

# RealPropertyResearchGroup

Baltimore - Atlanta

## Market Feasibility Analysis Stratford Court Senior Apartments Winder, Barrow County, Georgia

Prepared for  
Norsouth Companies, Inc.

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## I. Executive Summary

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Real Property Research Group, Inc. has been retained by Norsouth Companies, Inc. to conduct a market feasibility analysis of Stratford Court for submission with an application for Low Income Housing Tax Credits (LIHTC) to the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA's 2011 market study requirements.

### 1. Project Description:

- Stratford Court will be a newly constructed elderly community restricted to households with householders age 62 and older. The subject property will contain 64 total units, 63 of which will benefit from Low Income Housing Tax Credits (LIHTC) reserved for senior renter households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. One two bedroom unit will also be set aside as non-revenue and is not included in affordability or demand estimates.
- Stratford Court will be located at 450 Jefferson Highway, one-tenth of a mile northeast of its intersection with State Highway 53 (Gainesville Highway) in Winder, Barrow County, Georgia.
- A detailed summary of the proposed development including the rent and unit configuration is shown in the table below. The rents shown will include the cost of water, sewer, and trash removal.

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility Allowance	Gross Rent
1	1	50% LIHTC	752	8	\$420	\$102	\$522
1	1	60% LIHTC	752	25	\$455	\$102	\$557
2	1	Non-rental / Employee	942	1	N/A	N/A	N/A
2	1	50% LIHTC	942	2	\$490	\$131	\$621
2	1	60% LIHTC	942	28	\$515	\$131	\$646
<b>Total</b>				<b>64</b>			

- Stratford Court will offer extensive in-unit and project amenities which will surpass all surveyed rental communities in the primary market area. Given the lack of affordable senior oriented rental communities in the primary market area, the senior specific amenities/features offered at the subject property will be more attractive to prospective tenants than those at general occupancy properties.
- Each unit will feature range/ovens, powder based stovetop fire suppression canisters installed above the range cook-tops, Energy Star refrigerators, Energy Star dishwashers, microwaves, garbage disposals, HVAC Systems, nine-foot ceilings, washer/dryer connections, mini-blinds, ceiling fans, central heat and air conditioning, wall-to-wall carpeting, and vinyl flooring. Community amenities will include elevators, a community room, fitness center, common laundry room, business center, library, individual gardens, and an outdoor gazebo with barbeques.

### 2. Site Description / Evaluation:

- Encompassing 7.50 acres, the subject site consists of flat, densely wooded land. Bordering land uses include single-family detached homes to the north, wooded land / single-family detached homes to the east, Jefferson Highway / single-family detached homes and for-sale townhomes to the south, and single-family detached homes / wooded land to the west.
- The immediate area surrounding the subject site is dominated by residential development, primarily a mix of old and newer single-family detached homes. Multi-family development is also common within one mile including both apartments (Hillcrest) and for-sale townhomes (Northside Commons). Other nearby land uses include Church of God – Winder, Northside Presbyterian Church, Barrow Regional Medical Center, Agape Hospice / New Hope Assisted Living, and Mommy’s Cottage preschool. All of this development is relatively well maintained. Based on field observations, no negative surrounding land uses were identified.
- Stratford Court will be accessible from an entrance on Jefferson Highway, a two-lane roadway which serves as the primary north/south thoroughfare through downtown Winder. Given the subject property’s location in the northern and less densely developed portion of the city, traffic in front of the site is light to moderate throughout the day. From Jefferson Highway, tenants at Stratford Court will have convenient access to U.S. Highway 29 and State Highways 8, 53, 211, and 316 within five miles. No problems with ingress or egress are anticipated.
- The subject property will maintain excellent visibility from its frontage on Jefferson Highway and will be clearly noticeable to passing traffic. Stratford Court will also benefit from its proximity to the recently constructed residential neighborhoods Villas at Winder and Northside Commons located immediately to the south.
- Overall, the subject property will be located in residential portion of northern Winder which is convenient to neighborhood amenities including shopping, medical providers, and senior services. All of the surrounding residential and commercial land uses are compatible with the proposed development and are in fair to good condition. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed Stratford Court.

### **3. Market Area Definition:**

- The primary market area for Stratford Court is comprised of all eighteen Census tracts in Barrow County encompassing several municipalities including Winder, Auburn, Statham, Russell, and Bethlehem. The boundaries of the PMA and their approximate distance from the subject site are Jackson County (3.0 miles), Oconee County / Clarke County (8.9 miles), Walton County (7.9 miles), and Gwinnett County (9.1 miles).

### **4. Community Demographic Data:**

- Based on estimates provided by The Nielsen Company, the primary market area has a population of 71,793 and a household count of 24,813 as of 2011. Over the next five years, the primary market area’s population and number of households are expected to increase to 85,258 and 29,488, respectively. Among seniors, the PMA contained 7,491 households age 55+ and 5,047 households age 62+ in 2011. Through 2015, senior households age 55+ are anticipated to increase to 9,900 while households age 62+ are expected to grow to 6,633.
- Less than one-third (30.6 percent) of primary market area households are renters in 2011, compared to 29.1 percent in the bi-county market area. Over the next five

years, Nielsen projects the renter percentage to increase in both the primary market and the bi-county market area. Among householders age 62 and older, the 2011 senior renter percentage is 24.8 percent in the primary market area and 22.1 percent in the bi-county market area.

- Among senior householders age 62 and older, the 2011 estimated median income in the primary market area is \$28,255. By 2016, Nielsen-Claritas projects that the median income for householders age 62 and older will increase 8.1 percent to \$30,555. RPRG estimates that the median income of senior renters (62+) in the primary market area of \$19,382 is \$12,405 lower than or 61.0 percent of the owner household median of \$31,787. Nearly two-thirds (60.5 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 40.6 percent of owner households.
- The primary market area contains few abandoned or vacant homes but has encountered some foreclosures over the past year. While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, we do not believe foreclosures will impact demand for the subject property given the proposed product type (elderly community 62+). As senior householders typically downsize living accommodations due to the higher upkeep and long-term cost, the convenience of on-site amenities and more congregate style living offered at age restricted communities is preferable to lower density unit types, such as single-family detached homes, most common in foreclosures.

## **5. Economic Data:**

- Overall, Barrow County added a net total of 8,335 jobs from 1992 and 2007 before suffering job losses in 2008 and 2009. Despite the recent decline, the county's 2009 at-place employment base of 14,760 represents a 72.8 percent increase since 1990.
- From 2009 to the first quarter of 2011, one business has closed / laid off a total of 102 workers in Barrow County. In terms of major expansions, Chico's FAS announced in May of this year they will continue to invest capital in their Barrow County Campus with construction of a Performance Optimized Data (POD) Center; however, no anticipated expansions in employment relating to this investment were provided.
- Trade-transportation-utilities and government are the largest employment sectors in Barrow County, accounting for 46.0 percent of jobs through the third quarter of 2010. By comparison, these sectors account for just 35.9 percent of jobs nationally. Leisure-hospitality and manufacturing also contain significant percentages of employment within the county at 12.0 percent and 11.3 percent, respectively. Barrow County trails nationwide proportions in the education-health, professional business, financial activities, information, and "other" sectors.
- Between 2001 and the third quarter of 2010, ten of eleven industry sectors experienced annual growth in Barrow County. Annualized growth in the trade-transportation-utilities, government, leisure-hospitality, education-health sectors had the most significant impact on Barrow County's economy as each of these sectors accounts for a sizable proportion of total employment. The only sector to suffer an annualized decline was manufacturing at 3.2 percent.
- Barrow County's unemployment rate steadily fell throughout the nineteen nineties before rising back up over the past decade through the course of two national recessions. The most recent economic downturn hurt the county's economy the

worst, causing a substantial spike in the unemployment rate from 2008 to 2010. Overall, Barrow County's unemployment rate has consistently remained at or just above both state and national figures over the past twenty years. In 2010, Barrow County's unemployment rate was 10.3 percent compared to 10.2 percent in the State of Georgia and 9.6 percent in the nation.

- Given that the majority of prospective senior renters for Stratford Court are at or near retirement age, a downturn in the local economy will have a much smaller impact on the demand for senior oriented rental units compared to those offered at general occupancy communities. Given the target market and product to be constructed, we do not believe local economics will negatively impact the ability of Stratford Court to lease its units.

## **6. Project Specific Affordability and Demand Analysis:**

- As proposed, the subject property will contain 63 leasable units reserved for senior households earning at or below 50 percent and 60 percent of the Area Median Income.
- The 50 percent units will target renter householders earning between \$15,660 and \$27,350. The proposed 10 units at 50 percent of the AMI would need to capture 3.5 percent of the 285 age and income qualified renter households.
- The 60 percent units will target renter householders earning between \$16,710 and \$32,820. The proposed 53 units at 60 percent of the AMI would need to capture 14.7 percent of the 361 age and income qualified renter households.
- Overall, the 63 total units for the project must absorb 16.2 percent of the 388 age and income qualified renter households in order to lease-up.
- Based on DCA methodology, net demand of 234, 296, and 318 exists for 50 percent units, 60 percent units, and the overall project, respectively.
- Demand capture rates by AMI level are 4.3 percent for 50 percent units, 17.9 percent for 60 percent units, and 19.8 percent for the project as a whole. By floor plan, capture rates range from a low of 4.3 percent for one bedroom 50 percent units to a high of 17.9 percent for two bedroom 60 percent units. All of these capture rates are well within DCA's range of acceptability. The overall capture rates and capture rates by floorplan indicate sufficient demand to support the proposed development.

## **7. Competitive Rental Analysis:**

- While a variety of senior rental housing options exist within the primary market area, all of the communities are market rate, service-enriched facilities which include independent and/or assisted living components or deeply subsidized through HUD. As such, these properties are not considered comparable to the proposed development due to the substantial differences in rents, amenities, target market, and overall community design.
- In the absence of true comparables, RPRG surveyed six general occupancy rental communities in the PMA. Combined, these six rental communities account for 292 dwelling units of which 19 or 6.5 percent were reported vacant. Excluding Parks Mill, which currently has vacant units down for repairs, the stabilized vacancy rate is 4.5 percent.
- The six surveyed general occupancy communities reported rents ranging from \$395 to \$550 for one bedroom floor plans and \$487 to \$730 for two bedroom floor plans.

Among the three most comparable general occupancy properties, average rents equaled \$550 for one bedroom floor plans and \$660 for two bedroom floor plans. Compared to these average market rents, the subject property will have rent advantages of 31.0 percent to 34.7 percent for 50 percent units and 20.9 percent to 28.2 percent for 60 percent units. It is important to note that these average market rents are not adjusted to reflect differences in age, unit size, target market, or amenities relative to the subject property.

- The proposed 50 and 60 percent LIHTC rents at Stratford Court will be priced near the bottom of the rental market, below nearly all surveyed rental communities for one and two bedroom units.
- Overall, the proposed unit sizes of 752 square feet (one bedroom units) and 942 square feet (two bedroom units) at Stratford Court fall just below averages at general occupancy properties; however, when choosing rental housing, total square footage is a much more important factor for families who may have several dependents than seniors. Consequently, unit sizes at senior oriented rental communities tend to be smaller than those offered at general occupancy properties. As such, all of the proposed unit sizes at the subject property are reasonable and appropriate for age restricted rental housing. Despite smaller unit sizes, the subject property's rents also result in competitive prices per square foot for all floor plans.
- Given the appeal of new construction and the highly attractive nature of the subject property's design, features, and amenities, the subject property will offer a product type that is superior to all existing rental communities in the primary market area and tailored for a specific target market not currently being served by the existing rental stock.
- Based on the proposed product and income levels targeted, Stratford Court will help address a housing void for senior householders earning between 50 percent and 60 percent of the AMI in the primary market area. In addition, the construction of Stratford Court is not expected to have any negative long-term impact on current or planned DCA funded projects.

#### **8. Absorption/Stabilization Estimate:**

- We believe that given the attractive product to be constructed, strong household growth, favorable demand estimates, limited senior rental stock, and assuming an aggressive, professional marketing campaign, Stratford Court should be able to lease up at a minimum rate of eight units per month. At this rate, the project would be able achieve 93 percent occupancy within an approximate seven to eight month time period. Given the higher age and income qualification percentage, the 60 percent units proposed at the subject property are anticipated to lease-up at a slightly faster pace (10 units per month) relative to the 50 percent units (6 units per month).

#### **9. Overall Conclusion:**

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Stratford Court will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market. The product to be constructed will be competitively positioned relative to existing rental communities in the primary market area and the units will be well

received by the target market. We do not expect the construction of Stratford Court to negatively impact existing LIHTC communities in the primary market area.

AMI Target	Unit Size	Minimum Income Limit	Maximum Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Market Rent Band	Proposed Rents
<b>50% AMI</b>	One Bedroom	\$15,660	\$24,500	8	187	0	187	4.3%	1 Month	\$550	\$395-\$550	\$420
	Two Bedroom	\$24,501	\$27,350	2	47	0	47	4.3%	1 Month	\$660	\$487-\$730	\$490
	<b>50% AMI Total</b>	<b>\$15,660</b>	<b>\$27,350</b>	<b>10</b>	<b>234</b>	<b>0</b>	<b>234</b>	<b>4.3%</b>	<b>1-2 Months</b>			
<b>60% AMI</b>	One Bedroom	\$16,710	\$23,300	25	139	0	139	17.9%	2 Months	\$550	\$395-\$550	\$455
	Two Bedroom	\$23,301	\$32,820	28	157	0	157	17.9%	3-4 Months	\$660	\$487-\$730	\$515
	<b>60% AMI Total</b>	<b>\$16,710</b>	<b>\$32,820</b>	<b>53</b>	<b>296</b>	<b>0</b>	<b>296</b>	<b>17.9%</b>	<b>5-6 Months</b>			
<b>Total</b>												
50% AMI	1-2 Bedroom	\$15,660	\$27,350	10	234	0	234	4.3%	1-2 Months			
60% AMI	1-2 Bedroom	\$16,710	\$32,820	53	296	0	296	17.9%	5-6 Months			
	<b>Project Total</b>	<b>\$15,660</b>	<b>\$32,820</b>	<b>63</b>	<b>318</b>	<b>0</b>	<b>318</b>	<b>19.8%</b>	<b>7-8 Months</b>			

### SUMMARY TABLE:

Development Name:	Stratford Court Senior Apartments	Total # Units: 64
Location:	450 Jefferson Highway, Winder, GA	# LIHTC Units: <b>63</b>
PMA Boundary:	North: Jackson County; East: Oconee County / Clarke County; South: Walton County;	
West: Gwinnett County	Farthest Boundary Distance to Subject: 9.1 miles	

### RENTAL HOUSING STOCK – (found on pages 74-75)

Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	6	292	19	93.5%
Market-Rate Housing	6	292	19	93.5%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	N/A
<b>LIHTC</b>	0	0	0	N/A
Stabilized Comps	5	245	11	95.5%
Properties in construction & lease up				

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1	1	752	\$420	\$550	\$0.60	31.0%	\$550	\$0.60
25	1	1	752	\$455	\$550	\$0.60	20.9%	\$550	\$0.60
1	2	1	942	Non-Rev	N/A	N/A	N/A	N/A	N/A
2	2	1	942	\$490	\$660	\$0.64	34.7%	\$730	\$0.64
28	2	1	942	\$515	\$660	\$0.64	28.2%	\$730	\$0.64

### DEMOGRAPHIC DATA (found on pages 49, 58)

	2000		2011		2013	
Renter Households	632	19.8%	1,250	24.8%	1,401	24.9%
Income-Qualified Renter HHs (LIHTC)	175	27.7%	347	27.7%	388	27.6%
Income-Qualified Renter HHs (MR)	(if applicable)	%	%	%	%	%

### TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 62)

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	123	156				168
Existing Households (Overburd + Substand)	71	88				94
Homeowner Conversion (Seniors)	9	11				12
Secondary Market Demand (15%)	31	39				42
Less Comparable/Competitive Supply	0	0				0
<b>Net Income-qualified Renter HHs</b>	<b>234</b>	<b>296</b>				<b>318</b>

### CAPTURE RATES (found on page 62)

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	4.3%	17.9%				19.8%

## II. Introduction

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Norsouth Companies, Inc. has retained Real Property Research Group, Inc. to conduct a market feasibility analysis of Stratford Court Senior Apartments. Stratford Court will be a newly constructed, mixed-income, senior oriented, rental community financed in part through the use of Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). As an elderly community, Stratford Court will be restricted to households with householders age 62 and older.

This analysis takes into account pertinent trends in housing supply and demand in a distinct market area delineated with respect to the subject site. Conclusions are drawn on the appropriateness of the proposed rents and projected length of initial absorption.

The report is divided into seven sections. Following the executive summary and this introduction, Section 3 provides a project description and an analysis of local neighborhood characteristics. Section 4 examines the socio-economic and demographic characteristics of the delineated market area. Section 5 contains affordability and demand estimates derived for the project using growth and income distributions. Section 6 presents a discussion of the competitive residential environment. Section 7 discusses conclusions reached from the analysis.

The conclusions reached in a market study are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors including the performance of management, the impact of changes in general and local economic conditions and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions attached as Appendix I and incorporated in this report.

### III. Location and Neighborhood Context

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#### A. Project Description

Stratford Court will consist of 64 total units, 63 of which will benefit from Low Income Housing Tax Credits reserved for senior renter households (62+) earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. The remaining unit (two bedroom) will be set aside as non-rental and is not included in affordability or demand estimates.

All of the units at the proposed development will be contained within one four-story mid-rise building with a wood frame and brick / fiber cement siding exterior. Access will be provided through a secured building entranceway with elevators to facilitate resident movement between floors. The subject property will offer one bedroom units with 752 square feet of living space and two bedroom units with 942 square feet of living space. Both one and two bedroom units will contain one bathroom. A detailed summary of the project including the rent and unit configuration is shown in Table 1. The rents shown will include the cost of water, sewer, and trash removal.

Stratford Court's proposed community amenities are extensive and include elevators, a community room, fitness center, common laundry room, business center, and library. Outdoor amenities will include individual gardens and an outdoor gazebo with a barbeque area.

Each unit will feature a full kitchen with a range/oven, powder based stovetop fire suppression canister installed above the range cook-top, Energy Star refrigerator, Energy Star dishwasher, microwave, and garbage disposal. Additional unit amenities will include HVAC systems, nine-foot ceilings, washer/dryer connections, mini-blinds, ceiling fans, central heat and air conditioning, wall-to-wall carpeting, and vinyl flooring. All of the units will be accessible and adaptable, as defined by the Fair Housing Amendments Act.

The description of the subject property was based in part on by information provided by the developer as of April 2011. This information is assumed to be a current and accurate representation of the property to be completed. For purposes of this analysis, the proposed placed in service date is 2013. Construction is projected to begin in June of 2012 with completion in June of 2013.

**Table 1 Detailed Project Description**

Project Name:		Stratford Court Senior Apartments					
Address:		450 Jefferson Highway					
City, County, ZIP:		Winder, Barrow County, 30680					
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility Allowance	Gross Rent
1	1	50% LIHTC	752	8	\$420	\$102	\$522
1	1	60% LIHTC	752	25	\$455	\$102	\$557
2	1	Non-rental / Employee	942	1	N/A	N/A	N/A
2	1	50% LIHTC	942	2	\$490	\$131	\$621
2	1	60% LIHTC	942	28	\$515	\$131	\$646
<b>Total</b>				<b>64</b>			
Project Information				Additional Information			
<b>Number of Residential Buildings</b>		One		<b>Construction Start Date</b>		June 2012	
<b>Building Type</b>		Mid-Rise		<b>Date of First Move-In</b>		June 2013	
<b>Number of Stories</b>		Four		<b>Construction Finish Date</b>		June 2013	
<b>Construction Type</b>		New Const.		<b>Parking Type</b>		Surface	
<b>Occupancy Type</b>		Elderly (62+)		<b>Parking Cost</b>		\$0	
<b>Design Characteristics (exterior)</b>		Brick and Fiber Cement Siding		Kitchen Amenities			
<b>Community Amenities</b>	Community Room, Fitness Center, Library, Business Center, Individual Gardens, Common Laundry Room, Outdoor Gazebo with Barbeque Area			<b>Dishwasher</b>		Yes	
				<b>Disposal</b>		Yes	
				<b>Microwave</b>		Yes	
				<b>Range</b>		Yes	
				<b>Refrigerator</b>		Yes	
<b>Unit Features</b>	HVAC Systems, Energy Star Dishwashers, Garbage Disposals, Range/Stoves, Powder Based Stovetop Fire Suppression Canisters Installed Above the Cook-top, Microwaves, Energy Star Refrigerators with Icemaker, Washer/Dryer Connections, Ceiling Fans, Wall-to-wall carpet with Vinyl Flooring, and Central Heat and Air Conditioning.			Utilities Included			
				<b>Water/Sewer</b>		Owner	
				<b>Trash</b>		Owner	
				<b>Heat</b>		Tenant	
				<b>Heat Source</b>		Elec	
				<b>Hot/Water</b>		Tenant	
				<b>Electricity</b>		Tenant	
<b>Other:</b>		N/A					

## B. Site Evaluation

Stratford Court will be located at 450 Jefferson Highway, one-tenth of a mile northeast of its intersection with State Highway 53 (Gainesville Highway) in Winder, Barrow County, Georgia. Encompassing 7.50 acres, the subject site consists of flat, densely wooded land. Bordering land uses include:

**North:** Single-family detached homes

**East:** Wooded land / Single-family detached homes / Church of God – Winder

**South:** Jefferson Highway / Villas at Winder (single-family detached homes) and Northside Commons (for-sale townhomes)

**West:** Single-family detached homes / Wooded land

Situated just two miles north of State Highway 316 and adjacent to Fort Yargo State Park, the City of Winder is a modest-sized exurban community located between the more densely developed metropolitan areas of Lawrenceville to the west and Athens to the east. As the largest municipality and seat of Barrow County, Winder contains a mixture of low-density land uses, most of which are residential and/or commercial in nature. Rail lines, which were built prior to the city's incorporation in 1893, also remain a fixture throughout the downtown corridor following U.S. Highway 29 from east to west. Despite the older average age of construction, most buildings appear to be well maintained and in good to fair condition. In addition, signs of new residential and commercial growth are evident, stimulated in part by transportation improvements to State Highway 316 over the past decade.

The immediate area surrounding the subject site is dominated by residential development, primarily a mix of old and newer single-family detached homes. Multi-family development is also common within one mile including both apartments (Hillcrest) and for-sale townhomes (Northside Commons). Other nearby land uses include Church of God – Winder, Northside Presbyterian Church, Barrow Regional Medical Center, Agape Hospice / New Hope Assisted Living, and Mommy's Cottage preschool.

**Additional required site/location analyses and information are as follows:**

- No major road or transportation improvements are planned in the subject property's immediate neighborhood; however, improvements to the May Street Corridor near downtown are included as part of the City's future development plan through 2020.
- Stratford Court will be accessible from an entrance on Jefferson Highway, a two-lane roadway which serves as the primary north/south thoroughfare through downtown Winder. Given the subject property's location in the northern and less densely developed portion of the city, traffic in front of the site is light to moderate throughout the day. From Jefferson Highway, tenants at Stratford Court will have convenient access to U.S. Highway 29 and State Highways 8, 53, 211, and 316 within five miles. No problems with ingress or egress are anticipated.
- The subject property will maintain excellent visibility from its frontage on Jefferson Highway and will be clearly noticeable to passing traffic. Stratford Court will also benefit from its proximity to the recently constructed residential neighborhoods Villas at Winder and Northside Commons located immediately to the south.
- Based on our field research and analysis of the area, crime or perceptions of crime in the immediate area will not impact Stratford Court.
- Physical inspection of the subject property and surrounding market area was conducted on May 20, 2011 by Michael Riley, Analyst.
- No visible environmental or miscellaneous site concerns were identified.
- A list and map of existing low-income housing in the primary market area are provided in the Deep Subsidy Analysis section of this report, starting on page 74.

**Figure 1 Site and Surrounding Land Use Photos**



**View of the subject site facing northwest from Jefferson Highway.**



**View of the subject site facing northeast from Jefferson Highway.**



***View of Jefferson Highway facing east, subject site on left.***



***View of Jefferson Highway facing west, subject site on right.***



*View of Agape Hospice / New Hope Assisted Living bordering the subject site to the south.*



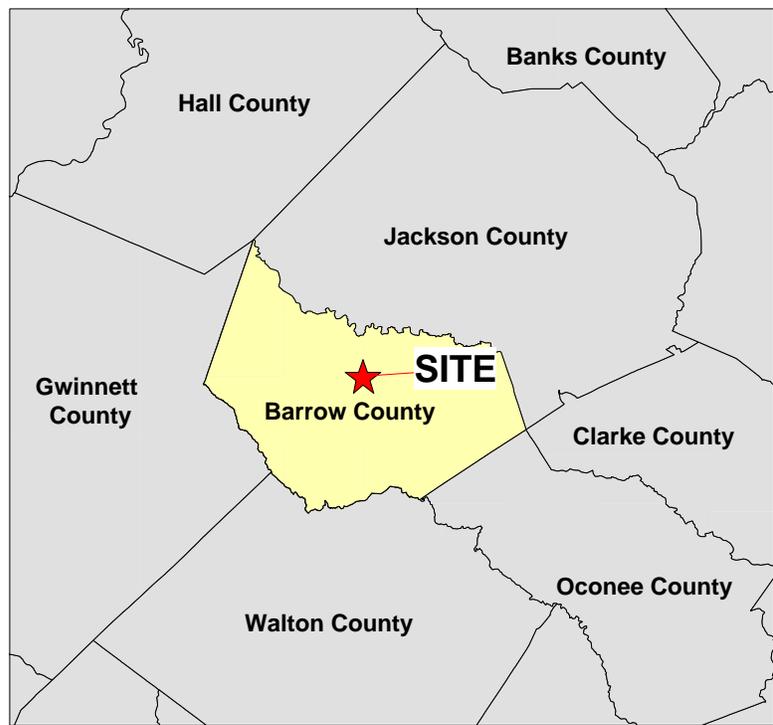
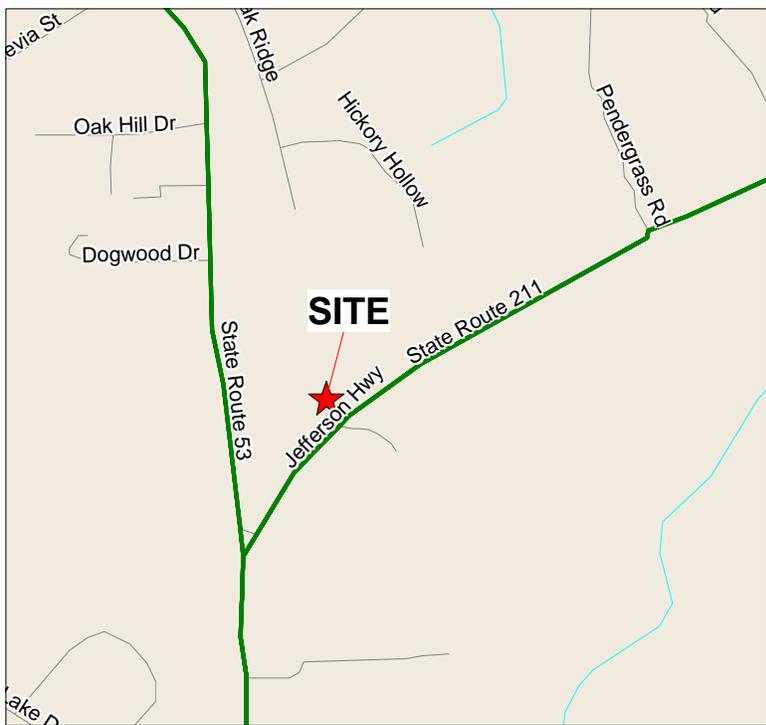
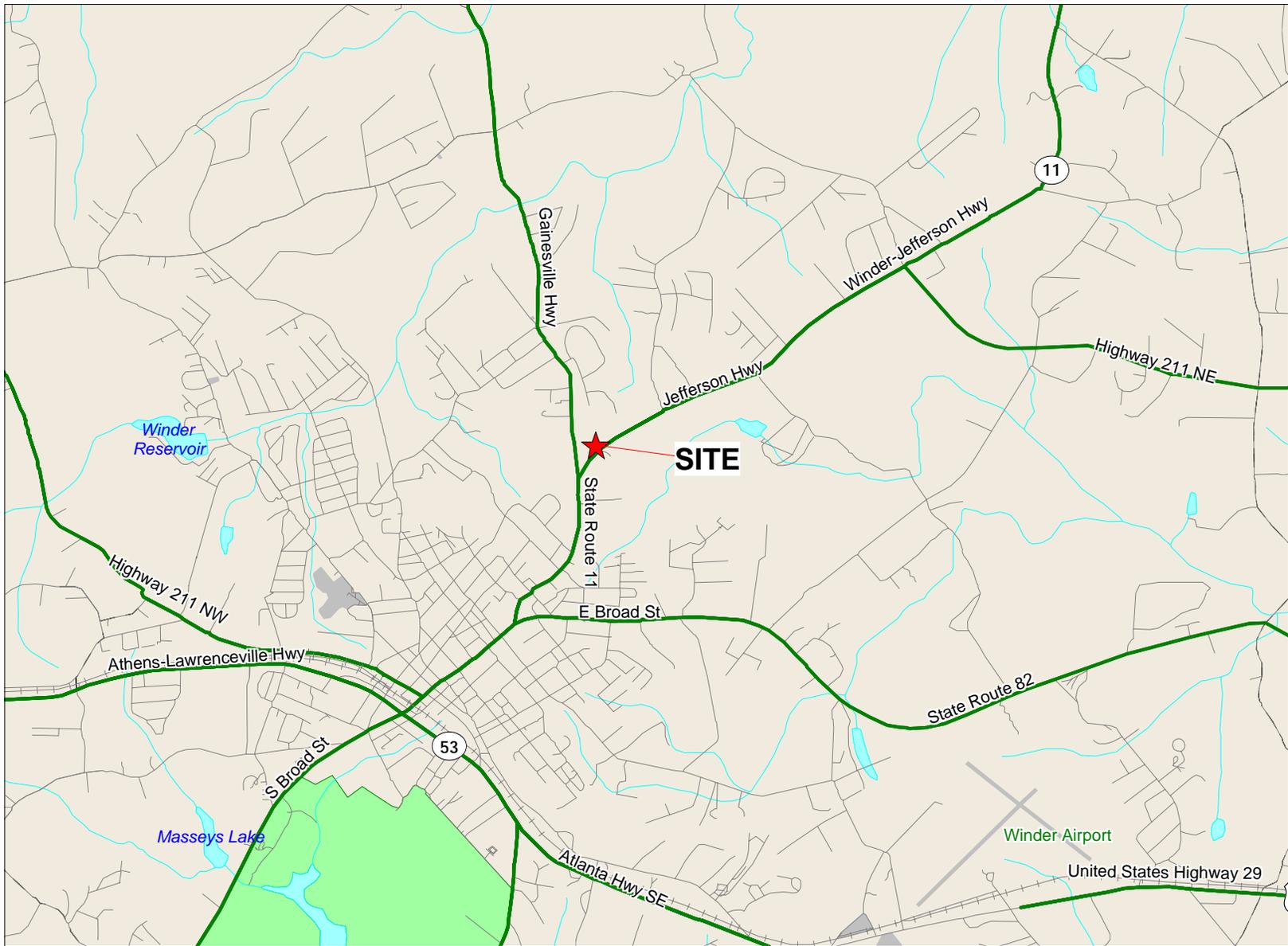
*View of Northside Presbyterian Church southeast of the subject site.*



*View of Mommy's Cottage Preschool bordering the subject site to the east.*



*View of Villas at Winder Subdivision bordering the subject site to the south.*



**Map 1**  
**Site Location**  
**Barrow County, GA**

-  SITE
-  General Retail
-  Library
-  Police
-  Fire
-  Senior Center
-  Grocery
-  Pharmacy
-  Doctor/Medical
-  Hospital



**Map 2**  
**Neighborhood Amenities**  
**Barrow County, GA**

**Table 2 Neighborhood Amenities, Stratford Court**

<b>Establishment</b>	<b>Type</b>	<b>Address</b>	<b>City</b>	<b>Distance</b>
Barrow Regional Medical Center	Hospital	316 N Broad St.	Winder	0.4 mile
Winder Primary Care	Doctor/Medical	314 N Broad St.	Winder	0.4 mile
Farmers	Pharmacy	314 N Broad St.	Winder	0.4 mile
Ingles	Grocery	285 N Broad St.	Winder	0.6 mile
Quality Foods	Grocery	208 N Broad St.	Winder	1.1 miles
Piedmont Regional Library	Library	189 Bellview St.	Winder	1.4 miles
Winder Police Department	Police	94 N Broad St.	Winder	1.5 miles
Winder Fire Department	Fire	90 N Broad St.	Winder	1.5 miles
Barrow County Senior Center	Senior Center	80 Lee St.	Winder	2.1 miles
Kmart	General Retail	17 Monroe Hwy.	Winder	2.3 miles
Wal-Mart	General Retail	440 Atlanta Hwy. Nw	Winder	3.4 miles

### Shopping

The subject property will be located within one to two miles of several retailers, most of which are concentrated along State Highway 53 in and around downtown Winder. The closest major chain grocery store (Ingles Supermarket) and pharmacy (Farmers) are both within walking distance from the subject site, approximately one-half mile to the south.

In addition to retail and service providers in downtown Winder, the expansive commercial shopping plaza Barrow Crossing opened in 2009. Located just south of State Highway 316 on Carl Bethlehem Road (five miles south of the subject site), Barrow Crossing contains a multitude of big-box retailers, restaurants, and commercial services providers including Publix, Belk, Target, Petsmart, Ross Dress for Less, McDonalds, and Subway.

### Medical

The closest major healthcare provider to the proposed site is Barrow Regional Medical Center (BRMC), a 56 bed acute care facility located less than one-half mile to the southwest. BRMC contains a staff of nearly 300 employees and offers a wide variety of medical treatment options and services including 24 hour emergency care, cardiopulmonary services, surgery, intensive care, labor/delivery, physical therapy / rehab, radiology, speech therapy, and diagnostic/imaging. The hospital also contains a Wound Center and Sleep Lab.

In addition to this major medical center, several smaller clinics and independent physicians are located within one to two miles of the site. The closest of these is Winder Primary Care located adjacent to BRMC on Broad Street, less than one-half mile from the site.

## Senior Services

Located just over two miles to the south, the Barrow County Senior Center is the closest senior services facility to the subject site. Open to adult citizens from 8:00 a.m. to 5:00 p.m. Monday through Friday, the center offers a number of programs, classes, activities, social events, and trips. In addition, meals and transportation are provided to qualified members through the Barrow County Senior Department.

## Crime Data

In 2009, a total of 2,260 crimes were reported in Barrow County. Based on a 2009 population of 72,158, the crime rate was 31.32 crimes per 1,000 persons (Table 3). Over eighty-seven percent of crimes reported in Barrow County were burglaries, larceny-theft, or motor vehicle theft. A modest percentage of the crimes in Barrow County were violent crimes. Based on field observations, crime or perceptions of crime will not impact the ability of Stratford Court to lease its units.

**Table 3 2009 Crime Rate, Barrow County**

<b>Crimes Reported in Barrow County, Georgia in 2009</b>		
<b>Crime</b>	<b>Number</b>	<b>Rate*</b>
<b>Total</b>	2,260	31.32
Murder	0	0.00
Rape	19	0.26
Robbery	21	0.29
Aggravated Assault	238	3.30
Burglary	459	6.36
Larceny-Theft	1,373	19.03
Motor Vehicle Thefts	150	2.08

\*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

## C. Site Conclusion

Overall, the site for Stratford Court is surrounded by a mixture residential and commercial land uses all of which are well maintained and compatible with the proposed development. The subject property will also be convenient to neighborhood amenities including shopping, healthcare facilities, and senior services most of which are common within one to two miles of the site. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development.

## IV. Socio-Economic and Demographic Content

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### A. Primary Market Area Description

The primary market area for Stratford Court is comprised of all eighteen Census tracts in Barrow County encompassing several municipalities including Winder, Auburn, Statham, Russell, and Bethlehem. The boundaries of the PMA and their approximate distance from the subject site are:

<b><u>North:</u></b>	Jackson County	3.0 miles
<b><u>East:</u></b>	Oconee County / Clarke County	8.9 miles
<b><u>South:</u></b>	Walton County	7.9 miles
<b><u>West:</u></b>	Gwinnett County	9.1 miles

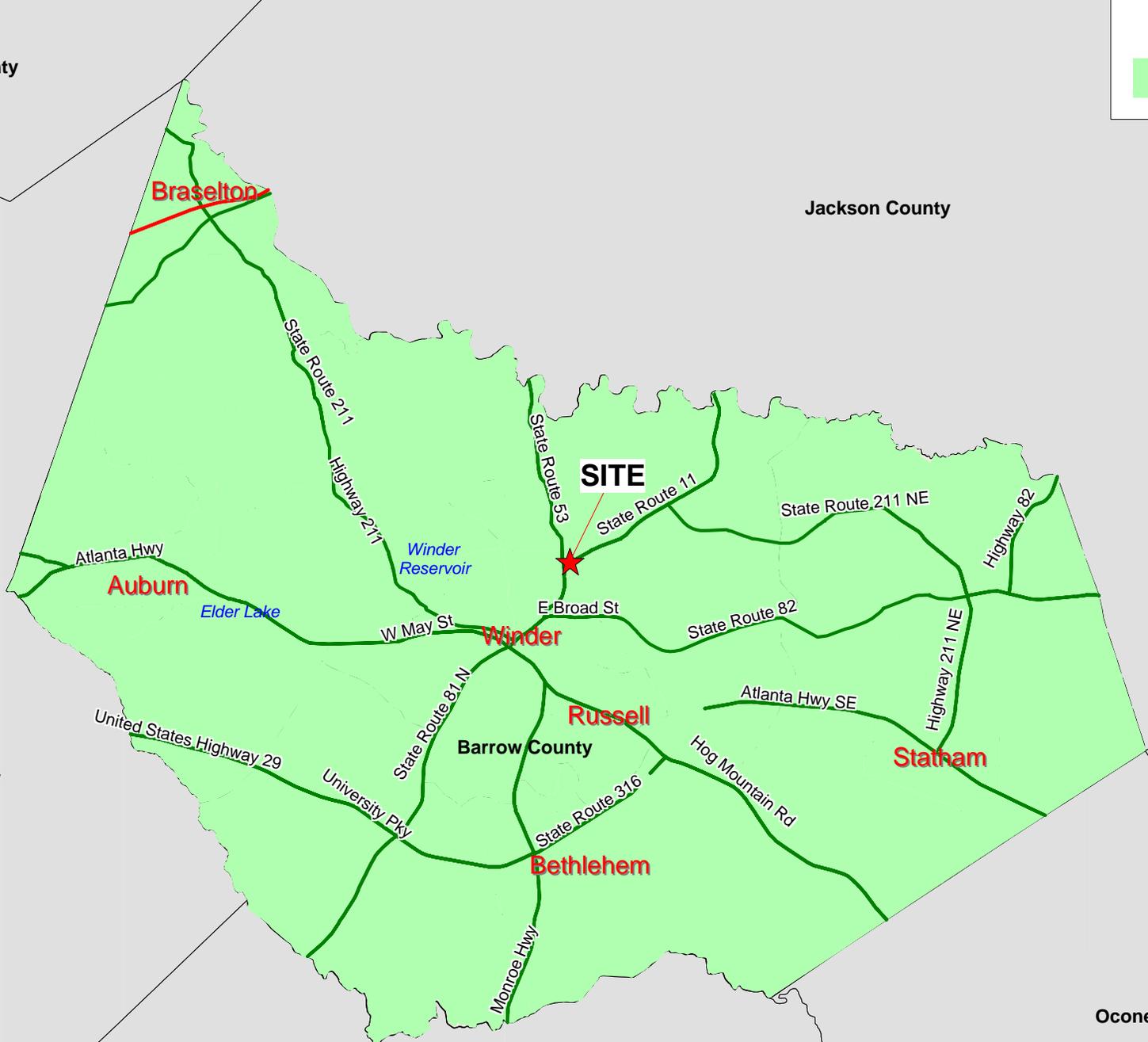
Winder is the Barrow County seat and its largest municipality. Connected by several major thoroughfares, including U.S. Highway 29 and State Highways 53, 81, 82, 211, and 316, residents living throughout Winder and the more rural portions of Barrow County are likely to consider the proposed development as an acceptable housing option. Based on the limited affordable senior rental housing available in and around the primary market area, Stratford Court should be able to draw tenants from throughout this primary market area and likely from beyond it; however, due to the geographic distance from the subject site, areas outside county borders were excluded to avoid overestimating demand.

This primary market is the area from which the majority (85 percent) of local tenants are expected to originate; however, in some instances tenants relocate from distances well beyond that of most residents to be close to affluent adult children living in the area. While the location from which these tenants migrate varies significantly, the bi-county market area of Barrow and Jackson Counties is designated as the secondary market area for the purposes of this analysis. Overall, it is anticipated that the demand for Stratford Court will be augmented by households moving from beyond PMA boundaries by approximately fifteen percent.

The primary market area includes year 2010 Census tracts 1801.03, 1801.04, 1801.05, 1801.06, 1801.07, 1801.08, 1802.03, 1802.04, 1802.05, 1802.06, 1803.01, 1803.02, 1803.03, 1804.01, 1804.02, 1805.01, 1805.02, and 1805.03. Demographic data on a bi-county market area consisting of Barrow and Jackson Counties is included for comparison purposes and serves as the project's secondary market area; however, demand estimates are shown only for the PMA.

★  
 Primary Market Area

Name10
1801.03
1801.04
1801.05
1801.06
1801.07
1801.08
1802.03
1802.04
1802.05
1802.06
1803.01
1803.02
1803.03
1804.01
1804.02
1805.01
1805.02
1805.03



0 1.5 3  
 miles

**Map 3**  
**Primary Market Area**  
**Barrow County, GA**

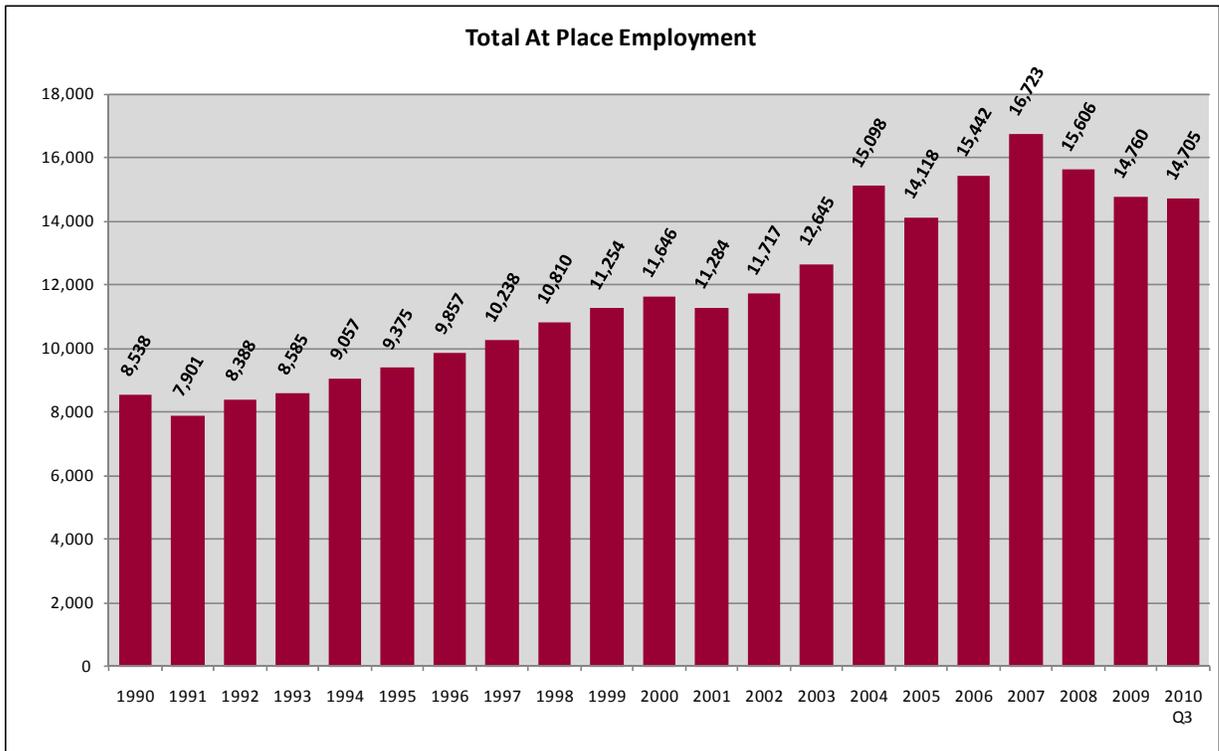
## **B. Economic and Employment Trends**

After a brief decline in 1991, Barrow County's at-place employment steadily expanded from 1992 to 2007 adding a net total of 8,335 new jobs. During this span, the county nearly doubled its 1990 employment base of 8,538 and consistently outpaced national employment growth on an annual percentage basis (Figure 2). Following this period, Barrow County's at-place employment declined in both 2008 and 2009 as the full effects of the recent national recession took hold. In total, the county lost 1,963 jobs over this two year period or 11.7 percent. This trend continued through the third quarter of 2010, albeit at a much slower pace than in 2009, with the loss of an additional 55 jobs.

Trade-transportation-utilities and government are the largest employment sectors in Barrow County, accounting for 46.0 percent of jobs through the third quarter of 2010 (Figure 4). By comparison, these sectors account for just 35.9 percent of jobs nationally. Leisure-hospitality and manufacturing also contain significant percentages of employment within the county at 12.0 percent and 11.3 percent, respectively. Barrow County trails nationwide proportions in the education-health, professional business, financial activities, information, and "other" sectors.

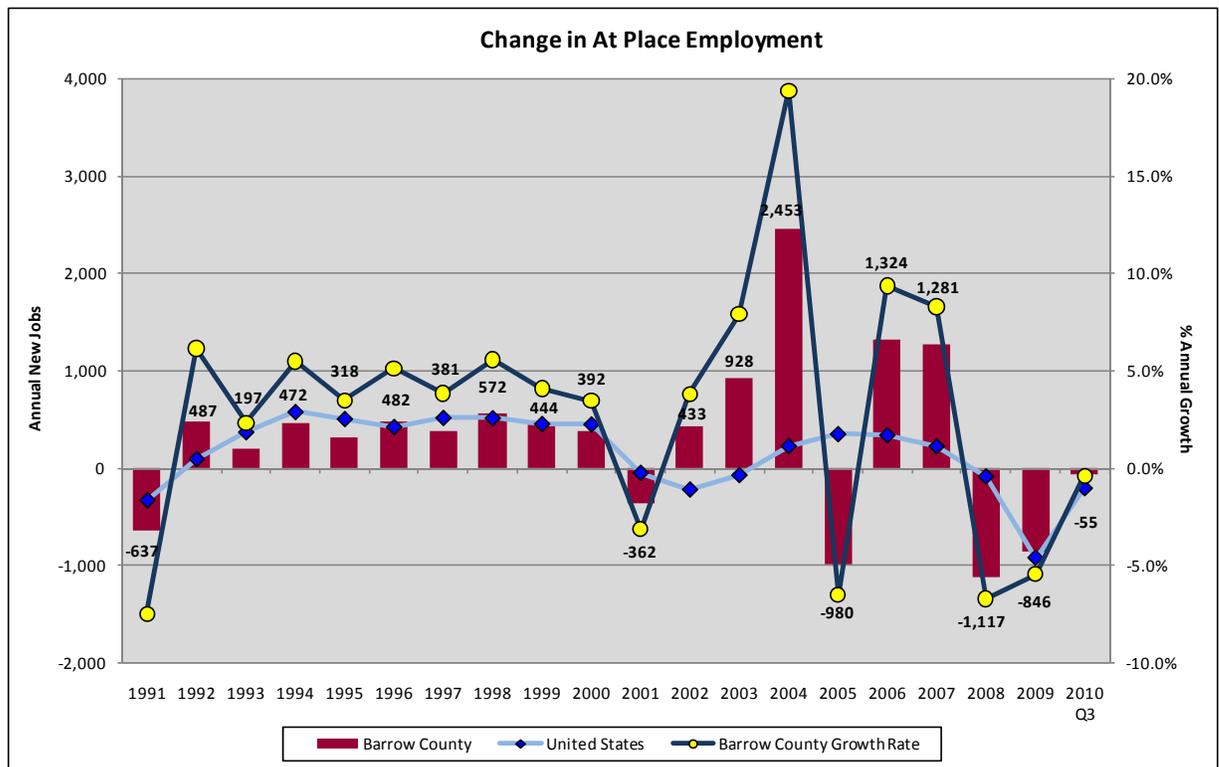
Between 2001 and the third quarter of 2010, ten of eleven industry sectors experienced annual growth in Barrow County (Figure 5). On a percentage basis, the sector with the largest annual increase was information at 22.0 percent; however, this sector is among the smallest in terms of total jobs. As such, annualized growth in the trade-transportation-utilities, government, leisure-hospitality, and education-health sectors had a more significant impact on Barrow County's economy as each of these sectors accounts for a sizable proportion of total employment. The only sector to suffer an annualized decline was manufacturing at 3.2 percent.

**Figure 2 At Place Employment, Barrow County 1990-2010 (Q3)**



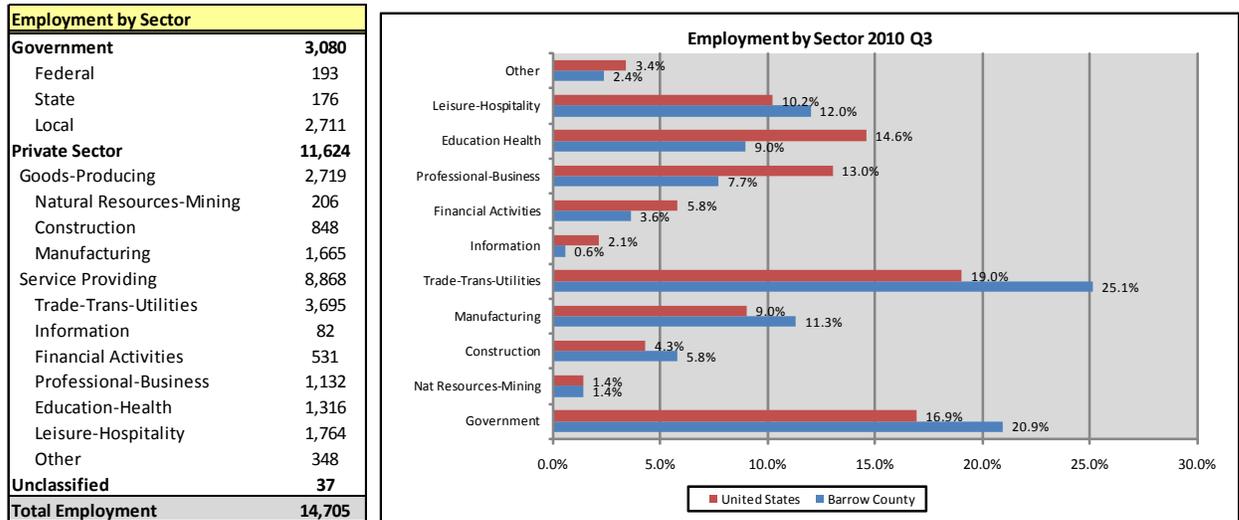
Source: U.S. Department of Labor, Bureau of Labor Statistics, NAICS

**Figure 3 Change in At Place Employment, Barrow County 1990-2010 (Q3)**



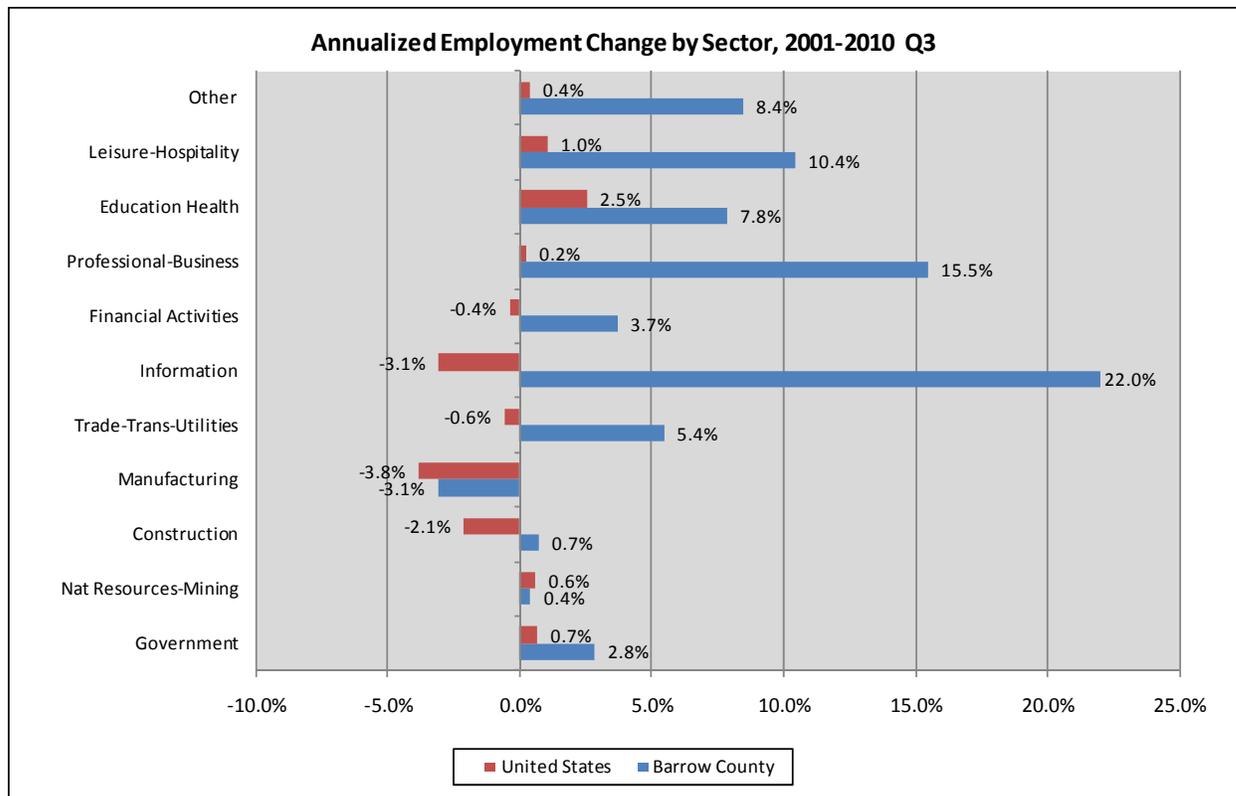
Source: U.S. Department of Labor, Bureau of Labor Statistics, NAICS

**Figure 4 Employment by Sector, Barrow County, 2010 (Q3)**



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

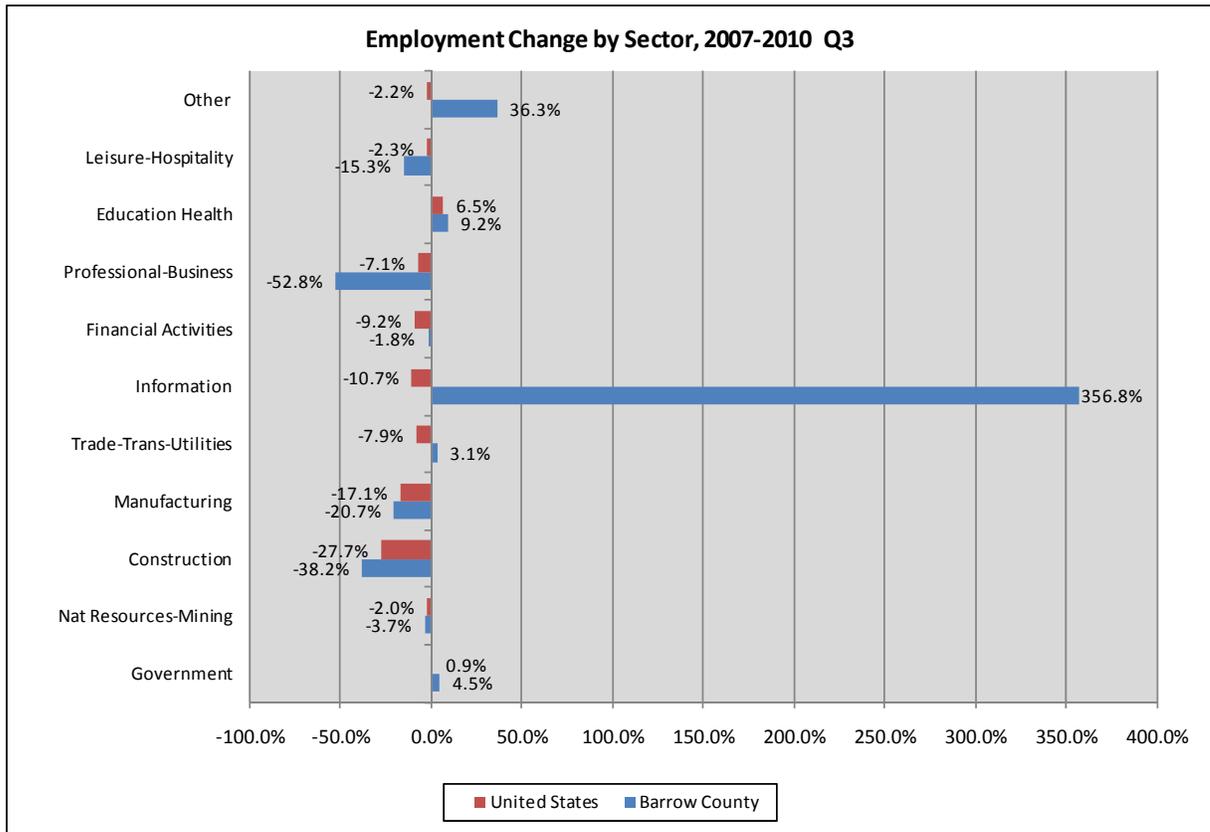
**Figure 5 Employment by Sector Change, Barrow County, 2001-2010 (Q3)**



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

To analyze the recent job losses more closely, Figure 6 details the change in at-place employment by sector between 2007 and the third quarter of 2010. During this approximate three year period, six of eleven employment sectors reported a net loss in jobs. Most of the job loss occurred within the professional business, construction, and manufacturing sectors which posted total declines of 52.8 percent, 38.2 percent, and 20.7 percent, respectively. While not the highest on a percentage basis, Barrow County also lost a significant number of jobs in the leisure-hospitality sector. Employment gains during this period occurred in the “other,” education-health, information, trade-transportation-utilities, and government sectors. It is important to note that despite the substantial percentage gain in the information sector, its impact was limited given it is one of the smallest employment sectors in terms of total jobs.

**Figure 6 Employment by Sector Change, Barrow County, 2007-2010 (Q3)**



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

Several major employers are located within five miles of the subject site, many of which are concentrated in or around downtown Winder. As would be expected given its employment by sector breakdown, seven of the ten largest employers in Barrow County fall into the trade-transportation-utilities classification; however, the single largest employer is the Barrow County Public School System with an estimated employment base more than two times greater than the next largest employer (Table 4). In addition to these employers, the subject property is also located in close proximity to several churches, retail outlets, and a variety of specialty service providers.

Recent contractions among employers near the subject property as listed in the Georgia Department of Labor's Business Closing and Layoffs List are provided in Table 5 below. In terms of major expansions within the county, Chico's FAS announced in May of this year they will continue to invest capital in their Barrow County Campus with construction of a Performance Optimized Data (POD) Center; however, no anticipated expansions in employment relating to this investment were provided.

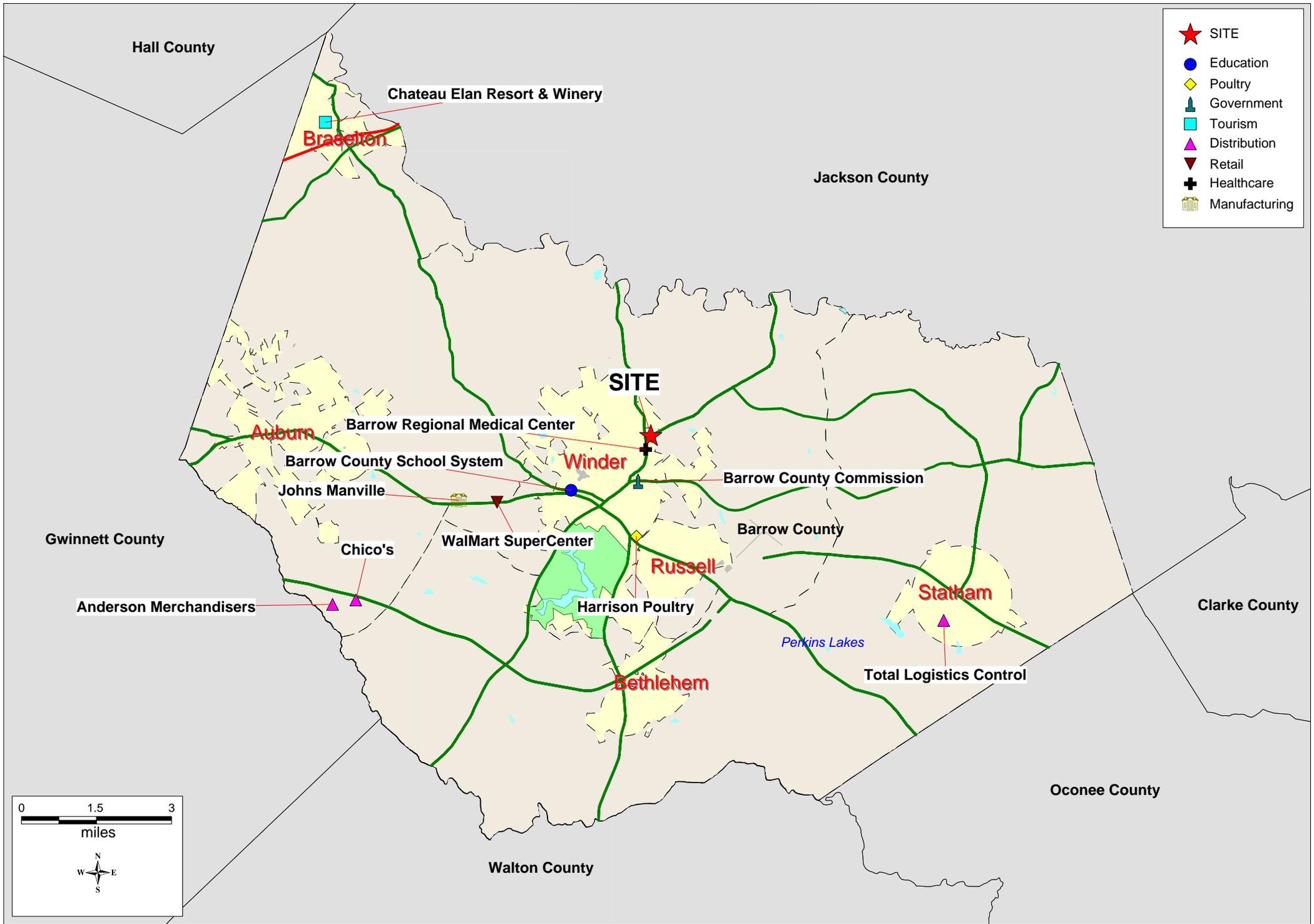
**Table 4 Top Employers, Barrow County**

Rank	Name	Industry	Employment
1	Barrow County School System	Education-Health	2,183
2	Harrison Poultry	Trade-Transportation-Utilities	876
3	Barrow County Commission	Government	550
4	Chateau Elan Resort & Winery	Leisure-Hospitality	550
5	Anderson Merchandisers	Trade-Transportation-Utilities	500
6	WalMart SuperCenter	Trade-Transportation-Utilities	480
7	Total Logistics Control	Trade-Transportation-Utilities	450
8	Barrow Regional Medical Center	Education-Health	300
9	Chico's	Trade-Transportation-Utilities	282
10	Johns Manville	Manufacturing	250

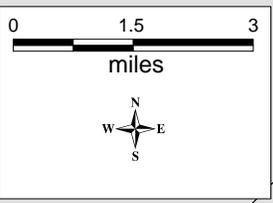
Source: Barrow Economic Development Council

**Table 5 Business Closings / Layoffs, 2009 to 2011 (Q1)**

Company Name	City	County	# Employees Affected	Date
Greatwide	Auburn	Barrow	102	2/2/2011
<b>Total</b>			<b>102</b>	



- ★ SITE
- Education
- ◆ Poultry
- 🏢 Government
- ◻ Tourism
- ▲ Distribution
- ▼ Retail
- ✚ Healthcare
- 🏭 Manufacturing



**Map 4**  
**Major Employers**  
**Barrow County, GA**

Barrow County's labor force grew at a steady pace throughout much of the past two decades before leveling off over the past two years. Overall, the county's labor force increased from 15,226 in 1990 to 34,314 in 2010, a gain of 19,048 workers or 124.7 percent (Figure 7). Through the first quarter of 2011, Barrow County's labor force fell by 195 people.

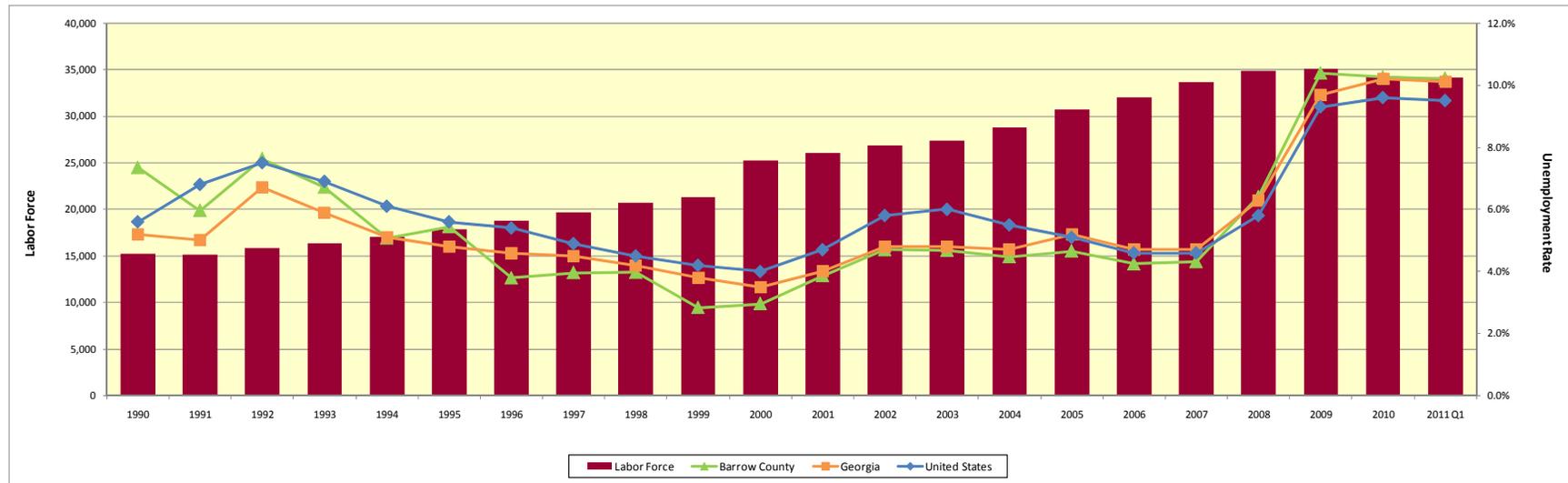
After reaching a high of 7.6 percent in 1992, Barrow County's unemployment rate steadily declined throughout the 1990's resulting in a period low of 2.8 percent by 1999. Following this period, the county's unemployment rate climbed in each of the next three years reaching 4.7 percent in 2002 and 2003. From 2006 to 2007, unemployment rates dipped to as low as 4.2 percent before rising sharply to a high of 10.4 percent from 2008 to 2010 amid the national recession. Through the first quarter of 2011, Barrow County's unemployment rate remained relatively stable dropping slightly to 10.2 percent, which is just above state (10.1 percent) and national levels (9.5 percent). Overall, Barrow County's unemployment rate has consistently remained at or just above state and national figures while following similar trends.

Given the target market and product to be constructed, we do not believe local economics will negatively impact the ability of Stratford Court to lease its units.

**Table 6 Labor Force and Unemployment Rates, Barrow County**

Annual Unemployment	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 Q1
Labor Force	15,266	15,175	15,827	16,399	17,059	17,899	18,775	19,724	20,721	21,284	25,254	26,049	26,908	27,360	28,773	30,708	32,088	33,645	34,923	35,049	34,314	34,119
Employment	14,145	14,270	14,620	15,299	16,194	16,925	18,064	18,943	19,899	20,681	24,507	25,043	25,645	26,081	27,486	29,278	30,728	32,195	32,688	31,408	30,795	30,633
Unemployment	1,121	905	1,207	1,100	865	974	711	822	822	603	747	1,006	1,263	1,279	1,287	1,430	1,360	1,450	2,235	3,641	3,519	3,486
<b>Unemployment Rate</b>																						
Barrow County	7.3%	6.0%	7.6%	6.7%	5.1%	5.4%	3.8%	4.0%	4.0%	2.8%	3.0%	3.9%	4.7%	4.7%	4.5%	4.7%	4.2%	4.3%	6.4%	10.4%	10.3%	10.2%
Georgia	5.2%	5.0%	6.7%	5.9%	5.1%	4.8%	4.6%	4.5%	4.2%	3.8%	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.7%	6.3%	9.7%	10.2%	10.1%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.5%

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



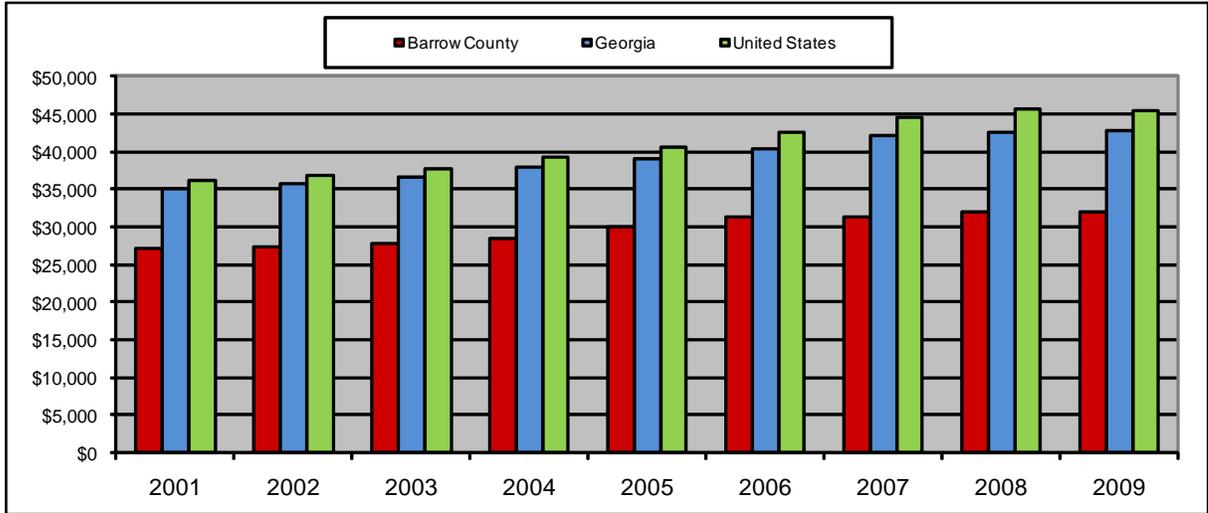
### **C. Wages by Occupation**

The average annual wage in 2009 for Barrow County was \$32,049, which is \$10,853 or 25.2 percent below the \$42,902 average for the state. The state's average wage is \$2,649, or 5.8 percent below the national average (Table 7). Barrow County's average annual wage in 2009 represents an increase of \$5,008 or 11.7 percent since 2001.

The average wage in Barrow County is lower than the national average for all economic sectors (Figure 7). In some cases, the average annual wage for Barrow County is only half of the national figures. The highest paying sectors in Barrow County are manufacturing, construction, and government.

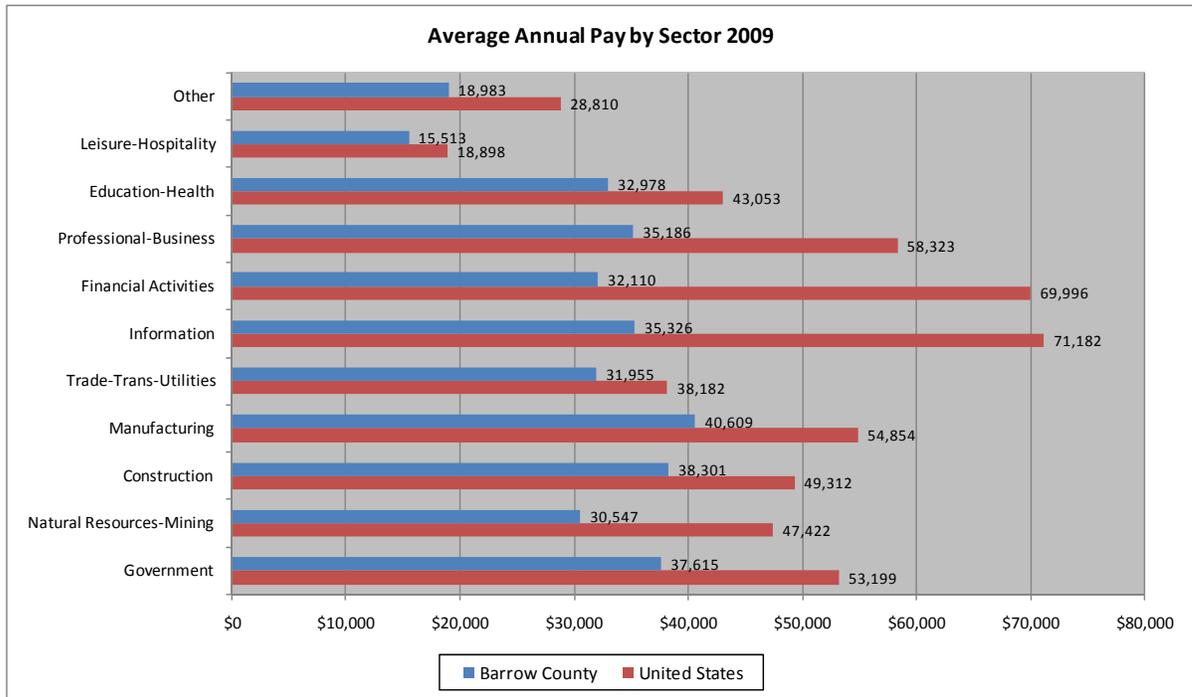
**Table 7 Average Annual Wage, 2001-2009**

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Barrow County	\$27,041	\$27,299	\$27,836	\$28,372	\$30,057	\$31,207	\$31,288	\$32,075	\$32,049
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,551



Source: Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

**Figure 7 Average Annual Wage by Employment Sector, Barrow County**



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

## D. Commuting Patterns

According to 2000 Census data, over half (52.9 percent) of primary market area workers commuted 30 minutes or more to work (Table 8). Another 25.6 percent commute between 15 and 29 minutes. Only 19.1 percent of workers residing in the primary market area spent less than 15 minutes commuting to work.

Only 34.3 percent of workers in the primary market area reside in the county in which they work. Another 65.4 percent work in another Georgia county and 0.3 percent work outside the state (Table 9).

**Table 8 Time Spend Commuting, PMA Workers**

Travel Time to Work		
Workers 16 years and over	#	%
Did not work at home:	22,076	97.6%
Less than 5 minutes	435	1.9%
5 to 9 minutes	1,577	7.0%
10 to 14 minutes	2,298	10.2%
15 to 19 minutes	2,346	10.4%
20 to 24 minutes	2,059	9.1%
25 to 29 minutes	1,388	6.1%
30 to 34 minutes	3,692	16.3%
35 to 39 minutes	1,002	4.4%
40 to 44 minutes	1,019	4.5%
45 to 59 minutes	3,043	13.5%
60 to 89 minutes	2,116	9.4%
90 or more minutes	1,101	4.9%
Worked at home	540	2.4%
<b>Total</b>	<b>22,616</b>	

Source: 2000 U.S. Census

**Table 9 Place of Work, PMA Workers**

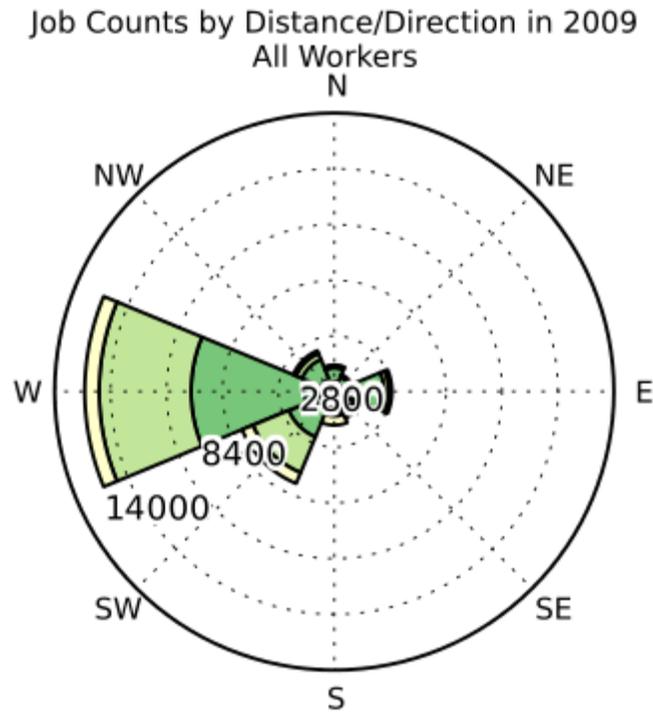
Place of Work		
Workers 16 years and over	#	%
Worked in state of residence:	22,539	99.7%
Worked in county of residence	7,751	34.3%
Worked outside county of residence	14,788	65.4%
Worked outside state of residence	77	0.3%
<b>Total</b>	<b>22,616</b>	<b>100.0%</b>

Source: 2000 U.S. Census

Based on Census data, 68.2 percent of workers living in the primary market area commute 10 to 50 miles to work (Table 10). Another 23.2 percent of workers commute less than 10 miles. Only 8.6 percent of workers commute more than 50 miles to work.

Most of the PMA workers traveling greater than ten miles to work commute to areas in and around the Atlanta area and Athens to the west and east of the primary market area, respectively. Cities employing a particularly large number of PMA workers in order of total jobs include Winder, Lawrenceville, Duluth, Norcross, Athens, and Suwannee.

**Table 10 Job Counts By Distance/Direction – Home to Work, 2009**



Jobs by Distance - Home Census Block to Work  
Census Block

	2009	
	Count	Share
Total All Jobs	27,984	100.0%
■ Less than 10 miles	6,489	23.2%
■ 10 to 24 miles	11,533	41.2%
■ 25 to 50 miles	7,551	27.0%
■ Greater than 50 miles	2,411	8.6%

Source: *On the Map*, U.S. Census Bureau

## **E. Household and Population Trends**

The population and household statistics for the primary market area and the bi-county market area are based on the 2000 and 2010 Census counts. Estimates and projections were derived by The Nielsen Company, a national data vendor (Table 11).

The primary market area experienced steady population growth over the past decade as its 2010 population of 69,367 represents an increase of 23,233 persons or 50.3 percent since 2000. During the same time period, the population in the bi-county market area grew from 87,733 to 129,852 persons, an increase of 42,119 or 48.0 percent. Based on the estimates made by Nielsen, the primary market area and the bi-county market area are expected to add an additional 2,426 people (3.5 percent) and 4,468 people (3.4 percent) in 2011, respectively. Over the next five years, Nielsen projects population growth to continue in both regions. The primary market area's population is projected to increase by 13,465 people or 18.8 percent while the bi-county market area is projected to expand by 24,752 people or 18.4 percent. Relative to the previous decade, the annual rates of population growth are projected to slow from 4.2 percent to 3.5 percent in the primary market area and from 4.0 percent to 3.4 percent in the bi-county market area.

Based on Census data, the primary market area's household count grew from 16,354 to 23,971 during the 2000's, a gain of 7,617 households or 46.6 percent. During the same decade, the bi-county market area's household base increased from 31,411 to 45,314, a gain of 13,903 households or 44.3 percent. On an annual percentage basis, households in the primary market area increased at a rate of 3.9 percent while bi-county market area households rose by 3.7 percent. Nielsen estimates annual household growth in the primary market area and bi-county market area fell to 3.5 percent from 2010 to 2011.

Over the next five years, Nielsen projects household growth to continue to remain strong in both geographies. The primary market area is projected to grow from 24,813 households to 29,488 households while the bi-county market area is expected to grow from 46,891 to 55,636 households. Annual increases are projected at 4,675 households or 3.5 percent in the primary market area and 8,745 households or 3.5 percent in the bi-county market area.

The average household size increased from 2000 to 2010 in both the primary market area and bi-county market area but is expected to remain stable over the next five years. The average household size in the primary market area is larger than that of the bi-county market area, overall.

## F. Senior Household Trends

Primary market area senior household growth has outpaced total household growth on a percentage basis over the past decade, a trend expected to continue. Between 2000 and 2011, households with a householder age 55+ increased by 2,935 while households with a householder age 62 and older increased by 1,852. This equates to growth rates of 64.4 percent and 58.0 percent, respectively (Table 12). Household growth was higher among younger age cohorts as households with householders age 55 to 62 increased by 79.6 percent; however, all five senior age cohorts experienced growth of at least 38 percent. Households with householders age 62+ accounted for approximately 63.1 percent of all senior household growth since 2000.

Over the next five years, the primary market area's senior household base is expected to increase by 32.2 percent (5.7 percent annually) among households with householders age 55+ and 31.4 percent (5.6 percent annually) among households with householders age 62+. Growth among age brackets is projected to be more even with the largest increase in senior households expected to occur between the ages of 65 and 74 years. By 2016, households with a householder age 62+ will account for nearly two-thirds (65.8 percent) of senior household growth and 67.0 percent of all senior households in the primary market area.

**Table 11 Trends in Population and Households, PMA and Bi-County Market Area**

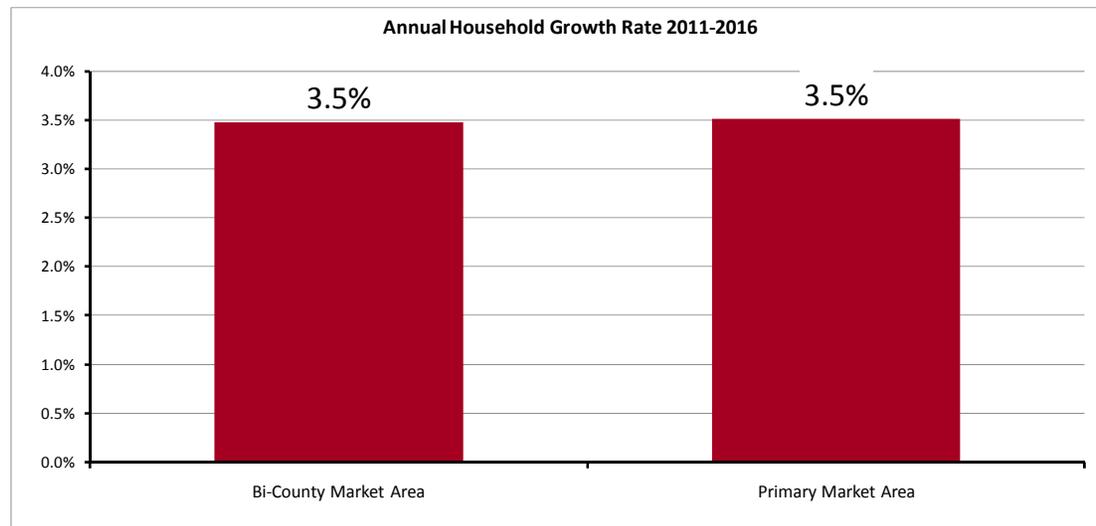
Bi-County Market Area					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2011	2016	#	%	#	%	#	%	#	%	#	%	#	%	
Population	87,733	129,852	134,320	159,071	42,119	48.0%	4,212	4.0%	4,468	3.4%	4,468	3.4%	24,752	18.4%	4,950	3.4%
Group Quarters	1,266	1,450	1,476	1,614												
Households	31,411	45,314	46,891	55,636	13,903	44.3%	1,390	3.7%	1,577	3.5%	1,577	3.5%	8,745	18.7%	1,749	3.5%
Average HH Size	2.75	2.83	2.83	2.83												

Primary Market Area					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2011	2016	#	%	#	%	#	%	#	%	#	%	#	%	
Population	46,144	69,367	71,793	85,258	23,223	50.3%	2,322	4.2%	2,426	3.5%	2,426	3.5%	13,465	18.8%	2,693	3.5%
Group Quarters	457	538	548	603												
Households	16,354	23,971	24,813	29,488	7,617	46.6%	762	3.9%	842	3.5%	842	3.5%	4,675	18.8%	935	3.5%
Average HH Size	2.79	2.87	2.87	2.87												

Note: Annual change is compounded rate.

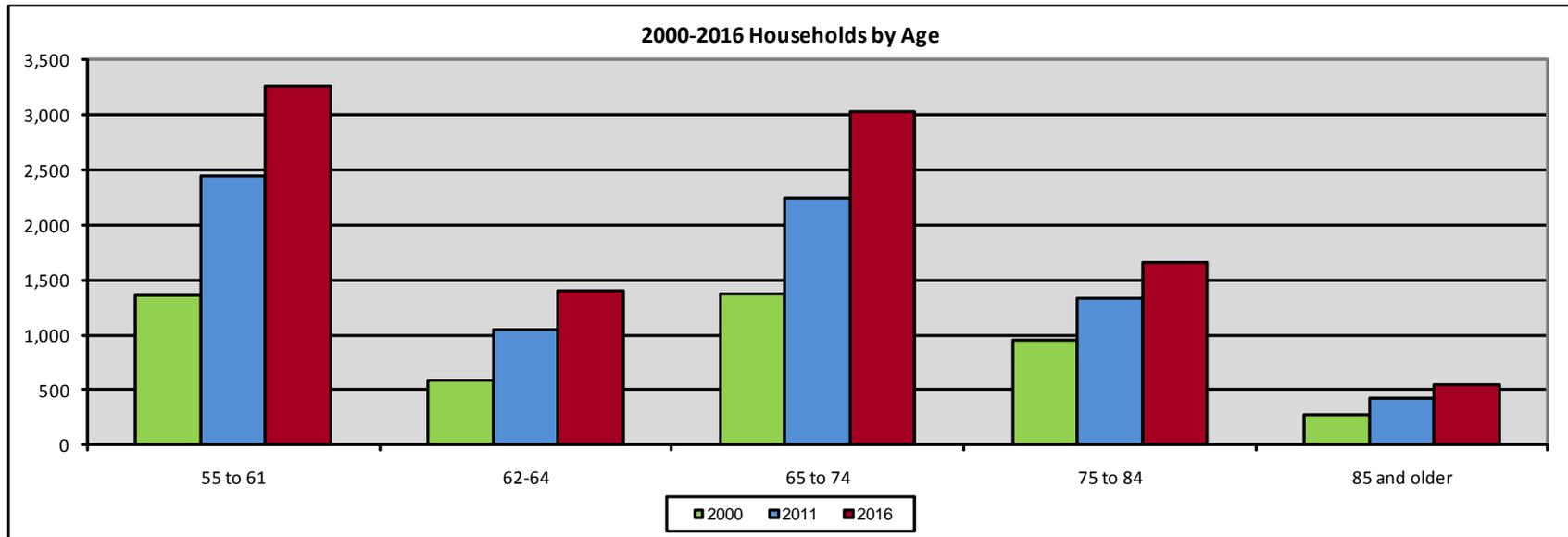
Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG



**Table 12 Trends in Senior Households, Primary Market Area**

Primary Market Area						Change 2000 to 2011				Change 2011 to 2016				
						Total		Annual		Total		Annual		
Age of Householder	2000		2011		2016		#	%	#	%	#	%	#	%
55 to 61	1,361	29.9%	2,444	32.6%	3,267	33.0%	1,083	79.6%	98	5.5%	823	33.7%	165	6.0%
62-64	583	12.8%	1,047	14.0%	1,400	14.1%	464	79.6%	42	5.5%	353	33.7%	71	6.0%
65 to 74	1,376	30.2%	2,245	30.0%	3,032	30.6%	869	63.2%	79	4.6%	787	35.1%	157	6.2%
75 to 84	958	21.0%	1,327	17.7%	1,657	16.7%	369	38.5%	34	3.0%	330	24.9%	66	4.5%
85 and older	277	6.1%	428	5.7%	544	5.5%	151	54.3%	14	4.0%	116	27.2%	23	4.9%
<b>Householders 55+</b>	<b>4,555</b>	<b>100.0%</b>	<b>7,491</b>	<b>100.0%</b>	<b>9,900</b>	<b>100.0%</b>	<b>2,935</b>	<b>64.4%</b>	<b>267</b>	<b>4.6%</b>	<b>2,409</b>	<b>32.2%</b>	<b>482</b>	<b>5.7%</b>
<b>Householders 62+</b>	<b>3,194</b>		<b>5,047</b>		<b>6,633</b>		<b>1,852</b>	<b>58.0%</b>	<b>168</b>	<b>4.2%</b>	<b>1,586</b>	<b>31.4%</b>	<b>317</b>	<b>5.6%</b>

Source: 2000 Census of Population and Housing; The Nielsen Company, RPRG Estimates

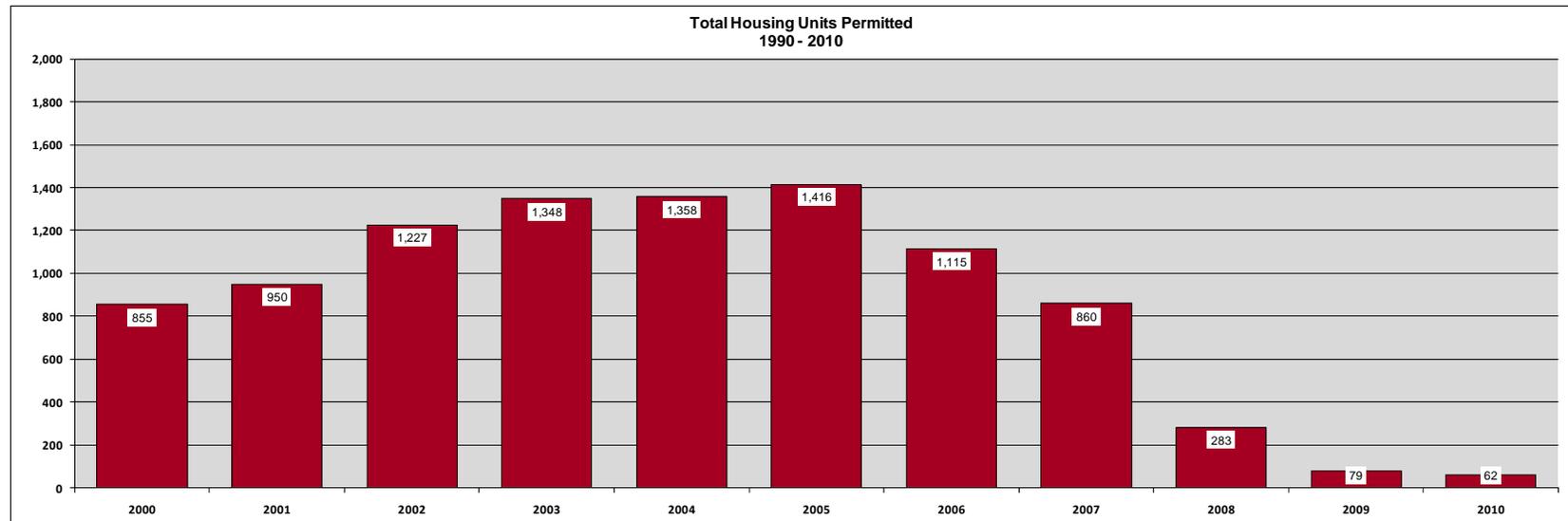


Building permit data reported in the U.S. Census Bureau's C-40 Report indicates that new construction of dwelling units in Barrow County has slightly exceeded household growth over the past decade (Table 13). Overall, the annual unit average of 868 from 2000 to 2010 outpaced estimated annual household growth of 762 from 2000 to 2010; however, less than one percent of all building permits issued since 2000 have been for multi-family development with only 20 multi-family units approved since 2000. Since 2007, the pace of construction has slowed considerably, reflecting the rapid decline in the housing market and economic conditions during this period. The 62 units permitted in 2010 are the lowest year-end total in Barrow County over the past decade.

**Table 13 Barrow County Building Permits, 2000 - 2010**

Barrow County													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-2010	Annual
Single Family	855	948	1,227	1,330	1,358	1,416	1,115	860	283	79	62	9,533	867
Two Family	0	2	0	0	0	0	0	0	0	0	0	2	0
3 - 4 Family	0	0	0	4	0	0	0	0	0	0	0	4	0
5 or more Family	0	0	0	14	0	0	0	0	0	0	0	14	1
<b>Total</b>	<b>855</b>	<b>950</b>	<b>1,227</b>	<b>1,348</b>	<b>1,358</b>	<b>1,416</b>	<b>1,115</b>	<b>860</b>	<b>283</b>	<b>79</b>	<b>62</b>	<b>9,553</b>	<b>868</b>

Source: U.S. Census Bureau, C-40 Building Permit Reports.



## **G. Demographic Characteristics**

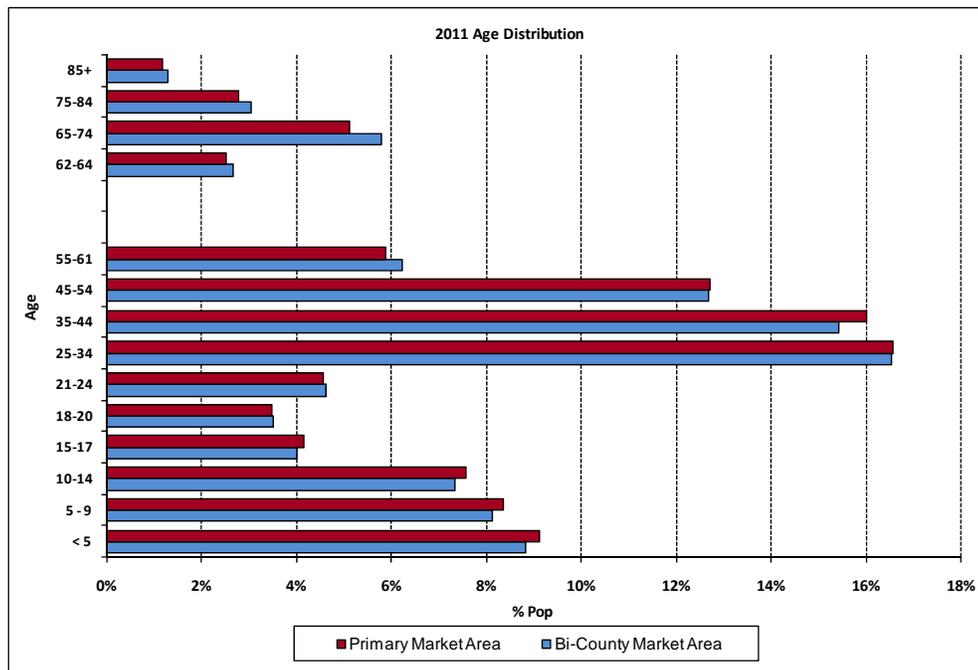
The 2011 Nielsen population distribution by age indicates that the primary market area is slightly younger than the bi-county market area though both have a median age of 31. The primary market area has a higher percentage of its population under the age of 18 and between the ages of 24 and 55. The bi-county market area has a higher percentage ages 18- 24 years and age 55+ (Table 14). Persons age 62+ account for 11.6 percent of the population in the primary market area and 12.8 percent of the population in the bi-county market area.

Over half (approximately 56 percent) of all householders in the primary market area and bi-county market area are married (Table 15). Children are present in 44.9 percent of the primary market area's households, higher than the 42.6 percent occurrence of children in the bi-county market area. Single-parent households account for just 23.5 percent of households with children in the primary market area slightly above that of the bi-county market area (23.0 percent). The bi-county market area has a higher percentage of both non-married households without children present and single person households.

**Table 14 2011 Age Distribution, PMA and Bi-County Market Area**

	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Under 5 years	11,833	8.8%	6,537	9.1%
5-9 years	10,914	8.1%	6,007	8.4%
10-14 years	9,861	7.3%	5,432	7.6%
15-17 years	5,371	4.0%	2,989	4.2%
18-20 years	4,704	3.5%	2,505	3.5%
21-24 years	6,211	4.6%	3,282	4.6%
25-34 years	22,222	16.5%	11,889	16.6%
35-44 years	20,706	15.4%	11,499	16.0%
45-54 years	17,016	12.7%	9,123	12.7%
55-61 years	8,344	6.2%	4,216	5.9%
<b>TOTAL Non-Senior</b>	<b>117,181</b>	<b>87.2%</b>	<b>63,479</b>	<b>88.4%</b>
62-64 years	3,576	2.7%	1,807	2.5%
65-74 years	7,756	5.8%	3,679	5.1%
75-84 years	4,070	3.0%	1,994	2.8%
85 and older	1,736	1.3%	834	1.2%
<b>TOTAL Senior</b>	<b>17,138</b>	<b>12.8%</b>	<b>8,314</b>	<b>11.6%</b>
<b>TOTAL</b>	<b>134,320</b>	<b>100.0%</b>	<b>71,793</b>	<b>100.0%</b>
<b>Median Age</b>	<b>31</b>		<b>31</b>	

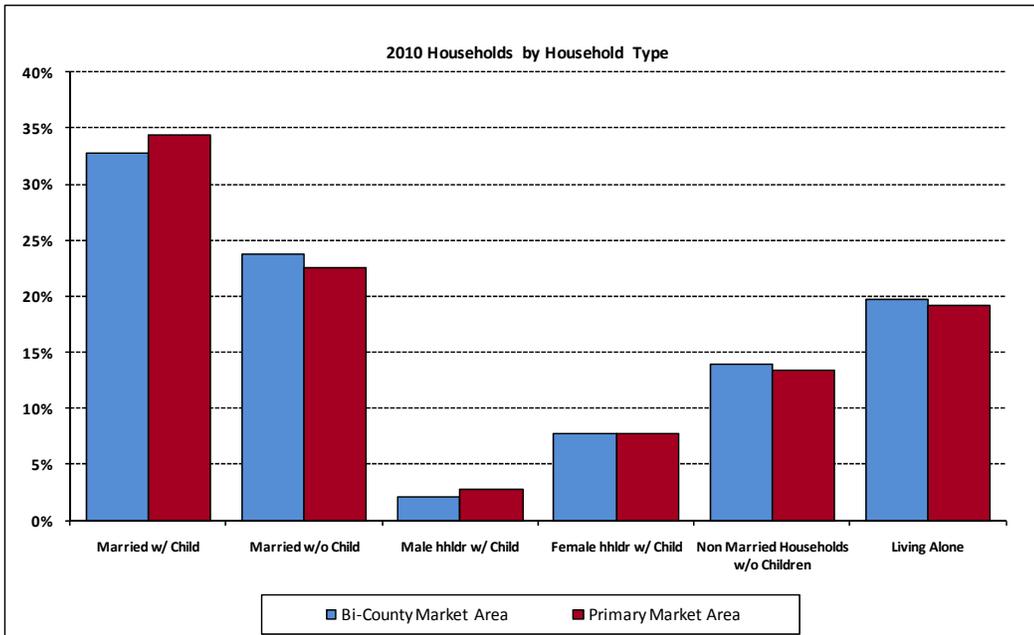
Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



**Table 15 2010 Households by Household Type, PMA and Bi-County Market Area**

	Bi-County Market Area		Primary Market Area	
	#	%	#	%
Married w/ Child	14,881	32.8%	8,235	34.4%
Married w/o Child	10,741	23.7%	5,402	22.5%
Male hhldr w/ Child	953	2.1%	674	2.8%
Female hhldr w/ Child	3,482	7.7%	1,855	7.7%
Non Married Households w/o Children	6,324	14.0%	3,201	13.4%
Living Alone	8,934	19.7%	4,604	19.2%
<b>Total</b>	<b>45,314</b>	<b>100.0%</b>	<b>23,971</b>	<b>100.0%</b>

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



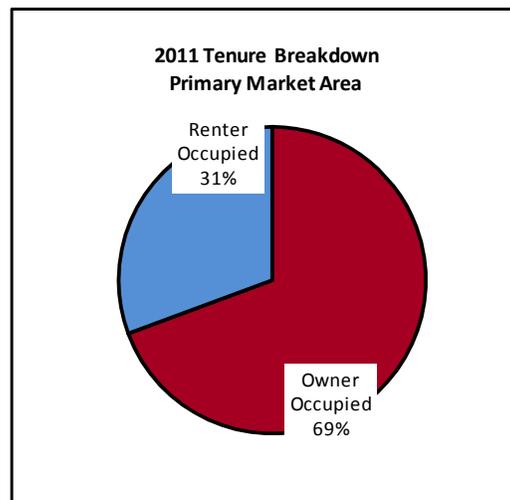
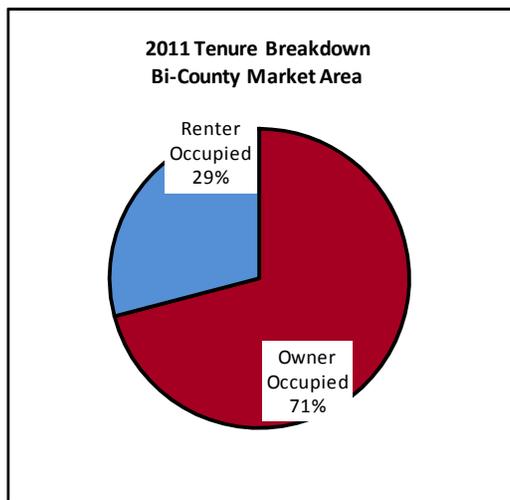
Less than one-third (30.6 percent) of primary market area households are renters in 2011, compared to 29.1 percent in the bi-county market area (Table 16). Over the next five years, Nielsen projects the renter percentage to increase in both the primary market and the bi-county market area.

Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The 2011 senior renter percentage is 24.8 percent in the primary market area and 22.1 percent in the bi-county market area (Table 17).

**Table 16 Dwelling Units by Occupancy Status, PMA and Bi-County Market Area**

Bi-County Market Area	2000		2011		2016	
	Number	Percent	Number	Percent	Number	Percent
<b>Housing Units</b>						
Owner Occupied	23,625	75.2%	33,254	70.9%	39,323	70.7%
Renter Occupied	7,786	24.8%	13,637	29.1%	16,313	29.3%
<b>Total Occupied</b>	<b>31,411</b>	<b>100.0%</b>	<b>46,891</b>	<b>100.0%</b>	<b>55,636</b>	<b>100.0%</b>
Total Vacant	2,119		2,928		3,483	
<b>TOTAL UNITS</b>	<b>33,530</b>		<b>49,819</b>		<b>59,119</b>	

Primary Market Area	2000		2011		2016	
	Number	Percent	Number	Percent	Number	Percent
<b>Housing Units</b>						
Owner Occupied	12,349	75.5%	17,210	69.4%	20,380	69.1%
Renter Occupied	4,005	24.5%	7,603	30.6%	9,108	30.9%
<b>Total Occupied</b>	<b>16,354</b>	<b>100.0%</b>	<b>24,813</b>	<b>100.0%</b>	<b>29,488</b>	<b>100.0%</b>
Total Vacant	950		1,765		2,098	
<b>TOTAL UNITS</b>	<b>17,304</b>		<b>26,578</b>		<b>31,586</b>	

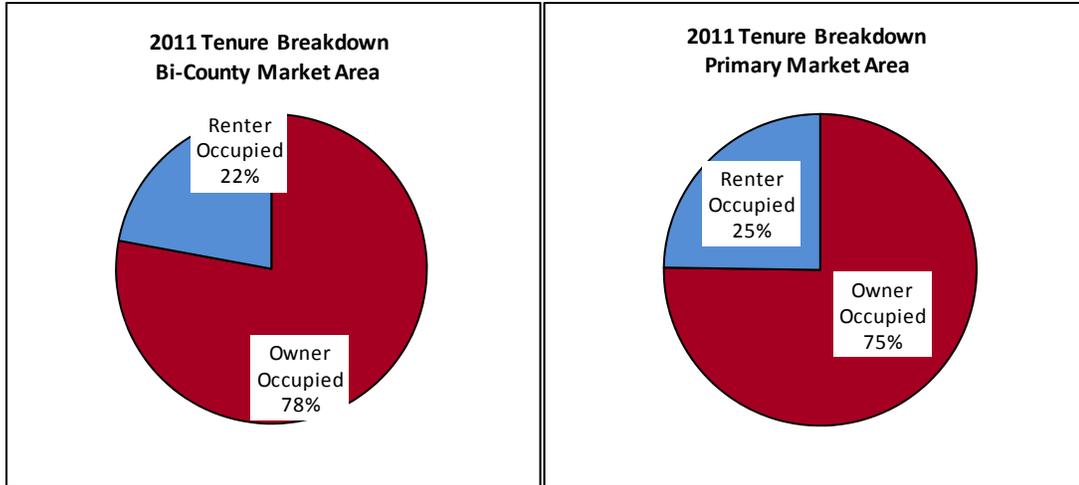


Source: U.S. Census of Population and Housing, 2000, The Nielsen Company

**Table 17 Occupancy Status, Householders 62+, PMA and Bi-County Market Area**

Senior Households 62+ 2011 Households	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Owner Occupied	8,158	77.9%	3,797	75.2%
Renter Occupied	2,311	22.1%	1,250	24.8%
<b>Total Occupied</b>	<b>10,470</b>	<b>100.0%</b>	<b>5,047</b>	<b>100.0%</b>

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



Approximately 53 percent of all renter households in the primary market area contain one or two persons compared to 55.1 percent in the bi-county market area (Table 18). An additional 20.4 percent of PMA renter households and 19.1 percent of bi-county market area renter households contain three persons. Households with four or more persons account for 26.4 percent and 25.8 percent of renter households in the primary market area and the bi-county market area, respectively.

**Table 18 2011 Renter Households by Household Size**

Renter Occupied	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
1-person household	3,682	27.0%	1,938	25.5%
2-person household	3,836	28.1%	2,106	27.7%
3-person household	2,599	19.1%	1,549	20.4%
4-person household	1,883	13.8%	988	13.0%
5-person household	985	7.2%	608	8.0%
6-person household	407	3.0%	232	3.0%
7+-person household	245	1.8%	183	2.4%
<b>TOTAL</b>	<b>13,637</b>	<b>100.0%</b>	<b>7,603</b>	<b>100.0%</b>

Source: The Nielsen Company; U.S. Census of Population and Housing, 2000; Estimates, RPRG, Inc.

Among owner householders, the primary market area has a higher percentage in each age classification under the age of 55 while the bi-county market area has a higher percentage age 55 and older (Table 19). By comparison, most (51.6 percent) primary market area renter householders are considered permanent renters (ages 35 to 64) while another 35.2 percent are classified as young renters (below age 35). In the primary market area, senior renters (age 65 and older) account for 13.2 percent of all renter householders.

**Table 19 2011 Households by Tenure & Age of Householder, PMA and Bi-County Market Area**

<b>Owner Households</b>	<b>Bi-County Market Area</b>		<b>Primary Market Area</b>	
<b>Age of HHldr</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
15-24 years	726	2.2%	383	2.2%
25-34 years	5,980	18.0%	3,311	19.2%
35-44 years	7,503	22.6%	4,100	23.8%
45-54 years	7,040	21.2%	3,753	21.8%
55-64 years	5,496	16.5%	2,667	15.5%
65-74 years	3,771	11.3%	1,708	9.9%
75 to 84 years	2,093	6.3%	976	5.7%
85+ years	646	1.9%	312	1.8%
<b>Total</b>	<b>33,254</b>	<b>100%</b>	<b>17,210</b>	<b>100%</b>

<b>Renter Households</b>	<b>Bi-County Market Area</b>		<b>Primary Market Area</b>	
<b>Age of HHldr</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
15-24 years	1,457	10.7%	817	10.7%
25-34 years	3,580	26.3%	1,859	24.5%
35-44 years	3,026	22.2%	1,746	23.0%
45-54 years	2,250	16.5%	1,354	17.8%
55-64 years	1,446	10.6%	825	10.9%
65-74 years	1,020	7.5%	537	7.1%
75 to 84 years	614	4.5%	350	4.6%
85+ years	244	1.8%	116	1.5%
<b>Total</b>	<b>13,637</b>	<b>100%</b>	<b>7,603</b>	<b>100%</b>

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.

## H. Income Characteristics

Nielsen estimates that the median household income for all householders in the primary market area in 2011 is \$49,826 (Table 20), which is \$78 or 0.2 percent above the bi-county market area's median income of \$49,748.

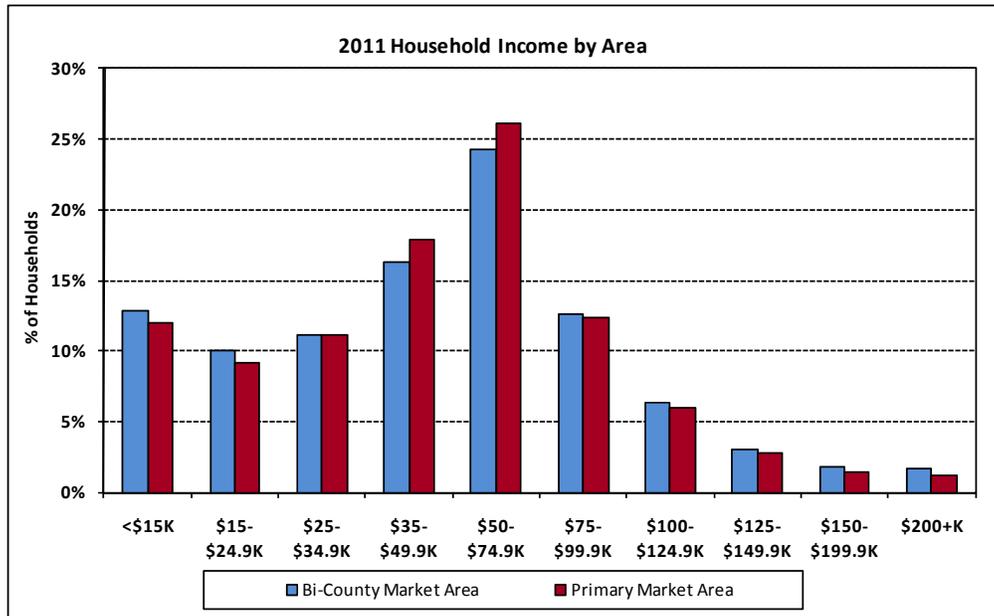
Among senior householders age 62 and older, the 2011 estimated median income in the primary market area is \$28,255, which is 56.7 percent of the PMA's overall median (Table 21). Within the primary market area, 45.5 percent of all senior households (62+) earn less than \$25,000. Nielsen projects that the median income for householders age 62 and older in the primary market area will increase 8.1 percent by 2016 to \$30,555. In 2016, the income distribution will skew slightly higher, as 42.4 percent of households 62 and older will have an annual income of less than \$25,000.

Based on Nielsen income projections, the relationship between owner and renter incomes as recorded in the 2000 Census, the breakdown of tenure, and household estimates, RPRG estimates that the median income of senior renters (62+) in the primary market area of \$19,382 is \$12,405 lower than or 61.0 percent of the owner household median of \$31,787 (Table 22). Nearly two-thirds (60.5 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 40.6 percent of owner households.

**Table 20 2011 Income Distribution, PMA and Bi-County Market Area**

		Bi-County Market Area		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$15,000	6,013	12.8%	2,966	12.0%
	\$15,000 \$24,999	4,686	10.0%	2,273	9.2%
	\$25,000 \$34,999	5,208	11.1%	2,770	11.2%
	\$35,000 \$49,999	7,666	16.3%	4,449	17.9%
	\$50,000 \$74,999	11,367	24.2%	6,492	26.2%
	\$75,000 \$99,999	5,889	12.6%	3,056	12.3%
	\$100,000 \$124,999	3,001	6.4%	1,477	6.0%
	\$125,000 \$149,999	1,424	3.0%	681	2.7%
	\$150,000 \$199,999	840	1.8%	361	1.5%
	\$200,000 over	796	1.7%	289	1.2%
<b>Total</b>		<b>46,891</b>	<b>100.0%</b>	<b>24,813</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$49,748</b>		<b>\$49,826</b>	

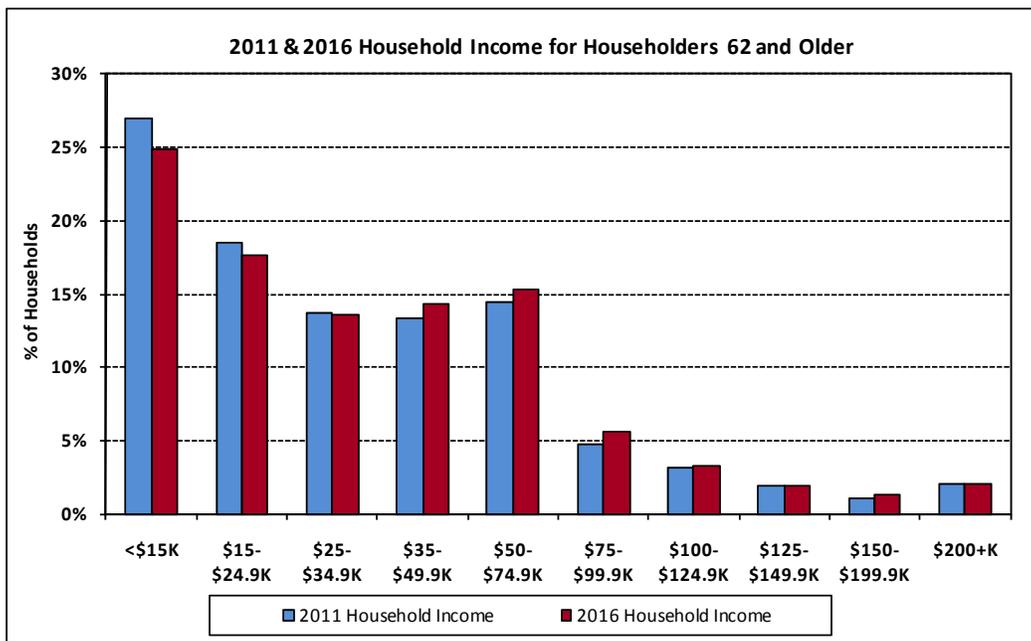
Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



**Table 21 2011 & 2016 HH Income for HHs 62+, Primary Market Area**

		2011 Household Income		2016 Household Income	
		Number	Percent	Number	Percent
less than	\$15,000	1,364	27.0%	1,648	24.9%
	\$15,000 \$24,999	935	18.5%	1,166	17.6%
	\$25,000 \$34,999	690	13.7%	903	13.6%
	\$35,000 \$49,999	672	13.3%	949	14.3%
	\$50,000 \$74,999	728	14.4%	1,012	15.3%
	\$75,000 \$99,999	243	4.8%	377	5.7%
	\$100,000 \$124,999	160	3.2%	219	3.3%
	\$125,000 \$149,999	95	1.9%	131	2.0%
	\$150,000 \$199,999	57	1.1%	88	1.3%
	\$200,000 over	103	2.0%	138	2.1%
Total		5,047	100.0%	6,633	100.0%
<b>Median Income</b>		<b>\$28,255</b>		<b>\$30,555</b>	

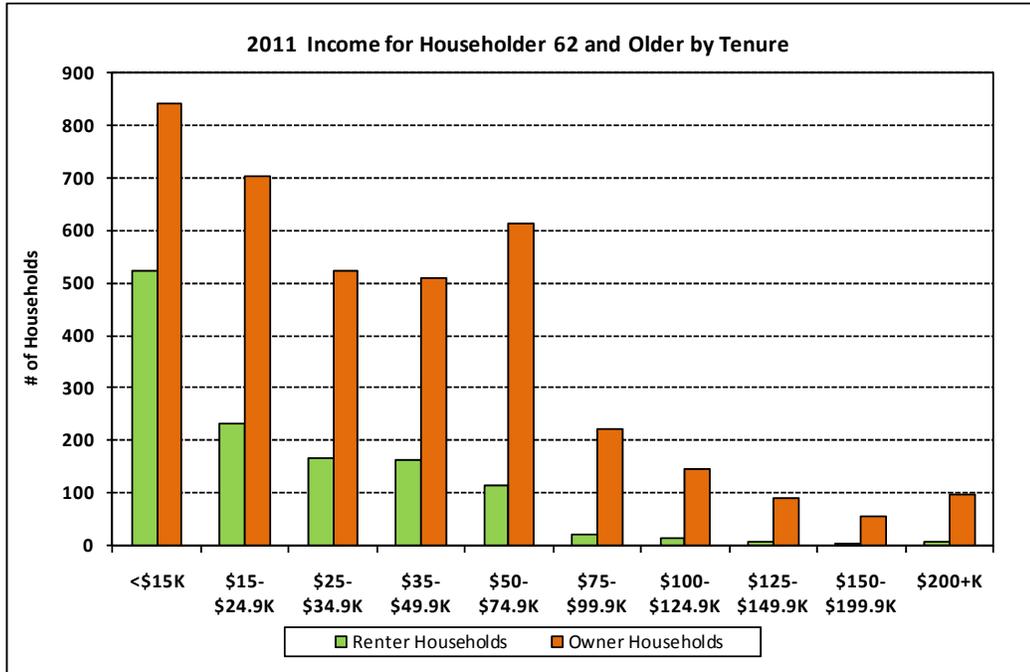
Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



**Table 22 Income for HHs 62+ by Tenure, Primary Market Area**

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	523	41.8%	841	22.1%
	\$15,000 - \$24,999	233	18.6%	702	18.5%
	\$25,000 - \$34,999	166	13.3%	524	13.8%
	\$35,000 - \$49,999	162	13.0%	510	13.4%
	\$50,000 - \$74,999	114	9.1%	614	16.2%
	\$75,000 - \$99,999	22	1.7%	221	5.8%
	\$100,000 - \$124,999	14	1.1%	146	3.9%
	\$125,000 - \$149,999	6	0.5%	89	2.3%
	\$150,000 - \$199,999	4	0.3%	54	1.4%
	\$200,000 over	7	0.5%	96	2.5%
<b>Total</b>		<b>1,250</b>	<b>100.0%</b>	<b>3,797</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$19,382</b>		<b>\$31,787</b>	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



## V. Project Specific Affordability and Demand Analysis

### A. Proposed Unit Mix and Income Restrictions

HUD has computed a 2011 median household income of \$68,300 for the Atlanta-Marietta-Sandy Springs MSA, in which the subject site is located. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirement is computed for each floorplan in Table 23. The minimum income limit is calculated assuming up to 40 percent of income is spent on total housing cost (rent plus utilities). Maximum income limits are based on an average household size of 1.5 persons for one bedroom units and a maximum household size of 2.0 persons for two bedroom units. The maximum tax credit rents, however, are based on the federal regulation of 1.5 persons per household.

**Table 23 Project Specific LIHTC Rent Limits, Atlanta-Marietta-Sandy Springs MSA**

Unit Type	AMI	Units	Bed	Net Rent	Utility Allowance	Gross Rent	Max. Gross Rent	Max. Income	Min. Income
LIHTC	50%	8	1	\$420	\$102	\$522	\$641	\$25,650	\$15,660
LIHTC	60%	25	1	\$455	\$102	\$557	\$769	\$30,780	\$16,710
LIHTC	50%	2	2	\$490	\$131	\$621	\$768	\$27,350	\$18,630
LIHTC	60%	28	2	\$515	\$131	\$646	\$922	\$32,820	\$19,380
<b>Total</b>		<b>63</b>							

## B. Affordability Analysis

To understand the depth of the rental market for affordable housing in the primary market area, we have conducted an affordability analysis for the proposed units (Table 24). This capture rate reflects the percentage of age and income-qualified households in the market area that the subject property must capture in order to gain full occupancy. As the proposed development will be an elderly community, this analysis is based on households age 62 and older in accordance with DCA demand methodology.

- To calculate the income distribution for 2013, we projected incomes based on Nielsen income distributions for 2011 and 2016, and the relationship of owner/renter incomes by income cohort from the 2000 Census. The maximum income limits are based on the Georgia Department of Community Affairs' (DCA) requirements. We have assumed maximum income limits based on an average household size of 1.5 persons for one bedroom units and 2.0 persons for two bedroom units.
- Using a 40 percent rent burden criteria, we determined that the gross one bedroom rent (\$522) for the 50 percent one bedroom units would be affordable to households earning a minimum of \$15,660, which includes 4,096 households (62+) in the primary market area.
- Based on the 2011 HUD income limits for households at 50 percent of median income, the maximum income allowed for a one bedroom unit in this market would be \$25,650. We estimate that 3,090 senior households (62+) within the primary market area have incomes above that maximum.
- Subtracting the 3,090 households (62+) with incomes above the maximum income from the 4,127 households (62+) that could afford to rent this unit, we compute that 1,006 senior households (62+) are income eligible for the units. The proposed eight 50 percent one bedroom units would require a capture rate of 0.8 percent of all qualified senior households (62+). Among senior renter households (62+), the capture rate for this floor plan is 3.2 percent.
- Using the same methodology, we determined the band of qualified senior households for each of the other bedroom types offered in the community. We also computed the capture rates for each AMI level and for all units.
- The overall renter capture rates are 3.5 percent for 50 percent units, 14.7 percent for 60 percent units, and 16.2 percent for the project as a whole. By floor plan, renter capture

rates range from a low of 1.0 percent for two bedroom 50 percent units to a high of 9.6 percent for two bedroom 60 percent units.

- All of these capture rates are within achievable levels for an age restricted community in a rural market. Furthermore, these estimates are conservative as they do not account for contributions from senior homeowner conversion and/or senior household migration (outside of the primary market area) due affluent adult children living in the primary market area.

**Table 24 2013 Affordability Analysis for Stratford Court**

		One Bedroom Units			Two Bedroom Units		
		Base Price	Minimum	Maximum	Base Price	Minimum	Maximum
50% Units	Number of Units		8			2	
	Net Rent		\$420			\$490	
	Gross Rent		\$522			\$621	
	% Income Spent for Shelter		40%			40%	
	Income Range		\$15,660	\$25,650		\$18,630	\$27,350
	Range of Qualified Hslds		4,096	3,090		3,792	2,959
	# Qualified Households			1,006			833
	<b>Unit Total HH Capture Rate</b>			<b>0.8%</b>			<b>0.2%</b>
	Range of Qualified Renters		811	558		735	526
	# Qualified Renter Households			253			209
<b>Unit Renter HH Capture Rate</b>			<b>3.2%</b>			<b>1.0%</b>	
60% Units	Number of Units		25			28	
	Net Rent		\$455			\$515	
	Gross Rent		\$557			\$646	
	% Income Spent for Shelter		40%			40%	
	Income Range		\$16,710	\$30,780		\$19,380	\$32,820
	Range of Qualified Hslds		3,989	2,695		3,715	2,538
	# Qualified Households			1,294			1,177
	<b>Unit Total HH Capture Rate</b>			<b>1.9%</b>			<b>2.4%</b>
	Range of Qualified Renters		784	461		715	423
	# Qualified Renter Households			323			292
<b>Unit Renter HH Capture Rate</b>			<b>7.7%</b>			<b>9.6%</b>	

		# of Units	All Households =5,638			
			Income	Band of Qualified Hhlds	# Qualified HHs	Capture Rate
50% Units	10	Income	\$15,660	\$27,350		
		HHs	4,096	2,959	1,137	0.9%
60% Units	53	Income	\$16,710	\$32,820		
		HHs	3,989	2,538	1,451	3.7%
Total Units	63	Income	\$15,660	\$32,820		
		HHs	4,096	2,538	1,558	4.0%

		# of Units	Renter Households =1,401			
			Income	Band of Qualified Hhlds	# Qualified HHs	Capture Rate
		Income	\$15,660	\$27,350		
		Renter HHs	811	526	285	3.5%
		Income	\$16,710	\$32,820		
		Renter HHs	784	423	361	14.7%
		Income	\$15,660	\$32,820		
		Renter HHs	811	423	388	16.2%

Source: Estimates, Real Property Research Group, Inc.

## C. Net Demand, Capture Rate, and Stabilization Calculations

The Georgia Department of Community Affairs' demand methodology for elderly LIHTC communities is based on householders age 62 and older and consists of four components:

- The first component of demand is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2000 and the subject property's placed-in-service years of 2013.
- The second component is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to U.S. Census data, the percentage of renter occupied households in the primary market area that are "substandard" is 6.9 percent (Table 25).
- The third component of demand is cost burdened renters, which is defined as those renter households age 62+ paying more than 40 percent of household income for housing costs. According to Census data, 37.5 percent of primary market area renter households age 65+ are categorized as cost burdened. This percentage is applied to the renter household base age 62 and older.
- The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2004, 2.1 percent of elderly households move each year in the Atlanta MSA. Of those moving within the past twelve months, 61.9 percent moved from owned to rental housing (Table 26). Given the lack of local information, this source is considered to be the most current and accurate.

Demand from the primary market area is increased by 15 percent to account for secondary market area demand. This estimate is based on the attractive design of the subject property, limited affordable senior rental housing in and around the primary market area, and affluent adult children living in the PMA. Given the proposed product type, this estimate of secondary demand is appropriate for Stratford Court.

DCA considers units that have been constructed or renovated since 2000 to have an impact on the future demand for new development. For this reason, the directly comparable units constructed within the past ten years and those planned within the primary market area

are subtracted from the estimate of demand. No senior LIHTC or market rate communities meeting this criterion were identified in the primary market area.

The overall demand capture rates by AMI level are 4.3 percent for 50 percent units, 17.9 percent for 60 percent units, and 19.8 percent for the project as a whole. By floor plan, capture rates range from a low of 4.3 percent for one bedroom 50 percent units to a high of 17.9 percent for two bedroom 60 percent units. All of these capture rates are well within DCA's range of acceptability. The overall capture rates and capture rates by floor plan indicate sufficient demand to support the proposed development.

**Table 25 Cost Burdened and Substandard Calculation, PMA**

Rent Cost Burden		
Total Households		
Less than 10.0 percent	291	7.4%
10.0 to 14.9 percent	550	14.0%
15.0 to 19.9 percent	643	16.3%
20.0 to 24.9 percent	424	10.8%
25.0 to 29.9 percent	369	9.4%
30.0 to 34.9 percent	280	7.1%
35.0 to 39.9 percent	123	3.1%
40.0 to 49.9 percent	188	4.8%
50.0 percent or more	667	17.0%
Not computed	399	10.1%
<b>Total</b>	<b>3,934</b>	<b>100.0%</b>
<b>&gt; 35% income on rent</b>	<b>978</b>	<b>27.7%</b>

Households 55+		
Less than 20.0 percent	254	27.1%
20.0 to 24.9 percent	81	8.6%
25.0 to 29.9 percent	94	10.0%
30.0 to 34.9 percent	36	3.8%
35.0 percent or more	309	32.9%
Not computed	165	17.6%
<b>Total</b>	<b>939</b>	<b>100.0%</b>
<b>&gt; 35% income on rent</b>	<b>309</b>	<b>39.9%</b>
<b>&gt; 40% income on rent</b>	<b>309</b>	<b>36.0%</b>

Households 65+		
Less than 20.0 percent	141	22.8%
20.0 to 24.9 percent	59	9.5%
25.0 to 29.9 percent	58	9.4%
30.0 to 34.9 percent	34	5.5%
35.0 percent or more	208	33.6%
Not computed	119	19.2%
<b>Total</b>	<b>619</b>	<b>100.0%</b>
<b>&gt; 35% income on rent</b>	<b>208</b>	<b>41.6%</b>
<b>&gt; 40% income on rent</b>	<b>208</b>	<b>37.5%</b>

Substandardness	
Total Households	
<b>Owner occupied:</b>	
Complete plumbing facilities:	12,291
1.00 or less occupants per room	12,008
1.01 or more occupants per room	204
Lacking complete plumbing facilities:	79
Overcrowded or lacking plumbing	283
<b>Renter occupied:</b>	
Complete plumbing facilities:	3,954
1.00 or less occupants per room	3,673
1.01 or more occupants per room	164
Lacking complete plumbing facilities:	117
Overcrowded or lacking plumbing	281
<b>Substandard Housing</b>	<b>564</b>
<b>% Total Stock Substandard</b>	<b>3.4%</b>
<b>% Rental Stock Substandard</b>	<b>6.9%</b>

Source: 2000 U.S. Census

**Table 26 Senior Homeowners Converting to Rental Housing**

<b>Homeownership to Rental Housing Conversion</b>		
	Atlanta MSA	
<b>Senior Households 65 and over</b>	<i>Number</i>	<i>Percent</i>
Total Households	195,800	
Total Owner Households	162,800	83.1%
Total Renter Households	33,000	16.9%
<b>Tenure of Previous Residence - Renter Occupied Units</b>	<i>Number</i>	<i>Percent</i>
Total Moved from Home, Apartment, Manufactured/Mobile Home	4,200	
Owner Occupied	2,600	61.9%
Renter Occupied	1,500	35.7%
<b>% of Senior Households Moving Within the Past Year</b>		<b>2.1%</b>
<b>% of Senior Movers Converting from Homeowners to Renters</b>		<b>61.9%</b>
<b>% of Senior Households Converting from Homeowners to Renters</b>		<b>1.3%</b>

Source: American Housing Survey, 2004

**Table 27 Overall Demand Estimates**

	<i>Income Target</i>	<b>HH at 50% AMI</b>	<b>HH at 60% AMI</b>	<b>Project Total</b>
	<i>Minimum Income Limit</i>	\$15,660	\$16,710	\$15,660
	<i>Maximum Income Limit</i>	\$27,350	\$32,820	\$32,820
	<i>(A) Renter Income Qualification Percentage</i>	20.4%	25.8%	27.7%
1.) Demand from New Renter Households <i>Calculation: (C-B)*F*A</i>		123	156	168
<b>Plus</b>				
2.) Demand from Substandard Housing <i>Calculation: B*D*F*A</i>		11	14	15
<b>Plus</b>				
3.) Demand from Rent Over-burdened Households <i>Calculation: B*E*F*A</i>		60	77	82
<b>Plus</b>				
4.) Homeowners Converting to Renters <i>Calculation: B*G*A</i>		9	11	12
<b>Equals</b>				
Primary Market Area Elderly Demand (HH 62+)		203	258	277
<b>Plus</b>				
Secondary Market Demand (15%)		31	39	42
<b>Equals</b>				
Total Demand		234	296	318
<b>Less</b>				
Comparable Units		0	0	0
<b>Equals</b>				
<b>Net Demand</b>		<b>234</b>	<b>296</b>	<b>318</b>
Proposed Units		10	53	63
<b>Capture Rate</b>		<b>4.3%</b>	<b>17.9%</b>	<b>19.8%</b>

<b>Demand Calculation Inputs</b>	
B.) 2000 HH 62+	3,194
C.) 2013 HH 62+	5,638
D.) Substandard Housing, 2000	6.9%
E.) Rent Overburdened, 2000	37.5%
F.) Renter Percent (62+), 2011	24.8%
G.) Owners Coverting	1.3%

**Table 28 Demand Estimates By Floor Plan, Without Overlap**

<b>HH at 50% AMI</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>
Demand - HH Growth	605	605
<b>Plus</b>		
Demand - Substandard	55	55
<b>Plus</b>		
Demand - Rent Over-Burdened	297	297
<b>Plus</b>		
Demand - Homeowners	42	42
<b>Plus</b>		
Secondary Demand	150	150
<b>Equals</b>		
Total Demand	1,149	1,149
Income Qualification	16.3%	4.1%
<b>Equals</b>		
Income Qualified Demand	187	47
<b>Less</b>		
Comparable Units	0	0
<b>Equals</b>		
Net Demand	187	47
Proposed Units	8	2
Capture Rate	4.3%	4.3%

<b>HH at 60% AMI</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>
Demand - HH Growth	605	605
<b>Plus</b>		
Demand - Substandard	55	55
<b>Plus</b>		
Demand - Rent Over-Burdened	297	297
<b>Plus</b>		
Demand - Homeowners	42	42
<b>Plus</b>		
Secondary Demand	150	150
<b>Equals</b>		
Total Demand	1,149	1,149
Income Qualification	12.1%	13.6%
<b>Equals</b>		
Income Qualified Demand	139	157
<b>Less</b>		
Comparable Units	0	0
<b>Equals</b>		
Net Demand	139	157
Proposed Units	25	28
Capture Rate	17.9%	17.9%

**Table 29 Demand and Capture Rate Analysis Summary Table**

AMI Target	Unit Size	Minimum Income Limit	Maximum Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Market Rent Band	Proposed Rents
<b>50% AMI</b>	One Bedroom	\$15,660	\$24,500	8	187	0	187	4.3%	1 Month	\$550	\$395-\$550	\$420
	Two Bedroom	\$24,501	\$27,350	2	47	0	47	4.3%	1 Month	\$660	\$487-\$730	\$490
	<b>50% AMI Total</b>	<b>\$15,660</b>	<b>\$27,350</b>	<b>10</b>	<b>234</b>	<b>0</b>	<b>234</b>	<b>4.3%</b>	<b>1-2 Months</b>			
<b>60% AMI</b>	One Bedroom	\$16,710	\$23,300	25	139	0	139	17.9%	2 Months	\$550	\$395-\$550	\$455
	Two Bedroom	\$23,301	\$32,820	28	157	0	157	17.9%	3-4 Months	\$660	\$487-\$730	\$515
	<b>60% AMI Total</b>	<b>\$16,710</b>	<b>\$32,820</b>	<b>53</b>	<b>296</b>	<b>0</b>	<b>296</b>	<b>17.9%</b>	<b>5-6 Months</b>			
<b>Total</b>												
50% AMI	1-2 Bedroom	\$15,660	\$27,350	10	234	0	234	4.3%	1-2 Months			
60% AMI	1-2 Bedroom	\$16,710	\$32,820	53	296	0	296	17.9%	5-6 Months			
	<b>Project Total</b>	<b>\$15,660</b>	<b>\$32,820</b>	<b>63</b>	<b>318</b>	<b>0</b>	<b>318</b>	<b>19.8%</b>	<b>7-8 Months</b>			

## VI. Supply Analysis

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### A. Area Housing Stock

Overall, the primary market area's rental stock was denser than the bi-county market area's as of the 2000 Census (Table 30). Single-family detached homes account for more than one-third of renter occupied units in the both areas with mobile homes accounting for another 21.1 percent and 28.8 percent, respectively. These less dense structures are less likely to be occupied by senior renters than more dense structures. Structures with five or more units contain 12.6 percent of the renter occupied units in the primary market area compared to 10.2 percent of bi-county market area renter occupied units.

**Table 30 2000 Renter Households by Number of Units**

Renter Occupied	Bi-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1, detached	3,175	40.8%	1,569	39.2%
1, attached	98	1.3%	71	1.8%
2	988	12.7%	719	18.0%
3-4	479	6.2%	296	7.4%
5-9	523	6.7%	339	8.5%
10-19	120	1.5%	57	1.4%
20+ units	151	1.9%	107	2.7%
Mobile home	2,237	28.8%	843	21.1%
Boat, RV, Van	4	0.1%	0	0.0%
<b>TOTAL</b>	<b>7,775</b>	<b>100.0%</b>	<b>4,001</b>	<b>100.0%</b>

Source: U.S. Census of Population and Housing, 2000, STF3.

The median year built among owner occupied housing units is 1988 in the primary market area and 1987 in the bi-county market area. The median year built among renter occupied households is 1976 for the primary market area and 1975 for the bi-county market area. According to the 2000 Census, 16.3 percent of the rental units in the primary market area were built between 1990 and 2000 compared to 18.9 percent of the bi-county market area's rental units.

**Table 31 Year Property Built**

	Bi-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
<b>Owner Occupied</b>				
1999 to 2000	1,999	8.5%	1,035	8.4%
1995 to 1998	4,848	20.5%	2,576	20.9%
1990 to 1994	3,786	16.0%	2,291	18.5%
1980 to 1989	4,509	19.1%	2,528	20.5%
1970 to 1979	3,310	14.0%	1,756	14.2%
1960 to 1969	2,072	8.8%	950	7.7%
1950 to 1959	1,170	5.0%	513	4.2%
1940 to 1949	725	3.1%	312	2.5%
1939 or earlier	1,217	5.1%	392	3.2%
<b>TOTAL</b>	<b>23,636</b>	<b>100.0%</b>	<b>12,353</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1987</b>		<b>1988</b>	

Source: U.S. Census of Population and Housing, 2000, STF3.

	Bi-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
<b>Renter Occupied</b>				
1999 to 2000	201	2.6%	86	2.1%
1995 to 1998	703	9.0%	417	10.4%
1990 to 1994	562	7.2%	150	3.7%
1980 to 1989	1,856	23.9%	1,106	27.6%
1970 to 1979	1,442	18.5%	680	17.0%
1960 to 1969	997	12.8%	544	13.6%
1950 to 1959	642	8.3%	369	9.2%
1940 to 1949	547	7.0%	287	7.2%
1939 or earlier	825	10.6%	362	9.0%
<b>TOTAL</b>	<b>7,775</b>	<b>100.0%</b>	<b>4,001</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1975</b>		<b>1976</b>	

## B. Competitive Senior Rental Analysis

For the purposes of this analysis, RPRG identified a variety of senior rental housing options within the primary market area; however, all of these communities were market rate, service-enriched facilities which include independent and/or assisted living components or are deeply subsidized through HUD. As such, these communities are not considered comparable to the proposed development due to the substantial differences in rents, amenities, target market, and overall community design; however, basic information for each community is provided in Table 23 and the location shown on Map 5. In order to provide a more in-depth analysis, a detailed description of the HUD assisted senior rental community Winding Hollow is also included. A profile of this community is attached in Appendix 7.

**Table 32 Service Enriched and Deep Subsidy Senior Communities, Primary Market Area**

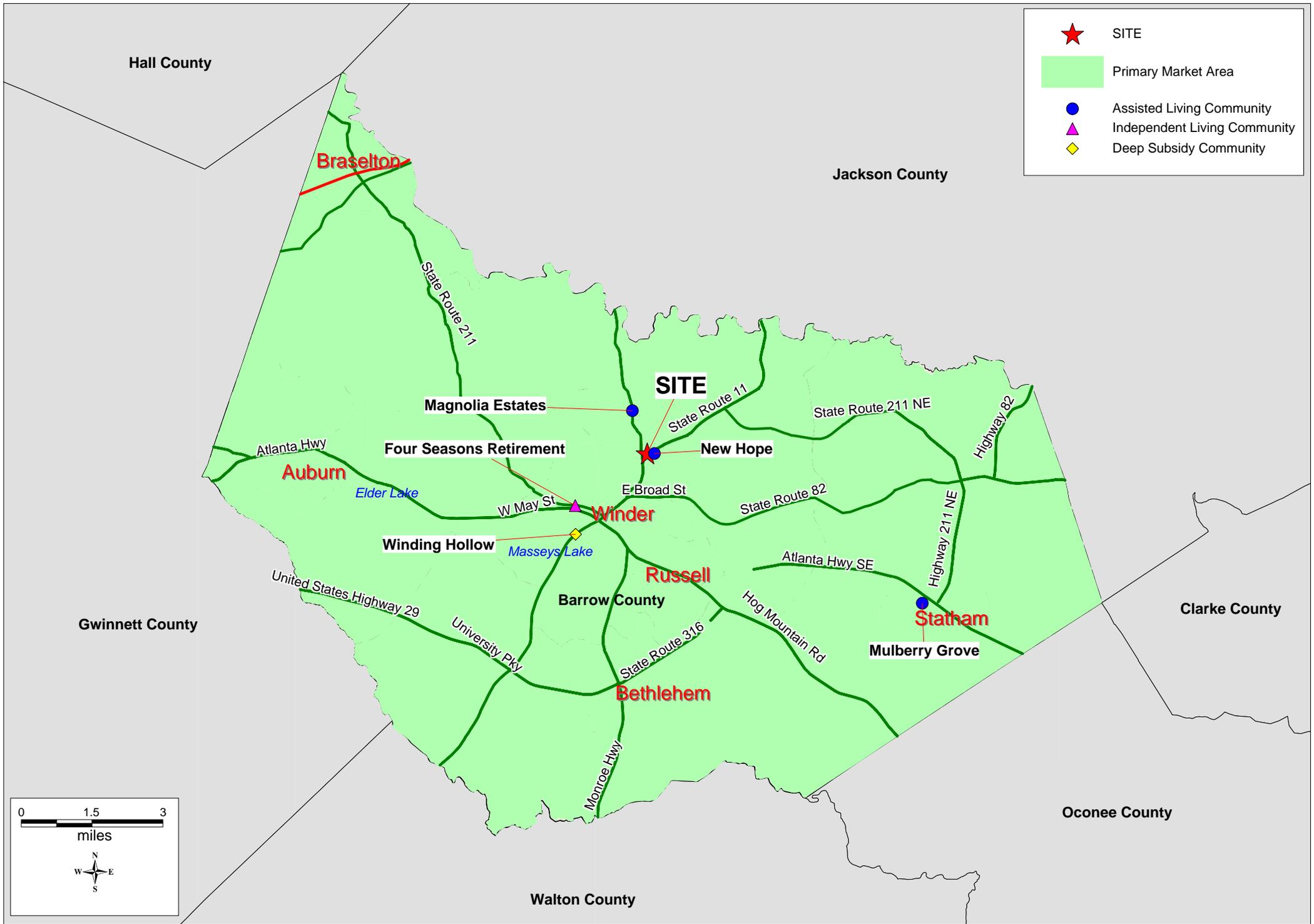
Market Rate Service Enriched Senior Rental Communities			
Establishment	City	Address	Type
Magnolia Estates	Winder	624 Gainesville Highway	Assisted Living
Four Seasons Retirement	Winder	169 W Athens Street	Independent w/services
New Hope	Winder	208 Memory Lane	Assisted Living
Mulberry Grove	Statham	343 Price Street	Assisted Living / Memory Care

Deep Subsidy Senior Rental Communities			
Winding Hollow	Winder	175 S Broad Street	Section 202

### Winding Hollow:

Winding Hollow is a deeply subsidized senior rental community financed through the HUD Section 202 program. Constructed in 1996, the community contains 39 one bedroom units with 480 square feet of living space in one three-story mid-rise building. As a deeply subsidized community, residents only pay 30 percent of their adjusted annual gross income toward rent and utilities and are not subject to a minimum income limit. At the time of our survey, all 39 units were currently occupied and the property maintained a waiting list of one year.



**Map 5**  
**Senior Communities**  
**Barrow County, GA**

## C. Competitive General Occupancy Rental Analysis

As part of this analysis, Real Property Research Group, Inc. surveyed six general occupancy rental communities in the primary market area, all of which are market rate. No existing LIHTC credit rental communities, targeting families or seniors, were identified within the primary market area. Although not directly comparable to the senior oriented units planned at Stratford Court, these communities provide an indication of the overall rental market. Furthermore, given the limited senior rental stock, these general occupancy rental communities also serve as a primary housing option for low to moderate income senior renter households living in the primary market area. As such, all six general occupancy rental communities are considered comparable for the purposes of this analysis. A profile sheet of each community is attached as Appendix 7 at the end of this report. The location of each community is shown on Map 6.

All of the surveyed general occupancy communities offer garden, townhouse, and/or duplex-style units ranging from one to two stories in height. Condition ranges from poor to fair depending upon the age and price point of the community. Overall, each property offers limited curb appeal and minimal exterior features such as dormers and gables, varied roof lines, stone and/or brick accents, and extensive landscaping.

The multi-family rental stock in the primary market area contains properties built/rehabilitated from 1989 to 1998 with an average year built of 1996. None of these six surveyed communities has been built or renovated since 2000 (Table 33).

The surveyed general occupancy rental communities account for 292 dwelling units of which 19 or 6.5 percent were reported vacant. Excluding Parks Mill, which currently has vacant units down for repairs, the stabilized vacancy rate is 4.5 percent. Overall, individual occupancy rates ranged from one to twenty percent; however, it is important to note that given the small size of some rental communities, just one or two vacant units resulted in an exaggerated vacancy rates on a percentage basis;. Based on the distribution of vacant units among surveyed rental communities, vacancy rates do not appear to have a strong correlation with price position.

None of the surveyed rental communities offer any recreational amenities (Table 34). The proposed recreational amenities at Stratford Court will be extensive and include a community room, fitness center, computer center, library, individual gardens, gazebo with barbeques, secured building access, and perimeter fencing. Overall, the level of amenities

offered at the subject property will be vastly superior to all surveyed rental communities in the primary market area. Furthermore, the subject property will provide an attractive product targeted specifically to senior renter households which is not currently available in the primary market area.

**Table 33 Rental Summary, General Occupancy Communities**

Community	Year Built/ Rehabbed	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
Subject Property - 50% AMI		Mid-Rise	10			\$420	\$490	
Subject Property - 60% AMI		Mid-Rise	53			\$455	\$515	
Second Street	1997	Duplex	10	2	20.0%		\$700	None
Regal	1998	Townhouse	24	1	4.2%		\$650	None
Hillcrest	1989	Garden/TH	102	1	1.0%	\$550	\$600	None
Ivey Corners & Lily Drive	1997	Townhouse	39	5	12.8%		\$575	None
Brookwood	1998	Townhouse	70	2	2.9%		\$495	None
Parks Mill		Mix	47	8	17.0%	\$395	\$487	None
<b>Total/Average</b>	<b>1996</b>		<b>292</b>	<b>19</b>	<b>6.5%</b>	<b>\$473</b>	<b>\$585</b>	
<b>Stabilized Total/Average</b>	<b>1996</b>		<b>245</b>	<b>11</b>	<b>4.5%</b>	<b>\$550</b>	<b>\$604</b>	

**Tax Credit Communities\***

**Community with down units**

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. May, 2011.

Four of the six surveyed rental communities include the cost of water, sewer, and trash removal in the price of rent (Table 35). The remaining two properties include just the cost of trash removal. Dishwashers, garbage disposals, and washer/dryer connections in each unit are provided at all surveyed rental communities except Parks Mill while microwaves are not included at any. Most of the properties offer patios or balconies in some or all units.

To evaluate the surveyed communities on a consistent basis, we have computed effective rents, which reflect a policy of tenants paying all utilities except water/sewer and trash and the effect of incentives currently in place. The average effective rents among general occupancy communities are \$473 for a one bedroom unit and \$593 for a two bedroom unit. The proposed 50 and 60 percent LIHTC rents at Stratford Court will be priced near the bottom of the rental market, below these overall averages and nearly all surveyed rental communities for one and two bedroom units.

Unit sizes among surveyed general occupancy rental communities average 915 square feet for a one bedroom unit and 1,083 square feet for a two bedroom unit. While the proposed unit sizes of 752 square feet (one bedroom units) and 942 square feet (two bedroom units) at

Stratford Court fall below these overall averages, senior households generally consist of one or two persons and require much less space than families who may have several dependants. As such, total square footage tends to be much more important factor for families in choosing rental housing than seniors. Despite slightly smaller unit sizes, the subject property will still be competitive on a price per square foot basis for all floor plans.

**Table 34 Recreational Amenities, General Occupancy Communities**

Community	Multi-purpose	Fitness	Pool	Gardening	Library	Beauty Salon	Gazebo /	Tennis Court	Buisness/ Computer Center	Secured Access / Gate
	/ Community Room	Room					Picnic Area			
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Brookwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hillcrest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ivey Corners & Lily Drive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks Mill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Second Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. May, 2011.

**Table 35 Community Features, General Occupancy Communities**

Community	Heat Type	Utilities Included in Rent						Dishwasher	Microwave	Parking	In-Unit Laundry	Storage
		Hot Heat	Hot Water	Cooking	Electric	Water	Trash					
Subject Property	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups	In Building
Brookwood	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	Standard - In Unit
Hillcrest	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	
Ivey Corners & Lily Drive	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	
Parks Mill	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking		
Regal	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	
Second Street	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	

Source: Field Survey, Real Property Research Group, Inc. May, 2011.

**Table 36 Salient Characteristics, General Occupancy Communities**

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI	Mid-Rise	10	8	\$420	752	\$0.56	2	\$490	942	\$0.52				
Subject Property - 60% AMI	Mid-Rise	53	25	\$455	752	\$0.61	28	\$515	942	\$0.55				
Second Street	Duplex	10					2	\$730	1,134	\$0.64	8	\$785	1,134	\$0.69
Regal	Townhouse	24					24	\$650	900	\$0.72				
Hillcrest	Garden/TH	102		\$550	915	\$0.60		\$600	1,065	\$0.56		\$713	N/A	N/A
Ivey Corners & Lily Drive	Townhouse	39					9	\$595	1,175	\$0.51	30	\$663	1,250	\$0.53
Brookwood	Townhouse	70					35	\$495	1,140	\$0.43	35	\$595	1,400	\$0.43
Parks Mill	Mix	47	15	\$395	N/A	N/A	31	\$487	N/A	N/A	1	\$600	N/A	N/A
<b>Total/Average</b>		<b>292</b>		<b>\$473</b>	<b>915</b>	<b>\$0.52</b>		<b>\$593</b>	<b>1,083</b>	<b>\$0.55</b>		<b>\$671</b>	<b>1,261</b>	<b>\$0.53</b>
<b>Unit Distribution</b>		<b>190</b>	<b>15</b>				<b>101</b>				<b>74</b>			
<b>% of Total</b>		<b>65.1%</b>	<b>8%</b>				<b>53%</b>				<b>39%</b>			

**Tax Credit Communities\***

**(1) Rent is adjusted to include only Water/Sewer and Trash and incentives**

Source: Field Survey, Real Property Research Group, Inc. May, 2011.

To determine average “market rents” as outlined in DCA’s 2011 Market Study Manual, rents were averaged at the three most comparable market rate communities to the subject property which include Second Street, Regal, and Hillcrest.

The average “market rents” among comparable communities is \$550 for a one bedroom unit and \$660 for a two bedroom unit (Table 37). Compared to these average market rents, the subject property will have rent advantages of 31.0 percent to 34.7 percent for 50 percent units and 20.9 percent to 28.2 percent for 60 percent units (Table 38). It is important to note that these average market rents are not adjusted to reflect differences in age, unit size, target market, or amenities relative to the subject property.

**Table 37 Average Market Rent, Most Comparable Rental Communities**

Community	Type	Total	One Bedroom Units				Two Bedroom Units			
		Units	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI	Mid-Rise	10	8	\$420	752	\$0.56	2	\$490	942	\$0.52
Subject Property - 60% AMI	Mid-Rise	53	25	\$455	752	\$0.61	28	\$515	942	\$0.55
Second Street	Duplex	10					2	\$730	1,134	\$0.64
Regal	Townhouse	24					24	\$650	900	\$0.72
Hillcrest	Garden/TH	102		\$550	915	\$0.60		\$600	1,065	\$0.56
<b>Total/Average</b>		<b>136</b>		<b>\$550</b>	<b>915</b>	<b>\$0.60</b>		<b>\$660</b>	<b>1,033</b>	<b>\$0.64</b>
<b>Unit Distribution</b>		<b>34</b>	<b>0</b>				<b>26</b>			
<b>% of Total</b>		<b>25.0%</b>	<b>0%</b>				<b>76%</b>			

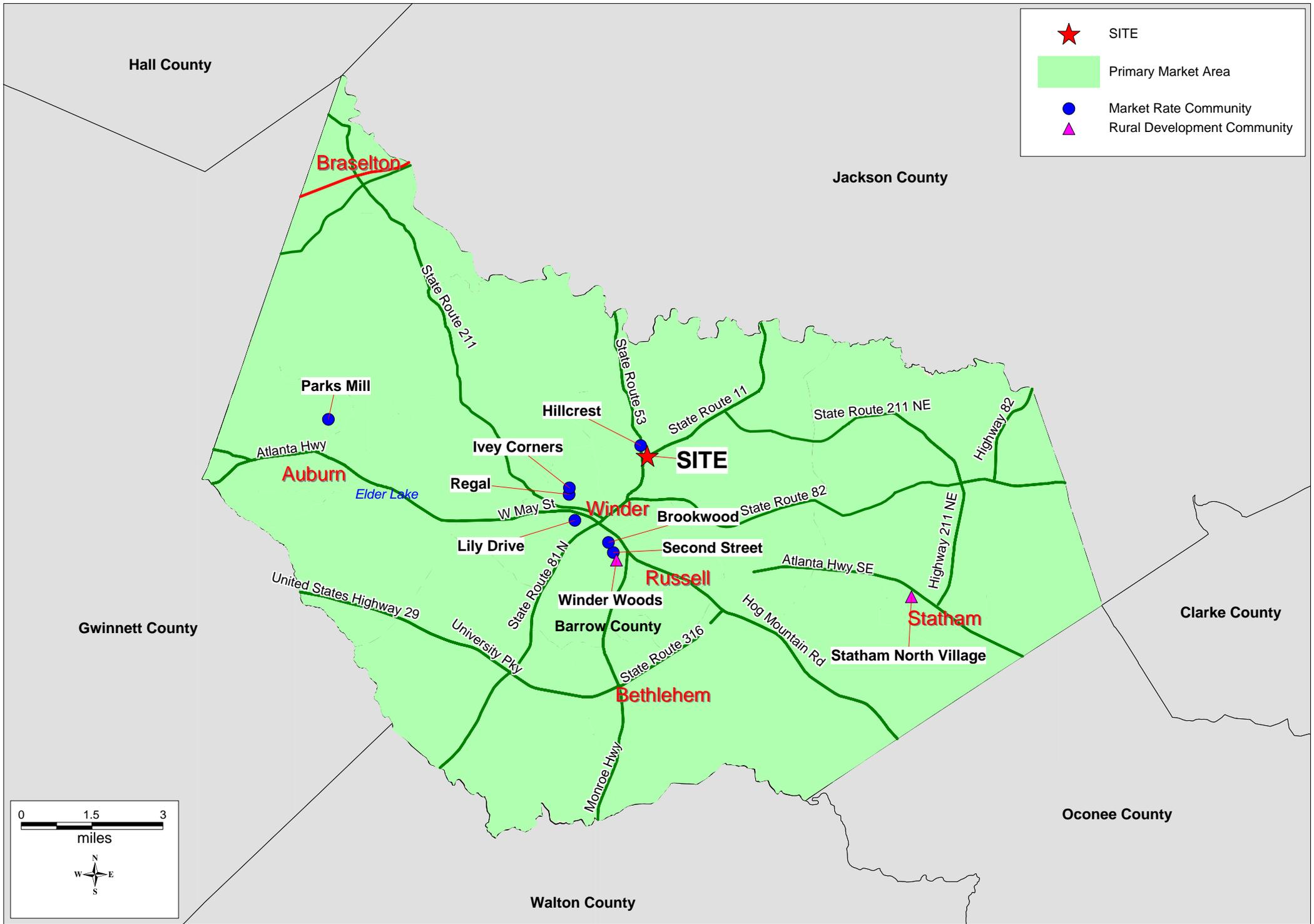
**Tax Credit Communities\***

**(1) Rent is adjusted to include only Water/Sewer and Trash and incentives**

Source: Field Survey, Real Property Research Group, Inc. May, 2011.

**Table 38 Rent Advantage Summary**

	One Bedroom			Two Bedroom		
	Rent	Advantage (\$)	Advantage (%)	Rent	Advantage (\$)	Advantage (%)
<b>Average Market Rent</b>		<b>\$550</b>			<b>\$660</b>	
Subject Property - 50% AMI	\$420	\$130	31.0%	\$490	\$170	34.7%
Subject Property - 60% AMI	\$455	\$95	20.9%	\$515	\$145	28.2%



**Map 6**  
**Surveyed General Occupancy Communities**  
**Barrow County, GA**

## D. Deep Subsidy Analysis

Four subsidized housing communities exist in the primary market area, all but one of which are general occupancy / family oriented properties shown in Table 39 below and on Map 7. Three of these family properties were funded through the USDA Rural Development Program while the last property was funded through the HUD Section 202 Program.

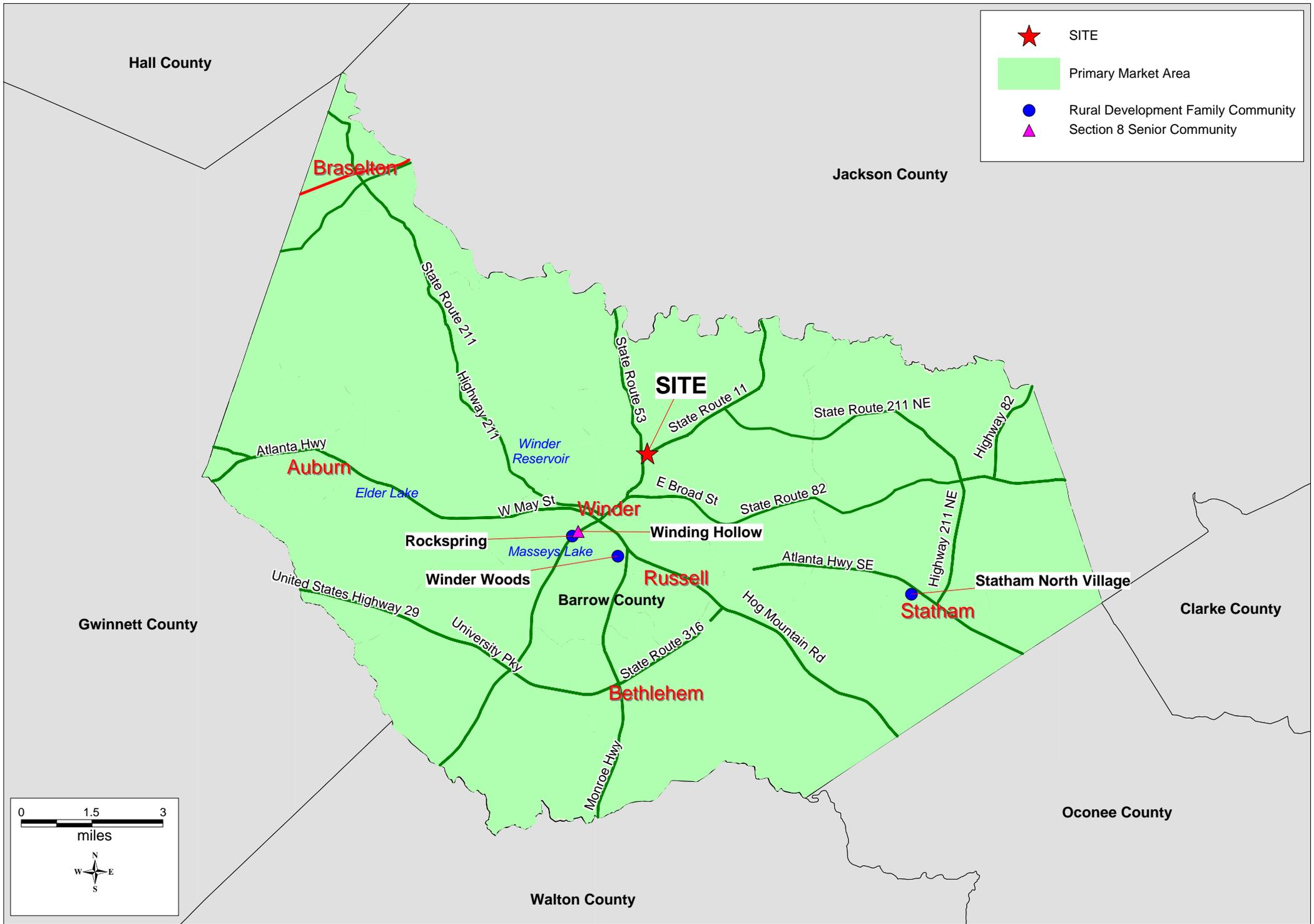
The Winder Housing Authority (WHA) is the only institution identified within the PMA which offers public housing units and/or Housing Choice Vouchers. Overall, The WHA manages 321 public housing units all of which are currently occupied. The waiting list for public housing units is currently closed and contains 160 households. The Winder Housing Authority does not manage any Housing Choice Vouchers.

**Table 39 Subsidized Rental Communities, Primary Market Area**

Property	Subsidy	Type	Address	City	Distance
Rockspring	Rural Development	Family	187 S Broad St.	Winder	2.2 miles
Statham North Village	Rural Development	Family	379 Sunset Dr.	Statham	6.4 miles
Winder Woods	Rural Development	Family	206 2nd St.	Winder	2.2 miles
Winding Hollow	Section 8	Senior	174 S Broad Rd.	Winder	2.2 miles

## E. Proposed Developments

According to DCA's list of LIHTC allocations and officials with the planning and zoning departments for each municipality/county inside the primary market area (Winder, Barrow County), no age restricted LIHTC rental communities are planned or under construction in the primary market area. While one general occupancy LIHTC community, Farmington Hills, received an allocation in 2010, this community will not compete with Stratford Court due to differences in tenant population.

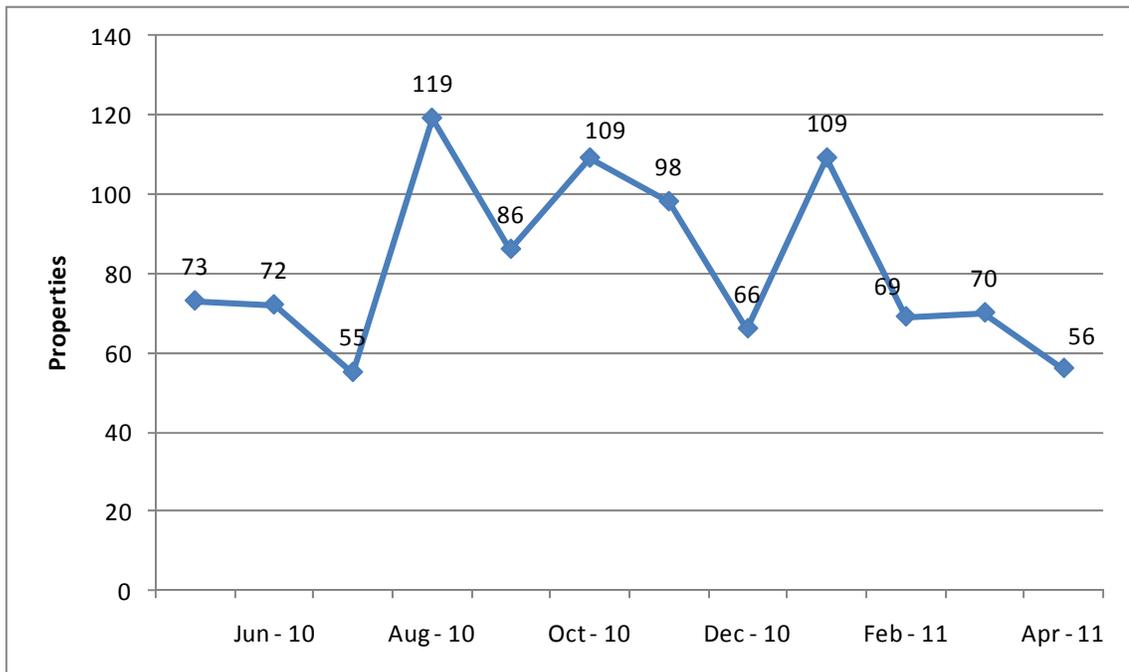


**Map 7**  
**Subsidized Communities**  
**Primary Market Area**

## F. Impact of Foreclosed, Abandoned, or Vacant Single/Multi-family Homes

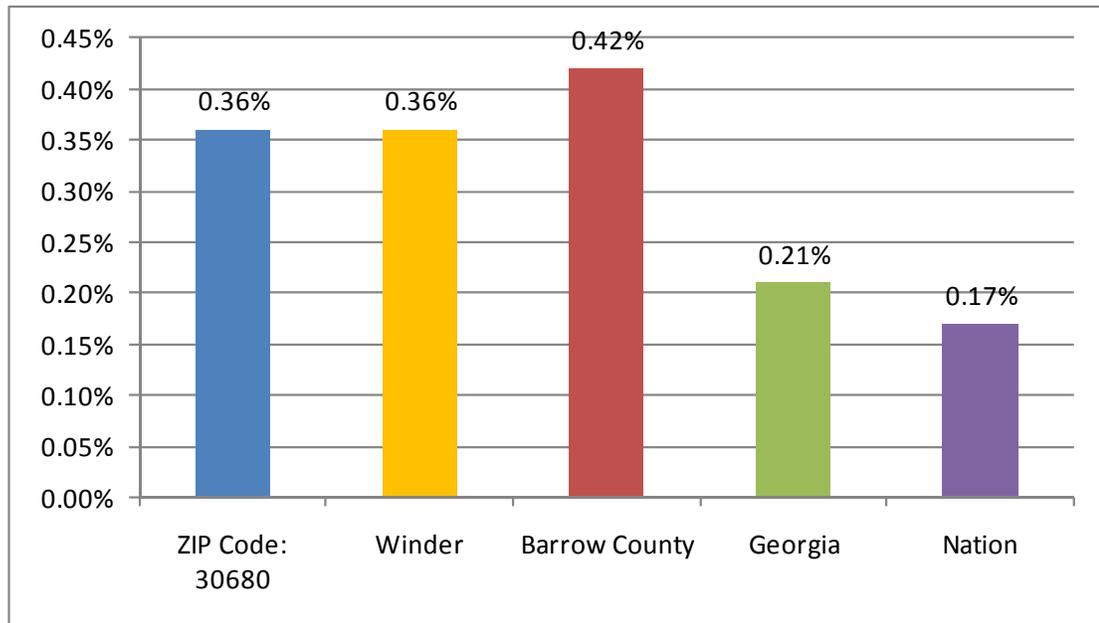
Based on field observations and the age of the existing housing stock, a modest percentage of abandoned / vacant single and multi-family homes exist in the primary market area; however, foreclosures are more common given the current economic climate and housing downturn. Data provided by RealtyTrac.com indicates an estimated 55 to 119 properties entered or were under foreclosure each month in the subject property's ZIP code between May of 2010 and April of 2011 (Table 40). On a percentage basis, the 56 foreclosures in April of 2011 (relative to the total housing stock) equated to a foreclosure rate of 0.36 percent, below the 0.42 percent rate of Barrow County but well above both the state of Georgia and the nation (Table 41). While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, the impact on senior oriented communities is typically limited. In most instances, senior householders (age 62+) "downsize" living accommodations (move from a larger unit to a smaller unit) due to the higher upkeep and long-term cost. As such, the convenience of on-site amenities and the more congregate style living offered at age restricted communities is preferable to lower density unit types, such as single-family detached homes, most common to abandonment and/or foreclosure. Overall, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property's ability to lease its units.

**Table 40 Recent Foreclosure Activity, Stratford Court's ZIP CODE: 30680**



Source: RealtyTrac.com, April 2011

**Table 41 Foreclosure Rate, Stratford Court's ZIP CODE, April 2011**



Source: RealtyTrac.com, April 2011

## G. Absorption and Stabilization Rates

The newest of the surveyed rental communities in the primary market area opened in 1998. As such, initial lease-up data for these communities was not available and would not be relevant given the age of the data. In lieu of recent lease-up data, absorption estimates for Stratford Court are based on a variety of factors which include the following:

- Through 2016, the primary market area is expected to add 482 households with householders age 55+ (5.7 percent) and 317 households with householders age 62+ (5.6 percent) per year.
- The stabilized vacancy rate among general occupancy communities, which serve existing senior renter households in the absence of affordable age restricted rental housing, is 4.5 percent.
- All of the proposed rents at the subject property will be competitively positioned near the bottom of the rental market below nearly all surveyed rental communities for one and two bedroom units.
- No senior oriented rental communities serving low to moderate income senior households currently exist in the primary market area.
- Nearly 400 senior renter households 62+ will be income qualified for one or more units at the subject property at its placed-in-service year of 2013.
- All DCA demand capture rates are well within reasonable and achievable levels.

We believe that given the attractive product to be constructed, strong household growth, favorable demand estimates, limited senior rental stock, and assuming an aggressive, professional marketing campaign, Stratford Court should be able to lease up at a minimum rate of **eight units per month**. At this rate, the project would be able achieve 93 percent occupancy within a seven to eight month time period. As there are no senior LIHTC communities in the primary market area, the proposed units will fill a void for affordable housing targeting low to moderate income senior households. The addition of the 63 units at Stratford Court is not expected to negatively impact the performance of any existing or planned tax credit communities in the primary market area.

## **H. Interviews**

Information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included property managers, Rebecca Whiddon with the Barrow County Planning and Zoning Department, Barry Edgar with the Winder Planning and Zoning Department, as well as officials with other development related agencies. All pertinent information obtained was included in the appropriate section of this report.

## VI. Conclusions and Recommendations

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### A. Findings

Based on this review of economic and demographic characteristics of the primary market area and the bi-county market area as well as competitive housing trends, we arrive at the following findings:

**The subject site is a suitable location for senior oriented rental housing.**

- Stratford Court will be located at 450 Jefferson Highway, one-tenth of a mile northeast of its intersection with State Highway 53 (Gainesville Highway) in Winder, Barrow County. Bordering land uses include single-family detached homes to the north, wooded land / single-family detached homes to the east, Jefferson Highway / Single-family detached homes and for-sale townhomes to the south, and single-family detached homes / wooded land to the west.
- The subject site is located in a growing residential area of northern Winder and is compatible with surrounding land uses including both residential and commercial development. The subject site is also convenient to neighborhood amenities including shopping, healthcare facilities, and senior services all of which are accessible within one to two miles.
- No apparent physical disadvantages to the site were identified.

**Barrow County's economy steadily expanded throughout much of the past two decades, nearly doubling its at-place employment base during this time; however, like many areas of the country and state, has experienced recent job loss and unemployment increases caused by the national recession.**

- Overall, Barrow County added a net total of 8,335 jobs from 1992 and 2007 before suffering job losses in 2008 and 2009. Despite the recent decline, the county's 2009 at-place employment base of 14,760 represents a 72.8 percent increase since 1990.
- Between 2001 and the third quarter of 2010, ten of eleven industry sectors experienced annual growth in Barrow County. Annualized growth in the trade-transportation-utilities, government, leisure-hospitality, education-health sectors had the most significant impact on Barrow County's economy as each of these sectors accounts for a sizable proportion of total

employment. The only sector to suffer an annualized decline was manufacturing at 3.2 percent.

- Barrow County's unemployment rate steadily fell throughout the nineteen nineties before rising back up over the past decade through the course of two national recessions. The most recent economic downturn hurt the county's economy the worst, causing a substantial spike in the unemployment rate from 2008 to 2010. Overall, Barrow County's unemployment rate has consistently remained at or just above both state and national figures over the past twenty years. In 2010, Barrow County's unemployment rate was 10.3 percent compared to 10.2 percent in the State of Georgia and 9.6 percent in the nation.
- Given that the majority of prospective senior renters for Stratford Court are at or near retirement age, a downturn in the local economy will have a much smaller impact on the demand for senior oriented rental units compared to those offered at general occupancy communities. We do not believe local economics will negatively affect the ability of the subject property to lease its units.

**Both the primary market area and the bi-county market area have experienced substantial household growth over the past ten years, particularly among seniors. Growth in both areas is expected to continue, though at a slightly slower pace.**

- Over the next five years, Nielsen projects annual household increases of 935 (3.5 percent) in the primary market area and 1,749 (3.5 percent) in the bi-county market area.
- Overall, senior household growth is expected to outpace total household growth on percentage basis from 2011 to 2016. During this span, the primary market area's senior household base is expected to increase by 32.2 percent (5.7 percent annually) among households with a householder age 55+ and 31.4 percent (5.6 percent annually) among households with a householder age 62+.

**The primary market area's households are slightly younger and more affluent than the bi-county market area's households.**

- The 2011 Nielsen population distribution by age indicates that the primary market area is slightly younger than the bi-county market area though both have a median age of 31. The primary market area has a higher percentage of its population under the age of 18 and between the ages of 24 and 55.

- Over half (approximately 56 percent) of all householders in the primary market area and bi-county market area are married. Children are present in 44.9 percent of the primary market area's households, higher than the 42.6 percent occurrence of children in the bi-county market area.
- Less than one-third (30.6 percent) of primary market area households are renters in 2011, compared to 29.1 percent in the bi-county market area. Over the next five years, Nielsen projects the renter percentage to increase in both the primary market and the bi-county market area.
- Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The 2011 senior renter percentage is 24.8 percent in the primary market area and 22.1 percent in the bi-county market area.
- Nielsen estimates that the median household income for all householders in the primary market area in 2011 is \$49,826, which is \$78 or 0.2 percent above the bi-county market area's median income of \$49,748.
- Among senior householders age 62 and older, the 2011 estimated median income in the primary market area is \$28,255, which is 56.7 percent of the PMA's overall median. Within the primary market area, 45.5 percent of all senior households (62+) earn less than \$25,000.
- RPRG estimates that the median income of senior renters (62+) in the primary market area of \$19,382 is \$12,405 lower than or 61.0 percent of the owner household median of \$31,787. Nearly two-thirds (60.5 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 40.6 percent of owner households.

**A handful of senior rental communities were identified in the primary market area; however, all these communities were either service-enriched or deeply subsidized and not comparable the proposed Stratford Court. In the absence of true senior comparables, six general occupancy rental communities were surveyed all of which were market rate. No existing LIHTC rental communities were identified in the primary market area.**

- The surveyed general occupancy rental communities account for 292 dwelling units of which 19 or 6.5 percent were reported vacant. Excluding Parks Mill, which currently has vacant units down for repairs, the stabilized vacancy rate is 4.5 percent.

- The proposed 50 and 60 percent LIHTC rents at Stratford Court will be priced near the bottom of the rental market, below nearly all surveyed rental communities for one and two bedroom units.
- While the proposed unit sizes of 752 square feet (one bedroom units) and 942 square feet (two bedroom units) at Stratford Court fall below overall averages among general occupancy properties, senior households generally consist of one or two persons and require much less space than families who may have several dependants. As such, total square footage tends to be much more important factor for families in choosing rental housing than seniors. Despite slightly smaller unit sizes, the subject property will still be competitive on a price per square foot basis for all floor plans.

## B. Project Feasibility

Looking at the proposed Stratford Court compared to existing rental alternatives in the market, the project's appeal and strength is as follows:

- **Community Design:** Stratford Court will consist of one four-story mid-rise building with interior access elevators, gathering areas, and hallways. The mid-rise building will be self-contained and include restricted access doorways in order to provide safety to all residents. This senior oriented design, which falls between general garden-style apartments and congregate senior living, will be appealing to senior households currently living in general occupancy rental communities or other housing types which do not adequately meet their needs. In addition, senior oriented units afford residents the freedom to live an independent life style while providing features and amenities not found in traditional family targeted rental housing. Overall, the proposed community design is appropriate for the target market and will easily be the most attractive rental community available to senior renter households in the primary market area.
- **Location:** The subject property will be located in a growing residential portion of northern Winder which is convenient to both neighborhood amenities and major thoroughfares. The subject property will also be easily accessible and highly visible from its frontage on Jefferson Highway and benefit from its proximity to recently constructed subdivisions immediately to the south. The proposed development is compatible with surrounding residential and commercial land uses and is suitable for senior oriented rental housing. No negative land uses were identified.
- **Amenities:** Stratford Court will offer an extensive in-unit and project amenities package well superior to all general occupancy rental communities in the primary market area. These include a community room, fitness center, common laundry room, business center, library, individual gardens, and an outdoor gazebo with a barbeque area. Given the lack of affordable senior oriented rental communities in the primary market area, the senior specific amenities offered at the subject property will be more attractive to prospective tenants than those at general occupancy properties. Among in-unit features, each unit at Stratford Court will contain range/oven, powder based stovetop fire suppression canisters installed above the range cook-tops, Energy Star refrigerator, Energy Star dishwasher, microwave, garbage disposal, HVAC Systems, nine-foot ceilings, washer/dryer connections, mini-blinds, ceiling fans, central heat and air conditioning, wall-to-wall carpeting, and vinyl flooring. These

features will also meet or exceed all of those offered among surveyed general occupancy rental communities.

- **Unit Mix:** The unit mix distribution of the 64 units (63 leasable) at Stratford Court includes 33 one bedroom units and 31 two bedroom units at multiple AMI levels. As the proportion of one and two bedroom units is relatively equal, the floor plans offered at the subject property will appeal to a broad array of prospective tenants living in the primary market area. The proposed unit mix appears appropriate for the target market.
- **Unit Size:** Stratford Court's proposed unit sizes of 752 square feet for a one bedroom unit and 942 square feet for a two bedroom unit will be somewhat smaller on average than floor plans offered at surveyed general occupancy communities in the primary market area; however, as senior households are predominantly comprised of one and two person households, senior rental units are typically smaller than family oriented units. Based on the product to be constructed, all of the proposed unit sizes are reasonable and will be competitive in the rental market.
- **Price:** The proposed LIHTC rents are positioned near the bottom of the rental market below nearly all surveyed general occupancy rental communities in the primary market area. As such, all of these rents appear reasonable and achievable. Despite smaller than average unit sizes, the subject property will also be competitive on a price per square foot basis for all floor plans. Given the appeal of new construction and the highly attractive nature of the subject property's design, features, and amenities, the subject property will offer a product type that is superior to all existing rental communities in the primary market area and tailored for a specific target market not currently being served by the existing rental stock.
- **Demand:** The affordability analysis and DCA demand estimates indicate sufficient demand to support the proposed development. Capture rates by AMI are 4.3 percent for 50 percent units, 17.9 percent for 60 percent units, and 19.8 percent for the project as a whole. By floor plan, capture rates range from a low of 4.3 percent for one bedroom 50 percent units to a high of 17.9 percent for two bedroom 60 percent units. All of these demand capture rates are well within DCA mandated thresholds.

## C. Final Conclusion and Recommendation

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Stratford Court will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market. The product to be constructed will be competitively positioned relative to existing rental communities in the primary market area and the units will be well received by the target market. We do not expect the construction of Stratford Court to negatively impact existing LIHTC communities in the primary market area.

We hope you find this analysis helpful in your decision making process.



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Tad Scepaniak  
Principal  
Real Property Research Group, Inc.



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Michael Riley  
Analyst  
Real Property Research Group, Inc.

## Appendix 1 Underlying Assumptions and Limiting Conditions

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation which could hinder the development, marketing or operation of the subject project.

The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.

## Appendix 2 Analyst Certifications

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the market area and property that is the subject of this report.
- The market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.



---

Tad Scepaniak  
Principal  
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the property that is the subject of this report.
- The market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.



---

Michael Riley  
Analyst  
Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.

## Appendix 3 NCAHMA Certification

This market study has been prepared by Real Property Research Group, Inc., a member in good standing of the National Council of Affordable Housing Market Analysts (NCAHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Affordable Housing Market Analysts.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCAHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

**Real Property Research Group, Inc.**



Tad Scepaniak

\_\_\_\_\_  
Name

Principal

\_\_\_\_\_  
Title

May 27, 2011

\_\_\_\_\_  
Date



## Appendix 4 Resumes

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### TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has approximately nine years of experience in the field of residential rental market research. Before joining the firm, Tad was president of national firm, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico over the past eight years. He also has experience conducting studies under the HUD 221d program, market rate rental properties, and student housing developments. Along with work for developer clients, Tad has led our research efforts for both the North Carolina and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Tad is a member of the National Council of Affordable Housing Market Analysts' (NCAHMA) Standards Committee and has been involved in the development of the organization's Standard Definitions, Recommended Market Study Content, and various white papers regarding market areas, derivation of market rents, and selection of comparable properties.

#### **Areas of Concentration:**

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions. Mr. Scepaniak not only works with developers in their efforts to obtain tax credit financing, but also has received large contracts with state housing agencies including North Carolina Housing Finance Agency and Georgia Department of Community Affairs.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

#### **Education:**

Bachelor of Science – Marketing; Berry College – Rome, Georgia.

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ROBERT M. LEFENFELD

Mr. Lefenfeld founded Real Property Research Group in February 2001 after more than 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles.

Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. Recent articles have appeared in ULI's Multifamily Housing Trends magazine. Mid-Atlantic Builder.

Bob is currently a member of the National Council of Affordable Housing Market Analysts' executive committee serving as Vice-Chair.

### **Areas of Concentration:**

**Strategic Assessments:** Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

**Feasibility Analysis:** Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects of these analyses have included for-sale single family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations, and continuing care facilities for the elderly. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

**Information Products:** Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for-sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

### **Education:**

Masters of Urban and Regional Planning; The George Washington University.  
Bachelor of Arts, Political Science; Northeastern University.

## **MICHAEL RILEY**

Michael Riley joined the Atlanta office of Real Property Research Group upon college graduation in 2006. Beginning as a Research Associate, Michael gathered economic, demographic, and competitive data for market feasibility analyses concentrating in family and senior affordable housing. Since transitioning to an Analyst position in late 2007, he has performed market analyses for both affordable and market rate rental developments throughout the United States including work in Georgia, Iowa, North Carolina, South Carolina, Tennessee, and Virginia.

Michael has also assisted in the development of research tools for the organization, including developing a rent comparability table that is now incorporated in many RPRG analyses.

### **Education:**

Bachelor of Business Administration – Finance; University of Georgia

## Appendix 5 DCA Market Study Checklist

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

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

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

Signed:   
 \_\_\_\_\_  
 Tad Scepianiak

Date: May 27, 2011

### A. Executive Summary

1. Project Description:
  - i. Brief description of the project location including address and/or position relative to the closest cross-street .....Page(s) iv
  - ii. Construction and Occupancy Types .....Page(s) iv
  - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance .....Page(s) iv
  - iv. Any additional subsidies available, including project based rental assistance (PBRA) .....Page(s) iv
  - v. Brief description of proposed amenities and how they compare with existing properties .....Page(s) iv
2. Site Description/Evaluation:
  - i. A brief description of physical features of the site and adjacent parcels.....Page(s) iv
  - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....Page(s) iv
  - iii. A discussion of site access and visibility.....Page(s) iv
  - iv. Any significant positive or negative aspects of the subject site.....Page(s) iv
  - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.....Page(s) iv
  - vi. An overall conclusion of the site's appropriateness for the proposed development .....Page(s) iv
3. Market Area Definition:
  - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....Page(s) v
4. Community Demographic Data:
  - i. Current and projected household and population counts for the PMA.....Page(s) v
  - ii. Household tenure including any trends in rental rates.....Page(s) v
  - iii. Household income level.....Page(s) v
  - iv. Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development.....Page(s) v
5. Economic Data:

i.	Trends in employment for the county and/or region.....	Page(s)	vi
ii.	Employment by sector for the primary market area. ....	Page(s)	vi
iii.	Unemployment trends for the county and/or region for the past five years.....	Page(s)	vi
iv.	Brief discussion of recent or planned employment contractions or expansions.....	Page(s)	vi
v.	Overall conclusion regarding the stability of the county's economic environment. ....	Page(s)	vi
6.	Project Specific Affordability and Demand Analysis:		
i.	Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households.....	Page(s)	vii
ii.	Overall estimate of demand based on DCA's demand methodology.....	Page(s)	vii
iii.	Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates. ....	Page(s)	vii
7.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA. ....	Page(s)	vii
ii.	Number of properties. ....	Page(s)	vii
iii.	Rent bands for each bedroom type proposed.....	Page(s)	vii
iv.	Average market rents.....	Page(s)	vii
8.	Absorption/Stabilization Estimate:		
i.	Expected absorption rate of the subject property (units per month). ....	Page(s)	viii
ii.	Expected absorption rate by AMI targeting.....	Page(s)	viii
iii.	Months required for the project to reach a stabilized occupancy of 93 percent.....	Page(s)	viii
9.	Overall Conclusion:		
i.	A narrative detailing key conclusions of the report including the analyst's opinion regarding the proposed development's potential for success. ....	Page(s)	viii
10.	Summary Table.....	Page(s)	x

**B. Project Description**

1.	Project address and location.....	Page(s)	13, iv
2.	Construction type.....	Page(s)	13
3.	Occupancy Type.....	Page(s)	11, 13
4.	Special population target (if applicable).....	Page(s)	12, 13
5.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	13
6.	Unit size, number of bedrooms, and structure type.....	Page(s)	12, 13
7.	Rents and Utility Allowances.....	Page(s)	13
8.	Existing or proposed project based rental assistance.....	Page(s)	12
9.	Proposed development amenities.....	Page(s)	12, 13
10.	For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost. ....	Page(s)	N/A
11.	Projected placed-in-service date.....	Page(s)	12, 13

**C. Site Evaluation**

1.	Date of site / comparables visit and name of site inspector.....	Page(s)	15
2.	Site description		
i.	Physical features of the site.....	Page(s)	14
ii.	Positive and negative attributes of the site.....	Page(s)	14, 15
iii.	Detailed description of surrounding land uses including their condition.....	Page(s)	14, 15
3.	Description of the site's physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	14, 15
4.	Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	16 - 19

5. Neighborhood Characteristics		
i. Map identifying the location of the project	Page(s)	20
ii. List of area amenities including their distance (in miles) to the subject site	Page(s)	22
iii. Map of the subject site in proximity to neighborhood amenities	Page(s)	21
6. Map identifying existing low-income housing projects located within the PMA and their distance from the subject site	Page(s)	79
7. Road or infrastructure improvements planned or under construction in the PMA	Page(s)	15
8. Discussion of accessibility, ingress/egress, and visibility of the subject site	Page(s)	15
9. Visible environmental or miscellaneous site concerns	Page(s)	15
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development	Page(s)	23

**D. Market Area**

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site	Page(s)	24
2. Map Identifying subject property's location within market area	Page(s)	25

**E. Community Demographic Data**

1. Population Trends		
i. Total Population	Page(s)	38, 40
ii. Population by age group	Page(s)	43, 44
iii. Number of elderly and non-elderly	Page(s)	43, 44
iv. Special needs population (if applicable)	Page(s)	N/A
2. Household Trends		
i. Total number of households and average household size	Page(s)	38, 39, 40, 41
ii. Household by tenure	Page(s)	46, 47
iii. Households by income	Page(s)	49 - 52
iv. Renter households by number of persons in the household	Page(s)	47

**F. Employment Trends**

1. Total jobs in the county or region	Page(s)	26, 27, 27
2. Total jobs by industry – numbers and percentages	Page(s)	26, 28, 29
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area	Page(s)	30
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years	Page(s)	33
5. Map of the site and location of major employment concentrations	Page(s)	26
6. Analysis of data and overall conclusions relating to the impact on housing demand	Page(s)	27

**G. Project-specific Affordability and Demand Analysis**

1. Income Restrictions / Limits	Page(s)	53
2. Affordability estimates	Page(s)	54 - 56
3. Components of Demand		
i. Demand from new households	Page(s)	57, 60, 61
ii. Demand from existing households	Page(s)	57, 58, 60, 61
iii. Elderly Homeowners likely to convert to rentership	Page(s)	57, 59, 60, 61
iv. Secondary market demand	Page(s)	57, 60, 61
v. Other sources of demand (if applicable)	Page(s)	57, 60, 61

4. Net Demand, Capture Rate, and Stabilization Calculations	
i. Net demand	
1. By AMI Level .....	Page(s) 60
2. By floor plan .....	Page(s) 61
ii. Capture rates	
1. By AMI level .....	Page(s) 60
2. By floor plan .....	Page(s) 61
3. Capture rate analysis chart .....	Page(s) viii, 62

**H. Competitive Rental Analysis**

1. Detailed project information for each competitive rental community surveyed .....	Page(s) 102
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area .....	Page(s) 70 - 72
2. Additional rental market information	
i. An analysis of voucher and certificates available in the market area .....	Page(s) 74
ii. Lease-up history of competitive developments in the market area .....	Page(s) 76, 102
iii. Tenant profile and waiting list of existing phase (if applicable) .....	Page(s) N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable) .....	Page(s) N/A
3. Map showing competitive projects in relation to the subject property .....	Page(s) 73
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities .....	Page(s) 66
5. For senior communities, an overview / evaluation of family properties in the PMA .....	Page(s) 67
6. Subject property's long-term impact on competitive rental communities in the PMA .....	Page(s) 73-75
7. Competitive units planned or under construction the market area	
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information .....	Page(s) 74
8. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc .....	Page(s) 65 - 72
i. Average market rent and rent advantage .....	Page(s) 72
9. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area .....	Page(s) 64-71
10. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years .....	Page(s) N/A
11. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area .....	Page(s) 76
12. Discussion of primary housing voids in the PMA as they relate to the subject property .....	Page(s) 64-71

**I. Absorption and Stabilization Rates**

1. Anticipated absorption rate of the subject property .....	Page(s) 76
2. Stabilization period .....	Page(s) 76

**J. Interviews .....** Page(s) 79

**K. Conclusions and Recommendations**

1. Conclusion as to the impact of the subject property on PMA .....	Page(s) 80 - 86
2. Recommendation as the subject property's viability in PMA .....	Page(s) 84 - 86

**L. Signed Statement Requirements .....** Page(s) 89

## Appendix 6 NCAHMA Checklist

**Introduction:** Members of the National Council of Affordable Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

<b>Component (*First occurring page is noted)</b>		<b>*Page(s)</b>
<b>Executive Summary</b>		
1.	Executive Summary	iv
<b>Project Summary</b>		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	12
3.	Utilities (and utility sources) included in rent	13, 53
4.	Project design description	12
5.	Unit and project amenities; parking	12
6.	Public programs included	11, 12
7.	Target population description	11, 12
8.	Date of construction/preliminary completion	12
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	12
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	24
12.	Concise description of the site and adjacent parcels	14
13.	Description of site characteristics	14
14.	Site photos/maps	16
15.	Map of community services	6
16.	Visibility and accessibility evaluation	14-15
17.	Crime information	23
<b>Employment and Economy</b>		
18.	Employment by industry	26
19.	Historical unemployment rate	33
20.	Area major employers	30
21.	Five-year employment growth	27
22.	Typical wages by occupation	34

23.	Discussion of commuting patterns of area workers	36
<b>Demographic Characteristics</b>		
24.	Population and household estimates and projections	38
25.	Area building permits	42
26.	Distribution of income	50
27.	Households by tenure	48
<b>Competitive Environment</b>		
28.	Comparable property profiles	95
29.	Map of comparable properties	
30.	Comparable property photos	95
31.	Existing rental housing evaluation	65 - 72
32.	Comparable property discussion	65 - 67
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	70
34.	Comparison of subject property to comparable properties	59 - 66
35.	Availability of Housing Choice Vouchers	74
36.	Identification of waiting lists	74
37.	Description of overall rental market including share of market-rate and affordable properties	65 - 76
38.	List of existing LIHTC properties	74
39.	Discussion of future changes in housing stock	63
40.	Discussion of availability and cost of other affordable housing options, including homeownership	76
41.	Tax credit and other planned or under construction rental communities in market area	74
<b>Analysis/Conclusions</b>		
42.	Calculation and analysis of Capture Rate	60
43.	Calculation and analysis of Penetration Rate	60
44.	Evaluation of proposed rent levels	65, 67
45.	Derivation of Achievable Market Rent and Market Advantage	N/A
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	80 - 86
48.	Market strengths and weaknesses impacting project	84
49.	Recommendation and/or modification to project description	86, if applicable
50.	Discussion of subject property's impact on existing housing	76, 86
51.	Absorption projection with issues impacting performance	76

52.	Discussion of risks or other mitigating circumstances impacting project	86, if applicable
53.	Interviews with area housing stakeholders	74
<b>Certifications</b>		
54.	Preparation date of report	Cover
55.	Date of field work	11
56.	Certifications	90
57.	Statement of qualifications	92
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	53

## Appendix 7 Community Photos and Profiles

Establishment	Address	City	State	Phone Number	Date Surveyed	Contact	Condition
Brookwood	124 2nd St.	Winder	GA	706-254-2796	5/27/2011	Property Manager	Average
Hillcrest	490 Gainesville Hwy.	Winder	GA	770-867-4007	5/27/2011	Property Manager	Average
Ivey Corners & Lily Drive	Lily Dr. & Springdale Rd.	Winder	GA	770-480-6983	5/27/2011	Property Manager	Average
Parks Mill	196 Parks Mill Rd.	Auburn	GA	770-962-7780	5/27/2011	Property Manager	Poor
Regal	282 Apperson Dr.	Winder	GA	706-743-3676	5/27/2011	Property Manager	Above Average
Second Street	160 2nd St.	Winder	GA	770-586-5272	5/27/2011	Property Manager	Average
Statham North Village	379 Sunset Dr.	Statham	GA	770-307-0925	5/27/2011	Property Manager	Average
Winder Woods	206 2nd St.	Winder	GA	770-307-0925	5/27/2011	Property Manager	Below Average
Winding Hollow	174 S Broad St.	Winder	GA	770-868-8293	5/27/2011	Property Manager	Average

# Winding Hollow

## Senior Community Profile

174 S Broad Rd.  
Winder, GA

CommunityType: Deep Subsidy-Elderly

Structure Type: Garden

39 Units      0.0% Vacant (0 units vacant) as of 5/27/2011

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	100.0%	\$537	480	\$1.12	<input checked="" type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	--	--	--	<input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					<input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

### Features

Standard: Central A/C; Grabbar; Emergency Response

Select Units: Ceiling Fan

Optional(\$): --

Security: Keyed Bldg Entry

Parking: Free Surface Parking

### Comments

Waitlist of 1 year

Section 8, rent is contract rent

Property Manager: --

Owner: --

### Floorplans (Published Rents as of 5/27/2011) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	39	\$642	480	\$1.34	Section 8	5/27/11	0.0%	\$537	--	--

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

Winding Hollow

GA013-015717

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(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management

# Brookwood

## Multifamily Community Profile

124 2nd st.  
Winder,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Townhouse

70 Units      2.9% Vacant (2 units vacant) as of 5/27/2011

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	50.0%	\$495	1,140	\$0.43	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	50.0%	\$595	1,400	\$0.43	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

**Features**  
Standard: Dishwasher; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)

Select Units: Disposal  
Optional(\$): --  
Security: --  
Parking 1: Free Surface Parking      Parking 2: --  
Fee: --      Fee: --  
Property Manager: --  
Owner: --

### Comments

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	35	\$495	1,140	\$0.43	Market	5/27/11	2.9%	--	\$495	\$595
Townhouse	--	3	2	35	\$595	1,400	\$0.43	Market					

### Adjustments to Rent

Incentives:  
None  
Utilities in Rent:      Heat Fuel: Electric  
Heat:       Cooking:       Wtr/Swr:   
Hot Water:       Electricity:       Trash:

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# Hillcrest

## Multifamily Community Profile

490 Gainesville Hwy.  
Winder,GA

CommunityType: Market Rate - General

Structure Type: Garden/TH

102 Units 1.0% Vacant (1 units vacant) as of 5/27/2011

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$550	915	\$0.60	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$600	1,065	\$0.56	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$713	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

### Features

Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: Fireplace

Optional(\$): --

Security: --

Parking 1: Free Surface Parking  
Fee: --

Parking 2: --  
Fee: --

Property Manager: --  
Owner: --



### Comments

### Floorplans (Published Rents as of 5/27/2011) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1.5	--	\$650	1,230	\$0.53	Market	5/27/11	1.0%	\$550	\$600	\$713
Garden	--	1	1	--	\$450	600	\$0.75	Market					
Townhouse	--	2	1.5	--	\$700	1,230	\$0.57	Market					
Garden	--	2	1	--	\$500	900	\$0.56	Market					
Garden	--	3	1	--	\$713	--	--	Market					

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

Hillcrest

GA013-015719

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# Ivey Corners & Lily Drive

## Multifamily Community Profile

Lily Dr. & Springdale Rd.  
Winder, GA

Community Type: Market Rate - General

Structure Type: Townhouse

39 Units      12.8% Vacant (5 units vacant) as of 5/27/2011

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	23.1%	\$595	1,175	\$0.51	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	76.9%	\$663	1,250	\$0.53	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

**Features**  
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --  
Optional(\$): --  
Security: --  
Parking 1: Free Surface Parking      Parking 2: --  
Fee: --      Fee: --  
Property Manager: --  
Owner: --

### Comments

Accepts Vouchers

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Lily Drive / Townhouse	--	2	2	9	\$575	1,175	\$4.9	Market	5/27/11	12.8%	--	\$595	\$663
Ivey Corners / Townhous	--	3	2	30	\$638	1,250	\$5.1	Market					

### Adjustments to Rent

Incentives:  
None  
Utilities in Rent:      Heat Fuel: Electric  
Heat:       Cooking:       Wtr/Swr:   
Hot Water:       Electricity:       Trash:

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# Parks Mill

## Multifamily Community Profile

196 Parks Mill Rd.  
Auburn, GA

Community Type: Market Rate - General

Structure Type: Mix

47 Units      17.0% Vacant (8 units vacant) as of 5/27/2011



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	31.9%	\$395	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	66.0%	\$487	--	--	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	2.1%	\$600	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

### Features

Standard: Central A/C

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking  
Fee: --

Parking 2: --  
Fee: --

Property Manager: --  
Owner: --

### Comments

There are a total of 60 units but 13 of them are offline  
Mix of SFD, Duplexes, and Garden apartments

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	15	\$395	--	--	Market	5/27/11	17.0%	\$395	\$487	\$600
	--	2	2	29	\$490	--	--	Market					
	--	2	1	2	\$450	--	--	Market					
	--	3	2	1	\$600	--	--	Market					

### Adjustments to Rent

Incentives:

None

Utilities in Rent:      Heat Fuel: Electric

Heat:       Cooking:       Wtr/Swr:   
Hot Water:       Electricity:       Trash:

Regal

Multifamily Community Profile

282 Apperson Dr.  
Winder,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Townhouse

24 Units 4.2% Vacant (1 units vacant) as of 5/27/2011

Opened in 1998

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$650	900	\$0.72	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	2.5	24	\$650	900	\$0.72	Market	5/27/11	4.2%	--	\$650	--

Adjustments to Rent	
Incentives: None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

# Second Street

## Multifamily Community Profile

160 2nd St.  
Winder,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Duplex

10 Units      20.0% Vacant (2 units vacant) as of 5/27/2011

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	20.0%	\$730	1,134	\$0.64	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	80.0%	\$785	1,134	\$0.69	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>
					<input type="checkbox"/>	

**Features**  
Standard: Dishwasher; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --  
Optional(\$): --  
Security: --  
Parking 1: Free Surface Parking      Parking 2: --  
Fee: --      Fee: --  
Property Manager: --  
Owner: --

### Comments

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	1.5	2	\$700	1,134	\$0.62	Market	5/27/11	20.0%	--	\$730	\$785
Duplex	--	3	1.5	8	\$750	1,134	\$0.66	Market					

### Adjustments to Rent

Incentives:  
None  
Utilities in Rent:      Heat Fuel: Electric  
Heat:       Cooking:       Wtr/Swr:   
Hot Water:       Electricity:       Trash:

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# Statham North Village

## Multifamily Community Profile

379 Sunset Dr.  
Statham,GA

CommunityType: Deep Subsidy-General

Structure Type: 2-Story Garden/TH

18 Units      5.6% Vacant (1 units vacant) as of 5/27/2011

Opened in 1985

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	33.3%	\$395	700	\$0.56	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	66.7%	\$430	900	\$0.48	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

### Features

Standard: Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking  
Fee: --

Parking 2: --  
Fee: --

Property Manager: --  
Owner: --

### Comments

Rural development, rent is basic rent

### Floorplans (Published Rents as of 5/27/2011) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	6	\$380	700	\$0.54	USDA	5/27/11	5.6%	\$395	\$430	--
Townhouse	--	2	1.5	12	\$410	900	\$0.46	USDA					

### Adjustments to Rent

Incentives:

None

Utilities in Rent:      Heat Fuel: Electric

Heat:       Cooking:       Wtr/Swr:

Hot Water:       Electricity:       Trash:

Statham North Village

GA013-015724

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Winder Woods

Multifamily Community Profile

206 2nd St.  
Winder,GA

CommunityType: Deep Subsidy-General

Structure Type: Garden/TH

40 Units 0.0% Vacant (0 units vacant) as of 5/27/2011

Opened in 1985

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	40.0%	\$370	700	\$0.53	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	60.0%	\$400	900	\$0.44	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	Elevator:	Volleyball:
Three	--	--	--	--	Fitness:	CarWash:
Four+	--	--	--	--	Hot Tub:	BusinessCtr:
					Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

Features	
Standard: In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units: Ceiling Fan	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

Rural development, rent is basic rent

Floorplans (Published Rents as of 5/27/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	16	\$370	700	\$0.53	USDA	5/27/11	0.0%	\$370	\$400	--
Townhouse	--	2	1.5	24	\$400	900	\$0.44	USDA					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash: