



# RealPropertyResearchGroup

Market Feasibility Analysis

## Auburn Hills

Auburn, Barrow County, Georgia

Prepared for:

**TBG Residential**

Project #12-8966

Site Inspection: May 23, 2012

Effective Date: June 1, 2012





**TABLE OF CONTENTS**

**EXECUTIVE SUMMARY ..... 1**

**1. INTRODUCTION ..... 7**

A. Overview of Subject .....7

B. Purpose of Report .....7

C. Format of Report .....7

D. Client, Intended User, and Intended Use .....7

E. Applicable Requirements.....7

F. Scope of Work .....7

G. Report Limitations .....8

**2. PROJECT DESCRIPTION..... 9**

A. Project Overview .....9

B. Project Type and Target Market .....9

C. Building Types and Placement.....9

D. Detailed Project Description .....9

    1. Project Description.....9

    2. Other Proposed Uses .....11

    3. Pertinent Information on Zoning and Government Review.....11

    4. Proposed Timing of Development .....11

**3. SITE AND NEIGHBORHOOD ANALYSIS ..... 12**

A. Site Analysis .....12

    1. Site Location .....12

    2. Existing Uses.....12

    3. Size, Shape, and Topography .....12

    4. General Description of Land Uses Surrounding the Subject Site .....12

    5. Specific Identification of Land Uses Surrounding the Subject Site.....12

B. 16

C. Residential Support Network.....17

    1. Key Facilities and Services Near the Subject Site .....17

    2. Essential Services .....17

    3. Commercial Goods and Services .....19

D. Neighborhood Analysis.....19

    1. General Description of Neighborhood .....19

    2. Neighborhood Investment and Planning Activities.....19

    3. Public Safety.....20

    4. Market Area Multifamily Residential Developments .....20

E. Site Visibility and Accessibility .....20

    1. Visibility .....20

    2. Vehicular Access.....20

    3. Availability of Public and Inter Regional Transit.....20

    4. Pedestrian Access.....20

    5. Accessibility Improvements under Construction and Planned .....21

    6. Environmental Concerns .....21

F. Site Conclusions .....21

**4. MARKET AREA ..... 22**

A. Introduction .....22

B. Delineation of Market Area .....22

**5. DEMOGRAPHIC ANALYSIS ..... 24**

A. Introduction and Methodology .....24

B. Trends in Population and Households .....24



- 1. Recent Past Trends..... 24
- 2. Projected Trends..... 24
- 3. Building Permit Trends..... 26
- C. Demographic Characteristics..... 27
  - 1. Age Distribution and Household Type..... 27
  - 2. Renter Household Characteristics..... 29
  - 3. Income Characteristics..... 32
- 6. ECONOMIC CONTENT ..... 34**
  - A. Introduction..... 34
  - B. Labor Force, Resident Employment, and Unemployment..... 34
    - 1. Trends in County Labor Force and Resident Employment..... 34
    - 2. Trends in County Unemployment Rate..... 34
  - C. Commutation Patterns..... 34
  - D. At-Place Employment..... 37
    - 1. Trends in Total At-Place Employment..... 37
    - 2. At-Place Employment by Industry Sector..... 37
    - 3. Major Employers..... 43
    - 4. Recent Economic Expansions and Contractions..... 48
    - 5. Wages..... 49
    - 6. Conclusion..... 50
- 7. AFFORDABILITY /DEMAND ANALYSIS..... 51**
  - 1. Methodology..... 51
  - 2. 52
  - 3. Affordability Analysis..... 52
  - B. Derivation of DCA Demand..... 54
    - 1. Demand Methodology..... 54
    - 2. DCA Demand Analysis..... 55
    - 3. Conclusions on Demand..... 55
- 8. COMPETITIVE HOUSING ANALYSIS ..... 58**
  - A. Introduction and Sources of Information..... 58
  - B. Overview of Market Area Housing Stock..... 58
  - C. Impact of Foreclosed, Abandoned, or Vacant Single/Multifamily Homes..... 58
  - D. Survey of Rental Communities..... 63
    - 1. Introduction to the Rental Housing Survey..... 63
    - 2. Location..... 63
    - 3. Age of Communities..... 63
    - 4. Structure Type..... 65
    - 5. Size of Communities..... 65
    - 6. Vacancy Rates..... 65
    - 7. Rent Concessions..... 65
    - 8. Absorption History..... 65
  - E. Analysis of Rental Pricing and Product..... 65
    - 1. Payment of Utility Costs..... 65
    - 2. Unit Features..... 65
    - 3. Parking..... 65
    - 4. Community Amenities..... 66
    - 5. Distribution of Units by Bedroom Type..... 67
    - 6. Effective Rents..... 67
    - 7. Scattered Site Rentals..... 68
    - 8. DCA Average Market Rents..... 69
  - F. Public Housing in the Market Area..... 70
  - G. Proposed and Under Construction Rental Communities..... 70



- 1. Overview ..... 70
- H. Absorption Estimate ..... 70
- I. Interviews ..... 71
- 9. FINDINGS AND CONCLUSIONS..... 72**
- A. Key Findings ..... 72
  - 1. Site and Neighborhood Analysis ..... 72
  - 2. Economic Context ..... 72
  - 3. Demographic Analysis ..... 73
  - 4. Competitive Housing Analysis ..... 73
- B. Target Markets ..... 74
- C. Product Evaluation ..... 74
- D. Price Position ..... 75
- E. Final Conclusions and Recommendations ..... 77
- 10. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS ..... 78**
- 11. APPENDIX 2 ANALYST CERTIFICATIONS..... 80**
- 12. APPENDIX 3 ANALYST RESUMES ..... 81**
- 13. APPENDIX 4 NCAHMA CHECKLIST ..... 82**
- 14. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES ..... 85**



**TABLES, FIGURES AND MAPS**

Table 1 Auburn Hills Project Summary ..... 10

Table 2 Key Facilities and Services ..... 17

Table 3 2010 Crime Statistics, Barrow County ..... 20

Table 4 Population and Household Projections ..... 25

Table 5 Building Permits by Structure Type, Barrow County ..... 26

Table 6 2012 Age Distribution ..... 27

Table 7 2010 Households by Household Type ..... 28

Table 8 Households by Tenure ..... 29

Table 9 2010 Persons per Household, Renter Occupied Units ..... 30

Table 10 Households by Tenure and Age of Householder ..... 31

Table 11 2012 Household Income ..... 32

Table 12 2012 Household Income by Tenure, Primary Market Area ..... 33

Table 13 Annual Labor Force and Unemployment Rates ..... 35

Table 14 Commutation Data ..... 36

Table 15 Major Employers, Barrow County and Gwinnett Counties ..... 45

Table 16 Recent Business Additions/Expansions, Barrow and Gwinnett Counties, 2011-2012 (Q1) ..... 48

Table 17 Recent Business Closures/Layoffs, Barrow and Gwinnett Counties, 2011-2012 (Q1) ..... 48

Table 18 Average Annual Pay and Annualized Wage Data by Sector, Barrow County ..... 49

Table 19 Average Annual Pay and Annualized Wage Data by Sector, Gwinnett County ..... 50

Table 20 2014 Income Distribution by Tenure ..... 51

Table 21 Proposed Unit Mix and Income Limits ..... 52

Table 22 Affordability Analysis for Auburn Hills ..... 53

Table 23 Substandard and Cost Burdened ..... 54

Table 24 DCA Demand ..... 56

Table 25 DCA Demand by Floor Plan ..... 57

Table 26 Demand and Capture Rate Analysis Summary ..... 57

Table 27 Dwelling Units by Structure and Tenure ..... 59

Table 28 Dwelling Units by Year Built and Tenure ..... 60

Table 29 Value of Owner Occupied Housing Stock ..... 61

Table 30 Auburn Hills Communities Summary ..... 63

Table 31 Features of Rental Communities ..... 66

Table 32 Amenities of Rental Communities ..... 66

Table 33 Unit Distribution, Size, and Pricing ..... 68

Table 34 Scattered Site Rental Summary ..... 69

Table 35 Average Market Rent, Most Comparable Rental Communities ..... 69

Table 36 Rent Advantage Summary ..... 70

Figure 1 Satellite Image of Subject Site ..... 13

Figure 2 Site Plan ..... 14

Figure 3 Views of Subject Site ..... 15

Figure 4 Views of Surrounding Land Uses ..... 16

Figure 5 At-Place Employment Barrow County ..... 38

Figure 6 Total Employment and Employment Change by Sector 2001 to 2011 (Q3) Barrow County ..... 39

Figure 7 Total Employment and Employment Change by Sector 2007 to 2011 (Q3) Barrow County ..... 40

Figure 8 At-Place Employment, Gwinnett County ..... 41

Figure 9 Total Employment and Employment Change by Sector 2001 to 2011 Q3 Gwinnett County ..... 42

Figure 10 Total Employment and Employment Change by Sector 2007 to 2011 Q3 Gwinnett County ..... 44

Figure 11 Foreclosure Rate, April 2012 ..... 62

Figure 12 Recent Foreclosure Activity, Auburn Hills’s ZIP CODE: 30011 ..... 62

Figure 13 Price Position of Auburn Hills ..... 76



Map 1 Location of Key Facilities and Services .....	18
Map 2 Primary Market Area .....	23
Map 3 Major Employers, Barrow County .....	46
Map 4 Major Employers, Gwinnett County .....	47
Map 5 Surveyed Rental Communities .....	64

---



## EXECUTIVE SUMMARY

TBG Residential has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for Auburn Hills, a general occupancy multi-family rental community proposed in Auburn, Barrow County, Georgia. Funded by Low Income Housing Tax Credits allocated by the Georgia Department of Community Affairs (DCA), 11 units will be reserved for renters earning at or below 50 percent of the Area Median Income (AMI) and the remaining 61 will be reserved for renters earning at or below 60 percent of the AMI.

### 1. Project Description:

- The site for the proposed Auburn Hills is located at 121 Mt Moriah Road, on the east side of Mt Moriah Road approximately half a mile north of Atlanta Highway in Auburn, Georgia.
- Auburn Hills will consist of new construction, two-story walk-up buildings, including 72 one, two and three bedroom units, all of which will benefit from Low Income Housing Tax Credits. The unit mix will consist of 11 units targeting households at or below 50 percent AMI and 61 targeting households at or below 60 percent AMI.
- A detailed summary of the proposed development including the rent and unit configuration is shown in the table below. Trash is the only utility included in the rent.

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility	Gross Rent
1	1	50%	740	4	\$489	\$152	\$641
1	1	60%	740	8	\$489	\$152	\$641
2	2	50%	1,150	4	\$525	\$195	\$720
2	2	60%	1,150	32	\$525	\$195	\$720
3	2	50%	1,250	3	\$620	\$239	\$859
3	2	60%	1,250	21	\$620	\$239	\$859
Total				72			

- Auburn Hills will offer amenities superior to other communities in the area including a clubhouse, pool, playground, laundry center, community gardens and walking trails, and covered pavilion with picnic and BBQ facilities. Community amenities are nearly non-existent at present in this market.
- The newly constructed units at the subject property will offer fully equipped kitchens with Energy Star appliances including refrigerators, dishwashers and microwaves. Powder based stove top fire suppression canisters will be installed above the stove. In addition, all units will include washer-dryer hook-ups. The proposed unit features at Auburn Hills will be superior to the existing rental communities in and near the market area and will be well received by the target market.

### 2. Overall Conclusion:

- Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Auburn Hills will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance. The product to be constructed will offer a superior features and amenities package and the units will be well received by the target market.



### 3. **Site Description / Evaluation:**

- The site is a partially cleared and partially wooded lot that has not been improved with any structures.
- The site is in a growing portion of Barrow County with many new single family residential neighborhoods as well as new shopping centers located nearby.
- Auburn is a small town located on the border of Barrow and Gwinnett counties. The population has nearly doubled over the past decade in the area surrounding Auburn, with the addition of many new single-family detached residential neighborhoods. The majority of the housing is new, owner occupied, single-family detached units.
- Auburn Hills will benefit from good visibility along Mt Moriah Road in front of the site, which supports moderately heavy traffic.
- Community services, grocery, medical services and schools are located within two miles. An Auburn Neighborhood Transit stop will be located within 300 feet of the site.
- No negative land uses were identified at the time of the site visit that would negatively impact the proposed development's viability in the marketplace. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development.

### 4. **Market Area Definition:**

- The primary market area for the proposed development consists of 2010 Census tracts in eastern Gwinnett County and western Barrow County including the municipalities of Auburn, Dacula, and Braselton. This primary market area (PMA) encompasses the rural portions of Gwinnett and Barrow Counties situated between the larger and more densely developed cities of Winder to the east, Lawrenceville to the southwest, and Buford / Suwanee to the northwest. Given the proposed site's rural location within the town of Auburn, it is reasonable to assume residents throughout this PMA would consider the subject property as an acceptable shelter option. Portions of the surrounding cities are not included, however, as the sparsely developed nature of the subject site's immediate area would be unlikely to attract a significant proportion of tenants from these more established areas.
- The boundaries of the primary market area and their approximate distance from the subject site are Hall County to the north (5.5 miles), State Highway 211 / Patrick Mill Road SW to the east (3.2 miles), Walton County to the south (6.3 miles), and Old Fountain Road / Auburn Road to the west (5.4 miles).

### 5. **Community Demographic Data:**

- Between 2000 and 2010 Census counts, the population of the Auburn Hills Market Area increased by 88.3 percent, from 40,284 to 75,837 people. This equates to an annual growth of 6.5 percent or 3,555 people. During the same period, the number of households in the Auburn Hills Market Area increased from 13,183 to 23,847 households (80.9 percent) or 1,066 households (6.1 percent) annually.
- Over the next five years RPRG estimates that the market area's population will increase by 2,837 people between 2012 and 2017. This represents an annual increase of 3.3 percent or



2,837 persons. The number of households will also increase, gaining 4,138 households, or 828 households per year.

- Based on Nielsen Company estimates, the populations of the Auburn Hills Market Area and Barrow County have similar distributions both with median ages of 32. Cohorts typical of family households account for the highest proportion of the population. Adults (persons age 35-61 years) constitute the largest age group in both regions, accounting for 39.0 percent of the population in the Auburn Hills Market Area and 38.8 percent of the population in the Bi-County Market Area. Children (persons under the age of 18) account for 30.9 percent of the population in Auburn Hills Market Area and 29.0 percent of the population in the Bi-County Market Area.
- Over two-thirds (68.9 percent) of all households in the Auburn Hills Market Area are married and nearly half (46.7 percent) contain children.
- The Auburn Hills Market Area's 2012 renter percentage was a low 12.3 percent, significantly lower than the 29.3 percent of renters in the Bi-County Market Area.
- The primary market area's 2012 median income of \$72,678 is \$7,173 or 11 percent higher than the Bi-County Market Area's median of \$65,505.
- Since the number of foreclosure properties in Auburn Hills's immediate vicinity is average for the market area and secondary market area, we do not believe foreclosed homes will impact the subject property's ability to lease its units, especially given the modest rents proposed.

#### 6. **Economic Data:**

- Barrow County's unemployment rate remained relatively stable (between 3.9 and 4.7 percent) from 2000 to 2007 before jumping to as high as 10.4 percent during the height of the recent national recession (2009). Gwinnett County's unemployment rate followed a similar trend with a notable increase from 2009 to 2011 (5.7 percent to 9.2 percent); however, Gwinnett County's unemployment rate remained 0.5 percentage points lower on average than Barrow County's unemployment rate from 2000 to 2011. Over the past three years, Barrow County's unemployment rate has been above state/national levels while Gwinnett County's unemployment rates have been below state/national figures.
- Barrow County's at-place employment expanded in five of seven years from 2000 to 2007, adding a net total of 5,077 jobs for an increase of 43.5 percent. Following this period of growth, Barrow County lost jobs in three consecutive years, the worst of which occurred during the height of the recent national recession (2008 to 2009). Through the third quarter of 2011, Barrow County lost an additional 139 jobs; however, the county did show some signs of stabilization as the number of jobs lost in 2010 and 2011 (Q3) were significantly lower than in the previous two years.
- Following a similar trend, Gwinnett County's at-place employment increased in six of seven years from 2000 to 2007 before losing 28,762 jobs in 2008 and 2009 combined. Gwinnett County also appears to have stabilized with the addition of 2,800 jobs through the third quarter of 2011.
- Barrow County at-place employment is dominated by the trade-transportation-utilities and government sectors, which account for a combined 45.8 percent of all jobs. Leisure-



hospitality and manufacturing also contain significant percentages of employment within the county at 12.9 percent and 11.6 percent, respectively.

- Both the Barrow and Gwinnett County economies exhibited steady growth for much of the past decade before experiencing job loss and high unemployment during the recent national recession. Overall, both counties have shown signs of stabilization since the recession's peak in 2008 to 2009 with declining rates of job loss and/or employment growth. In comparison to one another, Gwinnett County has consistently outperformed Barrow County in terms both at-place employment growth and lower unemployment; however, Gwinnett County has a significantly broader and diverse economy as part of the metro Atlanta region and contains a population/household base that is substantially larger than that of Barrow County. Overall, we do not believe local economic conditions will negatively impact the proposed construction of the subject property.

7. **Project Specific Affordability and Demand Analysis:**

- As proposed, the subject property will contain 72 units reserved for households earning at or below 60 percent of the Area Median Income. Eleven units will be reserved for renters earning at or below 50 percent of the AMI and the remaining 61 will be reserved for renters earning at or below 60 percent of the AMI.
- Based on the proposed unit mix and renters, 4,383 households are income qualified for the proposed units. Among renter households, 984 are income qualified.
- The proposed 50 percent units will target households with income from \$21,977 to \$37,450. The proposed 60 percent units will target households with income from \$21,977 to \$44,940.
- Based on DCA methodology, the overall demand capture is 13.8 percent for the project as a whole.
  - Capture rates for one bedroom units range from 8.2 percent for 50 percent units to 16.4 percent for 60 percent units.
  - Capture rates for two bedroom units range from 2.2 percent for 50 percent units to 9.4 percent for 60 percent units.
  - Capture rates for three-bedroom units range from 1.9 percent for 50 percent units to 15.7 percent for 60 percent units.
- All DCA demand estimates are well below acceptable DCA thresholds and are both reasonable and achievable for Auburn Hills Apartments. The overall capture rates and capture rates by floor plan indicate sufficient demand to support the proposed Auburn Hills.

8. **Competitive Rental Analysis:**

- Park Mills, the only market area community, reported they had no one bedroom units available but they had a couple two bedroom units available. A total available amount was not given.
- Of the 303 rental units in near market communities that reported vacancies, eight units or 2.6 percent were reported vacant. Regal confirmed they had a few vacancies but would not say total units available. Therefore, the actual vacancy rate is likely slightly higher than 2.6 percent, but the rental market is still relatively tight.



- There are NO LIHTC communities in the market area.
- Overall, one bedroom units have net rents from \$469 to \$526 and average \$449. These one-bedroom units average 703 square feet or \$0.64 per square foot. The one market area community offers one bedroom units for \$375. The one market rate community near the market offers one bedroom units for \$523.
- Units offering two bedrooms range from \$383 to \$685 and average \$532. These two-bedroom units average 980 square feet or \$0.54 per square foot. The one market area community offers two bedroom units for \$472.
- Units offering three bedrooms range from \$588 to \$735 and average \$668. These three-bedroom units average 1,268 square feet or \$0.52 per square foot. The one market area community has only one three bedroom unit for \$600.
- The average rent among these scattered site rentals was \$700 for a one bedroom unit, \$569 for two bedroom units, and \$1,164 for three bedroom units.
- Based on the “average market rent”, the proposed one bedroom units will have market advantages of 8.3 percent. The two bedroom units will have market advantages of 7.2 percent and the three bedroom units will have market advantages of 16.1 percent.

9. **Absorption/Stabilization Estimate:**

- We believe that given the attractive product to be constructed, projected household growth and affordability/demand estimates, we estimate Auburn Hills will lease units at a pace of 8 units per month for both 50 percent and 60 percent units. The subject property will reach a stabilized occupancy of 93 percent within an approximate nine month time period.
- The addition of the 72 units at Auburn Hills is not expected to negatively impact the performance of the existing communities in the region given there are none.



**SUMMARY TABLE:**

Development Name:	Auburn Hills	Total # Units:	72
Location:	Auburn Hills, Auburn, Barrow County, GA	# LIHTC Units:	72
PMA Boundary:	North: Hall County, East: State Highway 211 / Patrick Mill Road SW, South: Walton County, West: Old Fountain Road / Auburn Road		
	Farthest Boundary Distance to Subject:	6.3 miles	

**RENTAL HOUSING STOCK – (found on 64,66, 68)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	9	444 (255)	8	97.4%
Market-Rate Housing	7	356 (215)	8	96.3%
Assisted/Subsidized Housing not to include LIHTC	1	40	0	100.0%
<b>LIHTC</b>	1	48	0	100.0%
Stabilized Comps	9	444 (255)	8	97.4%
Properties in construction & lease up	0	0	0	100.0%

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	1	1	740	\$489	\$533	\$0.64	8.3%	\$538	\$0.59
8	1	1	740	\$489	\$533	\$0.64	8.3%	\$538	\$0.59
4	2	2	1,150	\$525	\$566	\$0.54	7.2%	\$675	\$0.60
32	2	2	1,150	\$525	\$566	\$0.54	7.2%	\$675	\$0.60
3	3	2	1,250	\$620	\$739	\$0.52	16.1%	\$725	\$0.64
21	3	2	1,250	\$620	\$739	\$0.52	16.1%	\$725	\$0.64

**DEMOGRAPHIC DATA (found on 33, 47)**

	2000		2012		2014	
Renter Households	1,391	10.6%	3,108	12.3%	3,386	12.6%
Income-Qualified Renter HHs (LIHTC)	414	29.7%	924	29.7%	984	29.1%
Income-Qualified Renter HHs (MR)						

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on 55)**

Type of Demand	50%	60%			Overall
Renter Household Growth	81	109			109
Existing Households (Overburd + Substand)	272	365			365
Homeowner Conversion (Seniors)					
Secondary Market Demand (15%)	35	47			47
Less Comparable/Competitive Supply	0	0			0
<b>Net Income-qualified Renter HHs</b>	<b>389</b>	<b>522</b>			<b>522</b>

**CAPTURE RATES (found on 55)**

Targeted Population	50%	60%			Overall
Capture Rate	2.8%	11.7%			13.8%



## 1. INTRODUCTION

### A. Overview of Subject

The subject of this report is the proposed development of Auburn Hills in Auburn, Barrow County, Georgia. As proposed, the community will consist of 72 garden apartments units. All of the units will be rent and income restricted through the Low Income Housing Tax Credit Program (LIHTC) targeting renter households earning no more than 50 and 60 percent of the Area Median Income (AMI). The unit mix includes 12 one-bedroom units, 36 two-bedroom units and 24 three-bedroom units.

### B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. RPRG expects this study to be submitted to the Georgia Department of Community Affairs (DCA) for tax credits.

### C. Format of Report

The report format is comprehensive and conforms to DCA's 2012 Market Study Requirements. The market study also considered the National Council of Affordable Housing Market Analysts' (NCAHMA) recommended Model Content Standards and Market Study Index.

### D. Client, Intended User, and Intended Use

The Client is TBG Residential. Along with the Client, the Intended Users are the Georgia Department of Community Affairs, and other lenders that are parties to the DCA loan transaction.

### E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2012 Market Study Requirements
- The National Council of the Affordable Housing Market Analyst's (NCAHMA) Model Content Standards and Market Study Checklist.

### F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 4 for a detailed list of NCAHMA requirements and the corresponding pages of requirements within the report.
- Amy Lefenfeld (Analyst), conducted visits to the subject site, neighborhood, and market area on May 23, 2012.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers; Mr. Dante Gibbs with the Barrow County Planning Department; and Ms. Tracy Pollard with the Auburn Planning Department.



- Derivation of Achievable Market Rent and Achievable Restricted Rent- DCA requires its own “market rent” calculation and the inclusion of a separate NCAHMA estimates of market and achievable restricted rent would be confusing to the reader. It should be noted that the DCA market rent and market advantage calculations are unadjusted. For the purposes of this analysis, the appropriateness of the proposed rents was evaluated without a derivation of NCAHMA market and achievable restricted rents.
- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

### **G. Report Limitations**

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



## 2. PROJECT DESCRIPTION

### A. Project Overview

Auburn Hills will consist of 72 newly constructed garden apartments. The unit mix will include 12 one-bedroom units, 36 two-bedroom units and 24 three-bedroom units. All units will be financed in part through the Low Income Housing Tax Credits.

### B. Project Type and Target Market

Auburn Hills will target moderate income renter households. Income targeting includes 11 units at 50 percent AMI and 61 units at 60 percent AMI. With a unit mix of one, two and three bedroom units, the property will target singles, couples and families.

### C. Building Types and Placement

Auburn Hills's 72 units will be contained within five two-story, garden buildings with a brick and siding exterior. The clubhouse will be in a separate building. Surface parking will be available in adjacent lots to the subject buildings.

### D. Detailed Project Description

#### 1. Project Description

- Twelve units at Auburn Hills will contain one bedroom and one bathrooms and average 740 square feet (Table 1). The proposed one bedroom rent is \$489 for units targeting households both at 50 percent and households at 60 percent AMI.
- Thirty-six units will contain two bedrooms and two bathrooms and average 1,150 square feet. The proposed two bedroom rent is \$525 for units targeting households both at 50 percent and households at 60 percent AMI.
- Twenty-four units will contain three bedrooms and two bathrooms averaging 1,250 square feet. The proposed three bedroom rent is \$620 for units targeting households both at 50 percent and households at 60 percent AMI.
- Only trash is included in the rent. Tenants are responsible for all other utilities.
- The description of the subject property is based in part on by information provided by the developer. This information was dated May 21, 2012 and is considered to be an accurate representation of the property to be completed.

The following **unit features** are planned:

- Kitchens with Energy Star appliances including a refrigerator, stove/oven, dishwasher, and microwave
- Laundry hook-ups.
- Ceiling fans.
- Carpet
- Patio/Balcony
- Central air-conditioning.



- Mini-binds.
- Pre-wired for CATV, telephone and high-speed internet access.

The following **community amenities** are planned:

- Clubhouse
- Pool
- Playground
- Community garden and walking trails
- Central laundry area.

**Table 1 Auburn Hills Project Summary**

Auburn Hills							
121 Mt Moriah Road							
Auburn, Barrow County, GA 30011							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility	Gross Rent
1	1	50%	740	4	\$489	\$152	\$641
1	1	60%	740	8	\$489	\$152	\$641
2	2	50%	1,150	4	\$525	\$195	\$720
2	2	60%	1,150	32	\$525	\$195	\$720
3	2	50%	1,250	3	\$620	\$239	\$859
3	2	60%	1,250	21	\$620	\$239	\$859
Total				72			
Project Information				Additional Information			
<b>Number of Residential Buildings</b>			5		<b>Construction Start Date</b>		07/2013
<b>Building Type</b>			Garden		<b>Date of First Move-In</b>		08/2014
<b>Number of Stories</b>			2/3		<b>Construction Finish Date</b>		07/2014
<b>Construction Type</b>			New Const.		<b>Parking Type</b>		Surface
<b>Design Characteristics (exterior)</b>			Brick & Siding		<b>Parking Cost</b>		\$0
Community Amenities	Clubhouse, pool, community gardens, walking trails, central laundry, playground, covered pavillion with picnic and BBQ area.				Kitchen Amenities		
					<b>Dishwasher</b>		Yes
					<b>Disposal</b>		Yes
					<b>Microwave</b>		Yes
					<b>Range</b>		Yes
<b>Refrigerator</b>		Yes					
Unit Features	Fully equipped kitchen with Energy Star appliances including refrigerator, dishwasher and microwave; Powder based stove top fire suppression canisters will be installed above the stove; in-unit laundry hook-ups; ceiling fans; mini-blinds; carpet; patio/balcony; and pre-wired for CATV, telephone & high-speed internet.				Utilities Included		
					<b>Water/Sewer</b>		Tenant
					<b>Trash</b>		Owner
					<b>Heat</b>		Tenant
					<b>Heat Source</b>		Elec
					<b>Hot/Water</b>		Tenant
					<b>Electricity</b>		Tenant
<b>Other:</b>							



**2. Other Proposed Uses**

None.

**3. Pertinent Information on Zoning and Government Review**

None identified.

**4. Proposed Timing of Development**

TBG Residential projects construction on Auburn Hills to begin July 2013 and be complete by August 2014.



### 3. SITE AND NEIGHBORHOOD ANALYSIS

#### A. Site Analysis

##### 1. Site Location

The site for the proposed Auburn Hills is located on the east side of Mt Moriah Road approximately one half mile north of Atlanta Highway in Auburn, Georgia (Figure 1, Figure 2).

##### 2. Existing Uses

The site is a partially cleared and partially wooded lot that has not been improved with any structures (Figure 3).

##### 3. Size, Shape, and Topography

According to Barrow County online Tax Parcel information, the subject site encompasses 11.08 acres. The site is roughly rectangular in shape and is generally level.

##### 4. General Description of Land Uses Surrounding the Subject Site

The subject is surrounded by a mixture of single family detached and single family attached (townhomes) homes and wooded land. Located less than half a mile south of the subject site, downtown Auburn includes City Hall, a public library, and police department along with various retail and religious facilities. Single family detached homes are located north of the subject along Mt Moriah Road. Small single family detached neighborhoods are located east and west of the subject site.

##### 5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site, starting from the north and proceeding in a clockwise direction, are as follows (Figure 4):

- **North:** Single-family detached home.
- **East:** Parks Mill rental community and single family detached subdivisions buffered by wooded land.
- **South:** Single family detached home and downtown Auburn.
- **West:** Owner occupied townhomes. A few of the townhomes are available to rent.

Figure 1 Satellite Image of Subject Site





**Figure 3 Views of Subject Site**



Mt Moriah Road facing north (site on right)



Mt Moriah Road facing north (site on left)



Cleared portion of site facing north



Wooded eastern portion of site facing east

**Figure 4 Views of Surrounding Land Uses**



Typical single-family detached home north of subject site



Parks Mill Apartments east of site



Typical single family detached home east of site



Townhomes west of site.

## B. Residential Support Network

### 1. Key Facilities and Services Near the Subject Site

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 1.

**Table 2 Key Facilities and Services**

Establishment	Type	Address	City	Distance
Auburn Police Department	Police	1365 4th Avenue	Auburn	0.4 miles
Auburn Public Library	Library	24 5th Street	Auburn	0.4 miles
Barrow County Emergency Services Station	Fire	1335 4th Avenue	Auburn	0.5 miles
Auburn Elementary School	School	1334 6th Avenue	Auburn	0.7 miles
Auburn Primary Care	Medical	12 7th Street	Auburn	0.7 miles
Dollar General	General Retail	1460 Atlanta Highway	Auburn	0.7 miles
Ingles Market	Grocery Store	1520 Atlanta Highway	Auburn	0.9 miles
Shop-Rite	Grocery Store	1640 Atlanta Highway	Auburn	1.4 miles
CVS	Pharmacy	1685 Lawrenceville-Athens Hwy	Auburn	1.5 miles
Westside	School	240 Matthews School Road	Winder	4.4 miles
Walmart Supercenter	General Retail	440 Atlanta Highway	Winder	4.5 miles
Apalachee High School	School	940 Haymon Morris Road	Winder	6.7 miles
Barrow Regional Medical Center	Hospital	316 North Broad St	Winder	6.9 miles
Target (Barrow Crossing)	General Retail	916 Loganville Highway	Bethlehem	9.2 miles
Mall of Georgia	General Retail	3333 Buford Drive	Buford	11.8 miles

### 2. Essential Services

#### *Health Care*

The closest major healthcare provider to the proposed site is Barrow Regional Medical Center (BRMC), a 56 bed acute care facility located eight miles to the southeast. BRMC contains a staff of nearly 300 employees and offers a wide variety of medical treatment options and services including 24 hour emergency care, cardiopulmonary services, surgery, intensive care, labor/delivery, physical therapy / rehab, radiology, speech therapy, and diagnostic/imaging. The hospital also contains a Wound Center and Sleep Lab. Auburn Primary Care is located 0.7 miles south of the subject and offers non-emergency medical care.

#### *Education*

The Barrow County Public School district consists of 16 schools including eight elementary schools, four middle schools, two high schools, one alternative school, and one performance learning center. Children residing at the subject property would attend Auburn Elementary School (0.7 mile), Westside Middle School (4.4 mile), and Apalachee High School (6.7 miles). Gainesville State College is located 15 miles west of the subject site.



**Map 1**  
**Site Location**  
**Auburn Hills**  
**Barrow County, Georgia**



### **3. Commercial Goods and Services**

#### ***Convenience Goods***

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

Grocery stores and a pharmacy are located along Atlanta Highway. An Ingles Market grocery store is located approximately one mile west of the subject site. A Shop-Rite and CVS are located another half a mile further on Atlanta Highway.

#### ***Shoppers Goods***

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers’ goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

A Dollar General is located 0.7 miles south of the subject on Atlanta Highway. A Wal-Mart supercenter is located less than five miles east of the subject site. Barrow Crossing shopping center, located approximately nine miles southeast of the subject site, offers a Publix grocery store, Target, Belk, PetsMart, and Staples.

Additionally, the Mall of Georgia is located approximately 12 miles northwest of the subject and is anchored by a Nordstrom, Belk, Dillard’s, JCPenny, and Macy’s. It also includes over 225 additional stores.

## **C. Neighborhood Analysis**

### **1. General Description of Neighborhood**

Auburn is a small town located on the border of Barrow and Gwinnett counties. The population has nearly doubled over the past decade in the area surrounding Auburn, with the addition of many new single-family detached residential neighborhoods. The majority of the housing is new, owner occupied, single-family detached units. Due to the population growth, there have been numerous revitalization projects in downtown Auburn, including the library and old post office. The city recently passed a Strategic Implementation Plan that includes a cultural arts center to be located in a historic building on College Street.

### **2. Neighborhood Investment and Planning Activities**

City officials have been discussing and implementing multiple projects for the downtown area, including road improvements and storm water projects. Additionally, mixed-use development zoning was recently passed in downtown Auburn which will allow for business owners to live above or behind their businesses. It will also allow for medical facilities, pharmacies and other stores to be built in the same area as homes or apartment complexes, making things convenient for residents. Officials envision easily accessible sidewalks leading to the schools, well-lit parks, a dog park, quaint shops and a community center offering art classes, an exhibit center and multiple art/school related classes and activities.

Planned retail includes the Shoppes of Auburn, a 22,000 square foot neighborhood retail center, located in downtown Auburn approximately one half mile south of the subject.



### 3. Public Safety

In 2010, 2,384 crimes were reported in Barrow County (most recent data available). Based on a 2010 population of 72,931, the crime rate was 32.69 crimes per 1,000 persons (Table 3). Approximately 85 percent of crimes reported in Barrow County were burglaries, larceny-theft, or motor vehicle theft. A modest percentage of the crimes in Barrow County were violent crimes. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.

**Table 3 2010 Crime Statistics, Barrow County**

Crimes Reported in Barrow County, Georgia in 2010		
Crime	Number	Rate*
<b>Total</b>	<b>2,384</b>	<b>32.69</b>
Murder	4	0.05
Rape	12	0.16
Robbery	18	0.25
Aggravated Assault	316	4.33
Burglary	486	6.66
Larceny-Theft	1,426	19.55
Motor Vehicle Thefts	122	1.67

\*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

### 4. Market Area Multifamily Residential Developments

Multifamily residential developments are non-existent in the market area. We are aware of only one rental community (Parks Mill) which includes a mix of garden, duplexes, and single-family detached units. Less than twelve percent of the housing stock in the market area is rental units. Of the rental units, 80 percent are single family detached, 13 percent are mobile homes, and the remainder are townhome units or duplexes.

**There are NO LIHTC or deeply subsidized communities in the market area.**

## D. Site Visibility and Accessibility

### 1. Visibility

Auburn Hills will benefit from good visibility along Mt Moriah Road in front of the site, which supports moderately heavy traffic. Haymon Morris Road provides access from area residential neighborhoods in the north to downtown Auburn.

### 2. Vehicular Access

Auburn Hills will be accessible from an entrance on Mt Moriah Road. From Mt Moriah Road, residents of the subject property will have convenient access to Atlanta Highway from which surrounding residential / commercial development can easily be reached. Atlanta Highway leads to Winder to the east and Lawrenceville to the west.

### 3. Availability of Public and Inter Regional Transit

The public transportation system for the City of Auburn, the Auburn Neighborhood Transit (ANT), was recently approved. Trolley service began June 4, 2012, operating on a Monday through Friday



schedule of 8 a.m. until 5 p.m. Its route covers just over 11 looped miles with 38 stops – including, Barrow Crossing shopping center, Walmart, and Discover Mills Mall to link to Gwinnett County Transit, which travels to Atlanta. The average speed of the trolley will be about 20mph with a one-way fare set at \$1. The ANT is part of Auburn's Strategic Implementation Plan and part of an effort to bring more business to downtown Auburn. A stop on the ANT will be located within 300 feet of Auburn Hills.

#### **4. Pedestrian Access**

As is typical for a somewhat rural area, there are no sidewalks on Mt Moriah Road in front of the subject site.

#### **5. Accessibility Improvements under Construction and Planned**

##### ***Roadway Improvements under Construction and Planned***

RPRG did not identify any projects that would have a direct impact on this market.

##### ***Transit and Other Improvements under Construction and/or Planned***

The ANT was recently approved and just beginning operations. No additional improvements were identified.

#### **6. Environmental Concerns**

No visible environmental or miscellaneous site concerns were identified.

### **E. Site Conclusions**

The site for Auburn Hills is compatible with existing land uses and is within short driving distance of neighborhood amenities including grocery, library and retail in downtown Auburn. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development. The site is in a location with many positive attributes which will contribute to a competitive market advantage.



## 4. MARKET AREA

### A. Introduction

The primary market area for the proposed Auburn Hills is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Auburn Hills Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

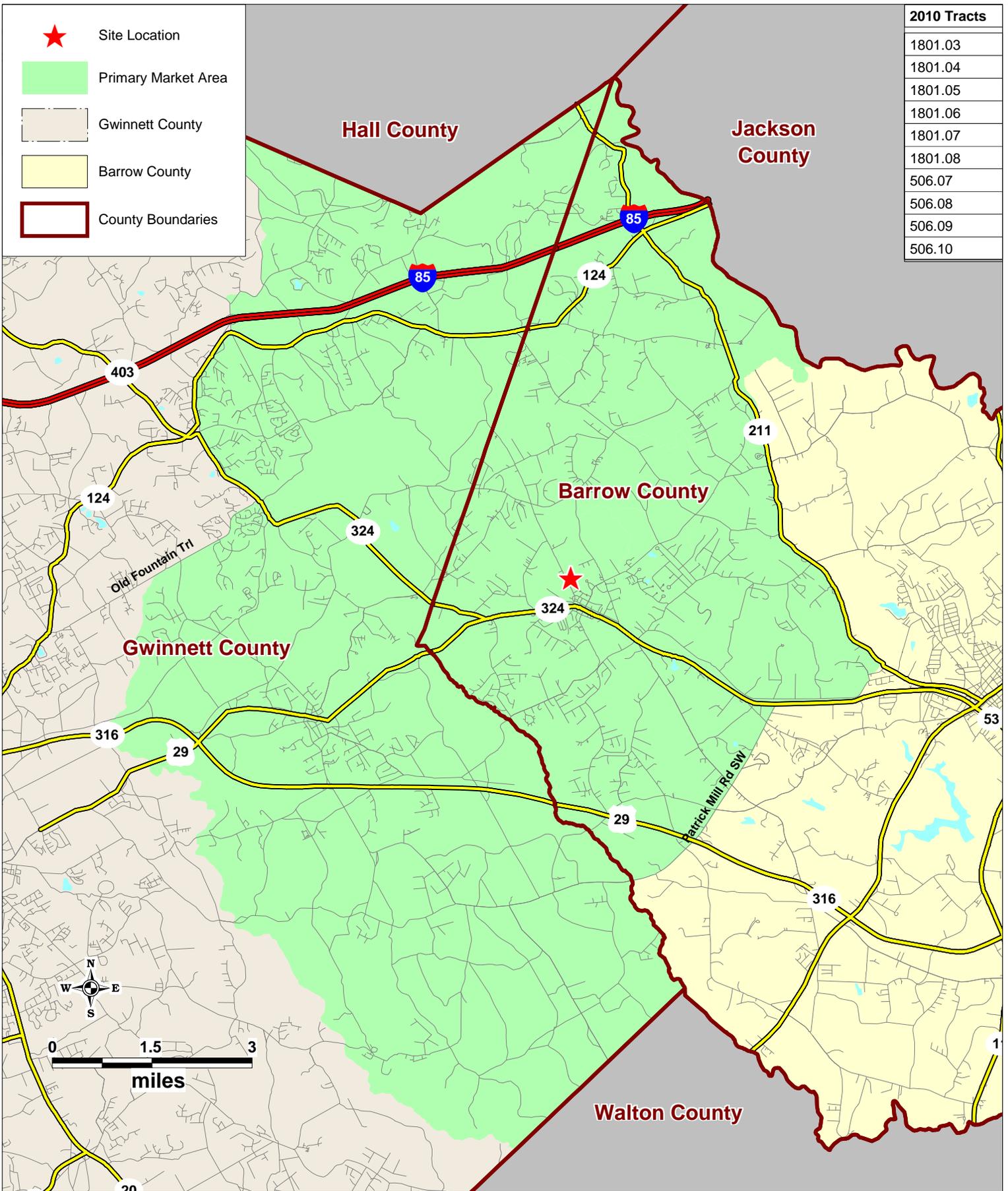
### B. Delineation of Market Area

The primary market area for the proposed development consists of 2010 Census tracts in eastern Gwinnett County and western Barrow County including the municipalities of Auburn, Dacula, and Braselton. The boundaries of this market area and their approximate distance from the subject site are:

- North:** Hall County ..... (5.5 miles)
- East:** State Highway 211 / Patrick Mill Road SW..... (3.2 miles)
- South:** Walton County ..... (6.3 miles)
- West:** Old Fountain Road / Auburn Road ..... (5.4 miles)

This primary market area (PMA) encompasses the rural portions of Gwinnett and Barrow Counties situated between the larger and more densely developed cities of Winder to the east, Lawrenceville to the southwest, and Buford / Suwanee to the northwest. Given the proposed site’s rural location within the town of Auburn, it is reasonable to assume residents throughout this PMA would consider the subject property as an acceptable shelter option. Portions of the surrounding cities are not included, however, as the sparsely developed nature of the subject site’s immediate area would be unlikely to attract a significant proportion of tenants from these more established areas. While some households may move from outside the primary market area, this is accounted for in household growth estimates.

The primary market area includes year 2010 Census tracts 1801.03, 1801.04, 1801.05, 1801.06, 1801.07, 1801.08, 506.07, 506.08, 506.08, 506.09, and 506.10. A map of this market area is shown on the following page. Demographic data on a bi-county market area, consisting of Gwinnett and Barrow Counties, is included for comparison purposes. Demand estimates are computed for the primary market area only.



2010 Tracts
1801.03
1801.04
1801.05
1801.06
1801.07
1801.08
506.07
506.08
506.09
506.10

**Map 2**  
**Auburn Hills Market Area**  
**Barrow and Gwinnett Counties, Georgia**

## 5. DEMOGRAPHIC ANALYSIS

### A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the primary market area using U.S. Census data and data from Nielsen, a national data vendor which prepares small area estimates and projections of population and households as well as building permit trend information collected from the HUD State of the Cities Data Systems (SOCDS) database. Table 4 presents a series of panels that summarize these 2010 Census data, estimates, and projections.

### B. Trends in Population and Households

#### 1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Auburn Hills Market Area increased by 88.3 percent, from 40,284 to 75,837 people (Table 4). This equates to an annual rate of increase of 6.5 percent or 3,555 people. During the same time period, the number of households in the Auburn Hills Market Area increased by 80.9 percent, from 13,183 to 23,847 households, an annual increase of 6.1 percent or 1,066 households.

The population and household growth rates were also strong in the Bi-County Market Area. The population of the Bi-County Market Area increased by 37.8 percent from 2000 to 2010 (3.3 percent annually), while the number of households in the Bi-County Market Area increased by 33.8 percent (3.0 percent annually).

#### 2. Projected Trends

Based on adjusted Nielsen estimates, the Auburn Hills Market Area added 5,062 people and 744 households between 2010 and 2012. RPRG further estimates that the market area's population will increase by 14,184 people between 2012 and 2017, bringing the total population to 95,083. This represents an annual increase of 3.3 percent or 2,837 persons. The number of households will increase at a similar rate, gaining 3.1 percent or 828 new households per annum and resulting in a total household base of 29,472 in 2017.

In the Bi-County Market Area, population and household growth rates are projected to be slightly slower than the Auburn Hills Market Area. The the Bi-County Market Area's population is expected to increase by 2.6 percent annually while its household base is also expected to increase by 2.4 percent annually.



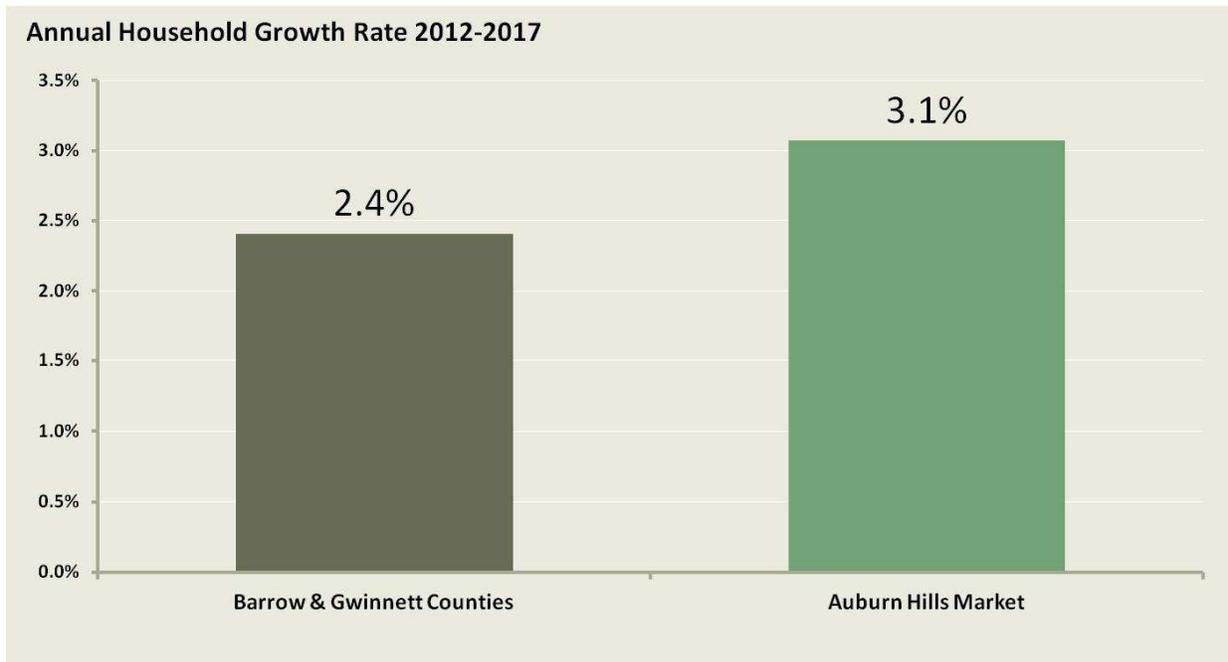
**Table 4 Population and Household Projections**

Barrow & Gwinnett Counties					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
	2000	2010	2012	2017	#	%	#	%	#	%	#	%	#	%		
Population	634,592	874,688	920,219	1,044,689	240,096	37.8%	24,010	3.3%	45,531	5.2%	22,766	2.6%	124,469	13.5%	24,894	2.6%
Group Quarters	6,842	5,971	6,205	6,832												
Households	218,671	292,490	306,748	345,510	73,819	33.8%	7,382	3.0%	14,258	4.9%	7,129	2.4%	38,761	12.6%	7,752	2.4%
Average HH Size	2.87	2.97	2.98	3.00												

Auburn Hills Market					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
	2000	2010	2012	2017	#	%	#	%	#	%	#	%	#	%		
Population	40,284	75,837	80,899	95,083	35,553	88.3%	3,555	6.5%	5,062	6.7%	2,531	3.3%	14,184	17.5%	2,837	3.3%
Group Quarters	1,054	1,124	1,168	1,284												
Households	13,183	23,847	25,335	29,472	10,664	80.9%	1,066	6.1%	1,488	6.2%	744	3.1%	4,138	16.3%	828	3.1%
Average HH Size	2.98	3.13	3.15	3.18												

Note: Annual change is compounded rate.  
 Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG





### 3. Building Permit Trends

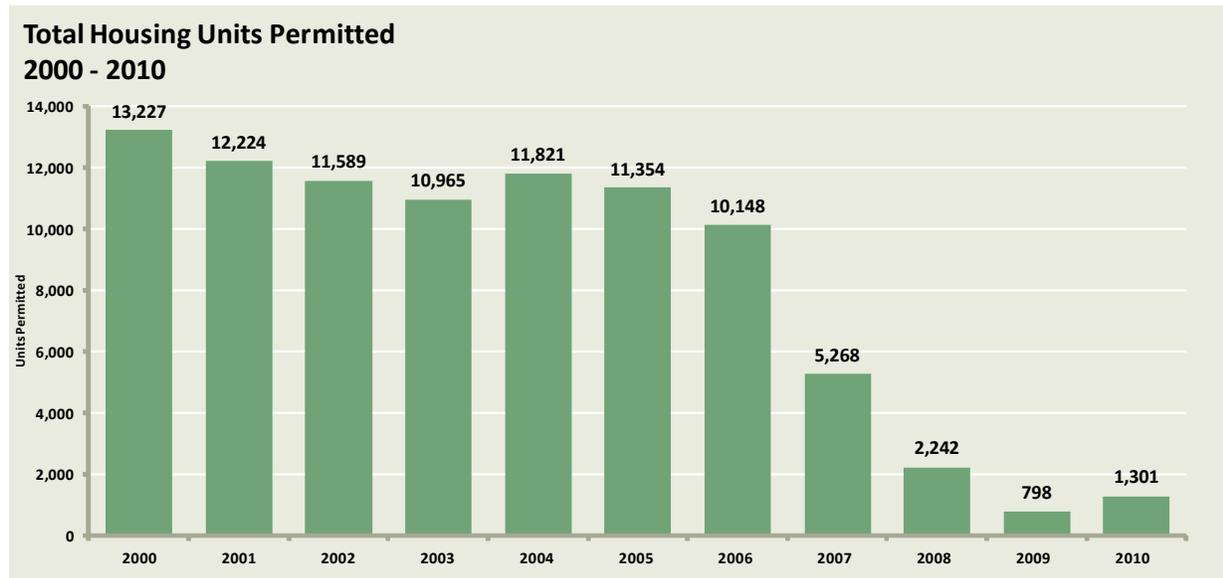
RPRG examines building permit trends as one way of determining if the housing supply is meeting demand, as measured by new households. Over the last decade, an average of 8,267 new housing units was authorized annually in the Bi-County Market Area compared to household growth of 7,382 (Table 5). In the early and middle portions of the decade (2000 to 2006), annual building permit activity ranged from 10,148 to 13,227 units; however, due to the housing market crash and recent national recession, bi-county permit activity dropped precipitously over the past four years, falling to 5,268 units in 2007 and below 1,500 units in both 2009 and 2010.

From 2000 to 2010, 89 percent of all residential permits issued in the Bi-County Market Area have been for single-family development. Multi-family communities (5+ units) accounted for an additional 11 percent of units permitted while buildings with 2-4 units comprised less than one percent of units permitted.

**Table 5 Building Permits by Structure Type, Barrow County**

Bi-County Market Area													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-2010	Annual
Single Family	9,707	10,594	10,598	10,359	10,742	11,310	9,001	5,138	1,646	696	1,142	80,933	7,358
Two Family	0	6	6	0	6	0	0	2	10	0	0	30	3
3 - 4 Family	100	40	4	4	0	0	15	48	36	0	0	247	22
5 or more Family	3,420	1,584	981	602	1,073	44	1,132	80	550	102	159	9,727	884
<b>Total</b>	<b>13,227</b>	<b>12,224</b>	<b>11,589</b>	<b>10,965</b>	<b>11,821</b>	<b>11,354</b>	<b>10,148</b>	<b>5,268</b>	<b>2,242</b>	<b>798</b>	<b>1,301</b>	<b>90,937</b>	<b>8,267</b>

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





## C. Demographic Characteristics

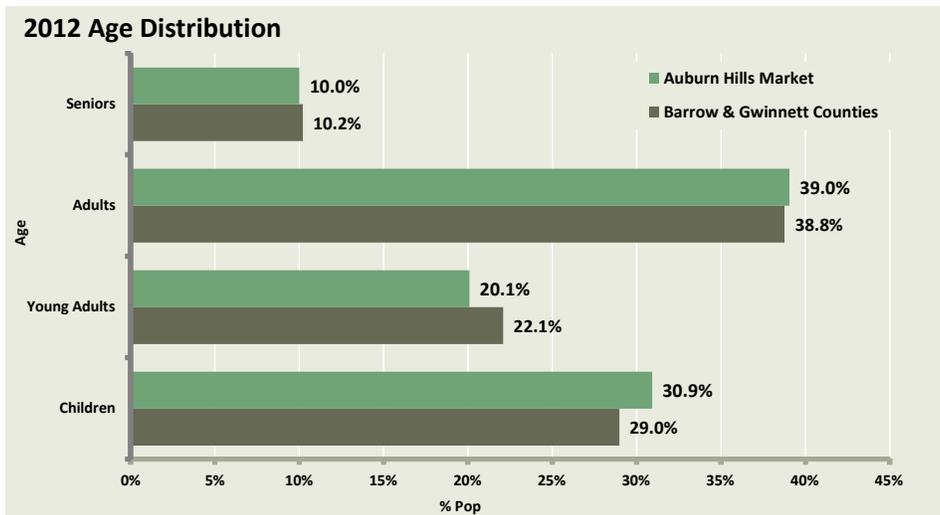
### 1. Age Distribution and Household Type

The populations of the Auburn Hills Market Area and the Bi-County Market Area have similar distributions both with median ages of 32 (Table 6). Cohorts typical of family households account for the highest proportion of the population. Adults (persons age 35-61 years) constitute the largest age group in both regions, accounting for 39.0 percent of the population in the Auburn Hills Market Area and 38.8 percent of the population in the Bi-County Market Area. Children (persons under the age of 18) account for 30.9 percent of the population in Auburn Hills Market Area and 29.0 percent of the population in the Bi-County Market Area. Of the remaining age cohorts, the Auburn Hills Market Area has a slightly lower percentage of both young adults (persons age 18-34 years) and seniors (persons age 62 and older). In the Auburn Hills Market Area, persons age 25 to 44 years (those most likely to rent) constitute 29.0 percent of the population.

**Table 6 2012 Age Distribution**

	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
<b>Children</b>	<b>266,488</b>	<b>29.0%</b>	<b>24,999</b>	<b>30.9%</b>
Under 5 years	80,468	8.7%	7,676	9.5%
5-9 years	75,166	8.2%	7,086	8.8%
10-14 years	69,852	7.6%	6,529	8.1%
15-17 years	41,002	4.5%	3,708	4.6%
<b>Young Adults</b>	<b>203,201</b>	<b>22.1%</b>	<b>16,237</b>	<b>20.1%</b>
18-20 years	32,942	3.6%	2,943	3.6%
21-24 years	43,802	4.8%	4,065	5.0%
25-34 years	126,458	13.7%	9,228	11.4%
<b>Adults</b>	<b>356,656</b>	<b>38.8%</b>	<b>31,582</b>	<b>39.0%</b>
35-44 years	150,448	16.3%	14,255	17.6%
45-54 years	140,966	15.3%	12,038	14.9%
55-61 years	65,242	7.1%	5,289	6.5%
<b>Seniors</b>	<b>93,875</b>	<b>10.2%</b>	<b>8,081</b>	<b>10.0%</b>
62-64 years	27,961	3.0%	2,267	2.8%
65-74 years	42,212	4.6%	3,868	4.8%
75-84 years	17,819	1.9%	1,524	1.9%
85 and older	5,883	0.6%	422	0.5%
<b>TOTAL</b>	<b>920,219</b>	<b>100.0%</b>	<b>80,899</b>	<b>100.0%</b>
<b>Median Age</b>	<b>32</b>		<b>32</b>	

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



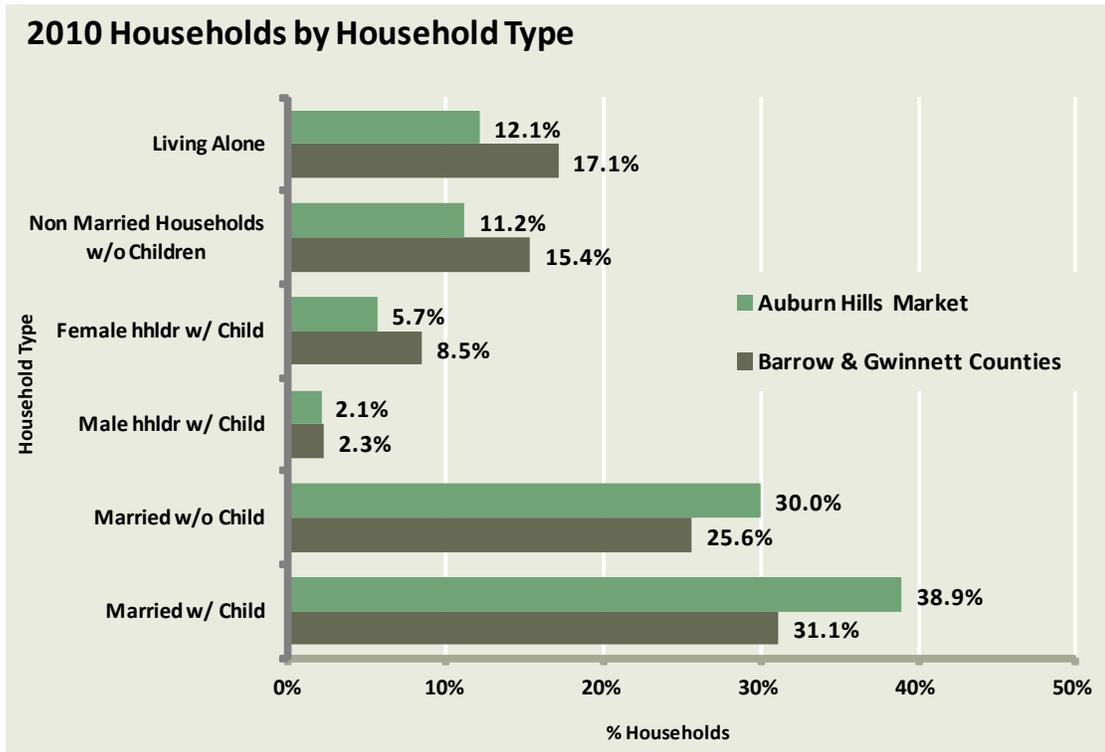


Over two-thirds (68.9 percent) of all households in the Auburn Hills Market Area are married and nearly half (46.7 percent) contain children (Table 7). By comparison, the Bi-County Market Area has a lower marriage rate (56.7 percent) and occurrence of children (41.9 percent). Single households account for 12.1 percent of all households in the Auburn Hills Market Area, higher than the rate in the Bi-County Market Area of 17.1 percent. The Auburn Hills Market Area also has a lower percentage of non-married households without children.

**Table 7 2010 Households by Household Type**

	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
Married w/ Child	90,961	31.1%	9,286	38.9%
Married w/o Child	74,872	25.6%	7,144	30.0%
Male hhldr w/ Child	6,698	2.3%	500	2.1%
Female hhldr w/ Child	24,962	8.5%	1,355	5.7%
Non Married Households w/o Children	44,946	15.4%	2,671	11.2%
Living Alone	50,052	17.1%	2,892	12.1%
<b>Total</b>	<b>292,490</b>	<b>100.0%</b>	<b>23,847</b>	<b>100.0%</b>

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





## 2. Renter Household Characteristics

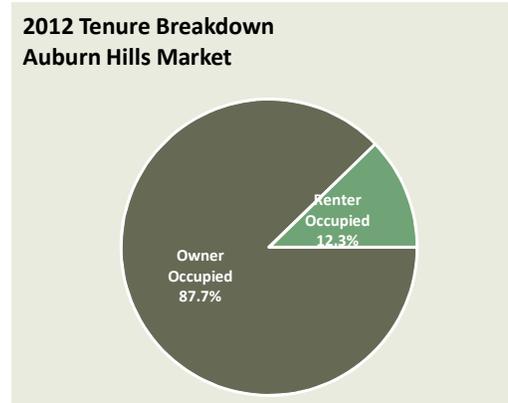
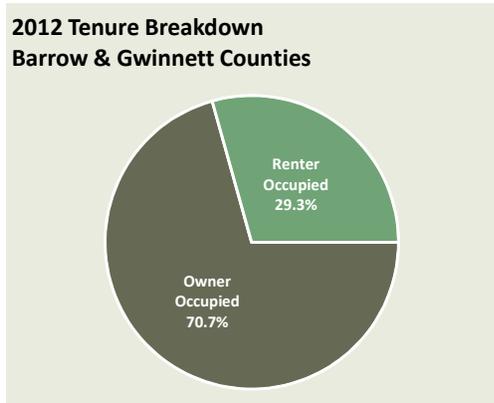
As of 2012, the majority of households in the Auburn Hills Market Area and the Bi-County Market Area owned their home (Table 8). The Auburn Hills Market Area’s 2012 renter percentage was a low 12.3 percent, significantly lower than the 29.3 percent of renters in the Bi-County Market Area. Based on Nielsen estimates and projections, the renter percentages in both regions are expected to increase to 13.1 percent by 2017.

**Table 8 Households by Tenure**

Barrow & Gwinnett Counties	2000		2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	158,892	72.7%	207,662	71.0%	216,727	70.7%	241,072	69.8%
Renter Occupied	59,779	27.3%	84,828	29.0%	90,021	29.3%	104,438	30.2%
<b>Total Occupied</b>	<b>218,671</b>	<b>100.0%</b>	<b>292,490</b>	<b>100.0%</b>	<b>306,748</b>	<b>100.0%</b>	<b>345,510</b>	<b>100.0%</b>
Total Vacant	8,315		25,457		31,684			
<b>TOTAL UNITS</b>	<b>226,986</b>		<b>317,947</b>		<b>338,433</b>		401013.6	

Auburn Hills Market	2000		2010		2012		2017	
Housing Units	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	11,792	89.4%	20,994	88.0%	22,227	87.7%	25,622	86.9%
Renter Occupied	1,391	10.6%	2,853	12.0%	3,108	12.3%	3,850	13.1%
<b>Total Occupied</b>	<b>13,183</b>	<b>100.0%</b>	<b>23,847</b>	<b>100.0%</b>	<b>25,335</b>	<b>100.0%</b>	<b>29,472</b>	<b>100.0%</b>
Total Vacant	549		1,845		2,225			
<b>TOTAL UNITS</b>	<b>13,732</b>		<b>25,692</b>		<b>27,560</b>		<b>33,048</b>	

Source: U.S. Census of Population and Housing, 2000, 2010; RPRG



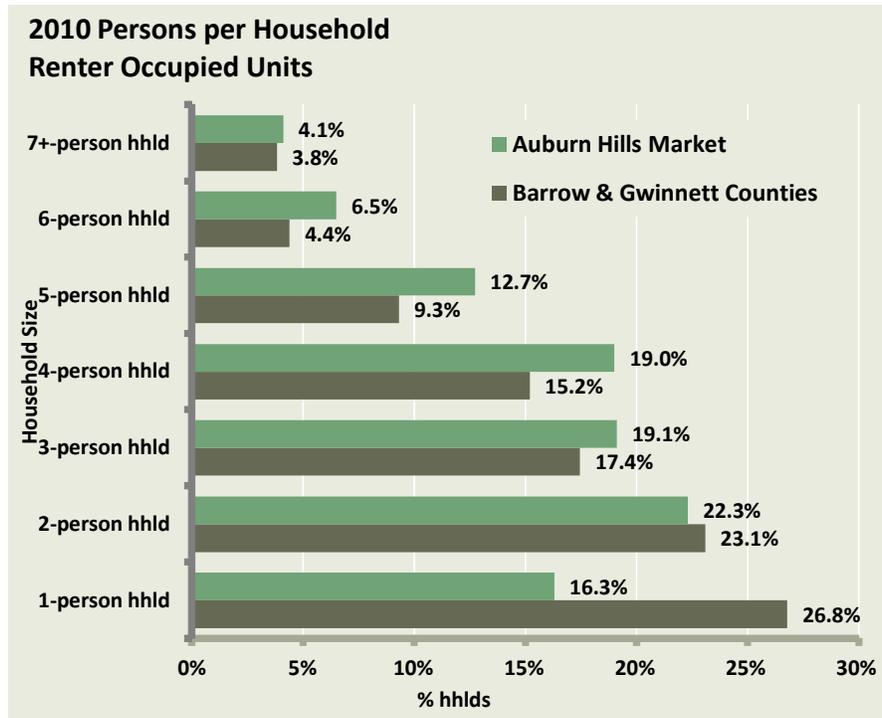


As of 2010, 61.4 percent of market area renter households consisted of three or more persons, the target market for the subject project. In comparison, 50.1 percent of renter the Bi-County Market Area households had three or more persons (Table 9). The Bi-County Market Area has proportionally more one and two person households.

**Table 9 2010 Persons per Household, Renter Occupied Units**

Renter Occupied	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
1-person household	22,710	26.8%	465	16.3%
2-person household	19,582	23.1%	636	22.3%
3-person household	14,799	17.4%	545	19.1%
4-person household	12,888	15.2%	542	19.0%
5-person household	7,892	9.3%	363	12.7%
6-person household	3,721	4.4%	185	6.5%
7+-person household	3,236	3.8%	117	4.1%
<b>TOTAL</b>	<b>84,828</b>	<b>100.0%</b>	<b>2,853</b>	<b>100.0%</b>

Source: 2010 Census





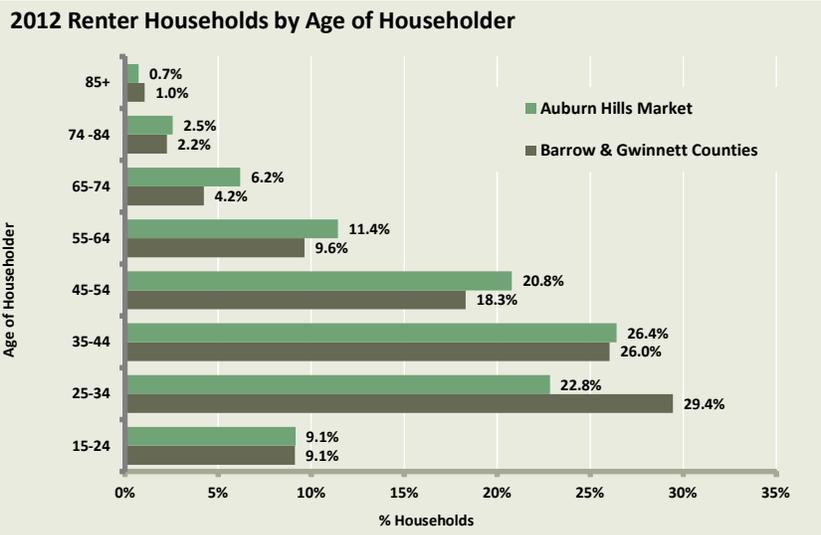
Young working age households form the core of the market area’s renters, as 49.2 of the renter occupied households are between the ages of 25 and 44 (Table 10). Young renters (under 25) equal 9.1 percent of all renter householders. Older adults age 55+ comprise 20.9 percent of all renters in the market area compared to 17.1 percent in the Bi-County Market Area. Owner householders are slightly older than renters in both the market area and county.

**Table 10 Households by Tenure and Age of Householder**

Owner Households	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	2,190	1.0%	450	2.0%
25-34 years	24,505	11.3%	3,045	13.7%
35-44 years	50,905	23.5%	5,676	25.5%
45-54 years	60,819	28.1%	5,814	26.2%
55-64 years	46,147	21.3%	3,905	17.6%
65-74 years	22,437	10.4%	2,257	10.2%
75 to 84 years	8,219	3.8%	897	4.0%
85+ years	1,505	0.7%	182	0.8%
<b>Total</b>	<b>216,727</b>	<b>100%</b>	<b>22,227</b>	<b>100%</b>

Renter Households	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	8,205	9.1%	284	9.1%
25-34 years	26,498	29.4%	709	22.8%
35-44 years	23,424	26.0%	821	26.4%
45-54 years	16,470	18.3%	646	20.8%
55-64 years	8,672	9.6%	355	11.4%
65-74 years	3,803	4.2%	192	6.2%
75 to 84 years	2,008	2.2%	79	2.5%
85+ years	941	1.0%	22	0.7%
<b>Total</b>	<b>90,021</b>	<b>100%</b>	<b>3,108</b>	<b>100%</b>

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





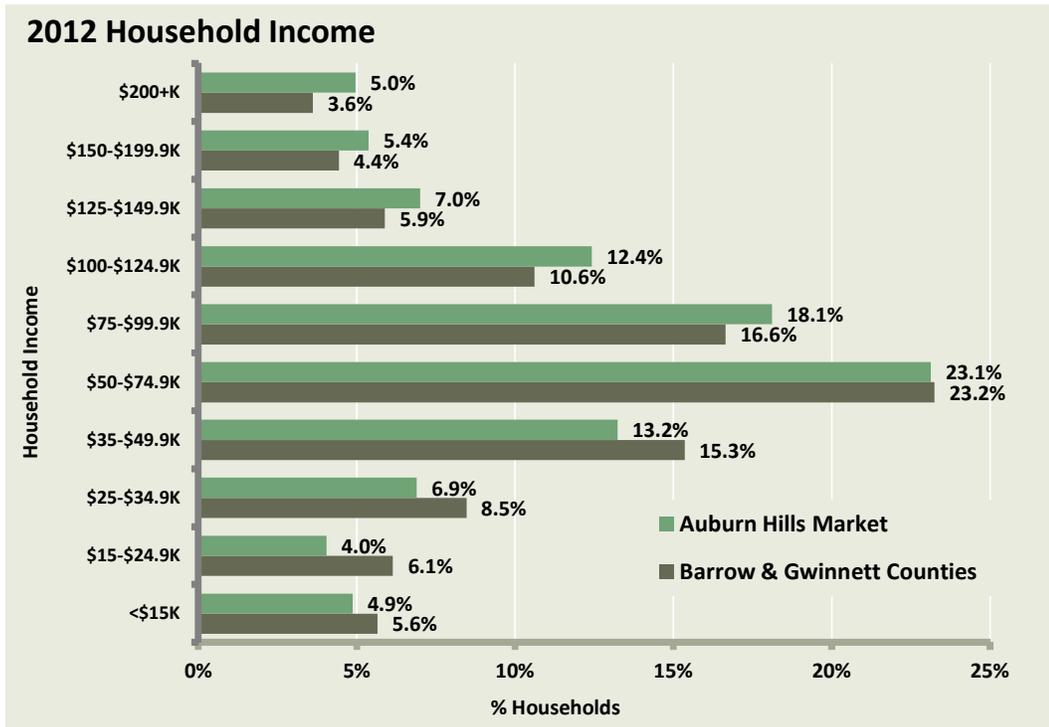
### 3. Income Characteristics

The primary market area’s 2012 median income of \$72,678 is \$7,173 or 11 percent higher than the Bi-County Market Area’s median of \$65,505 (Table 11). Approximately nine percent of Auburn Hills Market Area households earn less than \$25,000 compared to 11.8 percent in the Bi-County Market Area.

**Table 11 2012 Household Income**

		Barrow & Gwinnett Counties		Auburn Hills Market	
		Number	Percent	Number	Percent
less than	\$15,000	17,311	5.6%	1,232	4.9%
	\$15,000 - \$24,999	18,833	6.1%	1,025	4.0%
	\$25,000 - \$34,999	25,950	8.5%	1,745	6.9%
	\$35,000 - \$49,999	47,068	15.3%	3,351	13.2%
	\$50,000 - \$74,999	71,285	23.2%	5,858	23.1%
	\$75,000 - \$99,999	51,047	16.6%	4,588	18.1%
	\$100,000 - \$124,999	32,541	10.6%	3,146	12.4%
	\$125,000 - \$149,999	18,049	5.9%	1,773	7.0%
	\$150,000 - \$199,999	13,588	4.4%	1,362	5.4%
	\$200,000 over	11,075	3.6%	1,255	5.0%
<b>Total</b>		<b>306,748</b>	<b>100.0%</b>	<b>25,335</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$65,505</b>		<b>\$72,678</b>	

Source: The Nielsen Company; 2006-2010 Amercian Community Survey; Estimates, Real Property Research Group, Inc.



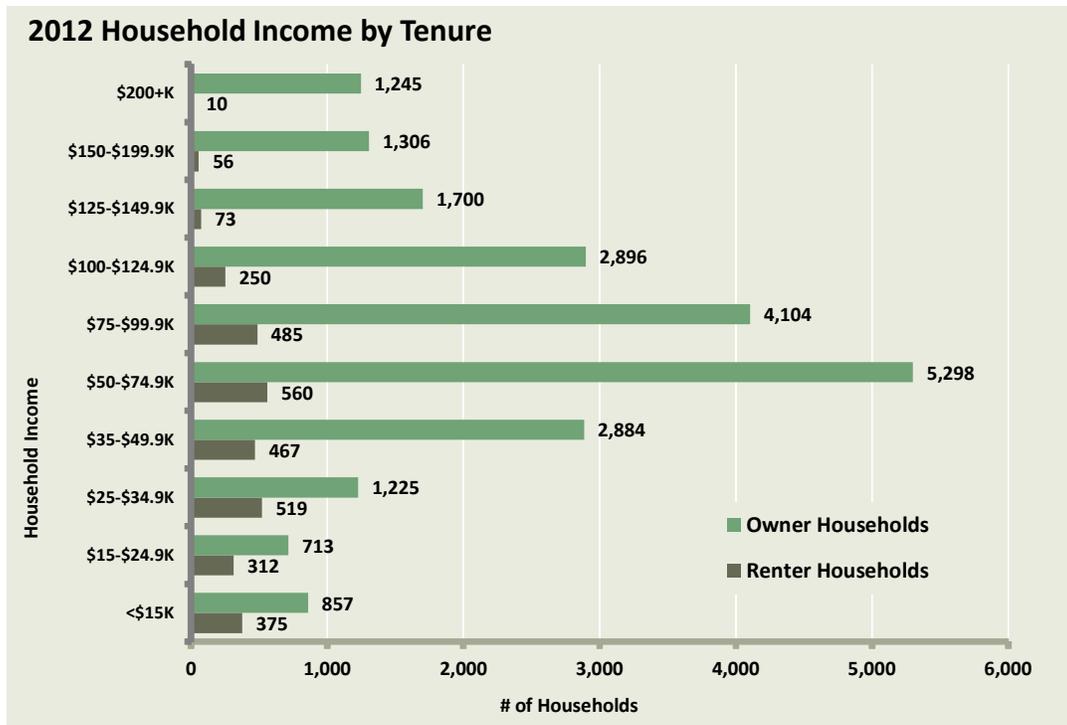


As is typical in most areas, renter household incomes in the Auburn Hills Market Area are lower than owner household incomes. Based on the American Community Survey (ACS) income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of Auburn Hills Market Area households is \$46,132 among renters and \$75,831 among owners (Table 12). Approximately 22 percent of all renter households in the Auburn Hills Market Area earn an annual income of less than \$25,000.

**Table 12 2012 Household Income by Tenure, Primary Market Area**

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	375	12.1%	857	3.9%
	\$15,000 - \$24,999	312	10.0%	713	3.2%
	\$25,000 - \$34,999	519	16.7%	1,225	5.5%
	\$35,000 - \$49,999	467	15.0%	2,884	13.0%
	\$50,000 - \$74,999	560	18.0%	5,298	23.8%
	\$75,000 - \$99,999	485	15.6%	4,104	18.5%
	\$100,000 - \$124,999	250	8.1%	2,896	13.0%
	\$125,000 - \$149,999	73	2.3%	1,700	7.6%
	\$150,000 - \$199,999	56	1.8%	1,306	5.9%
	\$200,000 over	10	0.3%	1,245	5.6%
<b>Total</b>		<b>3,108</b>	<b>100.0%</b>	<b>22,227</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$46,132</b>		<b>\$75,831</b>	

Source: The Nielsen Company; US Census Bureau, 2006-2010 American Community Survey; Estimates, Real Property Research Group, Inc.





## 6. ECONOMIC CONTENT

### A. Introduction

This section of the report focuses on economic trends and conditions in both Barrow County, the jurisdiction in which Auburn Hills will be located, as well as Gwinnett County, as it has a significant impact on household and population growth within the Auburn Hills Market Area. For purposes of comparison, economic trends in the State of Georgia and the nation are also discussed.

### B. Labor Force, Resident Employment, and Unemployment

#### 1. Trends in County Labor Force and Resident Employment

Barrow County's labor force grew at a steady pace throughout much of the past decade before declining from 2010 to 2011. Overall, the county's labor force increased from 25,254 in 2000 to 34,226 in 2011, a gain of 8,972 workers or 35.5 percent (Table 13). With the exception of 2009 and 2010, the "employed" portion of Barrow County's labor force also increased every year since 2000. During the same time period, Gwinnett County's labor expanded by 17.9 percent.

#### 2. Trends in County Unemployment Rate

Following a low point of 3.0 percent, Barrow County's unemployment rate ranged from 3.9 percent to 4.7 percent from 2001 to 2007. In 2009, during the height of the most recent national recession, Barrow County's unemployment rate jumped to 10.4 percent before falling back down to 9.6 percent in 2011. Overall, Barrow County's unemployment rate consistently remained below state and national figures from 2000 to 2007 before surpassing them in the latter portion of the decade. By comparison, Gwinnett County's unemployment rate followed a similar trend with a notable increase from 2009 to 2011; however, Gwinnett County's unemployment rate remained below State and National levels in every year except 2011 and was 0.5 percentage points lower on average than Barrow County's unemployment rate from 2000 to 2011.

### C. Commutation Patterns

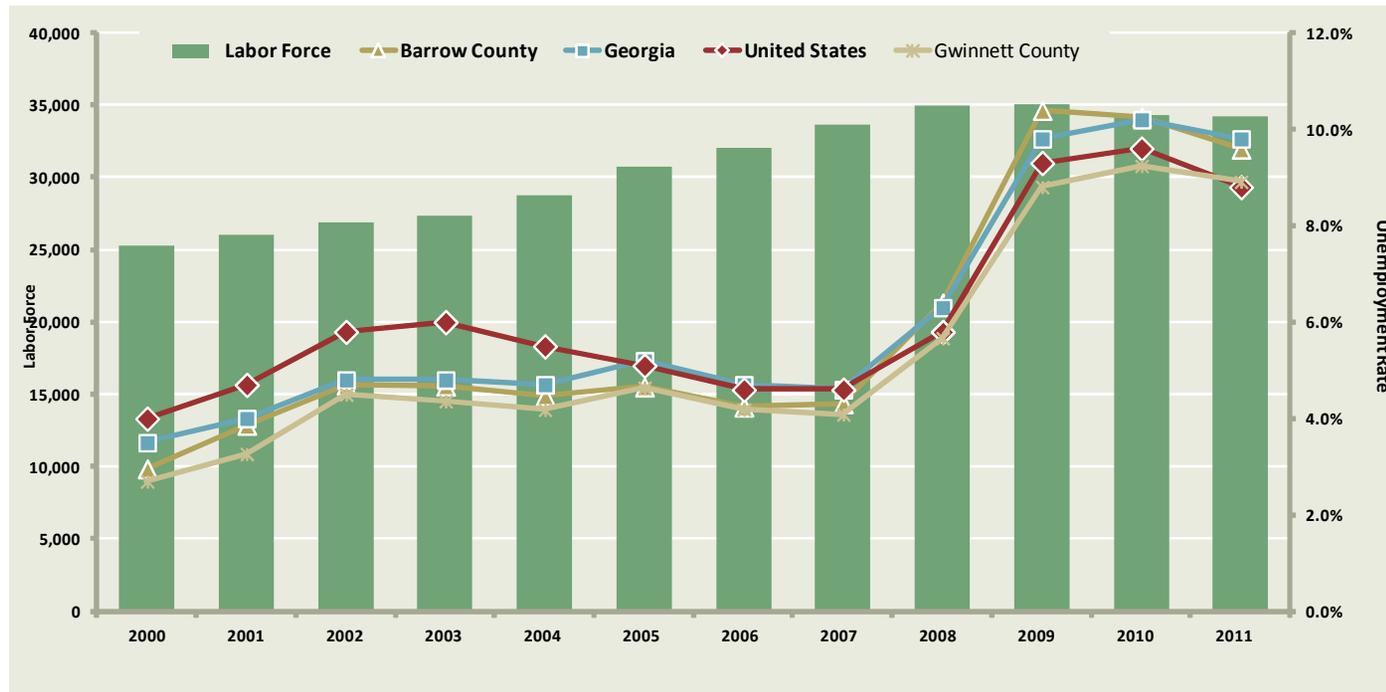
According to 2006-2010 American Community Survey (ACS) data, 28.1 percent of workers residing in the Auburn Hills market area spent between 15 and 29 minutes commuting to work, while 12.1 percent of primary market area workers commuted less than 15 minutes. Another 53.5 percent of the workers area spent 30 or more minutes commuting to work (Table 14). Approximately 57.0 percent of workers residing in the market area worked in the county of residence, compared to 41.2 percent working in another county. Less than two percent of market area residents worked outside the State of Georgia.



**Table 13 Annual Labor Force and Unemployment Rates**

Annual Unemployment Rates - Not Seasonally Adjusted												
Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Barrow County:</b>												
Labor Force	25,254	26,049	26,908	27,360	28,773	30,708	32,088	33,645	34,923	35,049	34,314	34,226
Employment	24,507	25,043	25,645	26,081	27,486	29,278	30,728	32,195	32,688	31,408	30,795	30,945
Unemployment	747	1,006	1,263	1,279	1,287	1,430	1,360	1,450	2,235	3,641	3,519	3,281
<b>Gwinnett County:</b>												
Labor Force	347,878	358,390	366,780	370,742	382,396	400,947	410,908	418,468	420,894	415,825	409,675	410,191
Employment	338,494	346,677	350,282	354,574	366,406	382,350	393,707	401,364	397,039	379,231	371,826	373,638
Unemployment	9,384	11,713	16,498	16,168	15,990	18,597	17,201	17,104	23,855	36,594	37,849	36,553
<b>Unemployment Rate</b>												
Barrow County	3.0%	3.9%	4.7%	4.7%	4.5%	4.7%	4.2%	4.3%	6.4%	10.4%	10.3%	9.6%
Gwinnett County	2.7%	3.3%	4.5%	4.4%	4.2%	4.6%	4.2%	4.1%	5.7%	8.8%	9.2%	8.9%
Georgia	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.6%	6.3%	9.8%	10.2%	9.8%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%

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





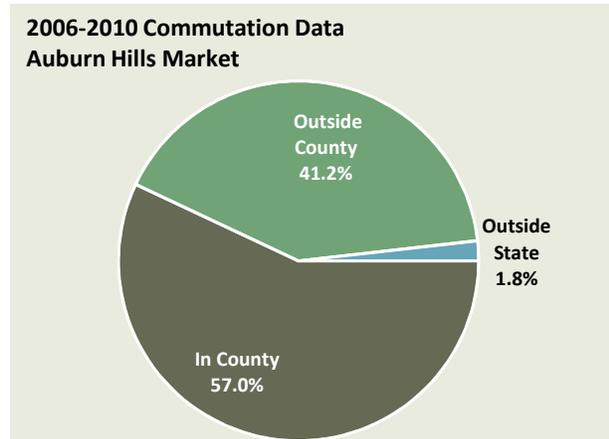
**Table 14 Commutation Data**

Travel Time to Work		
Workers 16 years and over	Number	Percent
Did not work at home:	31,822	93.6%
Less than 5 minutes	645	1.9%
5 to 9 minutes	1,271	3.7%
10 to 14 minutes	2,183	6.4%
15 to 19 minutes	3,340	9.8%
20 to 24 minutes	4,094	12.0%
25 to 29 minutes	2,108	6.2%
30 to 34 minutes	5,275	15.5%
35 to 39 minutes	1,225	3.6%
40 to 44 minutes	1,519	4.5%
45 to 59 minutes	4,773	14.0%
60 to 89 minutes	4,062	11.9%
90 or more minutes	1,327	3.9%
Worked at home	2,189	6.4%
<b>Total</b>	<b>34,011</b>	

Source: American Community Survey, 2006-2010.

Place of Work		
Workers 16 years and over	Number	Percent
Worked in state of residence:	33,402	98.2%
Worked in county of residence	19,386	57.0%
Worked outside county of residence	14,016	41.2%
Worked outside state of residence	609	1.8%
<b>Total</b>	<b>34,011</b>	<b>100.0%</b>

Source: American Community Survey, 2006-2010.



## **D. At-Place Employment**

### **1. Trends in Total At-Place Employment**

Barrow County's at-place employment expanded in five of seven years from 2000 to 2007, adding a net total of 5,077 jobs for an increase of 43.5 percent (Figure 5). Following this period of growth, Barrow County lost jobs in three consecutive years, the worst of which occurred during the height of the recent national recession (2008 to 2009). Through the third quarter of 2011, Barrow County lost an additional 139 jobs; however, the county did show some signs of stabilization as the number of jobs lost in 2010 and 2011 (Q3) were significantly lower than in the previous two years.

Following a similar trend, Gwinnett County's at-place employment increased in six of seven years from 2000 to 2007 before losing 28,762 jobs in 2008 and 2009 combined. Gwinnett County also appears to have stabilized with the addition of 2,800 jobs through the third quarter of 2011.

### **2. At-Place Employment by Industry Sector**

Trade-transportation-utilities and government are the two largest employment sectors in Barrow County, accounting for 45.8 percent of jobs through the third quarter of 2011 (Figure 6). In comparison, these sectors account for just 35.5 percent of jobs nationally. Leisure-hospitality and manufacturing also contain significant percentages of employment within the county at 12.9 percent and 11.6 percent, respectively. Barrow County trails nationwide proportions in the education-health, professional business, financial activities, information, and "other" sectors.

Between 2001 and the third quarter of 2011, ten of eleven industry sectors experienced annual growth in Barrow County. On a percentage basis, the sector with the largest annual increase was information at 19.3 percent; however, this sector is among the smallest in terms of total jobs. As such, annualized growth in the trade-transportation-utilities, government, leisure-hospitality, and education-health sectors had a more significant impact on Barrow County's economy as each of these sectors accounts for a sizable proportion of total employment. The only sector to suffer an annualized decline was manufacturing at 2.6 percent.

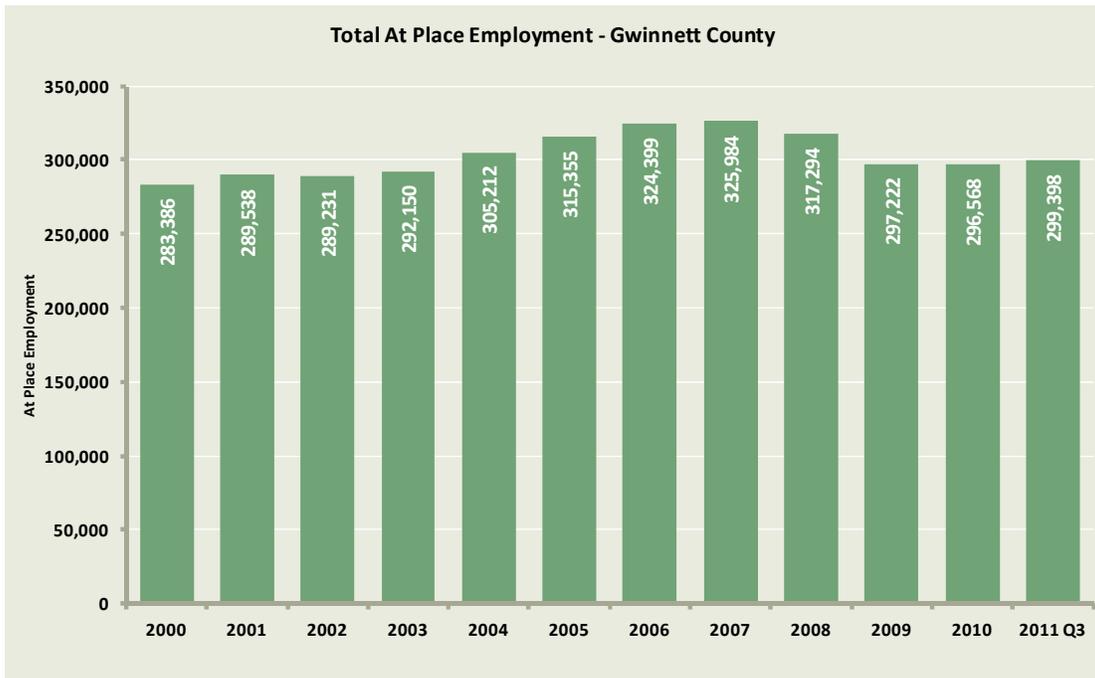
We gain further insight into Barrow County's economy by isolating sector growth/decline over the past five years as a result of the recent economic downturn (2007 to 2011 Q3). During this period, seven of eleven employment sectors reported a net loss in jobs (Figure 7). Most of the job loss occurred within the professional business, construction, and manufacturing sectors which posted total declines of 59.4 percent, 38.8 percent, and 19.4 percent, respectively. While not the highest on a percentage basis, Barrow County also lost a significant number of jobs in the leisure-hospitality sector (9.9 percent). Employment gains during this period occurred in the "other," education-health, information, and trade-transportation-utilities sectors. It is important to note that despite the substantial percentage gain in the information sector, its impact was limited given it is one of the smallest employment sectors in terms of total jobs.

Trade-transportation-utilities and professional business are the two largest employment sectors in Gwinnett County, accounting for 44.8 percent of total employment through the third quarter of 2011 (Figure 8). In comparison, these sectors constitute just 32.4 percent of jobs nationally. While lower than national figures on a percentage basis, the government, education-health, and leisure-hospitality sectors also contain a notable proportion of employment within the county with percentage shares of 11.5 percent, 9.1 percent, and 9.0 percent, respectively.

Between 2001 and the third quarter of 2011, six of eleven industry sectors experienced annual growth in Gwinnett County (Figure 9). On a percentage basis, the sector with the largest annual increase was education-health at 4.9 percent; however, annualized growth in the professional



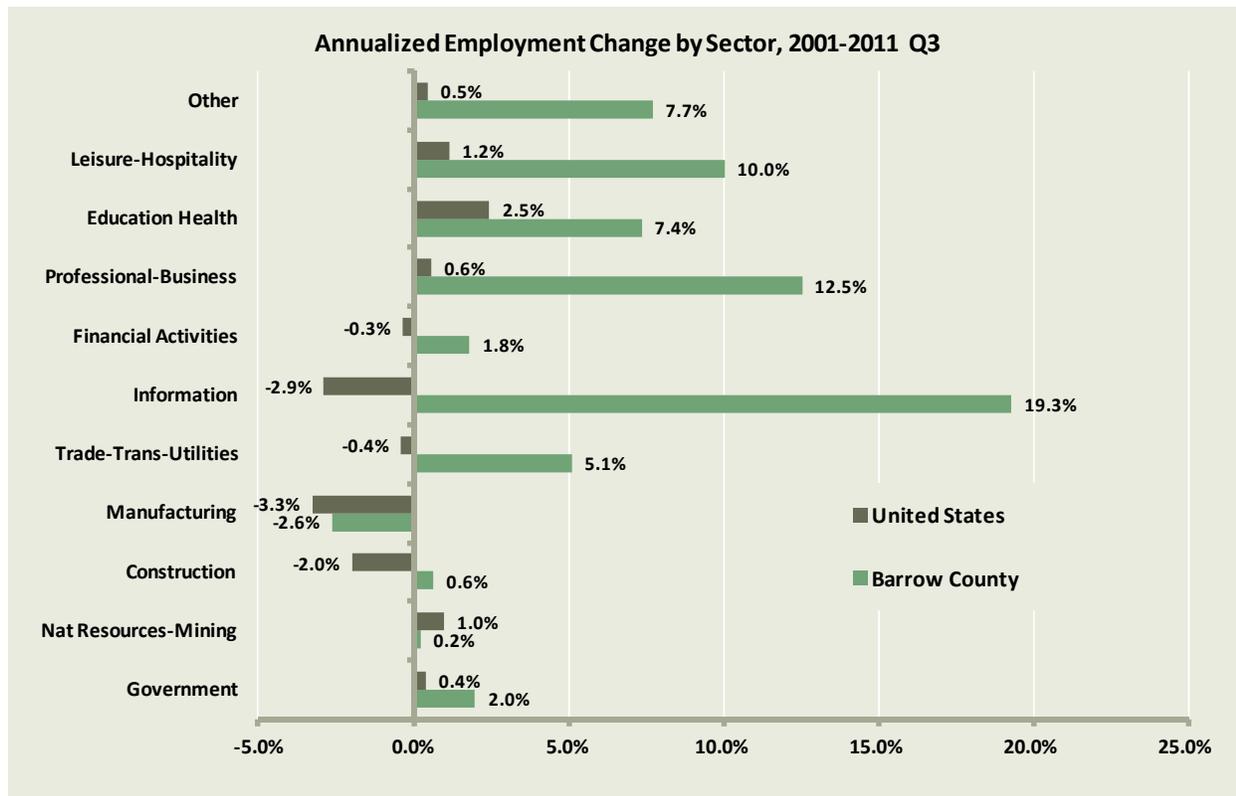
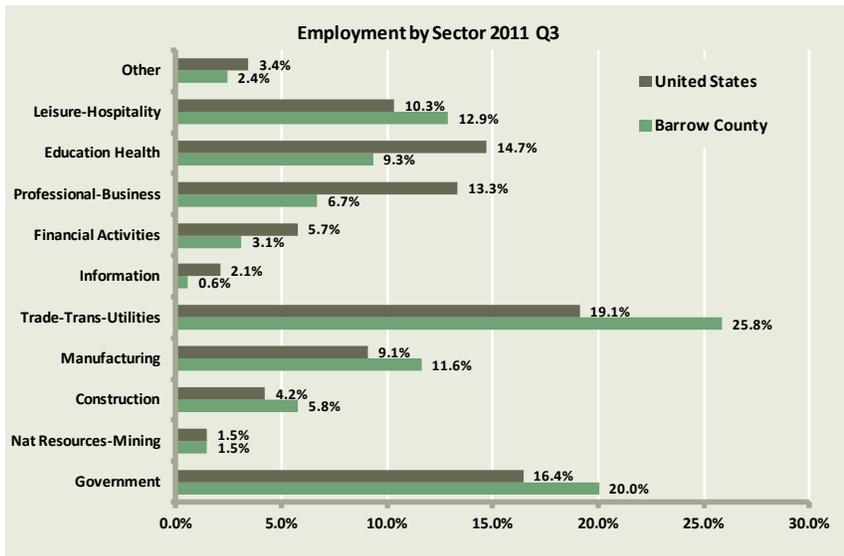
**Figure 5 At-Place Employment Barrow County**





**Figure 6 Total Employment and Employment Change by Sector 2001 to 2011 (Q3) Barrow County**

Employment by Industry Sector - 2011 (Q3)	
Sector	Jobs
<b>Government</b>	<b>2,914</b>
Federal	138
State	170
Local	2,606
<b>Private Sector</b>	<b>11,658</b>
Goods-Producing	2,744
Natural Resources-Mining	213
Construction	839
Manufacturing	1,692
Service Providing	8,856
Trade-Trans-Utilities	3,765
Information	81
Financial Activities	452
Professional-Business	974
Education-Health	1,356
Leisure-Hospitality	1,877
Other	352
<b>Total Employment</b>	<b>14,572</b>





**Figure 7 Total Employment and Employment Change by Sector 2007 to 2011 (Q3) Barrow County**

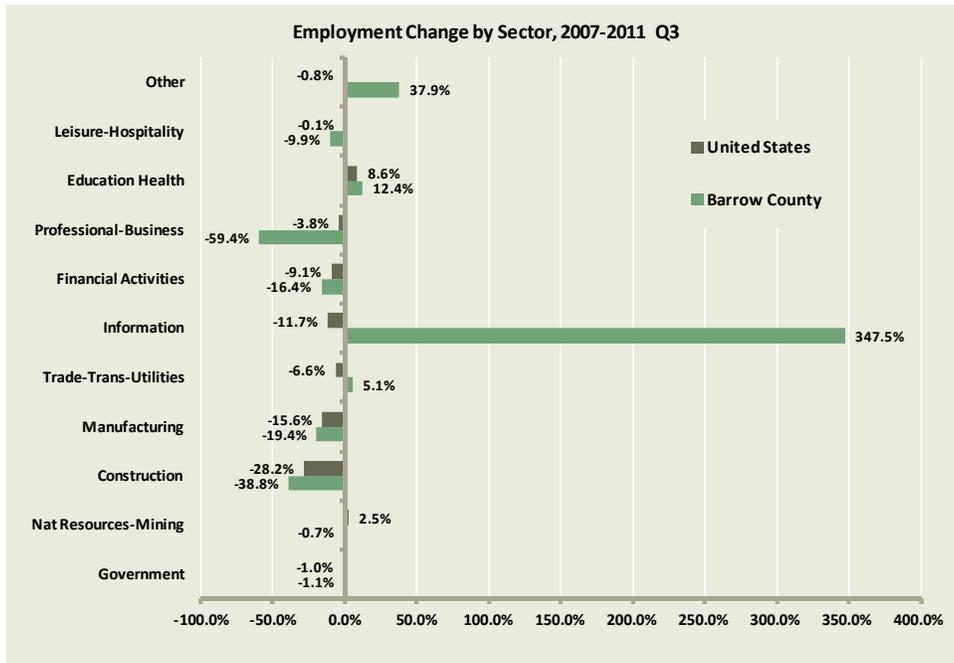
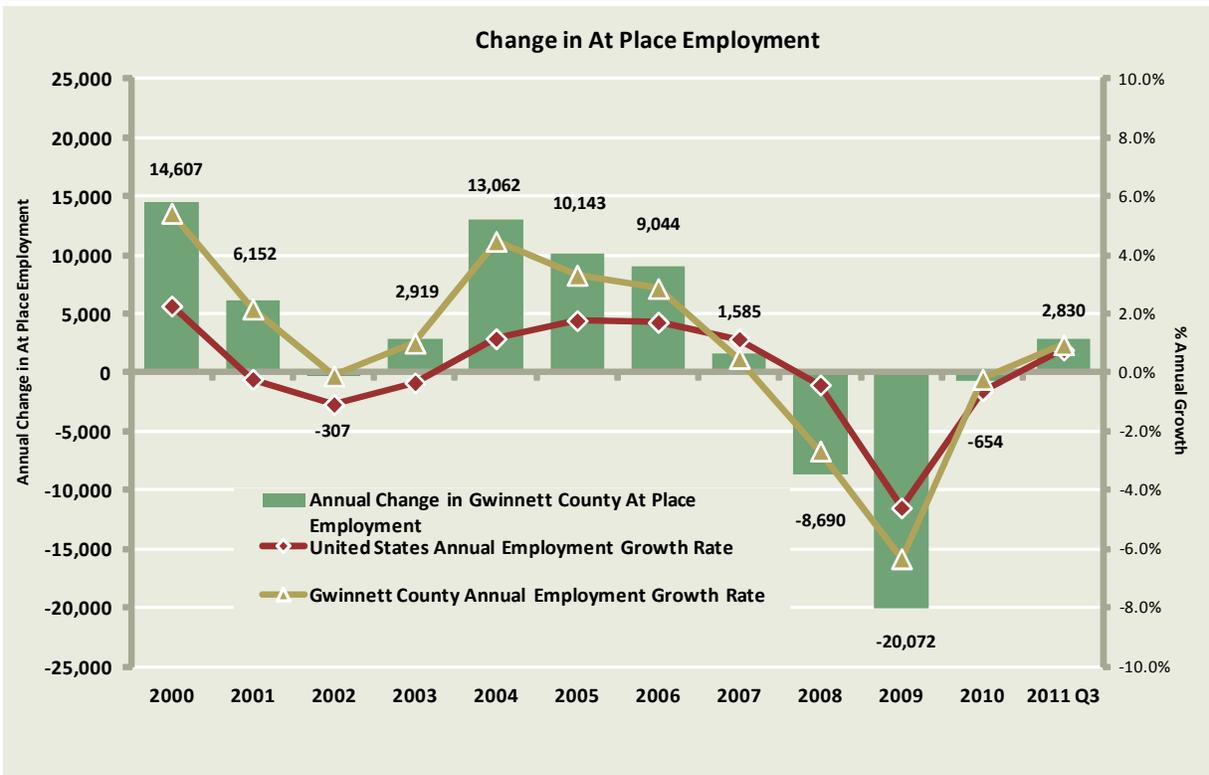
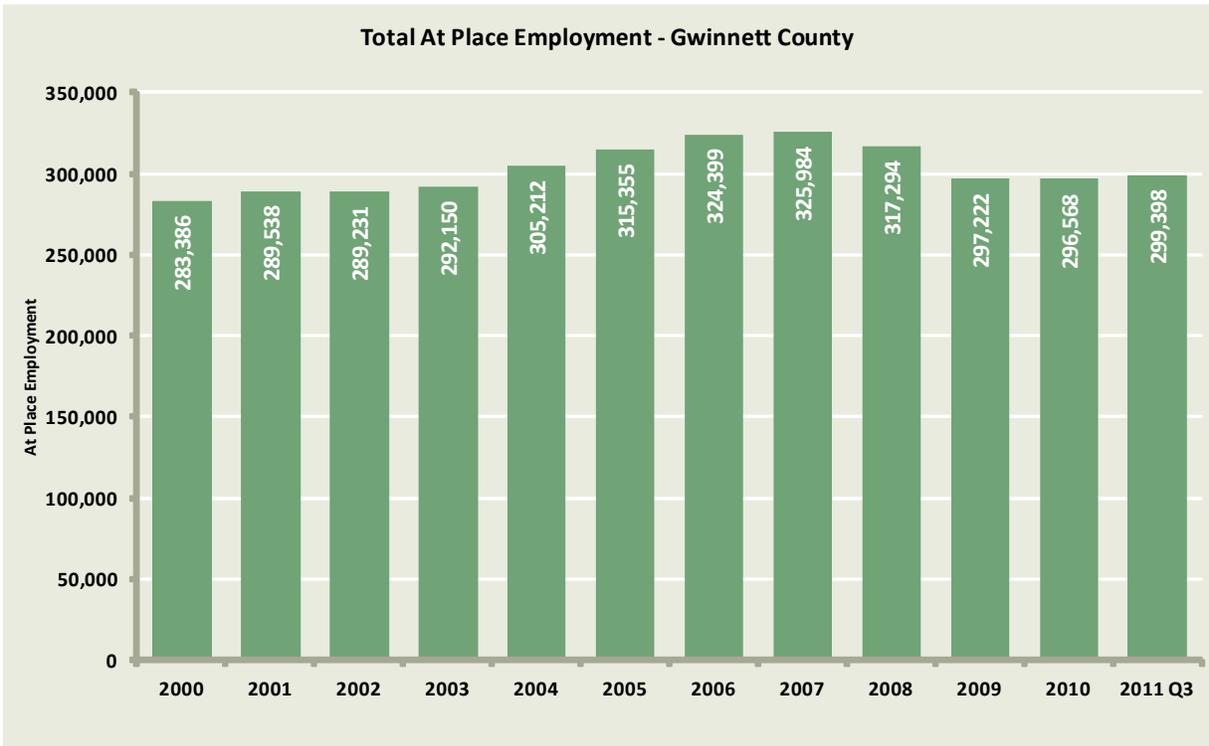




Figure 8 At-Place Employment, Gwinnett County

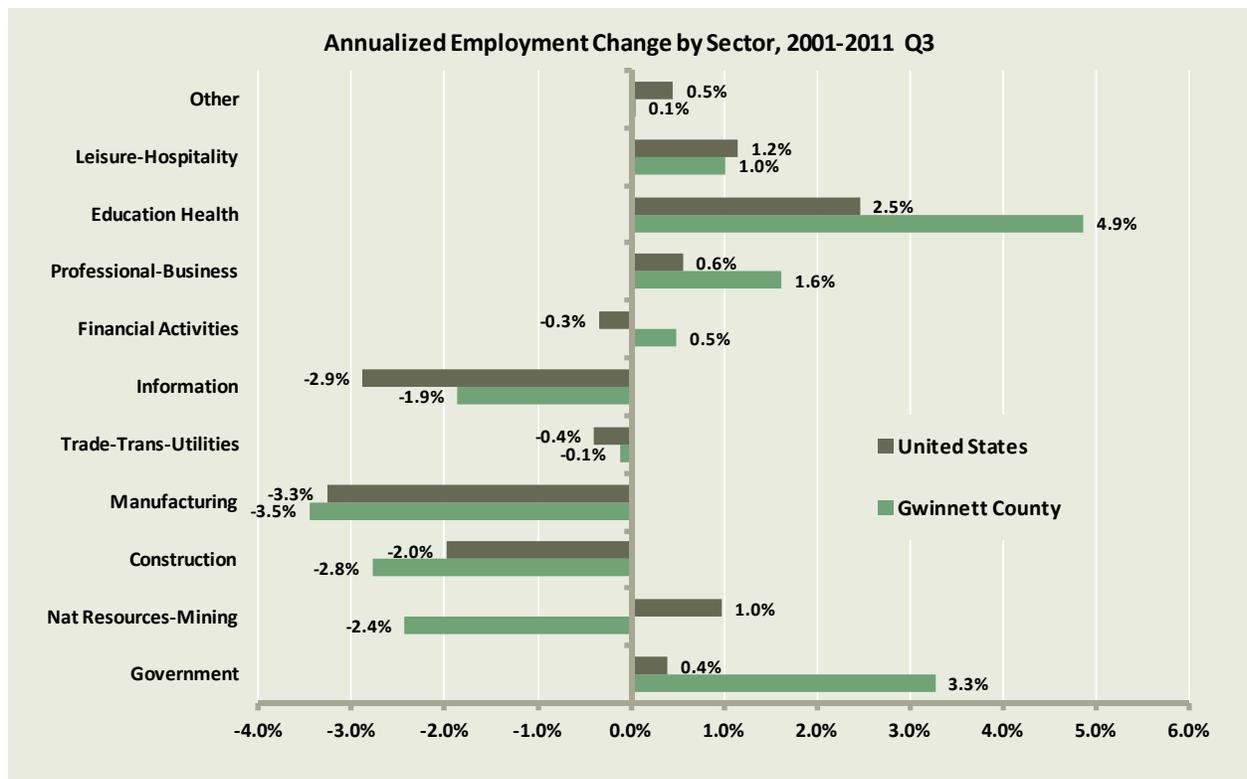
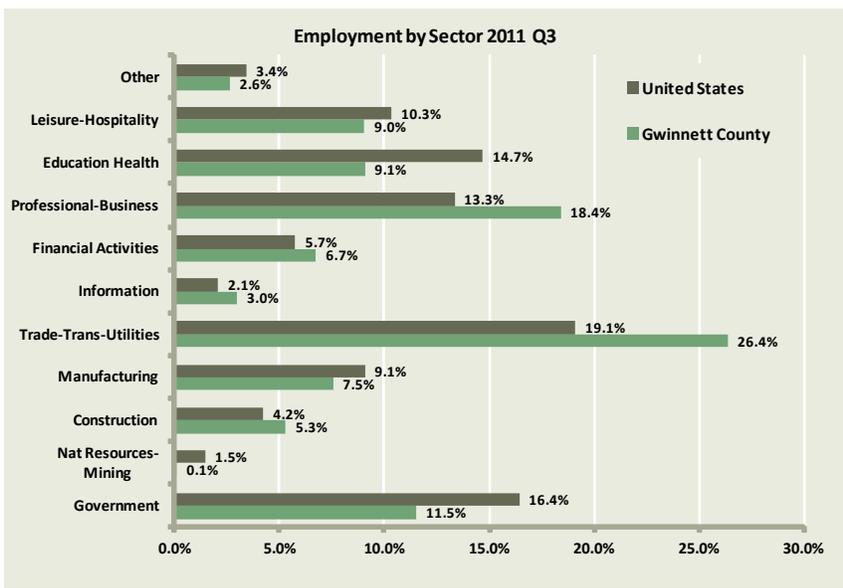


Source: US Department of Labor  
Bureau of Labor Statistics, Covered Employment and Wages (NAICS)



**Figure 9 Total Employment and Employment Change by Sector 2001 to 2011 Q3 Gwinnett County**

Employment by Industry Sector - 2011 (Q3)	
Sector	Jobs
<b>Government</b>	<b>34,463</b>
Federal	2,497
State	2,896
Local	29,070
<b>Private Sector</b>	<b>263,874</b>
Goods-Producing	38,717
Natural Resources-Mining	285
Construction	15,859
Manufacturing	22,573
Service Providing	225,157
Trade-Trans-Utilities	78,942
Information	8,883
Financial Activities	20,171
Professional-Business	55,111
Education-Health	27,130
Leisure-Hospitality	27,076
Other	7,844
<b>Unclassified</b>	<b>1,060</b>
<b>Total Employment</b>	<b>299,397</b>





business (1.6 percent) and government (3.3 percent) sectors was more significant (in terms of total jobs) due to their larger shares of total employment within the county. Among the five sectors experiencing annualized job loss over the past decade, the most notable were manufacturing, construction, and trade-transportation-utilities.

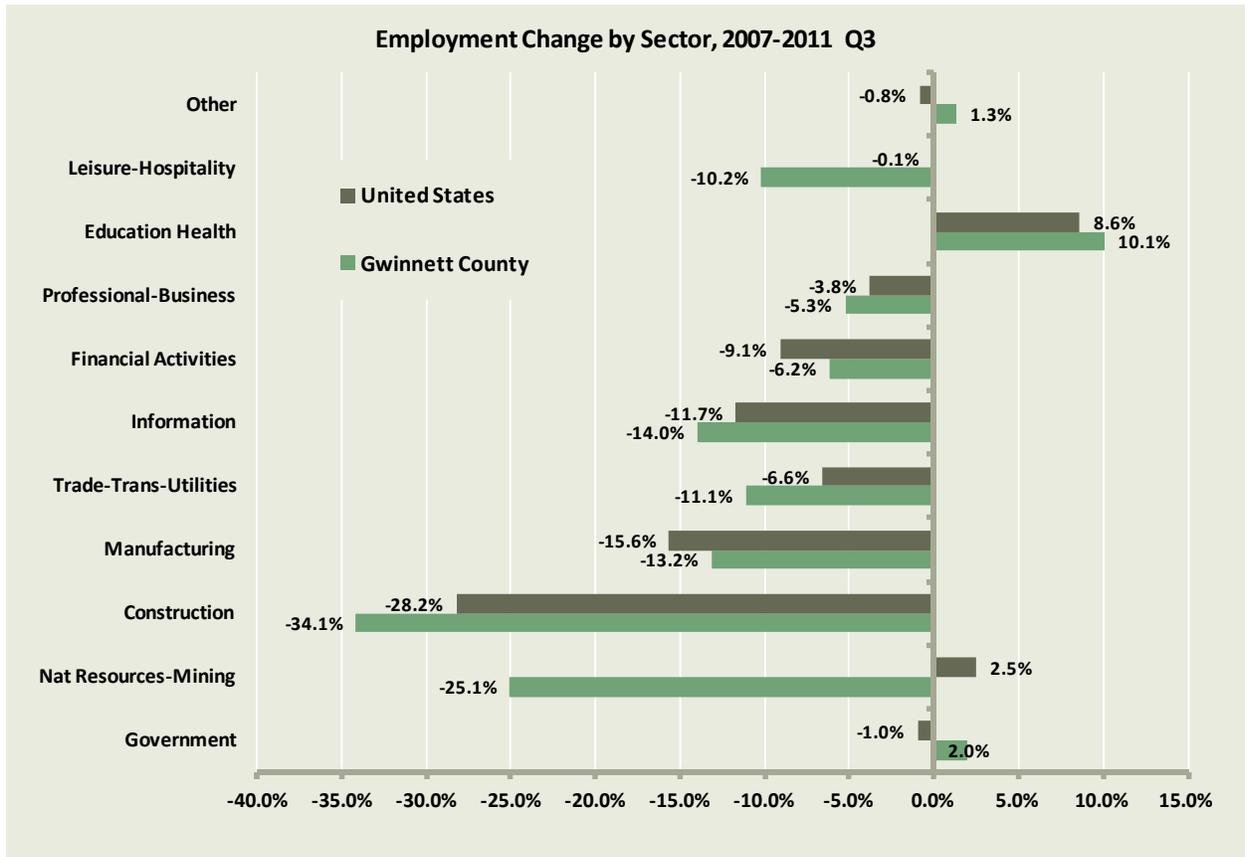
We gain further insight into Gwinnett County's economy by isolating sector growth/decline over the past five years as a result of the recent economic downturn (2007 to 2011 Q3)(Figure 13). During this period, eight of eleven employment sectors reported a net loss in jobs. Though not necessarily the highest on a percentage basis, most of the job loss occurred within the manufacturing, trade-transportation-utilities, professional business, and leisure-hospitality sectors with total declines of 13.2 percent, 11.1 percent, 5.3 percent, and 10.2 percent, respectively. The only employment gains during this period occurred in the "other," education-health, and government sectors.

### **3. Major Employers**

Numerous major employers are located within ten to fifteen miles of the subject site, many of which are concentrated in or around the Cities of Winder (Barrow County) and Lawrenceville (Gwinnett County). The two largest employers in each county are the Barrow and Gwinnett Public School Systems, which combined employ over 22,000 people. A significant proportion of the remaining major employers in both counties are comprised of trade-transportation-utilities companies, including retail giants Wal-Mart, Publix, Kroger, and Home Depot. In addition to these employers, the subject property is also located in close proximity to several churches, retail outlets, and a variety of specialty service providers (Table 15, Map 3, Map 4).



**Figure 10 Total Employment and Employment Change by Sector 2007 to 2011 Q3 Gwinnett County**



**Table 15 Major Employers, Barrow County and Gwinnett Counties****Barrow County**

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

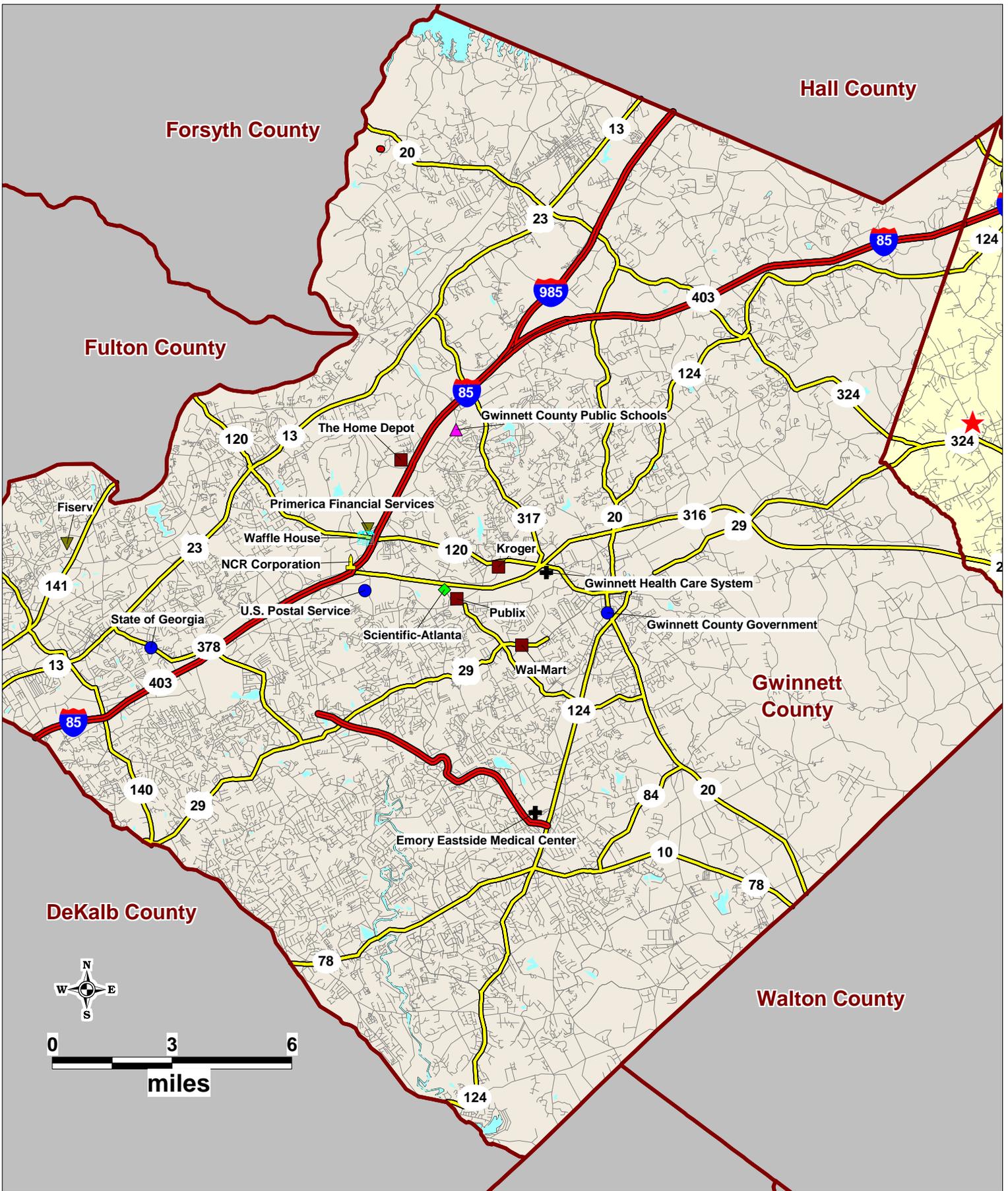
Source: Barrow Economic Development Council

**Gwinnett County**

Rank	Name	Industry	Employment
1	Gwinnett County Public Schools	Education-Health	20,662
2	Gwinnett County Government	Government	4,871
3	Gwinnett Health Care System	Education-Health	4,365
4	Wal-Mart	Trade-Transportation-Utilities	3,368
5	Publix	Trade-Transportation-Utilities	2,928
6	State of Georgia	Government	2,037
7	U.S. Postal Service	Government	1,969
8	Kroger	Trade-Transportation-Utilities	1,880
9	Scientific-Atlanta	Manufacturing	1,750
10	Primerica Financial Services	Financial Activities	1,543
11	The Home Depot	Trade-Transportation-Utilities	1,465
12	Fiserv	Financial Activities	1,300
13	NCR Corporation	Professional Business	1,129
14	Waffle House	Trade-Transportation-Utilities	1,000
15	Emory Eastside Medical Center	Education-Health	907

Source: Gwinnett County Government





**Map 4**  
**Gwinnett County Major Employers**  
**Gwinnett County, Georgia**

#### 4. Recent Economic Expansions and Contractions

From 2011 to 2012 (Q1), eleven companies expanded or relocated to Barrow or Gwinnett Counties, creating an estimated 1,077 new jobs (Table 16). This was partially offset by the loss of 701 jobs in both counties, as eleven companies also experienced layoffs or closures during this period (Table 17). The single largest employment addition occurred with the relocation of RockTenn to Gwinnett County, adding 500 new jobs. Hyundai and NanoLumens also made significant employment expansions, adding 100 and 175 employees, respectively. Among layoffs and closures, the most notable were Greatwide (102 jobs) and Onewest Bank (92 jobs). It is important to note, recent employment expansions and contractions listed are based on information currently available and may not include all businesses experiencing changes in employment during this period.

**Table 16 Recent Business Additions/Expansions, Barrow and Gwinnett Counties, 2011-2012 (Q1)**

Business Expansions - 2011 to 2012 (Q1) - Barrow and Gwinnett Counties				
Year	Company	County	City	Employees Affected
2012	Q-Matic	Gwinnett	Duluth	20
2011	Price Industries	Barrow	Auburn	80
2011	Hyundai	Gwinnett	Norcross	100
2011	GF Health Products, Inc.	Gwinnett	N/A	17
2011	Ryerson	Gwinnett	Duluth	25
2011	Analysts, Inc.	Gwinnett	Suwanee	20
2011	Ricoh Electronics, Inc.	Gwinnett	Lawrenceville	70
2011	NanoLumens	Gwinnett	Norcross	175
2011	RockTenn	Gwinnett	Duluth	500
2011	Cadillac Jack	Gwinnett	Duluth	40
2011	The Myers Group	Gwinnett	Duluth	50
<b>Total</b>				<b>1,077</b>

Source: Gwinnett Chamber Economic Development, Partnership Gwinnett, Barrow County Economic Development Council

**Table 17 Recent Business Closures/Layoffs, Barrow and Gwinnett Counties, 2011-2012 (Q1)**

Business Closures/Layoffs - 2011 to 2012 (Q1) - Barrow and Gwinnett Counties				
Year	Company	County	City	Employees Affected
2012	Ryder	Gwinnett	Lawrenceville	34
2011	HMS Host	Gwinnett	Lawrenceville	53
2011	SYMS Corp	Gwinnett	Norcross	17
2011	NCO Financial Systems	Gwinnett	Norcross	67
2011	Nordson	Gwinnett	Norcross	70
2011	Kmart Corporation	Gwinnett	Doraville	78
2011	Golden Living Center - Medical Arts	Gwinnett	Lawrenceville	83
2011	JCPenney Corporation	Gwinnett	Duluth	32
2011	Onewest Bank	Gwinnett	Norcross	92
2011	B.J.'s Wholesale Club, Inc.	Gwinnett	Norcross	73
2011	Greatwide	Barrow	Auburn	102
<b>Total</b>				<b>701</b>

Source: Georgia Department of Labor - Business Layoff/Closure Listing

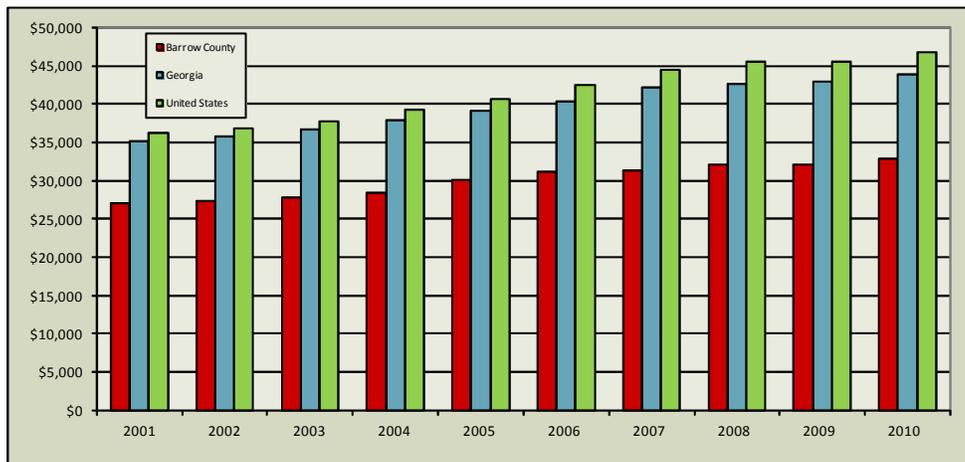


### 5. Wages

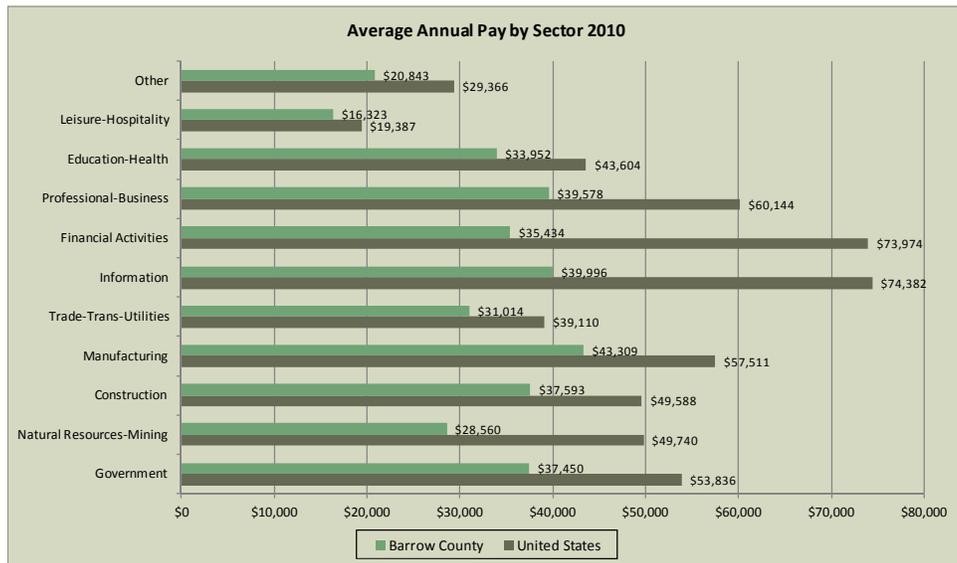
The average annual wage in 2010 for Barrow County was \$32,904 or 25.0 percent lower than the \$43,899 average in the State of Georgia (Table 18). The state’s average wage is \$9,189 or 19.6 percent below the national average. Barrow County’s average annual wage in 2010 represents an increase of \$5,863 or 21.6 percent since 2001. The average wage in Barrow County is below national averages for every economic sector. The highest paying sectors in the county are manufacturing, information, and professional business.

**Table 18 Average Annual Pay and Annualized Wage Data by Sector, Barrow County**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Barrow County	\$27,041	\$27,299	\$27,836	\$28,372	\$30,057	\$31,207	\$31,288	\$32,075	\$32,049	\$32,904
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902	\$43,899
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,559	\$46,742



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

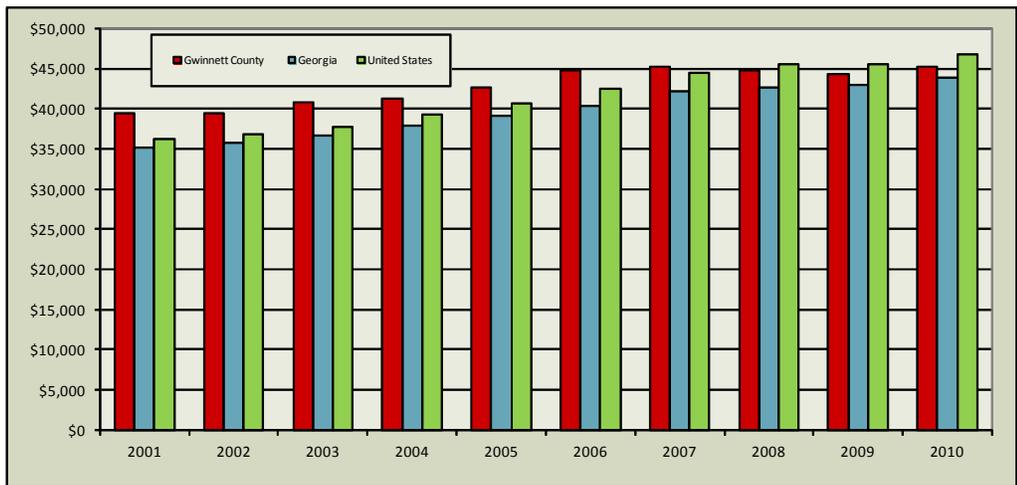




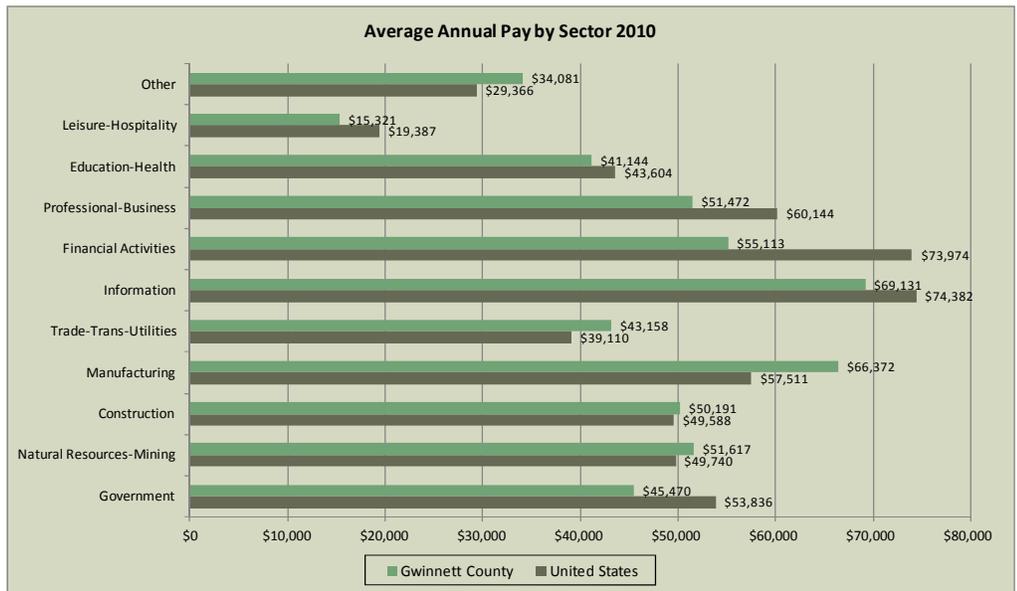
The average annual wage in 2010 for Gwinnett County was \$45,279 or 3.1 percent higher than the \$43,899 average in the State of Georgia (Table 19). The state’s average wage is \$9,189 or 19.6 percent below the national average. Gwinnett County’s average annual wage in 2010 represents an increase of \$5,874 or 14.9 percent since 2001. In 2010, the average wage in Gwinnett County surpassed national averages in five of eleven economic sectors including manufacturing, trade-transportation-utilities, construction, natural resources-mining, and “other.” The highest paying sectors in the county are information and manufacturing.

**Table 19 Average Annual Pay and Annualized Wage Data by Sector, Gwinnett County**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gwinnett County	\$39,405	\$39,488	\$40,874	\$41,294	\$42,676	\$44,754	\$45,211	\$44,810	\$44,373	\$45,279
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902	\$43,899
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,559	\$46,742



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



**6. Conclusion**

Given the declining unemployment rate and stabilization of at-place employment, we do not believe local economics will negatively impact the ability of Auburn Hills to lease its units.

## 7. AFFORDABILITY /DEMAND ANALYSIS

### 1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the market area that the subject community would need to capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at total income and renter income among Auburn Hills Market Area householders for the target year. Given the construction schedule, the project will be completed in 2014. RPRG calculated a 2014 income distribution for total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2010 Census, as well as projected income growth since the Census (Table 20).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For this analysis, RPRG employs a 35 percent gross rent burden. This rent burden percentage is a widely accepted standard for underwriting a rental community in other regions of the country and is specified by DCA.

Eleven units at the subject will be restricted to households earning up to 50 percent AMGI and the remaining 61 units will be restricted to households earning up to 60 percent AMGI per LIHTC requirements. The subject site is located in the Atlanta-Sandy Springs-Marietta MSA for which HUD has computed a 2012 median household income of \$69,300. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirement is computed for each floor plan (Table 21). The maximum allowable incomes for LIHTC units are based on 1.5 persons per bedroom (rounded up to the nearest whole number) per DCA requirements. Maximum gross rents, however, are based on the federal regulation of 1.5 persons per bedroom for all bedroom sizes.

**Table 20 2014 Income Distribution by Tenure**

		Total Households		Renter Households		
		Number	Percent	Number	Percent	
less than	\$15,000	2,035	12.8%	744	18.8%	
	\$15,000	\$24,999	1,603	10.1%	586	14.8%
	\$25,000	\$34,999	1,628	10.3%	631	15.9%
	\$35,000	\$49,999	2,662	16.8%	818	20.7%
	\$50,000	\$74,999	4,054	25.6%	821	20.8%
	\$75,000	\$99,999	1,987	12.5%	292	7.4%
	\$100,000	\$124,999	959	6.0%	34	0.9%
	\$125,000	\$149,999	481	3.0%	16	0.4%
	\$150,000	\$199,999	241	1.5%	8	0.2%
	\$200,000	over	207	1.3%	5	0.1%
<b>Total</b>		<b>15,857</b>	<b>100.0%</b>	<b>3,954</b>	<b>100.0%</b>	
<b>Median Income</b>		<b>\$50,002</b>		<b>\$35,311</b>		

Source: 2006-2010 ACS, Projections Real Property Research Group, Inc.

**Table 21 Proposed Unit Mix and Income Limits**

Unit Type	AMI	Units	Bed	Net Rent	Utility Allowance	Gross Rent	Max Gross Rent	Max Income	Min Income
LIHTC	50%	4	1	\$489	\$152	\$641	\$651	\$27,750	\$21,977
LIHTC	60%	8	1	\$489	\$152	\$641	\$781	\$33,300	\$21,977
LIHTC	50%	4	2	\$525	\$195	\$720	\$780	\$31,200	\$24,686
LIHTC	60%	32	2	\$525	\$195	\$720	\$936	\$37,440	\$24,686
LIHTC	50%	3	3	\$620	\$239	\$859	\$901	\$37,450	\$29,451
LIHTC	60%	21	3	\$620	\$239	\$859	\$1,082	\$44,940	\$29,451

2.

### 3. Affordability Analysis

The steps in the affordability analysis (Table 22) are as follows:

- The overall shelter cost for a 50 percent AMI one bedroom unit at the proposed rent would be \$641 (\$489 net rent plus \$152 utility allowance for all utilities except trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the minimum income limit to afford one bedroom unit is \$21,977. The projected number of market area households earning at least this amount in 2014 is 24,891.
- The maximum income limit for a one bedroom unit at 50 percent AMI is \$27,750. According to the interpolated income distribution for 2014, the market area will have 24,082 households with incomes above this maximum income in 2014.
- Subtracting the 24,082 households with incomes above the maximum income limit from the 24,891 households that could afford to rent this unit, RPRG computes that an estimated 809 households in the market area are within the target income segment for the one bedroom units at 50 percent AMI.
- The capture rate for the 4 one-bedroom units at 50 percent AMI is 0.5 percent for all households.
- We then determined that 253 renter households with incomes between the minimum income required and maximum income allowed will reside in the market in 2014. The community will need to capture 1.6 percent of these renter households to lease up the 4 units in this floor plan.
- Capture rates are also calculated for other floor plans, each AMI level, and for the project overall. The renter capture rates by income level are 1.5 percent for 50 percent units and 6.2 percent for the 60 percent units. Overall, capture rates are 1.6 percent for all income qualified households and 7.3 percent for renter income qualified households.

RPRG believes that there are sufficient income-qualified renter households in the market area for the subject to reach and maintain a stabilized occupancy rate upon entrance into the rental market. The capture rates are reasonable, suggesting there is adequate income-qualified demand to support the subject property.



**Table 22 Affordability Analysis for Auburn Hills**

	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Minimum	Maximum		Minimum	Maximum		Minimum	Maximum	
50% Units	<b>One Bedroom Units</b>			<b>Two Bedroom Units</b>			<b>Three Bedroom Units</b>		
	Number of Units	4		Number of Units	4		Number of Units	3	
	Net Rent	\$489		Net Rent	\$525		Net Rent	\$620	
	Gross Rent	\$641		Gross Rent	\$720		Gross Rent	\$859	
	% Income Spent for Shelter	35%		% Income Spent for Shelter	35%		% Income for Shelter	35%	
	Income Range	\$21,977	\$27,750	Income Range	\$24,686	\$31,200	Income Range	\$29,451	\$37,450
	Range of Qualified Hslds	24,891	24,082	Range of Qualified Hslds	24,601	23,473	Band of Qualified Hslds	23,782	22,237
	# Qualified Households		809	# Qualified Households		1,128	# Qualified Households		1,545
	<b>Unit Total HH Capture Rate</b>		<b>0.5%</b>	<b>Unit Total HH Capture Rate</b>		<b>0.4%</b>	<b>Unit Total HH Capture Rate</b>		<b>0.2%</b>
	Range of Qualified Renters	2,743	2,490	Range of Qualified Renters	2,651	2,301	Range of Qualified Renters	2,397	2,010
# Qualified Renter Households		253	# Qualified Renter Households		350	# Qualified Renter Households		386	
<b>Unit Renter HH Capture Rate</b>		<b>1.6%</b>	<b>Unit Renter HH Capture Rate</b>		<b>1.1%</b>	<b>Unit Renter HH Capture Rate</b>		<b>0.8%</b>	
60% Units	<b>One Bedroom Units</b>			<b>Two Bedroom Units</b>			<b>Three Bedroom Units</b>		
	Number of Units	8		Number of Units	32		Number of Units	21	
	Net Rent	\$489		Net Rent	\$525		Net Rent	\$620	
	Gross Rent	\$641		Gross Rent	\$720		Gross Rent	\$859	
	% Income Spent for Shelter	35%		% Income Spent for Shelter	35%		% Income for Shelter	35%	
	Income Range	\$21,977	\$33,300	Income Range	\$24,686	\$37,440	Income Range	\$29,451	\$44,940
	Range of Qualified Hslds	24,891	23,102	Range of Qualified Hslds	24,601	22,239	Band of Qualified Hslds	23,782	20,508
	# Qualified Households		1,789	# Qualified Households		2,363	# Qualified Households		3,274
	<b>Unit Total HH Capture Rate</b>		<b>0.4%</b>	<b>Unit Total HH Capture Rate</b>		<b>1.4%</b>	<b>Unit Capture Rate</b>		<b>0.6%</b>
	Range of Qualified Renters	2,743	2,186	Range of Qualified Renters	2,651	2,011	Range of Qualified Renters	2,397	1,759
# Qualified Renter Households		558	# Qualified Renter Households		641	# Qualified Renter Households		638	
<b>Unit Renter HH Capture Rate</b>		<b>1.4%</b>	<b>Unit Renter HH Capture Rate</b>		<b>5.0%</b>	<b>Unit Renter HH Capture Rate</b>		<b>3.3%</b>	

	# of Units	All Households =26,915				
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
50% Units	11	Income	\$21,977	\$37,450	2,655	0.4%
		Renter HHS	24,891	22,237		
60% Units	61	Income	\$21,977	\$44,940	4,383	1.4%
		Renter HHS	24,891	20,508		
Total Units	72	Income	\$21,977	\$44,940	4,383	1.6%
		Renter HHS	24,891	20,508		

	# of Units	Renter Households =3,386				
			Band of Qualified Hhlds	# Qualified HHs	Capture Rate	
Income	11	Income	\$21,977	\$37,450	733	1.5%
		Renter HHS	2,743	2,010		
Renter HHS	61	Income	\$21,977	\$44,940	984	6.2%
		Renter HHS	2,743	1,759		
Total Units	72	Income	\$21,977	\$44,940	984	7.3%
		Renter HHS	2,743	1,759		

Source: Estimates, Real Property Research Group, Inc.



## B. Derivation of DCA Demand

### 1. Demand Methodology

The Georgia Department of Community Affairs’ demand methodology for LIHTC consists of three components:

- The first component of demand is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2010 and 2014.
- The second component is income qualified renter households living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2006-2010 American Community Survey (ACS) data, the percentage of renter occupied households in the primary market area that are “substandard” is 3.6 percent (Table 23).
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to Census data, 39.3 percent of primary market area renter households are categorized as cost burdened.

**Table 23 Substandard and Cost Burdened**

Rent Cost Burden		
Total Households		
Less than 10.0 percent	9	0.3%
10.0 to 14.9 percent	249	9.0%
15.0 to 19.9 percent	237	8.5%
20.0 to 24.9 percent	367	13.2%
25.0 to 29.9 percent	508	18.3%
30.0 to 34.9 percent	147	5.3%
35.0 to 39.9 percent	112	4.0%
40.0 to 49.9 percent	164	5.9%
50.0 percent or more	708	25.5%
Not computed	279	10.0%
<b>Total</b>	<b>2,780</b>	<b>100.0%</b>
<b>&gt; 35% income on rent</b>	<b>984</b>	<b>39.3%</b>

Substandardness	
Total Households	
<b>Owner occupied:</b>	
Complete plumbing facilities:	20,533
1.00 or less occupants per room	20,269
1.01 or more occupants per room	264
Lacking complete plumbing facilities:	63
Overcrowded or lacking plumbing	327
<b>Renter occupied:</b>	
Complete plumbing facilities:	2,758
1.00 or less occupants per room	2,681
1.01 or more occupants per room	77
Lacking complete plumbing facilities:	22
Overcrowded or lacking plumbing	99
<b>Substandard Housing</b>	<b>426</b>
<b>% Total Stock Substandard</b>	<b>1.8%</b>
<b>% Rental Stock Substandard</b>	<b>3.6%</b>



## 2. DCA Demand Analysis

The steps in the derivation of DCA demand for rental housing are detailed in Table 24.

- Demand from the primary market area is increased by 10 percent to account for secondary market area demand.
- DCA considers units that have been constructed or renovated since 2010 to have an impact on the future demand for new development. For this reason, the directly comparable units constructed within the past two year and those planned within the primary market area are subtracted from the estimate of demand. There are no projects that fit this description.
- Auburn Hills's capture rate for 72 LIHTC units is 13.8 percent. Capture rates by income level are 2.8 percent for 50 percent units and 11.7 percent for 60 percent units.
- Capture rates by floor plan were also calculated for the units (Table 25). Capture rates for one bedroom units range from 8.2 percent to 16.4 percent. Capture rates for two bedroom units range from 2.2 percent to 9.4 percent. Capture rates for three-bedroom units range from 1.9 percent to 15.7 percent.

## 3. Conclusions on Demand

All DCA demand estimates are well below acceptable DCA thresholds and are both reasonable and achievable for Auburn Hills Apartments. The overall capture rates and capture rates by floor plan indicate sufficient demand to support the proposed Auburn Hills.



**Table 24 DCA Demand**

	Income Target	50% Units	60% Units	Project Total
	Minimum Income Limit	\$21,977	\$21,977	\$21,977
	Maximum Income Limit	\$37,450	\$44,940	\$44,940
<b>(A) Renter Income Qualification Percentage</b>		<b>21.6%</b>	<b>29.1%</b>	<b>29.1%</b>
Demand from New Renter Households - <i>Calculation (C-B) *F*A</i>		81	109	109
<b>PLUS</b>				
Demand from Existing Renter HHs (Substandard) - <i>Calculation B*D*F*A</i>		23	30	30
<b>PLUS</b>				
Demand from Existing Renter HHs (Overburdened) - <i>Calculation B*E*F*A</i>		249	335	335
<b>PLUS</b>				
Secondary Market Demand Adjustment (10%)*		35	47	47
<b>SUBTOTAL</b>		<b>389</b>	<b>522</b>	<b>522</b>
<b>PLUS</b>				
Demand Elderly Homeowner Conversion*		0	0	0
<b>TOTAL DEMAND</b>		<b>389</b>	<b>522</b>	<b>522</b>
<b>LESS</b>				
Comparable Units Built or Planned Since 2010		0	0	0
<b>Net Demand</b>		<b>389</b>	<b>522</b>	<b>522</b>
Proposed Units		11	61	72
<b>Capture Rate</b>		<b>2.8%</b>	<b>11.7%</b>	<b>13.8%</b>

Demand Calculation Inputs	
A). % of Renter Hhlds with Qualifying Income	see above
B). 2010 Households	23,847
C). 2014 Households	26,915
D). Substandard Housing (% of Rental Stock)	3.6%
E). Rent Overburdened (% of Renter Hhlds at >35%)	39.3%
F). Renter Percentage (% of all 2012 HHLds)	12.3%



**Table 25 DCA Demand by Floor Plan**

50% Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
<i>Minimum Income Limit</i>	\$21,977	\$24,686	\$31,201
<i>Maximum Income Limit</i>	\$24,685	\$31,200	\$37,450
Renter Income Qualification Percentage			
<b>Total Income Qualified Renter Demand</b>	<b>49</b>	<b>186</b>	<b>154</b>
Vacant and Comparable Units	0	0	0
<b>Net Demand</b>	<b>49</b>	<b>186</b>	<b>154</b>
Proposed Units			
<b>Capture Rate</b>	<b>8.2%</b>	<b>2.2%</b>	<b>1.9%</b>

60% Units	One Bedroom Units	Two Bedroom Units	Three Bedroom Units
<i>Minimum Income Limit</i>	\$21,977	\$24,686	\$37,441
<i>Maximum Income Limit</i>	\$24,685	\$37,440	\$44,940
Renter Income Qualification Percentage			
<b>Total Income Qualified Renter Demand</b>	<b>49</b>	<b>340</b>	<b>133</b>
Vacant and Comparable Units	0	0	0
<b>Net Demand</b>	<b>49</b>	<b>340</b>	<b>133</b>
Proposed Units			
<b>Capture Rate</b>	<b>16.4%</b>	<b>9.4%</b>	<b>15.7%</b>

**Table 26 Demand and Capture Rate Analysis Summary**

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
<b>50% Units</b>	<b>\$21,977 - \$37,450</b>										
One Bedroom Units	\$21,977 - \$24,685	4	2.7%	43	0	43	9.3%	1 month	\$533	\$375-\$523	\$489
Two Bedroom Units	\$24,686 - \$31,200	4	10.7%	169	0	169	2.4%	1 month	\$566	\$493-\$685	\$525
Three Bedroom Units	\$31,201 - \$37,450	3	8.8%	139	0	139	2.2%	1 month	\$739	\$588-\$735	\$620
<b>60% Units</b>	<b>\$21,977 - \$44,940</b>										
One Bedroom Units	\$21,977 - \$24,685	8	2.7%	43	0	43	18.6%	1 month	\$533	\$375-\$523	\$489
Two Bedroom Units	\$24,686 - \$37,440	32	19.5%	308	0	308	10.4%	4 months	\$566	\$493-\$685	\$525
Three Bedroom Units	\$37,441 - \$44,940	21	7.5%	119	0	119	17.7%	3 months	\$739	\$588-\$735	\$620
<b>Project Total</b>											
50% Units	\$21,977 - \$37,450	11	22.2%	351	0	351	3.1%	2 months			\$489-620
60% Units	\$21,977 - \$44,940	61	29.7%	470	0	470	13.0%	8 months			\$489-620

## 8. COMPETITIVE HOUSING ANALYSIS

### A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Auburn Hills Market Area. The rental survey of competitive projects was conducted in April 2012. We also examined American Community Survey data to provide the most updated information on the characteristics of the housing stock.

### B. Overview of Market Area Housing Stock

Based on the 2006-2010 ACS survey, the Auburn Hills Market Area has an extremely high number of rentals in single family detached homes and most of the remainder in mobile homes. Single family detached homes accounted for 80.1 percent of the market area rental stock compared to only 27.2 percent of the Bi-County Market Area stock. Mobile homes accounted for 12.8 percent of the market area and only 3.0 percent of the Bi-County Market Area rental stock. There were no Multi-family structures (i.e., buildings with five or more units) in the market area but they accounted for 53.2 percent of all rental units percent in the Bi-County Market Area (Table 27).

Ninety-seven percent of owner occupied units in the market area were single-family homes. the Bi-County Market Area also contains a significant proportion of its owner occupied housing stock within single-family residences (92.2 percent). Mobile homes accounted for 2.1 percent of owner occupied housing in the Auburn Hills Market Area and 1.9 percent in the Bi-County Market Area.

The housing stock in the Auburn Hills Market Area is slightly newer than the housing stock in the Bi-County Market Area. Among rental units, the market area averages three years newer than that of the Bi-County Market Area with a median year built of 1994 versus 1991 (Table 28). Similarly, owner occupied units in the market area are newer with a median year built of 1998 compared to a median year built 1993 for the Bi-County Market Area. In the market area, 36.4 percent of rental units were built since 2000.

According to the Nielsen Company, the median value among owner-occupied housing units in the Auburn Hills Market Area as of 2010 is \$177,294, which is 4.4 percent higher than the Bi-County Market Area wide median of \$169,800 (Table 29). Nielsen estimates home values based upon values from the 2010 Census and homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

### C. Impact of Foreclosed, Abandoned, or Vacant Single/Multifamily Homes

To understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a website aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner's grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the



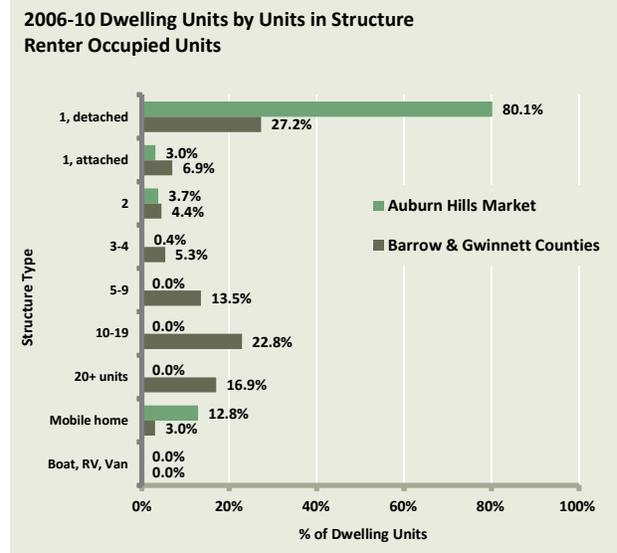
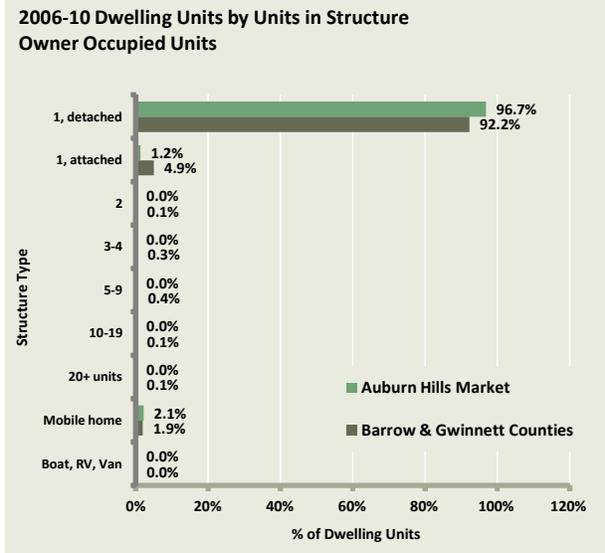
**Table 27 Dwelling Units by Structure and Tenure**

Owner Occupied	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
1, detached	189,397	92.2%	19,921	96.7%
1, attached	10,109	4.9%	248	1.2%
2	295	0.1%	0	0.0%
3-4	719	0.3%	0	0.0%
5-9	785	0.4%	0	0.0%
10-19	227	0.1%	0	0.0%
20+ units	105	0.1%	0	0.0%
Mobile home	3,839	1.9%	427	2.1%
Boat, RV, Van	12	0.0%	0	0.0%
<b>TOTAL</b>	<b>205,488</b>	<b>100.0%</b>	<b>20,596</b>	<b>100.0%</b>

Source: American Community Survey, 2006-2010.

Renter Occupied	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
1, detached	21,223	27.2%	2,227	80.1%
1, attached	5,377	6.9%	84	3.0%
2	3,455	4.4%	103	3.7%
3-4	4,094	5.3%	10	0.4%
5-9	10,495	13.5%	0	0.0%
10-19	17,779	22.8%	0	0.0%
20+ units	13,201	16.9%	0	0.0%
Mobile home	2,308	3.0%	356	12.8%
Boat, RV, Van	0	0.0%	0	0.0%
<b>TOTAL</b>	<b>77,932</b>	<b>100.0%</b>	<b>2,780</b>	<b>100.0%</b>

Source: American Community Survey, 2006-2010.





**Table 28 Dwelling Units by Year Built and Tenure**

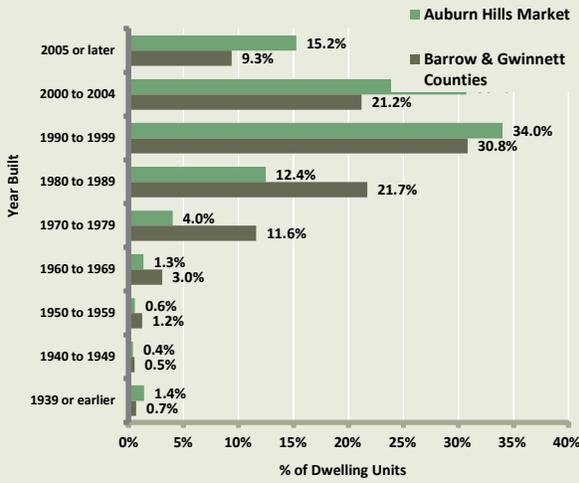
Owner Occupied	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
2005 or later	19,206	9.3%	3,134	15.2%
2000 to 2004	43,505	21.2%	6,319	30.7%
1990 to 1999	63,260	30.8%	6,998	34.0%
1980 to 1989	44,524	21.7%	2,564	12.4%
1970 to 1979	23,828	11.6%	822	4.0%
1960 to 1969	6,229	3.0%	276	1.3%
1950 to 1959	2,491	1.2%	115	0.6%
1940 to 1949	1,070	0.5%	81	0.4%
1939 or earlier	1,375	0.7%	287	1.4%
<b>TOTAL</b>	<b>205,488</b>	<b>100.0%</b>	<b>20,596</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1993</b>		<b>1998</b>	

Source: American Community Survey, 2006-2010.

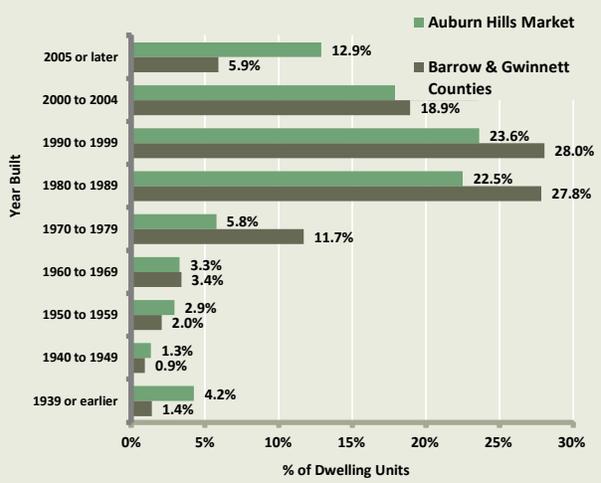
Renter Occupied	Barrow & Gwinnett Counties		Auburn Hills Market	
	Number	Percent	Number	Percent
2005 or later	4,587	5.9%	358	12.9%
2000 to 2004	14,730	18.9%	654	23.5%
1990 to 1999	21,831	28.0%	656	23.6%
1980 to 1989	21,679	27.8%	625	22.5%
1970 to 1979	9,102	11.7%	160	5.8%
1960 to 1969	2,633	3.4%	91	3.3%
1950 to 1959	1,589	2.0%	81	2.9%
1940 to 1949	709	0.9%	37	1.3%
1939 or earlier	1,072	1.4%	118	4.2%
<b>TOTAL</b>	<b>77,932</b>	<b>100.0%</b>	<b>2,780</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1991</b>		<b>1994</b>	

Source: American Community Survey, 2006-2010.

**2006-2010 Dwelling Units by Year Built  
Owner Occupied Units**



**2006-2010 Dwelling Units by Year Built  
Renter Occupied Units**



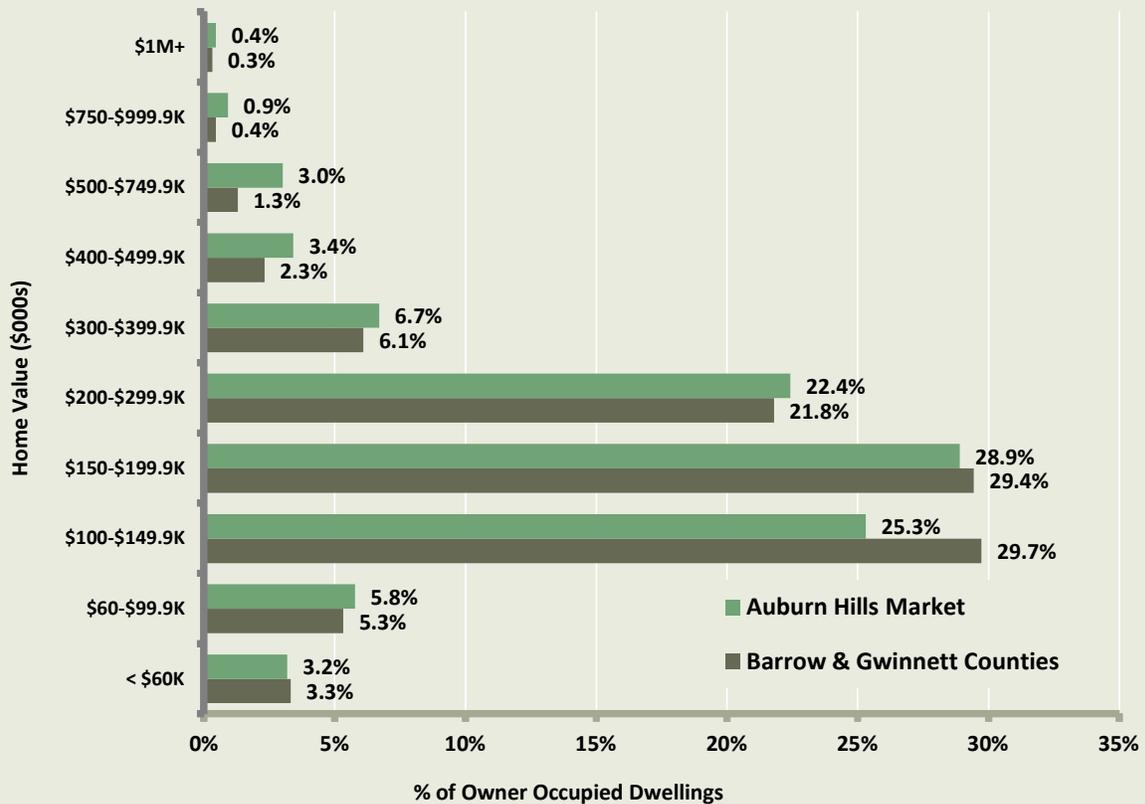


**Table 29 Value of Owner Occupied Housing Stock**

		Barrow & Gwinnett Counties		Auburn Hills Market	
		Number	Percent	Number	Percent
less than	\$60,000	7,321	3.3%	708	3.2%
\$60,000	\$99,999	11,777	5.3%	1,285	5.8%
\$100,000	\$149,999	65,781	29.7%	5,639	25.3%
\$150,000	\$199,999	65,148	29.4%	6,440	28.9%
\$200,000	\$299,999	48,231	21.8%	4,998	22.4%
\$300,000	\$399,999	13,484	6.1%	1,492	6.7%
\$400,000	\$499,999	5,102	2.3%	761	3.4%
\$500,000	\$749,999	2,837	1.3%	670	3.0%
\$750,000	\$999,999	991	0.4%	203	0.9%
\$1,000,000	over	684	0.3%	99	0.4%
<b>Total</b>		<b>221,356</b>	<b>100.0%</b>	<b>22,295</b>	<b>100.0%</b>
<b>Median Value</b>		<b>\$169,800</b>		<b>\$177,294</b>	

Source: The Nielsen Company

### 2010 Home Value



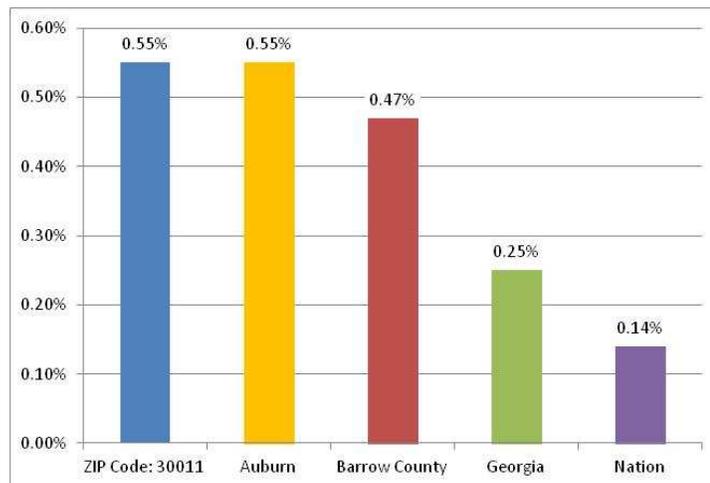


RealtyTrac database for zip code 30011 in which the subject is located and the broader areas of Auburn, Barrow County, Georgia, and the United States for comparison purposes.

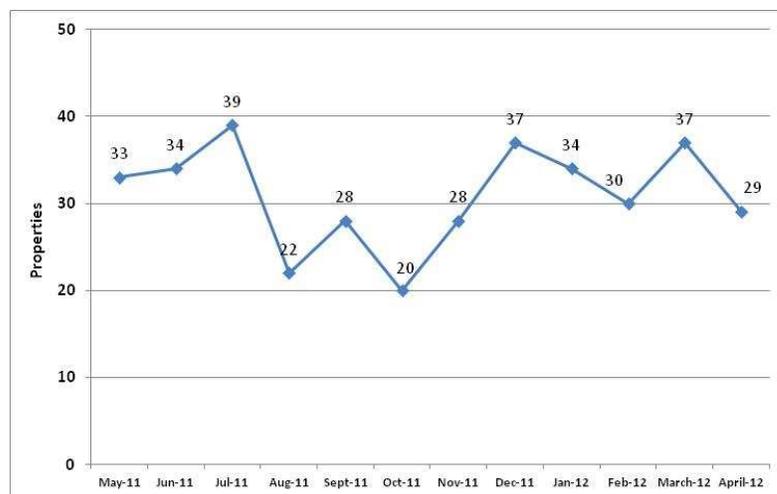
Our RealtyTrac search revealed 0.55 percent of housing units were in foreclosure within the subject property’s ZIP code (30011) in April 2012; the most recent month data was available. During the same time period, Auburn, Barrow County, Georgia, and the nation reported monthly foreclosure rates of 0.55 percent, 0.47 percent, 0.25 percent, and 0.14 percent, respectively. Comparatively, the monthly foreclosure rate in the zip code was similar to that of Auburn, slightly higher than Barrow County, significantly higher than the State of Georgia and the national average (Figure 11). From May 2011 to April 2012, the number of foreclosure properties in the subject’s ZIP code ranged from a high of 39 in July to a low of 20 in October. In most months the number of properties in foreclosure fell between 30 and 40 units (Figure 12).

Since the number of foreclosure properties in Auburn Hills’s immediate vicinity is average for the market area and secondary market area, we do not believe foreclosed homes will impact the subject property’s ability to lease its units, especially given the modest rents proposed.

**Figure 11 Foreclosure Rate, April 2012**



**Figure 12 Recent Foreclosure Activity, Auburn Hills’s ZIP CODE: 30011**





## D. Survey of Rental Communities

### 1. Introduction to the Rental Housing Survey

As part of this analysis, Real Property Research Group surveyed one general occupancy rental communities identified within the Auburn Hills Market Area and eight general occupancy rental communities near the Auburn Hills Market Area (Table 30). One of the near market surveyed communities offers units under the USDA program and one both USDA and LIHTC. USDA Communities offer basic rent for moderate income households and note rent for low income households. A profile sheet of each community is attached as Appendix 7. Communities with deep rental subsidies are not considered directly comparable given the lack of minimum income limits and tenant paid rents.

### 2. Location

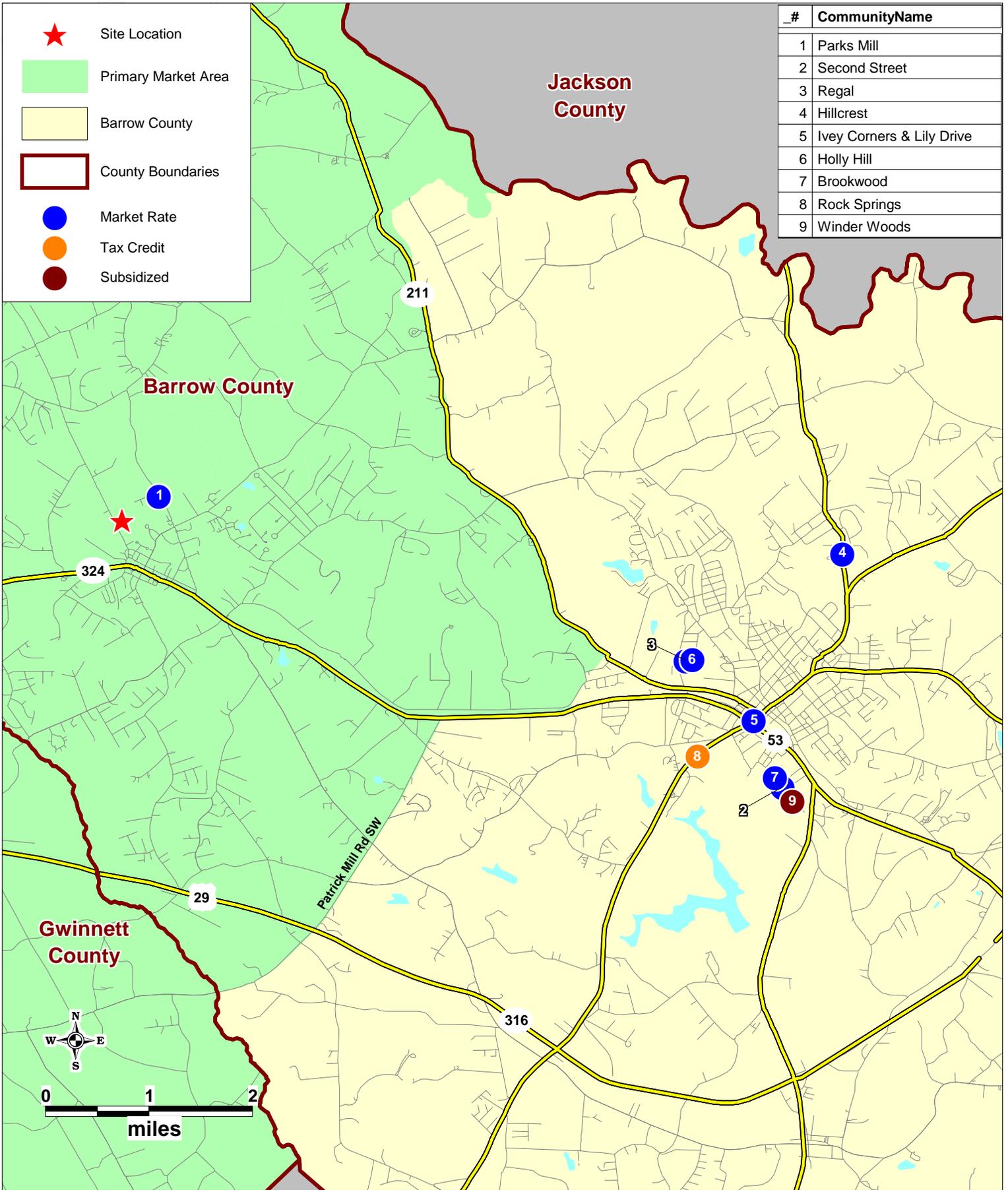
Map 5 shows the locations of the surveyed competitive communities in relation to the subject site. Parks Mill is the only community located in Auburn. It is directly east of the subject off Parks Mill Road. All of the other communities are located east of the subject site within the city limits of Winder.

### 3. Age of Communities

The average property age is 20 years. Five of the nine communities were built in the 1980’s and the remaining four were built in the 1990’s.

**Table 30 Auburn Hills Communities Summary**

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
<i>In Market Area</i>									
1	Parks Mills	1988	Gar/Du/SFD	47	N/Av	N/Av	\$390	\$487	None
<i>Near Market Area</i>									
2	Second Street	1997	Duplex	10	1	10.0%		\$675	None
3	Regal	1998	Townhouse	24	N/A	N/A		\$650	None
4	Hillcrest	1989	Garden/TH	102	7	6.9%	\$538	\$613	None
5	Ivey Corners & Lily Drive	1997	Townhouse	39	0	0.0%		\$575	None
6	Holly Hill	1983	Garden/TH	64	0	0.0%		\$550	None
7	Brookwood	1998	Townhouse	70	N/A	N/A		\$495	None
8	Rock Springs*	1989	Garden/TH	48	0	0.0%	\$477	\$488	None
9	Winder Woods*	1985	Garden/TH	40	0	0.0%	\$380	\$410	None
<b>Total/Average</b>		<b>1992</b>		<b>444</b>			<b>\$446</b>	<b>\$549</b>	
<b>Stabilized Total/Average</b>				<b>303</b>	<b>8</b>	<b>2.6%</b>			
<b>Stabilized Market Rate Total/Average</b>				<b>215</b>	<b>8</b>	<b>3.7%</b>			



**Map 5**  
**Competitive Rental Communities**  
**In and Near Auburn Hills Market Area**  
**Barrow County, Georgia**



#### **4. Structure Type**

Four of the communities offer a combination of garden and townhome style units. Three communities offer only townhome units and one community offers duplex units. The one community in the market area is a combination of garden, duplex and single family detached rentals.

#### **5. Size of Communities**

The nine communities range in size from 10 units (Second Street) to 102 units (Hillcrest). The average community size is approximately 50 units.

#### **6. Vacancy Rates**

Park Mills, the only market area community, reported they had no one bedroom units available but they had a couple two bedroom units available. A total available amount was not given.

Of the 303 rental units in communities that reported vacancies, eight units or 2.6 percent were reported vacant. Regal confirmed they had a few vacancies but would not say total units available. Therefore, the actual vacancy rate is likely slightly higher than 2.6 percent, but the rental market is still relatively tight. Brookwood refused to participate in market surveys. Winder Woods, the one USDA community, does not have any units available. Rock Springs, the USDA/LIHTC community also has no vacancies and a six month waitlist.

#### **7. Rent Concessions**

None of the communities are offering an incentive.

#### **8. Absorption History**

The newest comparable community was built in 1998. Lease up data on communities in the market area are not relevant to current market conditions.

### **E. Analysis of Rental Pricing and Product**

#### **1. Payment of Utility Costs**

Auburn Hills will include only the cost of trash. Eight communities include water/sewer, and trash and one community does not include any expenses (Table 31).

#### **2. Unit Features**

All individual unit kitchens at the surveyed communities are equipped with stoves and refrigerators. Five of the nine include a dishwasher and one includes a dishwasher in select units. None of the communities offer a microwave (Table 31). Washer/dryer hook-ups are offered in all communities, except Park Mills.

#### **3. Parking**

All communities include free surface parking as their standard parking option.



#### 4. Community Amenities

Community amenities are nearly non-existent at present in this market. Parks Mill and Hillcrest include a central laundry room (Table 32). Rock Springs has a playground.

**Table 31 Features of Rental Communities**

Community	Heat Type	Utilities Included in Rent						Dishwasher	Microwave	Parking	In-Unit Laundry
		Heat	Hot Water	Cook- ing	Electric	Water	Trash				
Auburn Hills	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups
Parks Mills	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	
Brookwood	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Hillcrest	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Ivey Corners & Lily Drive	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Regal	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Second Street	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Holly Hill	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select Units		Free Surface Parking	Hook Ups
Winder Woods	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	Hook Ups
Rock Springs	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. May 2012.

**Table 32 Amenities of Rental Communities**

Community	Clubhouse	Fitness Room	Pool	Playground	Central Laundry	Business/ Computer Center	Gated Entry
<b>Auburn Hills</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parks Mill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brookwood	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hillcrest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ivey Corners & Lily Drive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Regal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Second Street	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Holly Hill	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Winder Woods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rock Springs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. May 2012.



## 5. Distribution of Units by Bedroom Type

Two bedroom units are offered at all of the communities. Four communities offer one bedroom units and five communities offer three bedroom units (Table 33). The overall unit distribution within the communities consists of 13.7 percent one-bedroom units, 64.2 percent two-bedroom units, and 22.1 percent three bedroom units.

## 6. Effective Rents

Unit rents presented in Table 33 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives (in this case there were no incentives). The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where all utilities (electricity, heat, hot water, cooking fuel, and water/sewer) are included in monthly rents at all communities.

- Overall, one bedroom units have net rents from \$469 (Winder Woods-Note) to \$526 (Winder Woods-Note) and average \$449. These one-bedroom units average 703 square feet or \$0.64 per square foot. The one market area community offers one bedroom units for \$375. The one market rate community near the market offers one bedroom units for \$523.
- Units offering two bedrooms range from \$383 (Rock Springs-Note) to \$685 (Second Street) and average \$532. These two-bedroom units average 980 square feet or \$0.54 per square foot. The one market area community offers two bedroom units for \$472.
- Units offering three bedrooms range from \$588 (Brookwood) to \$735 (Second Street) and average \$668. These three-bedroom units average 1,268 square feet or \$0.52 per square foot. The one market area community has only one three bedroom unit for \$600.



**Table 33 Unit Distribution, Size, and Pricing**

Community	Type	Total Units	One Bedroom Units			Two Bedroom Units				Three Bedroom Units				
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
<b>SUBJECT SITE-As Proposed</b>		<b>72</b>	<b>12</b>	<b>\$489</b>	<b>740</b>	<b>\$0.66</b>	<b>36</b>	<b>\$525</b>	<b>1,150</b>	<b>\$0.46</b>	<b>24</b>	<b>\$620</b>	<b>1,250</b>	<b>\$0.50</b>
Parks Mills	Gar/Du/SFD	47	15	\$375			31	\$472			1	\$600		
<b>Total/Average</b>		<b>47</b>	<b>15</b>	<b>\$375</b>			<b>31</b>	<b>\$472</b>			<b>1</b>	<b>\$600</b>		
Second Street	Duplex	10					2	\$685	1,134	\$0.60	8	\$735	1,134	\$0.65
Regal	Townhouse	24					24	\$630	900	\$0.70				
Hillcrest	Garden/TH	102		\$523	915	\$0.57		\$593	1,065	\$0.56	2	\$650		
Rock Springs**Basic	Garden/TH			\$536	600	\$0.89		\$572	825	\$0.69				
Ivey Corners & Lily Drive	Townhouse	39					9	\$555	1,175	\$0.47	30	\$700	1,250	\$0.56
Winder Woods*Basic	Garden/TH			\$526	700	\$0.54		\$552	900	\$0.46				
Holly Hill	Garden/TH	64					64	\$530	936	\$0.57				
Brookwood	Townhouse	70					35	\$493	1,143	\$0.43	35	\$588	1,420	\$0.41
Winder Woods*Note	Garden/TH	40	16	\$365	700	\$0.52	24	\$390	900	\$0.43				
Rock Springs**Note	Garden/TH	48	16	\$369	600	\$0.77	32	\$383	825	\$0.57				
<b>Total/Average</b>		<b>444</b>		<b>\$449</b>	<b>703</b>	<b>\$0.64</b>		<b>\$532</b>	<b>980</b>	<b>\$0.54</b>		<b>\$655</b>	<b>1,268</b>	<b>\$0.52</b>
<b>Unit Distribution</b>		<b>344</b>	<b>47</b>				<b>221</b>				<b>76</b>			
<b>% of Total</b>		<b>77.5%</b>	<b>13.7%</b>				<b>64.2%</b>				<b>22.1%</b>			

\*USDA Community

\*\*USDA/LIHTC Community

(1) Rent is adjusted to include only Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2012.

### 7. Scattered Site Rentals

Given the large percentage of renter households occupying less dense structure types of single-family detached homes, we also searched for scattered site rental alternatives in the market area (Table 34). We searched asking rates in BarrowCountyNews.com and GeorgiaMLS.com. We identified 1 one-bedroom listing, 4 two-bedroom listings, and 14 three-bedroom listings, most of which are single-family detached homes. The average rent among these scattered site rentals was \$700 for a one bedroom unit, \$569 for two bedroom units and \$1,164 for three bedroom units. We note that the two townhome units are located directly across the street from the subject site.



**Table 34 Scattered Site Rental Summary**

Comments	Address	Bed	Bath	Rent
Basement Apt	2715 Fort Daniels Dr	1	1	\$700
<b>1 Bdrm. Total/Average</b>				<b>\$700</b>
Townhome	82A Mt Moriah Road	2	1.5	\$550
SFD	1378 6th Street	2	1	\$600
SFD	109 Quail Valley Road	2	1	\$550
Townhome	94 Mt Moriah Road	2	1.5	\$575
<b>2 Bdrm. Total/Average</b>				<b>\$569</b>
SFD	384 Scenic Lane	3	3	\$1,100
SFD	1164 Pinebrook Rd	3	2	\$950
SFD	1307 Stonemont Rd	3	2.5	\$950
SFD	315 Oak Rdg	3	2	\$850
SFD	1191 Harbins Rd	3	2	\$2,000
SFD	2547 Weycroft Cir	3	2	\$1,250
SFD	2779 Kristi Beth Ct	3	2	\$1,150
SFD	2557 Briar Valley Way	3	2	\$995
SFD	684 Ansley Ct	3	2	\$1,300
SFD	5809 Ansley Ter	3	2.5	\$1,600
SFD	2680 Beech Trail	3	2.5	\$1,150
SFD	6460 Mossy Oak Landing	3	2.5	\$995
SFD	2675 Oak Log Way	3	2	\$900
SFD	1866 Appoloosa Mill Ct	3	2.5	\$1,100
<b>3 Bdrm. Total/Average</b>				<b>\$1,164</b>

Source: Barrowcountynews.com & georgiamls.com

**8. DCA Average Market Rents**

To determine average “market rents” as outlined in DCA’s 2012 Market Study Manual, existing rents at multi-family rental communities (market rate only) were averaged along with the average rent of scattered site rentals as well as the average of comparable tax credit properties outside the market area (Table 35). These communities are the most comparable to the subject site.

Based on the “average market rent”, the proposed one bedroom units will have market advantages of 8.3 percent. The two bedroom units will have market advantages of 7.2 percent and the three bedroom units will have market advantages of 16.1 percent.

**Table 35 Average Market Rent, Most Comparable Rental Communities**

Community	Type	Total Units	One Bedroom Units			Two Bedroom Units				Three Bedroom Units				
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Scattered Site	TH/SFD	19	1	\$700		4	\$569			14	\$1,164			
Parks Mills	Gar/Du/SFD	47	15	\$375		31	\$472			1	\$600			
Second Street	Duplex	10				2	\$685	1,134	\$0.60	8	\$735	1,134	\$0.65	
Regal	Townhouse	24				24	\$630	900	\$0.70					
Hillcrest	Garden/TH	102		\$523	915	\$0.57		\$593	1,065	\$0.56	2	\$650		
Ivey Corners & Lily Drive	Townhouse	39				9	\$555	1,175	\$0.47	30	\$700	1,250	\$0.56	
Holly Hill	Garden/TH	64				64	\$530	936	\$0.57					
Brookwood	Townhouse	70				35	\$493	1,143	\$0.43	35	\$588	1,420	\$0.41	
<b>Total/Average</b>		<b>375</b>	<b>16</b>	<b>\$533</b>	<b>915</b>	<b>\$0.58</b>	<b>169</b>	<b>\$566</b>	<b>1,059</b>	<b>\$0.53</b>	<b>90</b>	<b>\$739</b>	<b>1,268</b>	<b>\$0.58</b>



**Table 36 Rent Advantage Summary**

50% AMI Units	One Bedroom	Two Bedroom	Three Bedroom
Subject Rent	\$489	\$525	\$620
Average Market Rent	\$533	\$566	\$739
Rent Advantage (\$)	\$44	\$41	\$119
Rent Advantage (%)	8.3%	7.2%	16.1%

60% AMI Units	One Bedroom	Two Bedroom	Three Bedroom
Subject Rent	\$489	\$525	\$620
Average Market Rent	\$533	\$566	\$739
Rent Advantage (\$)	\$44	\$41	\$119
Rent Advantage (%)	8.3%	7.2%	16.1%

**F. Public Housing in the Market Area**

The Winder Housing Authority operates 325 public housing units. The waitlist for is approximately 6 to 12 months and is closed.

**G. Proposed and Under Construction Rental Communities**

**1. Overview**

Based on a review of DCA nine percent and four percent LIHTC allocations, no allocations have been awarded in the market area in the past five years. Additionally, based on conversations with local planning and development officials, no new communities are planned, approved, or under construction in the Auburn Hills Market Area.

**H. Absorption Estimate**

In lieu of lease up history at comparable communities, absorption rate projections are also based on growth of the household base, the number of income-qualified households, and the marketability of the proposed site, and product.

- There are no LIHTC, Subsidized or Rural Development housing communities in the market area.
- Annual household growth in the market area is projected at 828 households between 2012 and 2017.
- Capture rates based on renter affordability and DCA demand methodology are all within acceptable levels.
- An estimated 984 renter households are income qualified for the LIHTC units at Auburn Hills.

We do not anticipate any negative factors that would prevent Auburn Hills from leasing its units in a timely manner. Given the high household growth in the market area, and the spread of units among two income levels and three bedroom types, we estimate Auburn Hills will lease units at a minimum pace of 8 units per month. The subject property will reach a stabilized occupancy of 93 percent within an approximate nine month time period.



## **I. Interviews**

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers; Mr. Dante Gibbs with the Barrow County Planning Department; and Ms. Tracy Pollard with the Auburn Planning Department.

## 9. FINDINGS AND CONCLUSIONS

### A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Auburn Hills Market Area, RPRG offers the following key findings:

#### 1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable rental housing as it is compatible with surrounding land uses and has access to amenities, grocery, and healthcare.

- The site for the proposed Auburn Hills is located on the east side of Mt Moriah Road approximately half a mile north of Atlanta Highway in Auburn, Georgia.
- The site is a partially cleared and partially wooded lot that has not been improved with any structures.
- The site is in a growing portion of Barrow County with many new single family residential neighborhoods as well as new shopping centers located nearby.
- Auburn is a small town located on the border of Barrow and Gwinnett counties. The population has nearly doubled over the past decade in the area surrounding Auburn, with the addition of many new single-family detached residential neighborhoods. The majority of the housing is new, owner occupied, single-family detached units.
- Auburn Hills will benefit from good visibility along Mt Moriah Road in front of the site, which supports moderately heavy traffic.
- Community services, grocery, medical services and schools are located within two miles. An Auburn Neighborhood Transit stop is located within 300 feet of the site.

#### 2. Economic Context

Both the Barrow and Gwinnett County economies exhibited steady growth for much of the past decade before experiencing job loss and high unemployment during the recent national recession. Overall, both counties have shown signs of stabilization since the recession's peak in 2008 to 2009 with declining rates of job loss and/or employment growth. In comparison to one another, Gwinnett County has consistently outperformed Barrow County in terms both at-place employment growth and lower unemployment; however, Gwinnett County has a significantly broader and diverse economy as part of the metro Atlanta region and contains a population/household base that is substantially larger than that of Barrow County.

- Barrow County's unemployment rate remained relatively stable (between 3.9 and 4.7 percent) from 2000 to 2007 before jumping to as high as 10.4 percent during the height of the recent national recession (2009). Gwinnett County's unemployment rate followed a similar trend with a notable increase from 2009 to 2011 (5.7 percent to 9.2 percent); however, Gwinnett County's unemployment rate remained 0.5 percentage points lower on average than Barrow County's unemployment rate from 2000 to 2011. Over the past three years, Barrow County's unemployment rate has been above state/national levels while Gwinnett County's unemployment rates have been below state/national figures.



- Barrow County's at-place employment expanded in five of seven years from 2000 to 2007, adding a net total of 5,077 jobs for an increase of 43.5 percent. Following this period of growth, Barrow County lost jobs in three consecutive years, the worst of which occurred during the height of the recent national recession (2008 to 2009). Through the third quarter of 2011, Barrow County lost an additional 139 jobs; however, the county did show some signs of stabilization as the number of jobs lost in 2010 and 2011 (Q3) were significantly lower than in the previous two years.
- Following a similar trend, Gwinnett County's at-place employment increased in six of seven years from 2000 to 2007 before losing 28,762 jobs in 2008 and 2009 combined. Gwinnett County also appears to have stabilized with the addition of 2,800 jobs through the third quarter of 2011.
- Barrow County at-place employment is dominated by the trade-transportation-utilities and government sectors, which account for a combined 45.8 percent of all jobs. Leisure-hospitality and manufacturing also contain significant percentages of employment within the county at 12.9 percent and 11.6 percent, respectively.

### 3. Demographic Analysis

The Auburn Hills Market Area experienced significant household growth over the past decade, a trend expected to continue.

- The household base of the Auburn Hills Market Area grew by 6.1 percent (1,066 households) per year between 2000 and 2010. Nielsen estimates that the market area will gain 828 households annually over the next five years.
- Based on Nielsen Company estimates, the populations of the Auburn Hills Market Area and the Bi-County Market Area have similar distributions both with median ages of 32. Adults (persons age 35-61 years) constitute the largest age group in both regions, accounting for 39.0 percent of the population in the Auburn Hills Market Area and 38.8 percent of the population in the Bi-County Market Area. Children (persons under the age of 18) account for 30.9 percent of the population in Auburn Hills Market Area and 29.0 percent of the population in the Bi-County Market Area.
- Over two-thirds (68.9 percent) of all households in the Auburn Hills Market Area are married and nearly half (46.7 percent) contain children.
- The Auburn Hills Market Area's 2012 renter percentage was a low 12.3 percent, significantly lower than the 29.3 percent of renters in the Bi-County Market Area.
- As of 2010, 61.4 percent of market area renter households consisted of three or more persons, the target market for the subject project.
- The primary market area's 2012 median income of \$72,678 is \$7,173 or 11 percent higher than the Bi-County Market Area's median of \$65,505.

### 4. Competitive Housing Analysis

RPRG surveyed one rental community in the Auburn Hills Market Area and eight communities near the market area.



- Single family detached homes accounted for 80.1 percent of the market area rental stock and Mobile homes accounted for 12.8 percent of the market area. There were no multi-family structures (i.e., buildings with five or more units) in the market area.
- Parks Mill is the only market area rental community, consisting of garden, townhome, and single-family detached units.
- Of the 303 rental units in communities that reported vacancies, eight units or 2.6 percent were reported vacant. Parks Mills reported they had no one bedroom units available but they had a couple two bedroom units available. A total available amount was not given.
- There are no LIHTC, Subsidized or Rural Development housing communities in the market area.
- Overall, one bedroom units have net rents from \$469 (Winder Woods-Note) to \$526 (Winder Woods-Note) and average \$449. These one-bedroom units average 703 square feet or \$0.64 per square foot. The one market area community offers one bedroom units for \$375. The one market rate community near the market offers one bedroom units for \$523.
- Units offering two bedrooms range from \$383 (Rock Springs-Note) to \$685 (Second Street) and average \$532. These two-bedroom units average 980 square feet or \$0.54 per square foot. The one market area community offers two bedroom units for \$472.
- Units offering three bedrooms range from \$588 (Brookwood) to \$735 (Second Street) and average \$668. These three-bedroom units average 1,268 square feet or \$0.52 per square foot. The one market area community has only one three bedroom unit for \$600.

## **B. Target Markets**

Auburn Hills's one, two and three bedroom units will target moderate income renter households ranging from singles (one bedroom units) to large families (three bedroom units). As a general occupancy property, prospective tenants will not be subject to age restrictions.

## **C. Product Evaluation**

Considered in the context of the competitive environment, the relative position of Auburn Hills is as follows:

- **Unit Distribution:** The unit mix at the subject consists of 12 one-bedroom units (16.7 percent), 36 two-bedroom units (50 percent), and 24 three-bedroom units (33.3 percent). Within the context of the competitive supply, one-bedroom units account for 14 percent of all units, two bedroom units account for 64 percent of all units, and three bedroom units account for 22 percent of all units. The proposed one bedroom units will be well received in the market area as few communities (or scattered site rentals) offer one bedroom units. Three bedroom scattered site units are more common in the market area, but will still appeal to larger family households which are dominant in the market.
- **Unit Size:** The average one-bedroom unit size at the subject is 740 square feet, slightly larger than the average 703 square foot one-bedroom units surveyed near the market area. The average two-bedroom unit size at the subject is 1,150 square feet, larger than the average 980 square foot two-bedroom units surveyed near the market area. The average



three-bedroom unit size at the subject is 1,250 square feet, similar to the average 1,268 square foot three-bedroom units surveyed near the market area.

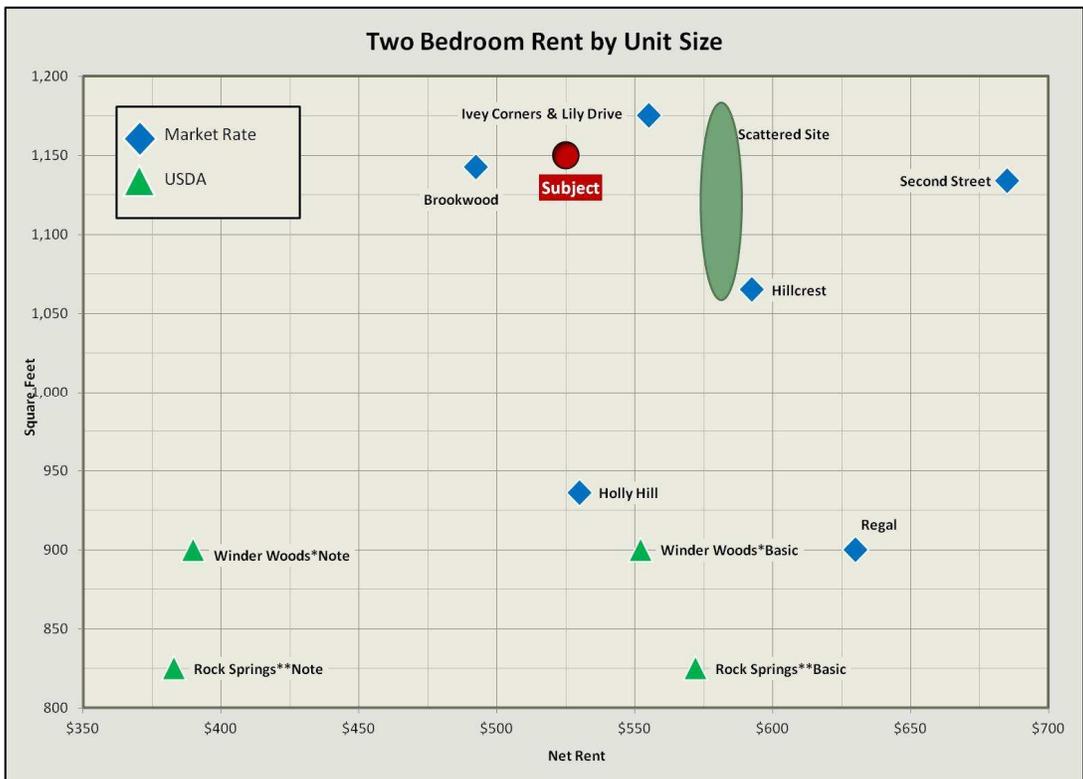
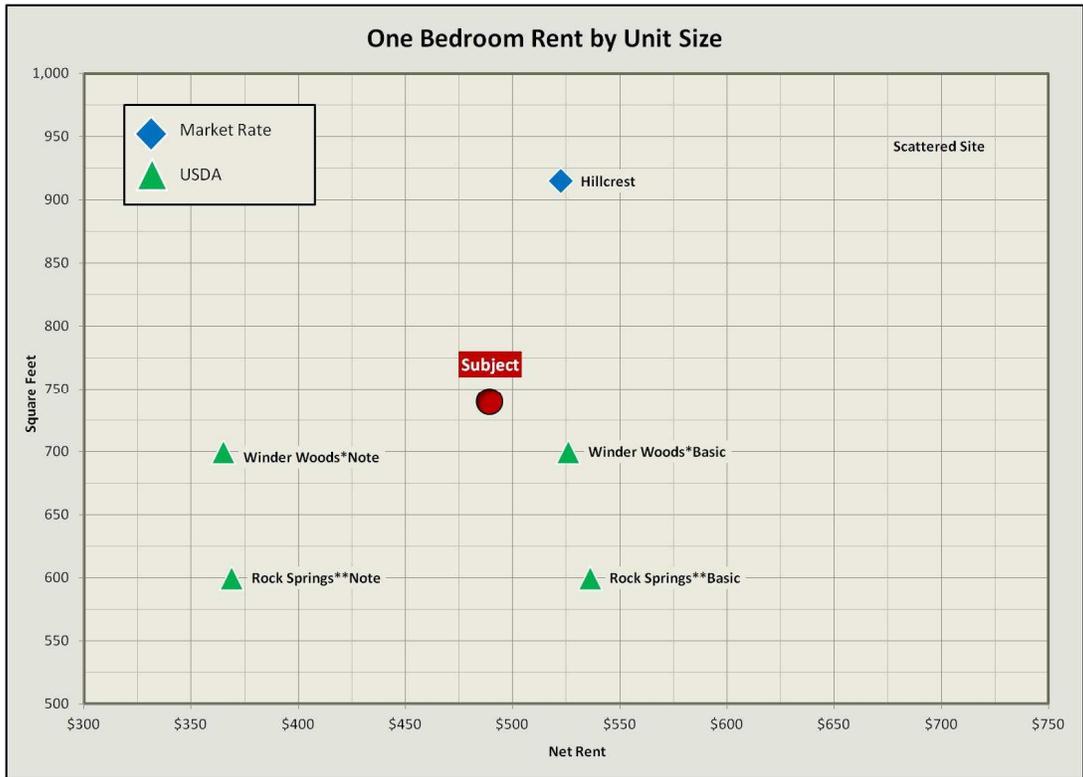
- **Unit Features:** The newly constructed units at the subject property will offer fully equipped kitchens with Energy Star appliances including refrigerators, dishwashers and microwaves. Powder based stove top fire suppression canisters will be installed above the stoves. In addition, all units will include washer-dryer hook-ups. The proposed unit features at Auburn Hills will be superior to the existing rental communities in and near the market area and will be well received by the target market.
- **Community Amenities:** Auburn Hills will offer amenities superior to other communities in the area including a community room, playground, laundry center and covered pavilion with picnic and BBQ area. Community amenities are nearly non-existent at present in this market.
- **Marketability:** Auburn Hills will offer an attractive product and will be superior to existing rental communities in the market area in terms of features and amenities.

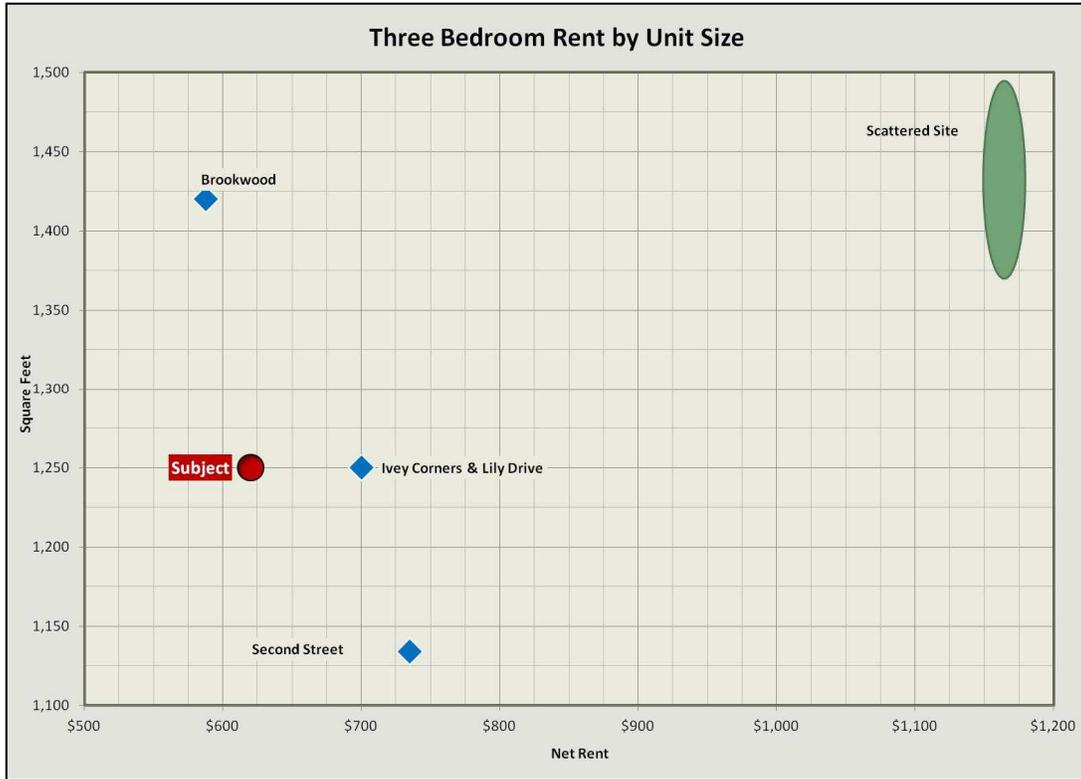
#### **D. Price Position**

The subject's units will target households ranging from 50 to 60 percent AMI. The proposed rents are the same for both the 50 percent and 60 percent rents. As shown in Figure 13, the one bedroom rents will be positioned below the both the market rate one bedroom units and the note rent offered at the USDA community. The two bedroom rents will be priced below all other two bedroom units except Brookwood and the note rents at Winder Woods. The three bedroom rents will also be priced below all other three bedroom rents except Brookwood. The figure below displays only the subject and rental communities near the market, as we do not have unit sizes for Parks Mill or the scattered site rentals. We include an oval to represent the rents and estimated unit sizes of the scattered site rentals. The proposed prices at Auburn Hills are higher than the asking prices at Parks Mill. However, Parks Mill is in below average condition with no unit features such as a dishwasher or laundry hook-ups. The proposed prices at Auburn Hills are lower than the scattered site rentals which are typically recently built single family detached homes.



Figure 13 Price Position of Auburn Hills





**E. Final Conclusions and Recommendations**

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Auburn Hills will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance. The product to be constructed will offer a superior features and amenities package and the units will be well received by the target market. While there are no competitive projects in the market, the community is priced competitively to rental communities in the greater region.

We do not expect the construction of Auburn Hills to negatively impact existing LIHTC communities in the primary market area as there are no existing LIHTC communities in the market area.

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

Amy Lefenfeld  
Analyst

Robert M. Lefenfeld  
Managing Principal



## 10. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

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

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



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

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



**11. APPENDIX 2 ANALYST CERTIFICATIONS**

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can (cannot) 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.

A handwritten signature in cursive script that reads "Amy Lefenfeld".

\_\_\_\_\_

June 1, 2012

Amy Lefenfeld

Date

Analyst

Real Property Research Group, Inc.

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



## 12. APPENDIX 3 ANALYST RESUMES

**ROBERT M. LEFENFELD**  
**Managing Principal**

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He also serves as Immediate Past Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

**AREAS OF CONCENTRATION:**

- Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.
- Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.
- Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

**EDUCATION:**

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

**Amy Lefenfeld**  
**Analyst**

Amy Lefenfeld rejoined RPRG in January 2011, after spending a year as a residential appraiser. Amy earned her appraisal license while an analyst with Integra Realty Resources – Washington, D.C., a national valuation and consulting firm from 2005 to 2009. Appraisal and consulting assignments have included, but are not limited to apartment complexes, for sale subdivisions, agricultural land, shopping centers, office and industrial buildings. Valuations have been prepared on proposed, partially completed, renovated, and existing structures.

Amy began her real estate career as a research associate at RPRG, where she compiled and developed data for a variety of residential products.

**Areas of Concentration:**

- Rent Comparability Studies: Amy prepares rent comparability studies for submission to HUD. Estimates of market rents are used to determine the owner's options for renewing the project's Section 8 contracts and the maximum rents allowed under any renewal contract.
- Low Income Tax Credit: Amy prepares rental market studies for submission to lenders and state agencies for nine percent and four percent Low Income Housing Tax Credit allocations. While most of these studies are for new construction product, several examine the feasibility of renovating existing family and senior rental communities.

**Education:**

Bachelor of Arts – University of Maryland, College Park, Maryland

**Certified General Appraiser**

Maryland: License No. 28529

Virginia: License No. 4001 013919

FHA Certified



### 13. APPENDIX 4 NCAHMA CHECKLIST

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

<b>Component (*First occurring page is noted)</b>		<b>*Page(s)</b>
<b>Executive Summary</b>		
1.	Executive Summary	
<b>Project Summary</b>		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	9,10
3.	Utilities (and utility sources) included in rent	9,10
4.	Project design description	9,10
5.	Unit and project amenities; parking	9,10
6.	Public programs included	9
7.	Target population description	9
8.	Date of construction/preliminary completion	11
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	22
12.	Concise description of the site and adjacent parcels	12
13.	Description of site characteristics	12
14.	Site photos/maps	13 - 16
15.	Map of community services	18
16.	Visibility and accessibility evaluation	20
17.	Crime information	20
<b>Employment and Economy</b>		
18.	Employment by industry	39
19.	Historical unemployment rate	35
20.	Area major employers	44
21.	Five-year employment growth	43



22.	Typical wages by occupation	26 - 49
23.	Discussion of commuting patterns of area workers	34
<b>Demographic Characteristics</b>		
24.	Population and household estimates and projections	24
25.	Area building permits	25
26.	Distribution of income	32
27.	Households by tenure	28
<b>Competitive Environment</b>		
28.	Comparable property profiles	85
29.	Map of comparable properties	51, 59
30.	Comparable property photos	85
31.	Existing rental housing evaluation	63
32.	Comparable property discussion	63
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	65
34.	Comparison of subject property to comparable properties	74
35.	Availability of Housing Choice Vouchers	70
36.	Identification of waiting lists	65
37.	Description of overall rental market including share of market-rate and affordable properties	63
38.	List of existing LIHTC properties	85
39.	Discussion of future changes in housing stock	
40.	Discussion of availability and cost of other affordable housing options, including homeownership	58
41.	Tax credit and other planned or under construction rental communities in market area	70
<b>Analysis/Conclusions</b>		
42.	Calculation and analysis of Capture Rate	54 - 55
43.	Calculation and analysis of Penetration Rate	51
44.	Evaluation of proposed rent levels	75
45.	Derivation of Achievable Market Rent and Market Advantage	N/A
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	70
48.	Market strengths and weaknesses impacting project	74
49.	Recommendation and/or modification to project description	74, if applicable
50.	Discussion of subject property's impact on existing housing	74
51.	Absorption projection with issues impacting performance	70



52.	Discussion of risks or other mitigating circumstances impacting project	58, if applicable
53.	Interviews with area housing stakeholders	70
<b>Certifications</b>		
54.	Preparation date of report	Cover
55.	Date of field work	7
56.	Certifications	86
57.	Statement of qualifications	81
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



## 14. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Establishment	Address	City	Phone Number	Date Surveyed	Contact	Condition
Brookwood	124 2nd Street	Winder	706-254-2796	6/6/2012	Property Manager	Below Average
Hillcrest	490 Gainsville Hwy	Winder	770-867-4007	6/5/2012	Property Manager	Average
Holly Hill	291 Apperson Drive	Winder	770-867-7933	6/6/2012	Property Manager	Average
Ivey Corners & Lily Drive	Lily Dr & Springdale Rd	Winder	770-480-6983	6/5/2012	Property Manager	Average
Parks Mills	196 Parks Mill Road	Auburn	770-962-7780	6/7/2012	Property Manager	Below Average
Regal	282 Apperson Dr	Winder	706-743-3676	6/5/2012	Property Manager	Average
Rock Springs	187 S Broad St	Winder	770-867-8574	6/6/2012	Property Manager	Average
Second Street	160 2nd St	Winder	770-586-5272	6/5/2012	Property Manager	Average
Winder Woods	206 2nd St	Winder	770-307-0925	6/5/2012	Property Manager	Average

# Brookwood

## Multifamily Community Profile

124 2nd st.  
Winder,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Townhouse

70 Units

Occupancy data not currently available

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$513	1,143	\$0.45	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	\$613	1,420	\$0.43	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

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

### Comments

Management would not participate in market survey

### Floorplans (Published Rents as of 6/6/2012) (2)

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

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	--	\$495	1,140	\$.43	Market	6/6/12	--	--	\$513	\$613
Townhouse	--	2	2.5	--	\$530	1,145	\$.46	Market	5/27/11	2.9%	--	\$495	\$595
Townhouse	--	3	1.5	--	\$595	1,400	\$.43	Market					
Townhouse	--	3	2	--	\$630	1,440	\$.44	Market					

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

Brookwood

GA013-015718

# Hillcrest

## Multifamily Community Profile

490 Gainesville Hwy.  
Winder, GA

Community Type: Market Rate - General

Structure Type: Garden/TH

102 Units 6.9% Vacant (7 units vacant) as of 6/5/2012

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$538	915	\$0.59	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$613	1,065	\$0.58	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	2.0%	\$675	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

### Comments

Floorplans (Published Rents as of 6/5/2012) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1.5	--	\$650	1,230	\$.53	Market	6/5/12	6.9%	\$538	\$613	\$675
Garden	--	1	1	--	\$425	600	\$.71	Market	1/5/12	1.0%	\$550	\$613	\$700
Townhouse	--	2	1.5	--	\$700	1,230	\$.57	Market	5/27/11	1.0%	\$550	\$600	\$713
Garden	--	2	1	--	\$525	900	\$.58	Market					
SF Detached	--	3	1	2	\$675	--	--	Market					

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

# Holly Hill

## Multifamily Community Profile

291 Apperson Drive  
Winder, GA 30680

Community Type: Market Rate - General

Structure Type: Garden/TH

64 Units      0.0% Vacant (0 units vacant) as of 6/6/2012

Opened in 1983



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$550	936	\$0.59	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

### Comments

Floorplans (Published Rents as of 6/6/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	46	\$540	929	\$.58	Market	6/6/12	0.0%	--	\$550	--
Townhouse	--	2	1.5	18	\$575	954	\$.60	Market					

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

# Ivey Corners & Lily Drive

## Multifamily Community Profile

Lily Dr. & Springdale Rd.  
Winder, GA

Community Type: Market Rate - General

Structure Type: Townhouse

39 Units 0.0% Vacant (0 units vacant) as of 6/5/2012

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	23.1%	\$575	1,175	\$0.49	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	76.9%	\$725	1,250	\$0.58	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

### Comments

Accepts Vouchers

Floorplans (Published Rents as of 6/5/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Lily Drive / Townhouse	--	2	2	9	\$575	1,175	\$.49	Market	6/5/12	0.0%	--	\$575	\$725
Ivey Corners / Townhous	--	3	2	30	\$725	1,250	\$.58	Market	1/5/12	17.9%	--	\$575	\$650
									5/27/11	12.8%	--	\$575	\$638

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

Ivey Corners & Lily Drive

GA013-015721

**Parks Mill**

*Multifamily Community Profile*

196 Parks Mill Rd.  
Auburn, GA

Community Type: **Market Rate - General**  
Structure Type: **Mix**

47 Units      Occupancy data not currently available



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	31.9%	\$390	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	66.0%	\$487	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	2.1%	\$600	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: <b>Central A/C</b>						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: <b>Free Surface Parking</b>			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

**Comments**

There are a total of 60 units but 13 of them are offline  
 Mix of SFD, Duplexes, and Garden apartments  
 Management stated there are a couple two bedrooms available and no one bedrooms

**Floorplans (Published Rents as of 6/7/2012) (2)**

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

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	15	\$390	--	--	Market	6/7/12	--	\$390	\$487	\$600
	--	2	2	29	\$490	--	--	Market	7/8/11	14.9%	\$395	\$487	\$600
	--	2	1	2	\$450	--	--	Market	5/27/11	17.0%	\$395	\$487	\$600
	--	3	2	1	\$600	--	--	Market					

**Adjustments to Rent**

Incentives:  
None

Utilities in Rent:      Heat Fuel: **Electric**

Heat:       Cooking:       Wtr/Swr:

Hot Water:       Electricity:       Trash:

**Regal**

*Multifamily Community Profile*

282 Apperson Dr.  
Winder,GA

CommunityType: **Market Rate - General**

Structure Type: **2-Story Townhouse**

24 Units

Occupancy data not currently available

Opened in 1998



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

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

**Comments**

manager stated 'a few available' and when further questioned 'more than 5' due to economy

**Floorplans (Published Rents as of 6/5/2012) (2)**

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

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	2.5	24	\$650	900	\$0.72	Market	6/5/12	--	--	\$650	--
									5/27/11	4.2%	--	\$650	--

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

# Rock Springs

## Multifamily Community Profile

187 S Broad Street  
Winder, GA 30680

Community Type: LIHTC - General  
Structure Type: Garden/TH

48 Units      0.0% Vacant (0 units vacant) as of 6/6/2012

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
One	--	\$477	600	\$0.80	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$488	825	\$0.59	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

### Comments

6 month waitlist  
Rents are basic  
16 garden & 32 th

Floorplans (Published Rents as of 6/6/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Note / Garden	--	1	1	--	\$551	600	\$0.921	Development/	6/6/12	0.0%	\$477	\$488	--
Basic / Garden	--	1	1	--	\$403	600	\$0.671	Development/					
Basic / Townhouse	--	2	1.5	--	\$384	825	\$0.471	Development/					
Note / Townhouse	--	2	1.5	--	\$592	825	\$0.721	Development/					

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

# Second Street

## Multifamily Community Profile

160 2nd St.  
Winder, GA

Community Type: **Market Rate - General**

Structure Type: **2-Story Duplex**

10 Units      10.0% Vacant (1 units vacant) as of 6/5/2012

Opened in 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	20.0%	\$705	1,134	\$0.62	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	80.0%	\$760	1,134	\$0.67	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

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

### Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 6/5/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	1.5	2	\$675	1,134	\$0.60	Market	6/5/12	10.0%	--	\$705	\$760
Duplex	--	3	1.5	8	\$725	1,134	\$0.64	Market	1/5/12	0.0%	--	\$730	\$785
									5/27/11	20.0%	--	\$730	\$785

### Adjustments to Rent

Incentives:

None

Utilities in Rent:      Heat Fuel: **Electric**

Heat:       Cooking:       Wtr/Swr:

Hot Water:       Electricity:       Trash:

# Winder Woods

## Multifamily Community Profile

206 2nd St.  
Winder, GA

Community Type: **Deep Subsidy-General**  
Structure Type: **Garden/TH**

40 Units      0.0% Vacant (0 units vacant) as of 6/5/2012

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	40.0%	\$380	700	\$0.54	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.0%	\$410	900	\$0.46	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

### Comments

Rural development, rent is basic rent  
Waitlist  
Note rent is \$541 for one bed and \$572 for two bed- none paying note

Floorplans (Published Rents as of 6/5/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	16	\$380	700	\$.54	USDA	6/5/12	0.0%	\$380	\$410	--
Townhouse	--	2	1.5	24	\$410	900	\$.46	USDA	1/5/12	0.0%	\$380	\$410	--
									5/27/11	0.0%	\$370	\$400	--

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

Winder Woods

GA013-015723