amount of air traffic is minimal.
South -	Pelican Point Apartments, a conventional apartment complex in satisfactory condition along Osborne Road borders the site to the south. Farther south are various fast food restaurants, including Wendy's and Kentucky Fried Chicken. Continuing south are the offices of Express Scripts, a major employer in the area.
West -	Pelican Point Apartments and Martha Drive border the site to the west. Farther west are various retail and commercial establishments, including TDS Telecom, a gas station/convenience store, and restaurants. Continuing west are additional retail opportunities, including Wal-Mart Supercenter, Bank of America, and a movie theater.

Overall, the subject property fits well with the surrounding land uses and should contribute to the marketability of the site.

### 3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by most community services as detailed in the following table:

COMMUNITY SERVICES	NAME	TRAVEL DISTANCE FROM SITE (IN MILES)
MAJOR HIGHWAY(S)	INTERSTATE 95	6.2 WEST
PUBLIC BUS STOP	NO PUBLIC TRANSPORTATION	-
MAJOR EMPLOYERS/ EMPLOYMENT CENTERS	KINGS BAY NAVAL SUBMARINE BASE EXPRESS SCRIPTS WAL-MART SUPERCENTER SOUTHEAST GEORGIA HEALTH SYSTEM	3.7 NORTH 0.4 SOUTH 0.5 WEST 4.6 NORTHWEST
CONVENIENCE STORE	FLASH FOODS	0.2 SOUTHWEST
GROCERY	WAL-MART SUPERCENTER	0.5 WEST
DISCOUNT DEPARTMENT STORE	WAL-MART SUPERCENTER	0.5 WEST
SHOPPING CENTER/MALL	KINGS BAY	0.5 WEST
SCHOOLS: ELEMENTARY MIDDLE/JUNIOR HIGH HIGH	CROOKED RIVER ST. MARY'S CAMDEN	6.8 NORTH 0.1 WEST 14.5 NORTHWEST
HOSPITAL	SOUTHEAST GEORGIA HEALTH SYSTEM	4.6 NORTHWEST
POLICE	ST. MARY'S POLICE DEPARTMENT	2.3 EAST
FIRE	ST. MARY'S FIRE DEPARTMENT	1.0 SOUTHEAST
POST OFFICE	U.S. POST OFFICE	3.2 SOUTHEAST
BANK	BANK OF AMERICA	0.3 SOUTH
SENIOR CENTER	CAMDEN SENIOR CENTER	21.9 NORTH
RECREATIONAL FACILITIES	CROOKED RIVER STATE PARK ST. MARY'S SUBMARINE MUSEUM ST. MARY'S AQUATIC CENTER	7.2 NORTH 3.3 SOUTHEAST 1.6 SOUTHEAST
GAS STATION	FLASH FOODS	0.2 SOUTHWEST
PHARMACY	WAL-MART SUPERCENTER	0.5 WEST
RESTAURANT	WENDY'S	0.2 SOUTHWEST
DAY CARE	CHILDTIME LEARNING CENTER	0.4 SOUTH
COMMUNITY CENTER	ST. MARY'S AQUATIC CENTER	1.6 SOUTHEAST

The site is located in an area where the primary land uses are residential and commercial. The residents view the schools that serve the subject site in a positive light and the new St. Mary's Middle School is located across the street from the site. There is no public transit system in St. Mary's, but State Route 40 is located just south of site with convenient access to U.S. Interstate 95, 6.2 miles to the west. The site has convenient access to most shopping needs, with Kings Bay Shopping Center located 0.5 miles west of the site. Within the shopping center is a Wal-Mart Supercenter, which also serves as the closest grocery and pharmacy. There are numerous recreational and entertainment

opportunities in the area due to the proximity to waterways. Crooked River State Park, 7.2 miles north of the site, has over 500 acres of land with cottages, camping areas, picnic shelters, a nature center, as well as a boat ramp and dock. In downtown St. Mary's, the St. Mary's Aquatic Center, 1.6 miles southeast of the site, is a major attraction to the area residents. The site is in a developed area of St. Mary's and most community services are already established. The St. Mary's Police Department and Fire Department both maintain offices within 2.3 miles of the site. The Southeast Georgia Health System maintains a hospital 4.6 miles northwest of the site. The large area employers, including Wal-Mart and Express Scripts, provide area residents with numerous employment opportunities, which would most likely be the jobs that qualify for affordable housing.

#### **4. VISIBILITY AND ACCESS**

The subject property is located at the corner of Martha Drive and Myrtle Street in the central portion of St. Mary's, Georgia. Traffic is moderate throughout the day with a slight increase along Martha Drive during business commuting hours. Access along both bordering streets is considered excellent when traveling in either direction. Visibility is considered excellent along both bordering streets, as the property will have frontage along both. Signage on both Martha Drive and Myrtle Street is recommended to increase visibility.

#### **5. CRIME ISSUES**

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indices are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indices for total crime, personal crime, and property crime are not weighted indices, in that a murder is weighted no more heavily than petty theft. Thus, caution should be used when using the aggregate indices.

Total crime risk (41) for the Site PMA is well below the national average with an overall personal crime index of 28 and property crime index of 49. Total crime risk for Camden County is also below the national average with indices for personal and property crime of 41 and 65, respectively. Given the area's somewhat rural environment and nearby military presence, the low area crime rate is not all that surprising.

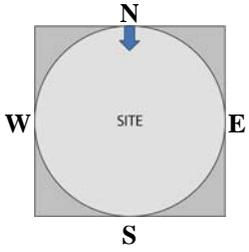
	<b>CRIME RISK INDEX</b>	
	<b>SITE PMA</b>	<b>CAMDEN COUNTY</b>
<b>TOTAL CRIME</b>	<b>41</b>	<b>57</b>
<b>PERSONAL CRIME</b>	<b>28</b>	<b>41</b>
MURDER	41	64
RAPE	28	48
ROBBERY	19	27
ASSAULT	31	42
<b>PROPERTY CRIME</b>	<b>49</b>	<b>65</b>
BURGLARY	51	73
LARCENY	77	99
MOTOR VEHICLE THEFT	17	23

Source: Applied Geographic Solutions

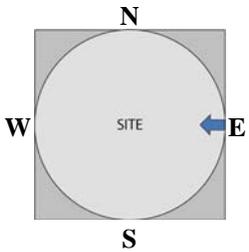
## **6. SITE PHOTOGRAPHS**

Photographs of the subject site are on located on the following pages.

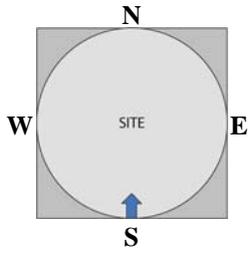
# SITE PHOTOGRAPHS



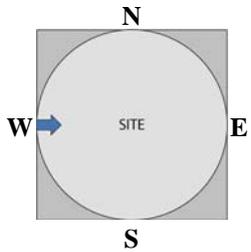
North view of site



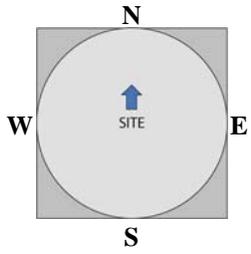
East view of site



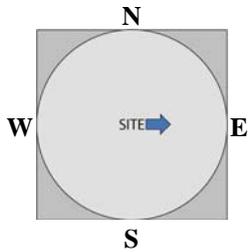
South view of site



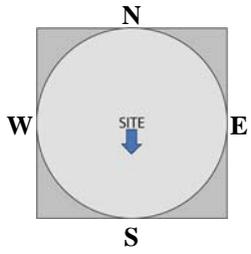
West view of site



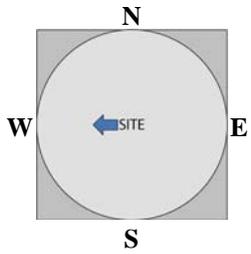
North view from site



East view from site



South view from site



West view from site



Northwest on Myrtle Street



Southeast on Myrtle Street



Northeast on Martha Drive



Southwest on Martha Drive

## **7. COMMUNITY SERVICES MAP**

A map illustrating the location of community services and the subject site is on the following page.

# St. Mary's, GA: Community Services



- Kings Bay Base
  - Project Site
  - Police
  - Fire Department
  - Hospital
  - Med Center
  - Shopping
  - Grocery
  - Post Office
  - Park/Recreation
  - Employment Center
  - Library
  - Middle School
  - University/College
  - Banks
  - Pharmacy
  - City Government
  - Community Center
  - Convenience Store
  - Day Care
  - Gas Station
  - Restaurant
  - High Traffic Corridor
  - Museum
  - Swimming Pool
  - Interstate Hwys
  - US Hwys
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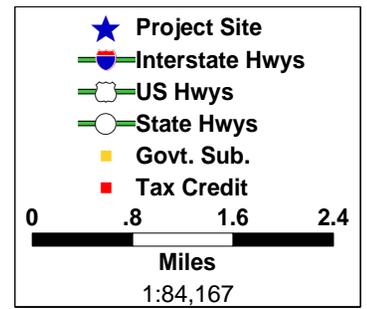
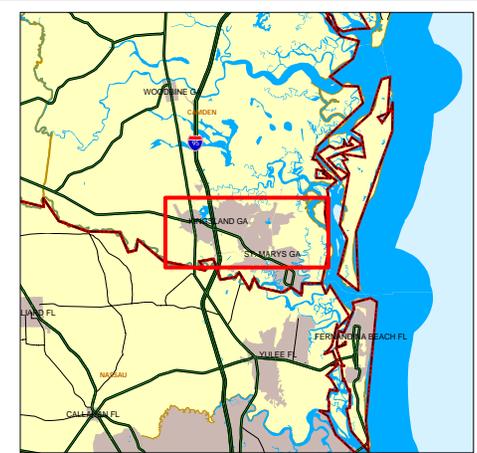
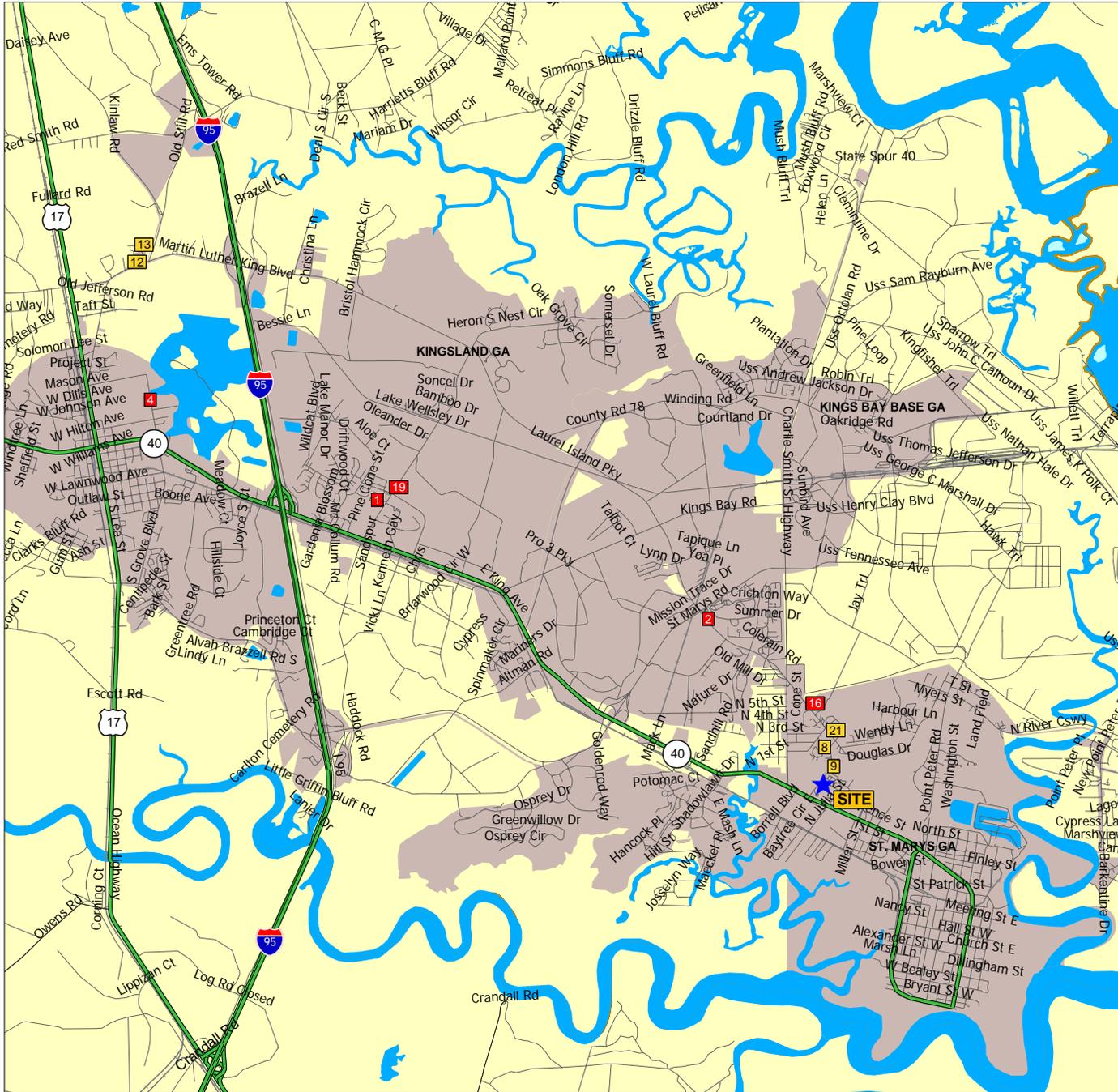
**8. NEIGHBORHOOD DEVELOPMENTS/ZONING**

The proposed project involves the new construction of 75 apartment units in an established area of St. Mary's. Nearby land uses include single-family homes, multifamily apartments, wooded land, a middle school, and retail and commercial spaces, which are considered to positively impact the subject site's marketability. The area is currently zoned R-3, which allows for medium to high-density residential development, and this use is not expected to change.

**9. MAP OF LOW-INCOME RENTAL HOUSING**

A map illustrating the location of low-income rental housing projects (Tax Credit, Rural Development 515, HUD Section 8, and Public Housing) identified in the Site PMA is included on the following page.

# St. Mary's, GA: Low-Income Property Locations



## **10. PLANNED ROAD OR INFRASTRUCTURE IMPROVEMENTS**

According to area planning and zoning officials, there are no notable roads or other infrastructure projects underway or planned for the immediate site area. The subject site has convenient access to State Route 40, Interstate 95, and U.S. Highway 17. The area is established and electric service is provided by Georgia Power and water and sewer service is provided by the city of St. Mary's.

## **11. VISIBLE ENVIRONMENTAL OR OTHER CONCERNS**

There were no visible environmental concerns regarding the site.

## **12. OVERALL SITE EVALUATION**

The surrounding land uses will have a positive impact on the marketability of the site. Visibility and access are considered excellent, as the site will be visible from both bordering streets and access will be convenient for motorist traveling in either direction along Martha Drive and Myrtle Street.

The site is within close proximity to shopping, employment, recreation, entertainment, and education opportunities. Social services and public safety services are all within 5.0 miles of the site, with the exception of the senior center in Woodbine. The site has convenient access to major roadways, including State Route 40, Interstate 95, and U.S. Highway 17. Overall, we consider the site's location and proximity to community services to have a positive impact on the marketability of the site.

## **SECTION D – PRIMARY MARKET AREA DELINEATION**

The Site Primary Market Area (PMA) is the geographical area from which 85% of the support for the proposed development is expected to originate. The St. Mary's Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives, and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The St. Mary's Site PMA includes the cities of St. Mary's and Kingsland, and outlying unincorporated areas. The boundaries of the Site PMA include Colerain Road, Laurel Island Parkway, Winding Road, the boundary of the Kings Bay Naval Base, and North River Causeway to the north; State Route 40 Spur and St. Mary's River to the east; St. Mary's River to the south; and U.S. Highway 17/State Route 25 and the Kingsland city boundary to the west. The Site PMA includes the following Census Tracts: 103.01, 104, and 106.

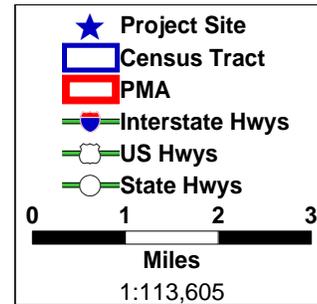
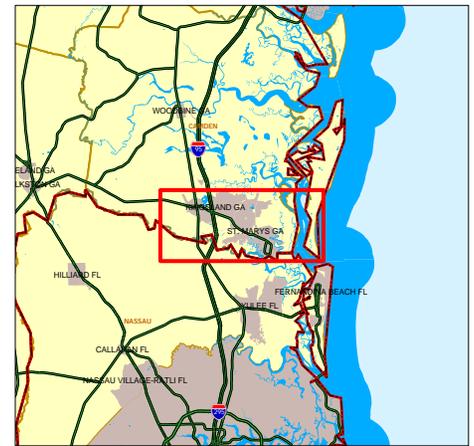
Several area apartment managers, including Ms. Laurice Lancaster of the Tax Credit project Ashton Pines at Sugar Mill and Ms. Shirley Valenteen of the LIHTC property Old Jefferson Estates confirmed the Site PMA stating that the almost all of their tenants come from St. Mary's and Kingsland.

Ms. Heather Hutching-Openlander, manager of the Pelican Point Apartments, a market-rate project that neighbors the site, stated that her tenants are primarily from St. Mary's and Kingsland. Ms. Linda Grooms, a property manager for a local RE/MAX office, stated that area residents will move freely between Kingsland and St. Mary's, depending on where they can get the most utility for their housing dollar.

A small portion of support may originate from some of the outlying areas; however, we have not considered any secondary market area in this report. The area to the northeast of the PMA is Kings Bay Naval Submarine Base, which has its own housing for personnel. The areas to the north and west of the PMA are primarily rural and will not provide significant support for the project. There may be some minor support from the area of north Florida near Jacksonville, but we believe this support will be minimal.

A map delineating the boundaries of the Site PMA is included on the following page.

# St. Mary's, GA: Primary Market Area



## SECTION E – COMMUNITY DEMOGRAPHIC DATA & ECONOMIC TRENDS

### 1. POPULATION TRENDS

The St. Mary’s Site PMA population base increase by 9,263 between 1990 and 2000. This represents a 57.6% increase over the 1990 total population, or an annual rate of almost 5.8%. The Site PMA population base for 1990, 2000, 2008 (estimated), and 2010 (projected) are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2008 (ESTIMATED)	2010 (PROJECTED)
POPULATION	16,070	25,333	30,634	32,035
POPULATION CHANGE	-	9,263	5,301	1,400
PERCENT CHANGE	-	57.6%	20.9%	4.6%

Source: Census; ESRI; VWB Research

Between 2000 and 2008, the Site PMA population increased by 5,301 or 20.9%. It is projected that the total population will increase by 1,400 people, or 4.6%, between 2008 and 2010. This represents continuing stable population growth in the market.

The Site PMA population bases by age are summarized as follows:

POPULATION BY AGE	2000 (CENSUS)		2008 (ESTIMATED)		2010 (PROJECTED)		CHANGE 2008-2010	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
19 & UNDER	9,043	35.7%	9,886	32.3%	10,101	31.5%	215	2.2%
20 TO 24	1,964	7.8%	2,136	7.0%	2,311	7.2%	175	8.2%
25 TO 34	4,503	17.8%	5,721	18.7%	5,964	18.6%	243	4.3%
35 TO 44	4,415	17.4%	5,057	16.5%	5,116	16.0%	58	1.2%
45 TO 54	2,727	10.8%	3,939	12.9%	4,290	13.4%	352	8.9%
55 TO 64	1,409	5.6%	2,279	7.4%	2,529	7.9%	250	11.0%
65 TO 74	797	3.1%	1,023	3.3%	1,087	3.4%	64	6.3%
75 & HIGHER	475	1.9%	594	1.9%	637	2.0%	43	7.3%
TOTAL	25,333	100.0%	30,634	100.0%	32,035	100.0%	1,400	4.6%

Source: 2000 Census; ESRI; VWB Research

As the preceding table illustrates, more than 48.0% of the population is expected between 25 and 54 years old in 2008. This age group is the primary group of potential renters for the subject site and this age group is expected to grow by 4.4% over the next two years.

## 2. HOUSEHOLD TRENDS

Within the St. Mary's Site PMA, households increased by 3,316 (59.0%) between 1990 and 2000. This equates to an annual average of almost 6.0%. This is tremendous household growth. Household trends within the St. Mary's Site PMA are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2008 (ESTIMATED)	2010 (PROJECTED)
HOUSEHOLDS	5,618	8,934	10,873	11,378
HOUSEHOLD CHANGE	-	3,316	1,939	505
PERCENT CHANGE	-	59.0%	21.7%	4.6%
AVERAGE HOUSEHOLD SIZE	2.85	2.83	2.81	2.81

Source: 2000 Census; ESRI; VWB Research

Total household growth continued, albeit at a slower 21.7% rate, between 2000 and 2008, and is projected to continue to increase until in 2010 there will be a total of 11,378 households. This is an increase of 244 households annually between 2000 and 2010.

The Site PMA household bases by age are summarized as follows:

HOUSEHOLDS BY AGE	2008 (ESTIMATED)		2010 (PROJECTED)		CHANGE 2008-2010	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
UNDER 25	903	8.3%	906	8.0%	3	0.3%
25 - 34	2,918	26.8%	3,065	26.9%	148	5.1%
35 - 44	2,703	24.9%	2,704	23.8%	1	0.0%
45 - 54	2,139	19.7%	2,299	20.2%	161	7.5%
55 - 64	1,273	11.7%	1,406	12.4%	134	10.5%
65 - 74	608	5.6%	643	5.6%	34	5.7%
75 - 84	243	2.2%	264	2.3%	21	8.7%
85 & HIGHER	86	0.8%	91	0.8%	4	5.1%
TOTAL	10,873	100.0%	11,378	100.0%	505	4.6%

Source: 2000 Census; ESRI; VWB Research

Between 2008 and 2010 the greatest growth among household age groups will be among households between the ages of 45 and 64.

Households by tenure are distributed as follows:

TENURE	2000 (CENSUS)		2008 (ESTIMATED)		2010 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
OWNER-OCCUPIED	5,474	61.3%	6,715	61.8%	7,030	61.8%
RENTER-OCCUPIED	3,460	38.7%	4,158	38.2%	4,348	38.2%
TOTAL	8,934	100.0%	10,873	100.0%	11,378	100.0%

Source: 2000 Census; ESRI; VWB Research

Currently, 38.2% of all households within the Site PMA are renter-occupied, and this share is not expected to change over the next two years.

The household size among renter households within the Site PMA, based on Census data and estimates, are distributed as follows:

PERSONS PER RENTER HOUSEHOLD	2000 (CENSUS)		2008 (ESTIMATED)		CHANGE 2000-2008	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
1 PERSON	802	23.2%	1,072	25.8%	270	33.6%
2 PERSONS	1,095	31.6%	1,172	28.2%	77	7.0%
3 PERSONS	670	19.4%	786	18.9%	116	17.2%
4 PERSONS	483	14.0%	624	15.0%	141	29.1%
5+ PERSONS	409	11.8%	504	12.1%	95	23.2%
TOTAL	3,460	100.0%	4,158	100.0%	698	20.2%

Source: 2000 Census; ESRI; VWB Research

PERSONS PER OWNER HOUSEHOLD	2000 (CENSUS)		2008 (ESTIMATED)		CHANGE 2000-2008	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
1 PERSON	815	14.9%	1,032	15.4%	217	26.6%
2 PERSONS	1,612	29.4%	2,239	33.4%	628	39.0%
3 PERSONS	1,143	20.9%	1,344	20.0%	202	17.7%
4 PERSONS	1,248	22.8%	1,396	20.8%	148	11.9%
5+ PERSONS	656	12.0%	702	10.5%	46	7.1%
TOTAL	5,474	100.0%	6,715	100.0%	1,241	22.7%

Source: 2000 Census; ESRI; VWB Research

The proposed subject project will generally house two- to six-person households, which comprise almost three-quarters of all renter households. This is a high share of renter households and a good indication for support for the proposed development.

The distribution of all households by income within the Site PMA is summarized as follows:

HOUSEHOLD INCOME	2000 (CENSUS)		2008 (ESTIMATED)		2010 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN \$10,000	648	7.3%	610	5.6%	594	5.2%
\$10,000 - \$19,999	1,011	11.3%	743	6.8%	672	5.9%
\$20,000 - \$29,999	1,200	13.4%	1,001	9.2%	1,006	8.8%
\$30,000 - \$39,999	1,340	15.0%	1,212	11.1%	1,130	9.9%
\$40,000 - \$49,999	1,293	14.5%	1,222	11.2%	1,226	10.8%
\$50,000 - \$59,999	990	11.1%	1,297	11.9%	1,238	10.9%
\$60,000 - \$74,999	974	10.9%	1,455	13.4%	1,576	13.9%
\$75,000 - \$99,999	924	10.3%	1,550	14.3%	1,706	15.0%
\$100,000 & HIGHER	554	6.2%	1,783	16.4%	2,230	19.6%
TOTAL	8,934	100.0%	10,873	100.0%	11,378	100.0%
MEDIAN INCOME	\$41,649		\$54,704		\$58,386	

Source: 2000 Census; ESRI; VWB Research

Between 2000 and 2008, most of the household growth was among households with incomes of \$50,000 and higher.

The following tables illustrate renter household income by household size for 2000, 2008, and 2010 for the Site PMA:

RENTER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$9,999	197	62	89	20	11	380
\$10,000-\$19,999	212	186	127	59	30	615
\$20,000-\$29,999	167	274	76	71	71	659
\$30,000-\$39,999	127	205	133	62	69	596
\$40,000-\$49,999	18	187	97	93	89	483
\$50,000-\$59,999	54	65	59	65	45	289
\$60,000+	27	115	89	113	93	437
<b>TOTAL</b>	<b>802</b>	<b>1,095</b>	<b>670</b>	<b>483</b>	<b>409</b>	<b>3,460</b>

Source: Ribbon Demographics; ESRI

RENTER HOUSEHOLDS	2008 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$9,999	257	50	76	16	9	407
\$10,000-\$19,999	277	152	96	45	24	594
\$20,000-\$29,999	181	277	62	56	56	631
\$30,000-\$39,999	195	183	144	66	62	650
\$40,000-\$49,999	27	185	124	104	102	543
\$50,000-\$59,999	87	96	94	98	73	447
\$60,000+	48	229	189	241	178	885
<b>TOTAL</b>	<b>1,072</b>	<b>1,172</b>	<b>786</b>	<b>624</b>	<b>504</b>	<b>4,158</b>

Source: Ribbon Demographics; ESRI

RENTER HOUSEHOLDS	2010 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$9,999	267	47	72	15	9	410
\$10,000-\$19,999	290	148	92	43	22	595
\$20,000-\$29,999	181	291	60	54	55	641
\$30,000-\$39,999	207	176	139	64	61	646
\$40,000-\$49,999	28	184	126	107	104	550
\$50,000-\$59,999	108	97	94	98	78	476
\$60,000+	56	263	221	282	207	1,030
<b>TOTAL</b>	<b>1,136</b>	<b>1,207</b>	<b>804</b>	<b>665</b>	<b>536</b>	<b>4,348</b>

Source: Ribbon Demographics; ESRI

Data from the previous tables is used in our demand analysis. It is important to note that all of the demographics data within the Site PMA suggests very positive growth in both population and households. This should result in a continuing need for new housing, including affordable rental housing.

### 3. LABOR FORCE PROFILE

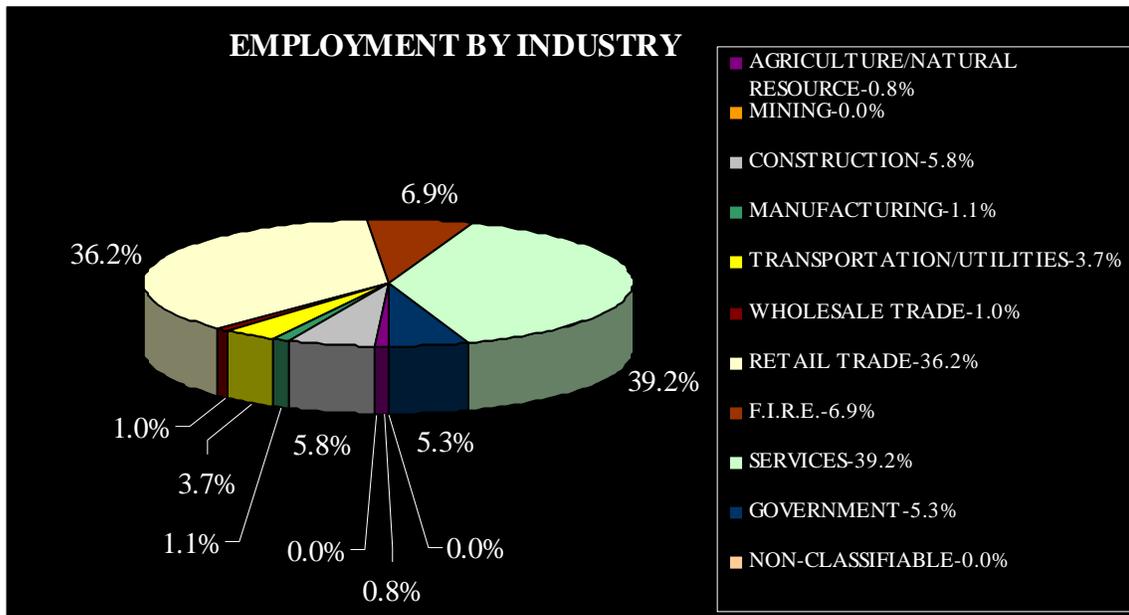
The labor force within the St. Mary's Site PMA is based primarily in two sectors. Services (which comprises 39.2%), and Retail Trade comprise more than 75% of the Site PMA labor force. According to ESRI, employment in the Site PMA as of 2007 was distributed as follows:

SIC GROUP	ESTAB.	PERCENT	EMPLOYEES	PERCENT	AVG. E.P.E.
AGRICULTURE & NATURAL RESOURCES	29	2.0%	72	0.8%	2.5
MINING	0	0.0%	0	0.0%	0.0
CONSTRUCTION	123	8.5%	559	5.8%	4.5
MANUFACTURING	30	2.1%	106	1.1%	3.5
TRANSPORTATION & UTILITIES	56	3.8%	353	3.7%	6.3
WHOLESALE TRADE	29	2.0%	92	1.0%	3.2
RETAIL TRADE	348	23.9%	3,472	36.2%	10.0
F.I.R.E.	150	10.3%	661	6.9%	4.4
SERVICES	635	43.6%	3,759	39.2%	5.9
GOVERNMENT	51	3.5%	511	5.3%	10.0
NON-CLASSIFIABLE	4	0.3%	0	0.0%	0.0
TOTAL	1,455	100.0%	9,585	100.0%	6.6

Source: 2000 Census; ESRI; VWB Research

E.P.E.- Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. However, these employees are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by occupation for the Brunswick MSA, the closest MSA to the proposed project site, and Georgia are illustrated as follows:

<b>TYPICAL WAGE BY OCCUPATION TYPE</b>		
<b>OCCUPATION TYPE</b>	<b>BRUNSWICK MSA</b>	<b>GEORGIA</b>
MANAGEMENT OCCUPATIONS	\$84,550	\$91,040
BUSINESS AND FINANCIAL OCCUPATIONS	\$61,960	\$62,720
COMPUTER AND MATHEMATICAL OCCUPATIONS	\$57,390	\$67,330
ARCHITECTURE AND ENGINEERING OCCUPATIONS	\$50,170	\$62,880
COMMUNITY AND SOCIAL SERVICE OCCUPATIONS	\$36,460	\$38,450
ART, DESIGN, ENTERTAINMENT, AND SPORTS MEDICINE OCCUPATIONS	\$44,410	\$48,740
HEALTHCARE PRACTITIONERS AND TECHNICAL OCCUPATIONS	\$61,660	\$61,820
HEALTHCARE SUPPORT OCCUPATIONS	\$24,660	\$23,700
PROTECTIVE SERVICE OCCUPATIONS	\$44,480	\$32,110
FOOD PREPARATION AND SERVING RELATED OCCUPATIONS	\$17,020	\$17,910
BUILDING AND GROUNDS CLEANING AND MAINTENANCE OCCUPATIONS	\$21,690	\$21,570
PERSONAL CARE AND SERVICE OCCUPATIONS	\$22,150	\$25,220
SALES AND RELATED OCCUPATIONS	\$24,850	\$32,980
OFFICE AND ADMINISTRATIVE SUPPORT OCCUPATIONS	\$27,630	\$30,050
CONSTRUCTION AND EXTRACTION OCCUPATIONS	\$29,650	\$33,630
INSTALLATION, MAINTENANCE AND REPAIR OCCUPATIONS	\$35,710	\$38,040
PRODUCTION OCCUPATIONS	\$29,900	\$28,040
TRANSPORTATION AND MOVING OCCUPATIONS	\$25,690	\$30,540

Source: U.S. Department of Labor, Bureau of Labor Statistics

Most Brunswick MSA annual average blue-collar salaries range from \$17,020 to \$44,480, while most management and other white-collar jobs have annual average salaries of over \$50,000. The proposed project will target households with incomes between \$20,500 and \$37,020. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw support.

#### 4. MAJOR EMPLOYERS

The 10 largest employers within Camden County comprise a total of more than 13,000 employees. Note that almost 9,000 of these local employees are working at the Kings Bay Naval Submarine Base. These employers are summarized as follows:

<b>INDUSTRY</b>	<b>BUSINESS TYPE</b>	<b>TOTAL EMPLOYED</b>
KINGS BAY NAVAL SUBMARINE BASE	MILITARY	8,936
CAMDEN COUNTY SCHOOL DISTRICT	EDUCATION	1,700
EXPRESS SCRIPTS	PHARMACEUTICAL CALL CENTER	578
LOCKHEED MISSILES & SPACE	AEROSPACE MANUFACTURING	479
WAL-MART	RETAIL	366
CAMDEN COUNTY GOVERNMENT	LOCAL GOVERNMENT	352
SOUTHEAST GEORGIA HEALTH SYSTEM	HEALTH CARE	330
WINN-DIXIE	GROCERY	107
PUBLIX SUPER MARKET	GROCERY	105
OSPREY COVE GOLF COURSE	RECREATION FACILITY	85
	TOTAL	13,038

According to local Chamber of Commerce sources and Economic Development representatives, none of the area's major employers are expecting any significant increases or decreases in their employment base in the future.

Note that several business owners stated that the reassessment of land and property values in Camden County has resulted in the closing of several local shops and businesses where owners have not been able to pay their higher assessed taxes, and have in many cases closed or sold the local business.

#### 5. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends within the county in which the site is located.

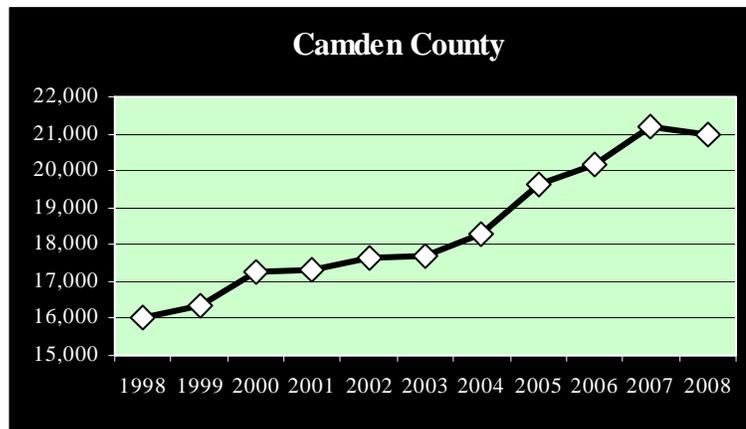
The employment base has increased by 19.8% over the past five years in Camden County, more than the Georgia average of 10.3%. Total employment reflects the number of employed persons that live within the county.

The following illustrates the total employment base for Camden County and Georgia:

YEAR	TOTAL EMPLOYMENT		
	CAMDEN COUNTY	GEORGIA	U.S.
1998	16,016	3,861,646	134,287,069
1999	16,323	3,951,684	136,289,213
2000	17,240	4,095,362	138,102,531
2001	17,297	4,112,868	138,249,187
2002	17,651	4,135,381	137,951,032
2003	17,707	4,173,787	138,399,336
2004	18,264	4,250,777	140,151,494
2005	19,628	4,377,507	142,615,987
2006	20,145	4,516,169	145,402,921
2007	21,215	4,602,947	146,836,599
2008*	21,003	4,597,672	145,799,875

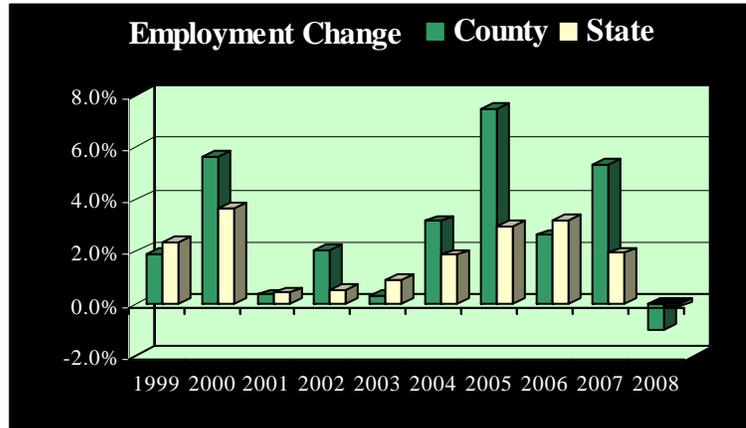
Source: Department of Labor, Bureau of Labor Statistics

\*Through June



As the preceding illustrates, the Camden County employment base has increased by 5,199 employees since 1998, with the biggest increase occurring between 2003 and 2007.

The following table illustrates the percent change in employment for Camden County and Georgia.



Unemployment rates for Camden County and Georgia are illustrated as follows:

YEAR	UNEMPLOYMENT RATE		
	CAMDEN COUNTY	GEORGIA	U.S.
1998	4.0%	4.2%	4.6%
1999	3.5%	3.8%	4.3%
2000	3.6%	3.5%	4.0%
2001	3.7%	4.0%	4.8%
2002	4.3%	4.8%	5.8%
2003	5.3%	4.8%	6.0%
2004	4.4%	4.7%	5.6%
2005	4.5%	5.2%	5.2%
2006	4.0%	4.6%	4.7%
2007	3.6%	4.4%	4.7%
2008*	4.3%	5.2%	5.3%

Source: Department of Labor, Bureau of Labor Statistics

\*Through June

The unemployment rate in Camden County has historically been below the state average, and local unemployment was at its lowest level in more than five years.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Camden County.

YEAR	IN-PLACE EMPLOYMENT CAMDEN COUNTY		
	EMPLOYMENT	CHANGE	% CHANGE
2001	13,585	-	-
2002	13,690	105	0.8%
2003	13,511	-179	-1.3%
2004	13,939	428	3.2%
2005	15,065	1,126	8.1%
2006	15,196	131	0.9%
2007	15,668	472	3.1%

Source: Department of Labor, Bureau of Labor Statistics

Data for 2007, the most recent year that year-end figures are available, indicates in-place employment in Camden County to be 73.9% of the total Camden County employment. This means that Camden County has more employed persons leaving the county for daytime employment than those who work in the county. This is not surprising given that many in the community travel to greater Jacksonville or the Brunswick area for work. A high share of employed persons leaving the county for employment could have an adverse impact on residency with increasing energy costs.

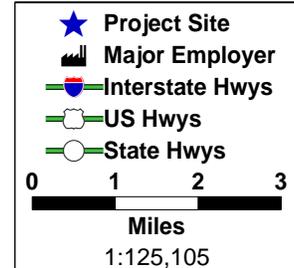
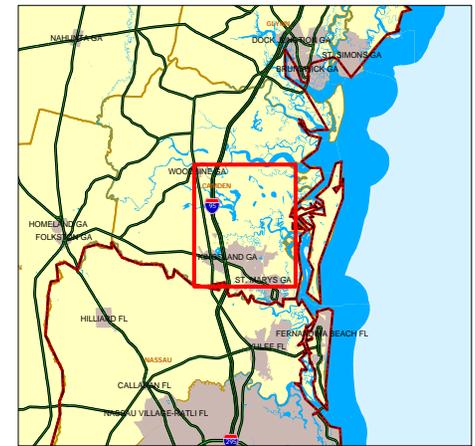
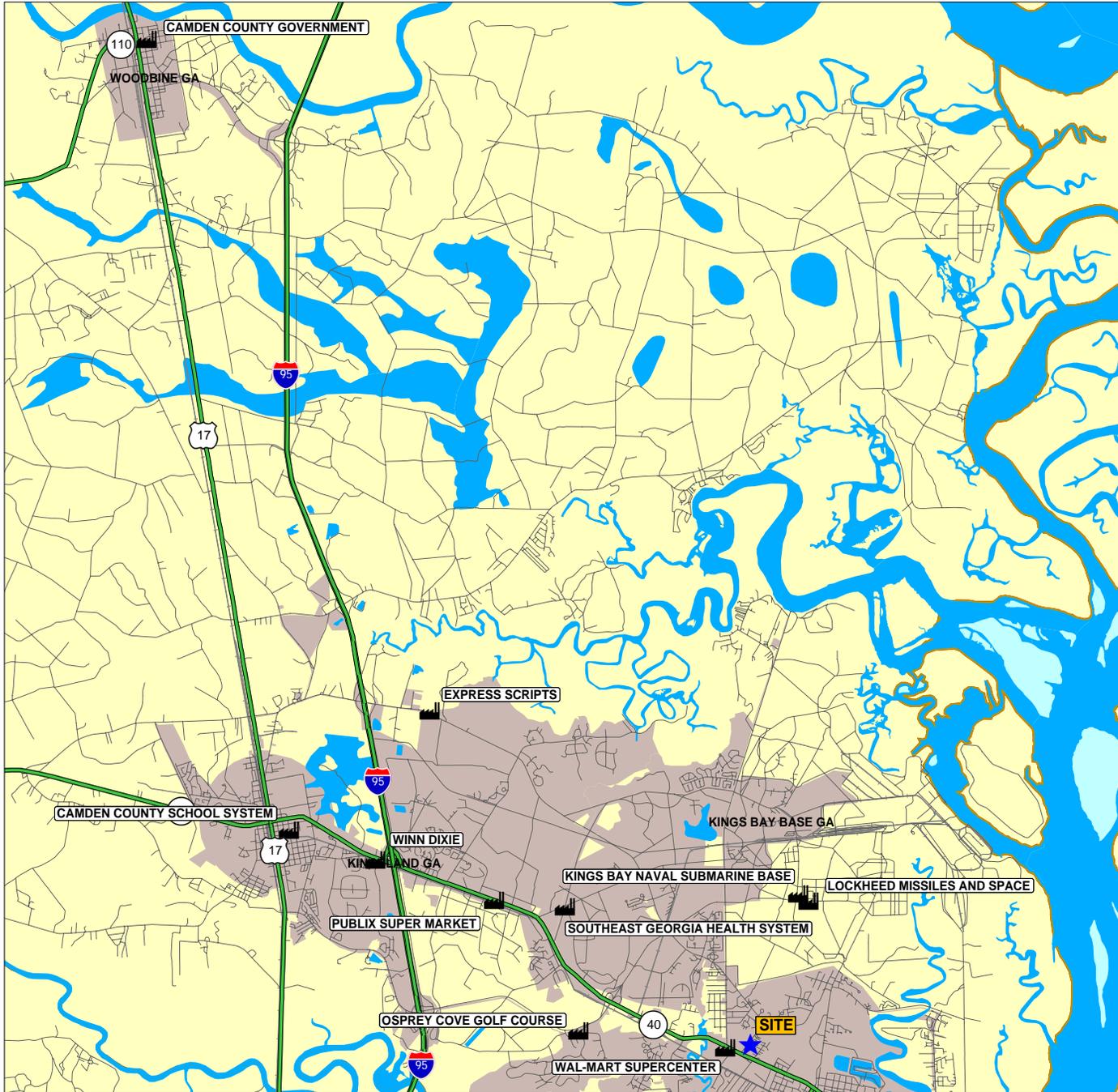
## **6. ECONOMIC FORECAST**

With an economy based primarily in government, retail trade, and services, the Camden County economy has historically performed well. The presence of the Kings Bay Naval Submarine Base provides the area with a significant military employment presence, and the base is not planned for any closings or realignment, and as such should continue to be a very stable part of the economy over the foreseeable future.

Also considering the presence of health care, government, and education employment in the area, and the resistance these types of employment typically have to economic slowdowns or downturns, we anticipate Camden County will continue to have a stable and growing economy for at least the next few years. As a result of the growing number of households in the Site PMA, the demand for all housing should continue to grow moderately.

A map illustrating notable employment centers is on the following page.

# St. Mary's, GA: Employment Centers



## **SECTION F – PROJECT-SPECIFIC DEMAND ANALYSIS**

### **1. DETERMINATION OF INCOME ELIGIBILITY**

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed subject project's potential.

Under the Low-Income Housing Tax Credit program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within Camden County, which has a four-person median household income of \$53,200 for 2008. The subject property's 71 Tax Credit units will be restricted to households with incomes of up to 50% and 60% of AMHI for Camden County. The following table summarizes the maximum allowable income by household size for Camden County at 50% and 60% of AMHI.

<b>HOUSEHOLD SIZE</b>	<b>MAXIMUM ALLOWABLE INCOME</b>	
	<b>50%</b>	<b>60%</b>
ONE-PERSON	\$18,600	\$22,320
TWO-PERSON	\$21,300	\$25,560
THREE-PERSON	\$23,950	\$28,740
FOUR-PERSON	\$26,600	\$31,920
FIVE-PERSON	\$28,750	\$34,500
SIX-PERSON	\$30,850	\$37,020

#### **a. Maximum Income Limits**

The largest proposed units (four-bedroom) at the subject site are expected to house up to six-person households. As such, the maximum allowable income at the subject site is \$30,850 at 50% AMHI and \$37,020 at 60% AMHI. The four proposed market-rate units will have no income limitation.

#### **b. Minimum Income Requirements**

Leasing industry standards typically require households to have rent to income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent to income ratio permitted for family projects is 35%, while older person (age 55+) and elderly (age 62+) projects should utilize a 40% income to rent ratio.

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$598 (at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$7,176.

Applying a 35% rent to income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$20,500.

For the proposed market-rate units, we have applied a 27% rent to income ratio to determine the minimum income required for these units to be \$30,000.

**c. Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate range required living at the proposed project with units built to serve households at 50% and 60% of AMHI, as well as market-rate renters is as follows:

UNIT TYPE	INCOME RANGE	
	MINIMUM	MAXIMUM
TAX CREDIT (LIMITED TO 50% OF AMHI)	\$20,500	\$30,850
TAX CREDIT (LIMITED TO 60% OF AMHI)	\$24,615	\$37,020
MARKET-RATE (\$30,000+)	\$30,000	NONE

Note that because market-rate units have no maximum income, we have not set a maximum income level for the market-rate units at the subject site. With HISTA data, we can identify the precise number of higher income renter households.

**2. METHODOLOGY**

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2000 renter household census data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projected must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units are comprised of three and four bedroom units,*

*please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis, which does not take this into account, may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households.*

b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent over-burdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent. Based on the 2000 Census, 7.6% to 8.2% of the renter households were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both households that are rent-overburdened or living in substandard housing. Based on the 2000 Census, 4.5% of renter households were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).*
- **Elderly Homeowners likely to convert to rentership:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly tax credit housing. This segment should not account for more than 20% of total demand. Due to the difficulty of extrapolating elderly (65 and over) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band in order to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis.*
- **Elderly Households relocating from the following situations may also be considered in determining demand:**

a) *Seniors relocating from other areas outside the Primary or Secondary Market area.*

- b) *Children subsidizing rents for their parents.*
- c) *Seniors moving from their children's homes that they had been living with.*

*If an analyst utilizes these factors in his calculation of demand, specific documentation must be included in support of his conclusions. These factors may not account for more than 20% of the total demand.*

- **Housing For Older Persons Rental Demand** will be calculated at 10% of the Elderly Qualified Rental Households demand for the primary market area.
  - **Demand for HFOP** will be based on the Gross demand for Elderly Households plus the rental demand for HFOP.
  - The maximum income limit for Senior developments will be limited to two-person households regardless of the bedroom type proposed.
- c. **To accommodate for the Secondary Market Area, the Demand from Existing Qualified Households within the Site Primary Market Area will be multiplied by 115% to account for demand from the Secondary Market Area.** *GDCA recommends that the analyst be conservative when developing the Primary Market Area so as to not overstate market demand due to this multiplier effect.*

Within the Site PMA we identified three LIHTC properties that were funded and/or built during the projection period (2000 to current). There were no LIHTC rehab properties that entered the market during the projection period. The Tax Credit properties built since 2000 are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	LIHTC UNITS	UNITS AT TARGETED AMHI		
				45% AMHI	50% AMHI	60% AMHI
1	ASHTON COVE APTS.	2000	72	54	18	-
4	KINGSLAND PHASE II	2008	60	-	24	36
19	ROYAL POINT APTS.	2000	144	-	60	84

The competing properties have a total of 276 Tax Credit units, of which 54 are at 45% AMHI, 102 are at 50% AMHI, and 120 are at 60% AMHI. However, because Ashton Cove Apartments and Royal Point Apartments were funded in 1998, they have been excluded from these supply calculations per the GDCA. The directly comparable Tax Credit units at Kingsland Phase II are included in our demand analysis.

The following is a summary of our demand calculations:

DEMAND COMPONENT	PERCENT OF MEDIAN HOUSEHOLD INCOME			
	50% (\$20,500 TO \$30,850)	60% (\$24,615 TO \$37,020)	OVERALL LIHTC (\$20,500 TO \$37,020)	MARKET-RATE (\$30,000+)
DEMAND FROM NEW HOUSEHOLDS (AGE AND INCOME APPROPRIATE)	664 – 677 = -13	798 – 773 = 25	1,062 – 1,044 = 18	2,702 – 1,805 = 897
+				
DEMAND FROM EXISTING HOUSEHOLDS (RENTER IN SUBSTANDARD HOUSING)	677 X 4.5% = 30	773 X 4.5% = 35	1,044 X 4.5% = 47	1,805 X 4.5% = 81
+				
DEMAND FROM EXISTING HOUSEHOLDS (RENT OVERBURDENED)	677 X 8.2% = 56	773 X 7.6% = 59	1,044 X 7.8% = 81	1,805 X 1.2% = 22
+				
DEMAND FROM SECONDARY MARKET AREA (115% OF DEMAND FROM EXISTING QUALIFIED HOUSEHOLDS IN SITE PMA)	11	18	22	150
=				
DEMAND SUBTOTAL	84	137	168	1,150
+				
DEMAND FROM EXISTING HOUSEHOLDS (ELDERLY HOMEOWNER CONVERSION)	N/A	N/A	N/A	N/A
+				
DEMAND FROM EXISTING HOUSEHOLDS (ELDERLY HOMEOWNER RELOCATION)	N/A	N/A	N/A	N/A
+				
DEMAND FROM EXISTING HFOP RENTAL HOUSEHOLDS	N/A	N/A	N/A	N/A
=				
TOTAL DEMAND	84	137	168	1,150
-				
SUPPLY (DIRECTLY COMPARABLE UNITS BUILT AND/OR FUNDED SINCE 2000)	24	36	60	0
=				
NET DEMAND	60	101	108	1,150
PROPOSED UNITS	24	47	71	4
CAPTURE RATE	40.0%	46.5%	65.7%	0.3%

The overall Tax Credit capture rate is more than 65.0%, and is an indication that this market may be nearing saturation in terms of LIHTC units. Note that the somewhat high capture rates of 40.0% at 50% of AMHI and 46.5% at 60% of AMHI illustrate lack of sufficient demand, especially when units added to the market since the 2000 Census are not included in the supply.

Pursuant to GDCA/GHFA guidelines, this analysis has been refined by factoring the number of large households (4+ persons) within the Site PMA. Since the proposed site will include 25 three-bedroom and 10 four-bedroom units (46.7% of the total), we have based demand on the 2000 Census distribution of persons per unit among all renter households, as well as our Field Survey of unit types in the market. The following is our estimated share of demand by bedroom type within the Site PMA:

ESTIMATED DEMAND BY BEDROOM	
BEDROOM TYPE	PERCENT
ONE-BEDROOM	22.0%
TWO-BEDROOM	51.0%
THREE-BEDROOM	23.0%
FOUR-BEDROOM	4.0%
TOTAL	100.0%

Applying these shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as follows:

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	AVERAGE MARKET RENT	SUBJECT RENTS
ONE-BEDROOM (22.0%)	50%	-	18	-	18	-	-	\$644	-
	60%	-	30	-	30	-	-	\$644	-
	MR	-	253	-	253	-	-	\$644	-
<b>ONE-BEDROOM</b>	<b>TOTAL TC</b>	<b>-</b>	<b>37</b>	<b>-</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>\$644</b>	<b>-</b>
TWO-BEDROOM (51.0%)	50%	11	43	9	34	32.4%	2 MO	\$779	\$598
	60%	25	70	18	52	48.1%	1.5 MO	\$779	\$718
	MR	4	587	-	587	0.7%	-	\$779	\$792
<b>TWO-BEDROOM</b>	<b>TOTAL TC</b>	<b>40</b>	<b>86</b>	<b>27</b>	<b>59</b>	<b>67.8%</b>	<b>3 MO</b>	<b>\$779</b>	<b>-</b>
THREE-BEDROOM (23.0%)	50%	9	19	15	4	100.0%+	.5 MO	\$813	\$691
	60%	16	32	18	14	100.0%+	1 MO	\$813	\$830
	MR	-	264	-	264	-	-	\$813	-
<b>THREE-BEDROOM</b>	<b>TOTAL TC</b>	<b>25</b>	<b>39</b>	<b>33</b>	<b>6</b>	<b>100.0%</b>	<b>1 MO</b>	<b>\$813</b>	<b>-</b>
FOUR-BEDROOM (4.0%)	50%	4	3	-	3	100.0%+	.5 MO	\$783	\$771
	60%	6	5	-	5	100.0%+	.5 MO	\$783	\$925
	MR	-	46	-	46	-	-	\$783	-
<b>FOUR-BEDROOM</b>	<b>TOTAL TC</b>	<b>10</b>	<b>7</b>	<b>-</b>	<b>7</b>	<b>100.0%+</b>	<b>1 MO</b>	<b>\$783</b>	<b>-</b>

\*Includes overlap between the targeted income levels at the subject site.

\*\*Directly comparable units built and/or funded in the project market over the projection period.

The capture rates by bedroom type are high, except for the four two-bedroom market-rate units with a 0.7% capture rate by bedroom type. The capture rates for the two-bedroom units are moderate to high at 32.4% to 48.1%, with a Tax Credit overall capture rate of 67.8% for two-bedroom units. All of the proposed three- and four-bedroom units have capture rates of more than 100.0%, indicating these unit types are not considered feasible. Given the proposed project's very high capture rates, we do not consider the proposed project supportable under this methodology.

In our opinion the proposed project could be made more supportable by reducing the proposed rents by 5.0% or more, so as to allow for a greater band of affordability, as well as decreasing the number of three and four bedroom units, while adding several one-bedroom units to the proposed project. Even with these changes, the proposed project could still have some very high capture rates in some bedroom types.

### **3. ABSORPTION PROJECTIONS**

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2010 opening date for the site, we also assume that initial units at the site will be available for rent in 2010.

Based on our analysis contained in this report, it is our opinion that the proposed project is not supportable given the very high capture rates for the proposed project. If the proposed property were to be developed, it would likely experience a very slow lease-up period of no more than four to five units per month, with an absorption period of 13 to 17 months. The market-rate units proposed could be absorbed within one to two months.

## SECTION G – RENTAL HOUSING ANALYSIS (SUPPLY)

### 1. OVERVIEW OF RENTAL HOUSING

Based on the 2000 Census, rental housing comprises 3,460 units, or 38.7% of the occupied housing. The distribution of the area housing stock in 2000 and 2008 are summarized on the following table:

HOUSING TYPE	2000 CENSUS		2008 (ESTIMATED)	
	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT
TOTAL OCCUPIED	8,934	87.7%	10,873	85.0%
OWNER-OCCUPIED	5,474	61.3%	6,715	61.8%
RENTER-OCCUPIED	3,460	38.7%	4,158	38.2%
VACANT	1,256	12.3%	1,922	15.0%
TOTAL	10,190	100.0%	12,795	100.0%

Source: ESRI, Census 2000

Based on a 2008 update of the 2000 Census, of the 12,795 total housing units in the market, 15.0% were vacant. This is a high share of vacant units. However, it is important to consider that many of these vacancies are likely in secondary residences or dilapidated, uninhabitable buildings. In 2008, it was estimated that homeowners occupied 61.8% of all occupied housing units, while the remaining 38.2% were occupied by renters. The share of renters is moderate.

We conducted an on-site survey of 24 conventional properties totaling 1,900 units. Of these properties, 18 are non-subsidized (market-rate or Tax Credit) with 1,502 units. Among these non-subsidized units, 94.5% are occupied. We consider this a good occupancy rate indicative of a stable rental housing market.

There are also six government-subsidized projects in the market with a total of 398 units. These units have an overall occupancy rate of 100.0%, with most of these properties maintaining lengthy waiting lists. These projects operate under various programs including HUD Section 8 and Public Housing.

According to area apartment managers, rents have increased at an estimated annual rate of 2.0% over the past few years.

The following table summarizes the breakdown of market-rate and Tax Credit units within the St. Mary's Site PMA:

<b>MARKET-RATE</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANCY</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
STUDIO	1.0	14	1.2%	1	7.1%	\$520
ONE-BEDROOM	1.0	231	20.0%	14	6.1%	\$660
TWO-BEDROOM	1.0	210	18.2%	10	4.8%	\$824
TWO-BEDROOM	2.0	394	34.1%	29	7.4%	\$783
THREE-BEDROOM	1.0	43	3.7%	3	7.0%	\$848
THREE-BEDROOM	2.0	240	20.8%	11	4.6%	\$843
FOUR-BEDROOM	2.0	22	1.9%	1	4.5%	\$968
<b>TOTAL MARKET-RATE</b>		<b>1,154</b>	<b>100.0%</b>	<b>69</b>	<b>6.0%</b>	<b>-</b>
<b>TAX CREDIT</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANCY</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
ONE-BEDROOM	1.0	18	5.2%	0	0.0%	\$462
TWO-BEDROOM	1.0	19	5.5%	0	0.0%	\$557
TWO-BEDROOM	2.0	126	36.2%	6	4.8%	\$610
THREE-BEDROOM	2.0	147	42.2%	7	4.8%	\$705
FOUR-BEDROOM	2.0	38	10.9%	0	0.0%	\$783
<b>TOTAL TAX CREDIT</b>		<b>348</b>	<b>100.0%</b>	<b>13</b>	<b>3.7%</b>	<b>-</b>

Of these 1,502 non-subsidized units that were surveyed, 94.5% are occupied. More specifically, the market-rate units were 94.0% occupied and the Tax Credit units are 96.3% occupied. All of the Tax Credit vacancies are at Royal Point Apartments, a LIHTC property built in 2000 with 13 vacancies in 144 units, located in Kingsland. The manager of the property noted it is usually at or near full occupancy, and said that road construction outside the apartments has resulted in decreased accessibility and decreased foot traffic. The four other Tax Credit properties surveyed in the Site PMA are all fully occupied. This indicates that demand is high. Waiting lists range from 44 households to six to eight months.

The share of one-bedroom apartments surveyed is somewhat low compared to most conventional rental markets, while the Site PMA has an abnormally high number of three- and four-bedroom apartments. The site will have shares of units that reflect the current market trends.

We rated each market-rate property surveyed on a scale of A through E. All market-rate properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping, and grounds appearance). Following is a distribution by quality rating, units, and vacancies.

MARKET-RATE			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A-	1	200	4.5%
B+	5	261	5.4%
B	2	289	9.0%
B-	4	172	5.2%
C	1	20	0.0%
C-	1	212	5.2%

Vacancies are the highest among market-rate properties with ratings of B. The subject project is anticipated to have a quality rating of A and should have a quality rating that is better than all the market's existing product. This improved quality should enhance the subject project's marketability.

We also rated each Tax Credit property surveyed on a scale of A through E, and following is a distribution by quality rating, units, and vacancies.

NON-SUBSIDIZED TAX CREDIT			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A-	2	144 + 60 U/C	9.0%
B+	3	204	0.0%

U/C – Under construction

Vacancies are the highest at Royal Point Apartments, which is the only existing LIHTC property with a quality rating above B+. The subject project is anticipated to have a quality rating of A and should be able to compete very well in this market, although the vacancies at Royal Point Apartments are evidence of some "softness" in the market.

## **2. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES**

### Tax Credit Units

The proposed subject project will include 71 Low-Income Housing Tax Credit (LIHTC) units, none of which will also operate with Rental Assistance. We identified four existing and one under construction Low-Income Housing Tax Credit projects within the St. Mary's Site PMA. These existing LIHTC projects are considered comparable with the proposed subject development in that they target households with incomes similar to those that will be targeted at the subject site. These competitive properties and the proposed subject development are summarized as follows. (Note: information regarding property address and phone number, contact name, date of contact, and utility responsibility is included in Addendum A-Field Survey of Conventional Rentals of this report):

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	PHYSICAL CONDITION	TARGET MARKET
SITE	CUMBERLAND COVE	2010	71*	-	A	FAMILIES; 50% & 60% AMHI
1	ASHTON COVE APTS.	2000	72	100.0%	B+	FAMILIES; 45% & 60% AMHI
2	ASHTON PINES AT SUGAR MILL	1998	70	100.0%	B+	FAMILIES; 50% & 60% AMHI
4	KINGSLAND PHASE II-FAMILY	2008	60	U/C	A-	FAMILIES; 50% & 60% AMHI
16	OLD JEFFERSON ESTATES	1995	62	100.0%	B+	FAMILIES; 50% AMHI
19	ROYAL POINT APTS.	2000	144	91.0%	A-	FAMILIES; 50% & 60% AMHI

U/C - Under construction

\*Does not include market-rate units

The comparable properties have a combined occupancy rate of 96.3%, with three of the four existing properties fully occupied. Management attributed the vacancies at Royal Point Apartments to decreased ease of accessibility for potential renter traffic as a result of road construction occurring around the site. The manager also noted the property typically has a higher occupancy rate of nearly 100.0%. Two of the five comparable properties maintain waiting lists ranging from 44 households and six to eight months, further indicating the strong demand for affordable rental housing in the market.

Lease-up history for this market was not available, as there have been no new LIHTC units completed since 2000.

Gross rents, unit mixes, and vacancies by AMHI level for the competing projects and the proposed rents at the subject site as well as their unit mix and vacancies by bedroom are listed in the following table:

MAP I.D.	PROJECT NAME	GROSS RENT/PERCENT OF AMHI (NUMBER OF UNITS/VACANCIES)			MILES TO SITE
		TWO-BR.	THREE-BR.	FOUR-BR.	
SITE	CUMBERLAND COVE	\$589/50% (11/-) \$718/60% (25/-)	\$691/50% (9/-) \$830/60% (16/-)	\$771/50% (4/-) \$925/60% (6/-)	-
1	ASHTON COVE APTS.*	\$557/45% (30/0) \$611/50% (8/0)	\$644/45% (11/0) \$713/50% (5/0)	-	6.9
2	ASHTON PINES AT SUGAR MILL	\$610/50% (18/0) \$701/60% (17/0)	\$703/50% (18/0) \$810/60% (17/0)	-	2.2
4	KINGSLAND PHASE II-FAMILY	\$605/50% (9/U/C) \$730/60% (18/U/C)	\$707/50% (15/U/C) \$840/60% (18/U/C)	-	9.5
16	OLD JEFFERSON ESTATES	-	\$705/50% (24/0)	\$783/50% (38/0)	1.0
19	ROYAL POINT APTS.	\$579/50% (30/2) \$699/60% (42/4)	\$670/50% (30/2) \$809/60% (42/5)	-	7.1

\*One-bedroom units not shown in table

The proposed subject gross rents, \$589 to \$718 for a two-bedroom unit, \$691 to \$830 for a three-bedroom unit, and \$771 to \$925 for a four-bedroom unit will be priced slightly higher than the 50% and 60% rents at the other properties, except Kingsland Phase II-Family, which is under construction. The proposed rents are considered achievable and supportable, so long as demand for the other LIHTC units in the market remains relatively high, particularly given the inferior quality and features of these competing projects.

None of the comparable Tax Credit properties are offering rent concessions.

The unit sizes (square feet) and number of bathrooms included in each of the different LIHTC unit types offered in the market are compared with the subject development in the following table.

MAP I.D.	PROJECT NAME	SQUARE FOOTAGE			NUMBER OF BATHS		
		TWO-BR.	THREE-BR.	FOUR-BR.	TWO-BR.	THREE-BR.	FOUR-BR.
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>1,040</b>	<b>1,278</b>	<b>1,466</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
1	ASHTON COVE APTS.*	914 - 946	1,167	-	1.0	2.0	-
2	ASHTON PINES AT SUGAR MILL	984	1,164	-	2.0	2.0	-
4	KINGSLAND PHASE II-FAMILY	900	1,100	-	2.0	2.0	-
16	OLD JEFFERSON ESTATES	-	1,297	1,329	-	2.0	2.0
19	ROYAL POINT APTS.	990	1,189	-	2.0	2.0	-

\*One-bedroom units not shown in table

The proposed development will offer the largest two-bedroom and four-bedroom units and some of the largest three-bedroom unit sizes when compared with the competitive LIHTC projects in the market. The number of baths offered at the subject site is equal to most of the LIHTC units in the market. As such, the unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing low-income units in the market.

The following tables compare the amenities of the subject development with the other LIHTC family projects in the market.

# COMPARABLE PROPERTIES AMENITIES - SAINT MARY'S, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES													
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CELLING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X	X	X		C		X	X					B		S	Storage
1	X	X		X	X		X		C		X	X	X				B		S	
2	X	X		X	X		X		C		X	X					B		S	
4	X	X		X	X		X		C		X						B		S	
16	X	X		X	X		X		C		X	X					B		AS	
19	X	X		X	X		X		C		X		X				B		S	

MAP ID	PROJECT AMENITIES														OTHER			
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	BUSINESS CENTER		LIBRARY	PICNIC AREA	SOCIAL SERVICES
SITE	X	X	X	X		X		X						X	X	X		Walking path Covered pavilion
1	X	X	X		L			X								X		
2		X	X	X				X								X		
4	X	X	X					X						X				
16		X																
19	X	X	X	X		X		X		X								

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

X - All Units
S - Some Units
O - Optional

C - Carpet
H - Hardwood
V - Vinyl

B - Blinds
C - Curtains
D - Drapes

A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage

Surveyed - July 2008



The amenity packages included at the proposed subject development will be very competitive with the competing low-income projects. The subject development does not appear to be lacking any amenities that would hinder its marketability to operate as a Low-Income Housing Tax Credit project.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the existing low-income properties within the market, it is our opinion that the proposed subject development will be competitive with these properties.

The anticipated occupancy rates of the existing comparable Tax Credit developments following renovations at the subject site are as follows:

<b>MAP I.D.</b>	<b>PROJECT</b>	<b>CURRENT OCCUPANCY RATE</b>	<b>ANTICIPATED OCCUPANCY RATE THROUGH 2010</b>
1	ASHTON COVE APTS.	100.0%	92.0%
2	ASHTON PINES AT SUGAR MILL	100.0%	95.0%
4	KINGSLAND PHASE II-FAMILY	U/C	93.0%
16	OLD JEFFERSON ESTATES	100.0%	93.0%
19	ROYAL POINT APTS.	91.0%	90.0%

Development of the subject site is expected to cause a moderate decrease in occupancy at some of the less comparable, lower-quality Tax Credit projects over the short term. However, with the continuing growth of households, including renter households in this area, we believe the market does have the potential to support another LIHTC project, either at this time or in the future.

Market-rate Units

The proposed project will include four market-rate units among its 75 total units. The proposed project will be of the highest quality and will offer the most comprehensive amenity package in the market among market-rate properties. We identified six properties within the St. Mary’s Site PMA that offered quality, rents, and features comparable to the subject project. Note that two of these properties are four-bedroom single-family rental homes, as four-bedroom market-rate apartments are not a readily available housing alternative in this market. These competitive properties and the proposed subject development are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	CONCESSIONS	DISTANCE TO SITE
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>2010</b>	<b>75</b>	<b>-</b>	<b>-</b>	<b>-</b>
3	CAMDEN WAY	1987	118	98.3%	NONE	5.7 MILES
6	311 SUNNYSIDE DR.	1978	1	100.0%	NONE	5.0 MILES
7	COLERAIN OAKS RENTAL HOMES	1991	212	94.8%	NONE	4.2 MILES
11	HARBOR PINE APTS.	1989	200	88.5%	NONE	1.5 MILES
17	PARK PLACE APTS.	1989	200	95.5%	NONE	1.7 MILES
23	518 MOECKEL LN.	1974	1	100.0%	NONE	2.0 MILES

The comparable properties have a combined occupancy rate of 93.9%. One property, Harbor Pine Apartments, is just 88.5% occupied. Management could not provide a definitive answer why the occupancy rate is low at this project, but it is of note that this is a former Tax Credit property. None of the selected market-rate comparables is offering rent concessions.

Collected rents and unit mixes for units at the competing projects and the proposed market-rate rents and unit mix at the subject site are listed in the following table:

MAP I.D.	PROJECT NAME	COLLECTED RENT (NUMBER OF UNITS)		
		TWO-BR.	THREE-BR.	FOUR-BR.
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>\$675 (4)</b>	<b>-</b>	<b>-</b>
3	CAMDEN WAY*	\$595 - \$620 (21)	\$695 (5)	-
6	311 SUNNYSIDE DR.	-	-	\$1,000 (1)
7	COLERAIN OAKS RENTAL HOMES	\$525 (76)	\$575 (117)	\$675 (19)
11	HARBOR PINE APTS.**	\$675 (100)	\$775 (30)	-
17	PARK PLACE APTS.**	\$720 - \$740 (144)	\$840 (24)	-
23	518 MOECKEL LN.	-	-	\$875 (1)

\*Studio and One-bedroom units not shown in table

\*\* One-bedroom units not shown in table

The proposed subject rent, \$675 for a two-bedroom unit, will be within the range of other two-bedroom units in the market. This will enable the proposed market-rate units to be competitive in the market, particularly given the amenities and quality of the proposed project.

The unit sizes (square feet) and number of bathrooms included in each of the different unit types offered in the market are compared with the subject development in the following table:

MAP LD.	PROJECT NAME	SQUARE FOOTAGE			NUMBER OF BATHS		
		TWO-BR.	THREE- BR.	FOUR- BR.	TWO-BR.	THREE- BR.	FOUR- BR.
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>1,040</b>	<b>1,278</b>	<b>1,466</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>
3	CAMDEN WAY	865	1,152	-	1.0	2.0	-
6	311 SUNNYSIDE DR.	-	-	1,500	-	-	2.0
7	COLERAIN OAKS RENTAL HOMES	935	1,125	1,400	2.0	2.0	2.0
11	HARBOR PINE APTS.**	950	1,150	-	2.0	2.0	-
17	PARK PLACE APTS.**	950	1,100	-	1.0	2.0	-
23	518 MOECKEL LN.	-	-	1,500	-	-	2.0

\*Studio and One-bedroom units not shown in table

\*\* One-bedroom units not shown in table

The proposed development will offer the largest two- and three-bedroom and competitively sized four-bedroom units when compared with the most competitive market-rate projects in the market. The number of baths offered at the subject site is equal to most market-rate units in the market. As such, the unit sizes and number of baths will enable the proposed units at the site to compete well with the comparable market-rate units in the market.

The following table compares the amenities of the subject development with the most comparable projects in the market.

# COMPARABLE PROPERTIES AMENITIES - SAINT MARY'S, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES													
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CELLING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X	X	X		C		X	X					B		S	Storage
3	X	X			X		X		C		S	X	X				B		S	
6	X	X		X			X		C		X	X					B		S	Fenced Backyard
7	X	X		X			X		C		X	X	X				B		S	
11	X	X		X	X		X		C	S	X	X					B		S	
17	X	X		X	X		X		C		X		S				B		S	
23	X			X			X		C		X	X					B		AS	

MAP ID	PROJECT AMENITIES														OTHER			
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	BUSINESS CENTER		LIBRARY	PICNIC AREA	SOCIAL SERVICES
SITE	X	X	X	X		X		X						X	X	X		Walking path Covered pavilion
3		X	X															
6																		
7	X	X		X				X		O								
11	X	X						X	X	X								
17	X	X	X			X		X	X	X								
23																		

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

X - All Units
S - Some Units
O - Optional

C - Carpet
H - Hardwood
V - Vinyl

B - Blinds
C - Curtains
D - Drapes

A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage

Surveyed - July 2008



The amenity packages included at the proposed subject development will be superior to the competing market-rate projects in almost all cases, which will give it a competitive advantage in the market.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed subject development will be very competitive with these properties, while offering more modern, high quality units.

### 3. SUMMARY OF ASSISTED PROJECTS

There are a total of 10 federally subsidized or Tax Credit apartment developments in the St. Mary's Site PMA. They are summarized as follows:

MAP I.D.	PROJECT NAME	TYPE	YEAR BUILT/ RENOVATED	TOTAL UNITS	OCCUP.	GROSS RENTS			
						ONE-BR.	TWO-BR.	THREE-BR.	FOUR-BR.
1	ASHTON COVE APTS.	TAX	2000	72	100.0%	\$462 - \$505	\$557 - \$611	\$644 - \$713	-
2	ASHTON PINES AT SUGAR MILL	TAX	1998	70	100.0%	-	\$610 - \$701	\$703 - \$810	-
4	KINGSLAND PHASE II-FAMILY	TAX	2008	60	U/C	-	\$605 - \$730	\$707 - \$840	-
8	CUMBERLAND OAKS	SEC 8	1985	154	100.0%	\$556	\$666	\$867	-
9	CUMBERLAND VILLAGE APTS.	RD 515	1980	64	100.0%	\$428 - \$543	\$487 - \$632	\$546 - \$701	-
12	HILLTOP TERRACE PHASE I	RD 515	1982	55	100.0%	\$439 - \$599	\$499 - \$685	\$551 - \$767	-
13	HILLTOP TERRACE PHASE II	RD 515	1988	55	100.0%	\$455 - \$571	\$521 - \$643	-	-
16	OLD JEFFERSON ESTATES	TAX	1995	62	100.0%	-	-	\$705	\$783
19	ROYAL POINT APTS.	TAX	2000	144	91.0%	-	\$579 - \$699	\$670 - \$809	-
21	THE PINES APTS.	SEC 8	1983	70	100.0%	\$631	\$753	\$798	-
<b>TOTAL</b>				<b>746</b>	<b>98.3%</b>				

OCCUP-Occupancy  
TAX-Tax Credit  
RD – Rural Development  
SEC – Section

There are a total of 746 federally subsidized or Tax Credit units in the Site PMA. The overall occupancy is 98.3%, indicating a strong market among these types of apartments. The proposed project offers no subsidized units, and therefore will not be competitive with federally subsidized projects.

#### **4. PLANNED MULTIFAMILY DEVELOPMENT**

Based on our interviews with local building and planning representatives, it was determined that two multifamily projects are planned for the area. These planned developments are summarized as follows:

<b>PROJECT NAME (LOCATION)</b>	<b>DEVELOPER</b>	<b>PROJECT TYPE</b>	<b>TOTAL UNITS</b>	<b>PROJECT SPECIFICS</b>	<b>DEVELOPMENT STATUS</b>	<b>ANTICIPATED OPENING DATE</b>
BRANT CREEK SPUR 40 EAST ST. MARY'S	TOM PERTTY	MARKET- RATE	252	GARDEN & TOWNHOMES; 1-3 BR	PLANNED; BEGIN CONSTRUCTION IN FALL	SPRING 2009
HAVEN PARK KINGS BAY RD & PRO 3 PARKWAY	RONNIE LEIWHOLD	MARKET- RATE	333	GARDEN UNITS; 1-3 BR	PLANNED; BEGIN CONSTRUCTION IN FALL	SUMMER 2009

The upscale market-rate units at Brant Creek and Haven Park are expected to have rents well above the proposed rents at the proposed project. As such, we do not believe these planned market-rate projects will have any significant impact on the proposed project, as these projects will target renters with different income levels.

#### **5. MARKET-DRIVEN RENT ADVANTAGE**

We identified six market-rate properties within the St. Mary's Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Note that two of the comparables are single-family four-bedroom rental homes that were identified, as four-bedroom market-rate apartments are not widely available in this market. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects include, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical to each other, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or less features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, then we lower the collected rent of the selected property by the estimated value of a washer and dryer so that we may derive a *market rent advantage* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies, and the prior experience of VWB Research in markets nationwide.

The proposed subject development and the six selected properties include the following:

MAP I.D.	PROJECT NAME	TOTAL UNITS	YEAR BUILT	OCC. RATE	UNIT MIX		
					TWO-BR.	THREE-BR.	FOUR-BR.
<b>SITE</b>	<b>CUMBERLAND COVE</b>	<b>75</b>	<b>2010</b>	<b>-</b>	<b>40 (-)</b>	<b>25 (-)</b>	<b>10 (-)</b>
3	CAMDEN WAY*	118	1987	98.3%	21 (100.0%)	5 (100.0%)	-
6	311 SUNNYSIDE DR.	1	1978	100.0%	-	-	1 (100.0%)
7	COLERAIN OAKS RENTAL HOMES	212	1991	94.8%	76 (94.7%)	117 (94.9%)	19 (94.7%)
11	HARBOR PINE APTS.**	200	1989	88.5%	100 (88.0%)	30 (93.3%)	-
17	PARK PLACE APTS.**	200	1989	95.5%	144 (95.1%)	24 (95.8%)	-
23	518 MOECKEL LN.	1	1974	100.0%	-	-	1 (100.0%)

Occ. – Occupancy

\*Studio and One-bedroom units not shown in table

\*\* One-bedroom units not shown in table

The six selected market-rate projects have a combined total of 732 units with an overall occupancy rate of 93.9%. None of the selected properties have an occupancy rate below 88.5%. Harbor Pine Apartments is the only property with a low occupancy rate. Management could not provide a definitive answer why the occupancy rate is low, but the property is a former Tax Credit project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features, and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the proposed subject development.

**Rent Comparability Grid**

Unit Type →

**TWO BEDROOM**

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Cumberland Cove		Camden Way		Colerain Oaks Rental Homes		Harbor Pine Apts.		Park Place Apts.			
Martha Dr. & Myrtle St.		145 N. Gross Rd.		306 Ryan Dr.		2000 Harbor Pines Dr.		11919 Colerain Rd.			
St. Mary's, GA		Kingsland, GA		St. Mary's, GA		St. Mary's, GA		St. Mary's, GA			
<b>A.</b>	<b>Rents Charged</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$608		\$525		\$675		\$720			
2	Date Surveyed	Jul-08		Jul-08		Jul-08		Jul-08			
3	Rent Concessions	None		None		None		None			
4	Occupancy for Unit Type	100%		95%		88%		95%			
5	Effective Rent & Rent/ sq. ft	\$608	0.70	\$525	0.56	\$675	0.71	\$720	0.76		
<b>B.</b>	<b>Design, Location, Condition</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	WU/2,3		R/1		WU/2		WU/2			
7	Yr. Built/Yr. Renovated	2010		1987	\$23	1991	\$19	1989	\$21	1989	\$21
8	Condition /Street Appeal	E		G	\$10	F	\$20	G	\$10	E	
9	Neighborhood	G		G		F	\$10	G		G	
10	Same Market?			Yes		Yes		Yes		Yes	
<b>C.</b>	<b>Unit Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	2		2		2		2			
12	# Baths	2	\$30	1	\$30	2		1	\$30		
13	Unit Interior Sq. Ft.	1040	\$30	865	\$30	935	\$18	950	\$15	950	\$15
14	Balcony/ Patio	Y		Y		Y		Y		N	\$5
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$15	N/N	\$15	N/Y	\$5	N/Y	\$5	N/Y	\$5
18	Washer/Dryer	HU/L		HU/L		HU	\$5	HU	\$5	HU/L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
22	Garbage Disposal	Y		Y		N	\$5	Y		Y	
23	Ceiling Fans	N	(\$5)	Y	(\$5)	N		Y	(\$5)	N	
<b>D.</b>	<b>Site Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	Y/N		N/N	\$5	N/N	\$5
28	Pool/ Recreation Areas	P/F/L/WT	\$19	N	\$19	P	\$9	P/S/T	\$5	P/F/S/T/L	(\$2)
29	Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Playground	Y	\$3	N	\$3	Y		Y		Y	
32	Social Services	N		N		N		N		N	
<b>E.</b>	<b>Utilities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y		Y/Y		N/N	\$43	N/N	\$43	N/N	\$43
39	Trash /Recycling	Y/N		Y/N		N/N	\$15	Y/N		Y/N	
<b>F.</b>	<b>Adjustments Recap</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	11	1	11	1	10		9	2		
41	Sum Adjustments B to D	\$146	(\$5)	\$102	(\$5)	\$77		\$92	(\$7)		
42	Sum Utility Adjustments			\$58		\$43		\$43			
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$141	\$151	\$155	\$165	\$120	\$120	\$128	\$142		
<b>G.</b>	<b>Adjusted &amp; Market Rents</b>	<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$749		\$680		\$795		\$848			
45	Adj Rent/Last rent		123%		130%		118%		118%		
46	Estimated Market Rent	\$740		\$0.71		← Estimated Market Rent/ Sq. Ft					

**Rent Comparability Grid**

Unit Type → **THREE BEDROOM**

<i>Subject</i>		<i>Comp #1</i>		<i>Comp #2</i>		<i>Comp #3</i>		<i>Comp #4</i>		<i>Comp #5</i>	
Cumberland Cove		Camden Way		Colerain Oaks Rental Homes		Harbor Pine Apts.		Park Place Apts.			
Martha Dr. & Myrtle St.		145 N. Gross Rd.		306 Ryan Dr.		2000 Harbor Pines Dr.		11919 Colerain Rd.			
St. Mary's, GA		Kingsland, GA		St. Mary's, GA		St. Mary's, GA		St. Mary's, GA			
<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>Subject</i>		<i>Subject</i>		<i>Subject</i>		<i>Subject</i>		<i>Subject</i>		<i>Subject</i>	
<i>Rents Charged</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>\$ Last Rent / Restricted?</i>		<i>\$695</i>		<i>\$575</i>		<i>\$775</i>		<i>\$840</i>			
<i>Date Surveyed</i>		Jul-08		Jul-08		Jul-08		Jul-08			
<i>Rent Concessions</i>		None		None		None		None			
<i>Occupancy for Unit Type</i>		100%		95%		93%		96%			
<i>Effective Rent &amp; Rent/ sq. ft</i>		<i>\$695</i> 0.60		<i>\$575</i> 0.51		<i>\$775</i> 0.67		<i>\$840</i> 0.76			
<i>Design, Location, Condition</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>Structure / Stories</i>		R/1		R/1		WU/2		WU/2			
<i>Yr. Built/Yr. Renovated</i>		1987 \$23		1991 \$19		1989 \$21		1989 \$21			
<i>Condition /Street Appeal</i>		G \$10		F \$20		G \$10		E			
<i>Neighborhood</i>		G		F \$10		G		G			
<i>Same Market?</i>		Yes		Yes		Yes		Yes			
<i>Unit Equipment/ Amenities</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i># Bedrooms</i>		3		3		3		3			
<i># Baths</i>		2		2		2		2			
<i>Unit Interior Sq. Ft.</i>		1152 \$20		1125 \$24		1150 \$20		1100 \$28			
<i>Balcony/ Patio</i>		Y		Y		Y		N \$5			
<i>AC: Central/ Wall</i>		C		C		C		C			
<i>Range/ refrigerator</i>		R/F		R/F		R/F		R/F			
<i>Microwave/ Dishwasher</i>		N/N \$15		N/Y \$5		N/Y \$5		N/Y \$5			
<i>Washer/Dryer</i>		HU/L		HU \$5		HU \$5		HU/L			
<i>Floor Coverings</i>		C		C		C		C			
<i>Window Coverings</i>		B		B		B		B			
<i>Storage</i>		N \$5		N \$5		N \$5		N \$5			
<i>Garbage Disposal</i>		Y		N \$5		Y		Y			
<i>Ceiling Fans</i>		N		Y (\$5)		N		Y (\$5)			
<i>Site Equipment/ Amenities</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>Parking ( \$ Fee)</i>		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0			
<i>On-Site Management</i>		Y		Y		Y		Y			
<i>Security Gate</i>		N		N		N		N			
<i>Clubhouse/ Meeting Rooms</i>		N/N \$5		Y/N		N/N \$5		N/N \$5			
<i>Pool/ Recreation Areas</i>		N \$19		P \$9		P/S/T \$5		P/F/S/T/L (\$2)			
<i>Computer Center</i>		N \$3		N \$3		N \$3		N \$3			
<i>Picnic Area</i>		N \$3		N \$3		N \$3		N \$3			
<i>Playground</i>		N \$3		Y		Y		Y			
<i>Social Services</i>		N		N		N		N			
<i>Utilities</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>		<i>Data</i>	
<i>Heat (in rent?/ type)</i>		N/E		N/E		N/E		N/E			
<i>Cooling (in rent?/ type)</i>		N/E		N/E		N/E		N/E			
<i>Cooking (in rent?/ type)</i>		N/E		N/E		N/E		N/E			
<i>Hot Water (in rent?/ type)</i>		N/E		N/E		N/E		N/E			
<i>Other Electric</i>		N		N		N		N			
<i>Cold Water/ Sewer</i>		Y/Y		N/N \$50		N/N \$50		N/N \$50			
<i>Trash /Recycling</i>		Y/N		N/N \$15		Y/N		Y/N			
<i>Adjustments Recap</i>		<i>Pos Neg</i>		<i>Pos Neg</i>		<i>Pos Neg</i>		<i>Pos Neg</i>		<i>Pos Neg</i>	
<i># Adjustments B to D</i>		10 1		11 1		10		8 2			
<i>Sum Adjustments B to D</i>		\$106 (\$5)		\$108 (\$5)		\$82		\$75 (\$7)			
<i>Sum Utility Adjustments</i>				\$65		\$50		\$50			
		<i>Net Gross</i>		<i>Net Gross</i>		<i>Net Gross</i>		<i>Net Gross</i>		<i>Net Gross</i>	
<i>Net/ Gross Adjmts B to E</i>		\$101 \$111		\$168 \$178		\$132 \$132		\$118 \$132			
<i>Adjusted &amp; Market Rents</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>		<i>Adj. Rent</i>	
<i>Adjusted Rent (5+ 43)</i>		<i>\$796</i>		<i>\$743</i>		<i>\$907</i>		<i>\$958</i>			
<i>Adj Rent/Last rent</i>		115%		129%		117%		114%			
<i>Estimated Market Rent</i>		<i>\$840</i>		<i>\$0.66</i>		<i>Estimated Market Rent/ Sq. Ft</i>					

**Rent Comparability Grid**

Unit Type →

**FOUR BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Cumberland Cove		311 Sunnyside Dr.		Colerain Oaks Rental Homes		518 Moeckel Ln.					
Martha Dr. & Myrtle St.		311 Sunnyside Dr.		306 Ryan Dr.		518 Moeckel Ln.					
St. Mary's, GA		St. Mary's, GA		St. Mary's, GA		St. Mary's, GA					
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,000		\$675		\$875					
2	Date Surveyed	Jul-08		Jul-08		Jul-08					
3	Rent Concessions	None		None		None					
4	Occupancy for Unit Type	100%		95%		100%					
5	Effective Rent & Rent/ sq. ft	\$1,000	0.67	\$675	0.48	\$875	0.58				
B. Design, Location, Condition	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2,3		SFH/1 (\$50)		R/1 (\$50)		SFH/1 (\$50)			
7	Yr. Built/Yr. Renovated	2010		1978 \$32		1991 \$19		1974 \$36			
8	Condition /Street Appeal	E		G \$10		F \$20		G \$10			
9	Neighborhood	G		G		F \$10		G			
10	Same Market?			Yes		Yes		Yes			
C. Unit Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	4		4		4					
12	# Baths	2		2		2					
13	Unit Interior Sq. Ft.	1466		1500 (\$5)		1400 \$10		1500 (\$5)			
14	Balcony/ Patio	Y		Y		Y					
15	AC: Central/ Wall	C		C		C					
16	Range/ refrigerator	R/F		R/F		R	\$10				
17	Microwave/ Dishwasher	Y/Y		N/Y \$5		N/Y \$5		N/Y \$5			
18	Washer/Dryer	HU/L		HU \$5		HU \$5		HU \$5			
19	Floor Coverings	C		C		C					
20	Window Coverings	B		B		B					
21	Storage	Y		N \$5		N \$5		N \$5			
22	Garbage Disposal	Y		N \$5		N \$5		N \$5			
23	Ceiling Fans	N		N		Y (\$5)		N			
D. Site Equipment/ Amenities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		A-GAR (\$60)			
25	On-Site Management	Y		N \$5		Y		N \$5			
26	Security Gate	N		N		N					
27	Clubhouse/ Meeting Rooms	N/Y		N/N \$5		Y/N		N/N \$5			
28	Pool/ Recreation Areas	P/F/L/WT		N \$19		P \$9		N \$19			
29	Computer Center	Y		N \$3		N \$3		N \$3			
30	Picnic Area	Y		N \$3		N \$3		N \$3			
31	Playground	Y		N \$3		Y		N \$3			
32	Social Services	N		N		N					
E. Utilities	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E					
34	Cooling (in rent?/ type)	N/E		N/E		N/E					
35	Cooking (in rent?/ type)	N/E		N/E		N/E					
36	Hot Water (in rent?/ type)	N/E		N/E		N/E					
37	Other Electric	N		N		N					
38	Cold Water/ Sewer	Y/Y		N/N		N/N \$58		N/N			
39	Trash /Recycling	Y/N		N/N		N/N \$15		N/N			
F. Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	
40	# Adjustments B to D	12	2	11	2	13	3				
41	Sum Adjustments B to D	\$100	(\$55)	\$94	(\$55)	\$114	(\$115)				
42	Sum Utility Adjustments			\$73							
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$45	\$155	\$112	\$222	(\$1)	\$229				
G. Adjusted & Market Rents	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent	Adj. Rent		
44	Adjusted Rent (5+ 43)	\$1,045		\$787		\$874					
45	Adj Rent/Last rent		105%		117%		100%				
46	Estimated Market Rent	\$900	\$0.61	← Estimated Market Rent/ Sq. Ft							

Based on the preceding Rent Comparability Grids, it was determined that the market-driven rent for units similar to the proposed subject development are \$740 for a two-bedroom unit, \$840 for a three-bedroom unit, and \$900 for a four-bedroom unit.

The following table compares the proposed collected rents at the subject site with market-driven rent for selected units.

BEDROOM TYPE	COLLECTED RENT		
	PROPOSED SUBJECT	MARKET-DRIVEN	PROPOSED RENT AS SHARE OF MARKET
TWO-BEDROOM	\$481 (50%)	\$740	65.0%
	\$601 (60%)		81.2%
	\$675 (MR)		91.2%
THREE-BEDROOM	\$548 (50%)	\$840	65.2%
	\$687 (60%)		81.8%
FOUR-BEDROOM	\$589 (50%)	\$900	65.4%
	\$743 (60%)		82.6%

The proposed collected Tax Credit rents are 65.0% to 82.6% of market-driven rents and appear to be excellent values for the subject market. The proposed market-rate rent of \$675 for a two-bedroom will also appear as a good value for the area. The proposed LIHTC rents represent a 17.4% to 35.0% market-rent advantage. This excellent market-rent advantage is considered in our absorption estimates and conclusions.

**6. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)**

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

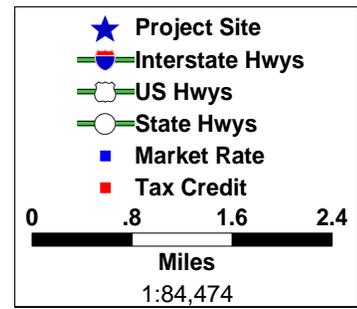
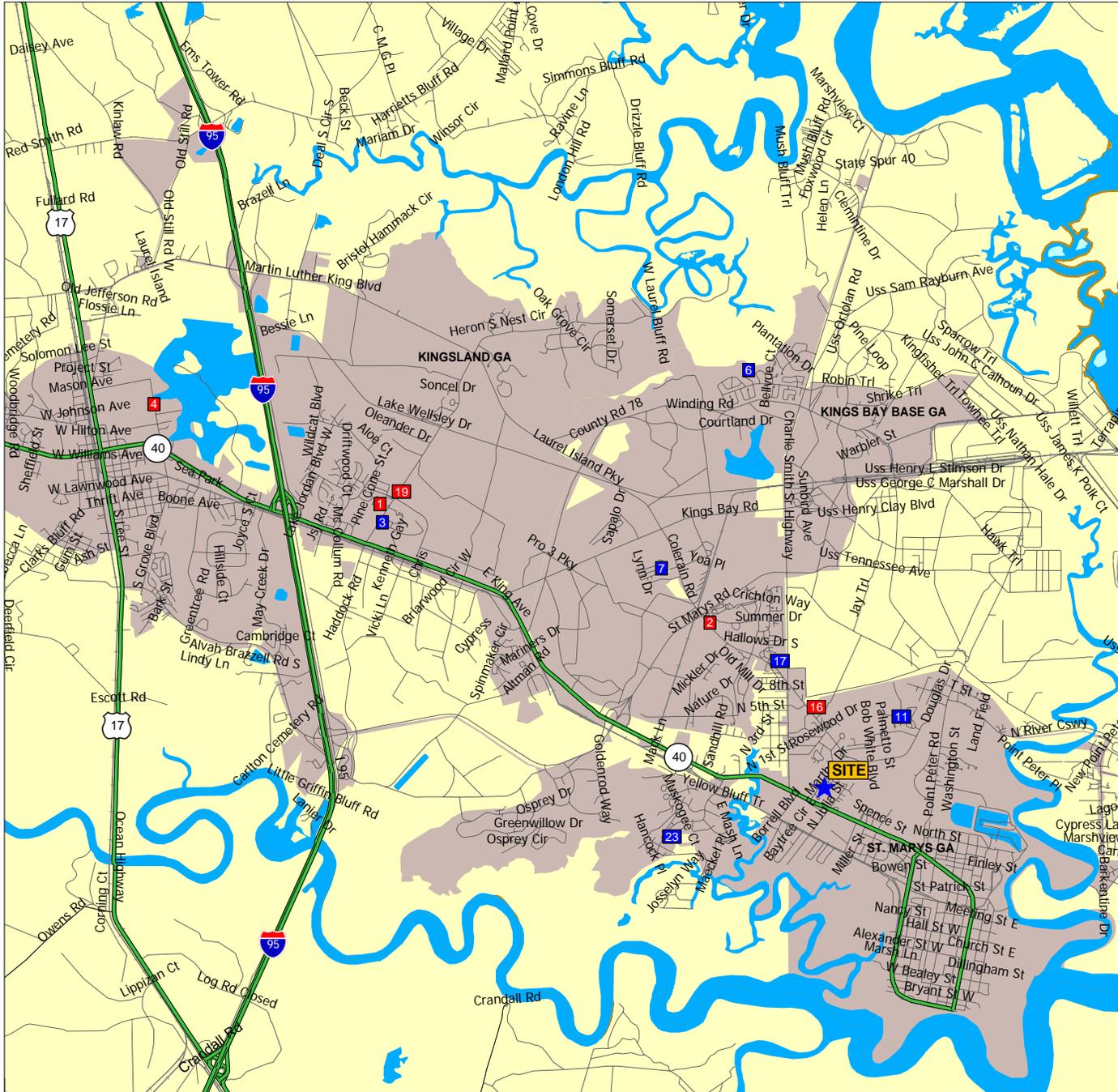
1. Rents for each property are reported as collected rents. This is the actual rent paid by tenants and does not consider utilities paid by tenants. The rent reported is typical and does not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
  
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1974 and 1991. As such, we have adjusted the rents at the selected properties by \$19 to \$36 to reflect the effective age of these properties.

8. It is anticipated that the proposed subject project will have an excellent quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider of inferior quality compared to the subject development.
9. One of the selected comparables is in a less desirable location than the other five selected projects and the subject project. As such, we have made a modest adjustment to account for the difference in neighborhood appeal.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the competitive properties.
13. The adjustment for differences in square feet is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The proposed subject project will offer a unit amenity package similar to the selected properties. However, we have made numerous adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a comprehensive project amenities package including on-site management, swimming pool, community building, exercise room, business center, walking path, picnic area, covered pavilion, playground, and laundry facility. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

Once all adjustments to collected rents were made, the rents for each bedroom type were considered to derive a market-driven rent for each bedroom type. Each property was considered and weighed based upon its proximity, amenities, and unit layout compared to the subject site.

The map on the following page illustrates the subject site, as well as the locations of the competitive Tax Credit and market-rate apartment properties in the Site PMA.

# St. Mary's, GA: Existing Comparable Property Locations



## **SECTION H – INTERVIEWS**

Determination of the Primary Market Area for the proposed project is based on interviews with nearby area apartment managers and city officials to establish the boundaries of the geographical area from which most of the support for the proposed development is expected to originate.

Several area apartment managers, including Ms. Laurice Lancaster of the Tax Credit project Ashton Pines at Sugar Mill and Ms. Shirley Valenteen of the LIHTC property Old Jefferson Estates confirmed that about 85% to 90% of residents for a new Tax Credit property in St. Mary's would likely come from St. Mary's and Kingsland. They both felt the area was in need of additional affordable housing of any bedroom size, as both of these properties typically operate with a waiting list.

Ms. Heather Hutching-Openlander, manager of the Pelican Point Apartments, a market-rate project that neighbors the site, stated that her tenants are primarily from St. Mary's and Kingsland. Ms. Linda Grooms, a property manager for a local RE/MAX Real Estate office, stated that area residents will move freely between Kingsland and St. Mary's, depending on where they can get the most economic utility for their housing dollar.

Mr. Chris Daniel of the Camden County Chamber of Commerce was interviewed by telephone in order to gather economic data such as major employer numbers and information on job growth in the St. Mary's and Kingsland areas and the Camden County economy. He noted employment in the area is relatively steady, with the military presence having a substantial stabilizing effect on the local economy.

Lastly, area building and planning department officials were interviewed about area apartments and other housing developments as well as infrastructure changes that could affect St. Mary's and Kingsland. Individuals interviewed include Mr. Roger Weaver of the St. Mary's Planning Department and Mr. Ken Kessler, Director of Community Planning and Development in Kingsland. Both individuals discussed planned or potential housing projects, including multifamily apartments and condominiums in their cities.

## SECTION I – RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market *does not* exist for the 75 units proposed at the subject site, assuming it is developed as detailed in this report. While the proposed project's rents represent excellent values for the local St. Mary's market, the capture rates for the project are very high – the three- and four-bedroom capture rates by bedroom type and AMHI level are all over 100.0%, indicating supply is greater than demand in these unit types, according to the GDCA demand methodology. The capture rate is also high overall in the two-bedroom units at 67.8%. As such, there is not likely enough support for the proposed project given the existing supply of large Tax Credit units for families.

In our opinion the proposed project could be made more supportable by reducing the proposed rents by 5.0% or more, so as to allow for a greater band of affordability, as well as decreasing the number of three and four bedroom units, while adding several one-bedroom units to the proposed project. Even with these changes, the proposed project could still have some very high capture rates in some bedroom types.

The proposed project will offer an amenities package that includes all modern appliances such as dishwashers, ranges, refrigerators, central air conditioning, and other features that would allow the project to compete well upon opening, as it would be the newest project in the market.

## SECTION J - SIGNED STATEMENT

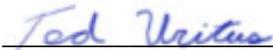
I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full study of the need and demand for new rental units. To the best of my knowledge, the market cannot support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs 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.

Certified:



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Brian Gault  
Market Analyst  
VWB Research  
869 W. Goodale Blvd.  
Columbus, Ohio 43212  
(614) 225-9500  
[briang@vwbresearch.com](mailto:briang@vwbresearch.com)  
Date: August 4, 2008



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Ted Uritus  
Market Analyst  
Date: August 4, 2008



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Patrick Bowen  
Partner  
Date: August 4, 2008

## SECTION K - QUALIFICATIONS

### 1. THE COMPANY

VWB Research is a real estate research firm established to provide accurate and insightful market forecasts for a broad range client base. The three principals of the firm, Robert Vogt, Tim Williams, and Patrick Bowen, have a combined 45 years of real estate market feasibility experience throughout the United States.

Serving real estate developers, syndicators, lenders, state housing finance agencies, and the U.S. Department of Housing and Urban Development (HUD), the firm provides market feasibility studies for affordable housing, market-rate apartments, condominiums, senior housing, student housing, and single-family developments.

### 2. THE STAFF

**Robert Vogt** has conducted and reviewed over 5,000 market analyses over the past 26 years for market-rate and Low-Income Housing Tax Credit apartments, as well as studies for single-family, golf course/residential, office, retail and elderly housing throughout the United States. Mr. Vogt is a founding member and the immediate past chairman of the National Council of Affordable Housing Market Analysts, a group formed to bring standards and professional practices to market feasibility. He is a frequent speaker at many real estate and state housing conferences. Mr. Vogt has a bachelor's degree in finance, real estate, and urban land economics from the Ohio State University.

**Tim Williams** has over 20 years of sales and marketing experience and over 10 years in the real estate market feasibility industry. He is a frequent speaker at state housing conferences and an active member of the National Council of State Housing Agencies and the National Housing and Rehabilitation Association. Mr. Williams has a bachelor's degree in English from Hobart and William Smith College.

**Patrick Bowen** has prepared and supervised market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing, and student housing, for more than 10 years. He has also prepared various studies for submittal as part of HUD 221(d) 3 & 4, HUD 202 developments, and applications for housing for Native Americans. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

**Brian Gault** has conducted fieldwork and analyzed real estate markets for eight years in more than 40 states. In this time, Mr. Gault has conducted a broad range of studies, including Low-Income Housing Tax Credit, luxury market-rate apartments, comprehensive community housing assessment, HOPE VI redevelopment, student housing analysis, condominium communities, and mixed-use developments. Mr. Gault has his bachelor's degree in public relations from the E.W. Scripps School of Journalism, Ohio University.

**Nancy Patzer** has over a decade of experience as a writer and researcher. Ms. Patzer's experience includes securing grant financing for a variety of communities and organizations and providing planning direction and motivation through research for organizations such as Community Research Partners/United Way of Central Ohio and the City of Columbus. As a project director for VWB Research, Ms. Patzer has conducted field research and provided insightful analysis in over 200 U.S. markets in the areas of housing, community and economic development, and senior residential care, among others. She holds a Bachelor of Science in Journalism from the E.W. Scripps School of Journalism, Ohio University.

**Christopher T. Bunch** has eight years of professional experience in real estate, including four years' experience in the real estate market research field. Mr. Bunch, who holds an Ohio Real Estate Appraisal License, is responsible for preparing market feasibility studies and rent comparability studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

**Andrew W. Mazak** has four years of experience in the real estate market research field. He has conducted and participated in market feasibility studies in numerous markets throughout the United States. Mr. Mazak attended Capital University in Columbus, Ohio, where he graduated with a bachelor's degree in Business Management and Marketing.

**Nathan Young** has two years of experience in the real estate profession. He has conducted field research and written market studies in more than 75 rural and urban markets throughout the United States. Mr. Young's real estate experience includes analysis of apartment (subsidized, Tax Credit, and market-rate), senior housing (i.e. nursing homes, assisted-living, etc.), student housing, condominium, retail, office, and self-storage facilities. Mr. Young has a bachelor's degree in Engineering (Civil) from Ohio State University.

**Jim Beery** has more than 20 years experience in the real estate market feasibility profession. He has written market studies for a variety of development projects, including multifamily apartments (market-rate, affordable housing, and government-subsidized), residential condominiums, hotels, office developments, retail centers, recreational facilities, commercial developments, single-family developments, and assisted-living properties for older adults. Other consulting assignments include numerous community redevelopment and commercial revitalization projects. Mr. Beery has a bachelor's degree in Business Administration (Finance major) from The Ohio State University.

**David S. Currier** has conducted on-site market evaluations in more than 90 markets in 25 states, Canada, and the U.S. Virgin Islands. Mr. Currier has analyzed apartments (subsidized, Tax Credit, and upscale market-rate), senior housing (i.e. nursing homes, assisted-living, etc.), student housing, condominium, retail, office, and marinas. Mr. Currier has a bachelor's degree in Economics from the University of Colorado.

**Walt Whitmyre** has directed 165 real estate development projects in 15 different states. During his 30 years as a real estate professional, Mr. Whitmyre has been heavily involved in nearly every aspect of the industry. From concept design to construction, Mr. Whitmyre has been responsible for real estate developments totaling \$400,000,000 and has acquired valuable insights from the perspectives of both developer and development team member. Mr. Whitmyre's expertise includes development team management, market feasibility studies, site due diligence, design evaluation, project budgeting, and jurisdictional entitlements. Mr. Whitmyre holds a bachelor's degree in Environmental Design/Architecture from the University of Colorado.

**Rick Stein** has over 15 years experience as a software developer and systems analyst. He has served as a consultant on a wide variety of information technology and urban planning projects throughout the region. He manages the Geographic Information Systems department at VWB, which is responsible for all mapping, demographic evaluation, and application development. Mr. Stein has earned a Bachelor of Science in Business Administration (specializing in Management Information Systems) from Bowling Green State University and a Master of City and Regional Planning from The Ohio State University. He is an active member of the American Planning Association and the Ohio Planning Conference.

**June Davis** is an administrative assistant with 19 years experience in market feasibility. Ms. Davis has overseen production on over 1,000 market studies for projects throughout the United States.

**Field Staff** – VWB Research maintains a field staff of professionals experienced at collecting critical on-site real estate data. Each member has been fully trained to evaluate site attributes, area competitors, market trends, economic characteristics, and a wide range of issues impacting the viability of real estate development.

## ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

### SAINT MARY'S, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

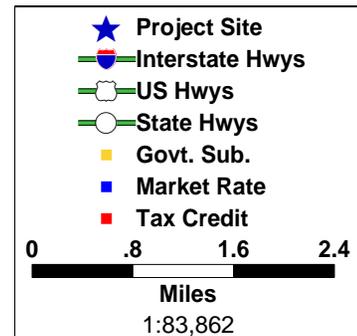
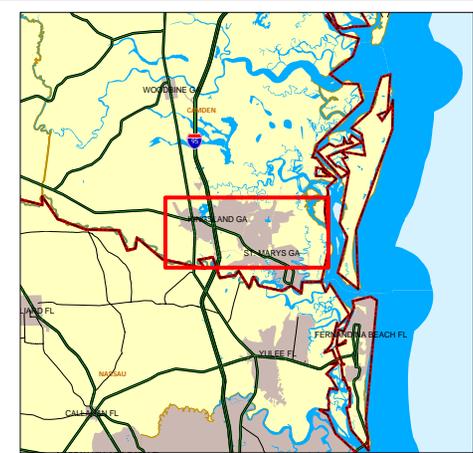
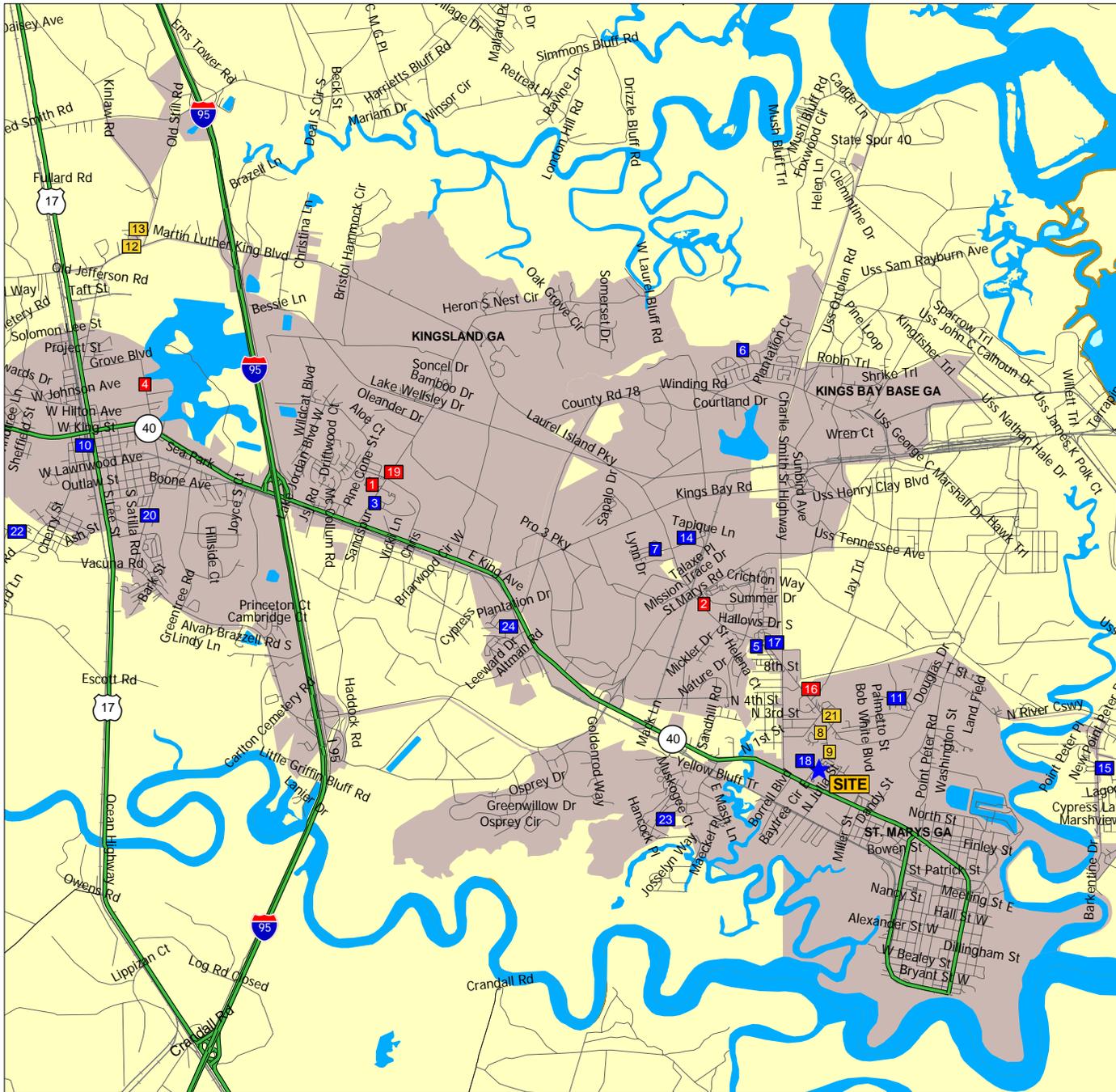
The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

# St. Mary's, GA: Apartment Locations



# MAP IDENTIFICATION LIST - SAINT MARY'S, GEORGIA

MAP ID	PROJECT NAME	PROJECT TYPE	YEAR BUILT	TOTAL UNITS	VACANT	OCCUPANCY RATE	DISTANCE TO SITE*
1	Ashton Cove Apts.	TAX	2000	72	0	100%	6.9
2	Ashton Pines at Sugar Mill	TAX	1998	70	0	100%	2.2
3	Camden Way	MRR	1987	118	2	98%	5.7
4	Kingsland Phase II-Family	TAX	2008	0	0	U/C	9.5
5	Boardwalk	MRR	1985	52	7	87%	1.7
6	311 Sunnyside Dr.	MRR	1978	1	0	100%	5.0
7	Colerain Oaks Rental Homes	MRR	1991	212	11	95%	4.2
8	Cumberland Oaks	GSS	1985	154	0	100%	0.4
9	Cumberland Village Apts.	GSS	1980	64	0	100%	0.4
10	Greenbriar Twnhms.	MRR	1992	68	2	97%	9.9
11	Harbor Pine Apts.	MRR	1989	200	23	89%	1.5
12	Hilltop Terrace Phase I	GSS	1982	55	0	100%	9.7
13	Hilltop Terrace Phase II	GSS	1988	55	0	100%	9.8
14	Mission Forest Apts.	MRR	1986	104	8	92%	3.0
15	Morningside Twnhms.	MRR	1975	20	0	100%	5.2
16	Old Jefferson Estates	TAX	1995	62	0	100%	1.0
17	Park Place Apts.	MRR	1989	200	9	96%	1.7
18	Pelican Point Apts.	MRR	1987	56	3	95%	0.1
19	Royal Point Apts.	TAX	2000	144	13	91%	7.1
20	Summerbend Apts.	MRR	1980	32	1	97%	9.3
21	The Pines Apts.	GSS	1983	70	0	100%	0.6
22	Ingleside Apts.	MRR	1982	89	3	97%	11.2
23	518 Moeckel Ln.	MRR	1974	1	0	100%	2.0
24	142 Woodvalley Dr.	MRR	1975	1	0	100%	3.8

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE
MRR	14	1,154	69	94.0%
TAX	5	348	13	96.3%
GSS	5	398	0	100.0%

\* - Drive Distance (Miles)

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Surveyed - July 2008

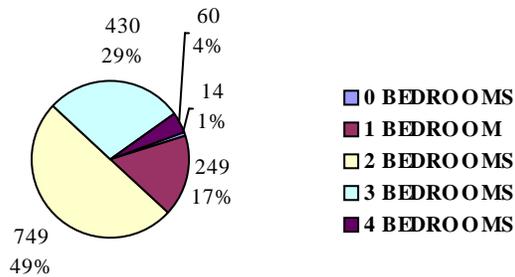
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# DISTRIBUTION OF UNITS - SAINT MARY'S, GEORGIA

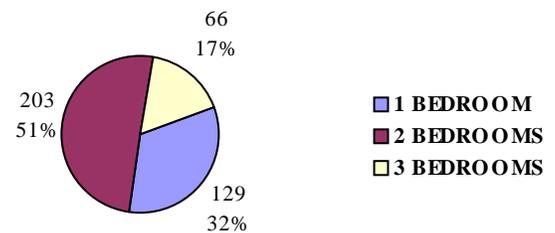
MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	14	1.2%	1	7.1%	\$520
1	1	231	20.0%	14	6.1%	\$660
2	1	210	18.2%	10	4.8%	\$824
2	2	394	34.1%	29	7.4%	\$783
3	1	43	3.7%	3	7.0%	\$848
3	2	240	20.8%	11	4.6%	\$843
4	2	22	1.9%	1	4.5%	\$968
<b>TOTAL</b>		<b>1,154</b>	<b>100.0%</b>	<b>69</b>	<b>6.0%</b>	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	18	5.2%	0	0.0%	\$462
2	1	19	5.5%	0	0.0%	\$557
2	2	126	36.2%	6	4.8%	\$610
3	2	147	42.2%	7	4.8%	\$705
4	2	38	10.9%	0	0.0%	\$783
<b>TOTAL</b>		<b>348</b>	<b>100.0%</b>	<b>13</b>	<b>3.7%</b>	
60 UNITS UNDER CONSTRUCTION						
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	129	32.4%	0	0.0%	N.A.
2	1	203	51.0%	0	0.0%	N.A.
3	1	22	5.5%	0	0.0%	N.A.
3	2	44	11.1%	0	0.0%	N.A.
<b>TOTAL</b>		<b>398</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
<b>GRAND TOTAL</b>		<b>1,900</b>	<b>-</b>	<b>82</b>	<b>4.3%</b>	

## DISTRIBUTION OF UNITS BY BEDROOM

NON-SUBSIDIZED



SUBSIDIZED



Surveyed - July 2008



# SURVEY OF PROPERTIES - SAINT MARY'S, GEORGIA

1 Ashton Cove Apts.			
	<b>Address</b> 230 N. Gross Rd. Kingsland, GA 31548	<b>Contact</b> Shakenya <b>Phone</b> (912) 510-7007 (Contact in person)	<b>Total Units</b> 72 <b>Vacancies</b> 0 <b>Occupied</b> 100.0%
	<b>Year Built</b> 2000 <b>Project Type</b> Tax Credit <b>Comments</b> Tax Credit @ 45% & 50% AMHI		<b>Floors</b> 1,2 <b>Quality Rating</b> B+ <b>Waiting List</b> 6-8 months
2 Ashton Pines at Sugar Mill			
	<b>Address</b> 11115 Colerain Rd. St. Mary's, GA 31558	<b>Contact</b> Laurice <b>Phone</b> (912) 673-6588 (Contact in person)	<b>Total Units</b> 70 <b>Vacancies</b> 0 <b>Occupied</b> 100.0%
	<b>Year Built</b> 1998 <b>Project Type</b> Tax Credit <b>Comments</b> Tax Credit @ 50% & 60% AMHI		<b>Floors</b> 2 <b>Quality Rating</b> B+ <b>Waiting List</b> None
3 Camden Way			
	<b>Address</b> 145 N. Gross Rd. Kingsland, GA 31548	<b>Contact</b> Jennifer <b>Phone</b> (912) 729-4116 (Contact in person)	<b>Total Units</b> 118 <b>Vacancies</b> 2 <b>Occupied</b> 98.3%
	<b>Year Built</b> 1987 <b>Project Type</b> Market-rate <b>Comments</b> 1-, 2-, & 3-br units have washer/dryer hookups		<b>Floors</b> 1 <b>Quality Rating</b> B- <b>Waiting List</b> None
4 Kingsland Phase II-Family			
	<b>Address</b> 500 N. Grove Blvd. Kingsland, GA 31548	<b>Contact</b> Eileen <b>Phone</b> (404) 735-6076 (Contact in person)	<b>Total Units</b> 0 <b>Vacancies</b> 0 <b>Occupied</b> 0
	<b>Year Built</b> 2008 <b>Project Type</b> Tax Credit <b>Comments</b> Tax Credit @ 50% & 60% AMHI; 29% (60 units) senior (55+); All 60 units under construction; Pre-leasing begins 9/2008		<b>Floors</b> 2 <b>Quality Rating</b> A- <b>Waiting List</b> None
5 Boardwalk			
	<b>Address</b> 109 Baltic Ct. St. Mary's, GA 31558	<b>Contact</b> Name not given <b>Phone</b> (912) 882-1705 (Contact in person)	<b>Total Units</b> 52 <b>Vacancies</b> 7 <b>Occupied</b> 86.5%
	<b>Year Built</b> 1985 <b>Project Type</b> Market-rate <b>Comments</b> Year built, square footage, & total units estimated		<b>Floors</b> 1 <b>Quality Rating</b> B- <b>Waiting List</b> None

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Surveyed - July 2008

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# SURVEY OF PROPERTIES - SAINT MARY'S, GEORGIA

<b>6 311 Sunnyside Dr.</b>				
	<b>Address</b> 311 Sunnyside Dr. St. Mary's, GA 31558	<b>Contact</b> Linda <b>Phone</b> (912) 729-6446 (Contact in person)	<b>Total Units</b> 1	<b>Vacancies</b> 0
	<b>Year Built</b> 1978 <b>Project Type</b> Market-rate <b>Comments</b> Single-family home; Fenced backyard		<b>Occupied</b> 100.0%	<b>Floors</b> 1
			<b>Waiting List</b> None	
<b>7 Colerain Oaks Rental Homes</b>				
	<b>Address</b> 306 Ryan Dr. St. Mary's, GA 31558	<b>Contact</b> Catherine <b>Phone</b> (912) 882-2464 (Contact in person)	<b>Total Units</b> 212	<b>Vacancies</b> 11
	<b>Year Built</b> 1991 <b>Project Type</b> Market-rate <b>Comments</b> Unit mix estimated; Storage: \$20-\$25		<b>Occupied</b> 94.8%	<b>Floors</b> 1
			<b>Waiting List</b> None	
<b>8 Cumberland Oaks</b>				
	<b>Address</b> 100 Mary Powell Dr. St. Mary's, GA 31558	<b>Contact</b> Linda <b>Phone</b> (912) 882-6275 (Contact in person)	<b>Total Units</b> 154	<b>Vacancies</b> 0
	<b>Year Built</b> 1985 <b>Project Type</b> Government-subsidized <b>Comments</b> Government-subsidized, HUD Section 8; Square footage estimated; Select 2-br & all 3-br units have washer/dryer hookups		<b>Occupied</b> 100.0%	<b>Floors</b> 2
			<b>Waiting List</b> 1 year	
<b>9 Cumberland Village Apts.</b>				
	<b>Address</b> 116 Martha Dr. St. Mary's, GA 31558	<b>Contact</b> Karen <b>Phone</b> (912) 882-3863 (Contact in person)	<b>Total Units</b> 64	<b>Vacancies</b> 0
	<b>Year Built</b> 1980 <b>Project Type</b> Government-subsidized <b>Comments</b> Government-subsidized, RD 515; Has RA (13 units); Square footage estimated		<b>Occupied</b> 100.0%	<b>Floors</b> 1
			<b>Waiting List</b> 8 months	
<b>10 Greenbriar Twnhms.</b>				
	<b>Address</b> 244 S. Orange Edwards Blvd. Kingsland, GA 31548	<b>Contact</b> Rose <b>Phone</b> (912) 673-6596 (Contact in person)	<b>Total Units</b> 68	<b>Vacancies</b> 2
	<b>Year Built</b> 1992 <b>Project Type</b> Market-rate <b>Comments</b>		<b>Occupied</b> 97.1%	<b>Floors</b> 2
			<b>Waiting List</b> None	

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Surveyed - July 2008



# SURVEY OF PROPERTIES - SAINT MARY'S, GEORGIA

11 Harbor Pine Apts.				
	<b>Address</b> 2000 Harbor Pines Dr. St. Mary's, GA 31558	<b>Contact</b> Janice <b>Phone</b> (912) 882-7330 (Contact in person)	<b>Total Units</b> 200	<b>Vacancies</b> 23
	<b>Year Built</b> 1989 <b>Project Type</b> Market-rate <b>Comments</b> 1-br units have washer/dryers; Unit mix & vacancies estimated			<b>Occupied</b> 88.5%
			<b>Quality Rating</b> B	<b>Waiting List</b> None
12 Hilltop Terrace Phase I				
	<b>Address</b> 360 Colerain Rd. Kingsland, GA 31548	<b>Contact</b> Joy <b>Phone</b> (912) 729-4399 (Contact in person)	<b>Total Units</b> 55	<b>Vacancies</b> 0
	<b>Year Built</b> 1982 <b>Project Type</b> Government-subsidized <b>Comments</b> Government-subsidized, RD 515; Has RA (34 units); Square footage estimated			<b>Occupied</b> 100.0%
			<b>Quality Rating</b> C+	<b>Waiting List</b> 15 households
13 Hilltop Terrace Phase II				
	<b>Address</b> 360 Colerain Rd. Kingsland, GA 31548	<b>Contact</b> Joy <b>Phone</b> (912) 729-4399 (Contact in person)	<b>Total Units</b> 55	<b>Vacancies</b> 0
	<b>Year Built</b> 1988 <b>Project Type</b> Government-subsidized <b>Comments</b> Government-subsidized, RD 515; Has RA (50 units); Square footage estimated; 100% senior (62+) or disabled			<b>Occupied</b> 100.0%
			<b>Quality Rating</b> C+	<b>Waiting List</b> 2 households
14 Mission Forest Apts.				
	<b>Address</b> 999 Mission Trace Dr. St. Mary's, GA 31558	<b>Contact</b> Donna <b>Phone</b> (912) 882-4444 (Contact in person)	<b>Total Units</b> 104	<b>Vacancies</b> 8
	<b>Year Built</b> 1986 <b>Project Type</b> Market-rate <b>Comments</b>			<b>Occupied</b> 92.3%
			<b>Quality Rating</b> B+	<b>Waiting List</b> None
15 Morningside Twnhms.				
	<b>Address</b> 730 Morningside Ln. St. Mary's, GA 31558	<b>Contact</b> Melissa <b>Phone</b> (912) 882-5466 (Contact in person)	<b>Total Units</b> 20	<b>Vacancies</b> 0
	<b>Year Built</b> 1975 <b>Project Type</b> Market-rate <b>Comments</b> Year built & square footage estimated			<b>Occupied</b> 100.0%
			<b>Quality Rating</b> C	<b>Waiting List</b> None

<span style="color: blue;">■</span> Market-rate
<span style="color: cyan;">■</span> Market-rate/Tax Credit
<span style="color: magenta;">■</span> Market-rate/Government-subsidized
<span style="color: purple;">■</span> Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span> Tax Credit
<span style="color: orange;">■</span> Tax Credit/Government-subsidized
<span style="color: yellow;">■</span> Government-subsidized

Surveyed - July 2008



# SURVEY OF PROPERTIES - SAINT MARY'S, GEORGIA

16 Old Jefferson Estates			
	<b>Address</b> 6 Rosewood Dr. St. Mary's, GA 31358	<b>Contact</b> Shirley <b>Phone</b> (912) 673-6344 (Contact in person)	<b>Total Units</b> 62 <b>Vacancies</b> 0 <b>Occupied</b> 100.0%
	<b>Year Built</b> 1995 <b>Project Type</b> Tax Credit <b>Comments</b> Tax Credit @ 50% AMHI; Single-family homes		<b>Floors</b> 1 <b>Quality Rating</b> B+ <b>Waiting List</b> 44 households
17 Park Place Apts.			
	<b>Address</b> 11919 Colerain Rd. St. Mary's, GA 31558	<b>Contact</b> Rebecca <b>Phone</b> (912) 673-6001 (Contact in person)	<b>Total Units</b> 200 <b>Vacancies</b> 9 <b>Occupied</b> 95.5%
	<b>Year Built</b> 1989 <b>Project Type</b> Market-rate <b>Comments</b> Second & third floor units have ceiling fans		<b>Floors</b> 2,3 <b>Quality Rating</b> A- <b>Waiting List</b> None
18 Pelican Point Apts.			
	<b>Address</b> 1 Pelican Point Rd. St. Mary's, GA 31558	<b>Contact</b> Heather <b>Phone</b> (912) 673-6301 (Contact in person)	<b>Total Units</b> 56 <b>Vacancies</b> 3 <b>Occupied</b> 94.6%
	<b>Year Built</b> 1987 <b>Project Type</b> Market-rate <b>Comments</b> 2-br units have washer/dryer hookups, patio/deck, & dishwasher; Water & sewer fee: 1-br/\$15 & 2-br/\$20		<b>Floors</b> 2 <b>Quality Rating</b> B+ <b>Waiting List</b> None
19 Royal Point Apts.			
	<b>Address</b> 301 N. Gross Rd. Kingsland, GA 31548	<b>Contact</b> Kathryn <b>Phone</b> (912) 729-7135 (Contact in person)	<b>Total Units</b> 144 <b>Vacancies</b> 13 <b>Occupied</b> 91.0%
	<b>Year Built</b> 2000 <b>Project Type</b> Tax Credit <b>Comments</b> TAX @ 50% & 60% AMHI; Vac. est.; Access down due to road construction; Trouble qualifying tenants; Manager feels slow economy hurting occupancy		<b>Floors</b> 2,3 <b>Quality Rating</b> A- <b>Waiting List</b> None
20 Summerbend Apts.			
	<b>Address</b> 935 S. Grove Blvd. Kingsland, GA 31548	<b>Contact</b> Sherry <b>Phone</b> (912) 729-8110 (Contact in person)	<b>Total Units</b> 32 <b>Vacancies</b> 1 <b>Occupied</b> 96.9%
	<b>Year Built</b> 1980 <b>Project Type</b> Market-rate <b>Comments</b>		<b>Floors</b> 2 <b>Quality Rating</b> B+ <b>Waiting List</b> None

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Surveyed - July 2008

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# SURVEY OF PROPERTIES - SAINT MARY'S, GEORGIA

21 The Pines Apts.			
	<p><b>Address</b> 1119 Douglas Dr. St. Mary's, GA 31558</p> <p><b>Year Built</b> 1983</p> <p><b>Project Type</b> Government-subsidized</p> <p><b>Comments</b> Government-subsidized, HUD Section 8</p>	<p><b>Contact</b> Beth</p> <p><b>Phone</b> (912) 882-6103 (Contact in person)</p>	<p><b>Total Units</b> 70</p> <p><b>Vacancies</b> 0</p> <p><b>Occupied</b> 100.0%</p> <p><b>Floors</b> 1,2</p> <p><b>Quality Rating</b> B-</p> <p><b>Waiting List</b> 1 year</p>
22 Ingleside Apts.			
	<p><b>Address</b> 1078 Clarks Bluff Rd. Kingsland, GA 31548</p> <p><b>Year Built</b> 1982</p> <p><b>Project Type</b> Market-rate</p> <p><b>Comments</b> Square footage estimated</p>	<p><b>Contact</b> Kristie</p> <p><b>Phone</b> (912) 729-2751 (Contact in person)</p>	<p><b>Total Units</b> 89</p> <p><b>Vacancies</b> 3</p> <p><b>Occupied</b> 96.6%</p> <p><b>Floors</b> 1</p> <p><b>Quality Rating</b> B</p> <p><b>Waiting List</b> None</p>
23 518 Moeckel Ln.			
	<p><b>Address</b> 518 Moeckel Ln. St. Mary's, GA 31558</p> <p><b>Year Built</b> 1974</p> <p><b>Project Type</b> Market-rate</p> <p><b>Comments</b> Single-family home</p>	<p><b>Contact</b> Linda</p> <p><b>Phone</b> (912) 729-6446 (Contact in person)</p>	<p><b>Total Units</b> 1</p> <p><b>Vacancies</b> 0</p> <p><b>Occupied</b> 100.0%</p> <p><b>Floors</b> 1</p> <p><b>Quality Rating</b> B-</p> <p><b>Waiting List</b> None</p>
24 142 Woodvalley Dr.			
	<p><b>Address</b> 142 Woodvalley Dr. Kingsland, GA 31548</p> <p><b>Year Built</b> 1975</p> <p><b>Project Type</b> Market-rate</p> <p><b>Comments</b> Single-family home; Fenced backyard</p>	<p><b>Contact</b> Linda</p> <p><b>Phone</b> (912) 729-6446 (Contact in person)</p>	<p><b>Total Units</b> 1</p> <p><b>Vacancies</b> 0</p> <p><b>Occupied</b> 100.0%</p> <p><b>Floors</b> 1</p> <p><b>Quality Rating</b> B-</p> <p><b>Waiting List</b> None</p>

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

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# COLLECTED RENTS - SAINT MARY'S, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
3	\$440	\$505	\$595 to \$620	\$695					
5			\$625						
6					\$1000				
7			\$525	\$575	\$675				
10							\$610	\$620	
11		\$625	\$675	\$775					
14		\$550	\$600						
15							\$575 to \$625	\$675	
17		\$620	\$720 to \$740	\$840					
18		\$499	\$599						
20		\$485	\$545						
22		\$465	\$595	\$625					
23					\$875				
24					\$1075				
1		\$317 to \$360	\$373 to \$427	\$421 to \$490					
2			\$426 to \$517	\$480 to \$587					
4									
16				\$443	\$463				
19			\$438 to \$558	\$497 to \$636					

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

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# PRICE PER SQUARE FOOT - SAINT MARY'S, GEORGIA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Camden Way	1	300	\$520	\$1.73
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Camden Way	1	600	\$615	\$1.03
11	Harbor Pine Apts.	1	650	\$770	\$1.18
14	Mission Forest Apts.	1	750	\$660	\$0.88
17	Park Place Apts.	1	750	\$765	\$1.02
18	Pelican Point Apts.	1	560	\$644	\$1.15
20	Summerbend Apts.	1	850	\$630	\$0.74
22	Ingleside Apts.	1	650	\$610	\$0.94
1	Ashton Cove Apts.	1	744	\$462 to \$505	\$0.62 to \$0.68
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Camden Way	1 to 2	865	\$736 to \$761	\$0.85 to \$0.88
5	Boardwalk	1	775	\$824	\$1.06
7	Colerain Oaks Rental Homes	2	935	\$724	\$0.77
10	Greenbriar Twnhms.	2	1200	\$794	\$0.66
11	Harbor Pine Apts.	2	950	\$859	\$0.90
14	Mission Forest Apts.	2	950	\$741	\$0.78
15	Morningside Twnhms.	1 to 2	1200	\$774 to \$824	\$0.65 to \$0.69
17	Park Place Apts.	1 to 2	950	\$904 to \$924	\$0.95 to \$0.97
18	Pelican Point Apts.	2	1000	\$783	\$0.78
20	Summerbend Apts.	1	950	\$729	\$0.77
22	Ingleside Apts.	1	900	\$779	\$0.87
1	Ashton Cove Apts.	1 to 2	914 to 946	\$557 to \$611	\$0.61 to \$0.65
2	Ashton Pines at Sugar Mill	2	984	\$610 to \$701	\$0.62 to \$0.71
4	Kingsland Phase II-Family	2	900	\$605 to \$730	\$0.67 to \$0.81
19	Royal Point Apts.	2	990	\$579 to \$699	\$0.58 to \$0.71
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	Camden Way	2	1152	\$868	\$0.75
7	Colerain Oaks Rental Homes	2	1125	\$813	\$0.72
10	Greenbriar Twnhms.	2	1200	\$843	\$0.70
11	Harbor Pine Apts.	2	1150	\$998	\$0.87
15	Morningside Twnhms.	2	1400	\$913	\$0.65
17	Park Place Apts.	2	1100	\$1063	\$0.97

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

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# PRICE PER SQUARE FOOT - SAINT MARY'S, GEORGIA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
22	Ingleside Apts.	1	1100	\$848	\$0.77
1	Ashton Cove Apts.	2	1167	\$644 to \$713	\$0.55 to \$0.61
2	Ashton Pines at Sugar Mill	2	1164	\$703 to \$810	\$0.60 to \$0.70
4	Kingsland Phase II-Family	2	1100	\$707 to \$840	\$0.64 to \$0.76
16	Old Jefferson Estates	2	1297	\$705	\$0.54
19	Royal Point Apts.	2	1189	\$670 to \$809	\$0.56 to \$0.68
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	311 Sunnyside Dr.	2	1500	\$1293	\$0.86
7	Colerain Oaks Rental Homes	2	1400	\$968	\$0.69
23	518 Moeckel Ln.	2	1500	\$1168	\$0.78
24	142 Woodvalley Dr.	2	1700	\$1368	\$0.80
16	Old Jefferson Estates	2	1329	\$783	\$0.59

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

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# AVERAGE GROSS RENT PER SQUARE FOOT - SAINT MARY'S, GEORGIA

<b>MARKET-RATE</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.06	\$0.88	\$0.78
TOWNHOUSE	\$0.00	\$0.66	\$0.70

<b>TAX CREDIT (NON-SUBSIDIZED)</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$0.64	\$0.65	\$0.61
TOWNHOUSE	\$0.00	\$0.00	\$0.00

<b>COMBINED</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$1.03	\$0.83	\$0.71
TOWNHOUSE	\$0.00	\$0.66	\$0.70

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# TAX CREDIT UNITS - SAINT MARY'S, GEORGIA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Ashton Cove Apts.	13	744	1	45%	\$317
1	Ashton Cove Apts.	5	744	1	50%	\$360
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Ashton Cove Apts.	30	914 - 946	1 - 2	45%	\$373
2	Ashton Pines at Sugar Mill	18	984	2	50%	\$426
1	Ashton Cove Apts.	8	914 - 946	1 - 2	50%	\$427
19	Royal Point Apts.	30	990	2	50%	\$438
4	Kingsland Phase II-Family	0	900	2	50%	\$464
2	Ashton Pines at Sugar Mill	17	984	2	60%	\$517
19	Royal Point Apts.	42	990	2	60%	\$558
4	Kingsland Phase II-Family	0	900	2	60%	\$589
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
1	Ashton Cove Apts.	11	1167	2	45%	\$421
16	Old Jefferson Estates	24	1297	2	50%	\$443
2	Ashton Pines at Sugar Mill	18	1164	2	50%	\$480
1	Ashton Cove Apts.	5	1167	2	50%	\$490
19	Royal Point Apts.	30	1189	2	50%	\$497
4	Kingsland Phase II-Family	0	1100	2	50%	\$534
2	Ashton Pines at Sugar Mill	17	1164	2	60%	\$587
19	Royal Point Apts.	42	1189	2	60%	\$636
4	Kingsland Phase II-Family	0	1100	2	60%	\$667
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
16	Old Jefferson Estates	38	1329	2	50%	\$463

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# QUALITY RATING - SAINT MARY'S, GEORGIA

## MARKET-RATE PROJECTS AND UNITS

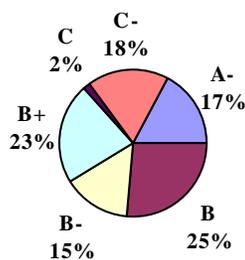
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	200	4.5%		\$765	\$904	\$1,063	
B+	5	261	5.4%		\$644	\$741	\$843	\$1,293
B	2	289	9.0%		\$770	\$859	\$848	
B-	4	172	5.2%	\$520	\$615	\$824	\$868	\$1,168
C	1	20	0.0%			\$774	\$913	
C-	1	212	5.2%			\$724	\$813	\$968

## TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

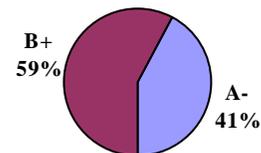
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A-	1	144	9.0%			\$699	\$809	
B+	3	204	0.0%		\$462	\$610	\$705	\$783

## DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



Surveyed - July 2008



## YEAR BUILT - SAINT MARY'S, GEORGIA \*

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1960	0	0	0	0.0%	0	0.0%
1960 to 1969	0	0	0	0.0%	0	0.0%
1970 to 1979	4	23	0	0.0%	23	1.5%
1980 to 1989	8	851	56	6.6%	874	56.7%
1990 to 1994	2	280	13	4.6%	1154	18.6%
1995 to 1999	2	132	0	0.0%	1286	8.8%
2000 to 2001	2	216	13	6.0%	1502	14.4%
2002	0	0	0	0.0%	1502	0.0%
2003	0	0	0	0.0%	1502	0.0%
2004	0	0	0	0.0%	1502	0.0%
2005	0	0	0	0.0%	1502	0.0%
2006	0	0	0	0.0%	1502	0.0%
2007	0	0	0	0.0%	1502	0.0%
2008**	0	0	0	0.0%	1502	0.0%
<b>TOTAL</b>	<b>18</b>	<b>1502</b>	<b>82</b>	<b>5.5%</b>	<b>1502</b>	<b>100.0 %</b>

\* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

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\*\* As of July 2008

## APPLIANCES AND UNIT AMENITIES - SAINT MARY'S, GEORGIA

<b>APPLIANCES</b>			
<b>APPLIANCE</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
RANGE	19	100.0%	1,502
REFRIGERATOR	17	89.5%	1,500
ICEMAKER	0	0.0%	
DISHWASHER	17	89.5%	1,332
DISPOSAL	10	52.6%	990
MICROWAVE	0	0.0%	
<b>UNIT AMENITIES</b>			
<b>AMENITY</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
AC - CENTRAL	19	100.0%	1,502
AC - WINDOW	0	0.0%	
FLOOR COVERING	19	100.0%	1,502
WASHER/DRYER	1	5.3%	200
WASHER/DRYER HOOK-UP	17	89.5%	1,430
PATIO/DECK/BALCONY	11	57.9%	882
CEILING FAN	5	26.3%	746
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	18	94.7%	1,434
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

\* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

Surveyed - July 2008



# PROJECT AMENITIES - SAINT MARY'S, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	9	47.4%	1,032
ON-SITE MANAGEMENT	16	84.2%	1,499
LAUNDRY	7	36.8%	660
CLUB HOUSE	4	21.1%	530
MEETING ROOM	1	5.3%	72
FITNESS CENTER	2	10.5%	344
JACUZZI/SAUNA	1	5.3%	104
PLAYGROUND	10	52.6%	1,126
TENNIS COURT	2	10.5%	400
SPORTS COURT	3	15.8%	544
STORAGE	0	0.0%	
LAKE	1	5.3%	200
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	1	5.3%	0
CAR WASH AREA	0	0.0%	
PICNIC AREA	3	15.8%	194
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

Surveyed - July 2008



# DISTRIBUTION OF UTILITIES - SAINT MARY'S, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
<b>HEAT</b>			
TENANT			
ELECTRIC	23	1,838	96.7%
GAS	1	62	3.3%
			100.0%
<b>COOKING FUEL</b>			
TENANT			
ELECTRIC	23	1,838	96.7%
GAS	1	62	3.3%
			100.0%
<b>HOT WATER</b>			
TENANT			
ELECTRIC	23	1,838	96.7%
GAS	1	62	3.3%
			100.0%
<b>ELECTRIC</b>			
TENANT	24	1,900	100.0%
			100.0%
<b>WATER</b>			
LANDLORD	8	700	36.8%
TENANT	16	1,200	63.2%
			100.0%
<b>SEWER</b>			
LANDLORD	8	700	36.8%
TENANT	16	1,200	63.2%
<b>TRASH PICK-UP</b>			
LANDLORD	17	1,551	81.6%
TENANT	7	349	18.4%
			100.0%

Surveyed - July 2008



# UTILITY ALLOWANCE - SOUTHERN REGION, GA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$20	\$15		\$32	\$22	\$18	\$8	\$6	\$41	\$12	\$16	\$15	\$20
1	GARDEN	\$28	\$20		\$43	\$30	\$25	\$12	\$8	\$57	\$15	\$20	\$15	\$20
1	TOWNHOUSE	\$28	\$20		\$43	\$30	\$25	\$12	\$8	\$57	\$15	\$20	\$15	\$20
2	GARDEN	\$36	\$26		\$55	\$38	\$32	\$14	\$10	\$73	\$18	\$25	\$15	\$20
2	TOWNHOUSE	\$36	\$26		\$55	\$38	\$32	\$15	\$10	\$73	\$18	\$25	\$15	\$20
3	GARDEN	\$44	\$32		\$66	\$46	\$39	\$18	\$13	\$89	\$21	\$29	\$15	\$20
3	TOWNHOUSE	\$44	\$32		\$66	\$46	\$39	\$18	\$13	\$89	\$21	\$29	\$15	\$20
4	GARDEN	\$54	\$41		\$86	\$58	\$50	\$22	\$16	\$113	\$25	\$33	\$15	\$20
4	TOWNHOUSE	\$54	\$41		\$86	\$58	\$50	\$22	\$16	\$113	\$25	\$33	\$15	\$20

Surveyed - July 2008



ADDENDUM B

COMPARABLE PROPERTY PROFILES



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: red; color: white; padding: 2px;">1</span> <b>Total Units</b> 72 <b>Vacancies</b> 0	
<b>Project Name</b> Ashton Cove Apts.	
<b>Address</b> 230 N. Gross Rd. Kingsland, GA 31548	
<b>Phone</b> (912) 510-7007 <b>Contact</b> Shakenya	
<b>Project Type</b> Tax Credit	
<b>Year Open</b> 2000 <b>Floors</b> 1,2	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> B+ <b>Neighborhood Rating</b> B
<b>Parking</b> Surface Parking	<b>Percent Occupied</b> 100.0%
<b>Waiting List</b> 6-8 months	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT	AMHI
1	1	G	744	5	5	0	\$360	50%
1	1	G	744	13	13	0	\$317	45%
2	1 to 2	G	914 to 946	8	8	0	\$427	50%
2	1 to 2	G	914 to 946	30	30	0	\$373	45%
3	2	G	1167	5	5	0	\$490	50%
3	2	G	1167	11	11	0	\$421	45%

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Playground, Picnic Area
<b>Remarks</b>	Tax Credit @ 45% & 50% AMHI

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> 2 <b>Total Units</b> 70 <b>Vacancies</b> 0	
<b>Project Name</b> Ashton Pines at Sugar Mill	
<b>Address</b> 11115 Colerain Rd. St. Mary's, GA 31558	
<b>Phone</b> (912) 673-6588 <b>Contact</b> Laurice	
<b>Project Type</b> Tax Credit	
<b>Year Open</b> 1998 <b>Floors</b> 2	
<b>Concessions</b> No Rent Specials	
<b>Parking</b> Surface Parking	<b>Quality Rating</b> B+ <b>Neighborhood Rating</b> B
<b>Waiting List</b> NONE	<b>Percent Occupied</b> 100.0%

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT	AMHI
2	2	G	984	17	17	0	\$517	60%
2	2	G	984	18	18	0	\$426	50%
3	2	G	1164	17	17	0	\$587	60%
3	2	G	1164	18	18	0	\$480	50%

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Club House, Playground, Picnic Area
<b>Remarks</b>	Tax Credit @ 50% & 60% AMHI

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: blue; color: white; padding: 2px;">3</span> <b>Total Units</b> 118 <b>Vacancies</b> 2	
<b>Project Name</b> Camden Way	
<b>Address</b> 145 N. Gross Rd. Kingsland, GA 31548	
<b>Phone</b> (912) 729-4116 <b>Contact</b> Jennifer	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1987 <b>Floors</b> 1	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> B- <b>Neighborhood Rating</b> B
<b>Parking</b> Surface Parking	<b>Percent Occupied</b> 98.3%
<b>Waiting List</b> NONE	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
0	1	G	300	14	13	1	\$440
1	1	G	600	78	77	1	\$505
2	1 to 2	G	865	21	21	0	\$595 to \$620
3	2	G	1152	5	5	0	\$695

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility
<b>Remarks</b>	1-, 2-, & 3-br units have washer/dryer hookups

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: red; color: white; padding: 2px;">4</span> <b>Total Units</b> 0 <b>Vacancies</b> 0	
<b>Project Name</b> Kingsland Phase II-Family	
<b>Address</b> 500 N. Grove Blvd. Kingsland, GA 31548	
<b>Phone</b> (404) 735-6076 <b>Contact</b> Eileen	
<b>Project Type</b> Tax Credit	
<b>Year Open</b> 2008 <b>Floors</b> 2	
<b>Concessions</b> No Rent Specials	
<b>Parking</b> Surface Parking	<b>Quality Rating</b> A- <b>Neighborhood Rating</b> B
<b>Waiting List</b> NONE	<b>Percent Occupied</b> 0

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT	AMHI
2	2	G	900	0	0	0	\$589	60%
2	2	G	900	0	0	0	\$464	50%
3	2	G	1100	0	0	0	\$667	60%
3	2	G	1100	0	0	0	\$534	50%

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Playground, Business Center
<b>Remarks</b>	Tax Credit @ 50% & 60% AMHI; 29% (60 units) senior (55+); All 60 units under construction; Pre-leasing begins 9/2008

Surveyed - July 2008

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vogtwilliamsbowen  
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## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> 6 <b>Total Units</b> 1 <b>Vacancies</b> 0	
<b>Project Name</b> 311 Sunnyside Dr.	
<b>Address</b> 311 Sunnyside Dr. St. Mary's, GA 31558	
<b>Phone</b> (912) 729-6446 <b>Contact</b> Linda	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1978 <b>Floors</b> 1	
<b>Concessions</b> No Rent Specials	
<b>Parking</b> Surface Parking	<b>Quality Rating</b> B+ <b>Neighborhood Rating</b> B
<b>Waiting List</b> NONE	<b>Percent Occupied</b> 100.0%

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
4	2	G	1500	1	1	0	\$1000

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Fenced Backyard
<b>Project Amenities</b>	
<b>Remarks</b>	Single-family home; Fenced backyard

Surveyed - July 2008

VWB  
vogtwilliamsbowen  
RESEARCH

## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: blue; color: white; padding: 2px;">7</span> <b>Total Units</b> 212 <b>Vacancies</b> 11	
<b>Project Name</b> Colerain Oaks Rental Homes	
<b>Address</b> 306 Ryan Dr. St. Mary's, GA 31558	
<b>Phone</b> (912) 882-2464 <b>Contact</b> Catherine	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1991 <b>Floors</b> 1	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> C- <b>Neighborhood Rating</b> C
<b>Parking</b> Surface Parking	<b>Percent Occupied</b> 94.8%
<b>Waiting List</b> NONE	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
2	2	G	935	76	72	4	\$525
3	2	G	1125	117	111	6	\$575
4	2	G	1400	19	18	1	\$675

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Club House, Playground, Storage
<b>Remarks</b>	Unit mix estimated; Storage: \$20-\$25

Surveyed - July 2008

VWB  
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RESEARCH

## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: blue; color: white; padding: 2px;">11</span> <b>Total Units</b> 200 <b>Vacancies</b> 23	
<b>Project Name</b> Harbor Pine Apts.	
<b>Address</b> 2000 Harbor Pines Dr. St. Mary's, GA 31558	
<b>Phone</b> (912) 882-7330 <b>Contact</b> Janice	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1989 <b>Floors</b> 2	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> B <b>Neighborhood Rating</b> B
<b>Parking</b> Surface Parking	<b>Percent Occupied</b> 88.5%
<b>Waiting List</b> NONE	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
1	1	G	650	70	61	9	\$625
2	2	G	950	100	88	12	\$675
3	2	G	1150	30	28	2	\$775

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Playground, Tennis Court(s), Sports Court
<b>Remarks</b>	1-br units have washer/dryers; Unit mix & vacancies estimated

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: red; color: white; padding: 2px;">16</span> <b>Total Units</b> 62 <b>Vacancies</b> 0	
<b>Project Name</b> Old Jefferson Estates	
<b>Address</b> 6 Rosewood Dr. St. Mary's, GA 31358	
<b>Phone</b> (912) 673-6344 <b>Contact</b> Shirley	
<b>Project Type</b> Tax Credit	
<b>Year Open</b> 1995 <b>Floors</b> 1	
<b>Concessions</b> No Rent Specials	
<b>Parking</b> Attached Garages, Surface Parking	<b>Quality Rating</b> B+ <b>Neighborhood Rating</b> B
<b>Waiting List</b> 44 households	<b>Percent Occupied</b> 100.0%

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT	AMHI
3	2	G	1297	24	24	0	\$443	50%
4	2	G	1329	38	38	0	\$463	50%

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	On-site Management
<b>Remarks</b>	Tax Credit @ 50% AMHI; Single-family homes

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> 17 <b>Total Units</b> 200 <b>Vacancies</b> 9	
<b>Project Name</b> Park Place Apts.	
<b>Address</b> 11919 Colerain Rd. St. Mary's, GA 51558	
<b>Phone</b> (912) 673-6001 <b>Contact</b> Rebecca	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1989 <b>Floors</b> 2,3	
<b>Concessions</b> No Rent Specials	
<b>Parking</b> Surface Parking	<b>Quality Rating</b> A- <b>Neighborhood Rating</b> B
<b>Waiting List</b> NONE	<b>Percent Occupied</b> 95.5%

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
1	1	G	750	32	31	1	\$620
2	1 to 2	G	950	144	137	7	\$720 to \$740
3	2	G	1100	24	23	1	\$840

<b>Utilities</b>	Landlord pays Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Fitness Center, Playground, Tennis Court(s), Sports Court, Lake
<b>Remarks</b>	Second & third floor units have ceiling fans

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> <span style="background-color: red; color: white; padding: 2px;">19</span> <b>Total Units</b> 144 <b>Vacancies</b> 13	
<b>Project Name</b> Royal Point Apts.	
<b>Address</b> 301 N. Gross Rd. Kingsland, GA 31548	
<b>Phone</b> (912) 729-7135 <b>Contact</b> Kathryn	
<b>Project Type</b> Tax Credit	
<b>Year Open</b> 2000 <b>Floors</b> 2,3	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> A- <b>Neighborhood Rating</b> B
<b>Parking</b> Surface Parking	<b>Percent Occupied</b> 91.0%
<b>Waiting List</b> NONE	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT	AMHI
2	2	G	990	42	38	4	\$558	60%
2	2	G	990	30	28	2	\$438	50%
3	2	G	1189	42	37	5	\$636	60%
3	2	G	1189	30	28	2	\$497	50%

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
<b>Project Amenities</b>	Swimming Pool, On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Sports Court
<b>Remarks</b>	TAX @ 50% & 60% AMHI; Vac. est.; Access down due to road construction; Trouble qualifying tenants; Manager feels slow economy hurting occupancy

Surveyed - July 2008



## APARTMENT PROJECT PROFILE - SAINT MARY'S, GEORGIA

<b>Map Code</b> 23 <b>Total Units</b> 1 <b>Vacancies</b> 0	
<b>Project Name</b> 518 Moeckel Ln.	
<b>Address</b> 518 Moeckel Ln. St. Mary's, GA 31558	
<b>Phone</b> (912) 729-6446 <b>Contact</b> Linda	
<b>Project Type</b> Market-Rate	
<b>Year Open</b> 1974 <b>Floors</b> 1	
<b>Concessions</b> No Rent Specials	<b>Quality Rating</b> B- <b>Neighborhood Rating</b> B
<b>Parking</b> Attached Garages, Surface Parking	<b>Percent Occupied</b> 100.0%
<b>Waiting List</b> NONE	

### UNIT CONFIGURATION

BEDROOMS	BATHS	TYPE	SQUARE FEET	UNITS	OCCUP.	VACANT	COLLECTED RENT
4	2	G	1500	1	1	0	\$875

<b>Utilities</b>	No landlord paid utilities
<b>Unit Amenities</b>	Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
<b>Project Amenities</b>	
<b>Remarks</b>	Single-family home

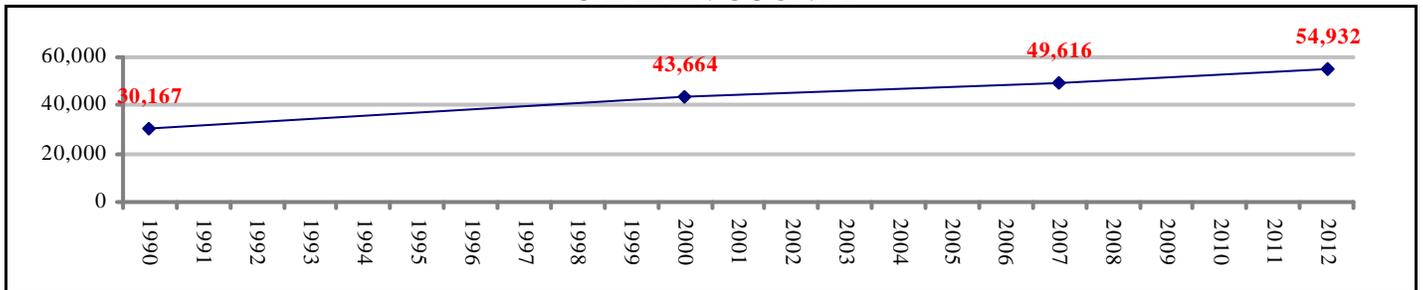
Surveyed - July 2008

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vogtwilliamsbowen  
RESEARCH

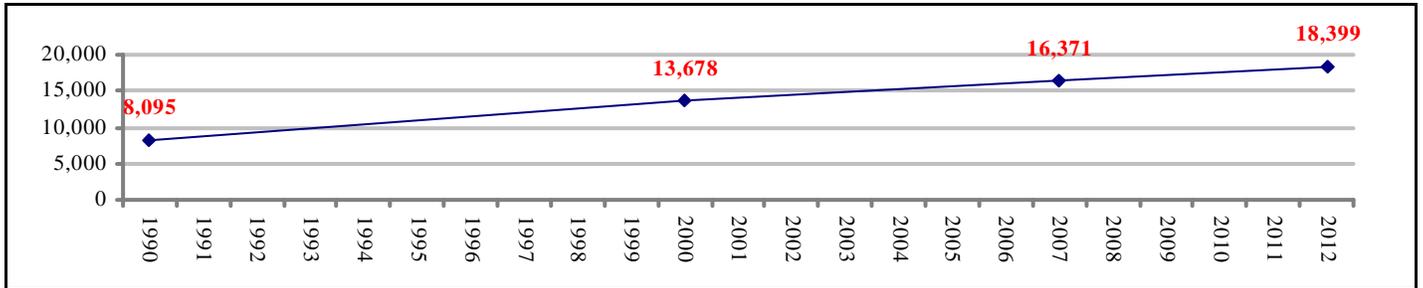
# ADDENDUM C. AREA DEMOGRAPHICS

## POPULATION - 1990, 2000(CENSUS), 2007(ESTIMATE), 2012(PROJECTION)

### CAMDEN COUNTY



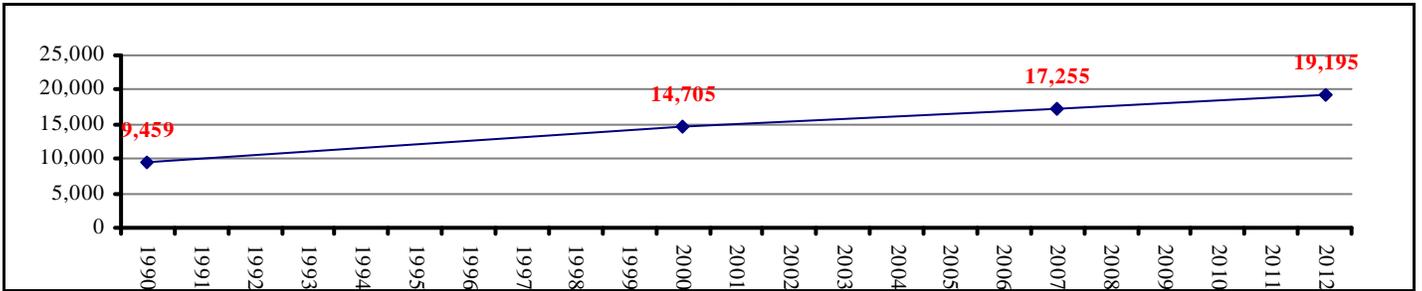
### ST. MARYS



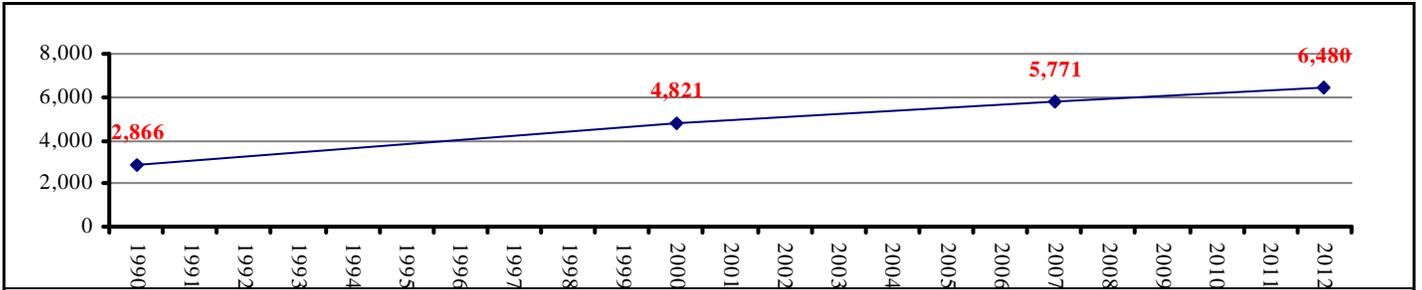
YEAR	CAMDEN COUNTY	ST. MARYS
1990 CENSUS	30,167	8,095
2000 CENSUS	43,664	13,678
% CHANGE 1990 - 2000	44.7%	69.0%
AVG. ANNUAL CHANGE	1,350	558
2007 ESTIMATE	49,616	16,371
2012 PROJECTION	54,932	18,399
% CHANGE 2000 - 2012	25.8%	34.5%
AVG. ANNUAL CHANGE	1,024	429

**HOUSEHOLDS - 1990, 2000(CENSUS), 2007(ESTIMATE), 2012(PROJECTION)**

**CAMDEN COUNTY**



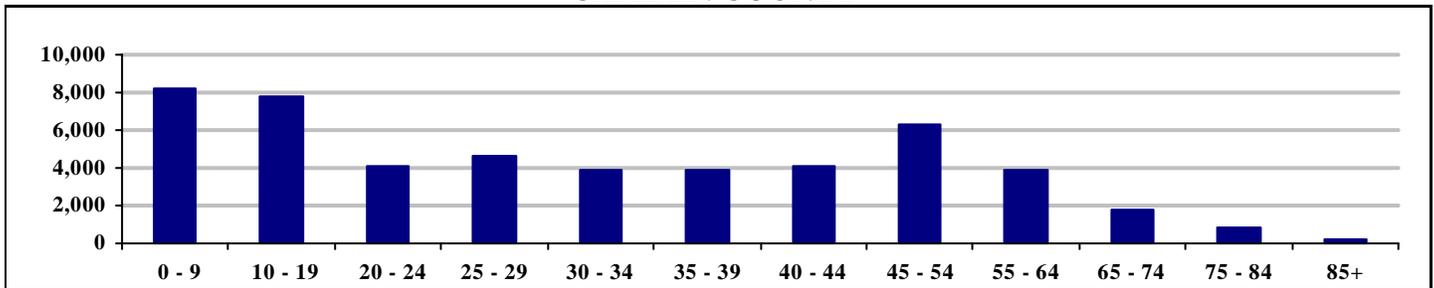
**ST. MARYS**



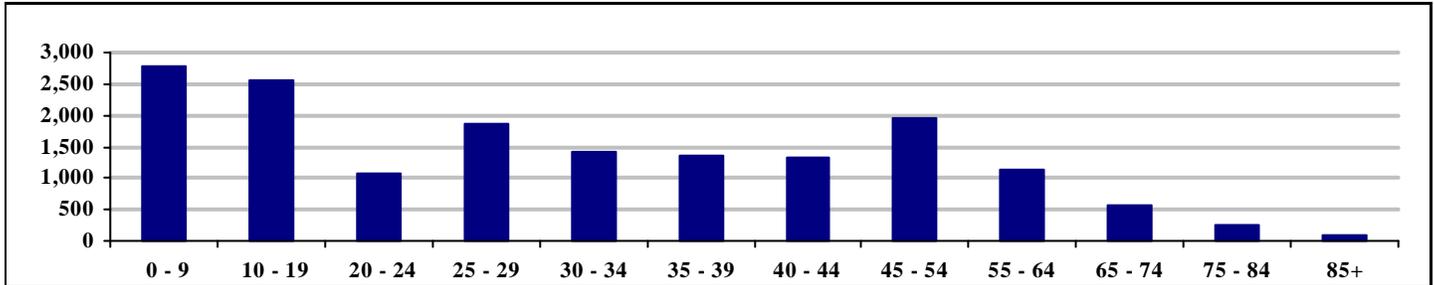
YEAR	CAMDEN COUNTY	ST. MARYS
1990 CENSUS	9,459	2,866
2000 CENSUS	14,705	4,821
% CHANGE 1990 - 2000	55.5%	68.2%
AVG. ANNUAL CHANGE	525	196
2007 ESTIMATE	17,255	5,771
2012 PROJECTION	19,195	6,480
% CHANGE 2000 - 2012	30.5%	34.4%
AVG. ANNUAL CHANGE	408	151

**POPULATION BY AGE GROUP - 2007 ESTIMATE**

**CAMDEN COUNTY**



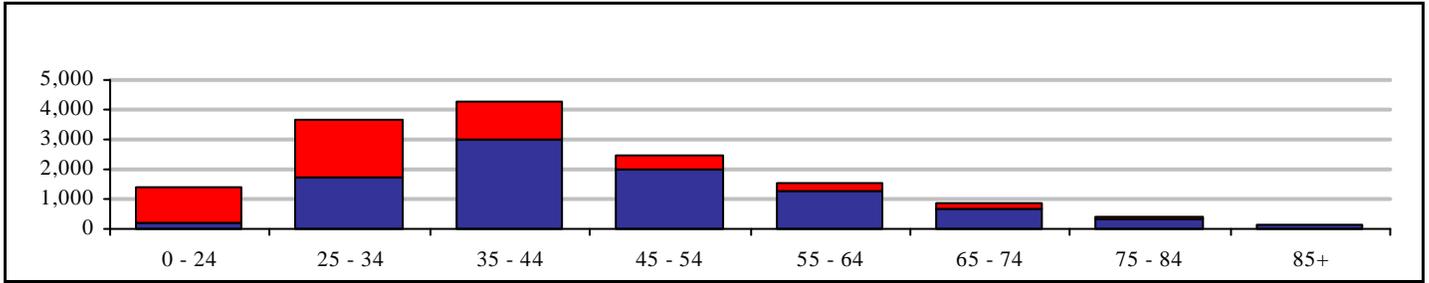
**ST. MARYS**



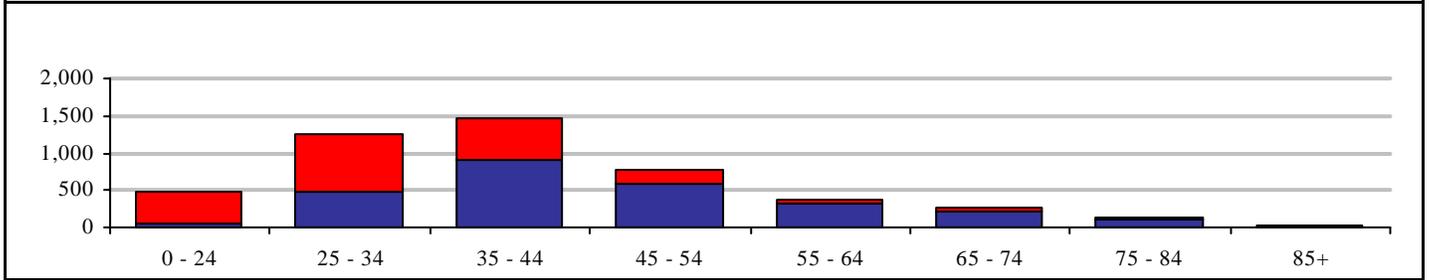
AGE GROUP	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
0 - 9	8,226	16.6%	2,770	16.9%
10 - 19	7,769	15.7%	2,547	15.6%
20 - 24	4,090	8.2%	1,083	6.6%
25 - 29	4,656	9.4%	1,876	11.5%
30 - 34	3,906	7.9%	1,420	8.7%
35 - 39	3,914	7.9%	1,349	8.2%
40 - 44	4,083	8.2%	1,334	8.1%
45 - 54	6,266	12.6%	1,958	12.0%
55 - 64	3,861	7.8%	1,131	6.9%
65 - 74	1,801	3.6%	555	3.4%
75 - 84	800	1.6%	267	1.6%
85 +	244	0.5%	81	0.5%
<b>TOTAL</b>	<b>49,616</b>	<b>100 %</b>	<b>16,371</b>	<b>100 %</b>

**OWNER- AND RENTER-OCCUPIED HOUSING BY AGE OF HEAD OF HOUSEHOLD - 2000**

**CAMDEN COUNTY**



**ST. MARYS**



■ RENTER-OCCUPIED HOUSEHOLDS  
■ OWNER-OCCUPIED HOUSEHOLDS



### RENTER-OCCUPIED HOUSEHOLDS

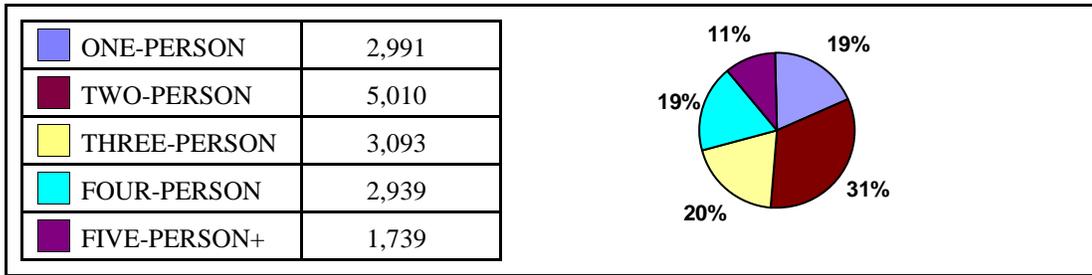
AGE GROUP	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
< 25	1,180	21.8%	423	20.7%
25 - 34	1,929	35.7%	755	36.9%
35 - 44	1,306	24.2%	544	26.6%
45 - 54	475	8.8%	193	9.4%
55 - 64	296	5.5%	54	2.6%
65 - 74	143	2.6%	50	2.4%
75 - 84	75	1.4%	26	1.3%
85 +	2	0.0%	0	0.0%
<b>TOTAL</b>	5,406	100 %	2,045	100 %

### OWNER-OCCUPIED HOUSEHOLDS

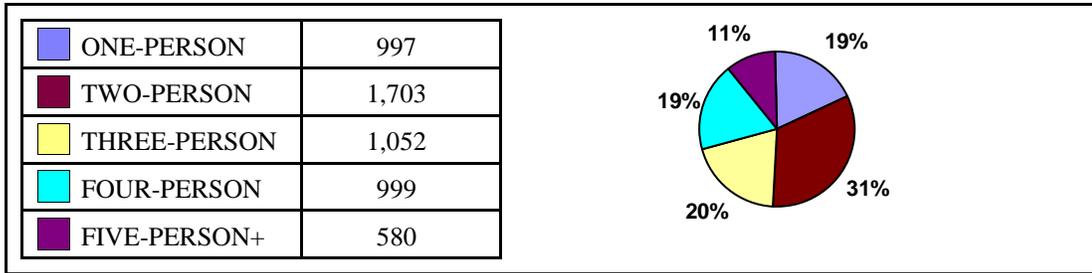
AGE GROUP	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
< 25	191	2.1%	63	2.3%
25 - 34	1,720	18.5%	491	17.9%
35 - 44	2,987	32.1%	913	33.3%
45 - 54	2,016	21.7%	591	21.6%
55 - 64	1,241	13.3%	316	11.5%
65 - 74	700	7.5%	213	7.8%
75 - 84	317	3.4%	117	4.3%
85 +	127	1.4%	36	1.3%
<b>TOTAL</b>	9,299	100 %	2,740	100 %

**HOUSEHOLD SIZE - 2007 ESTIMATE**

**CAMDEN COUNTY**



**ST. MARYS**



## HOUSEHOLD COMPOSITION - 2000 CENSUS

HOUSEHOLD TYPE	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
MARRIED COUPLE W/ CHILDREN	5,256	43.9%	1,631	41.9%
LONE MALE PARENT W/ CHILDREN	43	0.4%	12	0.3%
LONE FEMALE PARENT W/ CHILDREN	282	2.4%	115	3.0%
MARRIED COUPLE NO CHILDREN	3,706	31.0%	1,238	31.8%
LONE MALE PARENT NO CHILDREN	143	1.2%	39	1.0%
LONE FEMALE PARENT NO CHILDREN	306	2.6%	82	2.1%
OTHER	2,234	18.7%	778	20.0%
<b>TOTAL</b>	11,970	100 %	3,895	100 %

## POPULATION BY HOUSEHOLD COMPOSITION - 2007 ESTIMATE

POPULATION	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
IN FAMILY HOUSEHOLDS	41,968	84.6%	14,008	85.6%
IN NON-FAMILY HOUSEHOLDS	913	1.8%	38	0.2%
IN GROUP QUARTERS	6,735	13.6%	2,325	14.2%
<b>TOTAL</b>	49,616	100 %	16,371	100 %

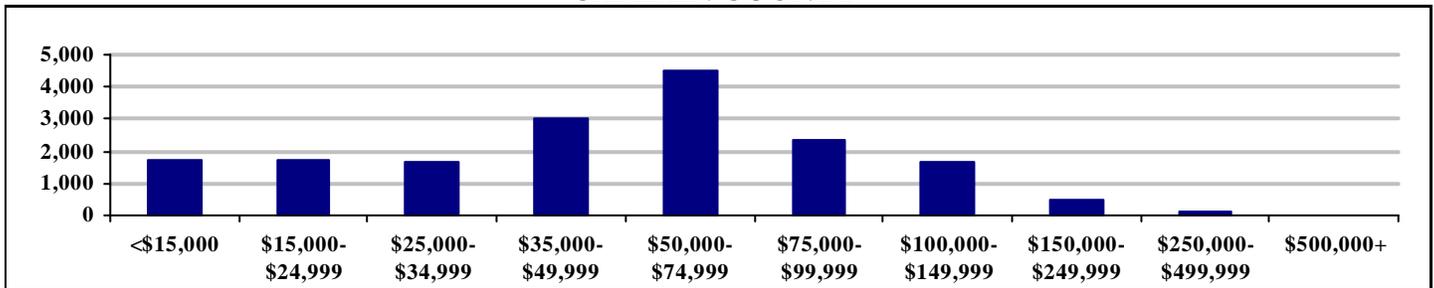
## POPULATION BY SINGLE RACE - 2007 ESTIMATE

RACE	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
WHITE ALONE	35,142	70.8%	11,897	72.7%
BLACK OR AFRICAN AMERICAN	11,362	22.9%	3,265	19.9%
AMERICAN INDIAN/ ALASKA NATIVE	271	0.5%	88	0.5%
ASIAN ALONE	641	1.3%	279	1.7%
HAWAIIAN/PACIFIC ISLANDER	52	0.1%	16	0.1%
SOME OTHER RACE ALONE	967	1.9%	371	2.3%
TWO OR MORE RACES	1,181	2.4%	456	2.8%
<b>TOTAL</b>	49,616	100 %	16,372	100 %
HISPANIC*	2,387	4.8%	928	5.7%

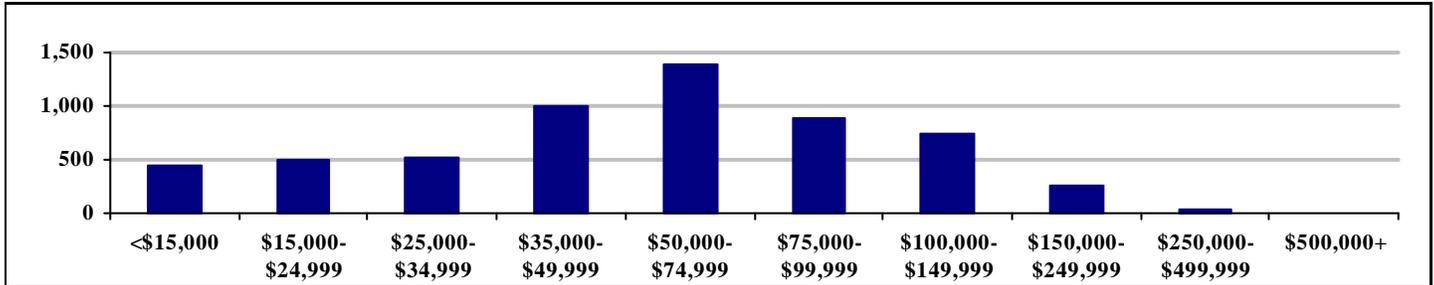
\* - HISPANICS CAN BELONG TO ANY RACE

# HOUSEHOLDS BY INCOME RANGE - 2007 ESTIMATE

## CAMDEN COUNTY



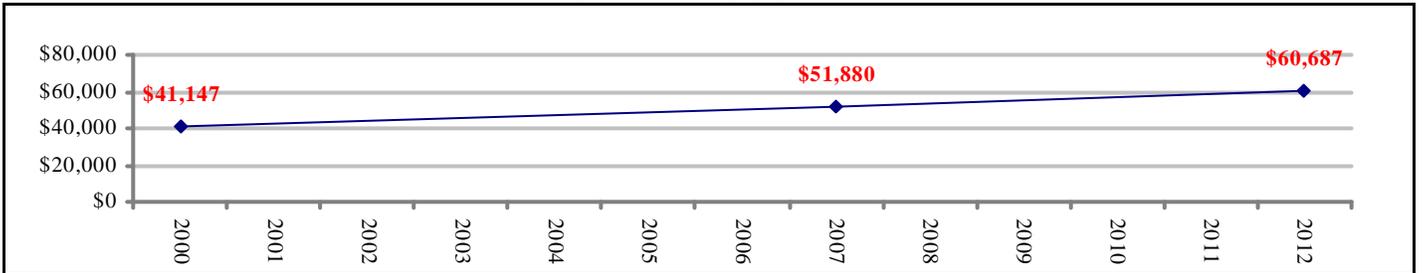
## ST. MARYS



ANNUAL HOUSEHOLD INCOME	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
< \$15,000	1,701	9.9%	443	7.7%
\$15,000 - \$24,999	1,731	10.0%	495	8.6%
\$25,000 - \$34,999	1,670	9.7%	515	8.9%
\$35,000 - \$49,999	3,033	17.6%	992	17.2%
\$50,000 - \$74,999	4,522	26.2%	1,395	24.2%
\$75,000 - \$99,999	2,327	13.5%	897	15.5%
\$100,000 - \$150,000	1,645	9.5%	737	12.8%
\$150,000 - \$249,999	522	3.0%	257	4.5%
\$250,000 - \$499,999	94	0.5%	36	0.6%
\$500,000 +	10	0.1%	2	0.0%
<b>TOTAL</b>	<b>17,255</b>	<b>100 %</b>	<b>5,769</b>	<b>100 %</b>

**MEDIAN HOUSEHOLD INCOME - 2000(CENSUS), 2007(ESTIMATE), 2012(PROJECTION)**

**CAMDEN COUNTY**



**ST. MARYS**



	<b>CAMDEN COUNTY</b>	<b>ST. MARYS</b>
2000 CENSUS	\$41,147	\$42,456
2007 ESTIMATE	\$51,880	\$55,680
% CHANGE 2000 - 2007	26.1%	31.1%
2012 PROJECTION	\$60,687	\$66,857
% CHANGE 2000 - 2012	17.0%	20.1%

**INCOME BY AGE OF HOUSEHOLDER - 2007 ESTIMATED**

**CAMDEN COUNTY**

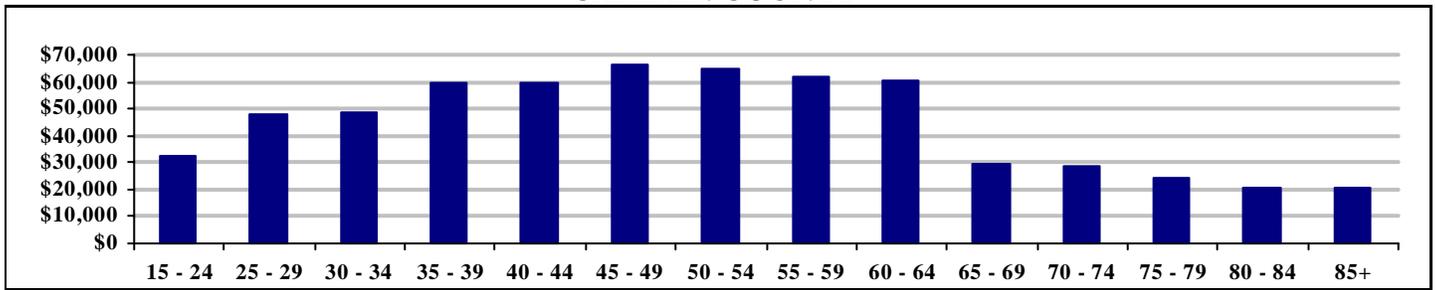
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
< \$15,000	150	252	267	259	289	239	69
\$15,000 - \$24,999	386	334	256	196	192	264	28
\$25,000 - \$34,999	235	516	332	231	178	127	13
\$35,000 - \$49,999	323	1,134	714	448	235	146	7
\$50,000 - \$74,999	221	1,294	1,380	926	493	149	16
\$75,000 - \$99,999	55	425	757	580	415	57	10
\$100,000 - \$149,999	36	230	283	701	287	92	3
\$250,000 - \$499,999	25	42	177	71	83	33	23
\$500,000 +	2	0	0	3	5	0	0
<b>TOTAL</b>	1,433	4,227	4,166	3,415	2,177	1,107	169

**ST. MARYS**

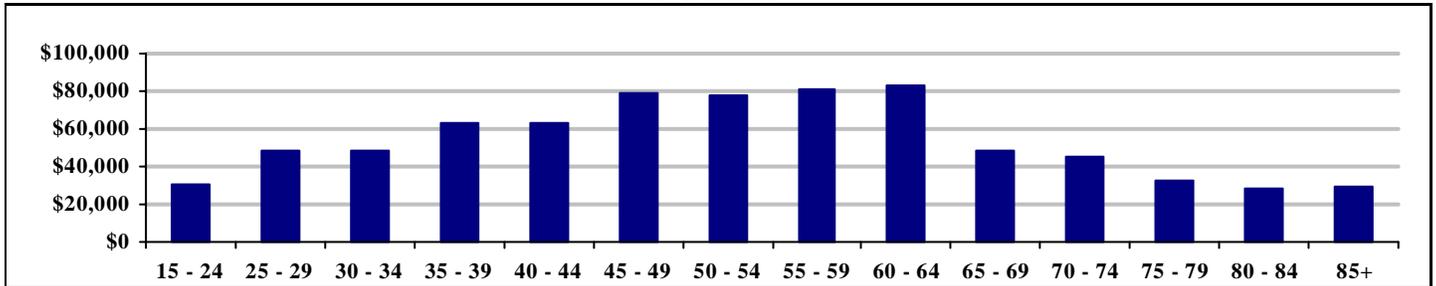
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 +
< \$15,000	60	111	73	54	53	54	11
\$15,000 - \$24,999	149	124	83	35	17	55	8
\$25,000 - \$34,999	77	196	98	42	49	28	8
\$35,000 - \$49,999	95	454	229	134	42	31	2
\$50,000 - \$74,999	86	444	439	239	109	58	6
\$75,000 - \$99,999	14	192	298	219	144	29	0
\$100,000 - \$149,999	22	120	97	302	140	53	0
\$250,000 - \$499,999	7	16	93	44	37	16	11
\$500,000 +	0	0	0	1	2	0	0
<b>TOTAL</b>	510	1,657	1,410	1,070	593	324	46

**MEDIAN HOUSEHOLD INCOME BY AGE OF HEAD OF HOUSEHOLD - 2000 CENSUS**

**CAMDEN COUNTY**



**ST. MARYS**



AGE OF HEAD OF HOUSEHOLD	CAMDEN COUNTY	ST. MARYS
15 - 24	\$32,745	\$31,025
25 - 29	\$48,244	\$47,930
30 - 34	\$48,507	\$48,329
35 - 39	\$59,468	\$62,784
40 - 44	\$59,482	\$62,972
45 - 54	\$66,111	\$78,690
55 - 64	\$61,741	\$81,127
65 - 74	\$29,533	\$48,916
75 - 84	\$24,043	\$32,476
85 +	\$20,536	\$29,723
<b>MEDIAN HOUSEHOLD INCOME</b>	\$41,147	\$42,456

## EMPLOYMENT BY SIC CATEGORY (LARGEST 10 SIC CODES) - 2007 ESTIMATE

INDUSTRY	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
AGRICULTURE / NATURAL RESOURCES	111	0.5%	16	0.3%
NATURAL RESOURCE EXTRACTION	0	0.0%	0	0.0%
CONSTRUCTION	729	3.3%	216	4.3%
MANUFACTURING	843	3.8%	119	2.4%
TRANSPORTATION, UTILITIES	391	1.8%	256	5.1%
WHOLESALE TRADE	140	0.6%	64	1.3%
RETAIL TRADE	3,769	17.2%	1,222	24.4%
FINANCE, INSURANCE, REAL ESTATE	708	3.2%	344	6.9%
SERVICES	4,607	21.0%	1,436	28.7%
GOVERNMENT	10,629	48.5%	1,337	26.7%
NON-CLASSIFIABLE	0	0.0%	0	0.0%
<b>TOTAL</b>	21,927	100 %	5,010	100 %

## RENTER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
1999 TO MARCH 2000	46	0.9%	25	1.2%
1995 TO 1998	725	13.4%	372	18.2%
1990 TO 1994	1,448	26.8%	573	28.0%
1980 TO 1989	1,986	36.7%	770	37.7%
1970 TO 1979	626	11.6%	129	6.3%
1960 TO 1969	210	3.9%	60	2.9%
1940 TO 1959	251	4.6%	78	3.8%
1939 AND EARLIER	114	2.1%	37	1.8%
<b>TOTAL</b>	5,406	100 %	2,044	100 %

## OWNER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
1999 TO MARCH 2000	520	5.6%	151	5.5%
1995 TO 1998	1,914	20.6%	543	19.8%
1990 TO 1994	1,988	21.4%	590	21.5%
1980 TO 1989	2,580	27.7%	699	25.5%
1970 TO 1979	723	7.8%	152	5.5%
1960 TO 1969	590	6.3%	219	8.0%
1940 TO 1959	732	7.9%	323	11.8%
1939 AND EARLIER	252	2.7%	62	2.3%
<b>TOTAL</b>	9,299	100 %	2,739	100 %

## HOUSING UNITS BY STRUCTURE TYPE - 2000 CENSUS

UNITS	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
1-UNIT, DETACHED	10,261	60.5%	3,607	67.7%
1-UNIT, ATTACHED	455	2.7%	176	3.3%
2 TO 4 UNITS	1,578	9.3%	458	8.6%
5 TO 19 UNITS	1,256	7.4%	662	12.4%
20 UNITS OR MORE	173	1.0%	90	1.7%
MOBILE HOME	3,217	19.0%	330	6.2%
BOAT, RV, VAN, ETC	18	0.1%	4	0.1%
<b>TOTAL</b>	16,958	100 %	5,327	100 %

## GROSS RENT PAID - 2000 CENSUS

GROSS RENT	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
LESS THAN \$200	469	8.7%	166	8.1%
\$200 - \$299	393	7.3%	109	5.3%
\$300 - \$399	716	13.3%	309	15.0%
\$400 - \$499	1,141	21.2%	554	27.0%
\$500 - \$599	651	12.1%	315	15.3%
\$600 - \$699	729	13.6%	266	12.9%
\$700 - \$799	271	5.0%	112	5.5%
\$800 - \$899	93	1.7%	57	2.8%
\$900 - \$999	61	1.1%	33	1.6%
\$1,000 - \$1,249	28	0.5%	15	0.7%
\$1,250 - \$1,499	7	0.1%	0	0.0%
\$1,500 - \$1,999	16	0.3%	5	0.2%
\$2,000 +	0	0.0%	0	0.0%
NO CASH RENT	804	14.9%	114	5.5%
<b>TOTAL</b>	5,379	100 %	2,055	100 %
<b>MEDIAN GROSS RENT</b>	\$462		\$467	

## YEAR MOVED INTO RENTER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
1999 TO MARCH 2000	2,924	54.1%	1,205	59.0%
1995 TO 1998	1,832	33.9%	680	33.3%
1990 TO 1994	410	7.6%	107	5.2%
1980 TO 1989	145	2.7%	34	1.7%
1970 TO 1979	52	1.0%	18	0.9%
1969 OR EARLIER	43	0.8%	0	0.0%
<b>TOTAL</b>	5,406	100 %	2,044	100 %

## YEAR MOVED INTO OWNER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	CAMDEN COUNTY		ST. MARYS	
	NUM	%	NUM	%
1999 TO MARCH 2000	1,428	15.4%	395	14.4%
1995 TO 1998	3,127	33.6%	976	35.6%
1990 TO 1994	2,097	22.6%	656	24.0%
1980 TO 1989	1,655	17.8%	400	14.6%
1970 TO 1979	442	4.8%	110	4.0%
1969 OR EARLIER	550	5.9%	202	7.4%
<b>TOTAL</b>	9,299	100 %	2,739	100 %

## HOUSING UNITS BUILDING PERMITS

CAMDEN COUNTY			
YEAR	UNITS IN SINGLE-FAMILY STRUCTURES	UNITS IN ALL MULTI-FAMILY STRUCTURES	TOTAL
2003	428	12	440
2004	514	0	514
2005	718	0	718
2006	619	0	619
2007	379	0	379
<b>TOTAL</b>	2,658	12	2,670

ST. MARYS			
YEAR	UNITS IN SINGLE-FAMILY STRUCTURES	UNITS IN ALL MULTI-FAMILY STRUCTURES	TOTAL
2003	165	0	165
2004	163	0	163
2005	133	0	133
2006	149	0	149
2007	74	0	74
<b>TOTAL</b>	684	0	684

### ***Market Analyst Certification 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 GDCA's market study requirements, that the information included is accurate and that the report can be relied upon by GDCA as a true assessment of the low-income housing rental market.

I also certify that a member of VWB Research or I have inspected the property as well as all rent comparables.

Signed: 

Date: August 4, 2008

#### **A. Executive Summary**

1	Market demand for subject property given the economic conditions of the area	Page	A-1
2	Projected Stabilized Occupancy Level and Timeframe	Page	A-1
3	Appropriateness of unit mix, rent and unit sizes	Page	A-2
4	Appropriateness of interior and exterior amenities including appliances	Page	A-2, 3
5	Location and distance of subject property in relationship to local amenities	Page	A-4
6	Discussion of capture rates in relationship to subject	Page	A-6
7	Conclusion regarding the strength of the market for subject	Page	A-6

#### **B. Project Description**

1	Project address, legal description and location	Page	B-1
2	Number of units by unit type	Page	B-1
3	Unit size, # of bedrooms and structure type (i.e. townhouse, garden apartment, etc)	Page	B-1
4	Rents and Utility Allowance*	Page	B-1
5	Existing or proposed project based rental assistance	Page	B-2
6	Proposed development amenities (i.e. washer/dryer hookups, dishwasher etc.)	Page	B-2
7	For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property	N/A	N/A
8	Projected placed in service date	Page	B-2
9	Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page	B-1
10	Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs, etc.	Page	B-1
11	Special Population Target (if applicable)	Page	N/A

### C. Site Evaluation

1	Date of Inspection of Subject Property by Market Analyst	Page	C-1
2	Physical features of Subject Property and Adjacent Uses	Page	C-1
3	Subject Photographs (front, rear, and side elevations as well as street scenes)	Page	C-5
4	Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject	Page	C-12
5	Developments in vicinity to subject and proximity in miles (Identify developments surrounding subject on all sides) - zoning of subject and surrounding uses	Page	C-13
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject	Page	C-14
7	Road or infrastructure improvements planned or under construction in the PMA	Page	C-15
8	Comment on access, ingress/egress and visibility of subject	Page	C-3
9	Any visible environmental or other concerns	Page	C-15
10	Overall conclusions of site and their marketability	Page	C-15

### D. Market Area

1	Map identifying Subject's Location within PMA	Page	D-2
2	Map identifying Subject's Location within SMA, if applicable	N/A	N/A

### E. Community Demographic Data

Data on Population and Households at Five Years Prior to Market Entry, and Projected Five Years Post-Market Entry,	Page	E-1
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*\* If using sources other than U.S. Census (I.e., ESRI or other reputable source of data), please include in Addenda – The sources of all tables in the market study must be clearly identified*

#### 1. Population Trends

a.	Total Population	Page	E-1
b.	Population by Age Group	Page	E-1
c.	Number of elderly and non-elderly (for elderly projects)	Page	E-1
d.	If a special needs is proposed, additional information for this segment	N/A	N/A

#### 2. Household Trends

a.	Total number of households and average household size	Page	E-2
b.	Households by tenure (# of owner and renter households) Elderly by tenure, if applicable	Page	E-2
c.	Households by Income (Elderly, if applicable, should be allocated separately)	Page	E-3
d.	Renter households by # of persons in the household	Page	E-3

### 3. Employment Trends

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%))	Page	E-5
b.	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	Page	E-7
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	E-9
d.	Map of the site and location of major employment concentrations.	Page	E-11
e.	Overall conclusions	Page	E-10

### F. Project Specific Demand Analysis

1	Income Restrictions - uses applicable incomes and rents in the development's tax application.	Page	F-1
2	Affordability - Delineation of Income Bands *	Page	F-2
3	Comparison of market rates of competing properties with proposed subject market rent	Page	G-18
4	Comparison of market rates of competing properties with proposed LIHTC rents	Page	G-18
5	Demand Analysis Using Projected Service Date (within 2 years)	Page	F-5
a.	New Households Using Growth Rates from Reputable Source	Page	F-5
b.	Demand from Existing Households (Combination of rent overburdened and substandard)	Page	F-5
c.	Elderly Households Converting to Rentership (applicable only to elderly)	N/A	N/A
d.	Deduction of Total of "Comparable Units"	Page	F-5
e.	Capture Rates for Each Bedroom Type	Page	F-6
f.	Anticipated Absorption period for the property	Page	F-7

\* Assume 35% of gross income towards total housing expenses for family

\* Assume 40% of gross income towards total housing expenses for elderly

\* Assume 35% of gross income for derivation of income band for family

\* Assume 40% of gross income for derivation of income band for elderly

### G. Supply Analysis

1	Comparative chart of subject amenities and competing properties	Page	G-6
2	Supply & analysis of competing developments under construction & pending	Page	G-12
3	Comparison of competing developments (occupancy, unit mix and rents)	Page	G-4
4	Rent Comparable Map (showing subject and comparables)	Page	G-20
5	Assisted Projects in PMA*	Page	C-11
6	Multi-Family Building Permits issued in PMA in last two years	Page	Addendum C

\* PHA properties are not considered comparable with LIHTC units

### H. Interviews

1	Names, Title, and Telephone # of Individuals Interviewed	Page	H-1
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**I. Conclusions and Recommendations**

- |   |                                                 |      |     |
|---|-------------------------------------------------|------|-----|
| 1 | Conclusion as to Impact of Subject on PMA       | Page | I-1 |
| 2 | Recommendation as to Subject's Viability in PMA | Page | I-1 |

**J. Signed Statement**

- |   |                               |      |     |
|---|-------------------------------|------|-----|
| 1 | Signed Statement from Analyst | Page | J-1 |
|---|-------------------------------|------|-----|

**K. Comparison of Competing Properties**

- |   |                                                                          |     |     |
|---|--------------------------------------------------------------------------|-----|-----|
| 1 | Separate Letter addressing addition of more than one competing property. | N/A | N/A |
|---|--------------------------------------------------------------------------|-----|-----|