



A MARKET CONDITIONS AND PROJECT EVALUATION SUMMARY OF

**MCINTOSH SENIOR VILLAGE
W McIntosh Road and Cowan Road
Griffin, Spalding County, Georgia**

**Effective Date: May 11, 2012
Report Date: June 8, 2012**

Prepared For

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June 8, 2012

Mr. Josh Thomason
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Re: Market Study for McIntosh Senior Village in Griffin, Georgia

Dear Mr. Thomason:

At your request, Novogradac & Company LLP performed a market study of the senior rental market in the Griffin, Spalding County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of McIntosh Senior Village, a proposed Housing for Older Persons (HFOP) development consisting of 60 units. Units will be restricted to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report was completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company, LLP can be of further assistance. It has been our pleasure to assist you with this project.

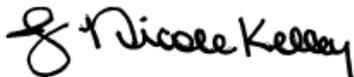
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ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

McIntosh Senior Village will be located at the intersection of West McIntosh Road and Cowan Road in Griffin, Georgia. As proposed, the Subject will contain one, three-story lowrise elevator serviced building. All units will target senior households 55 and older who are earning 50 and 60 percent of the AMI, or less. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

Per DCA’s QAP clarification question and answer round, since 2012 utility allowances have not yet been released, applicants must use 2011 rent and income limits in areas that are using 2011 utility allowance schedules.

PROPOSED RENTS

Unit Type	Number of Units	Sqaure Footage	Asking Rent	Utility Allowance (1)	Gross Rent	2011 LIHTC Maximum Allowable Gross Rent	2011 HUD Fair Market Rents
				<i>50% AMI</i>			
1BR	3	895	\$390	\$152	\$542	\$641	\$792
2BR	9	1,185	\$490	\$195	\$685	\$768	\$881
				<i>60% AMI</i>			
1BR	9	895	\$440	\$152	\$592	\$769	\$792
2BR	39	1,185	\$490	\$195	\$685	\$922	\$881
Total	60						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject will offer the following amenities: blinds, carpeting, central air conditioning, dishwashers, garbage disposals, coat closets, ceiling fans, microwaves, ovens/stoves, washer/dryer connections, pull cords, hand rails, a community garden, a walking path, a gazebo, a clubhouse/community room, a business center/computer lab, an exercise facility, on-site management, and off-street parking.

2. Site Description/Evaluation:

The Subject site is located along the northern side of West McIntosh Road in a mixed use neighborhood. A child care facility is located immediately north of the site on Cowan Road. Further north are single family homes in generally average to good condition, a middle school, and an

elementary school. Vacant land is located immediately west of the site. To the south are single family homes ranging from average to good condition, a church, and private school. Immediately east of the site on West McIntosh Road is a funeral home. Retail in the neighborhood is located approximately 0.8 miles east of the Subject site at the intersection of West McIntosh Road and US 19. Retail in the area is in generally good condition and appeared to be 90 to 95 percent occupied. The Subject's proximity to retail will be an asset. There are two multifamily properties located east of the site. Glenco Trace is a senior LIHTC property located 0.4 miles from the Subject site. The property was built in 2000 and is in overall good condition. According to management, Glenco Trace is 100 percent occupied with a 10 household waiting list. This property will directly compete with the Subject and has been included as a comparable in our analysis. The family conventional rental property Griffin Crossing Apartments is located approximately 0.6 miles east of the site. This property was built in 1986 and renovated in 2006. It is in overall good condition and is 91 percent occupied. We have utilized this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our analysis.

The Subject site has good access and visibility from West McIntosh Road, a moderately trafficked roadway containing residential, commercial, and retail development. The Subject site is located within one mile of a variety of retail and commercial development and is within three miles of most locational amenities. Overall, the Subject site is considered a desirable location for senior rental housing.

3. Market Area Definition:

The PMA is defined as the Spalding County line, Jackson Road, and Teamon Road to the north, East Milner Road, US Highway 41, and Hollonville Road to the south, the Spalding County line and Barnesville Road to the east, and Hollonville Road and the Spalding County line to the west. The area was defined based on interviews with property managers at comparable properties, interstate divides, and our site and neighborhood inspection. Management at Glenco Trace, the one senior LIHTC property in Griffin, indicated that the current residents are coming from Griffin as well as the surrounding areas such as Williamson and Orchard Hill. Management indicated that a new senior LIHTC property would pull tenants from these areas as

there are very few rental housing options in the smaller surrounding towns. Therefore, we have included these areas in our PMA. We have drawn the northern boundary of the PMA at the county line as property managers indicated that they do not typically get tenants from Henry County as this is considered a separate market. While we believe that the majority of the Subject's units will come from within the PMA boundaries, we have accounted for 15 percent leakage.

The furthest PMA boundary from the Subject site is 15.3 miles.

4. Community Demographic Data:

The current senior population in the PMA was 18,123 in 2010 and is expected to increase to 20,091 by June 2014 (market entry). Senior households within the PMA are predominately owner-occupied residences. However the number of seniors in the PMA who are renters is higher than the national average and is projected to increase through 2015. The Subject will target households with incomes between \$16,200 and \$33,300. Approximately 40.2 percent of seniors above the age of 55 earn incomes between \$10,000 and \$39,999. Households in these income cohorts are expected to create demand for the Subject.

The state of Georgia has the 4th highest number of foreclosures in the country. In Georgia, one in every 398 housing units received a foreclosure filing in April of 2012. This is higher than the national average of one out of every 698. The Subject is located in zip code 30224. According to RealtyTrac, this region experienced a medium to high foreclosure rate in April 2012 with approximately one out of every 306 housing units filing for foreclosure in April 2012. Comparatively, the city of Griffin had a foreclosure rate of one in every 336 housing units. There were 77 foreclosed homes listed in Griffin as of April 2012. Per our site visit, we did not see many abandoned or vacant structures in the Subject's immediate neighborhood.

5. Economic Data:

Overall, it appears as if Griffin and Spalding County were affected by the current national economic recession. The County experienced significant decreases in total employment over the greater part of the decade, with 2009 having the highest loss of 7.73 percent in total employment.

The following year in 2010, they had another loss, this time nominal at .06 percent. Between 2010 and 2011, total employment in the MSA increased by 1.7 percent, causing the unemployment rate to decrease 0.6 percentage points. In 2011, the unemployment rate was 9.6 percentage points, and 0.7 percentage points higher than the national average. Between February 2011 and February 2012, total employment increased 2.7 percent, and the unemployment rate decreased 0.9 percentage points. As of February 2012, the unemployment rate was slightly above the unemployment rate of the US, but the high rate of growth in total employment indicates a quicker recovery in the MSA compared to the nation.

For covered employment by industry in Spalding County, the largest sector in Spalding County, according to the Bureau of Labor Statistics, is the education and health services industry, followed by the trade/transportation/utilities industry. This deviates slightly from the industry trends in the PMA. The largest industries in the PMA are manufacturing, retail trade, and educational services.

Manufacturing and retail trade are overrepresented in the PMA when compared to the nation. Although the health care/social services industry is a large industry in the PMA, there are a smaller percentage of workers employed in this industry than in the nation. Educational Services are slightly underrepresented in the PMA when compared to the nation. The most underrepresented industry in the PMA when compared to the nation is the healthcare industry.

Expansions in the metropolitan Atlanta market have been in various industries that have been affected by the economic downturn including retail and manufacturing. However, these industries have adapted to the current market including Macy's, which is expanding its e-commerce department.

Overall, the Subject will cater to senior households who are likely to be retired. The forecasted growth in the economy in total employment and the decrease in unemployment combined with the expansion of a diverse range of industries will bode well for additional housing in the PMA.

6. Project-Specific Affordability And Demand Analysis:

Our demand analysis indicates that there are 579 income qualified renter households in the PMA. The following table illustrates the Subject’s capture rates.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR 50%	\$16,260-\$27,350	3	144	2	142	2.1%
2BR 50%	\$20,550-\$27,350	9	134	2	132	6.8%
Overall 50%	\$16,260-\$27,350	12	278	4	274	4.4%
1BR 60%	\$17,760-\$32,820	9	164	6	158	5.7%
2BR 60%	\$20,550-\$32,820	39	153	10	143	27.3%
Overall 60%	\$17,760-\$32,820	48	317	16	301	16.0%
Overall	\$16,260-\$32,820	60	370	20	350	17.1%

As the analysis illustrates, the Subject’s capture rates at the 50 percent AMI level will range from 2.1 to 6.8 percent, with an overall capture rate of 4.4 percent. The Subject’s 60 percent AMI capture rates range from 5.7 to 27.3 percent, with an overall capture rate of 16.0 percent. The overall capture rate for the project’s 50 and 60 percent units is 17.1 percent. Although the two-bedroom 60 percent AMI capture rates are high, they are within DCA threshold requirements. Additionally, we believe there is adequate demand for the Subject based on the following:

- Both senior LIHTC comparables are 100 percent occupied and have waiting lists with 10 to 100 households. Property managers at both senior LIHTC comparables indicated a need for additional senior units in the local market.
- Only one of the four LIHTC comparables has any vacant units.
- The Subject’s proposed two-bedroom units will be the largest two-bedroom LIHTC units in the market.
- Senior population and households in the PMA are expected to grow by 2.8 and 2.6 percent annually through 2015.

Therefore, we believe there is adequate demand for the Subject.

7. Competitive Rental Analysis:

The availability of senior LIHTC data in the PMA is very limited. Glenco Trace is the only senior LIHTC property located in the Subject’s PMA. This property offers units at 35 and 40 percent AMI, whereas the Subject will offer

units at 50 and 60 percent AMI. Although the units at Glenco Trace will target lower income seniors and will not directly compete with the Subject's units, we have used it as a comparable as it is a good indicator of demand for senior rental housing in the area.

There are four family LIHTC properties located in the PMA. Of these properties, we have utilized two as comparables in our analysis. The family LIHTC property Poplar Grove recently underwent a management change and is currently under renovation. A significant portion of the units are offline and the new management company indicated that post renovation rents have not been set. Although management could not indicate the number of seniors living at the property, management did report that most of the property's units have a townhome design, which does not typically appeal to senior tenants. We have not included Poplar Grove as a comparable in our analysis. Pine Hill Apartments is a family LIHT property offering three-bedroom garden style and townhome style units. Because this property does not offer the same bedroom types that are proposed at the Subject, we have excluded this property as a comparable.

We have utilized the family LIHTC comparables Marian Point and St. Phillip Villas as comparables. These properties reported senior tenancies ranging from four to 50 percent. Due to the lack of age restricted properties in the PMA, we expanded our search beyond the PMA boundaries. The senior LIHTC property Villas on Forsyth is located 19.7 miles from the Subject and is just southeast of the PMA. We have also included this property as a comparable in our analysis. Overall, the availability of senior LIHTC data is considered limited.

We have included four conventional rental properties in our analysis. All four target families and are located in the PMA. Additionally, three of the LIHTC properties also offer unrestricted units. While the availability of conventional data is considered good, the availability of senior conventional data is very limited.

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher

income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

The following table compares the Subject’s proposed LIHTC rents to the market rents.

Subject Comparison To Market Rents

Unit Type	Subject	Surveyed			Subject Rent Advantage
		Min	Max	Average	
1 BR 50%	\$390	\$307	\$575	\$473	21%
2 BR 50%	\$490	\$356	\$740	\$556	13%
1BR 60%	\$440	\$426	\$575	\$505	15%
2BR 60%	\$490	\$435	\$740	\$595	21%

The Subject’s proposed LIHTC rents are on the low end of the observed ranges. The Subject will be most similar to the senior LIHTC property Villas on Forsyth and the family LIHTC property St. Phillip Villas, which has 50 percent senior tenants. Both properties are 100 percent occupied and have waiting lists, indicating that their rents are achievable and that they could likely achieve higher rents. As previously discussed, the Subject’s proposed 50 and 60 percent AMI rents are reasonable when compared to the current rents at these properties. The Subject’s rents yield an advantage of 13 to 21 percent over the average market rents.

8. Absorption/Stabilization Estimate:

We were able to obtain absorption information for the newest property in the market, the senior LIHTC property Villas on Forsyth. This property opened in 2009 and management indicated that it leased approximately eight units per month. At this pace the 42 unit property was fully leased within six months. Both senior LIHTC comparables are 100 percent occupied with waiting lists ranging from 10 to 100 households. The lack of vacant units and waiting lists indicates a need for additional LIHTC units targeting seniors. We have conservatively estimated that the Subject will lease approximately seven units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within eight months.

9. Overall Conclusion:

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the

Subject property. Both LIHTC comparables targeting seniors are 100 percent occupied and have waiting lists ranging from 10 to 100 households. Management at both senior properties indicated that there is a significant need for additional senior housing in the area. As new construction, the Subject will be similar to superior to the existing LIHTC housing stock. The Subject's proposed 50 percent AMI and two-bedroom 60 percent AMI LIHTC rents are above the current rents at the newest senior property in the market Villas on Forsyth. Because there are no vacant units at the property and it has a lengthy waiting list, it is likely that it could achieve higher rents. Villas on Forsyth is located just south of the PMA in Lamar County. The Subject is located in Spalding County, which has a higher median income and higher maximum allowable rents when compared to Lamar County. Therefore, it is reasonable that the Subject's proposed rents are above the current rents at this property. The Subject's proposed rents are below the 50 and 60 percent AMI rents at all of the comparable properties in the PMA. Although all three LIHTC properties in the PMA with 50 and 60 percent AMI rents target families, St. Phillip Villas has 50 percent senior tenants. Therefore, its rents are affordable to senior renters in the local market. The Subject's rents appear achievable when compared to the existing LIHTC comparables and offer an advantage of 13 to 21 percent over the average market rents. Overall, we believe there is adequate demand for the Subject's units and we recommend the Subject as proposed.

Summary Table:

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

Development Name:	McIntosh Senior Village	Total # Units: <u>60</u>
Location:	West McIntosh Road and Cowan Road	# LIHTC Units: <u>60</u>
PMA Boundary:	The Spalding County line, Jackson Road, and Teamon Road to the north, East Milner Road, US Highway 41, and Hollonville Road to the south, the Spalding County line and Barnesville Road to the east, and Hollonville Road and the Spalding County line to the west	
	Farthest Boundary Distance to Subject:	<u>15.3 miles</u>

Rental Housing Stock* (found on pages 1, 102, and 105)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	809	54	93.3%
Market-Rate Housing	4	653	50	92.3%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	N/Ap
LIHTC	3	156	8	94.9%
Stabilized Comps	7	809	54	93.3%
Properties in Construction & Lease Up	0	0	0	N/Ap

# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Average Market Rent			Highest Unadjusted Comp Rent	
					Per Unit	Per SF	Advantage	Per Unit	Per SF
3	1BR (50%)	1	895	\$390	\$473	\$0.53	21%	\$610	\$0.82
9	2BR (50%)	2	1,185	\$490	\$556	\$0.47	13%	\$756	0.80
9	1BR (60%)	1	895	\$440	\$505	\$0.56	15%	\$610	\$0.82
39	2BR (60%)	2	1,185	\$490	\$595	\$0.50	21%	\$756	\$0.80

Demographic Data (found on pages 34, 62)

	2000		2010		2014	
Renter Households	1,724	21.06%	2,116	21.39%	2,377	21.82%
Income-Qualified Renter HHs (LIHTC)	421	24.40%	516	24.40%	580	24.40%
Income-Qualified Renter HHs (MR) (if applicable)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap

Targeted Income-Qualified Renter Household Demand (found on pages 54-63)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall
Renter Household Growth	N/Ap	120	136	N/Ap	N/Ap	159
Existing Households (Overburdened + Substandard)	N/Ap	157	179	N/Ap	N/Ap	208
Homeowner conversion (Seniors)	N/Ap	34	39	N/Ap	N/Ap	46
Less Comparable/Competitive Supply	N/Ap	4	16	N/Ap	N/Ap	20
Net Income-qualified Renter HHs**	N/Ap	307	338	N/Ap	N/Ap	393

Capture Rates (found on pages 57, 60, 63)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	4.40%	16.00%	N/Ap	N/Ap	17.10%

*Only includes comparables within the PMA boundaries.

**Does not match demand analysis as this does not take into account bedroom types, persons per household, or leakage.

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at the northeast intersection of West McIntosh Road and Cowan Road in Griffin, Spalding County, Georgia.
Construction Type:	The Subject will consist of one, three-story lowrise elevator serviced building. All buildings will be brick with fiber cement siding.
Occupancy Type:	HFOP (55+).
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	None of the Subject's units will operate with Project-Based Rental Assistance.
Proposed Development Amenities:	See following property profile.

McIntosh Senior Village, Griffin, GA; Market Study

McIntosh Senior Village											
Comp#	Subject										
Effective Rent Date	6/4/2012										
Location	W McIntosh Rd & Cowan Rd Griffin, GA 30223 Spalding County (verified)										
Distance	0.4 mile										
Units	60										
Type	Lowrise (age-restricted) (3 stories)										
Year Built / Renovated	2014										
											
Market											
Program	50%, 60%					Leasing Pace	n/a				
Annual Turnover Rate	N/A					Change in Rent (Past Year)	n/a				
Units/Month Absorbed	n/a					Concession					
Section 8 Tenants	N/A										
Utilities											
A/C	not included -- central					Other Electric	not included				
Cooking	not included -- electric					Water	not included				
Water Heat	not included -- electric					Sewer	not included				
Heat	not included -- electric					Trash Collection	included				
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise (3 stories)	3	895	\$390	\$0	50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	9	895	\$440	\$0	60%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	9	1,185	\$490	\$0	50%	n/a	N/A	N/A	no
2	2	Lowrise (3 stories)	39	1,185	\$490	\$0	60%	n/a	N/A	N/A	no

McIntosh Senior Village, Griffin, GA; Market Study

Amenities			
In-Unit	Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Pull Cords Washer/Dryer hookup	Security	none
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area	Premium	none
Services	none	Other	Walking path, community garden, Gazebo
Comments			
Utility allowances for the property are \$152 and \$195 for a one- and two-bedroom unit, respectively. Gross rents are \$542 and \$685 for a one- and two-bedroom unit at 50 percent AMI and \$592 and \$685 for a one- and two-bedroom unit at 60 percent AMI.			

- Scope of Renovations:** **The Subject will be new construction.**
- Current Rents:** **The Subject will be new construction.**
- Current Occupancy:** **The Subject will be new construction.**
- Current Tenant Income:** **The Subject will be new construction.**
- Placed in Service Date:** Construction is scheduled to be completed by June 2014.
- Conclusion:** The Subject will be an excellent -quality brick and cement siding single story apartment complex, comparable to superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

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

Nicole Kelley visited the site on May 11, 2012.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

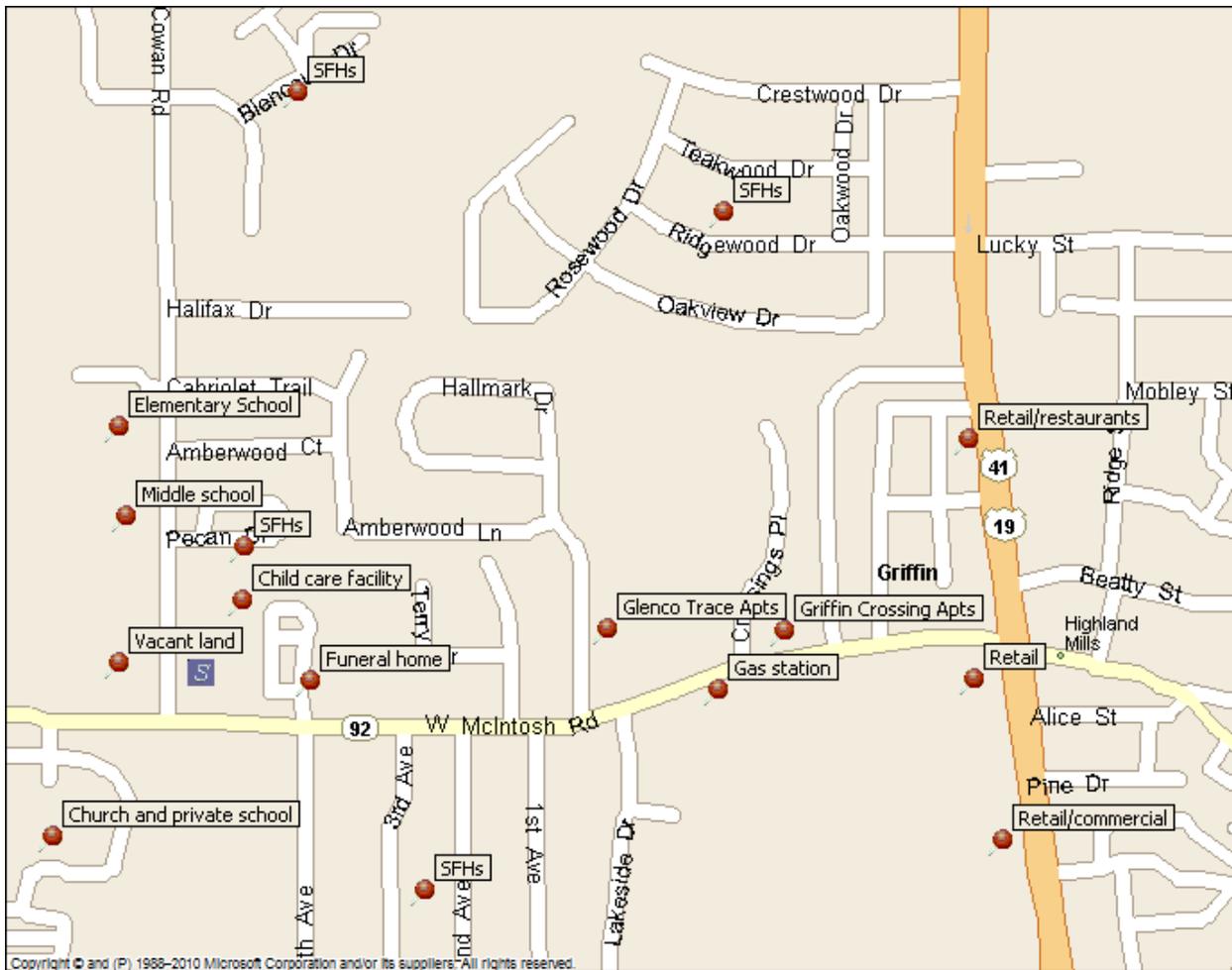
The Subject site has frontage along West McIntosh Road and Cowan Road.

Visibility/Views:

The Subject will be located on the northern side of West McIntosh Road and has good visibility and views.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject site is located along the northern side of West McIntosh Road in a mixed use neighborhood. A child care facility is located immediately north of the site on Cowan Road. Further north are single family homes in generally

average to good condition, a middle school, and an elementary school. Vacant land is located immediately west of the site. To the south are single family homes ranging from average to good condition, a church, and private school. Immediately east of the site on West McIntosh Road is a funeral home. Retail in the neighborhood is located approximately 0.8 miles east of the Subject site at the intersection of West McIntosh Road and US 19. Retail in the area is in generally good condition and appeared to be 90 to 95 percent occupied. The Subject's proximity to retail will be an asset. There are two multifamily properties located east of the site. Glenco Trace is a senior LIHTC property located 0.4 miles from the Subject site. The property was built in 2000 and is in overall good condition. According to management, Glenco Trace is 100 percent occupied with a 10 household waiting list. This property will directly compete with the Subject and has been included as a comparable in our analysis. The family conventional rental property Griffin Crossing Apartments is located approximately 0.6 miles east of the site. This property was built in 1986 and renovated in 2006. It is in overall good condition and is 91 percent occupied. We have utilized this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our analysis.

Positive/Negative Attributes of Site: The Subject is located within one mile of an abundance of retail including a grocery store and pharmacy. The Subject's proximity to these local services will be a strength of the development. We did not witness any negative attributes of the Subject site during our field work.

3. Physical Proximity to Locational Amenities:

The Subject's site is located northeast of the intersection of W. McIntosh Rd. (Hwy 92) and Cowan Road, just south of Cowan Road Elementary School.

The site is conveniently located within walking distance of a Wal-Mart Super Center and Elementary/Middle Schools. The closest Douglas county elementary, middle and high schools are located within 3.5 miles of the Subject's site. There are multiple groceries and pharmacies located within 1.2 miles or less. The Skyline Medical Center is located 4.6 miles from the subject.

The Spalding County and Griffin area do not have a fixed route transportation/bus system. They do however have

demand response shuttle buses. Provided through a grant with 3 Rivers Regional Commission, residents must call 24 hours prior and it will take them anywhere within the 5 participating counties (Butts, Lamar, Pike, Spalding, and Upson Counties) for four dollars round-trip.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View north on Cowan Road



View south on Cowan Road



View west on West McIntosh Road



View east on West McIntosh Road



Single family home north



Middle school north



Child daycare north



Elementary school north



Funeral home east



Retail east



Retail east



Retail east



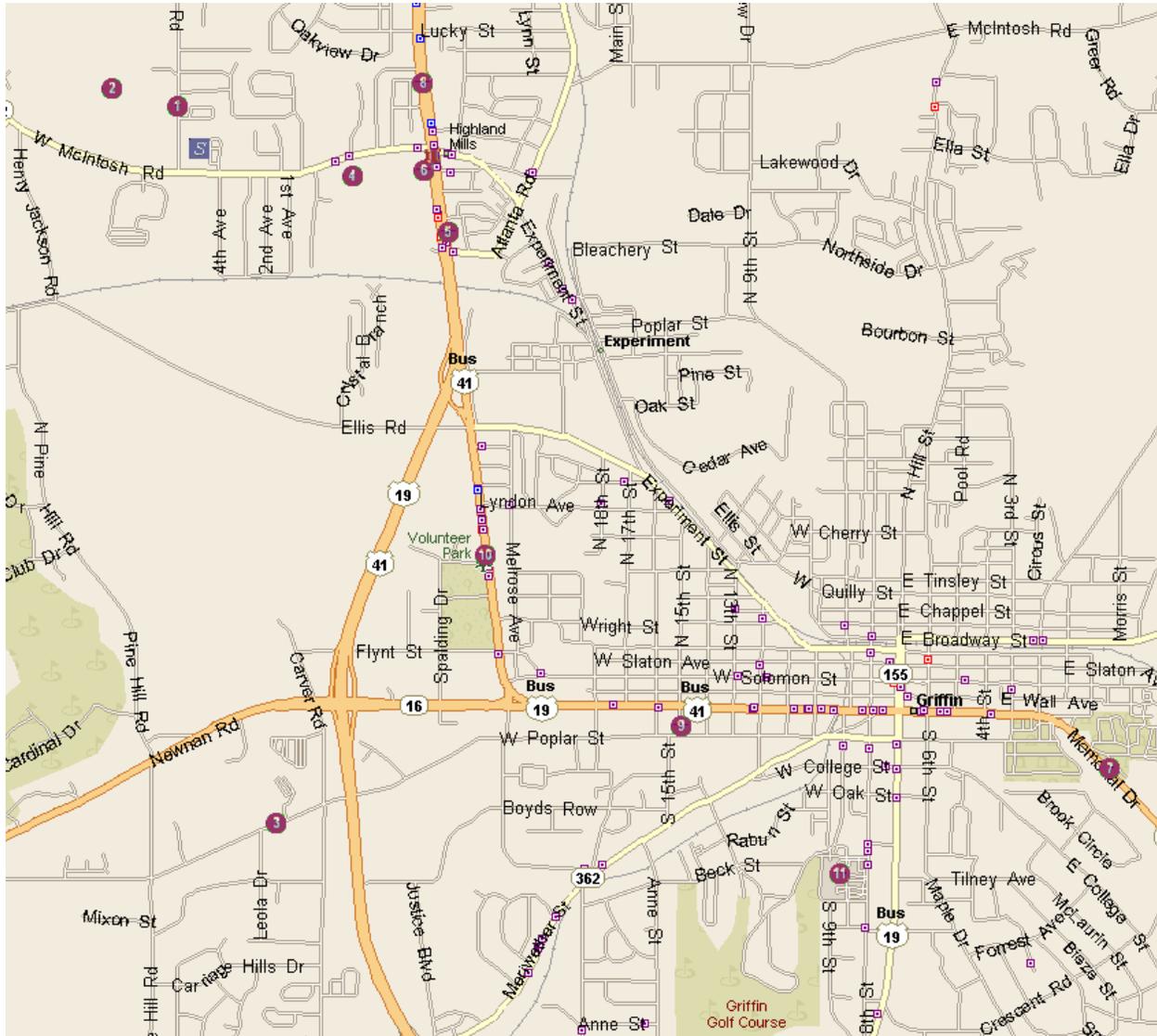
Single family home south



Single family home south

5. Proximity to Locational Amenities:

The following table details the Subject’s distance from key locational amenities.



Locational Amenities

Map #	Amenity	Type of Service	Distance from Subject
1	Cowan Rd Elementary School	Elementary School	0.3 miles
2	Cowan Road Middle School	Middle School	0.7 miles
3	Griffin High School	High School	3.5 miles
4	Wal-Mart Supercenter	Grocery	0.7 miles
5	Kroger	Grocery	1.2 miles
6	Rite Aid	Pharmacy	1.1 miles
7	Griffin Spalding Library	Library	3.8 miles
8	Bealls Outlet Mall	Retail	1.1 miles
9	Griffin Police Department	Police	3.4 miles
10	Griffin Fire Department	Fire	2.3 miles
11	Skyline Medical Center	Hospital	4.6 miles

6. Description of Land Uses:

The Subject site is located along the northern side of West McIntosh Road in a mixed use neighborhood. A child care facility is located immediately north of the site on Cowan Road. Further north are single family homes in generally average to good condition, a middle school, and an elementary school. Vacant land is located immediately west of the site. To the south are single family homes ranging from average to good condition, a church, and private school. Immediately east of the site on West McIntosh Road is a funeral home. Retail in the neighborhood is located approximately 0.8 miles east of the Subject site at the intersection of West McIntosh Road and US 19. Retail in the area is in generally good condition and appeared to be 90 to 95 percent occupied. The Subject's proximity to retail will be an asset. There are two multifamily properties located east of the site. Glenco Trace is a senior LIHTC property located 0.4 miles from the Subject site. The property was built in 2000 and is in overall good condition. According to management, Glenco Trace is 100 percent occupied with a 10 household waiting list. This property will directly compete with the Subject and has been included as a comparable in our analysis. The family conventional rental property Griffin Crossing Apartments is located approximately 0.6 miles east of the site. This property was built in 1986 and renovated in 2006. It is in overall good condition and is 91 percent occupied. We have utilized this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our analysis.

Overall, we believe that the Subject site is desirable for senior rental housing and that the Subject will fit well with the surrounding uses.

7. Multifamily Residential within Two Miles:

There are two multifamily properties located within two miles of the Subject site. The senior LIHTC property Glenco Trace is located 0.4 miles east of the site. This property was built in 2000 and offers 72 one- and two-bedroom LIHTC units targeting seniors earning 35 and 40 percent of the AMI, or less. The property is in generally good condition and is 100 percent occupied with a 10 household waiting list. Although this property targets senior tenants, it will not directly compete with the Subject's units. The Subject will target seniors earning 50 and 60 percent of the AMI, or less, and Glenco Trace targets seniors earning 35 and 40 percent of the AMI or

less. Although Glenco Trace offers different AMI levels, it is still a good indicator of demand for low income senior housing in the Subject’s immediate market. Therefore, we have utilized this property as a comparable in our analysis.

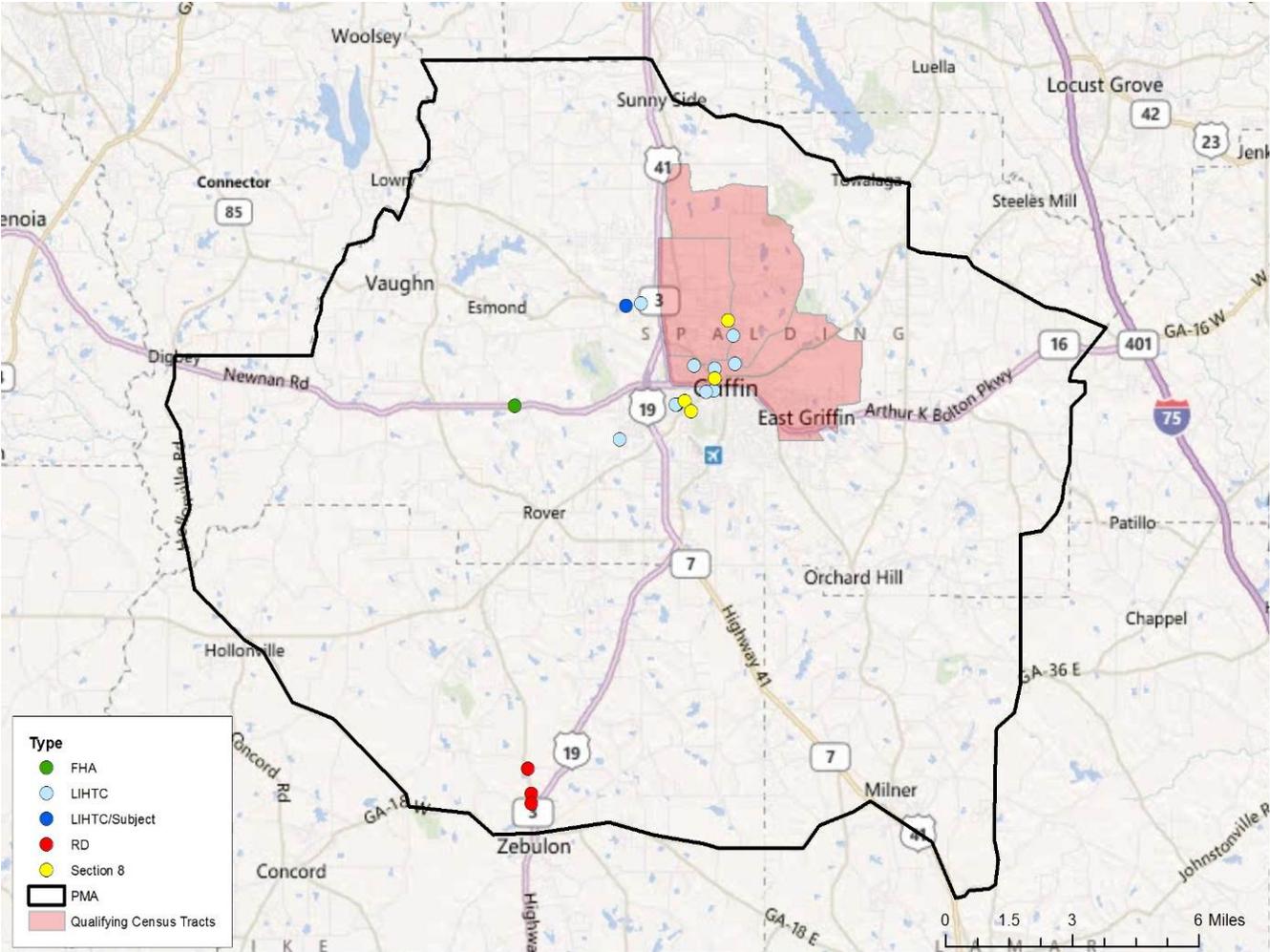
The family market rate property Griffin Crossing is located 0.6 miles east of the site. The property is in overall good condition and is 91 percent occupied. We have also included this property as a comparable in our analysis.

8. Existing Assisted Rental Housing

Property Map:

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

Name	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject	Map Color	
431 N. Fifth St.	LIHTC	Family	Excluded	Only one unit	4.8 miles	Cyan	
935 Ray St.	LIHTC	Family	Excluded	Only one unit	2.9 miles		
412 W. Quilly St.	LIHTC	Family	Excluded	Only one unit	3.3 miles		
1307 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles		
1319 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles		
1321 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles		
1333 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles		
Glenco Trace	LIHTC	Senior	Included	N/Ap	0.4 miles		
Marion Point	LIHTC/Market	Family	Included	N/Ap	3.9 miles		
Pine Hill	LIHTC	Family	Excluded	Only offers 3BR units	3.9 miles		
Poplar Grove	LIHTC/Market	Family	Excluded	Undergoing renovations; management not available	3.8 miles		
St. Philip Villa	LIHTC/Market	Family	Included	N/Ap	5.1 miles		
Regency Apartments	Section 8	Family	Excluded	All units are subsidized	3.9 miles		Yellow
Northside Hills Apartments	Section 8	Family	Excluded	All units are subsidized	2.8 miles		
Heritage Apartments	Section 8	Family	Excluded	All units are subsidized	5.3 miles		
St Georges Court	Section 8	Senior	Excluded	All units are subsidized	3.3 miles		
Piedmont Ridge I	RD	Family	Excluded	All units are subsidized	13.4 miles	Red	
Piedmont Ridge II	RD	Family	Excluded	All units are subsidized	14.5 miles		
Piedmont Ridge III	RD	Family	Excluded	All units are subsidized	13.5 miles		
Brightmoor Nursing Home	FHA	Special Needs	Excluded	Tenancy not comparable	5.9 miles	Green	



Affordable Properties and QCTs, Griffin, GA



9. Road/Infrastructure

Proposed Improvements:

According to our field work, there are no road/infrastructure improvements underway or planned in the Subject's immediate neighborhood.

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

The Subject will be accessed from West McIntosh Road, a moderately trafficked roadway containing single family, multifamily, and commercial/retail development. Overall, access and visibility are considered good.

11. Environmental Concerns:

None visible upon site inspection.

Detrimental Influences:

There are no significant detrimental influences.

12. Conclusion:

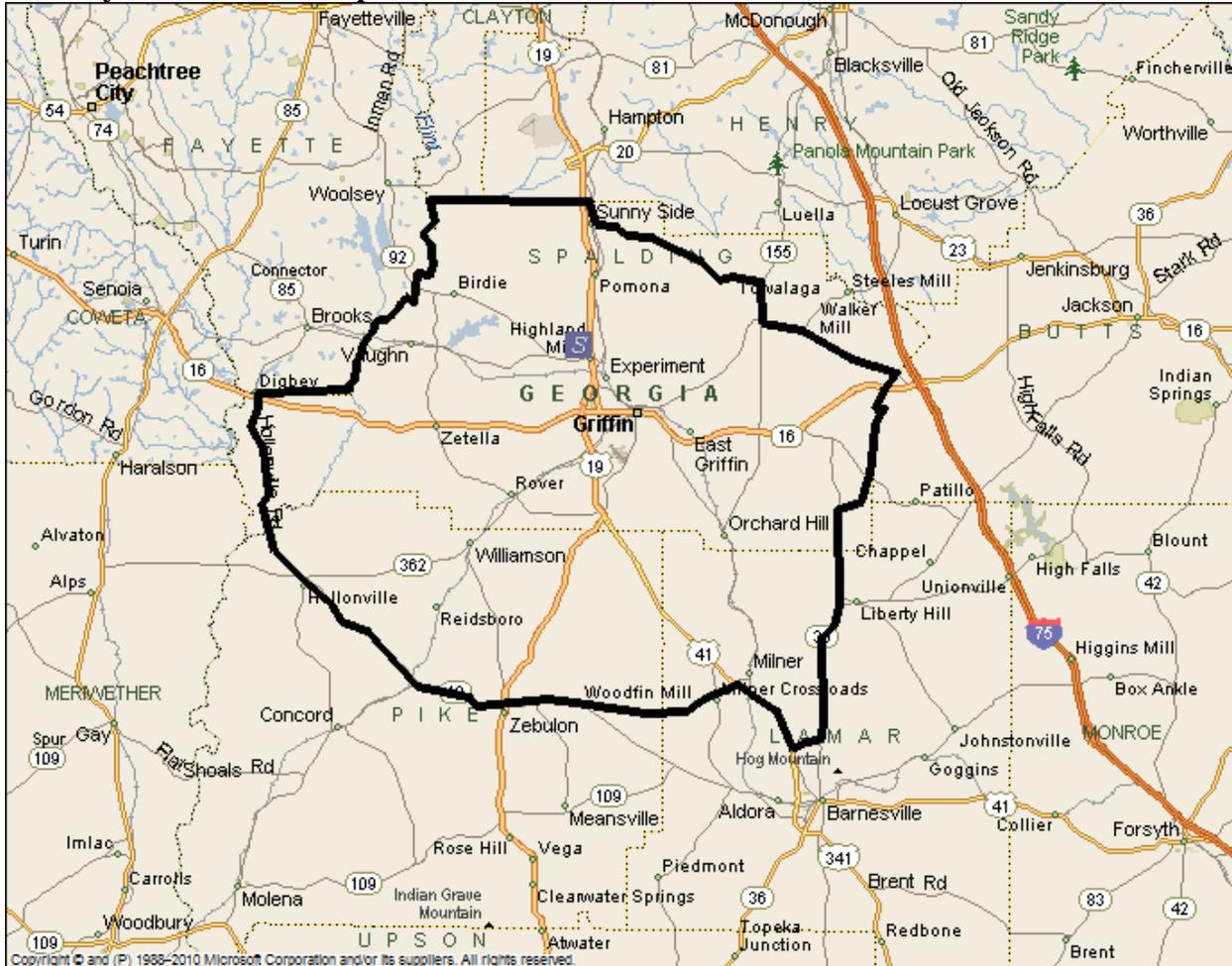
The Subject site is located at the intersection of West McIntosh Road and Cowan Road. The immediate neighborhood contains a variety of uses, including single family, multifamily, and commercial/retail development. Residential uses in the immediate neighborhood range from average to good condition. An abundance of retail is located within one mile of the Subject. Retail in the area is in generally good condition and appeared to be 90 to 95 percent occupied. The Subject's proximity to retail and local services will be a strength of the development. Overall, the Subject will fit well with the surrounding uses and the site is considered a desirable location for senior rental housing.

D. MARKET AREA

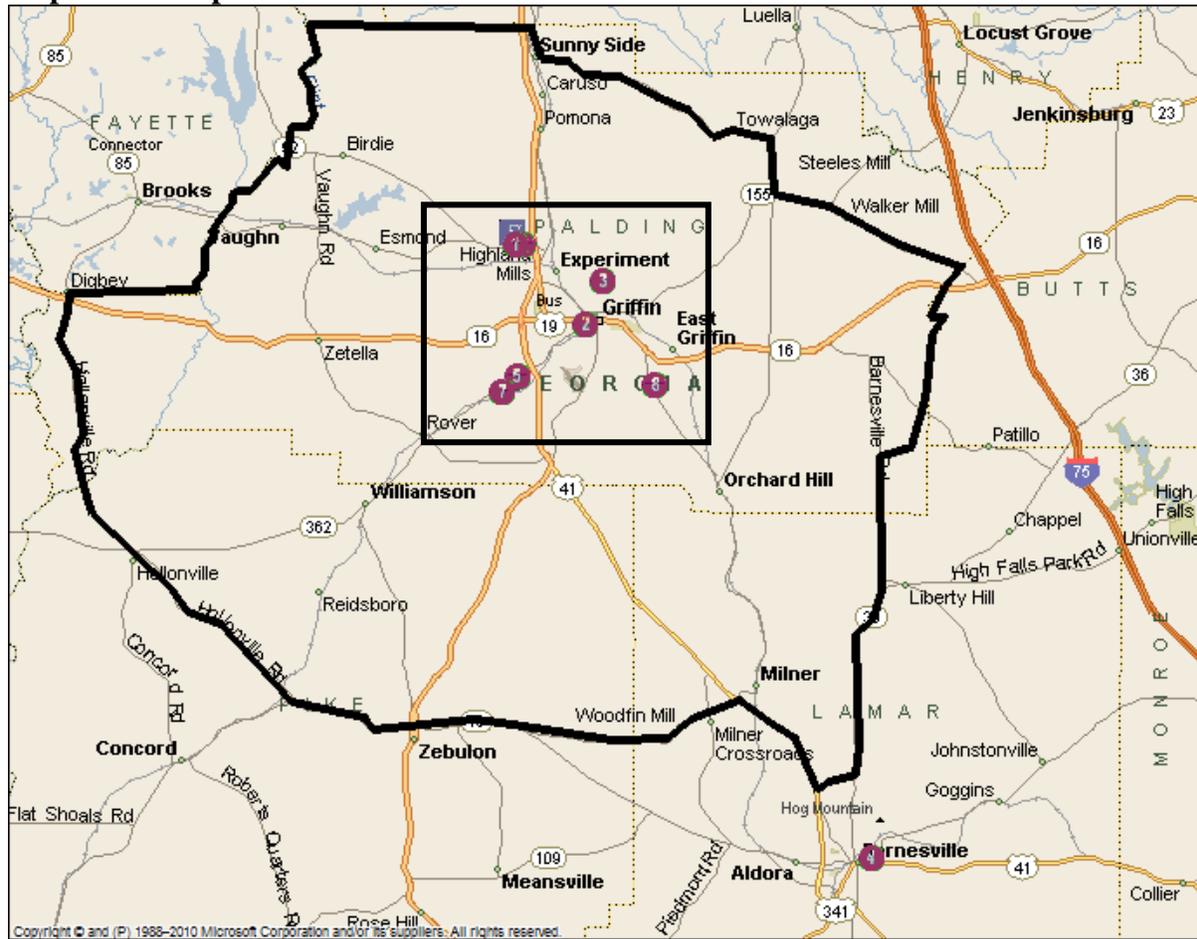
PRIMARY MARKET AREA

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

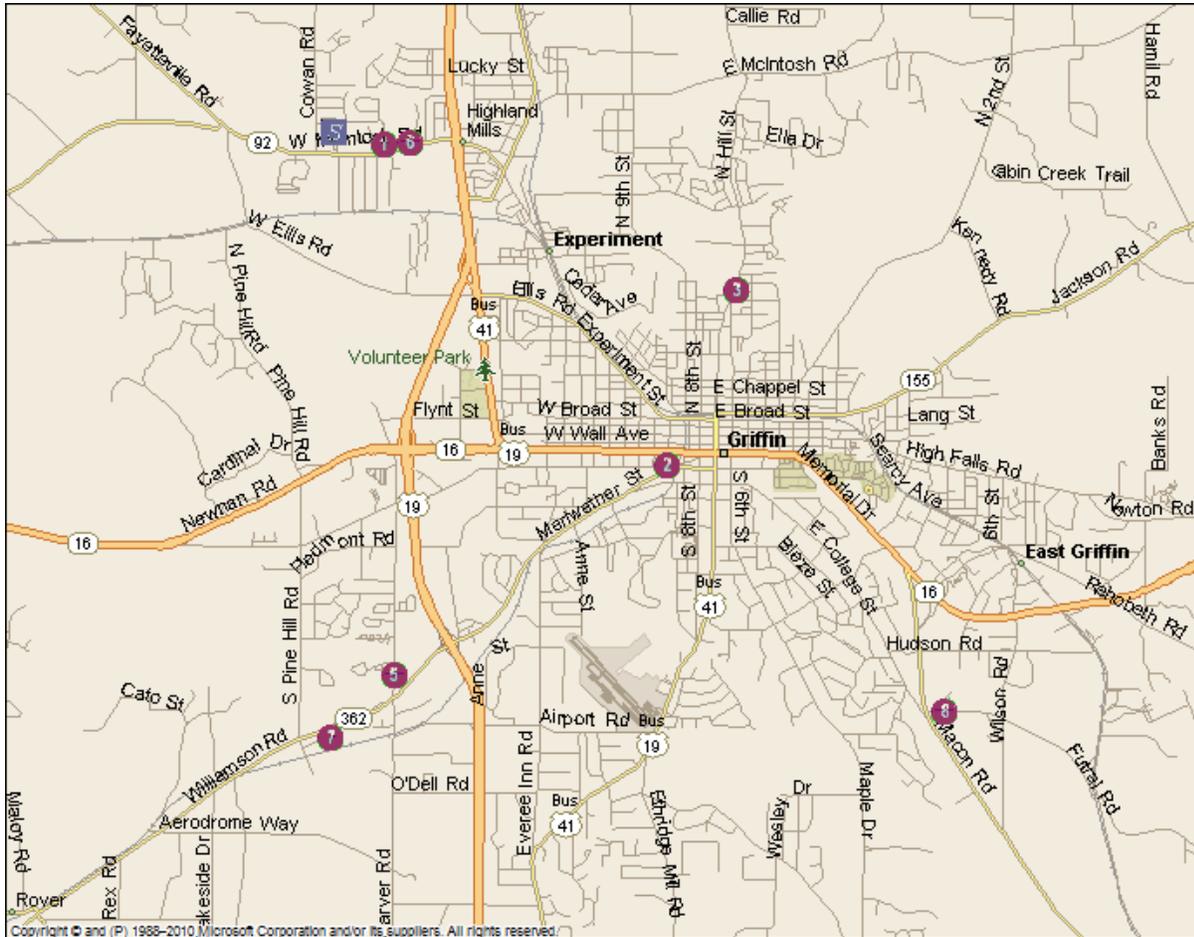
Primary Market Area Map



Comparable Properties

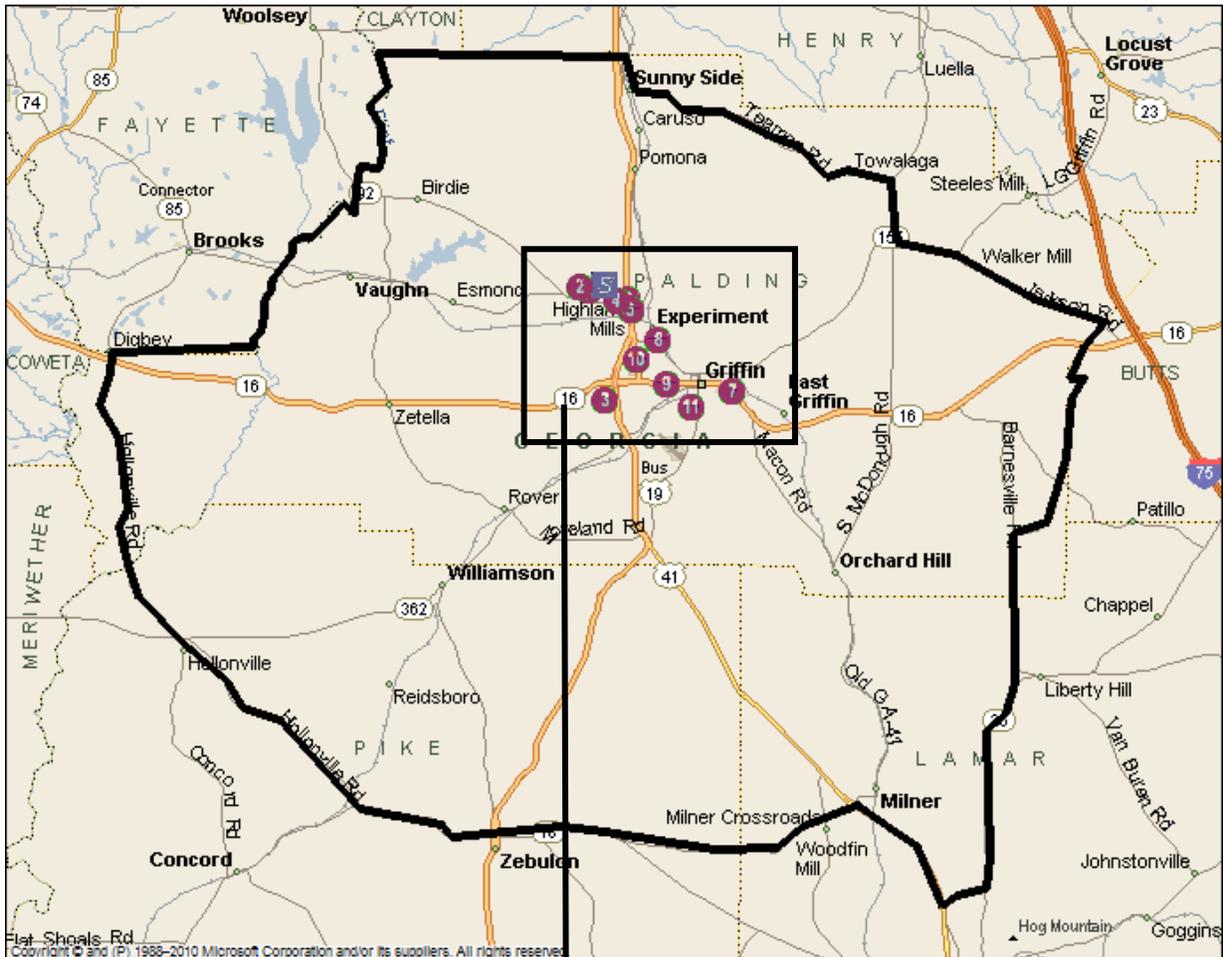


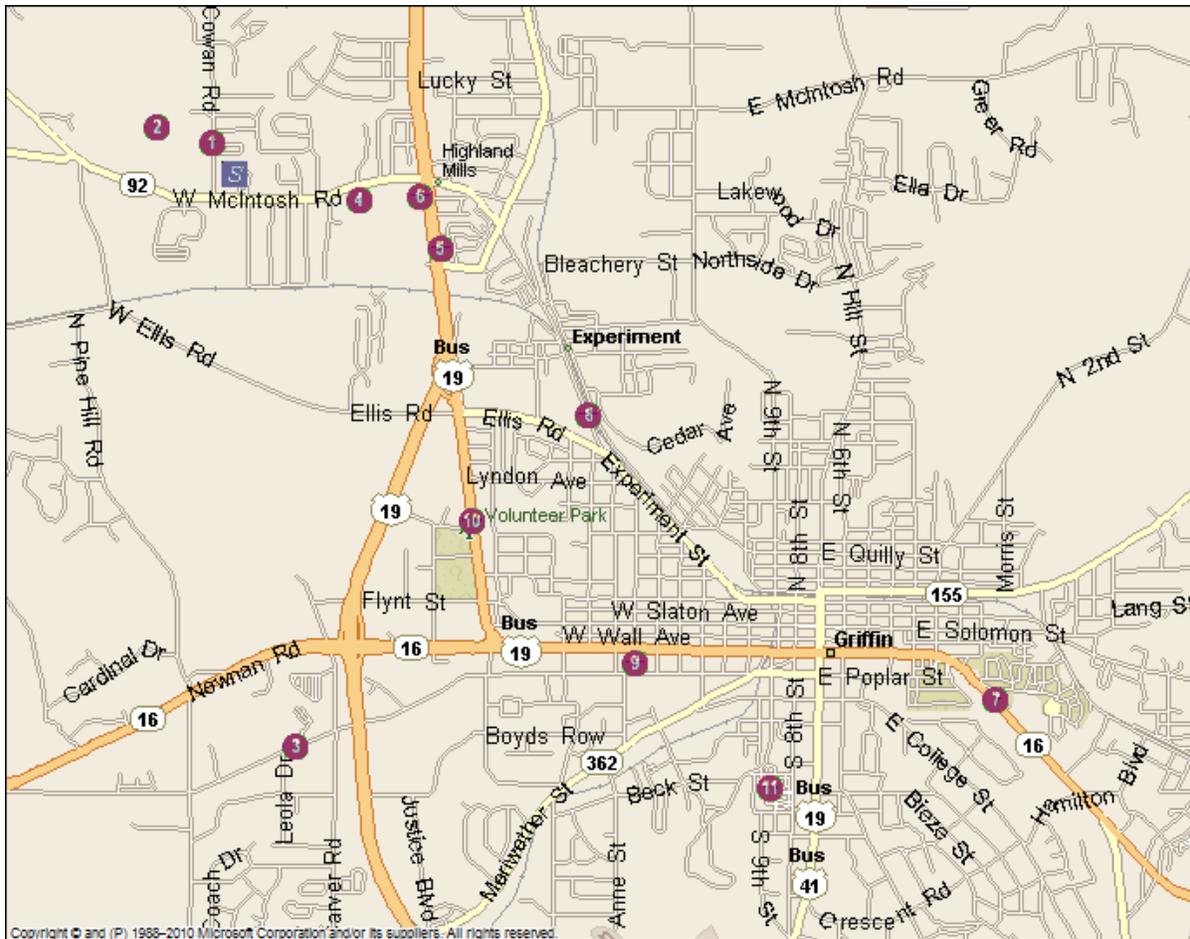
McIntosh Senior Village, Griffin, GA; Market Study



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Locational Amenities





The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Atlanta-Marietta-Sandy Springs MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

- North – Spalding County line, Jackson Road, and Teamon Road,
- South- East Milner Road, US Highway 41, and Hollonville Road
- East-The Spalding County line and Barnesville Road
- West- Hollonville Road and the Spalding County line

The area was defined based on interviews with property managers at comparable properties, interstate divides, and our site and neighborhood inspection. Management at Glenco Trace, the one senior LIHTC property in Griffin, indicated that the current residents are coming from Griffin as well as the surrounding areas such as Williamson and Orchard Hill. Management indicated that a new senior LIHTC property would pull tenants from these areas as there are very few rental housing options in the smaller surrounding towns. Therefore, we have included these areas in our PMA. We have drawn the northern boundary of the PMA at the county line as property managers indicated that they do not typically get tenants from Henry County as this is considered a separate market. While we believe that the majority of the Subject’s units will come from within the PMA boundaries, we have accounted for 15 percent leakage.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Atlanta-Sandy Springs-Marietta MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

1. Population Trends

The following tables illustrate (a) Total Population, (b.) Senior Population 55+ (c) Population by Age Group, and (d) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2000 through 2015.

POPULATION

Year	PMA		Atlanta-Sandy Springs-Marietta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	58,736	-	3,069,425	-	248,709,873	-
2000	64,300	0.9%	4,247,981	3.8%	281,421,906	1.3%
2010	73,007	1.3%	5,611,180	3.1%	311,212,863	1.0%
Prj Mrkt Entry						
June 2014	75,343	0.8%	6,056,917	2.0%	320,610,143	0.8%
2015	75,989	0.8%	6,180,206	2.0%	323,209,391	0.8%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

SENIOR POPULATION, 55+

Year	PMA		Atlanta-Sandy Springs-Marietta, GA MSA	
	Number	Annual Change	Number	Annual Change
2000	13,444	-	642,888	-
2010	18,123	3.4%	1,087,544	6.7%
Prj Mrkt Entry				
June 2014	20,091	2.8%	1,270,764	4.3%
2015	20,635	2.8%	1,321,442	4.3%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

POPULATION BY AGE IN 2010

Age Cohort	PMA		Atlanta-Sandy Springs-Marietta, GA MSA		USA	
	Number	Percentage	Number	Percentage	Number	Percentage
0-4	5,350	7.3%	417,914	7.4%	21,296,740	6.8%
5-9	5,159	7.1%	401,365	7.2%	20,832,961	6.7%
10-14	4,983	6.8%	388,707	6.9%	20,369,284	6.5%
15-19	4,996	6.8%	379,557	6.8%	21,883,995	7.0%
20-24	4,608	6.3%	379,685	6.8%	21,459,235	6.9%
25-29	4,901	6.7%	445,783	7.9%	21,517,303	6.9%
30-34	4,553	6.2%	417,120	7.4%	19,852,007	6.4%
35-39	4,831	6.6%	430,250	7.7%	20,531,543	6.6%
40-44	4,908	6.7%	430,608	7.7%	21,232,056	6.8%
45-49	5,386	7.4%	441,258	7.9%	23,163,948	7.4%
50-54	5,208	7.1%	391,389	7.0%	22,315,436	7.2%
55-59	4,655	6.4%	324,138	5.8%	19,742,941	6.3%
60-64	4,001	5.5%	261,583	4.7%	16,544,050	5.3%
65-69	2,997	4.1%	173,893	3.1%	12,081,110	3.9%
70-74	2,201	3.0%	116,523	2.1%	9,033,665	2.9%
75-79	1,711	2.3%	86,177	1.5%	7,339,326	2.4%
80-84	1,256	1.7%	63,573	1.1%	5,947,153	1.9%
85+	1,302	1.8%	61,657	1.1%	6,070,110	2.0%
Total	73,007	100.0%	5,611,180	100.0%	311,212,863	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

McIntosh Senior Village, Griffin, GA; Market Study

Number of Elderly and Non-Elderly - PMA

Year	PMA			Secondary Area (SMA, MSA, City, Village, etc)		
	Total Population	Non-Elderly	Elderly (65+)	Total Population	Non-Elderly	Elderly (65+)
1990	58,735	51,746	6,989	3,069,425	2,818,072	251,353
2000	64,299	56,786	7,513	4,247,981	3,921,325	326,656
2010	73,006	63,539	9,467	5,611,180	5,109,357	501,823
Prj Mrkt Entry June 2014	75,342	64,662	10,680	6,056,917	5,443,002	613,915
2015	75,988	64,972	11,016	6,180,206	5,535,287	644,919

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

Senior population in the PMA is projected to increase at a 2.8 percent annual rate over the next five years, but not quite as fast as the Atlanta-Sandy Springs-Marietta MSA during the same period. Annual population growth in the PMA and MSA is significant, with the PMA projected to have an annual growth rate in line with that of the nation from 2010 to 2014. In 2010, approximately 13 percent of the population in the PMA was elderly (above the age of 65 years), and is projected to increase to 14.5 percent in 2015.

2. Household Trends

2a. Total Number of Households, Average Household Size

HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs-Marietta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	21,000	-	1,140,843	-	91,947,410	-
2000	23,632	1.3%	1,554,154	3.6%	105,480,101	1.5%
2010	27,088	1.4%	2,025,678	3.0%	116,761,140	1.0%
Prj Mrkt Entry June 2014	28,032	0.9%	2,185,444	2.0%	120,363,270	0.8%
2015	28,293	0.9%	2,229,635	2.0%	121,359,604	0.8%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+

Year	PMA		Atlanta-Sandy Springs-Marietta, GA MSA	
	Number	Annual Change	Number	Annual Change
2000	8,199	-	387,483	-
2010	9,896	2.0%	576,461	4.8%
Prj Mrkt Entry June 2014	10,897	2.6%	696,333	5.3%
2015	11,174	2.6%	729,489	5.3%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Marietta, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	2.76	-	2.65	-	2.63	-
2000	2.68	-0.3%	2.68	0.1%	2.59	-0.1%
2010	2.65	-0.1%	2.72	0.2%	2.59	0.0%
Prj Mrkt Entry June 2014	2.64	-0.1%	2.73	0.0%	2.59	0.0%
2015	2.64	-0.1%	2.73	0.0%	2.60	0.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

Similar to population trends, annual senior household growth is projected to increase between 2010 and 2014 at a 2.6 percent annual rate, faster than the nation but not greater than the Atlanta

MSA. Due to the household growth, average household size is projected to remain fairly stable in the PMA over the next five years with a nominal annual change of 0.1 percent.

2b. Senior Households by Tenure

The table below depicts household growth by tenure from 1990 through 2015.

TENURE PATTERNS PMA (AGES 55+)

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
1990	-	-	-	-
2000	6,464	78.94%	1,724	21.06%
2010	7,777	78.61%	2,116	21.39%
Prj Mrkt Entry				
June 2014	8,513	78.18%	2,377	21.82%
2015	8,716	78.07%	2,449	21.93%

As the table illustrates, owner-occupied housing units dominate the housing market in the PMA. Nationally, approximately 13 percent of senior households are renters. The PMA has a higher percentage of renter households than the nation as a whole. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people. In 2010, approximately 21.39 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 74 percent lived in one or two person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

2c. Senior Households by Income

The following table depicts senior household income in 2010 for the PMA and MSA.

HOUSEHOLD INCOME OF SENIORS 55+ IN 2010

Income Cohort	PMA		Atlanta-Sandy Springs-Marietta, GA MSA		USA
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Percentage</i>
\$0-9,999	1,442	14.6%	52,495	9.1%	24.0%
\$10,000-19,999	1,473	14.9%	65,935	11.4%	23.3%
\$20,000-29,999	1,300	13.1%	64,560	11.2%	15.0%
\$30,000-39,999	1,209	12.2%	60,567	10.5%	10.3%
\$40,000-49,999	925	9.4%	53,468	9.3%	7.2%
\$50,000-59,999	752	7.6%	44,977	7.8%	5.2%
\$60,000-74,999	964	9.7%	54,316	9.4%	4.1%
\$75,000-99,999	1,085	11.0%	70,101	12.2%	4.7%
\$100,000+	743	7.5%	110,041	19.1%	6.3%
Total	9,893	100.0%	576,461	100.0%	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

The Subject will target households with income between \$16,200 and \$33,300. Approximately 40.2 percent of seniors above the age of 55 earn incomes between \$10,000 and \$39,999. Households in these income cohorts are expected to create demand for the Subject.

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

The following table illustrates the number of persons per household among renter households ages 55+.

Renter Households by Number of Persons - PMA (Ages 55+)

	2000		2010		Prj Mrkt Entry June 2014		2015	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	928	53.8%	1,132	53.5%	1,280	53.9%	1,322	54.0%
With 2 Persons	346	20.0%	433	20.5%	486	20.4%	501	20.4%
With 3 Persons	229	13.3%	279	13.2%	306	12.9%	314	12.8%
With 4 Persons	79	4.6%	99	4.7%	104	4.4%	106	4.3%
With 5+ Persons	142	8.3%	174	8.2%	200	8.4%	207	8.5%
Total Renter Households	1,724	100.0%	2,116	100.0%	2,377	100.0%	2,449	100.0%

Source: Ribbon Demographics 2007, Novogradac & Company LLP, April 2012

In 2010, approximately 74 percent of people over the age of 55 were living in one and two person households in the PMA. This trend is projected to remain relatively stable over the next five years. This bodes well for the Subject’s one- and two-bedroom units.

2e and f. Elderly and HFOP

Per DCA’s guidelines, elderly households populations will be based on households who are 62 years and older and HFOP populations will be based on households who are 55 years or older according to the census.

CONCLUSION

The Subject is located in Griffin, Spalding County, Georgia. Overall demographics are strong for the Subject’s age-restricted units. In 2010, the senior population above the age of 55 was approximately 18,123. Both the senior population and the number of households with a senior householder above the age of 55 are projected to increase by 2015. This is a strong growth rate that suggests there is sufficient demand for the Subject.

This steady 2.6 percent annual growth rate in the PMA, although less than the Atlanta MSA, is much greater than the nation and also illustrates the demand for the Subject.

In addition to the positive growth trends, the strong tenure patterns also demonstrate strong demand for the Subject. In 2010, approximately 21.39 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 74 percent lived in one or two person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

The Subject will target households with income between \$16,200 and \$33,300. Approximately 40.2 percent of seniors above the age of 55 earn incomes between \$10,000 and \$39,999. Households in these income cohorts are expected to created demand for the Subject.

F. EMPLOYMENT TRENDS

Employment Trends

In this section of the report we will provide an assessment of current and forecasted economic conditions and employment characteristics, including an analysis of recent trends and how they relate to demand for additional new rental housing. Economic data will focus on the Atlanta–Sandy Springs-Marietta, GA Metropolitan Statistical Area and Spalding County, Georgia. Examining economic data will provide a picture of the general health of the community and its ability to support new multifamily construction.

Consistent with national trends, the greater MSA and PMA areas have undergone economic contractions over 2009 that continued into 2011 and are just starting to turn around and show positive growth in 2012. Various industries including retail, manufacturing and even historically stable industries such as healthcare have experienced layoffs. While there are some announced expansions in the MSA, these are subject to the continuing economic recession, market demand fluctuations, and constraints on obtaining financing.

1. Total Jobs

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

Total Jobs in Spalding County

Year	Total Employment	% Change
2001	22,705	
2002	22,801	0.42%
2003	22,510	-1.29%
2004	23,572	4.51%
2005	23,997	1.77%
2006	23,268	-3.13%
2007	23,297	0.12%
2008	22,259	-4.66%
2009	20,662	-7.73%
2010	20,650	-0.06%
2011 YTD Average*	20,890	1.15%
Sep-10	20,579	-
Sep-11	20,862	1.36%

Source: U.S. Bureau of Labor Statistics

*YTD as of Sept 11

Spalding County posted strong employment growth in 2004 and 2005 but total employment decreased significantly in 2008 and 2009 due to the impact of the nation-wide recession and continuing economic downturn. Average annual employment estimates roughly reflect the year-over-year change in total employment, which increased by 1.36 percent from September 2010 to September 2011. It should be noted that differences in the total jobs and total jobs by industry are due to rounding.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the County as of third quarter of 2011.

SEPT 2011 EMPLOYMENT JOBS BY INDUSTRY

Spalding County

Industry	Number Employed	Percent Employed
Education and Health Services	4,082	24.88%
Trade, Transportation, and Utilities	3,788	23.09%
Manufacturing	2,483	15.14%
Professional and Business Services	2,341	14.27%
Leisure and Hospitality	2,024	12.34%
Financial Activities	641	3.91%
Other Services	482	2.94%
Construction	366	2.23%
Information	124	0.76%
Unclassified	40	0.24%
Natural Resources and Mining	33	0.20%
Public Administration*	-	0.00%
Total Employment	16,404	100.00%

*Monthly data is not available

Source: U.S. Bureau of Labor Statistics 2010. Covered Employment

The largest sector in Spalding County, according to the Bureau of Labor Statistics, is the education and health services industry, followed by the trade/transportation/utilities industry. Education and Health Services are historically considered to be stable employers and could provide some additional stability to the local economy during a recession. The trade-transportation-utilities industry is historically an unstable sector and has suffered several layoffs and closures from the nation-wide recession as illustrated in the expansions/contractions section. It should be noted that differences in the total jobs and total jobs by industry are due to rounding

The following table illustrates employment by industry in the PMA.

2010 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Retail Trade	3,779	13.7%	15,464,986	11.4%
Manufacturing	3,723	13.5%	13,047,475	9.6%
Educational Services	2,843	10.3%	14,168,096	10.4%
Construction	2,783	10.1%	8,872,843	6.5%
Health Care/Social Assistance	2,507	9.1%	18,891,157	13.9%
Accommodation/Food Services	1,787	6.5%	9,114,767	6.7%
Transportation/Warehousing	1,721	6.2%	5,487,029	4.0%
Other Services (excl Publ Adm)	1,611	5.8%	6,679,783	4.9%
Public Administration	1,578	5.7%	6,916,821	5.1%
Admin/Support/Waste Mgmt Svcs	1,014	3.7%	5,114,479	3.8%
Finance/Insurance	921	3.3%	6,883,526	5.1%
Prof/Scientific/Tech Services	841	3.1%	8,520,310	6.3%
Wholesale Trade	739	2.7%	4,407,788	3.2%
Real Estate/Rental/Leasing	557	2.0%	2,825,263	2.1%
Arts/Entertainment/Recreation	368	1.3%	2,628,374	1.9%
Information	317	1.2%	3,158,778	2.3%
Utilities	233	0.8%	1,115,793	0.8%
Agric/Forestry/Fishing/Hunting	202	0.7%	1,790,318	1.3%
Mgmt of Companies/Enterprises	35	0.1%	202,384	0.1%
Mining	3	0.0%	723,991	0.5%
Total Employment	27,562	100.0%	136,013,961	100.0%

The largest industries in the PMA are manufacturing, retail trade, and educational services. Together, these three industries comprise 37.56 percent of employment in the PMA. Manufacturing and retail trade are overrepresented in the PMA when compared to the nation. Although the health care/social services industry is a large industry in the PMA, there are a smaller percentage of workers employed in this industry than in the nation. Educational Services are slightly underrepresented in the PMA when compared to the nation. The most underrepresented industry in the PMA when compared to the nation is the healthcare industry.

3. Major Employers

The diversification of the Atlanta economic base is indicated by the following list of the MSA’s ten largest employers.

The Atlanta area is generally considered the regional hub of the southeastern United States. Atlanta is the headquarters for several major corporations. Additionally, Atlanta’s Hartsfield-Jackson International Airport is the hub of Delta Airlines, the largest employer in Atlanta, and of Airtran Airways.

MAJOR EMPLOYERS

Atlanta-Sandy Springs-Marietta, GA MSA

Employer	Industry	Number Employed
Delta Air Lines, Inc.	Transportation	25,000
Wal-Mart Stores, Inc.	Retail	23,600
Gwinnett County Public Schools	Education	20,821
AT&T Inc.	Telecommunications	20,325
Emory University	Education	19,873
Cobb County School District	Education	15,211
DeKalb County School System	Education	13,890
Fulton County Schools	Education	11,894
United States Postal Service	Government	10,258
WellStar Health System, Inc.	Healthcare	9,067
The Home Depot, Inc.	Retail	9,000
Clayton County Public Schools	Education	8,200
Children's Healthcare of Atlanta	Healthcare	7,572
Georgia Institute of Technology	Education	7,566
DeKalb County Government	Government	7,188
Lockheed Martin Aeronautics	Defense	7,091

Source: *Atlanta Business Chronicle*, Novogradac & Company LLP, March 2012

Spalding County Major Manufacturing Employers

Map Number	Company	Industry	Employees
1	Caterpillar, Inc.	Manufacturing	900
2	1888 Mills/Southern Terry	Manufacturing	375
3	Norcom	Manufacturing	280
4	AEP Industries, Inc	Manufacturing	250
5	Supreme Corp	Manufacturing	200

Source: Griffin-Spalding Development Authority 06/2012

Spalding County Major Non-Manufacturing Employers

Map Number	Company	Industry	Employees
1	Griffin-Spalding County School System	Education	1,550
2	Spalding Regional Medical Center	Hospital	900
3	Spalding County	Government	611
4	City of Griffin	Government	490
5	University of Georgia - Griffin Campus	Education	405
6	Southern Crescent Technical College	Education/Research	360
7	AT&T	Utility	126

Source: Griffin-Spalding Development Authority 06/2012

The largest employers in the MSA are the transportation, education, and retail sectors. The prevalence of the retail trade industry in the Atlanta area exposes the local economy to the effects of the current recession however it is also stabilized at the same time due to the prevalence of the education sector and Delta within the transportation sector. Other industries are also heavily represented in the major employers in the MSA including telecommunications and healthcare.

The fact that the major employers are operating within a diverse mixture of stable industries is a good indicator of a strong economy.

The major employers in Spalding County concentrate heavily in Manufacturing, Education and Government with a total manufacturer count of 115 companies and total number of employees in manufacturing totaling 5,472 according to recent information from the Griffin-Spalding Development Authority. The education sector employees over 2,300 people and the Government sector employees over 1,100 people.

Expansions/Contractions

The following table lists some of these expansions in the larger metropolitan Atlanta area. It should be noted that the following table is not a comprehensive list.

BUSINESS EXPANSIONS*
Atlanta-Sandy Springs-Marietta, GA MSA

Year	Employer	Industry	Location	Jobs
2012	PointClear	Technology	Atlanta	10
2012	Fresenius Medical	Healthcare	Kennesaw	120
2011	ThyssenKrupp	Information	Alpharetta	110
2011	FedEx Ground	Distribution	Norcross	315
2011	Macy's	Retail	Johns Creek	150
2011	Cadiillac Jack	Information	Duluth	40
2010	Hewlett-Packard	Information	Alpharetta	1,000
2010	Vesta	Call Centers	Alpharetta	500
2010	SKC, Inc.	Manufacturing	Covington	120
2010	Novelis, Inc.	Manufacturing	Atlanta	80
2010	Phillips-Van Buren	Distribution	McDonough	150
2010	Callaway Black Group	Branch Office	Atlanta	30
2010	Chart Industries	Manufacturing	Atlanta	80
2010	CT&T	Branch Office & Showroom	Atlanta	40
2010	Endeavor Telecom	Headquarters	Atlanta	120
Total				2,865

Source: GA Department of Labor

*List is not comprehensive

As the previous table demonstrates, expansions in the metropolitan Atlanta market have been in various industries that have been affected by the economic downturn including retail and manufacturing. However, these industries have adapted to the current market including Macy's, which is expanding its e-commerce department.

The following table lists business closures and layoffs in the Atlanta area in 2011-2012 according to Georgia Department of Labor's Worker Adjustment and Retraining Notification (WARN) notices.

McIntosh Senior Village, Griffin, GA; Market Study

WARN NOTICES				
Metro Atlanta - 2011 to 2012				
Company	City	County	Affected Employees	Notification Date
The Atlanta Journal Constitution	Smyrna	Cobb	102	5/8/2012
The Atlanta Journal Constitution	Kennesaw	Cobb	150	4/17/2012
Best Buy	Fayetteville	Fayette	58	4/16/2012
DAL Global Services	Atlanta	Fulton	170	3/20/2012
Grainger	Alpharetta	Fulton	68	3/16/2012
Bank Of America	College Park	Fulton	57	3/16/2012
Crescent Hotels & Resorts, Llc	Atlanta	Fulton	42	3/2/2012
Csc Applied Technology	Atlanta	Fulton	78	3/1/2012
Maximus	Atlanta	Fulton	25	3/1/2012
Seimens Healthcare	Atlanta	Fulton	28	3/1/2012
Medline Industries	Lithia Springs	Douglas	40	3/1/2012
The Atlanta Journal Constitution	Conyers	Rockdale	80	2/9/2012
Concessions International/Paschals	Atlanta	Fulton	530	2/6/2012
Cox Communications	Atlanta	Dekalb	133	1/27/2012
The Atlanta Journal Constitution	Fayetteville	Fayette	70	1/10/2012
Ryder	Lawrenceville	Gwinnett	34	1/9/2012
Bloomingle's	Atlanta	Dekalb	141	1/4/2012
Mckesson Technology	Alpharetta	Fulton	174	12/8/2011
Netspend Corp	Atlanta	Dekalb	80	12/6/2011
Hms Host	Lawrenceville	Gwinnett	53	11/22/2011
Thomson Reuters	Atlanta	Cobb	28	11/17/2011
Syms Corp	Norcross	Gwinnett	17	11/7/2011
Syms Corp	Marietta	Cobb	15	11/7/2011
Filene's Basement	Atlanta	Fulton	37	11/7/2011
Southern Ice Cream Specialities	Marietta	Cobb	140	10/31/2011
Kmart	Doraville	Dekalb	70	10/31/2011
Nco Financial Systems	Norcross	Gwinnett	67	10/20/2011
Ccp North America	Stone Mountain	Dekalb	45	10/19/2011
Nordson	Norcross	Gwinnett	70	9/30/2011
Dendreon	Union City	Fulton	117	9/9/2011
Litton Loan Servicing (Lls)	Mcdonough	Henry	191	9/6/2011
Lowe's	Riverdale	Clayton	98	8/15/2011
Kmart Corporation	Doraville	Gwinnett	78	8/9/2011
Decatur Hotel	Decatur	Dekalb	55	8/4/2011
Wsi (Wackenhut)	Fort Mcpherson	Fulton	50	7/27/2011
Prestige Maintenance Usa	Plano	Fulton	114	7/26/2011
Archbrook Laguna	Kennesaw	Cobb	87	7/6/2011
Ch2m Hill	Atlanta	Fulton	21	6/6/2011
Rts (Flextronics Americas)	Atlanta	Fulton	89	5/27/2011
Rr Donnelley	East Point	Fulton	115	5/25/2011
Manheim Metro Atlanta (Manheim Remarketing)	Atlanta	Fulton	171	5/24/2011
Sosi Instrument Management	Marietta	Cobb	90	4/18/2011
Brevard Achievement Center	Forest Park	Clayton	28	4/8/2011
Golden Living Center-Medical Arts	Lawrenceville	Gwinnett	83	4/1/2011
Jcpenney Corporation	Duluth	Gwinnett	32	3/22/2011
Jcpenney Corporation	Morrow	Clayton	127	3/22/2011
Onewest Bank	Norcross	Gwinnett	92	3/21/2011
Visual Pak	Union City	Fulton	15	3/11/2011
The Atlanta Journal Constitution	Kennesaw	Cobb	99	2/24/2011
Siemens	Canton	Cherokee	18	2/1/2011
Nioxin	Lithia Springs	Douglas	62	1/31/2011
Continental Plastics	Alpharetta	Fulton	86	1/24/2011
Nco Financial Systems	Hapeville	Fulton	90	1/19/2011
Turner Entertainment	Atlanta	Fulton	77	1/18/2011
Cardinal Health	Mcdonough	Henry	156	1/14/2011
Macy's	Union	Fulton	99	1/6/2011
Bj's Wholesale Club, Inc.	Norcross	Gwinnett	73	1/5/2011
Bj's Wholesale Club, Inc.	Mcdonough	Henry	67	1/5/2011
Bj's Wholesale, Inc.	Austell	Cobb	79	1/5/2011
2011 Total			3,435	
2012 Total			1,806	
2011 and 2012 Total			5,241	

Source: Georgia Department of Labor, Novogradac & Company LLP, 5/2012

Due to the difference in the years of the expansions and layoffs, we cannot offer a comparison of Metro Atlanta area lost jobs versus those created to provide a net gained or lost.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for the MSA from 2000 to 2011 (through December).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Marietta, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2001	2,335,175	-	3.6%	-	136,933,000	-	4.7%	-
2002	2,330,487	-0.2%	4.9%	1.3%	136,485,000	-0.3%	5.8%	1.1%
2003	2,334,092	0.2%	4.8%	-0.1%	137,736,000	0.9%	6.0%	0.2%
2004	2,379,513	1.9%	4.7%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,456,221	3.2%	5.3%	0.6%	141,730,000	1.8%	5.1%	-0.4%
2006	2,535,341	3.2%	4.7%	-0.6%	144,427,000	1.9%	4.6%	-0.5%
2007	2,604,115	2.7%	4.6%	-0.1%	146,047,000	1.1%	4.6%	0.0%
2008	2,582,627	-0.8%	6.2%	1.6%	145,362,000	-0.5%	5.8%	1.2%
2009	2,424,779	-6.1%	9.8%	3.6%	139,877,000	-3.8%	9.3%	3.5%
2010	2,388,182	-1.5%	10.2%	0.4%	139,064,000	-0.6%	9.6%	0.3%
2011	2,427,996	1.7%	9.6%	-0.6%	139,869,000	0.6%	8.9%	-0.7%
2012 YTD Average*	2,462,527	1.4%	10.2%	0.6%	140,314,000	0.3%	8.8%	-0.2%
Feb-2011	2,404,227	-	9.9%	-	138,093,000	-	9.5%	-
Feb-2012	2,468,607	2.7%	9.0%	-0.9%	140,684,000	1.9%	8.7%	-0.8%

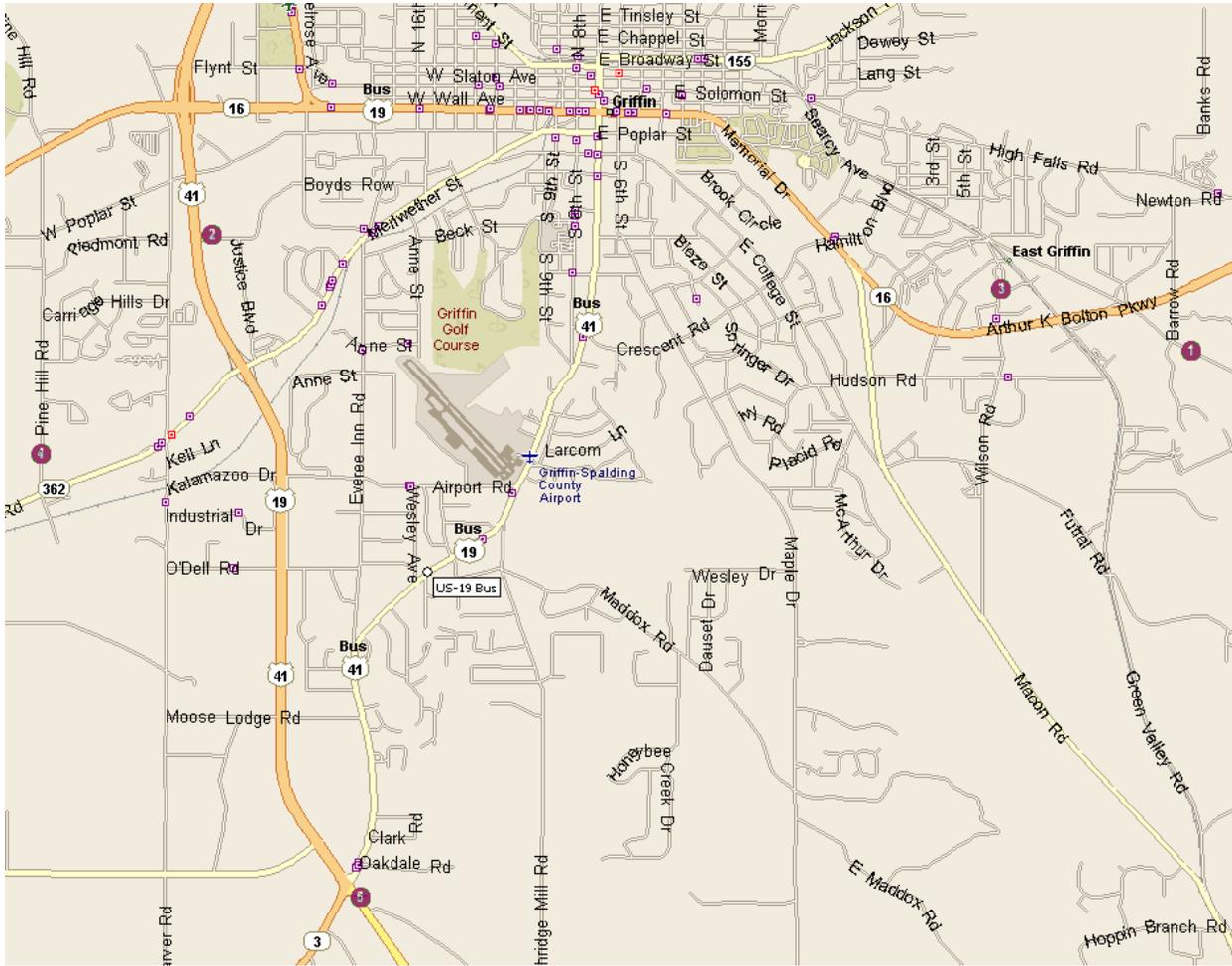
Source: U.S. Bureau of Labor Statistics, Novogradac & Company LLP, April 2012
 *2012 data is through Annual

Between 2010 and 2011, total employment in the MSA increased by 1.7 percent, causing the unemployment rate to decrease 0.6 percentage points. In 2011, the unemployment rate was 9.6 percentage points, and 0.7 percentage points higher than the national average. Between February 2011 and February 2012, total employment increased 2.7 percent, and the unemployment rate decreased 0.9 percentage points. As of February 2012, the unemployment rate was slightly above the unemployment rate of the US, but the high rate of growth in total employment indicates a quicker recovery in the MSA compared to the nation.

5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in Spalding County.

McIntosh Senior Village, Griffin, GA; Market Study

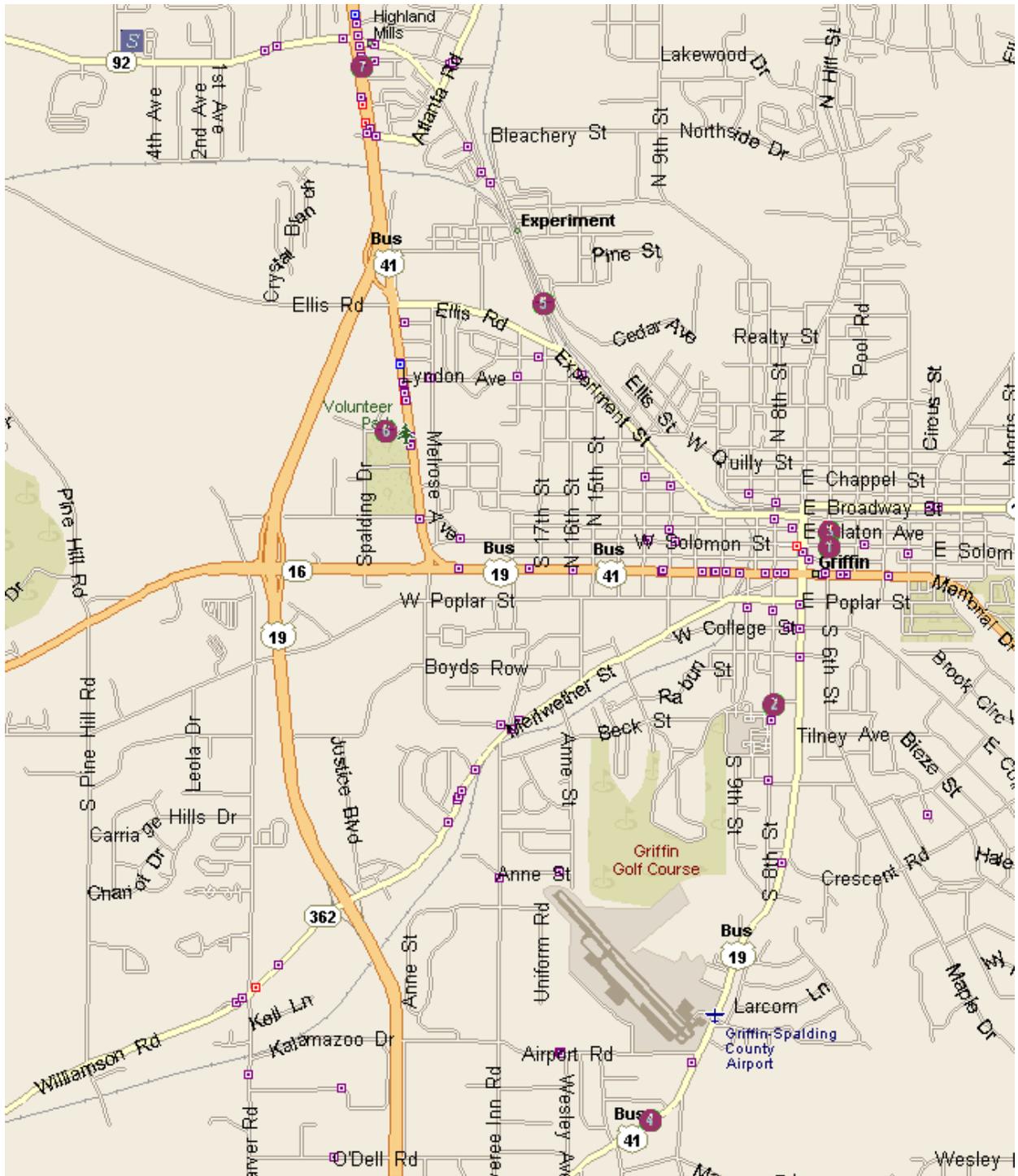


Spalding County Major Manufacturing Employers

Map Number	Company	Industry	Employees
1	Caterpillar, Inc.	Manufacturing	900
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5	Supreme Corp	Manufacturing	200

Source: Griffin-Spalding Development Authority

McIntosh Senior Village, Griffin, GA; Market Study



Spalding County Major Non-Manufacturing Employers

Map Number	Company	Industry	Employees
1	Griffin-Spalding County School System	Education	1,550
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3	Spalding County	Government	611
4	City of Griffin	Government	490
5	University of Georgia - Griffin Campus	Education	405
6	Southern Crescent Technical College	Education/Research	360
7	AT&T	Utility	126

Source: Griffin-Spalding Development Authority 06/2012

Conclusion

Between 2010 and 2011, total employment in the MSA increased by 1.7 percent, causing the unemployment rate to decrease 0.6 percentage points. In 2011, the unemployment rate was 9.6 percentage points, and 0.7 percentage points higher than the national average. Between February 2011 and February 2012, total employment increased 2.7 percent, and the unemployment rate decreased 0.9 percentage points. As of February 2012, the unemployment rate was slightly above the unemployment rate of the US, but the high rate of growth in total employment indicates a quicker recovery in the MSA compared to the nation.

From 2002 through 2007, total MSA employment increased steadily. In 2008, total MSA employment decreased by 6.1 percent, compared to a national employment decrease of 3.8 percent for the same period of study. This is a result of the economic downturn that began in late 2008. Overall, the area has been severely impacted by the national foreclosure crisis, housing market downturn, and recession and will likely be on par or lag slightly with national trends in terms of recovery in the near term.

The Spalding major employers are dominated by the manufacturing industry, manufacturing of all kinds are experiencing setbacks in this recessed economy and could be considered unstable. However, the economy is also stabilized by the strong Education and Government presence in the Griffin-Spalding area. The education sector employees over 2,300 people and the government sector employees over 1,100 people. It is notable however that manufacturing is over represented in comparison to the nation and the Subject will target seniors 55 and above. As a senior property, we expect that the Subject will be less affected by the local economic recession given that most senior tenants at the comparables are retired.

PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). However, very few senior households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

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

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

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2014, the anticipated date of market entry, as the base year for the analysis. Therefore, 2010 household population estimates are inflated to 2014 by interpolation of the difference between 2010 estimates and 2014 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2014. This number takes the overall growth from 2000 to 2014 and applies it

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

3B. DEMAND FROM EXISTING HOUSEHOLDS

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

The second source (2b.) is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source (2c.) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that we have lowered the demand from seniors who convert to homeownership to be at or below 20 percent. Management indicated that in the past few years seniors have found it more difficult to sell their homes. As a result, fewer of the tenants at Glenco Trace have converted from homeownership. Management estimates that approximately 10 percent of the current seniors sold their homes in the past few years in order to rent at the property. Management at the senior LIHTC property Villas on Forsyth, which is located just south of the PMA in Barnesville, also estimated that approximately 10 percent of their current seniors sold homes in order to live at the property. Therefore, we have estimated a senior homeownership conversion of 10 percent in our demand analysis.

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

3C. SECONDARY MARKET AREA

To accommodate for the secondary market area, the Demand from Existing Qualified Households within the primary market area will be multiplied by 115% to account for demand from the secondary market area. Area property managers indicated that while the majority of their tenants come from Griffin and the surrounding areas, they regularly have senior tenants who move to their properties in order to be closer to family members. While we do believe that the majority of the Subject's units will come from within the PMA boundaries, we have accounted for 15 percent leakage.

3D. OTHER

DCA does not consider household turnover to be a source of market demand.

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2000 to the present.

ADDITIONS TO SUPPLY

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we deduct additions to supply allocated since 2010 to present and those that will be constructed through 2012 that are considered directly competitive.

There are no senior properties in the PMA that have been built since 2010 or that are proposed/under construction. The only senior property in the PMA is Glenco Trace, which was built in 2000. However, all of the units at this property are set at the 35 and 40 percent AMI levels whereas the Subject's units are set at the 50 and 60 percent AMI levels. Due to the lack of senior data in the PMA, the senior LIHTC property Villas of Forsyth has been used as a comparable in our analysis; however, this property is located south of the PMA in Barnesville. Therefore, we have not deducted the units at this property from our analysis.

PMA OCCUPANCY

Per DCA's guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the total competitive units in the PMA.

PMA OCCUPANCY

Property	Type	Tenancy	Occupancy*	Included/ Excluded	Reason for Exclusion	Distance from Subject
431 N. Fifth St.	LIHTC	Family	N/Av	Excluded	Only one unit	4.8 miles
935 Ray St.	LIHTC	Family	N/Av	Excluded	Only one unit	2.9 miles
412 W. Quilly St.	LIHTC	Family	N/Av	Excluded	Only one unit	3.3 miles
1307 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1319 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1321 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1333 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
Glenco Trace	LIHTC	Senior	100%	Included	N/Av	0.4 miles
Marion Point	LIHTC/Market	Family	83%	Included	N/Av	3.9 miles
Pine Hill	LIHTC	Family	94%	Excluded	Only offers 3BR units Undergoing renovations; management not available	3.9 miles
Poplar Grove	LIHTC/Market	Family	N/Av	Excluded	management not available	3.8 miles
St. Philip Villa	LIHTC/Market	Family	100%	Included	N/Av	5.1 miles
Regency Apartments	Section 8	Family	100%	Excluded	All units are subsidized	3.9 miles
Northside Hills Apartments	Section 8	Family	N/Av	Excluded	All units are subsidized	2.8 miles
Heritage Apartments	Section 8	Family	N/Av	Excluded	All units are subsidized	5.3 miles
St Georges Court	Section 8	Senior	100%	Excluded	All units are subsidized	3.3 miles
Piedmont Ridge I	RD	Family	N/Av	Excluded	All units are subsidized	13.4 miles
Piedmont Ridge II	RD	Family	N/Av	Excluded	All units are subsidized	14.5 miles
Piedmont Ridge III	RD	Family	N/Av	Excluded	All units are subsidized	13.5 miles
Brightmoor Nursing Home	FHA	Special Needs	N/Av	Excluded	Tenancy not comparable	5.9 miles
Willow Creek	Market	Family	98%	Included	N/Av	6.6 miles
Walden Poine Apartments	Market	Family	94%	Included	N/Av	5.3 miles
Versailles Apartments	Market	Family	80%	Excluded	More comparable properties available	3.1 miles
Ashford Place	Market	Family	88%	Included	N/Av	4.6 miles
Griffin Crossing Apartments	Market	Family	91%	Included	N/Av	0.6 miles
Average			93%			

*Within the last 12 months

NET SUPPLY

The following Competitive Analysis chart may be used to determine the Net Supply number of each bedroom and income category when considering the deduction of properties in the net supply in cases where, for instance, the property is on the edge of the PMA, is a market rate property, or otherwise only partially fulfills the need for units that will be filled by the proposed subject. All properties determined to be competitive with the proposed development will be included in the Competitive Analysis and assigned a Comparability Factor to be used in determining Net Supply in the PMA.

The total Comparability Factor will be applied to each bedroom type for all income segments to determine the number of units to be allocated to the existing property. Total market supply will be comprised of the weighted units supply from the comparable existing properties and all units new to the market area since 2010.

With regards to affordability, we believe the following percent differentials are warranted.

Rent Differential	Adjustment Applied
0-5%	1.00
6-10%	0.75
11-15%	0.50
16-20%	0.25
20%+	0.00

The Subject will target senior tenants. Therefore, the only comparables that will be truly competitive with the Subject are age restricted properties. Two of the comparables are age restricted. One of the age restricted comparables, Villas of Forsyth, is located 19.7 miles from the Subject site and is outside the PMA. Due to the lack of senior properties in the market, we have included this property as a comparable in our analysis as it illustrates the need for additional senior rental units in the market. However, we have not removed any of the units at this property from our demand analysis.

Glenco Trace is an age restricted property located 0.4 miles from the Subject site. As indicated below, this property does not offer 50 or 60 percent AMI units. All units at this property target tenants earning 35 and 40 percent of the AMI or less. Therefore, we have not deducted any of the units at Glenco Trace from our analysis.

Competitive Property Analysis			
Glenco Trace - Comparable 1		Percent	Comments
1	Location	1.00	Inferior location
2	Affordability	0.00	Does not offer same AMI levels
3	Property Type	0.25	Inferior amenities
4	Quality	0.50	Inferior condition to Subject
Comparability Factor		0.000	

Although St. Phillip Villas does not target seniors, management reported that 50 percent of the tenants at this property are seniors. Due to the significant number of senior tenants, we have

deducted a portion of the units at St. Phillip Villas from our demand analysis as we believe that it will directly compete with the Subject.

Competitive Property Analysis			
St. Philip Villas - Comparable 4		Percent	Comments
1	Location	1.00	Inferior location
2	Affordability	1.00	More affordable
3	Property Type	1.00	Similar
4	Quality	0.50	Inferior condition to Subject
Comparability Factor		0.500	

None of the market rate properties target seniors. Therefore, we have not removed any of the units at these properties from our demand analysis.

Competitive Property Analysis			
Property Name	Total Number of Units*	Comparability Factor	Units to be Deducted from Demand
Glenco Trace	72	0.000	0
St. Phillip Villas	40	0.500	20
Total			20

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area built since 2010.

Additions To Supply (Cumulative)/Existing Units	50%	60%	Overall
One Bedroom	2	6	8
Two Bedroom	2	10	12
Total	4	16	20

Rehab Developments and PBRA

For any properties that are rehab developments, the capture rates will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet.

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

Capture Rates

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

McIntosh Senior Village, Griffin, GA; Market Study

Renter Household Income Distribution 2000 to Projected Market Entry June 2014									
0									
PMA									
	2000		2010		Prj Mrkt Entry June 2014		Percent		Growth
	#	%	#	%	#	%			
\$0-9,999	671	38.9%	732	34.6%	769	32.3%			4.8%
\$10,000-19,999	425	24.7%	511	24.1%	553	23.3%			7.8%
\$20,000-29,999	217	12.6%	268	12.7%	312	13.1%			14.0%
\$30,000-39,999	138	8.0%	196	9.3%	214	9.0%			8.3%
\$40,000-49,999	113	6.5%	149	7.0%	189	7.9%			21.0%
\$50,000-59,999	64	3.7%	80	3.8%	99	4.1%			18.4%
\$60,000-74,999	37	2.1%	62	2.9%	68	2.9%			8.7%
\$75,000-99,999	32	1.9%	70	3.3%	93	3.9%			24.4%
\$100,000+	27	1.6%	48	2.3%	81	3.4%			40.9%
Total	1,724	100.0%	2,116	100.0%	2,377	100.0%			11.0%

Renter Household Income Distribution Projected Market Entry June 2014			
0			
PMA			
	Prj Mrkt Entry June 2014		Change 2000 to Prj Mrkt Entry June 2014
	#	%	#
\$0-9,999	769	32.3%	211
\$10,000-19,999	553	23.3%	152
\$20,000-29,999	312	13.1%	86
\$30,000-39,999	214	9.0%	59
\$40,000-49,999	189	7.9%	52
\$50,000-59,999	99	4.1%	27
\$60,000-74,999	68	2.9%	19
\$75,000-99,999	93	3.9%	25
\$100,000+	81	3.4%	22
Total	2,377	100.0%	653

Tenure Prj Mrkt Entry June 2014	
Renter	21.8%
Owner	78.2%
Total	100.0%

Renter Household Size for Prj Mrkt Entry June 2014		
Size	Number	Percentage
1	1,280	53.9%
2	486	20.4%
3	306	12.9%
4	104	4.4%
5+	200	8.4%
Total	2,377	100.0%

Renter Household Size for 2000 55+		
Size	Number	Percentage
1	928	53.8%
2	346	20.0%
3	229	13.3%
4	79	4.6%
5+	142	8.3%
Total	1,724	100.0%

50% AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level		50%			
Minimum Income Limit		\$16,260			
Maximum Income Limit		\$27,350 2 Persons			
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Count	Percentage			
\$0-9,999	211	32.3%		0.0%	0
\$10,000-19,999	152	23.3%	3,739	37.4%	57
\$20,000-29,999	86	13.1%	7,350	73.5%	63
\$30,000-39,999	59	9.0%		0.0%	0
\$40,000-49,999	52	7.9%		0.0%	0
\$50,000-59,999	27	4.1%		0.0%	0
\$60,000-74,999	19	2.9%		0.0%	0
\$75,000-99,999	25	3.9%		0.0%	0
\$100,000+	22	3.4%		0.0%	0
	653	100.0%			120
Percent of renter households within limits versus total number of renter households					18.34%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		50%			
Minimum Income Limit		\$16,260			
Maximum Income Limit		\$27,350 2 Persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket
	Count	Percentage			
\$0-9,999	769	32.3%	0	0.0%	0
\$10,000-19,999	553	23.3%	3,739	37.4%	207
\$20,000-29,999	312	13.1%	7,350	73.5%	229
\$30,000-39,999	214	9.0%	0	0.0%	0
\$40,000-49,999	189	7.9%	0	0.0%	0
\$50,000-59,999	99	4.1%	0	0.0%	0
\$60,000-74,999	68	2.9%	0	0.0%	0
\$75,000-99,999	93	3.9%	0	0.0%	0
\$100,000+	81	3.4%	0	0.0%	0
	2,377	100.0%			436
Percent of renter households within limits versus total number of renter households					18.34%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Prj Mrkt Entry June 2014 Median Income

Change from 2000 to Prj Mrkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$36,919		
\$51,844		
\$14,925		
40.4%		
6.7%		
6.7%	Two year adjustment	1.0000
\$27,350		
\$27,350		
2 Persons		
50%		
\$542		
\$542.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	75%	25%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		50%
New Renter Households PMA		653
Percent Income Qualified		18.3%
New Renter Income Qualified Households		120

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

Demand from Existing Households 2000

Demand form Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		2,377
Income Qualified		18.3%
Income Qualified Renter Households		436
Percent Rent Overburdened Prj Mrkt Entry June 2014		35.0%
Rent Overburdened Households		153

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		436
Percent Living in Substandard Housing		0.9%
Households Living in Substandard Housing		4

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		8513
Rural Versus Urban	0.4%	
Senior Demand Converting from Homeownership		34

Total Demand

Total Demand from Existing Households		191
Adjustment Factor - Leakage from SMA	115%	29
Adjusted Demand from Existing Households		219
Total New Demand		120
Total Demand (New Plus Existing Households)		339

Demand from Seniors Who Convert from Homeownership		34
Percent of Total Demand From Homeownership Conversion		10.0%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	53.9%	183
Two Persons	20.4%	69
Three Persons	12.9%	44
Four Persons	4.4%	15
Five Persons	8.4%	29
Total	100.0%	339

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	75%	137
Of two-person households in 1BR units	10%	7
Of one-person households in 2BR units	25%	46
Of two-person households in 2BR units	90%	62
Of three-person households in 2BR units	60%	26
Of three-person households in 3BR units	40%	17
Of four-person households in 3BR units	80%	12
Of five-person households in 3BR units	70%	20
Of four-person households in 4BR units	20%	3
Of five-person households in 4BR units	30%	9

Total Demand 339

Check OK

Total Demand by Bedroom 50%

1 BR 144

2 BR 134

Total Demand 278

Additions To Supply 2010 to Prj Mrkt Entry June 2014 50%

1 BR 2

2 BR 2

Total 4

Net Demand 50%

1 BR 142

2 BR 132

Total 274

Developer's Unit Mix 50%

1 BR 3

2 BR 9

Total 12

Capture Rate Analysis 50%

1 BR 2.1%

2 BR 6.8%

Total 4.4%

60%AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%			
Minimum Income Limit		\$17,760			
Maximum Income Limit		\$32,820 2 Perons			
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry June 2014		Renter Households		within Bracket
	Income Brackets	Percent within Cohort	Income Brackets	Percent within Cohort	
\$0-9,999	211	32.3%		0.0%	0
\$10,000-19,999	152	23.3%	2,239	22.4%	34
\$20,000-29,999	86	13.1%	9,999	100.0%	86
\$30,000-39,999	59	9.0%	2,820	28.2%	17
\$40,000-49,999	52	7.9%		0.0%	0
\$50,000-59,999	27	4.1%		0.0%	0
\$60,000-74,999	19	2.9%		0.0%	0
\$75,000-99,999	25	3.9%		0.0%	0
\$100,000+	22	3.4%		0.0%	0
	653	100.0%			136
Percent of renter households within limits versus total number of renter households					20.86%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level		60%			
Minimum Income Limit		\$17,760			
Maximum Income Limit		\$32,820 2 Perons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2014		Households within		Bracket
	Income Brackets	Percent within Cohort	Income Brackets	Percent within Cohort	
\$0-9,999	769	32.3%	0	0.0%	0
\$10,000-19,999	553	23.3%	2,239	22.4%	124
\$20,000-29,999	312	13.1%	9,999	100.0%	312
\$30,000-39,999	214	9.0%	2,820	28.2%	60
\$40,000-49,999	189	7.9%	0	0.0%	0
\$50,000-59,999	99	4.1%	0	0.0%	0
\$60,000-74,999	68	2.9%	0	0.0%	0
\$75,000-99,999	93	3.9%	0	0.0%	0
\$100,000+	81	3.4%	0	0.0%	0
	2,377	100.0%			496
Percent of renter households within limits versus total number of renter households					20.86%

Does the Project Benefit from Rent Subsidy? (Y/N) No
 Type of Housing (Family vs Senior) Senior
 Location of Subject (Rural versus Urban) Urban
 Percent of Income for Housing 40%
 2000 Median Income \$36,919
 Prj Mrkt Entry June 2014 Median Income \$51,844
 Change from 2000 to Prj Mrkt Entry June 2014 \$14,925
 Total Percent Change 40.4%
 Average Annual Change 6.7%
 Inflation Rate 6.7%
 Maximum Allowable Income \$32,820
 Maximum Allowable Income Inflation Adjusted \$32,820
 Maximum Number of Occupants 2 Perons
 Rent Income Categories 60%
 Initial Gross Rent for Smallest Unit \$592
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$592.00

Does the Project Benefit from Rent Subsidy? (Y/N)	No
Type of Housing (Family vs Senior)	Senior
Location of Subject (Rural versus Urban)	Urban
Percent of Income for Housing	40%
2000 Median Income	\$36,919
Prj Mrkt Entry June 2014 Median Income	\$51,844
Change from 2000 to Prj Mrkt Entry June 2014	\$14,925
Total Percent Change	40.4%
Average Annual Change	6.7%
Inflation Rate	6.7%
Maximum Allowable Income	\$32,820
Maximum Allowable Income Inflation Adjusted	\$32,820
Maximum Number of Occupants	2 Perons
Rent Income Categories	60%
Initial Gross Rent for Smallest Unit	\$592
Initial Gross Rent for Smallest Unit Inflation Adjusted	\$592.00

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	75%	25%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		60%
New Renter Households PMA		653
Percent Income Qualified		20.9%
New Renter Income Qualified Households		136

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

Demand from Existing Households 2000

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		2,377
Income Qualified		20.9%
Income Qualified Renter Households		496
Percent Rent Overburdened Prj Mrkt Entry June 2014		35.0%
Rent Overburdened Households		174

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		496
Percent Living in Substandard Housing		0.9%
Households Living in Substandard Housing		5

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		8513
Rural Versus Urban	0.5%	
Senior Demand Converting from Homeownership		39

Total Demand

Total Demand from Existing Households		217
Adjustment Factor - Leakage from SMA	115%	33
Adjusted Demand from Existing Households		250
Total New Demand		136
Total Demand (New Plus Existing Households)		386

Demand from Seniors Who Convert from Homeownership		39
Percent of Total Demand From Homeownership Conversion		10.1%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	53.9%	208
Two Persons	20.4%	79
Three Persons	12.9%	50
Four Persons	4.4%	17
Five Persons	8.4%	32
Total	100.0%	386

McIntosh Senior Village, Griffin, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	75%	156
Of two-person households in 1BR units	10%	8
Of one-person households in 2BR units	25%	52
Of two-person households in 2BR units	90%	71
Of three-person households in 2BR units	60%	30
Of three-person households in 3BR units	40%	20
Of four-person households in 3BR units	80%	14
Of five-person households in 3BR units	70%	23
Of four-person households in 4BR units	20%	3
Of five-person households in 4BR units	30%	10
Total Demand		386
Check		OK

Total Demand by Bedroom

		60%
1 BR		164
2 BR		153
Total Demand		317

Additions To Supply 2000 to Prj Mrkt Entry June 2014

		60%
1 BR		6
2 BR		10
Total		16

Net Demand

		60%
1 BR		158
2 BR		143
Total		301

Developer's Unit Mix

		60%
1 BR		9
2 BR		39
Total		48

Capture Rate Analysis

		60%
1 BR		5.7%
2 BR		27.3%
Total		16.0%

Overall

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$16,260		
Maximum Income Limit			\$32,820 2 Persons		
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	211			
\$10,000-19,999	152	23.3%	3,739	37.4%	57
\$20,000-29,999	86	13.1%	9,999	100.0%	86
\$30,000-39,999	59	9.0%	2,820	28.2%	17
\$40,000-49,999	52	7.9%		0.0%	0
\$50,000-59,999	27	4.1%		0.0%	0
\$60,000-74,999	19	2.9%		0.0%	0
\$75,000-99,999	25	3.9%		0.0%	0
\$100,000+	22	3.4%		0.0%	0
	653	100.0%			159
Percent of renter households within limits versus total number of renter households					24.36%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$16,260		
Maximum Income Limit			\$32,820 2 Persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	769			
\$10,000-19,999	553	23.3%	3,739	37.4%	207
\$20,000-29,999	312	13.1%	9,999	100.0%	312
\$30,000-39,999	214	9.0%	2,820	28.2%	60
\$40,000-49,999	189	7.9%	0	0.0%	0
\$50,000-59,999	99	4.1%	0	0.0%	0
\$60,000-74,999	68	2.9%	0	0.0%	0
\$75,000-99,999	93	3.9%	0	0.0%	0
\$100,000+	81	3.4%	0	0.0%	0
	2,377	100.0%			579
Percent of renter households within limits versus total number of renter households					24.36%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Prj Mrkt Entry June 2014 Median Income

Change from 2000 to Prj Mrkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Urban		
40%		
\$36,919		
\$51,844		
\$14,925		
40.4%		
6.7%		
6.7%	Two year adjustment	1.0000
\$32,820		
\$32,820		
2 Persons		
Overall		
\$542		
\$542.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	75%	25%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		Overall
New Renter Households PMA		653
Percent Income Qualified		24.4%
New Renter Income Qualified Households		159

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

Demand from Existing Households 2000

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		2,377
Income Qualified		24.4%
Income Qualified Renter Households		579
Percent Rent Overburdened Prj Mrkt Entry June 2014		35.0%
Rent Overburdened Households		203

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		579
Percent Living in Substandard Housing		0.9%
Households Living in Substandard Housing		5

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		8513
Rural Versus Urban	0.5%	
Senior Demand Converting from Homeownership		46

Total Demand

Total Demand from Existing Households		254
Adjustment Factor - Leakage from SMA	115%	38
Adjusted Demand from Existing Households		292
Total New Demand		159
Total Demand (New Plus Existing Households)		451

Demand from Seniors Who Convert from Homeownership		46
Percent of Total Demand From Homeownership Conversion		10.2%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	53.9%	243
Two Persons	20.4%	92
Three Persons	12.9%	58
Four Persons	4.4%	20
Five Persons	8.4%	38
Total	100.0%	451

McIntosh Senior Village, Griffin, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	75%	182
Of two-person households in 1BR units	10%	9
Of one-person households in 2BR units	25%	61
Of two-person households in 2BR units	90%	83
Of three-person households in 2BR units	60%	35
Of three-person households in 3BR units	40%	23
Of four-person households in 3BR units	80%	16
Of five-person households in 3BR units	70%	27
Of four-person households in 4BR units	20%	4
Of five-person households in 4BR units	30%	11
Total Demand		451
Check		OK

Total Demand by Bedroom Overall

1 BR	191
2 BR	179
Total Demand	370

Additions To Supply 2000 to Prj Mrkt Entry June 2014 Overall

1 BR	8
2 BR	12
Total	20

Net Demand Overall

1 BR	183
2 BR	167
Total	350

Developer's Unit Mix Overall

1 BR	12
2 BR	48
Total	60

Capture Rate Analysis Overall

1 BR	6.5%
2 BR	28.8%
Total	17.1%

Conclusions

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

- The number of senior households in the PMA is expected to increase 2.6 percent between 2010 and 2014.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR 50%	\$16,260-\$27,350	3	144	2	142	2.1%	8 months	\$473	\$307-\$575	\$390
2BR 50%	\$20,550-\$27,350	9	134	2	132	6.8%	8 months	\$556	\$356-\$740	\$490
Overall 50%	\$16,260-\$27,350	12	278	4	274	4.4%	8 months	-	\$307-\$740	-
1BR 60%	\$17,760-\$32,820	9	164	6	158	5.7%	8 months	\$505	\$426-\$575	\$440
2BR 60%	\$20,550-\$32,820	39	153	10	143	27.3%	8 months	\$595	\$435-\$740	\$490
Overall 60%	\$17,760-\$32,820	48	317	16	301	16.0%	8 months	-	\$426-\$740	-
Overall	\$16,260-\$32,820	60	370	20	350	17.1%	8 months	-	-	-

Demand and Net Demand

	HH at 50% AMI (\$16,260-\$27,350)	HH at 60% AMI (\$17,760-\$32,820)	All Tax Credit Households
Demand from New Households (age and income appropriate)	120	136	159
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	4	5	5
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	153	174	203
PLUS	+	+	+
Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	29	33	38
Sub Total	305	347	405
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	34	39	46
Equals Total Demand	339	386	451
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market between 2000 and the present	4	16	20
Equals Net Demand	335	370	431

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 2.1 to 6.8 percent, with an overall capture rate of 4.4 percent. The Subject's 60 percent AMI capture rates range from 5.7 to 27.3 percent, with an overall capture rate of 16.0 percent. The overall capture rate for the project's 50 and 60 percent units is 17.1 percent. Although the two-bedroom 60 percent AMI capture rates are high, they are within DCA threshold requirements. Additionally, we believe there is adequate demand for the Subject based on the following:

- Both senior LIHTC comparables are 100 percent occupied and have waiting lists with 10 to 100 households.
- Property managers at both senior LIHTC comparables indicated a need for additional senior units in the local market.
- The Subject's proposed two-bedroom units will be the largest two-bedroom LIHTC units in the market.
- Only one of the four LIHTC comparables has any vacant units.
- Senior population and households in the PMA are expected to grow by 2.8 and 2.6 percent annually through 2015.

Therefore, we believe there is adequate demand for the Subject.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes eight “true” comparable properties containing 851 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of senior LIHTC data in the PMA is very limited. Glenco Trace is the only senior LIHTC property located in the Subject’s PMA. This property offers units at 35 and 40 percent AMI, whereas the Subject will offer units at 50 and 60 percent AMI. Although the units at Glenco Trace will target lower income seniors and will not directly compete with the Subject’s units, we have used it as a comparable as it is a good indicator of demand for senior rental housing in the area.

There are four family LIHTC properties located in the PMA. Of these properties, we have utilized two as comparables in our analysis. The family LIHTC property Poplar Grove recently underwent a management change and is currently under renovation. A significant portion of the units are offline and the new management company indicated that post renovation rents have not been set. Although management could not indicate the number of seniors living at the property, management did report that most of the property’s units have a townhome design, which does not typically appeal to senior tenants. We have not included Poplar Grove as a comparable in our analysis. Pine Hill Apartments is a family LIHT property offering three-bedroom garden style and townhome style units. Because this property does not offer the same bedroom types that are proposed at the Subject, we have excluded this property as a comparable.

We have utilized the family LIHTC comparables Marian Point and St. Phillip Villas as comparables. These properties reported senior tenancies ranging from four to 50 percent. Due to the lack of age restricted properties in the PMA, we expanded our search beyond the PMA boundaries. The senior LIHTC property Villas on Forsyth is located 19.7 miles from the Subject and is just southeast of the PMA. We have also included this property as a comparable in our analysis. Overall, the availability of senior LIHTC data is considered limited.

We have included four conventional rental properties in our analysis. All four target families and are located in the PMA. Additionally, three of the LIHTC properties also offer unrestricted units. While the availability of conventional data is considered good, the availability of senior conventional data is very limited.

When comparing the Subject’s rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there

is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

General Market Overview/Included/Excluded Properties

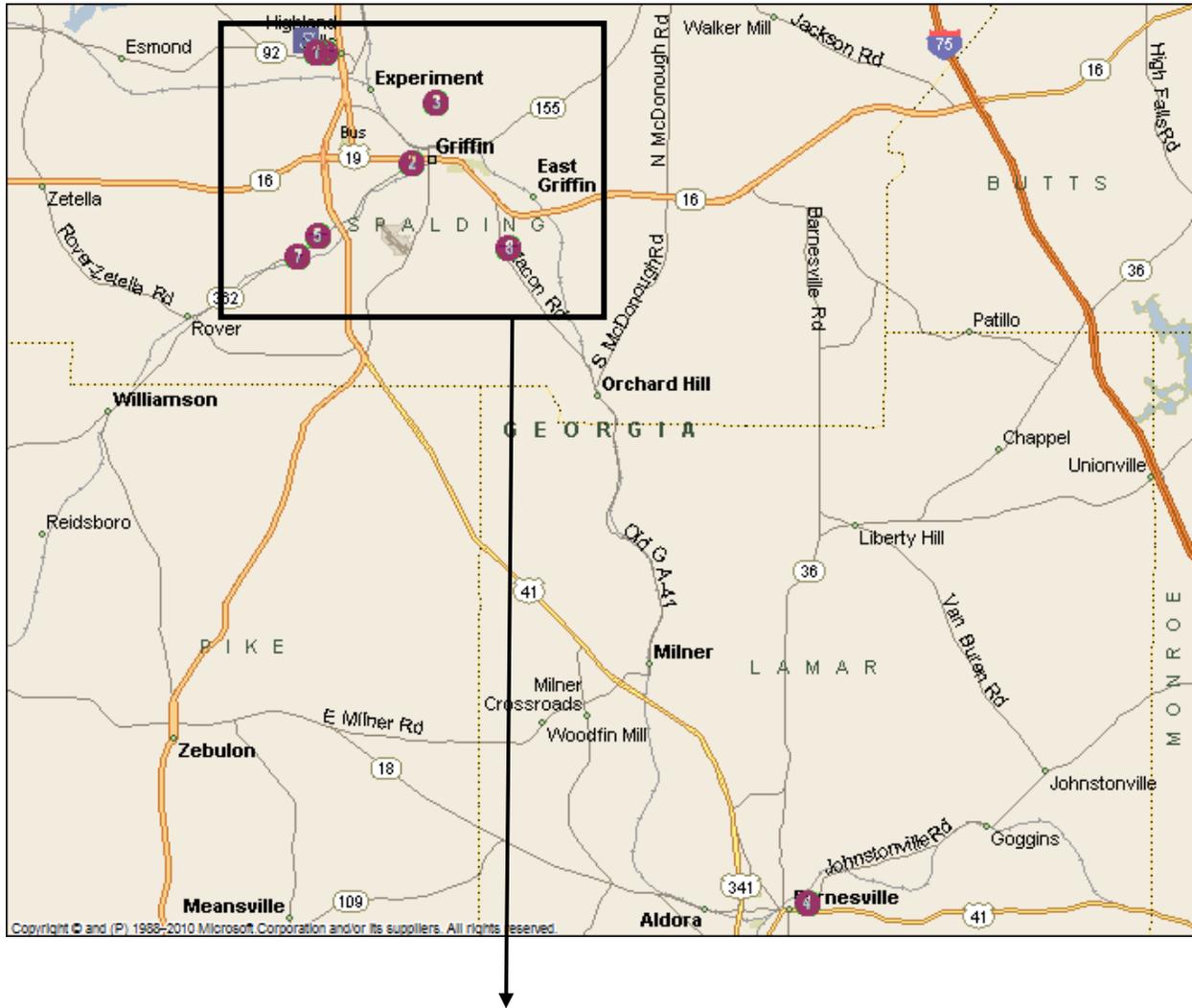
The following table illustrates properties that are within the PMA or a similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

GENERAL MARKET OVERVIEW

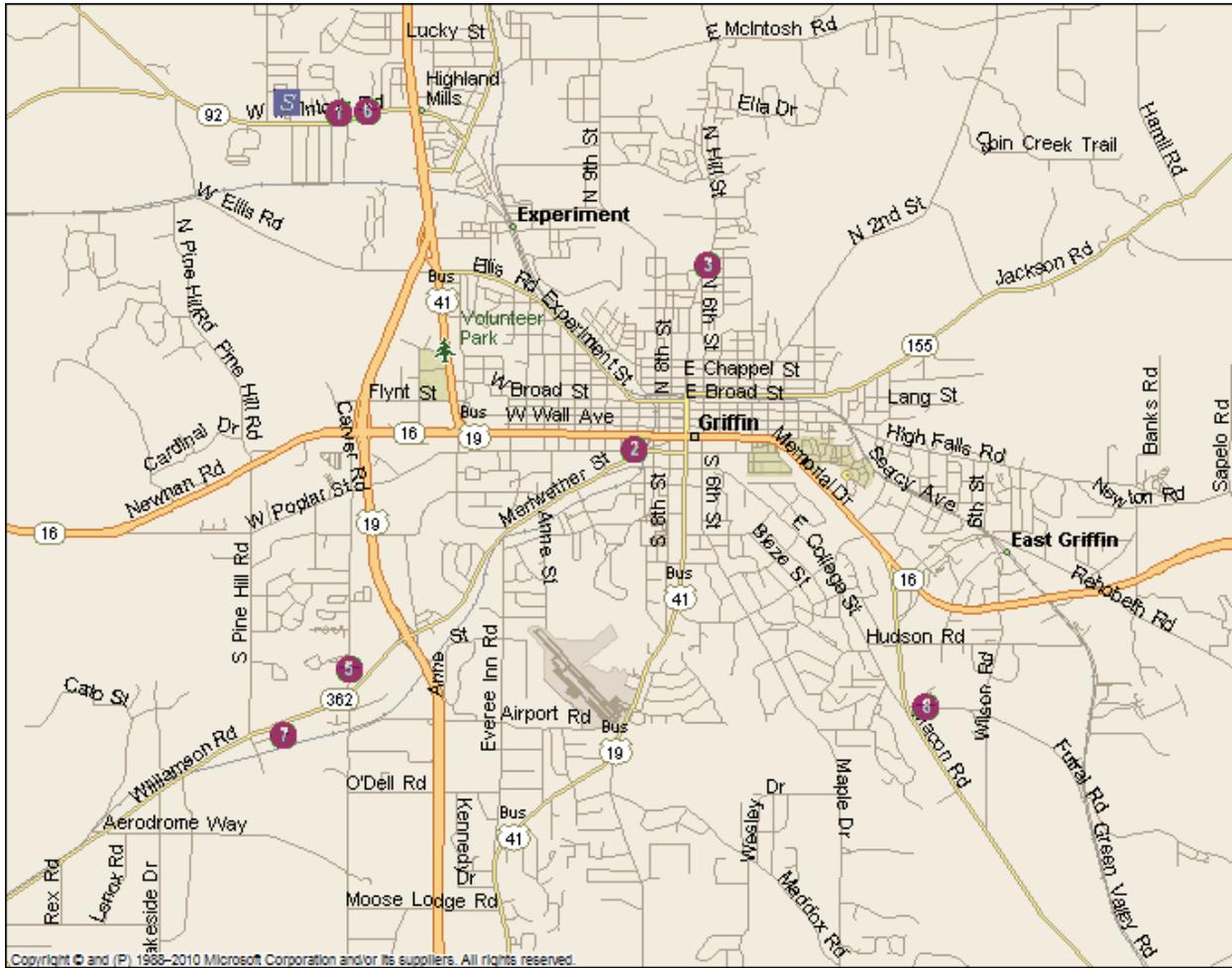
Property	Type	Tenancy	Occupancy*	Included/ Excluded	Reason for Exclusion	Distance from Subject
431 N. Fifth St.	LIHTC	Family	N/Av	Excluded	Only one unit	4.8 miles
935 Ray St.	LIHTC	Family	N/Av	Excluded	Only one unit	2.9 miles
412 W. Quilly St.	LIHTC	Family	N/Av	Excluded	Only one unit	3.3 miles
1307 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1319 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1321 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
1333 Edgewood Ave.	LIHTC	Family	N/Av	Excluded	Only one unit	3.4 miles
Glenco Trace	LIHTC	Senior	100%	Included	N/Ap	0.4 miles
Marion Point	LIHTC/Market	Family	83%	Included	N/Ap	3.9 miles
Pine Hill	LIHTC	Family	94%	Excluded	Only offers 3BR units	3.9 miles
Poplar Grove	LIHTC/Market	Family	N/Av	Excluded	Undergoing renovations; management not available	3.8 miles
St. Philip Villa	LIHTC/Market	Family	100%	Included	N/Ap	5.1 miles
Regency Apartments	Section 8	Family	100%	Excluded	All units are subsidized	3.9 miles
Northside Hills Apartments	Section 8	Family	N/Av	Excluded	All units are subsidized	2.8 miles
Heritage Apartments	Section 8	Family	N/Av	Excluded	All units are subsidized	5.3 miles
St Georges Court	Section 8	Senior	100%	Excluded	All units are subsidized	3.3 miles
Piedmont Ridge I	RD	Family	N/Av	Excluded	All units are subsidized	13.4 miles
Piedmont Ridge II	RD	Family	N/Av	Excluded	All units are subsidized	14.5 miles
Piedmont Ridge III	RD	Family	N/Av	Excluded	All units are subsidized	13.5 miles
Brightmoor Nursing Home	FHA	Special Needs	N/Av	Excluded	Tenancy not comparable	5.9 miles
Willow Creek	Market	Family	98%	Included	N/Ap	6.6 miles
Walden Poine Apartments	Market	Family	94%	Included	N/Ap	5.3 miles
Versailles Apartments	Market	Family	80%	Excluded	More comparable properties available	3.1 miles
Ashford Place	Market	Family	88%	Included	N/Ap	4.6 miles
Griffin Crossing Apartments	Market	Family	91%	Included	N/Ap	0.6 miles
Average			93%			

*Within the last 12 months

Comparable Rental Property Map



McIntosh Senior Village, Griffin, GA; Market Study



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Glenco Trace Apts.	Griffin	LIHTC	0.4 miles
2	Marian Point	Griffin	LIHTC/Market	3.9 miles
3	St Phillip Villas	Griffin	LIHTC/Market	5.1 miles
4	Villas On Forsyth	Barnesville	LIHTC/Market	19.7 miles
5	Ashford Place	Griffin	Market	4.6 miles
6	Griffin Crossing Apartments	Griffin	Market	0.6 miles
7	Walden Pointe Apartments Homes	Griffin	Market	5.3 miles
8	Willow Creek Apartments	Griffin	Market	6.6 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max	Wait	Units Vacant	Vacancy Rate				
Subject	Mcintosh Senior Village W Mcintosh Rd & Cowan Rd Griffin, GA 30223 Spalding County	n/a	Lowrise (age-restricted) 2014	50%, 60%	1BR / 1BA	3	5.00%	@50%	\$390	895	no		N/A	N/A				
					1BR / 1BA	9	15.00%	@60%	\$440	895	no	N/A	N/A					
					2BR / 2BA	9	15.00%	@50%	\$490	1,185	no	N/A	N/A					
					2BR / 2BA	39	65.00%	@60%	\$490	1,185	no	N/A	N/A					
					60	100%						N/A	N/A					
1	Glenco Trace Apts. 1624 Hallmark Drive Griffin, GA 30223 Spalding County	0.4 mile	Garden (age-restricted) 2000	35%, 40%	1BR / 1BA	42	58.30%	@35%	\$224	750	yes	10 HH	0	0.00%				
					1BR / 1BA	14	19.40%	@40%	\$289	750	yes	10 HH	0	0.00%				
					2BR / 1BA	12	16.70%	@35%	\$259	900	yes	10 HH	0	0.00%				
					2BR / 1BA	4	5.60%	@40%	\$337	900	yes	10 HH	0	0.00%				
					72	100%						0	0.00%					
2	Marian Point 416 W Poplar St Griffin, GA 30224 Spalding County	3.9 miles	Lowrise (3 stories) 1930s / 2004	30%, 50%, 60%, Market	1BR / 1BA	N/A	N/A	@30%	\$230	726	yes	None	0	N/A				
					1BR / 1BA	N/A	N/A	@50%	\$486	726	no	None	2	N/A				
					1BR / 1BA	N/A	N/A	@60%	\$486	726	no	None	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$536	726	n/a	None	0	N/A				
					2BR / 1BA	N/A	N/A	@30%	\$270	843	yes	None	0	N/A				
					2BR / 1BA	N/A	N/A	@50%	\$472	843	no	None	2	N/A				
					2BR / 1BA	N/A	N/A	@60%	\$497	843	no	None	0	N/A				
					2BR / 1BA	N/A	N/A	Market	\$602	843	n/a	None	0	N/A				
										24	100%						4	16.70%
										60	100%						0	0.00%
3	St Phillip Villas 829 N Hill Street Griffin, GA 30223 Spalding County	5.1 miles	Garden (2 stories) 2002	50%, 60%, Market	1BR / 1BA	4	6.70%	@50%	\$426	975	no	Yes	0	0.00%				
					1BR / 1BA	4	6.70%	@60%	\$426	975	no	Yes	0	0.00%				
					1BR / 1BA	4	6.70%	Market	\$471	975	n/a	No	0	0.00%				
					2BR / 2BA	12	20.00%	@50%	\$512	1,175	no	Yes	0	0.00%				
					2BR / 2BA	20	33.30%	@60%	\$537	1,175	no	Yes	0	0.00%				
					2BR / 2BA	4	6.70%	Market	\$557	1,175	n/a	No	0	0.00%				
					3BR / 2BA	4	6.70%	@50%	\$593	1,350	no	Yes	0	0.00%				
					3BR / 2BA	4	6.70%	@60%	\$618	1,350	no	Yes	0	0.00%				
					3BR / 2BA	4	6.70%	Market	\$638	1,350	n/a	No	0	0.00%				
										60	100%						0	0.00%
4	Villas On Forsyth 101 Virginia Ave Barnesville, GA 30204 Lamar County	19.7 miles	Garden (age-restricted) 2009	50%, 50% (HOME), 60%, Market	1BR / 1BA	21	50.00%	@50%	\$355	896	yes	25HH	0	0.00%				
					1BR / 1BA	N/A	N/A	@50%	\$307	896	yes	25HH	0	N/A				
					1BR / 1BA	N/A	N/A	@60%	\$457	896	yes	25HH	0	N/A				
					1BR / 1BA	N/A	N/A	Market	\$475	896	yes	25HH	0	N/A				
					2BR / 1BA	21	50.00%	@50%	\$413	1,100	n/a	25HH	0	0.00%				
					2BR / 1BA	N/A	N/A	@50%	\$356	1,100	yes	25HH	0	N/A				
					2BR / 1BA	N/A	N/A	@60%	\$435	1,100	no	25HH	0	N/A				
					2BR / 1BA	N/A	N/A	Market	\$510	1,100	n/a	25HH	0	N/A				
										42	100%						0	0.00%
										60	100%						0	0.00%
5	Ashford Place 657 Carver Road Griffin, GA 30224 Spalding County	4.6 miles	Garden (2 stories) 1989 / 2005	Market	1BR / 1BA	32	28.60%	Market	\$546	745	n/a	No	N/A	N/A				
					2BR / 1BA	16	14.30%	Market	\$571	1,003	n/a	No	N/A	N/A				
					2BR / 2BA	40	35.70%	Market	\$597	1,080	n/a	No	N/A	N/A				
					3BR / 2BA	24	21.40%	Market	\$668	1,240	n/a	No	N/A	N/A				
					112	100%						13	11.60%					
6	Griffin Crossing Apartments 1597 West Mcintosh Road Griffin, GA 30223 Spalding County	0.6 miles	Garden (3 stories) 1986 / 2006	Market	1BR / 1BA	80	29.40%	Market	\$504	824	n/a	No	6	7.50%				
					2BR / 2BA	168	61.80%	Market	\$699	944	n/a	No	15	8.90%				
					3BR / 2BA	24	8.80%	Market	\$718	1,090	n/a	No	3	12.50%				
						272	100%									24	8.80%	
7	Walden Pointe Apartments Homes 701 Carver Road Griffin, GA 30223 Spalding County	5.3 miles	Garden (3 stories) 1990s	Market	1BR / 1.5BA	72	33.30%	Market	\$575	998	n/a	No	2	2.80%				
					2BR / 2BA	112	51.90%	Market	\$675	1,280	n/a	No	7	6.20%				
					3BR / 2BA	32	14.80%	Market	\$825	1,480	n/a	No	3	9.40%				
						216	100%									12	5.60%	
8	Willow Creek Apartments 101 Rhodes Lane Griffin, GA 30224 Spalding County	6.6 miles	Garden 1984	Market	Studio / 1BA	10	18.90%	Market	\$450	288	n/a	No	0	0.00%				
					1BR / 1BA	25	47.20%	Market	\$569	576	n/a	No	1	4.00%				
					2BR / 1BA	16	30.20%	Market	\$719	864	n/a	No	0	0.00%				
					2BR / 2BA	2	3.80%	Market	\$740	864	n/a	No	0	0.00%				
						53	100%									1	1.90%	

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.

Effective Rent Date:	Jun-12	Units Surveyed:	979	Weighted Occupancy:	93.70%
		Market Rate	653	Market Rate	92.30%
		Tax Credit	326	Tax Credit	96.30%

One Bedroom One Bath

Two Bedrooms Two Bath

	Property		Property		Property	
	Property	Average	Property	Average	Property	Average
RENT	Walden Pointe Apartments Homes (1.5BA)	\$575	Willow Creek Apartments	\$740		
	Willow Creek Apartments	\$569	Griffin Crossing Apartments	\$699		
	Ashford Place	\$546	Walden Pointe Apartments Homes	\$675		
	Marian Point * (M)	\$536	Marian Point * (1BA M)	\$602		
	Griffin Crossing Apartments	\$504	Ashford Place	\$597		
	Marian Point * (50%)	\$486	St Phillip Villas * (M)	\$557		
	Marian Point * (60%)	\$486	St Phillip Villas * (60%)	\$537		
	Villas On Forsyth * (M)	\$475	St Phillip Villas * (50%)	\$512		
	St Phillip Villas * (M)	\$471	Villas On Forsyth * (1BA M)	\$510		
	Villas On Forsyth * (60%)	\$457	Marian Point * (1BA 60%)	\$497		
	Mcintosh Senior Village * (60%)	\$440	Mcintosh Senior Village * (50%)	\$490		
	St Phillip Villas * (50%)	\$426	Mcintosh Senior Village * (60%)	\$490		
	St Phillip Villas * (60%)	\$426	Marian Point * (1BA 50%)	\$472		
	Mcintosh Senior Village * (50%)	\$390	Villas On Forsyth * (1BA 60%)	\$435		
	Villas On Forsyth * (50%)	\$355	Villas On Forsyth * (1BA 50%)	\$413		
	Villas On Forsyth * (50%)	\$307	Villas On Forsyth * (1BA 50%)	\$356		
	Glenco Trace Apts. * (40%)	\$289	Glenco Trace Apts. * (1BA 40%)	\$337		
	Marian Point * (30%)	\$230	Marian Point * (1BA 30%)	\$270		
	Glenco Trace Apts. * (35%)	\$224	Glenco Trace Apts. * (1BA 35%)	\$259		
SQUARE FOOTAGE	Walden Pointe Apartments Homes (1.5BA)	998	Walden Pointe Apartments Homes	1,280		
	St Phillip Villas * (50%)	975	Mcintosh Senior Village * (50%)	1,185		
	St Phillip Villas * (60%)	975	Mcintosh Senior Village * (60%)	1,185		
	St Phillip Villas * (M)	975	St Phillip Villas * (50%)	1,175		
	Villas On Forsyth * (50%)	896	St Phillip Villas * (60%)	1,175		
	Villas On Forsyth * (50%)	896	St Phillip Villas * (M)	1,175		
	Villas On Forsyth * (60%)	896	Villas On Forsyth * (1BA 50%)	1,100		
	Villas On Forsyth * (M)	896	Villas On Forsyth * (1BA 50%)	1,100		
	Mcintosh Senior Village * (50%)	895	Villas On Forsyth * (1BA 60%)	1,100		
	Mcintosh Senior Village * (60%)	895	Villas On Forsyth * (1BA M)	1,100		
	Griffin Crossing Apartments	824	Ashford Place	1,080		
	Glenco Trace Apts. * (35%)	750	Griffin Crossing Apartments	944		
	Glenco Trace Apts. * (40%)	750	Glenco Trace Apts. * (1BA 35%)	900		
	Ashford Place	745	Glenco Trace Apts. * (1BA 40%)	900		
	Marian Point * (30%)	726	Willow Creek Apartments	864		
	Marian Point * (50%)	726	Marian Point * (1BA 30%)	843		
	Marian Point * (60%)	726	Marian Point * (1BA 50%)	843		
	Marian Point * (M)	726	Marian Point * (1BA 60%)	843		
	Willow Creek Apartments	576	Marian Point * (1BA M)	843		
RENT PER SQUARE FOOT	Willow Creek Apartments	\$0.99	Willow Creek Apartments	\$0.86		
	Marian Point * (M)	\$0.74	Griffin Crossing Apartments	\$0.74		
	Ashford Place	\$0.73	Marian Point * (1BA M)	\$0.71		
	Marian Point * (50%)	\$0.67	Marian Point * (1BA 60%)	\$0.59		
	Marian Point * (60%)	\$0.67	Marian Point * (1BA 50%)	\$0.56		
	Griffin Crossing Apartments	\$0.61	Ashford Place	\$0.55		
	Walden Pointe Apartments Homes (1.5BA)	\$0.58	Walden Pointe Apartments Homes	\$0.53		
	Villas On Forsyth * (M)	\$0.53	St Phillip Villas * (M)	\$0.47		
	Villas On Forsyth * (60%)	\$0.51	Villas On Forsyth * (1BA M)	\$0.46		
	Mcintosh Senior Village * (60%)	\$0.49	St Phillip Villas * (60%)	\$0.46		
	St Phillip Villas * (M)	\$0.48	St Phillip Villas * (50%)	\$0.44		
	St Phillip Villas * (50%)	\$0.44	Mcintosh Senior Village * (50%)	\$0.41		
	St Phillip Villas * (60%)	\$0.44	Mcintosh Senior Village * (60%)	\$0.41		
	Mcintosh Senior Village * (50%)	\$0.44	Villas On Forsyth * (1BA 60%)	\$0.40		
	Villas On Forsyth * (50%)	\$0.40	Villas On Forsyth * (1BA 50%)	\$0.38		
	Glenco Trace Apts. * (40%)	\$0.39	Glenco Trace Apts. * (1BA 40%)	\$0.37		
	Villas On Forsyth * (50%)	\$0.34	Villas On Forsyth * (1BA 50%)	\$0.32		
	Marian Point * (30%)	\$0.32	Marian Point * (1BA 30%)	\$0.32		
	Glenco Trace Apts. * (35%)	\$0.30	Glenco Trace Apts. * (1BA 35%)	\$0.29		

PROPERTY PROFILE REPORT

Glenco Trace Apts.

Effective Rent Date 5/31/2011
Location 1624 Hallmark Drive
 Griffin, GA 30223
 Spalding County
Distance 0.4 miles
Units 72
Vacant Units 0
Vacancy Rate 0.0%
Type Garden (age-restricted)
Year Built/Renovated 2000 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors St. George's Court
Tenant Characteristics Seniors 62+, Average age of 70; Griffin and out-of-state
Contact Name Toni
Phone 770-228-9115



Market Information

Program @35%, @40%
Annual Turnover Rate 20%
Units/Month Absorbed N/A
HCV Tenants 3%
Leasing Pace 5 days
Annual Chg. in Rent 6-7% increase
Concession none

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	42	750	\$268	\$0	@35%	10 HH	0	0.0%	N/A	None
1	1	Garden	14	750	\$333	\$0	@40%	10 HH	0	0.0%	N/A	None
2	1	Garden	12	900	\$317	\$0	@35%	10 HH	0	0.0%	N/A	None
2	1	Garden	4	900	\$395	\$0	@40%	10 HH	0	0.0%	N/A	None

Unit Mix

@35%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@40%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$268	\$0	\$268	-\$44	\$224	1BR / 1BA	\$333	\$0	\$333	-\$44	\$289
2BR / 1BA	\$317	\$0	\$317	-\$58	\$259	2BR / 1BA	\$395	\$0	\$395	-\$58	\$337

Glenco Trace Apts., continued

Amenities

In-Unit

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

Blinds
Central A/C
Dishwasher
Ceiling Fan
Hand Rails
Refrigerator

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area

Central Laundry
On-Site Management

Premium

None

Other

Library, Gazebo, Shuffle

Comments

We spoke to the Patty Pitts with Gateway Management Co. There is a currently a waiting list as they are 100% occupied, but did not know how many people were on the list

Most tenants are from the city of Griffin and surrounding areas.

Glenco Trace Apts., continued

Trend Report

Vacancy Rates

2Q09	3Q10	2Q11	2Q12
0.0%	0.0%	0.0%	0.0%

Trend: @35%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$289	\$0	\$289	\$245
2010	3	0.0%	\$289	\$0	\$289	\$245
2011	2	0.0%	\$309	\$0	\$309	\$265
2012	2	0.0%	\$268	\$0	\$268	\$224

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$343	\$0	\$343	\$285
2010	3	0.0%	\$343	\$0	\$343	\$285
2011	2	0.0%	\$363	\$0	\$363	\$305
2012	2	0.0%	\$317	\$0	\$317	\$259

Trend: @40%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$315	\$0	\$315	\$271
2010	3	0.0%	\$315	\$0	\$315	\$271
2011	2	0.0%	\$335	\$0	\$335	\$291
2012	2	0.0%	\$333	\$0	\$333	\$289

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	0.0%	\$360	\$0	\$360	\$302
2010	3	0.0%	\$360	\$0	\$360	\$302
2011	2	0.0%	\$380	\$0	\$380	\$322
2012	2	0.0%	\$395	\$0	\$395	\$337

Trend: Comments

- 2Q09** The contact stated that the need for affordable housing is not being adequately met in this area. The wait list is very long, with an estimated wait of one year. The contact confirmed that the rents are set at 35 and 40 percent of AMI with the following maximum income restrictions for one-person households: \$17,430 and \$19,920.
- 3Q10** There are currently 10 people on the waiting list. The rents have not been increased in the past year, but the property is currently working to increase rents and potentially increase the rent restrictions.
- 2Q11** There are currently 10 people on the waiting list. The rents increased \$20 on the 1st of the year. The contact stated that there is a need for 60 percent units, and more of a need for one-bedroom units. However, two-bedroom units would be desirable if their rents were affordable. Most tenants are from the city of Griffin and surrounding areas.
- 2Q12** We spoke to the Patty Pitts with Gateway Management Co. There is a currently a waiting list as they are 100% occupied, but did not know how many people were on the list
- Most tenants are from the city of Griffin and surrounding areas.

PROPERTY PROFILE REPORT

Marian Point

Effective Rent Date	5/08/2012
Location	416 W Poplar St Griffin, GA 30224 Spalding County
Distance	3.9 miles
Units	24
Vacant Units	4
Vacancy Rate	16.7%
Type	Lowrise (3 stories)
Year Built/Renovated	1930s / 2004
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	St. Phillip Villas
Tenant Characteristics	4% are seniors; most from Spalding County
Contact Name	Melinda, Diane
Phone	770-229-5340



Market Information

Program	@30%, @50%, @60%, Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	21%
Leasing Pace	1 week
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (3 stories)	N/A	726	\$294	\$0	@30%	None	0	N/A	yes	None
1	1	Lowrise (3 stories)	N/A	726	\$550	\$0	@50%	None	2	N/A	no	None
1	1	Lowrise (3 stories)	N/A	726	\$550	\$0	@60%	None	0	N/A	no	None
1	1	Lowrise (3 stories)	N/A	726	\$600	\$0	Market	None	0	N/A	N/A	None
2	1	Lowrise (3 stories)	N/A	843	\$348	\$0	@30%	None	0	N/A	yes	None
2	1	Lowrise (3 stories)	N/A	843	\$550	\$0	@50%	None	2	N/A	no	None
2	1	Lowrise (3 stories)	N/A	843	\$575	\$0	@60%	None	0	N/A	no	None
2	1	Lowrise (3 stories)	N/A	843	\$680	\$0	Market	None	0	N/A	N/A	None

Marian Point, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$294	\$0	\$294	-\$64	\$230	1BR / 1BA	\$550	\$0	\$550	-\$64	\$486
2BR / 1BA	\$348	\$0	\$348	-\$78	\$270	2BR / 1BA	\$550	\$0	\$550	-\$78	\$472
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$550	\$0	\$550	-\$64	\$486	1BR / 1BA	\$600	\$0	\$600	-\$64	\$536
2BR / 1BA	\$575	\$0	\$575	-\$78	\$497	2BR / 1BA	\$680	\$0	\$680	-\$78	\$602

Amenities

In-Unit

Balcony/Patio
 Carpet/Hardwood
 Coat Closet
 Garbage Disposal
 Refrigerator

Blinds
 Central A/C
 Dishwasher
 Oven
 Walk-In Closet

Security

None

Services

None

Property

Clubhouse/Meeting
 Central Laundry
 On-Site Management

Exercise Facility
 Off-Street Parking
 Picnic Area

Premium

None

Other

None

Comments

This property was formerly known as Poplar Point.

Tenant mix is mostly small families. Management indicated that the property will not have any trouble leasing the four vacant units as there have been several interested prospective tenants. Management stated they were confident that all four vacancies will be filled within the next few weeks.

Marian Point, continued

Trend Report

Vacancy Rates

2Q09	3Q10	2Q12
4.2%	0.0%	16.7%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$305	\$0	\$305	\$241
2010	3	N/A	\$305	\$0	\$305	\$241
2012	2	N/A	\$294	\$0	\$294	\$230

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$330	\$0	\$330	\$252
2010	3	N/A	\$330	\$0	\$330	\$252
2012	2	N/A	\$348	\$0	\$348	\$270

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$350	\$0	\$350	\$286
2010	3	N/A	\$350	\$0	\$350	\$286
2012	2	N/A	\$550	\$0	\$550	\$486

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$400	\$0	\$400	\$322
2010	3	N/A	\$400	\$0	\$400	\$322
2012	2	N/A	\$550	\$0	\$550	\$472

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$450	\$0	\$450	\$386
2010	3	N/A	\$450	\$0	\$450	\$386
2012	2	N/A	\$550	\$0	\$550	\$486

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$525	\$0	\$525	\$447
2010	3	N/A	\$525	\$0	\$525	\$447
2012	2	N/A	\$575	\$0	\$575	\$497

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$550	\$0	\$550	\$486
2010	3	N/A	\$550	\$0	\$550	\$486
2012	2	N/A	\$600	\$0	\$600	\$536

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$650	\$0	\$650	\$572
2010	3	N/A	\$650	\$0	\$650	\$572
2012	2	N/A	\$680	\$0	\$680	\$602

Trend: Comments

- 2Q09** Management noted that this property was allocated as a HFOP property but converted to family in 2006. Approximately 50 percent of the tenants are seniors. Management noted that the property maintained a 100 percent occupancy rate as a senior property and is not sure why it converted. Although the property is 96 percent occupied, it is 100 percent leased. Management reported that although the property does not maintain a waiting list, vacancies are filled as soon as they become available. Management believes that there is demand for additional age restricted housing in the area and noted that many of the family properties in the area have a large number of senior tenants due to the lack of senior housing.
- 3Q10** There is one senior at the property, who is in her 80's. There are one or two people on the waiting list. The property manager reported that despite the short waiting list, the property leases up quickly because there is strong word of mouth marketing in the area.
- 2Q12** This property was formerly known as Poplar Point.
- Tenant mix is mostly small families. Management indicated that the property will not have any trouble leasing the four vacant units as there have been several interested prospective tenants. Management stated they were confident that all four vacancies will be filled within the next few weeks.

PROPERTY PROFILE REPORT

Pine Hill Apartments

Effective Rent Date 5/08/2012
Location 600 S Pine Hill Rd
 Griffin, GA 30224
 Spalding County
Distance 3.8 miles
Units 128
Vacant Units 8
Vacancy Rate 6.2%
Type Various
Year Built/Renovated 1995 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Heritage Apartments, Versailles
Tenant Characteristics 90% families
Contact Name Cedrick
Phone 770-412-6400



Market Information

Program LIHTC
Annual Turnover Rate 35%
Units/Month Absorbed N/A
HCV Tenants 6%
Leasing Pace 1 week
Annual Chg. in Rent N/A
Concession none

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
3	2	Garden	8	1,094	\$675	\$0	@60%	no	1	12.5%	yes	None
3	2.5	Townhouse	99	1,196	\$630	\$0	@60%	no	7	7.1%	yes	None
3	2.5	Townhouse	20	1,196	\$650	\$0	@60%	no	0	0.0%	yes	None
3	2.5	Townhouse	1	1,196	\$0	\$0	Non-Rental	no	0	0.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
3BR / 2BA	\$675	\$0	\$675	\$0	\$675	3BR / 2.5BA	N/A	\$0	N/A	\$0	N/A
3BR / 2.5BA	\$630 - \$650	\$0	\$630 - \$650	\$0	\$630 - \$650						

Amenities

In-Unit

Cable/Satellite/Internet
 Central A/C
 Exterior Storage
 Refrigerator
 Washer/Dryer hookup

Carpeting
 Dishwasher
 Oven
 Washer/Dryer

Security

None

Services

None

Property

Basketball Court
 Central Laundry
 On-Site Management
 Playground

Clubhouse/Meeting
 Off-Street Parking
 Picnic Area
 Swimming Pool

Premium

None

Other

5 week summer lunch

Comments

The Property Manager stated there is only one rental for the 3x2 units at that 60% restriction. The 3x2 townhomes have some units that have been upgraded with washer/dryers which is why there are two figures there.

She states they do not have many students on site because of the floor plans they offer and the rents are not what students are looking for. By this she means that most students opt for a 1-bedroom, but that they do not see many come looking for 3x2 units or townhomes.

When we spoke with the Property Manager a second time, we asked her about the need for affordable housing and if it is or is not being adequately met in this area. She replied that the need for affordable housing is still not being met at this time.

Pine Hill Apartments, continued

Trend Report

Vacancy Rates

4Q06	4Q07	1Q12	2Q12
21.1%	15.6%	5.5%	6.2%

Trend: @60%

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	5.9%	\$599 - \$655	\$0	\$599 - \$655	\$599 - \$655
2012	2	5.9%	\$630 - \$650	\$0	\$630 - \$650	\$630 - \$650

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	\$599 - \$669	\$0	\$599 - \$669	\$599 - \$669
2012	2	12.5%	\$675	\$0	\$675	\$675

Trend: Non-Rental

3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	1	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

Trend: Comments

- 4Q06** Pine Hill is a 100% tax credit property. They have a total of 128 units the includes 120 townhomes and 8 garden style apartments. The community does allow section 8 but currently they have only 2 section 8 residents. Leasing staff said they have a fairly low turnover rate but most of the tenants that leave are leaving to purchase a home. As of October 2006, Pine Hill is offering concessions of \$600 per month instead of \$650 for a twelve month lease on any unit. There are currently 27 vacancies, which are all three-bedroom two and a half bath units. Management indicated the reason for the high vacancies is due to the closing of an industrial plant in Griffin that has lead to many lay-offs in the community. There is no waiting list at this time. While Pine Hill does have tenants utilizing Section 8 vouchers at this time, management was unable to estimate the amount being used.
- 4Q07** The contact stated that the need for affordable housing is not being adequately met in this area.
- 1Q12** The contact stated that the need for affordable housing is not being adequately met in this area. Additionally, after new management/ownership took over in mid 2011, limited renovations have been done and washer and dryers have been added to approximately 50% of the units. As the current leases expire, washer and dryers will be added to the units at that point.
- 2Q12** The Property Manager stated there is only one rental for the 3x2 units at that 60% restriction. The 3x2 townhomes have some units that have been upgraded with washer/dryers which is why there have two figures there.
- She states they do not have many students on site because of the floor plans they offer and the rents are not what students are looking for. By this she means that most students opt for a 1-bedroom, but that they do not see many come looking for 3x2 units or townhomes.
- When we spoke with the Property Manager a second time, we asked her about the need for affordable housing and if it is or is not being adequately met in this area. She replied that the need for affordable housing is still not being met at this time.

PROPERTY PROFILE REPORT

St Phillip Villas

Effective Rent Date	5/09/2012
Location	829 N Hill Street Griffin, GA 30223 Spalding County
Distance	5.1 miles
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (2 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Griffin Crossing, Pine Hill Apts, and Marian Point
Tenant Characteristics	50% or more seniors; Majority generally from Griffin and surrounding areas
Contact Name	Melinda
Phone	770.229.4008



Market Information

Program	@50%, @60%, Market
Annual Turnover Rate	35%
Units/Month Absorbed	N/A
HCV Tenants	17%
Leasing Pace	Pre-leased
Annual Chg. in Rent	Slight increases since Feb, approx 1.5 %
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	975	\$490	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	975	\$490	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	4	975	\$535	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	12	1,175	\$590	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	20	1,175	\$615	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	4	1,175	\$635	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	4	1,350	\$690	\$0	@50%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,350	\$715	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	4	1,350	\$735	\$0	Market	No	0	0.0%	N/A	None

St Phillip Villas, continued

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$490	\$0	\$490	-\$64	\$426	1BR / 1BA	\$490	\$0	\$490	-\$64	\$426
2BR / 2BA	\$590	\$0	\$590	-\$78	\$512	2BR / 2BA	\$615	\$0	\$615	-\$78	\$537
3BR / 2BA	\$690	\$0	\$690	-\$97	\$593	3BR / 2BA	\$715	\$0	\$715	-\$97	\$618

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$535	\$0	\$535	-\$64	\$471
2BR / 2BA	\$635	\$0	\$635	-\$78	\$557
3BR / 2BA	\$735	\$0	\$735	-\$97	\$638

Amenities

In-Unit

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

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

Security

Perimeter Fencing

Services

None

Property

Basketball Court
 Clubhouse/Meeting
 Central Laundry
 On-Site Management
 Playground

Business Center/Computer Lab
 Exercise Facility
 Off-Street Parking
 Picnic Area

Premium

None

Other

None

Comments

Property Manager stated that they are and have been able to maintain 100 percent occupancy since late February. Rents increased approx. 1.5% across the board since Feb 2012.

Property Manager stated tenant mix is still 50% seniors, and stated the other half is almost all comprised of families.

St Phillip Villas, continued

Trend Report

Vacancy Rates

3Q10	2Q11	1Q12	2Q12
1.7%	1.7%	1.7%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$425	\$0	\$425	\$361
2011	2	0.0%	\$425	\$0	\$425	\$361
2012	1	25.0%	\$480	\$0	\$480	\$416
2012	2	0.0%	\$490	\$0	\$490	\$426

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	8.3%	\$525	\$0	\$525	\$447
2011	2	8.3%	\$525	\$0	\$525	\$447
2012	1	0.0%	\$580	\$0	\$580	\$502
2012	2	0.0%	\$590	\$0	\$590	\$512

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$625	\$0	\$625	\$528
2011	2	0.0%	\$625	\$0	\$625	\$528
2012	1	0.0%	\$680	\$0	\$680	\$583
2012	2	0.0%	\$690	\$0	\$690	\$593

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$450	\$0	\$450	\$386
2011	2	0.0%	\$450	\$0	\$450	\$386
2012	1	0.0%	\$480	\$0	\$480	\$416
2012	2	0.0%	\$490	\$0	\$490	\$426

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$550	\$0	\$550	\$472
2011	2	0.0%	\$550	\$0	\$550	\$472
2012	1	0.0%	\$605	\$0	\$605	\$527
2012	2	0.0%	\$615	\$0	\$615	\$537

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$650	\$0	\$650	\$553
2011	2	0.0%	\$650	\$0	\$650	\$553
2012	1	0.0%	\$705	\$0	\$705	\$608
2012	2	0.0%	\$715	\$0	\$715	\$618

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$495	\$0	\$495	\$431
2011	2	0.0%	\$495	\$0	\$495	\$431
2012	1	0.0%	\$525	\$0	\$525	\$461
2012	2	0.0%	\$535	\$0	\$535	\$471

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$595	\$0	\$595	\$517
2011	2	0.0%	\$595	\$0	\$595	\$517
2012	1	0.0%	\$625	\$0	\$625	\$547
2012	2	0.0%	\$635	\$0	\$635	\$557

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	3	0.0%	\$695	\$0	\$695	\$598
2011	2	0.0%	\$695	\$0	\$695	\$598
2012	1	0.0%	\$725	\$0	\$725	\$628
2012	2	0.0%	\$735	\$0	\$735	\$638

St Phillip Villas, continued

Trend: Comments

3Q10	N/A
2Q11	N/A
1Q12	Contact indicated that the rates are the same for each AMI level on the one-bedroom units. The waiting list has a total of three applicants for the LIHTC units only.
2Q12	Property Manager stated that they are and have been able to maintain 100 percent occupancy since late February. Rents increased approx. 1.5% across the board since Feb 2012. Property Manager stated tenant mix is still 50% seniors, and stated the other half is almost all comprised of families.

PROPERTY PROFILE REPORT

Villas On Forsyth

Effective Rent Date	6/04/2012
Location	101 Virginia Ave Barnesville, GA 30204 Lamar County
Distance	19.7 miles
Units	42
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted)
Year Built/Renovated	2009 / N/A
Marketing Began	12/01/2008
Leasing Began	2/20/2009
Last Unit Leased	N/A
Major Competitors	None in the area
Tenant Characteristics	Seniors 55+ with and average age of 65. 50% are previous homeowners
Contact Name	Cheryl Melton - Regional
Phone	(770) 358-4880 // 706 882 7668



Market Information

Program	@50%, @50% (HOME), @60%, Market
Annual Turnover Rate	5%
Units/Month Absorbed	8
HCV Tenants	4%
Leasing Pace	Immediate
Annual Chg. in Rent	N/A
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	21	896	\$355	\$0	@50%	75HH	0	0.0%	yes	None
1	1	Garden	N/A	896	\$307	\$0	@50% (HOME)	100HH	0	N/A	yes	None
1	1	Garden	N/A	896	\$457	\$0	@60%	N/A	0	N/A	yes	None
1	1	Garden	N/A	896	\$475	\$0	Market	25HH	0	N/A	N/A	None
2	1	Garden	21	1,100	\$413	\$0	@50%	75HH	0	0.0%	yes	None
2	1	Garden	N/A	1,100	\$356	\$0	@50% (HOME)	75HH	0	N/A	yes	None
2	1	Garden	N/A	1,100	\$435	\$0	@60%	100HH	0	N/A	no	None
2	1	Garden	N/A	1,100	\$510	\$0	Market	25HH	0	N/A	N/A	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$307 - \$355	\$0	\$307 - \$355	\$0	\$307 - \$355	1BR / 1BA	\$457	\$0	\$457	\$0	\$457
2BR / 1BA	\$356 - \$413	\$0	\$356 - \$413	\$0	\$356 - \$413	2BR / 1BA	\$435	\$0	\$435	\$0	\$435
Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
1BR / 1BA	\$475	\$0	\$475	\$0	\$475						
2BR / 1BA	\$510	\$0	\$510	\$0	\$510						

Villas On Forsyth, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Garbage Disposal
Microwave
Pull Cords
Walk-In Closet

Blinds
Central A/C
Exterior Storage
Hand Rails
Oven
Refrigerator
Washer/Dryer

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Recreation Areas

Exercise Facility
On-Site Management

Premium

None

Other

Library, garden,

Comments

We spoke with Cheryl Melton, Regional for Villas at Forsyth with Gateway Management. She stated the property is currently 100 percent leased with a waiting list of approximately 75 to 100 people for the one or two-bedroom units. Cheryl commented that their annual turnover rate, with it being a LIHTC, Home and Senior Property is very low at five percent or less.

Management indicated that there is a significant demand for additional senior LIHTC housing in the market.

Villas On Forsyth, continued

Trend Report

Vacancy Rates

2Q09	2Q10	2Q12
23.8%	0.0%	0.0%

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$337 - \$386	\$0	\$337 - \$386	\$337 - \$386
2010	2	N/A	\$337 - \$371	\$0	\$337 - \$371	\$337 - \$371
2012	2	N/A	\$307 - \$355	\$0	\$307 - \$355	\$307 - \$355

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$397 - \$455	\$0	\$397 - \$455	\$397 - \$455
2010	2	N/A	\$399 - \$436	\$0	\$399 - \$436	\$399 - \$436
2012	2	N/A	\$356 - \$413	\$0	\$356 - \$413	\$356 - \$413

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2012	2	N/A	\$457	\$0	\$457	\$457

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$397	\$0	\$397	\$397
2010	2	N/A	\$460	\$0	\$460	\$460
2012	2	N/A	\$435	\$0	\$435	\$435

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	N/A	\$475	\$0	\$475	\$475
2012	2	N/A	\$475	\$0	\$475	\$475

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$500	\$0	\$500	\$500
2010	2	N/A	\$500	\$0	\$500	\$500
2012	2	N/A	\$510	\$0	\$510	\$510

Trend: Comments

- 2Q09** This property is currently in lease up and is 76 percent occupied. Management reported that there are several applications pending and that the property should be fully leased within the next month. The property manager indicated that there is demand for additional senior LIHTC units in the area as the manager anticipates starting a waiting list within the next month.
- 2Q10** The waiting list consists of 25 households combined for all unit sizes. According to management, the one and two-bedroom LIHTC units at 50 percent decreased four percent based on utility adjustments.
- 2Q12** We spoke with Cheryl Melton, Regional for Villas at Forsyth with Gateway Management. She stated the property is currently 100 percent leased with a waiting list of approximately 75 to 100 people for the one or two-bedroom units. Cheryl commented that their annual turnover rate, with it being a LIHTC, Home and Senior Property is very low at five percent or less.
- Management indicated that there is a significant demand for additional senior LIHTC housing in the market.

PROPERTY PROFILE REPORT

Ashford Place

Effective Rent Date	5/08/2012
Location	657 Carver Road Griffin, GA 30224 Spalding County
Distance	4.6 miles
Units	112
Vacant Units	13
Vacancy Rate	11.6%
Type	Garden (2 stories)
Year Built/Renovated	1989 / 2005
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Walden Pointe, Griffin Crossing
Tenant Characteristics	Seniors, Singles, and Families; 50% Spalding County and the rest out of state
Contact Name	Rita; Shelly
Phone	770.229.5572



Market Information

Program	Market
Annual Turnover Rate	43%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	One week
Annual Chg. in Rent	None
Concession	Reduced rates

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	32	745	\$610	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (2 stories)	16	1,003	\$649	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	40	1,080	\$675	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	24	1,240	\$765	\$0	Market	No	N/A	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$610	\$0	\$610	-\$64	\$546
2BR / 1BA	\$649	\$0	\$649	-\$78	\$571
2BR / 2BA	\$675	\$0	\$675	-\$78	\$597
3BR / 2BA	\$765	\$0	\$765	-\$97	\$668

Ashford Place, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Fireplace
Garbage Disposal
Refrigerator

Blinds
Central A/C
Dishwasher
Furnishing
Oven
Washer/Dryer hookup

Security

None

Services

None

Property

Clubhouse/Meeting
Central Laundry
On-Site Management
Sport Court
Tennis Court

Exercise Facility
Off-Street Parking
Playground
Swimming Pool

Premium

None

Other

None

Comments

Property Manager was not able to give the breakdown of the vacancy per unit currently, but stated that they have an approximate 12% vacancy, which is 13 units. When we asked why the vacancy was high, management indicated that it was due the time of year as many residents choose to move during the summer months when school is out.

Ashford Place, continued

Trend Report

Vacancy Rates

2Q09	2Q10	1Q12	2Q12
8.0%	2.7%	5.4%	11.6%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$620	\$0	\$620	\$556
2010	2	6.2%	\$599	\$0	\$599	\$535
2012	1	0.0%	\$599	\$0	\$599	\$535
2012	2	N/A	\$610	\$0	\$610	\$546

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$710	\$0	\$710	\$632
2010	2	0.0%	\$700	\$0	\$700	\$622
2012	1	18.8%	\$700	\$55	\$645	\$567
2012	2	N/A	\$649	\$0	\$649	\$571

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$720	\$0	\$720	\$642
2010	2	2.5%	\$720	\$0	\$720	\$642
2012	1	7.5%	\$720	\$40	\$680	\$602
2012	2	N/A	\$675	\$0	\$675	\$597

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$810	\$0	\$810	\$713
2010	2	0.0%	\$810	\$0	\$810	\$713
2012	1	0.0%	\$810	\$0	\$810	\$713
2012	2	N/A	\$765	\$0	\$765	\$668

Trend: Comments

- 2Q09** The contact reported that the concession has been offered since the beginning of May 2009 and fluctuate based on availability. The contact reported that the property has maintained an occupancy rate of 90 percent or more since the beginning of March 2009 but occupancy did drop into the low 80 percent range in November 2008 due to the economy and layoffs at companies such as Caterpillar
- 2Q10** Management reported that the local area and also the property have both seen improvements.
- 1Q12** Currently, the two-bedroom one-bath units are on special for \$645, and the two-bedroom two-bath units are on special for \$680.
- 2Q12** Property Manager was not able to give the breakdown of the vacancy per unit currently, but stated that they have an approximate 12% vacancy, which is 13 units. When we asked why the vacancy was high, management indicated that it was due the time of year as many residents choose to move during the summer months when school is out.

PROPERTY PROFILE REPORT

Griffin Crossing Apartments

Effective Rent Date	5/08/2012
Location	1597 West McIntosh Road Griffin, GA 30223 Spalding County
Distance	0.6 miles
Units	272
Vacant Units	24
Vacancy Rate	8.8%
Type	Garden (3 stories)
Year Built/Renovated	1986 / 2006
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Walden Point and Ashford Place
Tenant Characteristics	Mixed tenancy from different parts of the country
Contact Name	Diane Carroll
Phone	770.228.6994



Market Information

Program	Market
Annual Turnover Rate	44%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	30 days
Annual Chg. in Rent	Fluctuate daily
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	80	824	\$484	\$0	Market	No	6	7.5%	N/A	AVG*
1	1	Garden (3 stories)	0	824	\$520	\$0	Market	No	0	N/A	N/A	HIGH
1	1	Garden (3 stories)	0	824	\$447	\$0	Market	No	0	N/A	N/A	LOW
2	2	Garden (3 stories)	168	944	\$679	\$0	Market	No	15	8.9%	N/A	AVG*
2	2	Garden (3 stories)	0	944	\$756	\$0	Market	No	0	N/A	N/A	HIGH
2	2	Garden (3 stories)	0	944	\$601	\$0	Market	No	0	N/A	N/A	LOW
3	2	Garden (3 stories)	24	1,090	\$698	\$0	Market	No	3	12.5%	N/A	AVG*
3	2	Garden (3 stories)	0	1,090	\$783	\$0	Market	No	0	N/A	N/A	HIGH
3	2	Garden (3 stories)	0	1,090	\$613	\$0	Market	No	0	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$447 - \$520	\$0	\$447 - \$520	\$20	\$467 - \$540
2BR / 2BA	\$601 - \$756	\$0	\$601 - \$756	\$20	\$621 - \$776
3BR / 2BA	\$613 - \$783	\$0	\$613 - \$783	\$20	\$633 - \$803

Griffin Crossing Apartments, continued

Amenities

In-Unit

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

Carpeting
Coat Closet
Ceiling Fan
Oven
Walk-In Closet

Security

In-Unit Alarm
Intercom (Phone)
Perimeter Fencing

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Picnic Area
Swimming Pool

Exercise Facility
On-Site Management
Playground
Tennis Court

Premium

None

Other

None

Comments

The property uses the Yieldstar program and rates fluctuate daily. Yieldstar is a valuation program that apartment communities use to generate their unit pricing for their apartment units. This pricing software fluctuates daily based upon a multitude of figures such as unit availability, vacancy, 60 day forecasts, 90-day forecasts, and so on. Prices with this software will change every day.

Management indicated that the current vacancy rate of eight percent has been typical for the property over the past year. Management noted that many of the residents work at the Caterpillar plant and their hours have been cut back and some have been laid off.

The yieldstar program is also pricing the 2 bedroom and the 3 bedroom model very closely in price, so most parties are opting for the 3 bedroom and extra space if they do lease.

Griffin Crossing Apartments, continued

Trend Report

Vacancy Rates

2Q08	2Q10	1Q12	2Q12
5.9%	5.9%	7.4%	8.8%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	11.2%	\$540	\$45	\$495	\$515
2010	2	2.5%	\$376	\$0	\$376	\$396
2012	1	6.2%	\$531 - \$592	\$0	\$531 - \$592	\$551 - \$612
2012	2	7.5%	\$447 - \$520	\$0	\$447 - \$520	\$467 - \$540

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	0.0%	\$600	\$0	\$600	\$620
2010	2	4.2%	\$567	\$0	\$567	\$587
2012	1	6.5%	\$558 - \$689	\$0	\$558 - \$689	\$578 - \$709
2012	2	8.9%	\$601 - \$756	\$0	\$601 - \$756	\$621 - \$776

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2008	2	29.2%	\$750	\$55	\$695	\$715
2010	2	29.2%	\$662	\$0	\$662	\$682
2012	1	16.7%	\$615 - \$674	\$0	\$615 - \$674	\$635 - \$694
2012	2	12.5%	\$613 - \$783	\$0	\$613 - \$783	\$633 - \$803

Trend: Comments

- 2Q08** The concession consists of reduced rents off \$495 for a one-bedroom unit and \$695 for a three-bedroom unit. Contact was unable to provide the annual turnover rate at the time of the survey. Rents remain unchanged since our last survey during fall 2007.
- 2Q10** The property uses yieldstar software which sets rents depending on market conditions. The contact reported the competitive rental rates have kept the property stable with occupancy ranging between 94 and 98 percent during the past year.
- 1Q12** The property uses yieldstar software which sets rents depending on market conditions. The contact reported the job market in the area has hurt their occupancy as there are mainly service sector jobs that offer hourly rates. Additionally, she believes their utility structure drives tenants away, as tenants are responsible for everything including water, sewer, and trash. The contact noted the water bill is split evenly among tenants and billed at a separate time than when rent is due.
- 2Q12** The property uses the Yieldstar program and rates fluctuate daily. Yieldstar is a valuation program that apartment communities use to generate their unit pricing for their apartment units. This pricing software fluctuates daily based upon a multitude of figures such as unit availability, vacancy, 60 day forecasts, 90-day forecasts, and so on. Prices with this software will change every day.
- Management indicated that the current vacancy rate of eight percent has been typical for the property over the past year. Management noted that many of the residents work at the Caterpillar plant and their hours have been cut back and some have been laid off.
- The yieldstar program is also pricing the 2 bedroom and the 3 bedroom model very closely in price, so most parties are opting for the 3 bedroom and extra space if they do lease.

PROPERTY PROFILE REPORT

Walden Pointe Apartments Homes

Effective Rent Date	5/30/2012
Location	701 Carver Road Griffin, GA 30223 Spalding County
Distance	5.3 miles
Units	216
Vacant Units	12
Vacancy Rate	5.6%
Type	Garden (3 stories)
Year Built/Renovated	1990s / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Ashford Place, Griffin Crossing
Tenant Characteristics	Singles, Students, Seniors, Families; Lovejoy, McDonough
Contact Name	Victoria
Phone	770-228-3366



Market Information

Program	Market
Annual Turnover Rate	22%
Units/Month Absorbed	18
HCV Tenants	0%
Leasing Pace	2 weeks
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1.5	Garden (3 stories)	72	998	\$575	\$0	Market	No	2	2.8%	N/A	AVG
2	2	Garden (3 stories)	112	1,280	\$675	\$0	Market	No	7	6.2%	N/A	AVG
3	2	Garden (3 stories)	32	1,480	\$825	\$0	Market	No	3	9.4%	N/A	AVG

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1.5BA	\$575	\$0	\$575	\$0	\$575
2BR / 2BA	\$675	\$0	\$675	\$0	\$675
3BR / 2BA	\$825	\$0	\$825	\$0	\$825

Walden Pointe Apartments Homes, continued

Amenities

In-Unit

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

Blinds
Central A/C
Ceiling Fan
Microwave
Refrigerator

Security

In-Unit Alarm
Patrol

Services

None

Property

Clubhouse/Meeting
Exercise Facility
Central Laundry
Picnic Area
Tennis Court

Courtyard
Garage
On-Site Management
Swimming Pool

Premium

None

Other

None

Comments

Leasing associate would not comment on tenant mix, due to fair housing and when asked about the local economy and area, she provided little insight after the tenant mix inquiry.

Walden Pointe Apartments Homes, continued

Trend Report

Vacancy Rates

4Q06	1Q08	1Q12	2Q12
4.2%	5.6%	6.0%	5.6%

Trend: Market

1BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	5.6%	\$605	\$12	\$593	\$593
2008	1	5.6%	\$605	\$42	\$563	\$563
2012	1	5.6%	\$575	\$0	\$575	\$575
2012	2	2.8%	\$575	\$0	\$575	\$575

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	4.5%	\$710	\$12	\$698	\$698
2008	1	3.6%	\$720	\$42	\$678	\$678
2012	1	4.5%	\$675	\$0	\$675	\$675
2012	2	6.2%	\$675	\$0	\$675	\$675

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	0.0%	\$790	\$12	\$778	\$778
2008	1	12.5%	\$810	\$42	\$768	\$768
2012	1	12.5%	\$850	\$0	\$850	\$850
2012	2	9.4%	\$825	\$0	\$825	\$825

Trend: Comments

4Q06	Walden Pointe Apartment Homes is a market rate property offering one, two, and three-bedroom units. They are currently offering concessions of \$150 off the first months rent for any unit. Tenants are responsible for paying all utilities, and heating, cooking, and the hot water are all electric. The current turnover rate is 22 percent. Walden Pointe opened in 1999 and management estimated that it took one year to become fully occupied, giving them an absorption rate of 18 units per month. There are currently no tenants utilizing Section 8 vouchers. Surface parking is available for free, and garages are offered at an additional charge of \$50 per month. The property includes community amenities such as a pool, fitness center, tennis courts, and a playground. Management believes that they do not have any competition in Griffin due to the age and superior amenities the complex has to offer. The current tenant profile is a mixture of singles, college students, seniors, and some families. There is no waiting list for the one and two bedroom units, but a small waiting list of three households for the three-bedroom units.
1Q08	The contact estimated the number of vacant units per unit type. The contact stated that 95 percent of the garage units are leased, therefore garages appear to be a valued amenity.
1Q12	No additional comments.
2Q12	Leasing associate would not comment on tenant mix, due to fair housing and when asked about the local economy and area, she provided little insight after the tenant mix inquiry.

PROPERTY PROFILE REPORT

Willow Creek Apartments

Effective Rent Date 5/09/2012
Location 101 Rhodes Lane
 Griffin, GA 30224
 Spalding County
Distance 6.6 miles
Units 53
Vacant Units 1
Vacancy Rate 1.9%
Type Garden
Year Built/Renovated 1984 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors Garden Gate
Tenant Characteristics Majority from Griffin, some from Clayton Cty;
 Mix of elderly and singles
Contact Name Twilla
Phone 770-227-6849



Market Information

Program Market
Annual Turnover Rate 13%
Units/Month Absorbed N/A
HCV Tenants 6%
Leasing Pace Pre-lease (2-4 weeks)
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden	10	288	\$430	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden	25	576	\$549	\$0	Market	No	1	4.0%	N/A	None
2	1	Garden	16	864	\$699	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden	2	864	\$720	\$0	Market	No	0	0.0%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$430	\$0	\$430	\$20	\$450
1BR / 1BA	\$549	\$0	\$549	\$20	\$569
2BR / 1BA	\$699	\$0	\$699	\$20	\$719
2BR / 2BA	\$720	\$0	\$720	\$20	\$740

Willow Creek Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Ceiling Fan
Oven
Vaulted Ceilings

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

Security

None

Services

None

Property

Central Laundry
On-Site Management

Off-Street Parking

Premium

None

Other

None

Comments

The property manager stated that they only have one vacant unit and they expect to fill it soon as they have had many people interested. Management stated that they typically maintain an occupancy rate above 95 percent.

The property has three tenants who use housing vouchers that have been living on the property for a while, but are not accepting new vouchers.

Willow Creek Apartments, continued

Trend Report

Vacancy Rates

4Q06	1Q08	1Q12	2Q12
3.8%	0.0%	0.0%	1.9%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	3.7%	\$551	\$0	\$551	\$571
2008	1	0.0%	\$559	\$0	\$559	\$579
2012	1	0.0%	\$529	\$0	\$529	\$549
2012	2	4.0%	\$549	\$0	\$549	\$569

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	5.6%	\$683	\$0	\$683	\$703
2008	1	0.0%	\$699	\$0	\$699	\$719
2012	1	0.0%	\$699	\$0	\$699	\$719
2012	2	0.0%	\$699	\$0	\$699	\$719

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	0.0%	\$693	\$0	\$693	\$713
2008	1	0.0%	\$699	\$0	\$699	\$719
2012	1	0.0%	\$699	\$0	\$699	\$719
2012	2	0.0%	\$720	\$0	\$720	\$740

Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	0.0%	\$441	\$0	\$441	\$461
2008	1	0.0%	\$459	\$0	\$459	\$479
2012	1	0.0%	\$499	\$0	\$499	\$519
2012	2	0.0%	\$430	\$0	\$430	\$450

Trend: Comments

4Q06 Willow Creek Apartments is a market rate property offering studios, one, and two-bedroom units. Management estimated the unit mix allocation. While there are some tenants utilizing Section 8 vouchers at this time, management was unable to estimate how many are currently in use. There are no concessions being offered at this time. The annual turnover rate is estimated to be 10 percent. Tenants are responsible for paying all utilities, and all units are equipped with a dishwasher, wash/dryer hook up, stove, refrigerator, central air conditioning, and patios or balconies. There are no garages or carports, but surface parking is available. Willow Creek does not offer any security features. Tenants are a mixture of singles, seniors, and some families from the Griffin area.

1Q08 The contact estimated the unit mix. The property is managed by Empirian Property Management, Inc. Basic information on the property can be found on their website: www.epmapartments.com.

1Q12 Contact had no additional comments.

2Q12 The property manager stated that they only have one vacant unit and they expect to fill it soon as they have had many people interested. Management stated that they typically maintain an occupancy rate above 95 percent.

The property has three tenants who use housing vouchers that have been living on the property for a while, but are not accepting new vouchers.

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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Tenancy	Housing Choice Voucher
Glenco Trace Apts.	LIHTC	Senior	3%
Marian Point	LIHTC/Market	Family	21%
St Phillip Villas	LIHTC/Market	Family	17%
Villas On Forsyth	LIHTC/Market	Senior	4%
Ashford Place	Market	Family	0%
Griffin Crossing Apartments	Market	Family	0%
Walden Pointe Apartments Homes	Market	Family	0%
Willow Creek Apartments	Market	Family	6%
Average			6%

Average voucher tenancy in the market is low at six percent, indicating that the rental market is not reliant on vouchers. The two senior comparables reported voucher tenancies between three and four percent. We anticipate that the Subject will have a low voucher tenancy similar to the market average.

Absorption History

We were able to obtain absorption information for the newest property in the market, the senior LIHTC property Villas on Forsyth. This property opened in 2009 and management indicated that it leased approximately eight units per month. At this pace the 42 unit property was fully leased within six months. Both senior LIHTC comparables are 100 percent occupied with waiting lists ranging from 10 to 100 households. The lack of vacant units and waiting lists indicates a need for additional LIHTC units targeting seniors. We have conservatively estimated that the Subject will lease approximately seven units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within eight months.

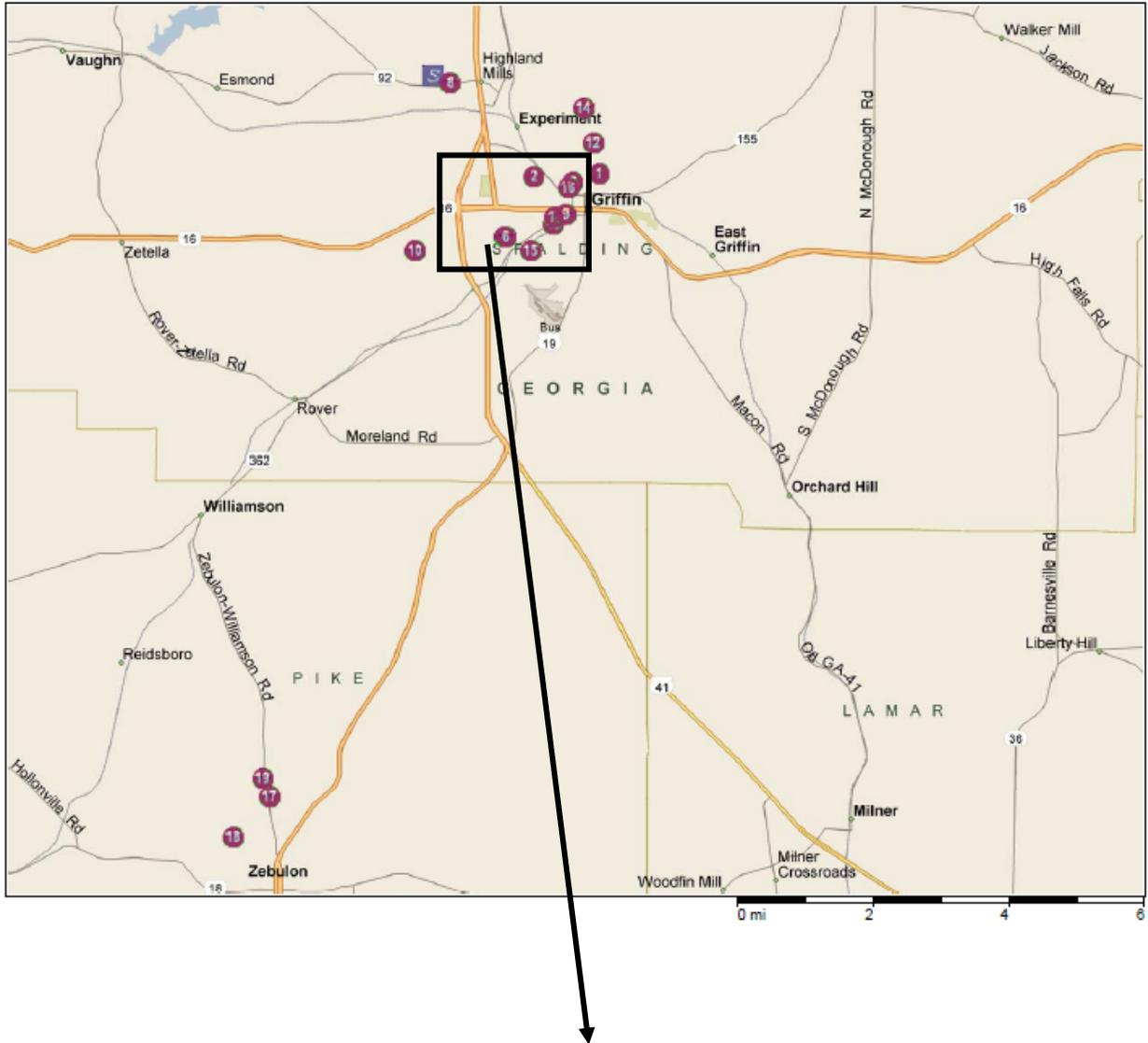
Phased Developments

The Subject is not part of a phased development.

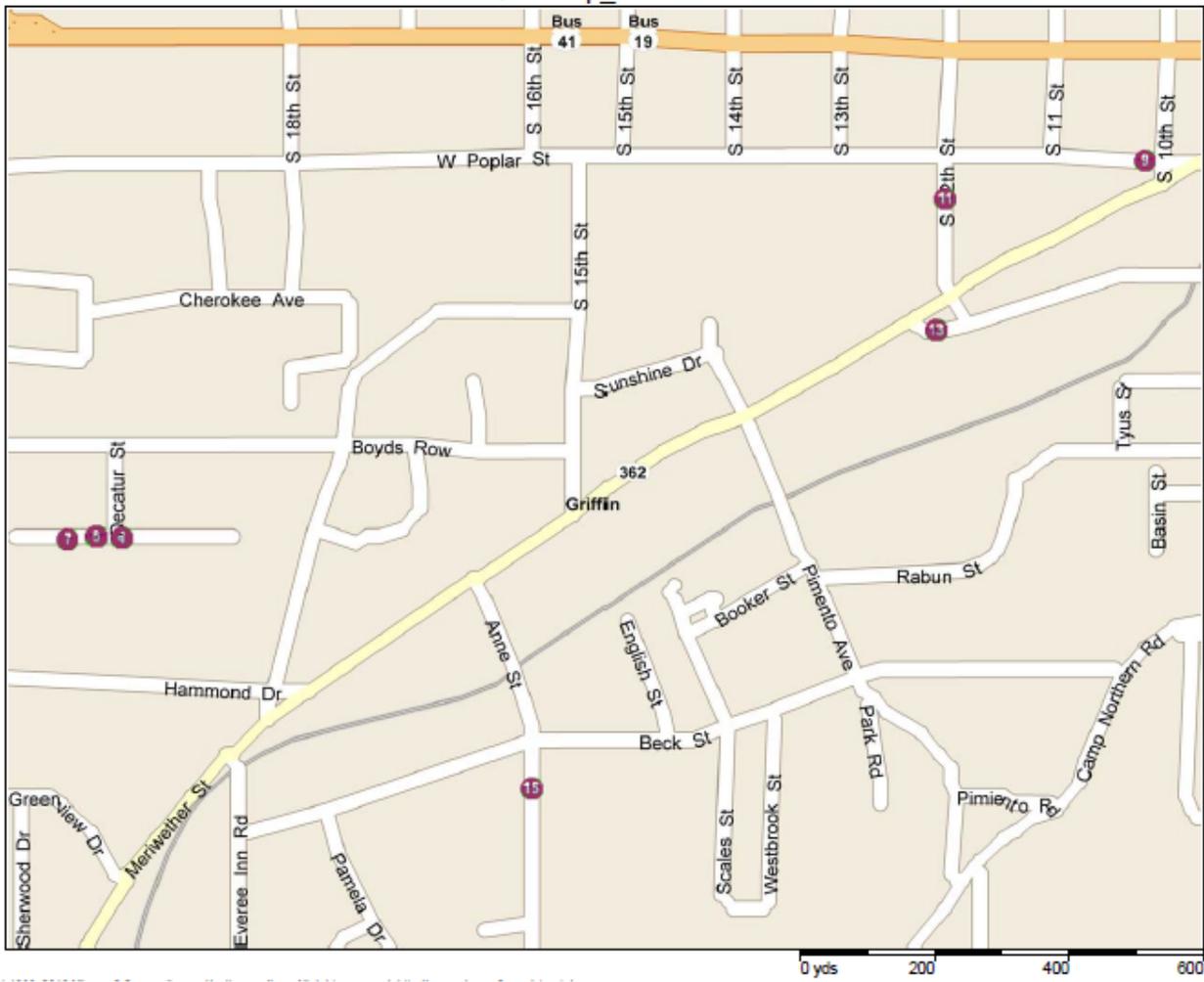
Rural Areas

The Subject is not located in a rural area.

3. COMPETITIVE PROJECT MAP



McIntosh Senior Village, Griffin, GA; Market Study



McIntosh Senior Village, Griffin, GA; Market Study

Map#	Name	Type	Tenancy	Included/ Excluded	Reason for Exclusion	Distance from Subject
1	431 N. Fifth St.	LIHTC	Family	Excluded	Only one unit	4.8 miles
2	935 Ray St.	LIHTC	Family	Excluded	Only one unit	2.9 miles
3	412 W. Quilly St.	LIHTC	Family	Excluded	Only one unit	3.3 miles
4	1307 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles
5	1319 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles
6	1321 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles
7	1333 Edgewood Ave.	LIHTC	Family	Excluded	Only one unit	3.4 miles
8	Glenco Trace	LIHTC	Senior	Included	N/Ap	0.4 miles
9	Marion Point	LIHTC/Market	Family	Included	N/Ap	3.9 miles
10	Pine Hill	LIHTC	Family	Excluded	Only offers 3BR units Undergoing renovations; management not available	3.9 miles
11	Poplar Grove	LIHTC/Market	Family	Excluded		3.8 miles
12	St. Philip Villa	LIHTC/Market	Family	Included	N/Ap	5.1 miles
13	Regency Apartments	Section 8	Family	Excluded	All units are subsidized	3.9 miles
14	Northside Hills Apartments	Section 8	Family	Excluded	All units are subsidized	2.8 miles
15	Heritage Apartments	Section 8	Family	Excluded	All units are subsidized	5.3 miles
16	St Georges Court	Section 8	Senior	Excluded	All units are subsidized	3.3 miles
17	Piedmont Ridge I	RD	Family	Excluded	All units are subsidized	13.4 miles
18	Piedmont Ridge II	RD	Family	Excluded	All units are subsidized	14.5 miles
19	Piedmont Ridge III	RD	Family	Excluded	All units are subsidized	13.5 miles
20	Brightmoor Nursing Home	FHA	Special Needs	Excluded	Tenancy not comparable	5.9 miles

4. Amenities

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in grey, while those properties that do not offer an amenity that the Subject does offer are shaded in blue. Thus, the inferior properties can be identified by the blue and the superior properties can be identified by the red.

UNIT MATRIX REPORT

	McIntosh Senior Village	Glenco Trace Apts.	Marian Point	St Phillip Villas	Villas On Forsyth	Ashford Place	Griffin Crossing Apartments	Walden Pointe Apartments Homes	Willow Creek Apartments
Comp #	Subject	1	2	3	4	5	6	7	8
Property Information									
Property Type	Lowrise (age-restricted)	Garden (age-restricted)	Lowrise (3 stories)	Garden (2 stories)	Garden (age-restricted)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden
Year Built / Renovated	2014	2000	1930s / 2004	2002	2009	1989 / 2005	1986 / 2006	1990s	1984
Market (Conv.)/Subsidy Type	50%, 60%	35%, 40%	30%, 50%, 60%, Market	50%, 60%, Market	50%, 50% (HOME), 60%, Market	Market	Market	Market	Market
Utility Adjustments									
Cooking	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no
Water	no	yes	yes	yes	no	yes	no	no	no
Sewer	no	yes	yes	yes	no	yes	no	no	no
Trash Collection	yes	no	yes	yes	yes	yes	no	yes	no
In-Unit Amenities									
Balcony/Patio	no	yes	yes	yes	yes	yes	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	no	no	no	no
Carpet/Hardwood	no	no	yes	no	no	no	no	no	no
Carpeting	yes	yes	no	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	yes	no	yes	yes	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	yes	yes	no	no	no	yes
Ceiling Fan	yes	yes	no	no	no	no	yes	yes	yes
Fireplace	no	no	no	no	no	yes	no	no	no
Furnishing	no	no	no	no	no	yes	no	no	no
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	yes	no	no	yes	no	no	no	no
Microwave	yes	no	no	no	yes	no	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	no	no	yes	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no	no	yes
Walk-In Closet	no	no	yes	yes	yes	no	yes	no	no
Washer/Dryer	no	no	no	no	yes	no	no	no	no
Washer/Dryer hookup	yes	yes	no	yes	yes	yes	yes	yes	yes

UNIT MATRIX REPORT

	McIntosh Senior Village	Glenco Trace Apts.	Marian Point	St Phillip Villas	Villas On Forsyth	Ashford Place	Griffin Crossing Apartments	Walden Pointe Apartments Homes	Willow Creek Apartments
Comp#	Subject	1	2	3	4	5	6	7	8
Property Information									
Property Type	Lowrise (age-restricted)	Garden (age-restricted)	Lowrise (3 stories)	Garden (2 stories)	Garden (age-restricted)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)	Garden
Year Built / Renovated	2014	2000	1930s / 2004	2002	2009	1989 / 2005	1986 / 2006	1990s	1984
Market (Conv./Subsidy Type)	50%, 60%	35%, 40%	30%, 50%, 60%, Market	50%, 60%, Market	50%, 50% (HOME), 60%, Market	Market	Market	Market	Market
Property Amenities									
Basketball Court	no	no	no	yes	no	no	no	no	no
Business Center/Computer Lab	yes	no	no	yes	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	yes	no
Courtyard	no	no	no	no	no	no	no	yes	no
Exercise Facility	yes	no	yes	yes	yes	yes	yes	yes	no
Garage	no	no	no	no	no	no	no	yes	no
Central Laundry	yes	yes	yes	yes	no	yes	no	yes	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	no	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	yes	yes	no	no	yes	yes	no
Playground	no	no	no	yes	no	yes	yes	no	no
Recreation Areas	no	no	no	no	yes	no	no	no	no
Sport Court	no	no	no	no	no	yes	no	no	no
Swimming Pool	no	no	no	no	no	yes	yes	yes	no
Tennis Court	no	no	no	no	no	yes	yes	yes	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$50.00	N/A
Services									
Security									
In-Unit Alarm	no	no	no	no	no	no	yes	yes	no
Intercom (Phone)	no	no	no	no	no	no	yes	no	no
Patrol	no	no	no	no	no	no	no	yes	no
Perimeter Fencing	no	no	no	yes	no	no	yes	no	no
Premium Amenities									
Other Amenities									
Other	Walking path, community garden	Library, Gazebo, Shuffle Board	n/a	n/a	Library, garden, shuffleboard, horsehoes, path	n/a	n/a	n/a	n/a

The Subject’s proposed amenities package will allow it to be competitive with the comparable properties.

5. The Subject will target senior households aged 55 and older. We have included all senior properties in the PMA. Due to the lack of senior properties, we have also included family properties. The following table illustrates the percent of senior tenants at the family properties included. Although the market rate properties could not estimate the percentage of senior tenants, management at all four properties indicated that there are senior tenants living at the properties.

Property Name	Type	Tenancy	% Seniors
Marian Point	LIHTC/Market	Family	4%
St Phillip Villas	LIHTC/Market	Family	50%
Ashford Place	Market	Family	N/Av
Griffin Crossing Apartments	Market	Family	N/Av
Walden Pointe Apartments Homes	Market	Family	N/Av
Willow Creek Apartments	Market	Family	N/Av

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Glenco Trace Apts.	LIHTC	Senior	72	0	0.00%
Marian Point	LIHTC/Market	Family	24	4	16.70%
St Phillip Villas	LIHTC/Market	Family	60	0	0.00%
Villas On Forsyth	LIHTC/Market	Senior	42	0	0.00%
Ashford Place	Market	Family	112	13	11.60%
Griffin Crossing Apartments	Market	Family	272	24	8.80%
Walden Pointe Apartments Homes	Market	Family	216	12	5.60%
Willow Creek Apartments	Market	Family	53	1	1.90%
Total			851	54	6.40%

Overall vacancy in the market is moderate at 6.4 percent. The family LIHTC property Marian Point is the only LIHTC property with vacant units. The vacancy rate at this property is being skewed by the small number of units, as there are only four vacancies. Management reported that there have been several interested tenants and the vacancies should be leased soon. There are two comparables that target senior tenants. Neither of these comparables has any vacant units. Additionally, both comparables have waiting lists ranging from 10 to 100 households. The lack of vacancies and waiting lists indicate a need for additional senior LIHTC housing. Both property managers stated that the market could easily support an additional senior LIHTC property of 50 to 75 units.

The average vacancy rate among the conventional rental properties is moderate at 7.7 percent. All four properties target families but reported having some senior tenants. As an income restricted senior property, we believe that the Subject will maintain a stabilized vacancy rate of

McIntosh Senior Village, Griffin, GA; Market Study

five percent or less. This is reasonable given the strong performance of the two senior rental properties in the local market.

7. Properties Under Construction and Proposed

There are no new LIHTC or market rate properties that have been proposed or under construction in the PMA.

8. Rental Advantage

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

Similarity Matrix								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Glenco Trace Apts.	LIHTC	Inferior	Similar	Similar	Inferior	Inferior	-30
2	Marian Point	LIHTC/Market	Slightly Inferior	Slightly Inferior	Superior	Inferior	Inferior	-20
3	St Phillip Villas	LIHTC/Market	Similar	Slightly Superior	Inferior	Inferior	Slightly Superior	-10
4	Villas On Forsyth	LIHTC/Market	Slightly Inferior	Superior	Inferior	Similar	Slightly Superior	0
5	Ashford Place	Market	Superior	Superior	Inferior	Inferior	Inferior	-10
6	Griffin Crossing Apartments	Market	Superior	Slightly Superior	Similar	Inferior	Slightly Inferior	0
7	Walden Pointe Apartments Homes	Market	Superior	Similar	Inferior	Inferior	Superior	0
8	Willow Creek Apartments	Market	Inferior	Slightly Superior	Inferior	Inferior	Inferior	-35

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

The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following table. Per DCA's QAP clarification question and answer round, since 2012 utility allowances have not yet been released, applicants must use 2011 rent and income limits in areas that are using 2011 utility allowance schedules.

LIHTC Rent Comparison - @50%					
Property Name	Tenancy	County	1BR	2BR	
Mcintosh Senior Village (Subject)	Senior	Spalding	\$390	\$490	
LIHTC Maximum (Net)	-	Spalding	\$489	\$573	
LIHTC Maximum (Net)	-	Lamar	\$330	\$383	
St Phillip Villas	Family	Spalding	\$426	\$512	
Marian Point	Family	Spalding	\$486	\$472	
Villas On Forsyth	Senior	Lamar	\$307-\$355	\$356-\$413	
Average (excluding Subject)	-	-	\$394	\$438	

Similar to the comparable properties, the Subject's proposed 50 percent AMI rents are below the maximum rent levels. Of the three comparables with rents at the 50 percent AMI level, one targets seniors. Villas on Forsyth was built in 2009 and will be generally similar to the Subject. This property is located in Lamar County, which has lower maximum allowable rent levels than Spalding County. The lower rents for each bedroom type are those with HOME funds. This property is 100 percent occupied and has a 25 to 100 household waiting list, indicating that its

current rents are achievable and that it could likely achieve higher rents. Although St. Phillip Villas is a family LIHTC property, 50 percent of its tenants are seniors. This property will be inferior to the newly constructed Subject. St. Phillip Villas is 100 percent occupied and has a waiting list for its LIHTC units, indicating that its rents are achievable. Because 50 percent of the tenants at this property are seniors, its rents are also achievable to senior tenants in the market. The Subject’s proposed 50 percent AMI rents are below the rents at this property and will be achievable in the local market.

LIHTC Rent Comparison - @60%

Property Name	Tenancy	County	1BR	2BR
Mcintosh Senior Village (Subject)	Senior	Spalding	\$440	\$490
LIHTC Maximum (Net)	-	Spalding	\$617	\$727
LIHTC Maximum (Net)	-	Lamar	\$427	\$499
St Phillip Villas	Family	Spalding	\$426	\$537
Marian Point	Family	Spalding	\$486	\$497
Villas On Forsyth	Senior	Lamar	\$457	\$435
Average (excluding Subject)	-	-	\$456	\$490

The Subject’s proposed 60 percent AMI rents are below the maximum allowable levels. As previously discussed, Villas on Forsyth is not testing maximum achievable LIHTC rents and it is reasonable to assume the Subject can achieve rents above this property, particularly when taking into account the Subject’s superior location. The Subject’s proposed one-bedroom 60 percent AMI rents are below the current rents at this property while its proposed two-bedroom 60 percent AMI rents are above the rents at this property. St. Phillip Villas is achieving the highest two-bedroom rents in the market. Approximately 50 percent of its tenants are seniors and the property is 100 percent occupied. As new construction, the Subject will be superior to this property. Therefore, the Subject’s proposed 60 percent AMI rents appear reasonable when compared to the current rents at Villas on Forsyth and St. Phillip Villas.

Analysis of “Market Rents”

Per DCA’s market study guidelines, “average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not “Achievable unrestricted market rent.” In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comps. In a small rural market there may be neither tax credit comps nor market rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market.”

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

McIntosh Senior Village, Griffin, GA; Market Study

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

Subject Comparison To Market Rents

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR 50%	\$390	\$307	\$575	\$473	21%
2 BR 50%	\$490	\$356	\$740	\$556	13%
1BR 60%	\$440	\$426	\$575	\$505	15%
2BR 60%	\$490	\$435	\$740	\$595	21%

The Subject's proposed LIHTC rents are on the low end of the observed ranges. The Subject will be most similar to the senior LIHTC property Villas on Forsyth and the family LIHTC property St. Phillip Villas, which has 50 percent senior tenants. Both properties are 100 percent occupied and have waiting lists, indicating that their rents are achievable and that they could likely achieve higher rents. As previously discussed, the Subject's proposed 50 and 60 percent AMI rents are reasonable when compared to the current rents at these properties. The Subject's rents yield an advantage of 13 to 21 percent over the average market rents.

9. LIHTC Competition – Recent Allocations within Two Miles

According to information on Georgia Department of Community Affairs LIHTC allocation lists, there have been no senior properties allocated in the PMA in the past two years. Overall, we believe there is adequate demand for the Subject as proposed.

10. Rental Trends in the PMA

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

TENURE PATTERNS PMA (AGES 55+)

Year	Owner-Occupied Units	Percentage Owner- Occupied	Renter-Occupied Units	Percentage Renter- Occupied
1990	-	-	-	-
2000	6,464	78.94%	1,724	21.06%
2010	7,777	78.61%	2,116	21.39%
Prj Mrkt Entry				
June 2014	8,513	78.18%	2,377	21.82%
2015	8,716	78.07%	2,449	21.93%

Owner-occupied housing units dominate the housing market in the PMA. Nationally, approximately 13 percent of households are renters. The PMA has a higher percentage of renter households than the nation as a whole. Even though the PMA has a higher portion of owner households than the national average, the owner-occupied market still does not promote affordable housing choices for low and moderate-income people. In 2010, approximately 21.39 percent of seniors above the age of 55 in the PMA resided in renter-occupied housing units. This is significantly above the national average of 13 percent for seniors living in renter-occupied housing units. Among these renters, approximately 74 percent lived in one or two person households. This trend supports the one-bedroom and two-bedroom unit mix at the Subject.

Historical Vacancy

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

Comparable Property	Type	Total Units	Historical Vacancy							
			4QTR 2006	4QTR 2007	1QTR 2008	2QTR 2009	2QTR 2010	3QTR 2010	1QTR 2012	2QTR 2012
Glenco Trace Apts.	LIHTC	72	0.00%	0.00%	N/Av	0.00%	N/Av	0.00%	N/Av	0.00%
Marian Point	LIHTC/Market	24	N/Av	N/Av	N/Av	4.20%	N/Av	0.00%	N/Av	16.70%
St Phillip Villas	LIHTC/Market	60	1.70%	N/Av	N/Av	6.70%	N/Av	1.70%	1.70%	0.00%
Villas On Forsyth	LIHTC/Market	42	N/Av	N/Av	N/Av	23.8%*	0.00%	N/Av	N/Av	0.00%
Ashford Place	Market	112	0.00%	1.80%	2.70%	8.00%	2.70%	N/Av	5.40%	11.60%
Griffin Crossing Apartments	Market	272	1.50%	2.20%	5.10%	N/Av	5.90%	N/Av	7.40%	8.80%
Walden Pointe Apartments Homes	Market	216	4.20%	N/A	5.60%	N/Av	N/Av	N/Av	6.00%	5.60%
Willow Creek Apartments	Market	53	3.80%	N/A	0.00%	N/Av	N/Av	N/Av	0.00%	1.90%
		851	-	-	-	-	-	-	-	6.40%

*Property was in lease up

Vacancy at the comparables has fluctuated over the past six years. The current vacancy rate of 6.4 percent is moderate; however, neither of the senior LIHTC comparables have any vacancies. Additionally, the family LIHTC comparable St. Phillip Villas reported having 50 percent senior tenants and also does not have any vacant units. Overall, the local LIHTC market appears to be performing well and we believe there is adequate demand for additional senior units in the market.

Change in Rental Rates

The following table illustrates rental rate changes at the comparables over the past year.

RENT GROWTH			
Comparable Property	Rent Structure	Tenancy	Rent Growth
Glenco Trace Apts.	LIHTC	Senior	6-7% increase
Marian Point	LIHTC/Market	Family	None
St Phillip Villas	LIHTC/Market	Family	Increase of 2%
Villas On Forsyth	LIHTC/Market	Senior	None
Ashford Place	Market	Family	None
Griffin Crossing Apartments	Market	Family	Fluctuate daily
Walden Pointe Apartments Homes	Market	Family	None
Willow Creek Apartments	Market	Family	None

Two of the comparables reported rental increases. Glenco Trace underwent a management change in the past year and the new management company increased all LIHTC rents to the maximum allowable levels. The Subject's proposed rents are well below the maximum allowable 50 and 60 percent AMI levels and are lower than the 50 and 60 percent AMI rents at all of the comparables in the Subject's PMA. Therefore, it is possible that the Subject will experience regular rental increases following stabilization.

11. Impact of Foreclosed, Abandoned and Vacant Structures

The Subject is located in zip code 30224. According to RealtyTrac, this region experienced a medium to high foreclosure rate in April 2012 with approximately one out of every 306 housing units filing for foreclosure in April 2012. Comparatively, the city of Griffin had a foreclosure

rate of one in every 336 housing units, and the nation experienced a foreclosure rate of one in every 698 housing units. Per our site visit, we did not see many abandoned or vacant structures in the Subject's immediate neighborhood.

12. Senior Housing Void

The two senior LIHTC properties in the market are 100 percent occupied and have waiting lists ranging from 10 to 100 households. Additionally, 50 percent of the senior tenants at St. Phillip Villas, a family LIHTC property, are seniors. This property is also 100 percent occupied and has waiting list of its LIHTC units. The lack of vacancies and waiting lists in the market indicate a senior housing void. The Subject will offer 60 rental units to households 55 and older who are earning 50 and 60 percent of the AMI, or less and will help to fill the housing void in the local market.

13. Affect of Subject on Other Affordable Units in Market

The two senior LIHTC properties in the market are both 100 percent occupied and both have waiting lists of 10 to 100 households. The strong occupancy and waiting lists indicate a need for additional LIHTC units in the market, and senior units in particular. Both property managers indicated a significant need for additional low income housing targeting seniors. Given the high occupancies and waiting lists at the two senior comparables, we do not believe that the addition of the Subject to the market will have a negative long term impact on the existing LIHTC comparables.

Conclusions

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. Both LIHTC comparables targeting seniors are 100 percent occupied and have waiting lists ranging from 10 to 100 households. Management at both senior properties indicated that there is a significant need for additional senior housing in the area. As new construction, the Subject will be similar to superior to the existing LIHTC housing stock. The Subject's proposed 50 percent AMI and two-bedroom 60 percent AMI LIHTC rents are above the current rents at the newest senior property in the market Villas on Forsyth. Because there are no vacant units at the property and it has a lengthy waiting list, it is likely that it could achieve higher rents. Villas on Forsyth is located just south of the PMA in Lamar County. The Subject is located in Spalding County, which has a higher median income and higher maximum allowable rents when compared to Lamar County. Therefore, it is reasonable that the Subject's proposed rents are above the current rents at this property. The Subject's proposed rents are below the 50 and 60 percent AMI rents at all of the comparable properties in the PMA. Although all three LIHTC properties in the PMA with 50 and 60 percent AMI rents target families, St. Phillip Villas has 50 percent senior tenants. Therefore, its rents are affordable to senior renters in the local market. The Subject's rents appear achievable when compared to the existing LIHTC comparables and offer an advantage of 13 to 21 percent over the average market rents. Overall, we believe there is adequate demand for the Subject's units and we recommend the Subject as proposed.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

We were able to obtain absorption information for the newest property in the market, the senior LIHTC property Villas on Forsyth. This property opened in 2009 and management indicated that it leased approximately eight units per month. At this pace the 42 unit property was fully leased within six months. Both senior LIHTC comparables are 100 percent occupied with waiting lists ranging from 10 to 100 households. The lack of vacant units and waiting lists indicates a need for additional LIHTC units targeting seniors. We have conservatively estimated that the Subject will lease approximately seven units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within eight months.

J. INTERVIEWS

Georgia Rental Assistance, Eastman/Spalding Office

We spoke with Brenda Currie in the Rental Assistance Eastman Office and representative for Spalding County. Brenda stated at this time, the report for how many vouchers were under contract and how many were in Spalding County. She stated there was a wait list currently but that it was closed. She did not have the breakdown by bedroom type but said she is confident it will re-open in the future. The tenants are coming Spalding County she stated as they have to live or work in the county to apply. Ms. Currie’s outlook on the market was very positive and stated it as a “good rental market with a good number of rental units, but in her opinion could use more two bedroom units. The current payment standard for Spalding County can be found in the following table.

Payment Standards	
0BR	\$757
1BR	\$820
2BR	\$912
3BR	\$1,110
4BR	\$1,211
5BR	\$1,392
6BR	\$1,574
7BR	\$1,755

Payment standards for the county are 110 percent of FMR. The Subject’s gross rents at 50 and 60 percent AMI are well below the payment standard.

Planning

We interviewed Chad Jacobs, Director of Community Development for Spalding County. Mr. Jacobs stated that initially, the land for our proposed Subject was on the Northeast and Northwest side of Cowan Road and W. McIntosh Rd. After doing some land studies, it was concluded that the northeast side could not support the upward building structure of the Subject, so the Subject property proceeded with the northwest lot which could support the upward building structure of the subject. However, this left the NE lot zoned for multi-family open and because of this he stated a lot of developers have been looking at this lot across from the Subject. Mr. Jacobs stated the interest other developers were showing was to build single story multi-family structures. Besides the proposed Subject, he stated the only other proposed development in the area is a proposed dialysis center.

Additional interviews can be found in the comments section of the property profiles.

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- The current senior population in the PMA was 18,123 in 2010 and is expected to increase to 20,091 by June 2014 (market entry). Senior households within the PMA are predominately owner-occupied residences; however the number of seniors in the PMA who are renters is higher than the national average and is projected to increase through 2015. The Subject will target households with income between \$16,200 and \$33,300. Approximately 40.2 percent of seniors above the age of 55 earn incomes between \$10,000 and \$39,999. Households in these income cohorts are expected to create demand for the Subject.

Overall, it appears as if Griffin and Spalding County were affected by the current national economic recession. The county experienced significant decreases in total employment over the greater part of the decade, with 2009 having the highest loss of 7.73 percent in total employment. The following year in 2010, they had another loss, this time nominal at .06%. Between 2010 and 2011, total employment in the MSA increased by 1.7 percent, causing the unemployment rate to decrease 0.6 percentage points. In 2011, the unemployment rate was 9.6 percentage points, and 0.7 percentage points higher than the national average. Between February 2011 and February 2012, total employment increased 2.7 percent, and the unemployment rate decreased 0.9 percentage points. As of February 2012, the unemployment rate was slightly above the unemployment rate of the US, but the high rate of growth in total employment indicates a quicker recovery in the MSA compared to the nation.

For covered employment by industry in Spalding County, the largest sector in Spalding County, according to the Bureau of Labor Statistics, is the education and health services industry, followed by the trade/transportation/utilities industry. This deviates slightly from the industry trends in the PMA. The largest industries in the PMA are manufacturing, retail trade, and educational services.

Manufacturing and retail trade are overrepresented in the PMA when compared to the nation. Although the health care/social services industry is a large industry in the PMA, there are a smaller percentage of workers employed in this industry than in the nation. Educational Services are slightly underrepresented in the PMA when compared to the nation. The most underrepresented industry in the PMA when compared to the nation is the healthcare industry. However, they are still major employers in the Griffin-Spalding area as the education sector employees over 2300 people, the government sector employees over 1100 people and the Spalding Hospital employing approximately 900 people according to the Griffin-Spalding Development Authority.

Expansions in the metropolitan Atlanta market have been in various industries that have been affected by the economic downturn including retail and manufacturing. However, these industries have adapted to the current market including Macy's, which is expanding its e-commerce department.

Overall, the Subject will cater to senior households who are likely to be retired. The forecasted growth in the economy in total employment and the decrease in unemployment combined with the expansion of a diverse range of industries will bode well for additional housing in the PMA.

- The Subject's capture rates at the 50 percent AMI level will range from 2.1 to 6.8 percent, with an overall capture rate of 4.4 percent. The Subject's 60 percent AMI capture rates range from 5.7 to 27.3 percent, with an overall capture rate of 16.0 percent. The overall capture rate for the project's 50 and 60 percent units is 17.1 percent. Although the two-bedroom 60 percent AMI capture rates are high, they are within DCA threshold requirements. Additionally, we believe there is adequate demand for the Subject based on the following:
 - Both senior LIHTC comparables are 100 percent occupied and have waiting lists with 10 to 100 households.
 - Property managers at both senior LIHTC comparables indicated a need for additional senior units in the local market.
 - The Subject's proposed two-bedroom units will be the largest two-bedroom LIHTC units in the market.
 - Only one of the four LIHTC comparables has any vacant units.
 - Senior population and households in the PMA are expected to grow by 2.8 and 2.6 percent annually through 2015.

Therefore, we believe there is adequate demand for the Subject.

- We were able to obtain absorption information for the newest property in the market, the senior LIHTC property Villas on Forsyth. This property opened in 2009 and management indicated that it leased approximately eight units per month. At this pace the 42 unit property was fully leased within six months. Both senior LIHTC comparables are 100 percent occupied with waiting lists ranging from 10 to 100 households. The lack of vacant units and waiting lists indicates a need for additional LIHTC units targeting seniors. We have conservatively estimated that the Subject will lease approximately seven units per month. At this pace, the Subject will reach a stabilized occupancy of 93 percent within eight months.
- Overall vacancy in the market is moderate at 6.4 percent. The family LIHTC property Marian Point is the only LIHTC property with vacant units. The vacancy rate at this property is being skewed by the small number of units, as there are only four vacancies. Management reported that there have been several interested tenants and the vacancies should be leased soon. There are two comparables that target senior tenants. Neither of these comparables has any vacant units. Additionally, both comparables have waiting lists ranging from 10 to 100 households. The lack of vacancies and waiting lists indicate a need for additional senior LIHTC housing. Both property managers stated that the market could easily support an additional senior LIHTC property of 50 to 75 units.

The average vacancy rate among the conventional rental properties is moderate at 7.7 percent. All four properties target families but reported having some senior tenants. As

an income restricted senior property, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less. This is reasonable given the strong performance of the two senior rental properties in the local market.

- Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. Both LIHTC comparables targeting seniors are 100 percent occupied and have waiting lists ranging from 10 to 100 households. Management at both senior properties indicated that there is a significant need for additional senior housing in the area. As new construction, the Subject will be similar to superior to the existing LIHTC housing stock. The Subject's proposed 50 percent AMI and two-bedroom 60 percent AMI LIHTC rents are above the current rents at the newest senior property in the market Villas on Forsyth. Because there are no vacant units at the property and it has a lengthy waiting list, it is likely that it could achieve higher rents. Villas on Forsyth is located just south of the PMA in Lamar County. The Subject is located in Spalding County, which has a higher median income and higher maximum allowable rents when compared to Lamar County. Therefore, it is reasonable that the Subject's proposed rents are above the current rents at this property. The Subject's proposed rents are below the 50 and 60 percent AMI rents at all of the comparable properties in the PMA. Although all three LIHTC properties in the PMA with 50 and 60 percent AMI rents target families, St. Phillip Villas has 50 percent senior tenants. Therefore, its rents are affordable to senior renters in the local market. The Subject's rents appear achievable when compared to the existing LIHTC comparables and offer an advantage of 13 to 21 percent over the average market rents. Overall, we believe there is adequate demand for the Subject's units and we recommend the Subject as proposed.

Recommendations

- We recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-8-2012

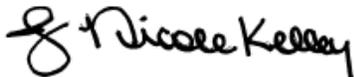
Date



Michalena M. Sukenik
Principal
Novogradac & Company LLP

6-8-2012

Date



J. Nicole Kelley
Real Estate Analyst
Novogradac & Company LLP

6-8-2012

Date

M. MARKET STUDY REPRESENTATION

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

6-8-2012

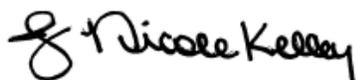
Date



Michalena M. Sukenik
Principal
Novogradac & Company LLP

6-8-2012

Date



J. Nicole Kelley
Real Estate Analyst
Novogradac & Company LLP

6-8-2012

Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No. 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since.

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.
- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.

H. Blair Kincer

Qualifications

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- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

MICHALENA M. SUKENIK

I. Education

Union College, Schenectady, New York
Bachelor of Arts in Cultural Anthropology
Union College Study Abroad, St. Lucy, Barbados

II. Professional Experience

Principal, Novogradac & Company LLP (Start date: September 2002 - present)
Dallas / Fort Worth and Atlanta Research Manager, CoStar Group, Inc.
Senior Research Analyst / Newswire Editor, CoStar Group, Inc.

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Attended HUD Community Development Block Grant (CDBG) 30th Anniversary Conference, September 13-14, 2004, Washington, DC
Successfully completed "Introduction to Commercial Real Estate Analysis" and "Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

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

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Assisted in preparing an approved HUD Consolidated Plan for the City of Gainesville, GA; which included a housing and homeless needs assessment, market analysis, non-housing needs analysis, and a strategic plan, which conformed to 24CFR Part 91, Consolidated Plan Regulations for the ensuing five-year period (2004-2009).
- Assisted in preparing a comprehensive senior housing study in Seattle, Washington for the Seattle Housing Authority. This study evaluated the Seattle Housing Authority's affordable senior housing project for their position within the entire city's senior housing market. The research involved analysis of the senior population by neighborhood, income, household size, racial composition, and tenure.
- Conducted market studies for senior projects in Alabama, Alaska, Arizona, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Washington, and Wisconsin.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

NICOLE KELLEY

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration
Auburn University, Auburn, Alabama
Master of Business Administration

II. Professional Experience

Analyst, Novogradac & Company LLP (Start Date: May 2006 – Present)
Intern, Bullock Mannelly Partners
Graduate Assistant, Auburn University College of Business

III. Research Assignments

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

- Assisted with market studies of proposed new construction and existing Low-Income Housing Tax Credit (LIHTC) properties. Market analysis includes preliminary property screenings, market analysis, comparable rent surveys, and demand analysis.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies according to HUD guidelines.