

Market Feasibility Analysis

Fitzgerald Summit
318 S. Grant St.
Fitzgerald, Ben Hill County, Georgia 31750

Prepared For

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TABLE OF CONTENTS

- A. Executive Summary
 - B. Project Description
 - C. Site Description and Evaluation
 - D. Primary Market Area Delineation
 - E. Community Demographic Data
 - F. Economic Trends
 - G. Project-Specific Demand Analysis
 - H. Rental Housing Analysis (Supply)
 - I. Absorption & Stabilization Rates
 - J. Interviews
 - K. Conclusions & Recommendations
 - L. Signed Statement
 - M. Market Study Representation
 - N. Qualifications
- Addendum A – Field Survey of Conventional Rentals
 - Addendum B – Comparable Property Profiles
 - Addendum C – Market Analyst Certification Checklist
 - Addendum D – Methodologies, Disclaimers & Sources
 - Addendum E – Achievable Market Rent Analysis

SECTION A – EXECUTIVE SUMMARY

Based on the findings summarized below, it is our opinion that a market will continue to exist for the 84 subject units at Fitzgerald Summit following renovations.

1. Project Description:

Fitzgerald Summit is an existing apartment community in Fitzgerald, Georgia. Currently, this senior (age 62+) rental property operates under a HUD Section 8 contract agreement that subsidizes the housing costs (rent and utilities) of all 84 of its units. This subsidy limits residents housing costs to 30% of their adjusted gross incomes. As it currently operates, the HUD Section 8 agreement limits tenants' household income to 50% of Area Median Household Income (AMHI). At the time of our interview with property management, Fitzgerald Summit was 100% occupied with a five-household waiting list.

As proposed, Fitzgerald Summit will undergo extensive renovations that will update each of the one- and two-bedroom units, common interior spaces, the exterior of the subject building and the surrounding grounds. The renovations will be partially funded using Low-Income Housing Tax Credit (LIHTC) financing. Under the LIHTC agreement, the project will be eligible to target senior households earning up to 50% and 60% of AMHI. The following is a summary table of the proposed project:

Total Units	Bedroom Type	Baths	Style	Square Feet	Percent of AMHI	Current Contract Rents	Proposed Contract Rents			Max Allowable LIHTC Rent
							Collected	Utility Allowance	Gross	
13	One	1.0	Garden	575	50%	\$605	\$605	\$0	\$605	\$424
70	One	1.0	Garden	575	60%	\$605	\$605	\$0	\$605	\$509
1	Two	1.0	Garden	725	60%	\$680	\$680	\$0	\$680	\$610
84										

Note the developer anticipates renewing the HUD Section 8 subsidy. As such, the more conservative income targeting of 50% will effectively supersede the income targeting under the LIHTC agreement.

The renovated subject project will offer an amenities package which includes a refrigerator, stove, dishwasher, garbage disposal and air conditioning. Community amenities will include an on-site management office, community room, central laundry facility, community gardens and a picnic area.

Based on our supply analysis (Section H), it is our opinion that the proposed subject development will be competitive if the HUD Section 8 subsidy remains.

A more detailed project description can be found in Section B of this report, while a comparison to existing rental product can be found in Section H.

2. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 84 units at the subject site following LIHTC renovations. This assumes it is developed as detailed in this report. Changes in the project's site, rent, amenities or renovation completion date may alter these findings. No recommendations are proposed at this time.

Assuming the project retains the HUD Section 8 project subsidy, it will remain marketable to low-income renters within the Site PMA. The proposed LIHTC renovations will not effectively change the income targeting at the site and most current tenants are expected to remain in place. Between 2010 and 2014, demographic growth is anticipated among the target population (low-income senior households) and will provide an increasing base of support for the renovated subject project. Regardless, the subject development only requires an effective capture rate of 0.2%, which indicates a substantial base of demographic support will continue to exist. Effectively, the project will not have an "absorption period," as it will maintain occupancy rates higher than 93.0% throughout and after the renovation process. However, should the tenants be displaced for any reason, the project will still only require a capture rate of 14.7%. Based on the increased marketability of the renovated subject project, current occupancy rate and increasing base of demographic support, the project is feasible as proposed.

3. Site Description/Evaluation:

The subject site is located within an established area of Fitzgerald. Surrounding land uses include residential homes and commercial businesses. Access and visibility are considered good. Notably, there are numerous community services such as discount retailers, convenience stores and banks within walking distance. All other community services, including emergency responders, grocery stores and pharmacies are all located within 2.0 miles. Overall, we consider the surrounding land uses and the site's proximity to community services to have a continued positive impact on its marketability.

4. Market Area Definition:

The Fitzgerald Site PMA includes Fitzgerald, Wray, Ocilla, Irwinville and the surrounding unincorporated areas of Ben Hill and Irwin counties. Boundaries were partially selected based on distance from the site, socio-economic differences between neighborhoods, an interview with the property manager at the subject site and the observations of our analysts.

The boundaries of the Site PMA include the Ben Hill County line to the north; the Ben Hill and Irwin County lines to the east; State Route 32 to the south; and Jeff Davis Park Road, Cleveland Road, Kings Chapel Road and City Road 252 to the west.

A more detailed analysis and map of the market area can be found in Section D of this report.

5. Community Demographic Data:

Between 2000 and 2011, the population increased by 68, or 0.3%. It is projected that the population will increase by 31, or 0.1%, between 2011 and 2014. This growth rate is indicative of a stable population base.

Between 2000 and 2011, households increased by 9 or 0.1%. By 2014, there will be 8,911 households, an increase of 29 households, or 0.3% over 2011 levels. This is an increase of approximately 10 households annually over the next three years. By 2014, both the number and share of senior renters (age 62+) is projected to increase. This indicates the potential base of support for the subject project will likely increase.

The distribution of households by income age 62 and older within the Fitzgerald Site PMA is summarized as follows:

Household Income 62+	2000 (Census)		2011 (Estimated)		2014 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	669	26.0%	646	23.2%	683	22.9%
\$10,000 to \$19,999	713	27.7%	701	25.2%	740	24.8%
\$20,000 to \$29,999	457	17.8%	493	17.7%	528	17.7%
\$30,000 to \$39,999	145	5.7%	229	8.2%	253	8.5%
\$40,000 to \$49,999	193	7.5%	189	6.8%	202	6.7%
\$50,000 to \$59,999	124	4.8%	147	5.3%	164	5.5%
\$60,000 to \$74,999	135	5.2%	156	5.6%	170	5.7%
\$75,000 to \$99,999	45	1.8%	107	3.9%	120	4.0%
\$100,000 to \$124,999	41	1.6%	51	1.8%	58	1.9%
\$125,000 to \$149,999	42	1.6%	36	1.3%	40	1.3%
\$150,000 to \$199,999	1	0.0%	21	0.8%	22	0.7%
\$200,000 & Over	7	0.3%	6	0.2%	8	0.3%
Total	2,573	100.0%	2,783	100.0%	2,989	100.0%
Median Income	\$18,659		\$20,898		\$21,347	

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

In 2000, the median household income for households age 62 and older was \$18,659. This increased by 12.0% to \$20,898 in 2011. By 2014, it is projected that the median household income will be \$21,347, an increase of 2.1% over 2011.

A more detailed analysis of the overall demographic trends within the Site PMA is located in Section E.

6. Economic Data:

The workforce within the Fitzgerald PMA is concentrated within recession susceptible industries such as manufacturing, wholesale and retail trade. According to interviews with local economic development representatives and Department of Labor statistics, the prevalence of these jobs added to the significant loss in employment compared to the rest of the nation during the national recession. Indeed, the unemployment rate within Ben Hill County has far exceeded statewide and national rates since 2006, but substantially increased in 2007-2008. Large manufacturers continued to close through 2011, but the rate and scope of these layoffs and closures has slowed. Notably, the remaining manufacturers are reportedly stable and some new businesses have been announced. Additionally, the construction of a new power plant will significantly aid the economic recovery within the county once it gets under way in 2013. However, the average annual unemployment rate in 2012 (through April) is 13.2%, which is substantially higher than the statewide average of 9.0%.

The substantial and sustained rise in unemployment within the county indicates that there are likely many households surviving on reduced incomes relative to pre-recession levels. Therefore, these households will continue to benefit from the availability of low-income housing. Notably, the proposed renovation of the subject project will not add any new units into the market. The renovations will merely update existing supply. Further, the subject project will continue to target senior households age 62 and older. Given these factors, the renovated subject project is less likely to be impacted by local economic trends compared to a newly developed housing project. Regardless, the subject project will continue to offer an affordable housing option at a central location within Ben Hill County.

Detailed tables illustrating trends within the employment base, unemployment rates and major job expansions/contractions are located in Section F.

7. Project-Specific Affordability and Demand Analysis:

Given the retention of the HUD Section 8 contract agreement and maximum allowable incomes, it was calculated that the required income to live at the site will range between \$0 and \$19,020. There will be an estimated 571 renter households that are age- and income-qualified to reside at the proposed project, which equates to an overall capture rate of 14.7%. However, considering all but one of the existing tenants will income qualify to remain at the subject project following renovations, the effective capture rate is only 0.2% (1/571). Regardless, the standard and effective capture rates are well below Georgia DCA threshold requirements and are considered achievable, especially considering the strong support for subsidized housing developments within the Fitzgerald Site PMA and the planned scope of renovations proposed at the subject project. A detailed demand analysis is located in Section G of this report.

8. Competitive Rental Analysis

The proposed subject project will be renovated with Low-Income Housing Tax Credit financing, but will retain the HUD Section 8 contract. Therefore, we have provided a comparative analysis for the project to operate as proposed and also in the unlikely event the project would operate solely under the LIHTC program guidelines.

Tax Credit Units

Within the Site PMA, we identified two comparable LIHTC projects that offer similar bedroom types and target households within similar incomes as the proposed development. Due to the limited number of comparable properties, however, it was necessary to identify and survey additional LIHTC projects located within the nearby region, but outside of the market area. Based on our surveys, we selected three properties located outside of the PMA that all target senior households earning up to 30%, 50% and/or 60% of AMHI.

Note the three projects located outside of the Site PMA derive demographic support from outside of the market area and have been selected for comparison purposes only. Due to the different geographic base of support, these three developments and the subject project will have a limited base of competitive overlap.

These five comparable LIHTC properties selected for this analysis and the proposed subject development are summarized as follows.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
1 Site	Fitzgerald Summit	1979 / 2014	84	100.0%	-	5 H.H.	Senior 62+; 50% & 60% AMHI
8	Jack Allen Apts.	2005	54*	100.0%	1.4 Miles	Tax: 3-6 Months	Families; 30%, 50%, & 60% AMHI
13	Mulberry Court	2007	48	89.6%	1.4 Miles	None	Seniors 55+; 50% & 60% AMHI
904	Overlook Pointe	2004	56	100.0%	42.5 Miles	3 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
906	West Haven Senior Village	2011	36*	100.0%	29.0 Miles	14 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
909	Harbor Pointe Apts.	2003	44*	95.5%	24.6 Miles	None	Seniors 55+; 50% AMHI

OCC. - Occupancy

*Tax Credit units only

900 series Map IDs are located outside the Site PMA

The five LIHTC projects have a combined occupancy rate of 97.1%. Notably, the lone age-restricted Tax Credit property within the Site PMA (Mulberry Court) is only 89.6% occupied. However, management reports several vacancies are the

result of recent illnesses and that the property typically only has a few vacant units. As such, these projects are considered well received within their respective market areas and the region; therefore, they will provide an accurate base of comparison to the subject project.

Based on our housing analysis (Section H) of the unit sizes (square footage), amenities and quality of the comparable LIHTC properties within the market and region, it is our opinion that the renovated subject development will be at a competitive disadvantage if it had to operate as a non-subsidized LIHTC development. However, as the HUD Section 8 subsidy will remain in-place following the LIHTC renovations, households will continue to pay up to 30% of their adjusted gross incomes towards housing costs. Considering the project can effectively target households with little to no income, the subsidized rents will be viewed as a significant value within the market area. Therefore, the project is expected to remain marketable within the Fitzgerald market area and no changes are recommended at this time.

Market-Rate Units

We identified one property within the Fitzgerald Site PMA that we consider comparable to the subject development that offers market-rate units. Due to the limited availability of market-rate developments within the Site PMA, we identified and surveyed four additional market-rate properties located outside of the Site PMA that we consider comparable to the subject property. The five selected market-rate projects have a combined total of 172 units with an overall occupancy rate of 91.3%. As such, these properties are considered accurate benchmarks with which to compare to the renovated subject project regardless of their overall occupancy rates.

A comparison of the weighted average collected rents and those proposed at the subject project is included below.

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$498	\$579

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent)/proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Contract Rent	Proposed LIHTC Rent*	Difference	Proposed LIHTC Rent*	Rent Advantage
One-Br.	\$498	\$605	- \$424 (50%)	\$74	/ \$424	17.4%
		\$605	- \$509 (60%)	-\$11	/ \$509	-2.2%
Two-Br.	\$579	\$680	- \$610 (60%)	-\$29	/ \$610	-4.8%

*Maximum Allowable under LIHTC program



Most of the maximum allowable rents at the site (without the HUD Section 8 subsidy) do not represent an advantage. However, these rent advantages would only be relevant if the proposed project ceased to operate with a project-based HUD Section 8 subsidy. Therefore, the advantages or disadvantages that the proposed rents represent are irrelevant to the perceived value of the project to low-income renters. Further, these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Considering the cost of all utilities are included in the monthly collected rent at the subject project, caution must be used when drawing any conclusions based on these collected rent advantages. Further, these rent advantages do not consider differences in unit size, amenities or location. Therefore, we have provided HUD Rent Comparability grids to provide a more accurate rent advantage analysis. This analysis and the achievable market rents derived from HUD Rent Comparability Grids are included in Addendum E.

9. Absorption/Stabilization Estimates

The subject project is currently 100.0% occupied and maintains a five-household waiting list. According to documentation provided by the developer, all but one of the current tenants will income-qualify to remain at the subject project following LIHTC renovations. Further, the renovations will not require the displacement of any of the current tenants. Based on these factors, there will effectively be no “absorption period,” as the project will consistently maintain an occupancy rate in excess of 93.0%. This assumes the project is renovated as proposed and maintains the HUD Section 8 subsidy. However, should the tenants be displaced for any reason and the project had to re-lease all 84 units under both the HUD Section 8 and LIHTC programs, we anticipate the units to reach a stabilized occupancy rate of 93.0% within seven to eight months. This assumes an absorption rate of 10 to 11 units per month.

A summary table of the proposed project and market findings is included on the following page.

SUMMARY TABLE

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

Development Name:	Fitzgerald Summit	Total # Units:	84
Location:	318 S. Grant St. Fitzgerald, GA 31750	# LIHTC Units:	84
PMA Boundary:	Ben Hill County line to the north; the Ben Hill and Irwin County lines to the east; State Route 32 to the south; and Jeff Davis Park Road, Cleveland Road, Kings Chapel Road and City Road 252 to the west.		
	Farthest Boundary Distance to Subject:		14.0 miles

RENTAL HOUSING STOCK (found on page H-1, Addendum A page 4 -5 and Addendum E-2)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	14	658	42	93.6%
Market-Rate Housing	5*	61*	18	70.5%
Assisted/Subsidized Housing not to include LIHTC	8**	350	14	96.0%
LIHTC (non-subsidized)	2*	102*	5	96.6%
Stabilized Comps (In PMA Only)	2	102	5	96.6%
Properties in Construction & Lease Up	n/a	n/a	n/a	n/a

*One development includes both Tax Credit and Market-Rate units (No Tax Credit units counted as market-rate and vice-versa).

**Several projects include both Tax Credit and government-subsidized units.

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
13	One	1.0	575	\$605	\$498	\$0.87	17.4%	\$	\$
70	One	1.0	575	\$605	\$498	\$0.87	-2.2%	\$	\$
1	Two	1.0	725	\$680	\$579	\$0.80	-4.8%	\$	\$

*Proposed tenant rents are contract rents. Tenants are only responsible for paying up to 30% of their adjusted incomes toward housing costs. Advantages based on maximum allowable LIHTC rents.

DEMOGRAPHIC DATA (Found on page E-2 to E-5 and G-5)

	2010		2012*		2014	
Renter Households	3,183	35.9%	3,182	35.9%	3,178	35.6%
Age- and Income-Qualified Renter HHs	571	6.4%	594	6.7%	616	6.9%
Income-Qualified Renter HHs (MR)	n/a	n/a	n/a	n/a	n/a	n/a

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other:___	Overall
Renter Household Growth	n/a	61	n/a	n/a	n/a	61
Existing Households (Overburd + Substand)	n/a	405	n/a	n/a	n/a	405
Homeowner conversion (Seniors)	n/a	35	n/a	n/a	n/a	35
Secondary Market Demand	n/a	70	n/a	n/a	n/a	70
Less Comparable/Competitive Supply	n/a	0	n/a	n/a	n/a	0
Net Income-Qualified Renter HHs	n/a	571	n/a	n/a	n/a	571

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other:___	Overall
Capture Rate	n/a	0.2%/ 14.7%*	n/a	n/a	n/a	0.2%/ 14.7%*

*Effective capture rate is 0.2% (assumes existing tenants remain after renovations).

SECTION B - PROJECT DESCRIPTION

Fitzgerald Summit is an existing apartment community in Fitzgerald, Georgia. Currently, this senior (age 62+) rental property operates under a HUD Section 8 contract agreement that subsidizes the housing costs (rent and utilities) of all 84 of its units. This subsidy limits residents housing costs to 30% of their adjusted gross incomes. As it currently operates, the HUD Section 8 agreement limits tenants' household income to 50% of Area Median Household Income (AMHI). At the time of our interview with property management, Fitzgerald Summit was 100% occupied with a five-household waiting list.

As proposed, Fitzgerald Summit will undergo extensive renovations that will update each of the one- and two-bedroom units, common interior spaces, the exterior of the subject building and the surrounding grounds. The renovations will be partially funded using Low-Income Housing Tax Credit (LIHTC) financing. Under the LIHTC agreement, the project will be eligible to target senior households earning up to 50% and 60% of AMHI. However, the developer anticipates renewing the HUD Section 8 subsidy. As such, the more conservative income targeting of 50% will effectively supersede the income targeting under the LIHTC agreement.

Additional details regarding the renovated subject project follow:

A. PROJECT DESCRIPTION

1. **Project Name:** Fitzgerald Summit
2. **Property Location:** 318 S. Grant St.
Fitzgerald, GA 31750
(Ben Hill County)
3. **Project Type:** Tax Credit rehab of an existing HUD Section 8 property
4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	Percent of AMHI	Current Contract Rents	Proposed Contract Rents			Max Allowable LIHTC Rent
							Collected	Utility Allowance	Gross	
13	One	1.0	Garden	575	50%	\$605	\$605	\$0	\$605	\$424
70	One	1.0	Garden	575	60%	\$605	\$605	\$0	\$605	\$509
1	Two	1.0	Garden	725	60%	\$680	\$680	\$0	\$680	\$610
84										

Source: The Woda Group, LLC

AMHI – Area Median Household Income (Ben Hill County, GA)

As proposed, the project will continue to operate with a HUD Section 8 subsidy after LIHTC renovations. As such, the project will effectively continue to target households earning up to 50% of AMHI. In the unlikely scenario the subsidy was not renewed, the project would operate solely under LIHTC program guidelines and target households earning up to 50% and 60% of AMHI. In this scenario, the the maximum allowable LIHTC rents would take effect.

For the purposes of this market study, we will evaluate the renovated LIHTC project as it will effectively operate with a HUD Section 8 subsidy and in the unlikely scenario the project-based subsidy was lost and the project had to operate solely under Tax Credit guidelines.

- 5. Target Market:** Elderly (Age 62 and older)
- 6. Project Design:** Five-story, elevator-served building with interior corridors and integrated community space
- 7. Original Year Built:** 1979
- 8. Projected Opening Date:** Rehab to be complete by 2014
- 9. Unit Amenities:**
- Refrigerator
 - Electric Stove
 - Dishwasher
 - Garbage Disposal
 - Microwave Range Hoods
 - Air Conditioner (Heat Pump)
 - Carpet
 - Blinds
 - Intercom Entry
- 10. Community Amenities:**
- On-Site Management
 - Community Room
 - Picnic Area
 - Community Gardens
 - Central Laundry Facility
 - Elevator
 - Gazebo
 - Covered Bike Rack
- 11. Resident Services:**
- Service Coordinator

12. Utility Responsibility:

The cost of electricity (including heat, hot water and cooking), cold water, sewer and trash removal will be included in the monthly rent. Tenants will be responsible for any other utility costs such as cable or phone service.

13. Rental Assistance:

The HUD Section 8 HAP contract will remain at the subject development following LIHTC renovations. As such, tenants will continue to pay up to 30% of their adjusted gross incomes toward housing costs (rent and utilities).

14. Parking:

Uncovered, surface parking spaces are provided to residents at no charge.

15. Current Project Status:

The subject project is currently 100.0% occupied and maintains a five-household waiting list. Current HUD Section 8 contract rents are \$605 to \$680, but tenants are only responsible for paying up to 30% of their adjusted gross income toward housing costs. Under the HUD Section 8 program agreement, tenant household incomes cannot exceed 50% of Area Median Household Income, which was \$18,100 in 2012 for a two-person household. Based on the most recent roll provided by the developer, most households are earning \$15,400 and below. According to the developer, all but one of the existing tenants will income-qualify to remain at the subject project following renovations.

Proposed LIHTC renovations include a complete “gut-rehab” of each unit totaling approximately \$60,000 per unit. Notable renovations include new cabinets, doors, hardware, light fixtures, plumbing fixtures, flooring, new windows, new appliances, the addition of garbage disposals and dishwashers. A complete list of the renovations is included in Addendum F of this report.

16. Statistical Area: Peach County, Georgia (2012)

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

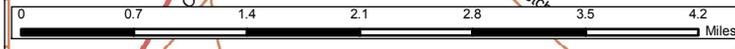
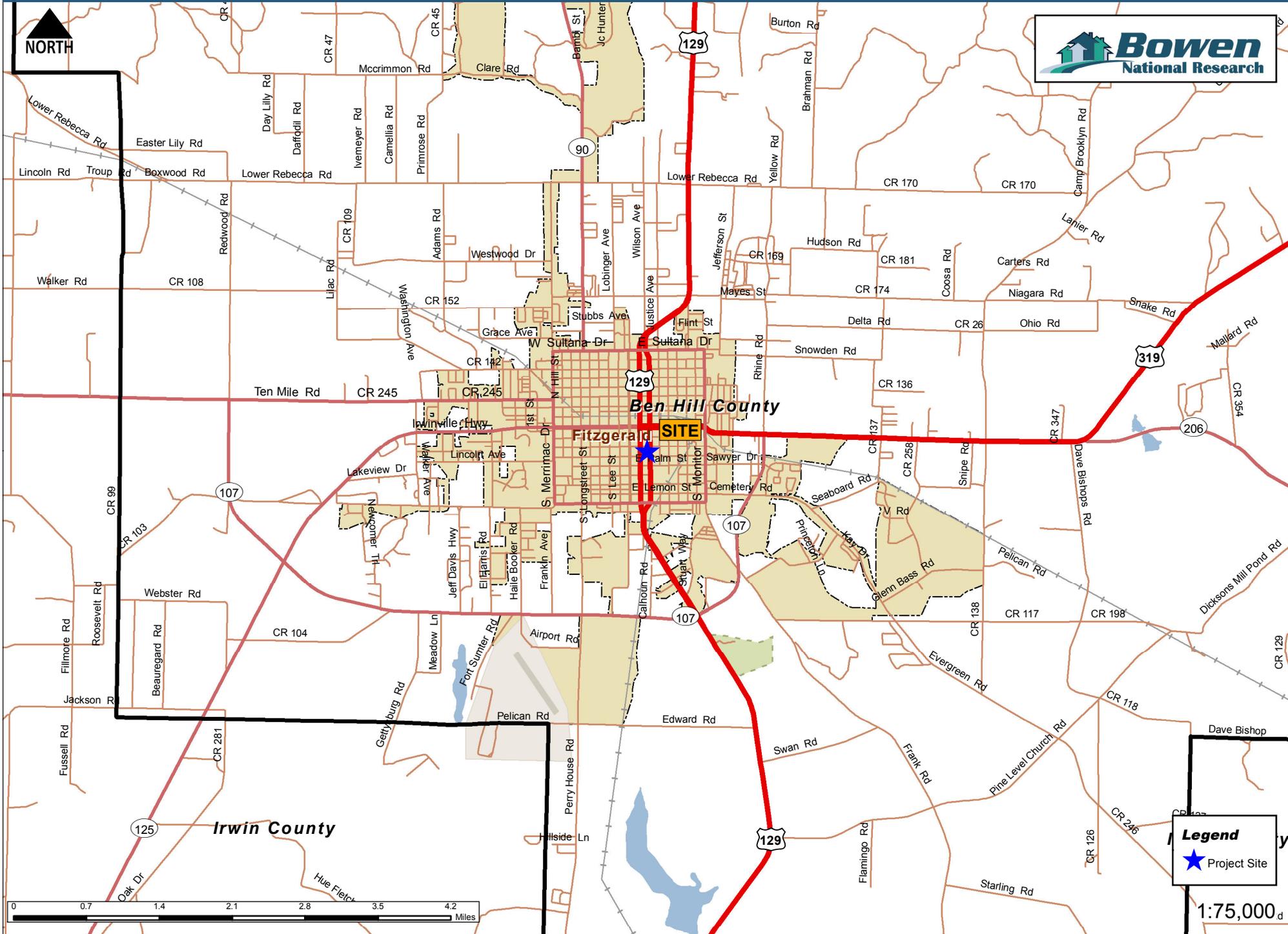
State of Georgia



Legend
★ Project Site

1:3,387,849

Fitzgerald, GA: Surrounding Area



Legend
★ Project Site

1:75,000

Fitzgerald, GA: Site Neighborhood



Legend
Project Site
Image Date: 09-25-2010
1 inch = 333 feet

SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is the existing Fitzgerald Summit Apartments located at 318 South Grant Street in the central portion of Fitzgerald, Georgia. Located within Ben Hill County, Fitzgerald is approximately 90.0 miles south of Macon, Georgia and approximately 118.0 miles northeast of Tallahassee, Florida. Jack Wiseman, an employee of Bowen National Research, inspected the site and area apartments during the week of June 4, 2012.

2. SURROUNDING LAND USES

The subject site is located within an established area of Fitzgerald. Surrounding land uses include single-family homes, local businesses, government facilities, undeveloped land and vacant structures. Adjacent land uses are detailed as follows:

North -	Two-lane East Magnolia Street borders the site to the north. Continuing north are undeveloped, vacant land, various local businesses and vacant structures which comprise downtown Fitzgerald. Further north are additional local businesses, railroad tracks and single-family homes.
East -	South Sherman Street borders the site to the east, a three-lane, one-way street traveling northbound. Continuing east are the Housing Authority of the City of Fitzgerald and single-family homes in poor to fair condition. Further east are additional single-family homes and railroad tracks.
South -	Two-lane East Jessamine Street borders the site to south. Continuing south are undeveloped, vacant land, a vacant single-family dwelling in poor condition, single-family homes in good condition and various local businesses, which extend further south.
West -	Directly west of the site are local businesses and a vacant gas station, followed by South Grant Street, a three-lane, one-way street traveling southbound. Continuing west are the Uptown Motel, Colony Bank and various other local businesses that range from satisfactory to good condition. Further west are single-family homes.

There are various structures within the immediate neighborhood that are vacant and visible from the subject site. However, this has not had a negative impact on its marketability as it is 100% occupied and maintains a waitlist.

3. VISIBILITY AND ACCESS

The subject building is one of the tallest structures within the immediate vicinity and is clearly seen from surrounding roadways. Signage is easily viewed from Grant Street. Overall visibility is considered excellent.

The subject site derives primary access from South Grant Street and secondary access from Sherman and Magnolia streets. Vehicular traffic along the surrounding roadways is considered light and clear lines of sight are provided in all directions of travel. The subject site is within 1.3 miles of State Routes 11, 90 and 107 and U.S. Highway 129 and 319. On-call, on-site public transportation is also available. Overall access is considered good.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (miles)
Major Highway (s)	State Route 11/90 & U.S. Highway 129/319	Adjacent West
Public Bus Stop	We Smile Transport	On-site
Major Employers/ Employment Centers	Ben Hill County Education Systems Dorminy Medical Center	0.6 Southwest 1.4 Southwest
Convenience Store	Shell	0.3 North
Grocery	Harvey's Supermarket Piggly Wiggly	0.4 Northwest 0.8 South
Discount Department Store	Dollar General Family Dollar Dollar Tree Walmart Supercenter	0.3 South 0.8 South 1.3 Southeast 1.6 South
Shopping Center/Mall	Village Shopping Center Colony Square Shopping Center	0.8 South 1.3 Southeast
Hospital	Ben Hill County Health Department Dorminy Medical Center	0.6 Southwest 1.4 Southwest
Police	Fitzgerald Police Department	1.3 Southwest
Fire	Fitzgerald Fire Department	0.2 Northeast
Post Office	U.S. Post Office	0.3 Northwest
Bank	Colony Bank	0.2 West
Senior Center	Ben Hill County Senior Citizens Center	0.6 Southwest
Recreational Facilities	Blue and Gray Park American Legion Park	0.2 Southeast 0.8 Northwest
Gas Station	Shell	0.3 North
Pharmacy	Colony Discount Drugs CVS Pharmacy Rite Aid	0.1 Southwest 0.4 South 0.8 South
Restaurant	Domino's Pizza KFC	0.2 South 0.4 South
Library	Fitzgerald Ben Hill County Library	0.3 Northwest
Ambulance	Southern Regional Mobile	0.4 South

The subject site is served by various retail opportunities. Community services located within 1.5 miles include gas stations/convenience stores, pharmacies, grocery stores, discount department stores, banks, restaurants, a library, a post office and shopping centers. The Fitzgerald Police and Fire Departments serve the subject site and are both located within 1.3 miles. The Dorminy Medical Center is a 75-bed facility and is located on Perry House Road, 1.4 miles southwest of the site. Ben Hill County Senior Citizens Center, which includes numerous social, educational and counseling programs for elderly residents, is 0.6 miles southwest of the site on Appomattox Road. We Smile Transport is an on-call, on-site public transportation service that serves residents of Fitzgerald.

5. CRIME ISSUES

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

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

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (86) for the Site PMA is below the national average with an overall personal crime index of 74 and a property crime index of 86. Total crime risk (88) for Ben Hill County is below the national average with indexes for personal and property crime of 75 and 89, respectively.

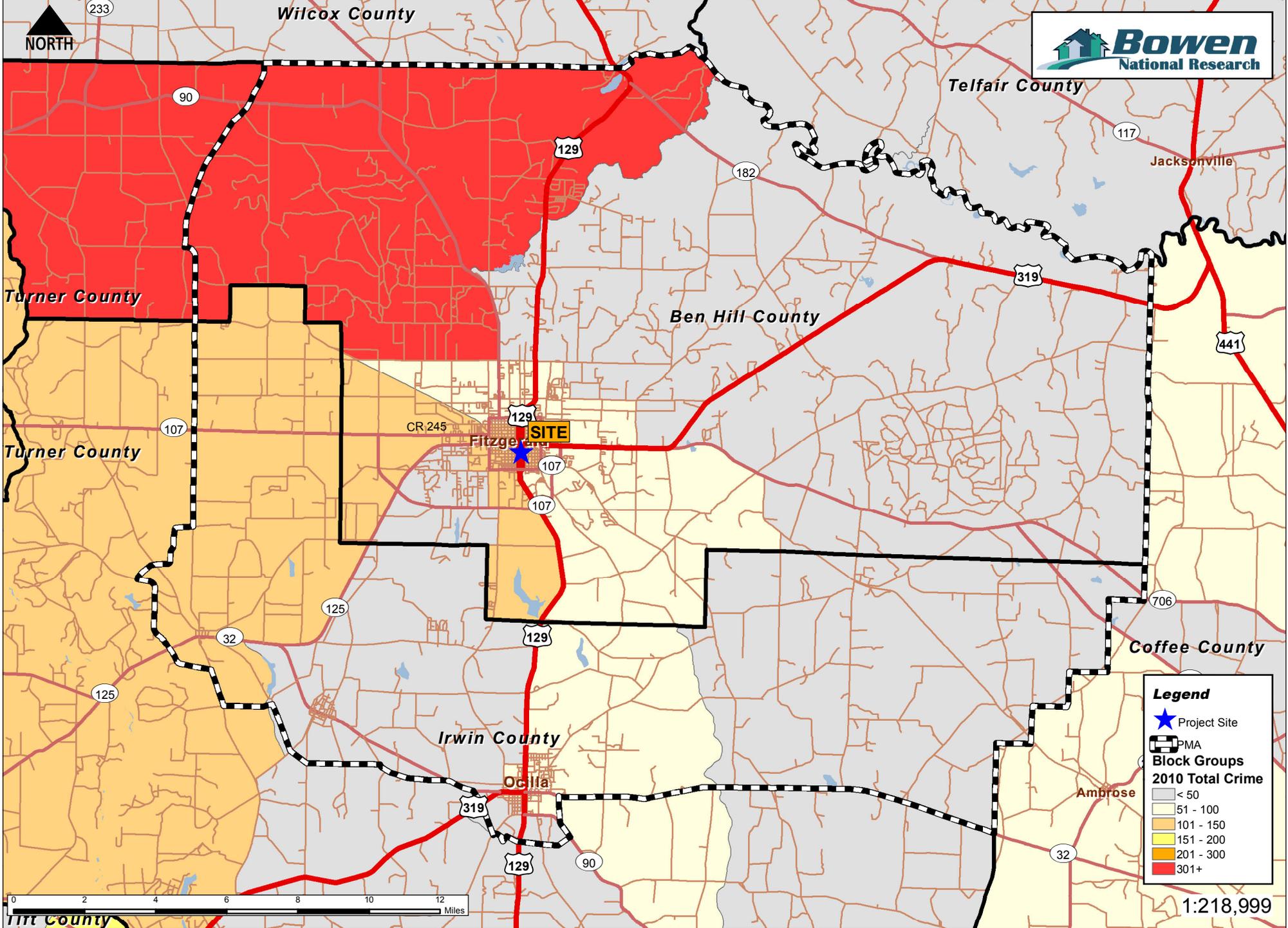
	Crime Risk Index	
	Site PMA	Ben Hill County
Total Crime	86	88
Personal Crime	74	75
Murder	90	98
Rape	52	51
Robbery	54	59
Assault	112	102
Property Crime	86	89
Burglary	119	127
Larceny	96	96
Motor Vehicle Theft	45	48

Source: Applied Geographic Solutions

The crime risk indices within the Site PMA and Ben Hill County as a whole are both below the national average (100). Therefore, it is unlikely that there is an inflated perception of crime within the subject neighborhood. As such, we do not anticipate any tangible impact on marketability from the potential crime risk at the subject property.

A map illustrating crime risk is on the following page.

Fitzgerald, GA: 2010 Crime Risk



Legend

- ★ Project Site
- PMA
- Block Groups**
- 2010 Total Crime**
- < 50
- 51 - 100
- 101 - 150
- 151 - 200
- 201 - 300
- 301+

1:218,999

6. SITE PHOTOGRAPHS

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

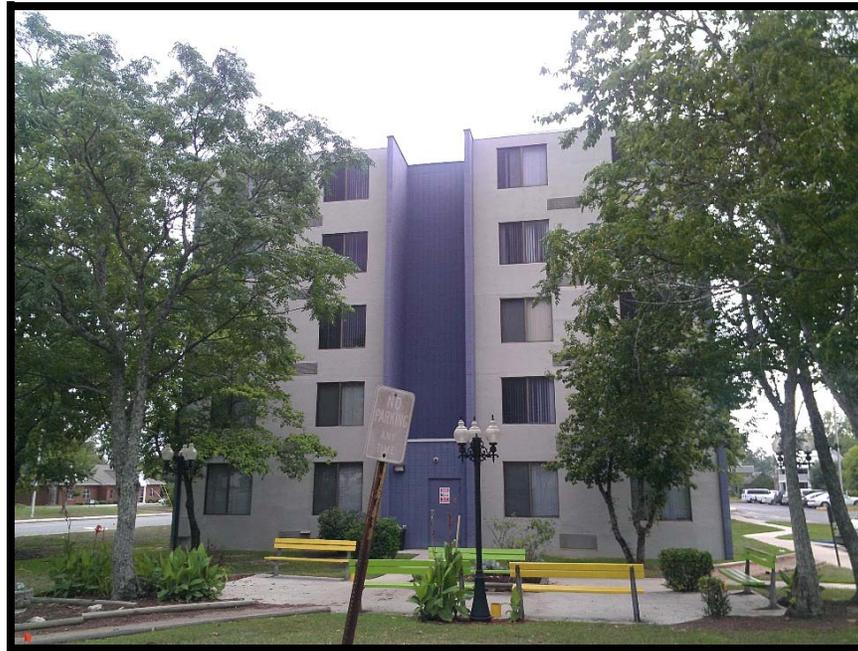
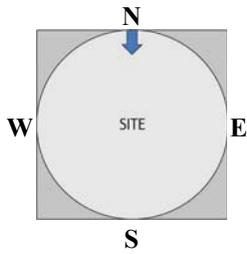
SITE PHOTOGRAPHS



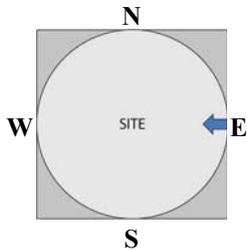
Signage



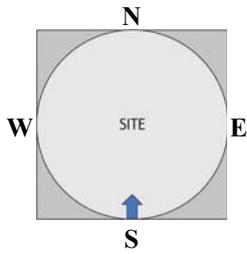
Typical exterior of building



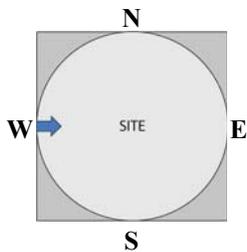
View of site from the north



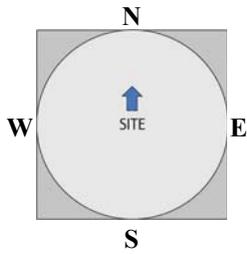
View of site from the east



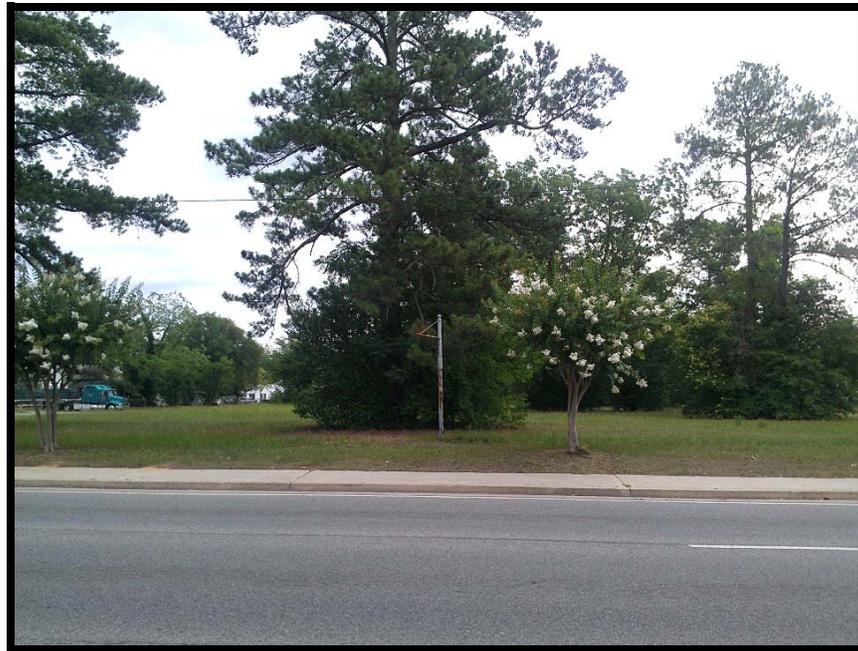
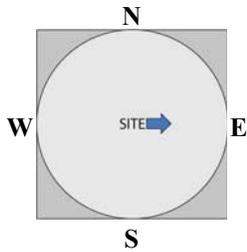
View of site from the south



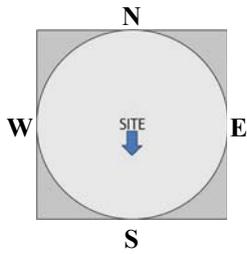
View of site from the west



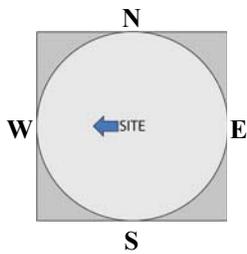
North view from site



East view from site



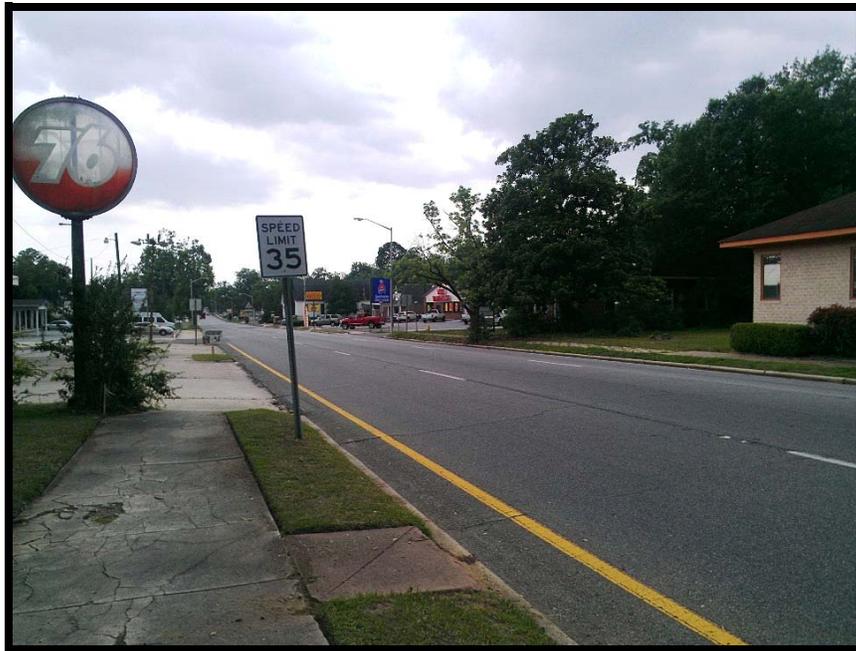
South view from site



West view from site



North on South Grant Street



South on South Grant Street



Picnic area



Laundry



Community Room



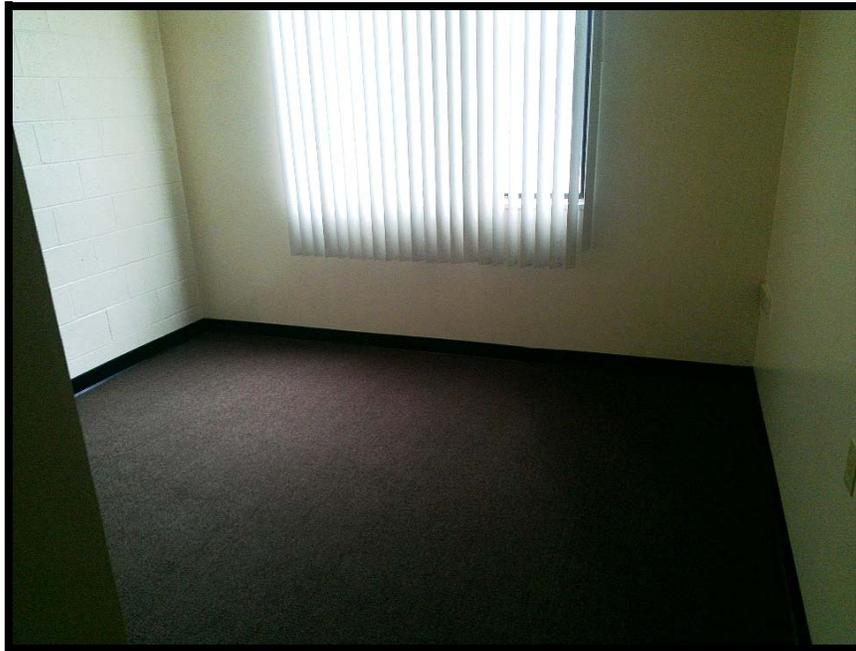
Community Room



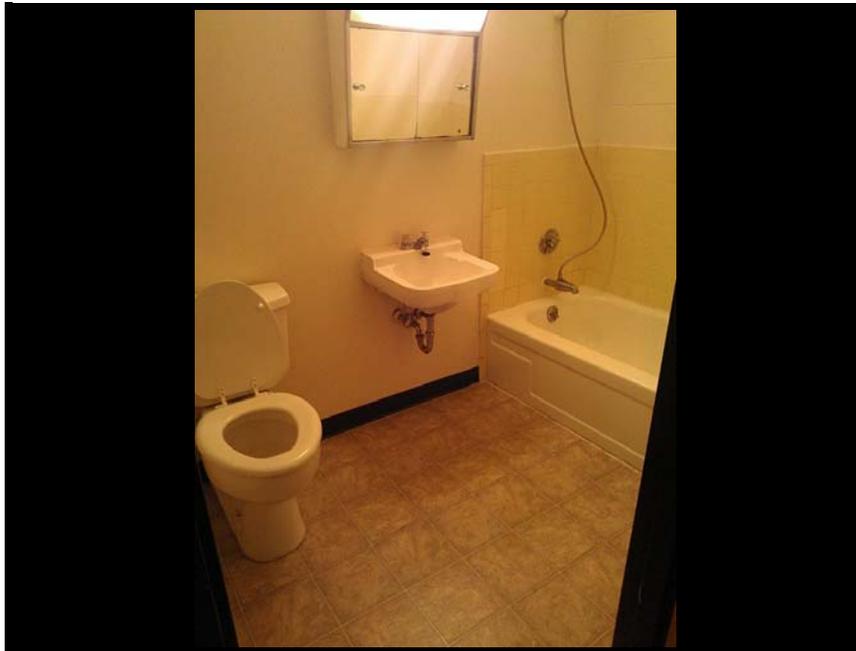
Typical living room



Typical kitchen



Typical bedroom



Typical bathroom

7. COMMUNITY SERVICES MAP

Maps illustrating the location of community services are on the following pages.

Fitzgerald, GA: Neighborhood Community Services

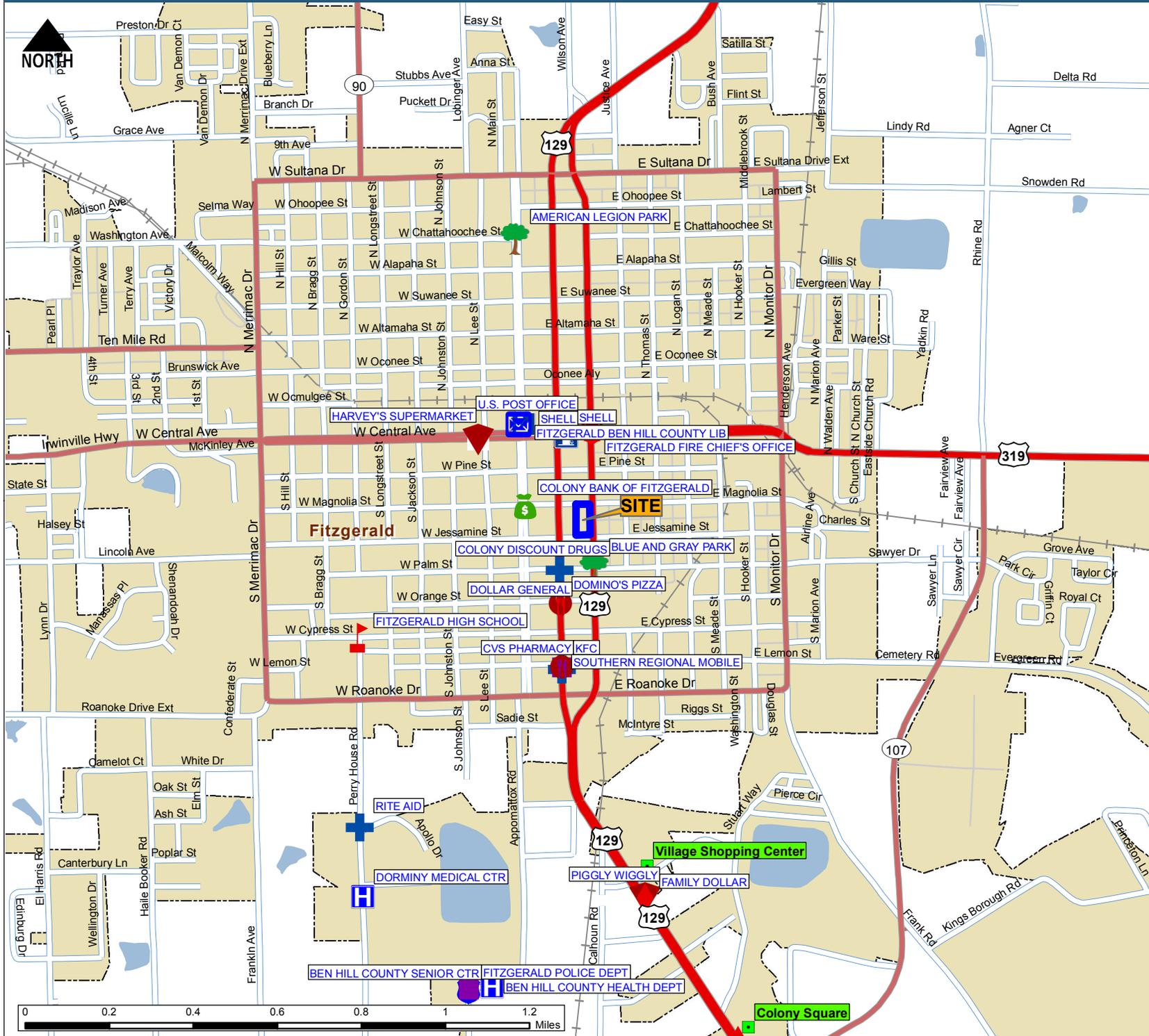


Legend

- Project Site
- bank
- convenience store
- fire
- gas
- grocery
- high school
- hospital services
- park
- pharmacy
- police
- post office
- rec./community center
- restaurant
- shopping

Shopping Center

- Gross Leasable Area
- < 500,000 sq. ft.
 - < 1,000,000 sq. ft.
 - < 3,200,000 sq. ft.



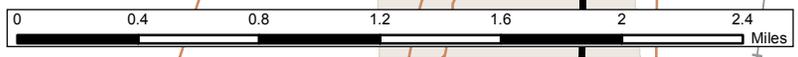
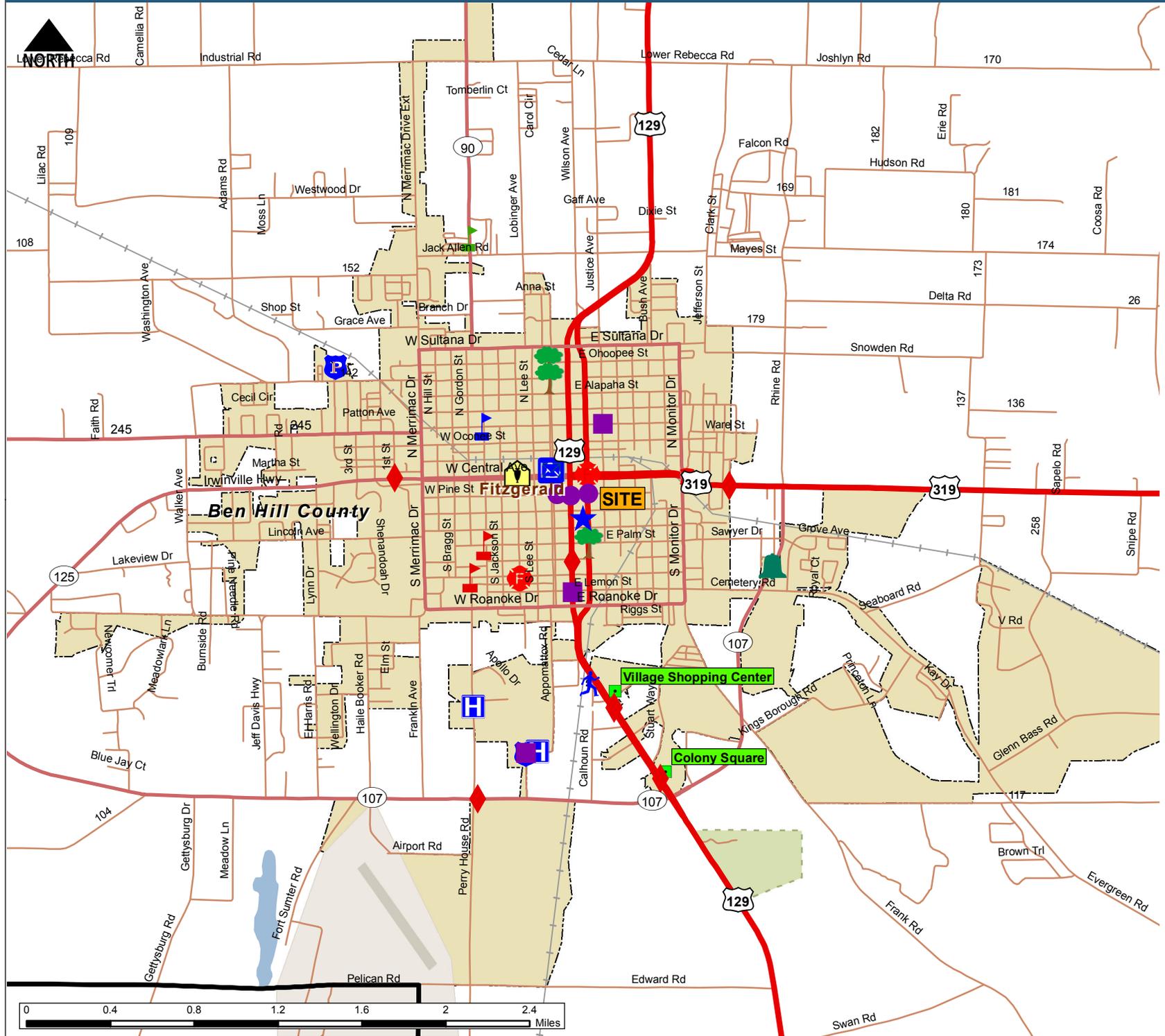
Fitzgerald, GA: Regional Community Services



Legend

- Project Site
- elementary school
- fire
- fitness center
- high school
- hospital services
- medical center
- middle school
- museum
- park
- police
- post office
- rec./community center
- senior services
- shopping
- university/college

- Shopping Center**
Gross Leasable Area
- < 500,000 sq. ft.
 - < 1,000,000 sq. ft.
 - < 3,200,000 sq. ft.



1:40,000

8. NEIGHBORHOOD DEVELOPMENTS/ZONING

The subject project involves the renovation of 84 apartment units in the central portion of Fitzgerald. Nearby land uses include undeveloped land, local businesses, single-family homes, vacant structures and government facilities. The area is currently zoned for multifamily use and this zoning is not expected to change.

9. MAP OF LOW-INCOME RENTAL HOUSING

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

10. PLANNED ROAD OR INFRASTRUCTURE IMPROVEMENTS

According to area planning and zoning officials, no notable roads or other infrastructure projects are underway or planned for the immediate site area. The subject site has convenient access to State Routes 11, 90 and 107 and U.S. Highway 129 and 319.

11. VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

As noted, there are various vacant structures visible from the subject site; however, they are not anticipated to hinder its marketability as the site is 100% occupied and maintains a waitlist.

12. OVERALL SITE EVALUATION

The subject site is located within an established area of Fitzgerald. Surrounding land uses include residential homes and commercial businesses. Access and visibility are considered good. Notably, there are numerous community services such as discount retailers, convenience stores and banks within walking distance. All other community services, including emergency responders, grocery stores and pharmacies are all located within 2.0 miles. Overall, we consider the surrounding land uses and the site's proximity to community services to have a continued positive impact on its marketability.

SECTION D – PRIMARY MARKET AREA DELINEATION

The Site Primary Market Area (PMA) is the geographical area from which 85% of the support for the subject site originates. The Fitzgerald Site PMA was determined through interviews with management at the subject site, area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Fitzgerald Site PMA includes Fitzgerald, Wray, Ocilla, Irwinville and the surrounding unincorporated areas of Ben Hill and Irwin counties. Specifically, the boundaries of the Site PMA include the Ben Hill County line to the north; the Ben Hill and Irwin County lines to the east; State Route 32 to the south; and Jeff Davis Park Road, Cleveland Road, Kings Chapel Road and City Road 252 to the west.

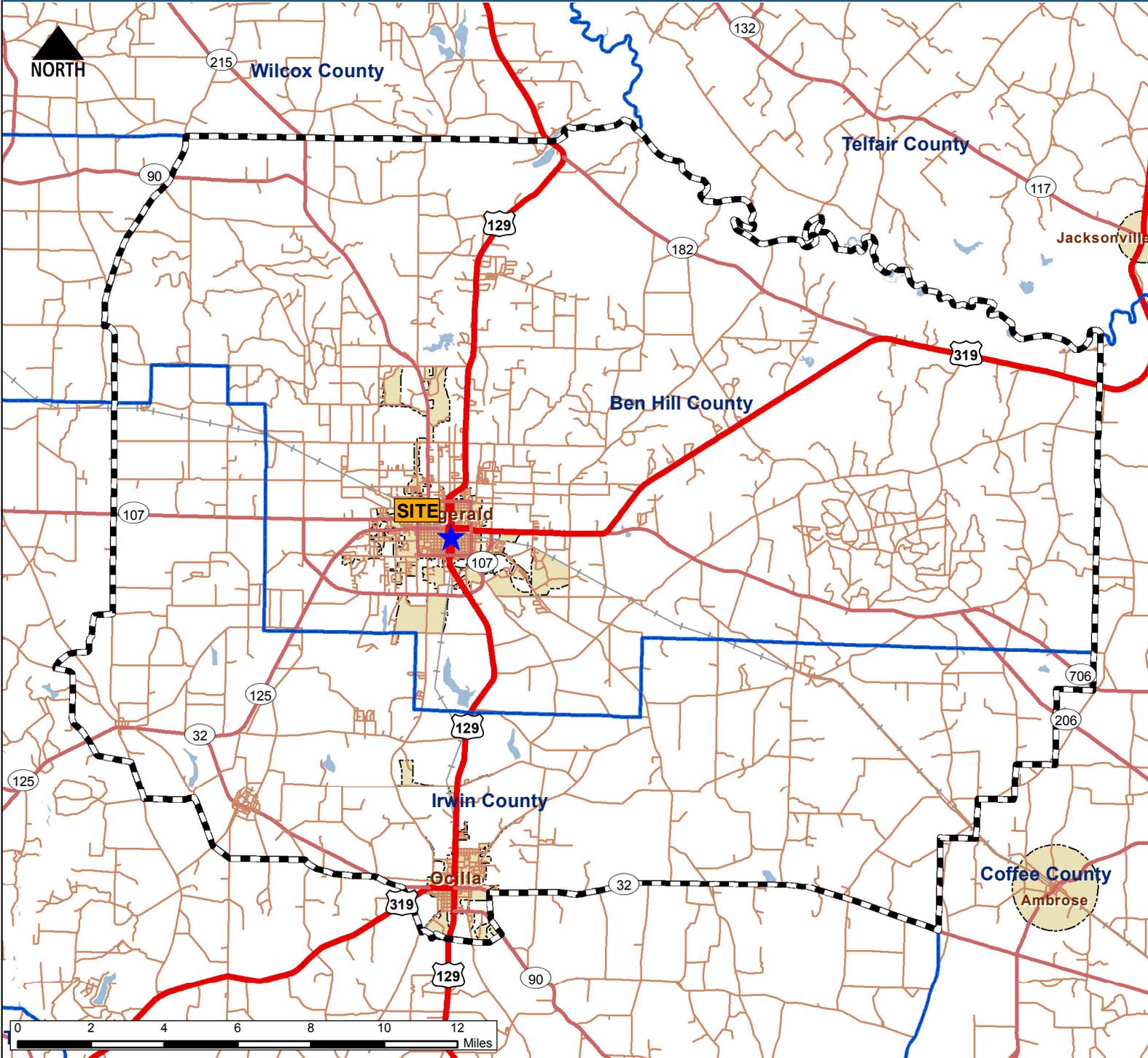
Ms. Penny Adkinson is the property manager of Fitzgerald Summit Apartments (subject site) and she stated that at least 90% of her current residents are from Fitzgerald and the immediate towns surrounding Fitzgerald. She noted that seniors are more likely to stay local, as they want to remain close to family members and familiar community services.

The areas outside of the Site PMA are primarily rural and are not likely to provide much support for the subject site. These areas predominantly consist of higher-income, owner-occupied households and these households will not likely respond to, nor qualify for, the low-income rental units offered at the subject site.

A small portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered a secondary market area in this report.

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

Fitzgerald, GA: Primary Market Area



Primary Market Area Information
 Area: 348.35 Sq. Miles
 County in PMA: Ben Hill and Irwin
 2011 Estimated Population: 23,587
 2011 Total Households: 8,882
 2011 Median Household Inc.: \$28,130

Legend

- Project Site
- PMA

1:240,625

SECTION E - COMMUNITY DEMOGRAPHIC DATA

1. POPULATION TRENDS

The Fitzgerald Site PMA population base increased by 1,622 between 1990 and 2000. This represents a 7.4% increase over the 1990 population, or an annual rate of 0.7%. The Site PMA population bases for 1990, 2000, 2011 (estimated) and 2014 (projected) are summarized as follows:

	Year			
	1990 (Census)	2000 (Census)	2011 (Estimated)	2014 (Projected)
Population	21,897	23,519	23,587	23,618
Population Change	-	1,622	68	31
Percent Change	-	7.4%	0.3%	0.1%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2000 and 2011, the population increased by 68, or 0.3%. It is projected that the population will increase by 31, or 0.1%, between 2011 and 2014. This growth rate is indicative of a stable population base.

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

Population by Age	2000 (Census)		2011 (Estimated)		2014 (Projected)		Change 2011-2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,208	30.6%	6,710	28.4%	6,546	27.7%	-164	-2.5%
20 to 24	1,544	6.6%	1,401	5.9%	1,444	6.1%	43	3.0%
25 to 34	3,028	12.9%	2,921	12.4%	2,947	12.5%	26	0.9%
35 to 44	3,215	13.7%	2,892	12.3%	2,812	11.9%	-80	-2.8%
45 to 54	3,047	13.0%	3,216	13.6%	3,041	12.9%	-175	-5.4%
55 to 64	2,215	9.4%	2,959	12.5%	3,069	13.0%	110	3.7%
65 to 74	1,632	6.9%	1,971	8.4%	2,213	9.4%	242	12.3%
75 & Over	1,630	6.9%	1,517	6.4%	1,546	6.5%	29	1.9%
Total	23,519	100.0%	23,587	100.0%	23,618	100.0%	31	0.1%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, most of the population growth will be among those persons age 65 to 74. In 2014, over 27.0% of the population will be age 55 and older. As the subject project will target households age 62 and older, this age group represents the prime group of potential renters for the subject site and will likely represent a significant number of the tenants.

The following compares the PMA's elderly (age 62+) and non-elderly population.

Population Type	Year		
	2000 (Census)	2011 (Estimated)	2014 (Projected)
Elderly (Age 62+)	3,862	4,288	4,628
Non-Elderly	19,657	19,299	18,990
Total	23,519	23,587	23,618

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

The elderly population is projected to increase by 340, or 7.9%, between 2011 and 2014. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

2. HOUSEHOLD TRENDS

Within the Fitzgerald Site PMA, households increased by 880 (11.0%) between 1990 and 2000. Household trends within the Fitzgerald Site PMA are summarized as follows:

	Year			
	1990 (Census)	2000 (Census)	2011 (Estimated)	2014 (Projected)
Households	7,993	8,873	8,882	8,911
Household Change	-	880	9	29
Percent Change	-	11.0%	0.1%	0.3%
Household Size	2.68	2.58	2.58	2.57

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2000 and 2011, households increased by 9 or 0.1%. By 2014, there will be 8,911 households, an increase of 29 households, or 0.3% over 2011 levels. This is an increase of approximately 10 households annually over the next three years.

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

Households by Age	2000 (Census)		2011 (Estimated)		2014 (Projected)		Change 2011-2014	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	552	6.2%	495	5.6%	479	5.4%	-16	-3.3%
25 to 34	1,473	16.6%	1,345	15.1%	1,324	14.9%	-21	-1.6%
35 to 44	1,632	18.4%	1,446	16.3%	1,423	16.0%	-23	-1.6%
45 to 54	1,688	19.0%	1,627	18.3%	1,492	16.7%	-135	-8.3%
55 to 64	1,365	15.4%	1,661	18.7%	1,722	19.3%	61	3.7%
65 to 74	1,109	12.5%	1,184	13.3%	1,318	14.8%	134	11.4%
75 to 84	808	9.1%	768	8.6%	797	8.9%	29	3.7%
85 & Over	246	2.8%	356	4.0%	357	4.0%	1	0.2%
Total	8,873	100.0%	8,882	100.0%	8,911	100.0%	29	0.3%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2011 and 2014, the greatest growth among household age groups is projected to be among the households between the ages of 65 and 74.

Households by tenure are distributed as follows:

Distribution of Households	2000 (Census)		2011 (Estimated)		2014 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied (<Age 62)	4,171	47.0%	3,651	41.1%	3,548	39.8%
Owner-Occupied (Age 62+)	1,939	21.9%	2,049	23.1%	2,185	24.5%
Renter-Occupied (<Age 62)	2,129	24.0%	2,447	27.6%	2,375	26.6%
Renter-Occupied (Age 62+)	634	7.1%	735	8.3%	803	9.0%
Total	8,873	100.0%	8,882	100.0%	8,911	100.0%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Currently, 8.3% of all occupied housing units within the Site PMA are occupied by renters age 62 and older. By 2014, both the number and share of senior renters is projected to increase. This indicates the potential base of support for the subject project will likely increase.

The household sizes by tenure for age 62 and older within the Site PMA, based on the 2000 Census and 2011 estimates, are distributed as follows:

Persons Per Renter Household Age 62+	2000 (Census)		2011 (Estimated)		Change 2000-2011	
	Households	Percent	Households	Percent	Households	Percent
1 Person	439	69.3%	513	69.8%	74	16.8%
2 Persons	154	24.4%	155	21.2%	1	0.6%
3 Persons	22	3.5%	37	5.1%	15	68.9%
4 Persons	18	2.9%	29	4.0%	11	61.9%
5 Persons+	0	0.0%	0	0.0%	0	N/A
Total	634	100.0%	735	100.0%	101	16.0%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household Age 62+	2000 (Census)		2011 (Estimated)		Change 2000-2011	
	Households	Percent	Households	Percent	Households	Percent
1 Person	753	38.8%	807	39.4%	54	7.2%
2 Persons	870	44.9%	892	43.5%	21	2.5%
3 Persons	217	11.2%	250	12.2%	33	15.3%
4 Persons	52	2.7%	48	2.4%	-4	-8.0%
5 Persons+	46	2.4%	52	2.5%	5	11.8%
Total	1,939	100.0%	2,049	100.0%	110	5.7%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

The subject site will continue to target one- to two-person households, which comprise over 90.0% of the senior renter households. As such, the subject units will remain marketable to most senior household sizes.

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

Household Income	2000 (Census)		2011 (Estimated)		2014 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	1,547	17.4%	1,467	16.5%	1,452	16.3%
\$10,000 to \$19,999	1,781	20.1%	1,667	18.8%	1,657	18.6%
\$20,000 to \$29,999	1,447	16.3%	1,353	15.2%	1,355	15.2%
\$30,000 to \$39,999	994	11.2%	1,070	12.0%	1,074	12.1%
\$40,000 to \$49,999	784	8.8%	775	8.7%	779	8.7%
\$50,000 to \$59,999	708	8.0%	620	7.0%	624	7.0%
\$60,000 to \$74,999	609	6.9%	709	8.0%	714	8.0%
\$75,000 to \$99,999	564	6.4%	617	6.9%	629	7.1%
\$100,000 to \$124,999	253	2.9%	330	3.7%	339	3.8%
\$125,000 to \$149,999	108	1.2%	150	1.7%	155	1.7%
\$150,000 to \$199,999	37	0.4%	75	0.8%	80	0.9%
\$200,000 & Over	39	0.4%	51	0.6%	52	0.6%
Total	8,873	100.0%	8,882	100.0%	8,911	100.0%
Median Income	\$27,658		\$29,662		\$29,936	

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

In 2000, the median household income was \$27,658. This increased by 7.2% to \$29,662 in 2011. By 2014, it is projected that the median household income will be \$29,936, an increase of 0.9% over 2011.

The distribution of households by income age 62 and older within the Fitzgerald Site PMA is summarized as follows:

Household Income 62+	2000 (Census)		2011 (Estimated)		2014 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	669	26.0%	646	23.2%	683	22.9%
\$10,000 to \$19,999	713	27.7%	701	25.2%	740	24.8%
\$20,000 to \$29,999	457	17.8%	493	17.7%	528	17.7%
\$30,000 to \$39,999	145	5.7%	229	8.2%	253	8.5%
\$40,000 to \$49,999	193	7.5%	189	6.8%	202	6.7%
\$50,000 to \$59,999	124	4.8%	147	5.3%	164	5.5%
\$60,000 to \$74,999	135	5.2%	156	5.6%	170	5.7%
\$75,000 to \$99,999	45	1.8%	107	3.9%	120	4.0%
\$100,000 to \$124,999	41	1.6%	51	1.8%	58	1.9%
\$125,000 to \$149,999	42	1.6%	36	1.3%	40	1.3%
\$150,000 to \$199,999	1	0.0%	21	0.8%	22	0.7%
\$200,000 & Over	7	0.3%	6	0.2%	8	0.3%
Total	2,573	100.0%	2,783	100.0%	2,989	100.0%
Median Income	\$18,659		\$20,898		\$21,347	

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

In 2000, the median household income for households age 62 and older was \$18,659. This increased by 12.0% to \$20,898 in 2011. By 2014, it is projected that the median household income will be \$21,347, an increase of 2.1% over 2011.

The following tables illustrate renter household income by household size for 2000, 2010, 2011 and 2014 for the Fitzgerald Site PMA:

Renter Households	2000 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	423	174	144	104	47	892
\$10,000 to \$19,999	324	168	139	49	72	752
\$20,000 to \$29,999	98	61	72	35	76	342
\$30,000 to \$39,999	38	132	40	37	37	285
\$40,000 to \$49,999	1	56	24	55	18	154
\$50,000 to \$59,999	3	41	36	62	8	150
\$60,000 to \$74,999	1	29	19	12	13	73
\$75,000 to \$99,999	2	26	19	11	15	73
\$100,000 to \$124,999	0	11	6	5	2	24
\$125,000 to \$149,999	0	2	6	2	0	10
\$150,000 to \$199,999	0	2	0	2	0	4
\$200,000 & Over	0	1	2	0	1	5
Total	891	704	506	373	289	2,763

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	495	163	153	99	45	955
\$10,000 to \$19,999	403	176	137	49	66	832
\$20,000 to \$29,999	132	67	72	42	90	404
\$30,000 to \$39,999	49	152	55	41	40	337
\$40,000 to \$49,999	4	68	31	76	28	207
\$50,000 to \$59,999	5	39	42	64	8	159
\$60,000 to \$74,999	3	39	37	16	22	117
\$75,000 to \$99,999	1	33	30	14	18	97
\$100,000 to \$124,999	1	17	13	8	8	46
\$125,000 to \$149,999	0	5	6	4	1	16
\$150,000 to \$199,999	1	2	3	2	0	8
\$200,000 & Over	0	3	2	1	1	7
Total	1,095	764	581	415	328	3,183

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2011 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	497	161	151	97	45	951
\$10,000 to \$19,999	405	175	136	49	66	831
\$20,000 to \$29,999	132	67	72	43	90	404
\$30,000 to \$39,999	49	151	55	41	41	336
\$40,000 to \$49,999	4	69	31	76	27	207
\$50,000 to \$59,999	5	38	42	64	8	158
\$60,000 to \$74,999	3	39	38	16	22	118
\$75,000 to \$99,999	2	33	31	14	19	98
\$100,000 to \$124,999	1	17	13	8	8	46
\$125,000 to \$149,999	0	5	7	4	1	17
\$150,000 to \$199,999	1	2	3	2	0	9
\$200,000 & Over	0	3	2	1	2	8
Total	1,099	760	580	415	329	3,182

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2014 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	502	156	145	94	44	942
\$10,000 to \$19,999	409	171	133	50	66	830
\$20,000 to \$29,999	133	67	70	45	89	403
\$30,000 to \$39,999	49	150	54	40	43	336
\$40,000 to \$49,999	4	70	30	76	26	207
\$50,000 to \$59,999	6	34	42	64	7	154
\$60,000 to \$74,999	3	38	40	17	24	120
\$75,000 to \$99,999	2	34	33	14	19	103
\$100,000 to \$124,999	1	16	14	9	8	48
\$125,000 to \$149,999	0	5	7	4	1	18
\$150,000 to \$199,999	1	3	4	2	1	11
\$200,000 & Over	0	3	2	2	2	8
Total	1,110	746	575	416	331	3,178

Source: Ribbon Demographics; ESRI; Urban Decision Group

The following tables illustrate renter household income by household size for age 62 and older for 2000, 2010, 2011 and 2014 for the Fitzgerald Site PMA:

Renter Age 62+ Households	2000 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	250	31	0	0	0	281
\$10,000 to \$19,999	174	82	0	0	0	255
\$20,000 to \$29,999	15	6	0	8	0	30
\$30,000 to \$39,999	0	5	0	0	0	5
\$40,000 to \$49,999	0	20	0	0	0	20
\$50,000 to \$59,999	0	0	9	3	0	12
\$60,000 to \$74,999	0	9	5	5	0	20
\$75,000 to \$99,999	0	2	1	2	0	5
\$100,000 to \$124,999	0	0	2	0	0	2
\$125,000 to \$149,999	0	0	5	0	0	5
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	0	0	0	0	0
Total	439	154	22	18	0	634

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	272	27	0	0	0	300
\$10,000 to \$19,999	203	81	0	0	0	283
\$20,000 to \$29,999	22	8	0	14	0	44
\$30,000 to \$39,999	0	4	0	0	0	4
\$40,000 to \$49,999	0	19	0	0	0	19
\$50,000 to \$59,999	0	0	12	4	0	17
\$60,000 to \$74,999	0	7	9	5	0	22
\$75,000 to \$99,999	0	4	6	3	0	14
\$100,000 to \$124,999	0	0	3	1	0	4
\$125,000 to \$149,999	0	0	3	0	0	3
\$150,000 to \$199,999	0	0	2	0	0	2
\$200,000 & Over	0	0	0	0	0	0
Total	497	151	36	28	0	712

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Age 62+ Households	2011 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	280	28	0	0	0	308
\$10,000 to \$19,999	209	82	0	0	0	290
\$20,000 to \$29,999	24	8	0	15	0	47
\$30,000 to \$39,999	0	5	0	0	0	5
\$40,000 to \$49,999	0	20	0	0	0	20
\$50,000 to \$59,999	0	0	13	5	0	17
\$60,000 to \$74,999	0	7	10	5	0	23
\$75,000 to \$99,999	0	4	6	4	0	14
\$100,000 to \$124,999	0	0	3	1	0	4
\$125,000 to \$149,999	0	0	3	0	0	3
\$150,000 to \$199,999	0	0	2	0	0	2
\$200,000 & Over	0	0	0	0	0	0
Total	513	155	37	29	0	735

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Age 62+ Households	2014 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	303	32	0	0	0	334
\$10,000 to \$19,999	227	85	0	0	0	312
\$20,000 to \$29,999	29	10	0	18	0	56
\$30,000 to \$39,999	0	7	0	0	0	7
\$40,000 to \$49,999	0	23	0	0	0	23
\$50,000 to \$59,999	0	0	13	6	0	19
\$60,000 to \$74,999	0	8	10	6	0	23
\$75,000 to \$99,999	0	4	8	4	0	16
\$100,000 to \$124,999	0	0	4	1	0	5
\$125,000 to \$149,999	0	0	4	0	0	4
\$150,000 to \$199,999	0	0	3	0	0	3
\$200,000 & Over	0	0	0	0	0	0
Total	558	168	42	35	0	803

Source: Ribbon Demographics; ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2000, 2010, 2011 and 2014 for the Fitzgerald Site PMA:

Owner Age 62+ Households	2000 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	322	59	3	0	4	388
\$10,000 to \$19,999	187	208	29	34	0	457
\$20,000 to \$29,999	151	226	38	8	4	427
\$30,000 to \$39,999	45	73	11	0	12	141
\$40,000 to \$49,999	23	108	39	0	3	173
\$50,000 to \$59,999	0	66	17	6	24	113
\$60,000 to \$74,999	12	57	43	3	0	115
\$75,000 to \$99,999	5	23	12	1	0	41
\$100,000 to \$124,999	5	19	15	0	0	39
\$125,000 to \$149,999	1	27	8	0	0	37
\$150,000 to \$199,999	0	1	0	0	0	1
\$200,000 & Over	1	4	2	0	0	7
Total	753	870	217	52	46	1,939

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Age 62+ Households	2010 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	288	40	2	0	4	335
\$10,000 to \$19,999	184	169	23	29	0	405
\$20,000 to \$29,999	173	219	34	6	4	437
\$30,000 to \$39,999	76	113	13	0	14	217
\$40,000 to \$49,999	30	94	39	0	3	165
\$50,000 to \$59,999	0	78	15	8	24	125
\$60,000 to \$74,999	16	56	55	2	0	130
\$75,000 to \$99,999	10	48	30	1	0	89
\$100,000 to \$124,999	9	24	13	0	0	45
\$125,000 to \$149,999	3	17	13	0	0	32
\$150,000 to \$199,999	2	14	4	0	0	19
\$200,000 & Over	1	3	1	0	0	5
Total	792	874	241	46	49	2,003

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Age 62+ Households	2011 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	292	40	2	0	4	338
\$10,000 to \$19,999	186	171	24	30	0	411
\$20,000 to \$29,999	177	223	35	7	4	446
\$30,000 to \$39,999	79	116	14	0	15	224
\$40,000 to \$49,999	31	95	39	0	3	168
\$50,000 to \$59,999	0	81	15	8	25	130
\$60,000 to \$74,999	16	57	58	2	0	134
\$75,000 to \$99,999	11	50	31	1	0	93
\$100,000 to \$124,999	9	25	13	0	0	47
\$125,000 to \$149,999	3	17	13	0	0	33
\$150,000 to \$199,999	2	13	4	0	0	19
\$200,000 & Over	2	3	1	0	0	6
Total	807	892	250	48	52	2,049

Source: Ribbon Demographics; ESRI; Urban Decision Group

Owner Age 62+ Households	2014 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	301	41	2	0	4	349
\$10,000 to \$19,999	193	177	25	34	0	428
\$20,000 to \$29,999	187	233	39	8	5	472
\$30,000 to \$39,999	88	127	16	0	16	247
\$40,000 to \$49,999	34	100	40	0	5	179
\$50,000 to \$59,999	0	90	16	9	30	145
\$60,000 to \$74,999	17	59	68	3	0	147
\$75,000 to \$99,999	13	54	36	1	0	104
\$100,000 to \$124,999	11	27	15	0	0	53
\$125,000 to \$149,999	3	19	13	0	0	36
\$150,000 to \$199,999	2	12	5	0	0	19
\$200,000 & Over	2	4	2	0	0	8
Total	851	945	276	54	60	2,185

Source: Ribbon Demographics; ESRI; Urban Decision Group

Data from the preceding tables has been used in our Project Specific Demand Analysis.

SECTION F - ECONOMIC TRENDS

1. LABOR FORCE PROFILE

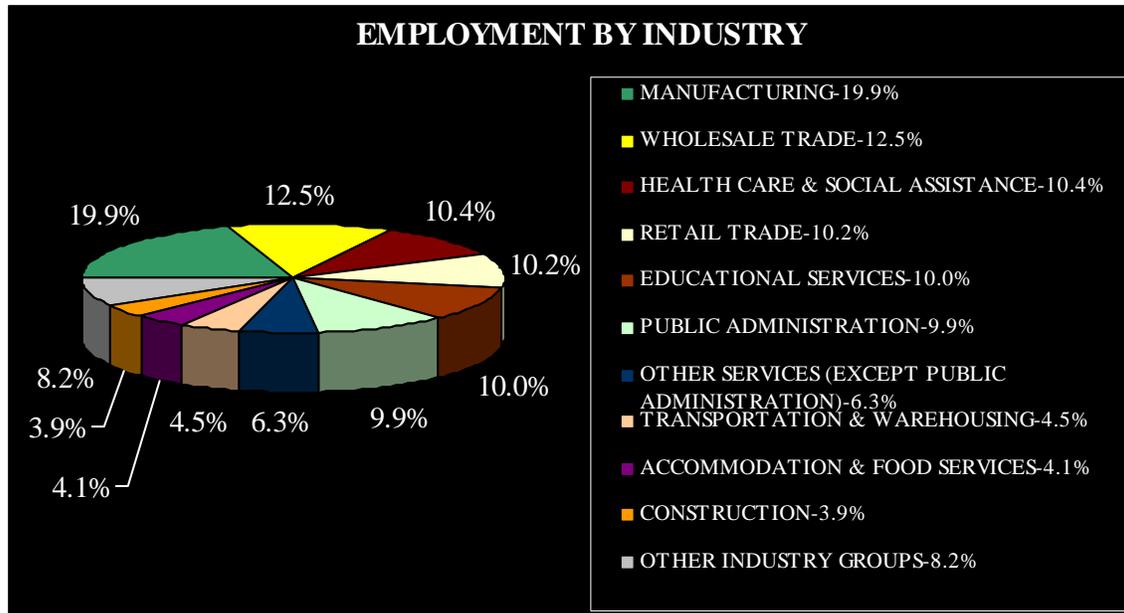
The labor force within the Fitzgerald Site PMA is based primarily in five sectors. Manufacturing (which comprises 19.9%), Wholesale Trade, Health Care & Social Assistance, Retail Trade and Educational Services comprise approximately 63% of the Site PMA labor force. Employment in the Fitzgerald Site PMA, as of 2011, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	12	1.3%	51	0.5%	4.3
Mining	0	0.0%	0	0.0%	0.0
Utilities	4	0.4%	110	1.0%	27.5
Construction	42	4.5%	431	3.9%	10.3
Manufacturing	33	3.6%	2,191	19.9%	66.4
Wholesale Trade	44	4.8%	1,379	12.5%	31.3
Retail Trade	173	18.7%	1,125	10.2%	6.5
Transportation & Warehousing	28	3.0%	500	4.5%	17.9
Information	14	1.5%	52	0.5%	3.7
Finance & Insurance	56	6.1%	237	2.1%	4.2
Real Estate & Rental & Leasing	40	4.3%	93	0.8%	2.3
Professional, Scientific & Technical Services	31	3.4%	132	1.2%	4.3
Management of Companies & Enterprises	2	0.2%	65	0.6%	32.5
Administrative, Support, Waste Management & Remediation Services	18	1.9%	53	0.5%	2.9
Educational Services	30	3.2%	1,104	10.0%	36.8
Health Care & Social Assistance	65	7.0%	1,152	10.4%	17.7
Arts, Entertainment & Recreation	10	1.1%	66	0.6%	6.6
Accommodation & Food Services	51	5.5%	447	4.1%	8.8
Other Services (Except Public Administration)	166	18.0%	697	6.3%	4.2
Public Administration	98	10.6%	1,095	9.9%	11.2
Nonclassifiable	7	0.8%	48	0.4%	6.9
Total	924	100.0%	11,028	100.0%	11.9

*Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

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



Typical wages by job category for the South Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	South Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$82,030	\$105,680
Business and Financial Occupations	\$59,480	\$70,200
Computer and Mathematical Occupations	\$55,320	\$73,810
Architecture and Engineering Occupations	\$63,480	\$72,350
Community and Social Service Occupations	\$34,880	\$41,040
Art, Design, Entertainment and Sports Medicine Occupations	\$39,880	\$50,190
Healthcare Practitioners and Technical Occupations	\$58,820	\$68,360
Healthcare Support Occupations	\$21,190	\$25,800
Protective Service Occupations	\$31,370	\$34,180
Food Preparation and Serving Related Occupations	\$18,520	\$20,130
Building and Grounds Cleaning and Maintenance Occupations	\$20,940	\$23,490
Personal Care and Service Occupations	\$21,730	\$22,370
Sales and Related Occupations	\$26,020	\$34,670
Office and Administrative Support Occupations	\$27,960	\$32,690
Construction and Extraction Occupations	\$31,660	\$37,280
Installation, Maintenance and Repair Occupations	\$36,430	\$41,480
Production Occupations	\$27,660	\$30,930
Transportation and Moving Occupations	\$27,850	\$32,420

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

Most annual blue-collar salaries range from \$18,520 to \$39,880 within the South Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$63,826. It is important to note that most occupational types within the South Georgia Nonmetropolitan Area have slightly lower typical wages than the State of Georgia's typical wages. The proposed project will generally target households with incomes up to \$21,000. Although we anticipate the majority of potential renters will be retired, we also expect some potential renters will remain in the workforce. Some age-eligible renters could be working part-time or even full-time and still qualify to reside at the subject project. Regardless, the area employment base has a moderate number of income-appropriate households from which the proposed subject project will be able to draw support.

2. MAJOR EMPLOYERS

The ten largest employers within the city of Fitzgerald/Ben Hill County area comprise a total of 2,070 employees. These employers are summarized as follows:

Business	Business Type	Total Employed
Ben Hill County Education Systems	Education	460
Dominy Medical Center	Health Care	343
American Blanching	Peanut Butter Paste Manufacturing	250
Shaw Industries	Textile Manufacturing	244
Modern Dispersions South, Inc.	Plastic Pigment Manufacturing	175
Southern Veneer Products	Pine Veneer/Plywood Manufacturing	144
Gilman Building Products	Pine Wood Chip, Sawdust & Shavings Manufacturing	130
Polar Beverages	Food & Beverage Manufacturing	114
Watco Mechanical Service	Railcar Repair	110
Wiregrass Technical College	Education	100
	Total	2,070

Source: Fitzgerald-Ben Hill County Chamber of Commerce

According to a representative with the Fitzgerald-Ben Hill County Chamber of Commerce, the local economy was significantly impacted by the national recession due to the prevalence of manufacturing jobs. Although most of the plant layoffs and closures occurred between 2006 and 2009, some companies have only recently closed. Pace American, a cargo and auto trailer manufacturer closed in September 2011 terminating 167 employees. However, no WARN notices have been issued in 2012 and there has been some positive employment news.

According to the economic development representative, American Blanching Company partnered with the non-profit organization Mother Administered Nutritive Aid (MANA) to open a new production facility. This facility will produce a fortified peanut product called Ready To Use Therapeutic Food (RUTF), which will be used to revive severely malnourished children in countries around the world. This partnership created approximately 65 jobs at the new 30,000 square foot production facility and MANA hopes to expand this year, adding a second shift.

Additionally, construction of the Fitzgerald Renewable Energy plant is expected to start some time 2013, after two and a half years of delays. This will be a 50 megawatt power facility and will be one of the cleanest solid fuel power plants in the United States. The plant will be located next to Southern Veneer, which will supply most of the solid fuel for the plant. Sawdust, tree bark and wood chips will be used to fuel the \$232 million project. Employment of 250 workers is anticipated during the construction phase, and the plant itself will staff about 25 permanent positions. Additionally, the demand for fuel at the plant will likely increase jobs in the tree farming community by 120-150 workers.

3. EMPLOYMENT TRENDS

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

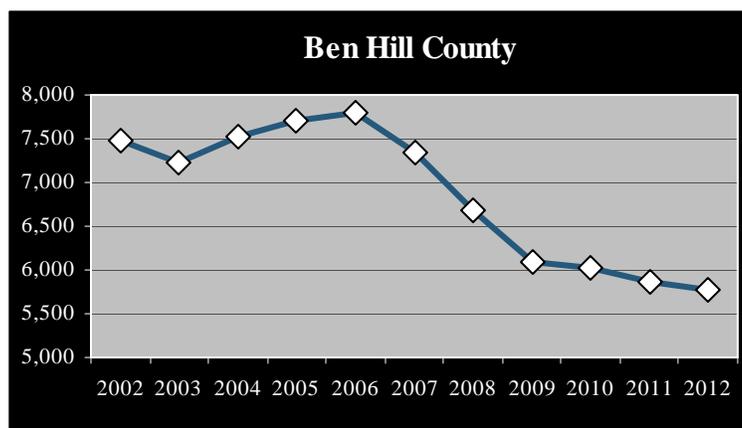
Excluding 2012, the employment base has declined by 20.0% over the past five years in Ben Hill County, more than the Georgia state decline of 7.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Ben Hill County, Georgia and the United States.

Year	Total Employment					
	Ben Hill County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2002	7,485	-	4,135,381	-	137,936,674	-
2003	7,228	-3.4%	4,173,787	0.9%	138,386,944	0.3%
2004	7,517	4.0%	4,249,007	1.8%	139,988,842	1.2%
2005	7,695	2.4%	4,375,178	3.0%	142,328,023	1.7%
2006	7,790	1.2%	4,500,150	2.9%	144,990,053	1.9%
2007	7,332	-5.9%	4,587,739	1.9%	146,397,529	1.0%
2008	6,680	-8.9%	4,548,366	-0.9%	146,068,824	-0.2%
2009	6,101	-8.7%	4,278,522	-5.9%	140,721,369	-3.7%
2010	6,032	-1.1%	4,213,875	-1.5%	140,483,185	-0.2%
2011	5,868	-2.7%	4,262,175	1.1%	141,748,955	0.9%
2012*	5,765	-1.8%	4,310,064	1.1%	141,772,241	0.0%

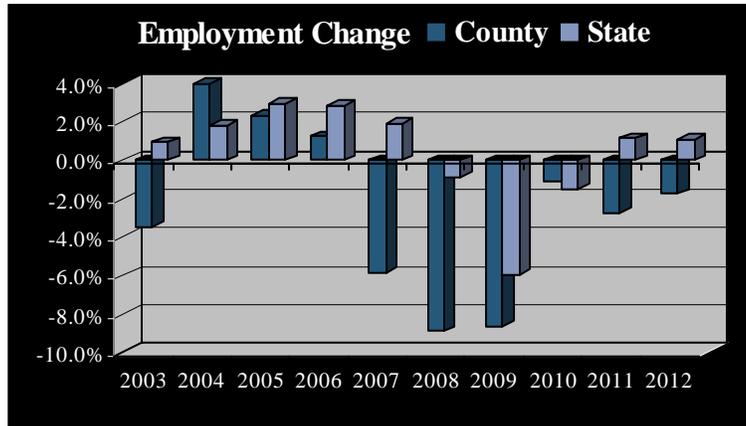
Source: Department of Labor; Bureau of Labor Statistics

*Through April



As the preceding illustrates, the Ben Hill County employment base has declined by 1,617 employees since 2002. Although most of the job loss occurred during the national recession, the employment base has declined at a slower rate during each of the previous three years (including 2012 to date).

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

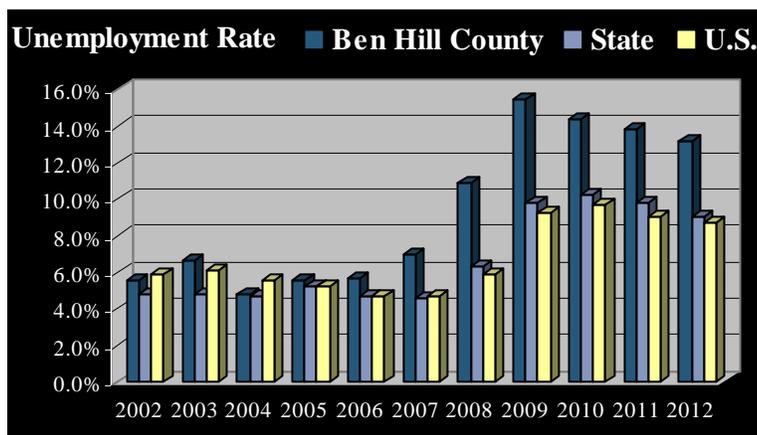


Unemployment rates for Ben Hill County, Georgia and the United States are illustrated as follows:

Year	Unemployment Rate		
	Ben Hill County	Georgia	United States
2002	5.5%	4.8%	5.8%
2003	6.6%	4.8%	6.0%
2004	4.8%	4.7%	5.6%
2005	5.5%	5.2%	5.2%
2006	5.7%	4.7%	4.7%
2007	7.0%	4.6%	4.7%
2008	10.9%	6.3%	5.8%
2009	15.5%	9.8%	9.3%
2010	14.4%	10.2%	9.7%
2011	13.8%	9.8%	9.0%
2012*	13.2%	9.0%	8.7%

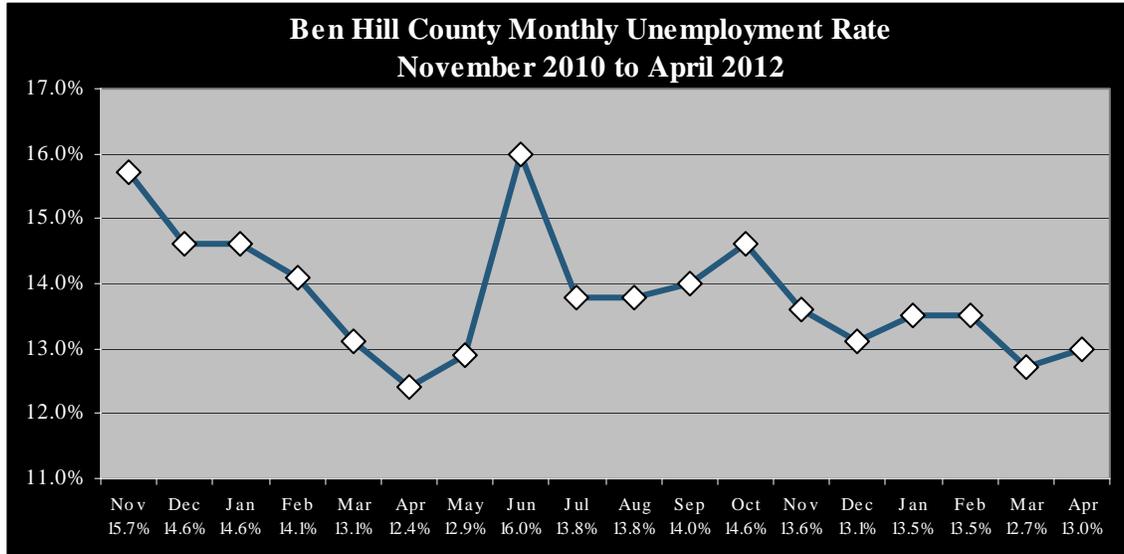
Source: Department of Labor, Bureau of Labor Statistics

*Through April



The unemployment rate in Ben Hill County has ranged between 4.8% and 15.5%, and has been well above state and national averages since 2006.

The following table illustrates the monthly unemployment rate in Ben Hill County for the most recent 18-month period for which data is currently available.



Despite several spikes, the monthly unemployment rate has generally declined during the previous 18-month period. However, it still remains at high levels when compared to historical averages and regional trends.

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

In-Place Employment Ben Hill County			
Year	Employment	Change	Percent Change
2001	8,088	-	-
2002	8,020	-68	-0.8%
2003	7,631	-389	-4.9%
2004	8,085	454	5.9%
2005	8,262	177	2.2%
2006	8,254	-8	-0.1%
2007	7,526	-728	-8.8%
2008	6,827	-699	-9.3%
2009	5,994	-833	-12.2%
2010	5,974	-20	-0.3%
2011*	5,803	-171	-2.9%

Source: Department of Labor, Bureau of Labor Statistics
*Through September

Data for 2010, the most recent year that year-end figures are available, indicates in-place employment in Ben Hill County to be 99.0% of the total Ben Hill County employment. This means that Ben Hill County has almost the same number of employed persons leaving the county for daytime employment as those who work in the county.

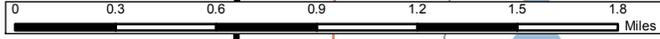
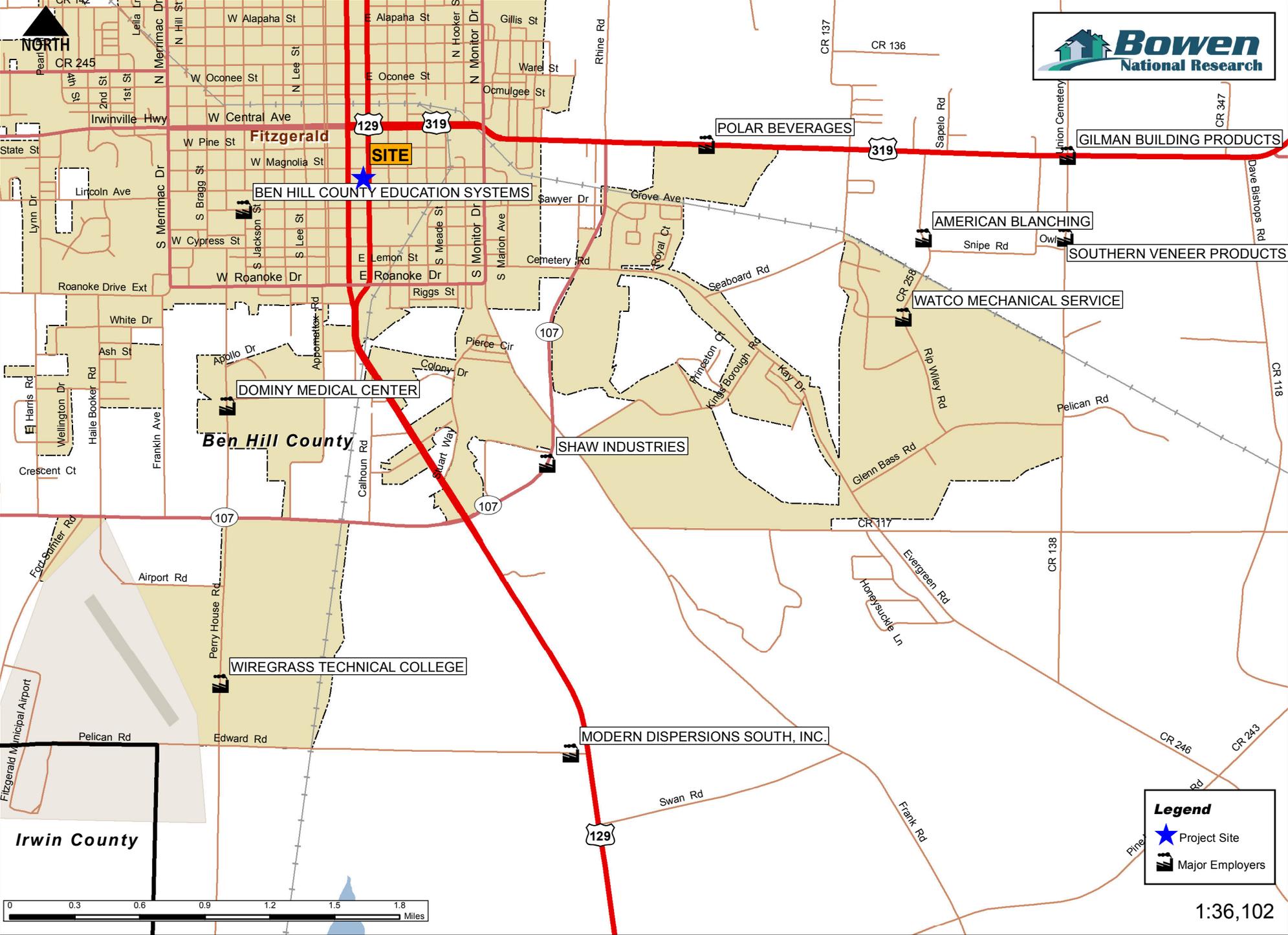
4. ECONOMIC FORECAST

The workforce within the Fitzgerald PMA is concentrated within recession susceptible industries such as manufacturing, wholesale and retail trade. According to interviews with local economic development representatives and Department of Labor statistics, the prevalence of these jobs added to the significant loss in employment compared to the rest of the nation during the national recession. Indeed, the unemployment rate within Ben Hill County has far exceeded statewide and national rates since 2006, but substantially increased in 2007-2008. Large manufacturers continued to close through 2011, but the rate and scope of these layoffs and closures has slowed. Notably, the remaining manufacturers are reportedly stable and some new businesses have been announced. Additionally, the construction of a new power plant will significantly aid the economic recovery within the county once it gets under way in 2013. However, the average annual unemployment rate in 2012 (through April) is 13.2%, which is substantially higher than the statewide average of 9.0%.

The substantial and sustained rise in unemployment within the county indicates that there are likely many households surviving on reduced incomes relative to pre-recession levels. Therefore, these households will continue to benefit from the availability of low-income housing. Notably, the proposed renovation of the subject project will not add any new units into the market. The renovations will merely update existing supply. Further, the subject project will continue to target senior households age 62 and older. Given these factors, the renovated subject project is less likely to be impacted by local economic trends compared to a newly developed housing project. Regardless, the subject project will continue to offer an affordable housing option at a central location within Ben Hill County.

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

Fitzgerald, GA: Major Employers



Legend

- ★ Project Site
- 🏭 Major Employers

SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

The subject project currently operates under the income and rent requirements of the HUD Section 8 program. The project, however, will be renovated under the Low-Income Housing Tax Credit (LIHTC) program. Therefore, following renovations, the subject project will operate under the household eligibility requirements of each program.

Effectively, however, the more restrictive income targeting of the HUD Section 8 program will supersede the income targeting of the LIHTC program and the subject project will continue to operate as it currently exists. In fact, based on the most recent rent roll, only one of the current tenants is NOT income-qualify to remain at the renovated subject project. Therefore, we have based prepared demand estimates assuming this scenario.

We have also provided capture rate demand estimates for the project in the unlikely scenario the HUD Section 8 subsidy is lost and the development has to operate solely under LIHTC program guidelines.

1. DETERMINATION OF INCOME ELIGIBILITY

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

Under the Low-Income Housing Tax Credit and HUD Section 8 housing programs, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within Ben Hill County, Georgia. In 2012, the reported median four-person household income was \$37,000. The subject project will target households earning up to 50% and 60% of AMHI, depending on the capture rate scenario. The following table summarizes the maximum allowable income by household size and targeted income level.

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$15,850	\$19,020
Two-Person	\$19,020	\$21,720

a. Maximum Income Limits

The age-restricted units will continue to target up to two-person households. Under the HUD Section 8 program, income eligibility is based on households not exceeding 50% of AMHI, while the Tax Credit program will allow households earning up to 50% and 60% of AMHI to income-qualify. As such, the maximum allowable income at the subject site is **\$19,020 to \$21,720**, depending on the targeted AMHI level.

b. Minimum Income Requirements

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

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$424 (assuming no project-based subsidy). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,088.

Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$12,720.

Assuming retention of the HUD Section 8 subsidy, households with little to no income will be able to qualify to reside at the subject project.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for living at the proposed project for each scenario is summarized in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit Only (Limited to 50% of AMHI)	\$12,720	\$19,020
Tax Credit Only (Limited to 60% of AMHI)	\$15,270	\$21,720
Tax Credit and HUD Section 8 (Limited to 50% of AMHI)	\$0	\$19,020

2. METHODOLOGY

Demand

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

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2010 renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*
- b. **Demand from Existing Households:** The second source of demand should be projected from:
 - **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2006-2010 5-year estimates, approximately 55.3% to 66.6% of the renter households income-qualified to reside at the subject project are considered rent overburdened, depending on targeted income level. These households have been included in our demand analysis.*

- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2006-2010 5-year estimates, 6.3% of all households in Ben Hill County were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
 - **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 15% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure above 5% must be based on actual market conditions, as documented in the study.*
- c. **Secondary Market:** *DCA recommends that the analyst be conservative when developing the Primary Market Area so as to not overstate market demand overall. Demand from the Secondary Market will be limited to 15% of the demand from the Primary Market. The analyst must provide sufficient documentation to justify the extent of this market and define how it relates to the Primary Market to provide an accurate analysis of the projected tenant population for the proposed development.*
- d. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of developments awarded and/or constructed from 2010 to the present is subtracted to calculate Net Demand. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. Competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the subject development.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

Within the Site PMA, we identified **NO** LIHTC or subsidized properties that were funded and/or built during the projection period (2010 to current). In fact, no multifamily properties were identified within the development pipeline besides the subject project. The newest apartments surveyed were built in 2007.

The following is a summary of our demand calculations:

Demand Component	Percent of Median Household Income			
	LIHTC & HUD Section 8 50% AMHI (\$0 to \$19,020)	LIHTC Only 50% AMHI (\$12,270 to \$19,020)	LIHTC Only 60% AMHI (\$15,270 to \$21,720)	LIHTC Only Overall (\$12,270 to \$21,720)
Demand From New Households (Age- And Income-Appropriate)	616 – 555 = 61	210 – 191 = 19	157 – 142 = 15	251 – 226 = 25
+				
Demand From Existing Households (Renters In Substandard Housing)	555 X 6.3% = 35	191 X 6.3% = 12	142 X 6.3% = 9	226 X 6.3% = 14
+				
Demand From Existing Households (Rent Overburdened)	555 X 66.6% = 370	191 X 64.9% = 124	142 X 55.3% = 79	226 X 58.5% = 132
+				
Demand From Secondary Market Area (115% Of Demand From Existing Qualified Households In Site PMA)	70	23	15	26
=				
Demand Subtotal	536	178	118	197
+				
Demand From Existing Homeowners (Elderly Homeowner Conversion)	700 X 5.0% = 35	273 X 5.0% = 14	267 X 5.0% = 13	388 X 5.0% = 19
=				
Total Demand	571	192	131	216
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2010)	0	0	0	0
=				
Net Demand	571	571	192	131
Proposed Units	1*	84	13	84
Capture Rate	0.2%	14.7%	6.8%	54.2%
				38.9%

*According to latest rent roll, only one tenant will have to be displaced after LIHTC renovations.

In the unlikely scenario the project-based subsidy is ever lost and the subject development had to operate solely under LIHTC program guidelines, the capture rate would be 38.9%. This illustrates the 84 subject units would have a limited base of support should the project ever lose its subsidy.

Effectively, the 84 units at the proposed subject project will maintain the project-based HUD Section 8 subsidy following LIHTC renovations. Based on the most recent rent roll provided by the developer, all but one of the current tenants will income-qualify to remain once the project is renovated. Therefore, the lone unit that must be rented requires an effective capture rate of 0.2%, which is considered very low and certainly achievable. We also provide a capture rate assuming all of the units were vacated and had to be re-rented under the LIHTC and HUD Section 8 housing program guidelines. This 14.7% capture rate is also low and

considered acceptable utilizing this methodology. According to GDCA/GHFA guidelines, capture rates lower than 30.0% to 35.0% are acceptable and below threshold.

Based on our survey of conventional apartments, as well as the distribution of senior bedroom types in balanced markets, the estimated share of demand by bedroom type is distributed as follows. The following is our estimated share of demand by bedroom type within the Site PMA:

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	60.0%
Two-Bedroom	40.0%
Total	100.0%

Applying these shares to the income-qualified households available to support the site as proposed (HUD Section 8 and LIHTC guidelines) yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (60%)	50%	1	343	0	343	0.3%	< 1 Month	-	-
Two-Bedroom (40%)	50%	0	228	0	228	n/a	n/a	-	-
All Units	Total	1	571	0	571	0.2%	< 1 Month	-	-

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

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

The lone unit at the subject project only requires a penetration rate of 0.3%, which is low and certainly achievable. This penetration rate indicates that sufficient support exists for the subject units.

Note capture rates by bedroom type were not provided for the subject project in the unlikely event the project-based subsidy was lost due to the limited base of overall support illustrated by the 38.9% capture rate.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Fitzgerald Site PMA in 2000 and 2011 (estimated) are summarized in the following table:

Housing Status	2000 (Census)		2011 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	8,873	87.3%	8,882	81.0%
Owner-Occupied	6,110	68.9%	5,700	64.2%
Renter-Occupied	2,763	31.1%	3,182	35.8%
Vacant	1,287	12.7%	2,089	19.0%
Total	10,160	100.0%	10,971	100.0%

Source: 2000 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2011 update of the 2000 Census, the share and number of renter-occupied housing units increased. Notably, the number of vacant housing units also increased, but this coincides with the decline in owner-occupancy. Based on the substantial economic decline reported in Section F, many of the increased vacancies could be reflective of foreclosures or households with reduced incomes “doubling-up” to save on housing costs. In order to assess if the rise in vacancies has negatively impacted the long-term rental market, we have performed a field survey of area apartments.

We identified and personally surveyed 14 conventional housing projects containing a total of 658 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 93.6%, a stable rate for rental housing. The following table illustrates the surveyed properties by project type (market-rate, government-subsidized, Tax Credit, etc.) and occupancy rate.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	4	55	15	72.7%
Market-rate/Tax Credit	1	60	3	95.0%
Tax Credit	1	48	5	89.6%
Tax Credit/Government-Subsidized	3	145	5	96.6%
Government-Subsidized	5	350	14	96.0%
Total	14	658	42	93.6%

Based on our survey data, the non-subsidized housing projects are reporting mixed occupancy levels. To assess the cause for these, we have provided more detailed data regarding the surveyed units. The following table summarizes the breakdown of market-rate and Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	10	16.4%	2	20.0%	\$419
Two-Bedroom	1.0	45	73.8%	13	28.9%	\$548
Two-Bedroom	1.5	2	3.3%	1	50.0%	\$672
Three-Bedroom	1.0	2	3.3%	0	0.0%	\$574
Three-Bedroom	2.0	2	3.3%	2	100.0%	\$767
Total Market-rate		61	100.0%	18	29.5%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	30	29.4%	3	10.0%	\$518
Two-Bedroom	1.5	24	23.5%	0	0.0%	\$547
Two-Bedroom	2.0	24	23.5%	2	8.3%	\$607
Three-Bedroom	2.0	24	23.5%	0	0.0%	\$632
Total Tax Credit		102	100.0%	5	4.9%	-

The median gross Tax Credit rents are similarly priced when compared to the median gross market-rate rents. This indicates the market-rate properties are unable to charge a significant premium compared to the non-subsidized Tax Credit rentals. A detailed analysis of the rental housing supply (located in Addendum A of this report) indicates most market-rate properties are older and of low quality. Further, 12 of the 18 vacant market-rate units are located at Baytree Ridge Apartments (Map Code 5). This community was built in 1974 and has been given a 'C' quality rating. Considering the age and low quality of this development, it is unlikely that the relatively high rents charged at this property are attractive to renters within the Fitzgerald Site PMA. Conversely, the Tax Credit projects are relatively new and offer desirable unit designs and amenities. As such, it is likely that these projects are considered more of a value when compared to the selected market-rate developments, despite the similar priced units.

In general, it appears the Fitzgerald market is sensitive to price and units which represent the greatest value maintain stabilized occupancy rates. When analyzing the non-subsidized rental projects, newly developed Tax Credit units charging similar rents compared to older market-rate properties represent an attractive rental option. This sensitivity to price and value has resulted in a 29.5% vacancy rate among market-rate units and a 4.9% vacancy rate among LIHTC units.

The following analysis of government-subsidized and Tax Credit properties further illustrates the sensitivity of the Fitzgerald market to price.

2. SUMMARY OF ASSISTED PROJECTS

There are a total of 10 federally subsidized and/or Tax Credit apartment developments in the Fitzgerald Site PMA. These projects were surveyed in June of 2012 and they are summarized as follows:

Map I.D.	Project Name	Type	Year Built/ Renovated	Total Units	Occup.	Gross Rent (Unit Mix)			
						One-Br.	Two-Br.	Three-Br.	Four-Br.
1	Fitzgerald Summit Apts. (Site)	SEC 8	1979	84	100.0%	SUB (83)	SUB (1)	-	-
2	Washington Avenue Apts.	RD 515	1982	40 (25 RA)	70.0%	\$515 - \$669 (8)	\$581 - \$795 (30)	\$658 - \$870 (2)	-
6	Bridge Creek	TAX & SEC 8	1983 / 2007	71	100.0%	SUB (20)	SUB (33)	SUB (18)	-
7	Colony Square Apts.	TAX & RD 515	1985 / 1994	24 (16 RA)	79.2%	-	\$548 - \$673 (20)	\$599 - \$731 (4)	-
8	Jack Allen Apts.	TAX	2005	54*	100.0%	\$312 - \$533 (6)	\$374 - \$642 (24)	\$435 - \$742 (24)	-
10	McKinley Lane Apts.	RD 515	1989	48 (4 RA)	95.8%	\$485 - \$505 (14)	\$549 - \$569 (34)	-	-
11	Meadow Run Apts. I & II	RD 515	1989	100 (89 RA)	100.0%	\$501 - \$696 (88)	\$560 - \$755 (12)	-	-
12	Merrimac Village	TAX & SEC 8	1982 / 2007	50	100.0%	SUB (6)	SUB (24)	SUB (16)	SUB (4)
13	Mulberry Court	TAX	2007	48	89.6%	\$518 (24)	\$607 (24)	-	-
14	Roanoke Homes	P.H.	1978	78	100.0%	SUB (20)	SUB (30)	SUB (20)	SUB (8)
Total				597	96.0%				

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

OCCUP. - Occupancy

TAX - Tax Credit

SEC - Section

P.H. - Public Housing

RD - Rural Development; RA- Rental Assistance

*Market-rate units not included

As previously noted, all units that maintain a project based subsidy via a HUD Section 8 contract, RD 515 Rental Assistance or Public Housing program are occupied. The non-subsidized rents charged at the Tax Credit and RD 515 units without RA have mixed occupancy results. However, there is a direct correlation between occupancy and price. Note the high occupancy rate at McKinley Lane Apartments (95.8%) and the reported gross basic rents of \$485 and \$549. These are some of the lowest among the corresponding rents (without a subsidy) and represent more of a value to low-income renters. Conversely, projects such as Washington Avenue Apartments charge some of the highest gross basic rents and have the lowest occupancy rate. This further demonstrates the sensitivity of the Fitzgerald market to price.

However, the proposed project will maintain its project-based subsidy following Tax Credit renovations and as such, is expected to remain a substantial value within the Fitzgerald market.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs (DCA) Waycross office, there are approximately 54 Housing Choice Voucher holders within the housing authority's jurisdiction and approximately 7 people currently on the waiting list for additional Vouchers. The waiting list is closed. Annual turnover of persons in the Voucher program is low as most people don't leave the program.

Housing Choice Voucher holders are eligible to reside at Tax Credit developments so long as the gross Tax Credit rents do not exceed Fair Market rents. The following table outlines the HUD 2012 Fair Market Rents for Ben Hill County, GA and the proposed gross rents at the subject project.

Bedroom Type	Fair Market Rents 2012	Proposed Contract Rents	Maximum Allowable
One	\$461	\$605 \$605	\$424 (50% AMHI) \$509 (60% AMHI)
Two	\$551	\$680	\$610 (60% AMHI)

Considering the proposed project maintains a project-based subsidy, it will be unable and unnecessary to accept Housing Choice Voucher holders. However, in the unlikely event the project-based subsidy was ever lost; the gross rents will revert to the maximum allowable, and the majority will be higher than the Fair Market Rents. As such, the subject units targeting households earning up to 60% of AMHI would not be able to rely on support from Housing Choice Voucher holders in this scenario.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that no multifamily projects are planned for the area.

BUILDING PERMIT DATA

The following table illustrates single-family and multifamily building permits issued within the city of Fitzgerald and Ben Hill County for the past ten years.

Housing Unit Building Permits for Ben Hill County:

Permits	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Multifamily Permits	6	2	12	4	2	48	0	0	0	0
Single-Family Permits	44	68	74	74	39	46	30	28	36	16
Total Units	50	70	86	78	41	94	30	28	36	16

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

Housing Building Permits for Fitzgerald:

Permits	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Multifamily Permits	6	2	12	4	2	48	0	0	0	0
Single-Family Permits	16	50	50	52	18	16	15	13	24	8
Total Units	22	52	62	56	20	64	15	13	24	8

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

The proposed subject project will be renovated with Low-Income Housing Tax Credit financing, but will retain the HUD Section 8 contract. Therefore, we have provided a comparative analysis for the project to operate as proposed and also in the unlikely event the project would operate solely under the LIHTC program guidelines.

Tax Credit Units

Within the Site PMA, we identified two comparable LIHTC projects that offer similar bedroom types and target households within similar incomes as the proposed development. Due to the limited number of comparable properties, however, it was necessary to identify and survey additional LIHTC projects located within the nearby region, but outside of the market area. Based on our surveys, we selected three properties located outside of the PMA that all target senior households earning up to 30%, 50% and/or 60% of AMHI.

Note the three projects located outside of the Site PMA derive demographic support from outside of the market area and have been selected for comparison purposes only. Due to the different geographic base of support, these three developments and the subject project will have a limited base of competitive overlap.

These five comparable LIHTC properties selected for this analysis and the proposed subject development are summarized as follows.

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
1 Site	Fitzgerald Summit	1979 / 2014	84	100.0%	-	5 H.H.	Senior 62+; 50% & 60% AMHI
8	Jack Allen Apts.	2005	54*	100.0%	1.4 Miles	Tax: 3-6 Months	Families; 30%, 50%, & 60% AMHI
13	Mulberry Court	2007	48	89.6%	1.4 Miles	None	Seniors 55+; 50% & 60% AMHI
904	Overlook Pointe	2004	56	100.0%	42.5 Miles	3 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
906	West Haven Senior Village	2011	36*	100.0%	29.0 Miles	14 H.H.	Seniors 55+; 30%, 50%, & 60% AMHI
909	Harbor Pointe Apts.	2003	44*	95.5%	24.6 Miles	None	Seniors 55+; 50% AMHI

OCC. - Occupancy

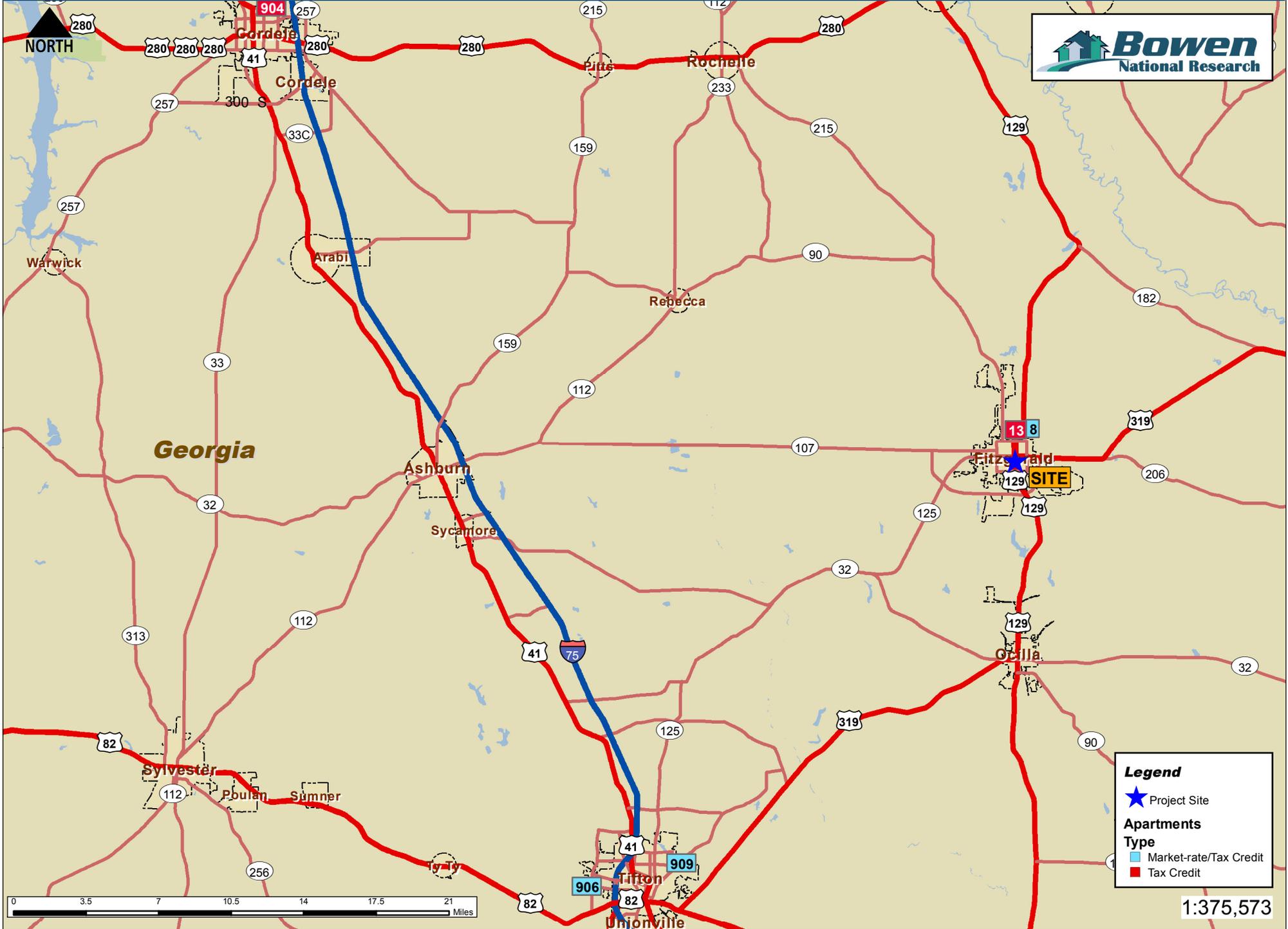
*Tax Credit units only

900 series Map IDs are located outside the Site PMA

The five LIHTC projects have a combined occupancy rate of 97.1%. Notably, the lone age-restricted Tax Credit property within the Site PMA (Mulberry Court) is only 89.6% occupied. However, management reports several vacancies are the result of recent illnesses and that the property typically only has a few vacant units. As such, these projects are considered well received within their respective market areas and the region; therefore, they will provide an accurate base of comparison to the subject project.

The map on the following page illustrates the location of the comparable Tax Credit properties relative to the subject site location.

Fitzgerald, GA: Comparable LIHTC Property Locations



Legend

- ★ Project Site
- Apartments Type
 - Market-rate/Tax Credit
 - Tax Credit

1:375,573

A comparison of the weighted average collected rents at the comparable properties and those proposed at the subject project is included below.

Weighted Average Collected Rent of Comparable LIHTC Units	
One-Br.	Two-Br.
\$344	\$402

The rent advantage for the proposed units is calculated as follows: (average weighted market rent by AMHI – proposed rent)/proposed rent

Bedrooms	Weighted Avg. Rent	Proposed Contract Rent	Proposed LIHTC Rent*	Difference	Proposed Rent*	LIHTC Rent Advantage
One-Br.	\$349 (50%)	\$605	-\$424 (50%)	-\$75	/\$424	-17.7%
	\$369 (60%)	\$605	-\$509 (60%)	-\$140	/\$509	-27.5%
Two-Br.	\$433 (60%)	\$680	-\$610 (60%)	-\$177	/\$610	-29.0%

*Maximum Allowable under LIHTC program

The subject project’s HUD contract rents exceed the weighted average rents by AMHI level and would not be achievable in the market. All of the proposed rents (the maximum allowable LIHTC rents) represent a negative rent advantage versus the weighted average rent. However, these negative rent advantages would only be relevant if the proposed project ceased to operate with a project-based HUD Section 8 subsidy. Therefore, the advantages or disadvantages that the proposed rents represent are irrelevant to the perceived value of the project to low-income renters. Further, these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Considering the cost of all utilities are included in the monthly collected rent at the subject project, caution must be used when drawing any conclusions based on these collected rent advantages. A complete analysis of the achievable market rent by bedroom type and the rent advantages of the proposed gross rents are available in Addendum E of this report.

The following analysis provides a more accurate comparison of the proposed rents at the subject project and those being charged at the comparable projects, as this analysis factors the estimated utility costs at each development.

The gross rents for the comparable projects and the proposed rents (HUD contract rents) at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
1 Site	Fitzgerald Summit	\$605/50% (13/-) \$605/60% (71/-)	\$680/60% (1/-)	-	-
8	Jack Allen Apts.	\$312/30% (2/0) \$453/50% (2/0) \$533/60% (2/0)	\$374/30% (3/0) \$547/50% (11/0) \$642/60% (10/0)	\$435/30% (2/0) \$632/50% (12/0) \$742/60% (10/0)	None
13	Mulberry Court	\$518/50% (12/2) \$518/60% (12/1)	\$607/50% (12/1) \$607/60% (12/1)	-	None
904	Overlook Pointe	\$323/30% (3/0) \$518/50% (11/0) \$543/60% (14/0)	\$392/30% (3/0) \$607/50% (12/0) \$632/60% (13/0)	-	None
906	West Haven Senior Village	-	\$352/30% (2/0) \$565/50% (8/0) \$632/60% (26/0)	-	None
909	Harbor Pointe Apts.	\$517/50% (22/2)	\$598/50% (22/0)	-	None

900 series Map IDs are located outside the Site PMA

After the estimated cost of utilities has been factored into the comparable gross rents, the HUD contract rents at the subject project are higher than the comparable properties' LIHTC rents. The subject's contract rents would be unachievable if they had to compete without the HUD subsidy. If the project had to operate under the LIHTC program, its rents would have to be lowered to at least the maximum allowable rent levels of \$424 and \$509 for the one-bedroom units at 50% and 60% of AMHI, respectively. The two-bedroom rent would have to be reduced at least to \$610. However, considering the age of the subject project and the sensitivity of the Fitzgerald market to price, these gross rents may not necessarily represent a value to potential renters if the project-based subsidy was ever lost. Regardless, with the retention of the project-based subsidy, it is unnecessary to alter the proposed rents as tenants will only be responsible for paying up to 30% of their adjusted gross incomes toward housing costs.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the comparable properties and the subject development are illustrated in the following tables.

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
1 Site	Fitzgerald Summit	575	725	-
8	Jack Allen Apts.	665	871	1,080
13	Mulberry Court	900	1,100	-
904	Overlook Pointe	760	1,000	-
906	West Haven Senior Village	-	1,200	-
909	Harbor Pointe Apts.	800	1,000	-

900 series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
1 Site	Fitzgerald Summit	1.0	1.0	-
8	Jack Allen Apts.	1.0	1.5	2.0
13	Mulberry Court	1.0	2.0	-
904	Overlook Pointe	1.0	2.0	-
906	West Haven Senior Village	-	2.0	-
909	Harbor Pointe Apts.	1.0	1.0	-

900 series Map IDs are located outside the Site PMA

The bulk of the subject units (83 of the 84) are one-bedroom/1.0-bath designs. At 575 square feet in size, these are the smallest among the comparable properties surveyed. As such, the project will be at a distinct disadvantage in terms of unit design, should it ever operate without a project-based subsidy. However, with the subsidy in place, the project will remain marketable.

The following tables compare the amenities of the subject development with the comparable LIHTC projects.

COMPARABLE PROPERTIES AMENITIES - FITZGERALD, GEORGIA

MAP ID	APPLIANCES						UNIT AMENITIES										OTHER			
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY		WINDOW TREATMENTS	E-CALL BUTTONS	PARKING
◆ SITE	X	X		X	X	X	X		C						X		B		S	
8	X	X	X	X	X		X		C		X	X	X				B		S	Storage
◆ 906	X	X		X	X	X	X		C		X	X					B		S	Patio Storage
◆ 909	X	X	X	X	X		X		C		X	X					B	X	S	Storage
◆ 13	X	X	X	X	X		X		C		X	X	X				B	X	S	Storage
◆ 904	X	X	X	X	X		X		C		X	X	X				B	X	S	

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
◆ SITE		X	X		X							X				X	X		Community Garden; Gazebo
8		X	X	X		X		X						X		X			WiFi
◆ 906		X	X	X		X								X		X			
◆ 909		X	X	X		X						X		X		X			
◆ 13		X	X	X		X						X	X	X		X	X		Community Gardens
◆ 904		X	X	X		X			X		X				X	X			Garden Plots, Putting Green Shuffleboard

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The amenities packages at the subject project are considered slightly inferior to those at the comparable LIHTC projects. The lack of washer/dryer hookups or a patio/balcony slightly limits the competitiveness of the subject units. Similarly, fitness centers and computer labs are considered standard among age-restricted properties identified within the region. Based on these factors, the project will be at a slight disadvantage in terms of amenities should it ever operate without a project-based subsidy.

Based on our analysis of the unit sizes (square footage), amenities and quality of the comparable LIHTC properties within the market and region, it is our opinion that the renovated subject development will be at a competitive disadvantage. However, as the HUD Section 8 subsidy will remain in-place following the LIHTC renovations, households will continue to pay up to 30% of their adjusted gross incomes towards housing costs. Considering the project can effectively target households with little to no income, the subsidized rents will be viewed as a significant value within the market area. Therefore, the project is expected to remain marketable within the Fitzgerald market area and no changes are recommended at this time.

Potential Impact of the Subject Development

The anticipated occupancy rates of the comparable Tax Credit projects within the Site PMA following completion of the subject site are illustrated as follows:

Map I.D.	Project Name	Current Occupancy Rate	Anticipated Occupancy Rate Through 2014
8	Jack Allen Apts.	100.0%	95.0%+
13	Mulberry Court	89.6%	95.0%+

The subject project is currently 100.0% occupied and maintains a five-household waiting list. Effectively, the LIHTC renovation of the subject project will not impact the income targeting at Fitzgerald Summit and it will continue to operate with the HUD Section 8 subsidy. As such, the two comparable LIHTC properties within the market area will have a very limited base of competitive overlap with the subject project. Further, it is anticipated that most tenants will income-qualify to remain at the renovated subject project. Based on our demand analysis in Section G, the project will only require an effective capture rate of 0.2%. Based on these factors, we do not anticipate the renovation of the subject project will have any tangible impact on the occupancy levels at the comparable properties. Regardless, we expect the occupancy rates at each of these developments will be in excess of 95.0% by 2014 based on demographic growth and historic occupancy rates.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$67,082. At an estimated interest rate of 6.0% and a 30-year term (and 95% LTV), the monthly mortgage for a \$67,082 home is \$478, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$67,082
Mortgaged Value = 95% of Median Home Price	\$63,728
Interest Rate - Bankrate.com	6.0%
Term	30
Monthly Principal & Interest	\$382
Estimated Taxes and Insurance*	\$96
Estimated Monthly Mortgage Payment	\$478

*Estimated at 25% of principal and interest

In comparison, households at the renovated subject project will continue to pay up to 30% of their adjusted gross incomes toward housing costs. Considering the significant difference between most tenant paid rents and the estimated monthly mortgage payment, we do not anticipate any competitive impact on or from the homebuyer market.

“Shadow Supply” and the local Rental Housing Market

The Georgia DCA is concerned about the impact of "Shadow Supply" on the local rental housing market. Shadow Supply refers to excess inventory of for-sale housing that is not selling and could potentially saturate the rental housing market. This type of rental alternative is difficult to quantify, but can result in vacancies among conventional rental properties and increased concessions being offered. Typically, an increase in the number of single-family rental homes is associated with an increase in foreclosures within a market.

We obtained the following foreclosure data for the 31750 zip code that comprises the majority of the Fitzgerald Site PMA, from Realty Trac.com.

Zip Code	Number of Foreclosures	Average Sales Price*	Foreclosure Rate	Ben Hill County Foreclosure Rate	Georgia Foreclosure Rate
31750	72	\$82,800	0.08%	0.08%	0.25%

*Average Original Sales Price of Foreclosed Home

The foreclosure rates within the reporting zip code and Ben Hill County are both lower than the statewide rate. Further, as illustrated by the Buy Versus Rent Analysis, the average sales price is higher than what the low-income tenants targeted by the subject project could likely afford. As such, single-family home rentals within and near the Fitzgerald Site PMA will not likely have a significant impact on the proposed subject development.

In addition to the foreclosure data, we have also obtained single-family and mobile-home rental data for the corresponding zip code.

Address	Zip Code	Beds	Baths	Year Built	Sq. Ft.	Rent	Amenities
113 Glynn Ave.	31750	3	2.0	1955	1,440	\$650	Hardwood floors; central heat/air
117 Luke Ct.	31750	3	1.5	1975	1,150	\$550	
103 Patton Ave.	31750	3	2.0	1960	1,500	\$550	
409 W Roanoke Dr.	31750	3	2.0	1940	1,825	\$500	
Duplex /104 Strawberry Ct.	31750	2	2.0	2000	1,100	\$500	Duplex
114 My Own Rd.	31750	3	1.0	1980	1,250	\$475	W/D included; one acre; pond; barn
Mobile Home /unknown	31750	3	1.0	1970	950	\$500	On horse farm

The non-conventional rentals are significantly more than the subsidized cost of renting at the subject project. Therefore, we do not anticipate a competitive impact from the non-conventional rentals.

SECTION I – ABSORPTION & STABILIZATION RATES

Since all demand calculations in this report follow GDCA guidelines that assume a 2014 opening date for the site, we also assume that initial units at the site will be available for rent in 2014.

The subject project is currently 100.0% occupied and maintains a five-household waiting list. According to documentation provided by the developer, all but one of the current tenants will income-qualify to remain at the subject project following LIHTC renovations. Further, the renovations will not require the displacement of any of the current tenants. Based on these factors, there will effectively be no “absorption period,” as the project will consistently maintain an occupancy rate in excess of 93.0%. This assumes the project is renovated as proposed and maintains the HUD Section 8 subsidy. However, should the tenants be displaced for any reason and the project had to re-lease all 84 units under both the HUD Section 8 and LIHTC programs, we anticipate the units to reach a stabilized occupancy rate of 93.0% within seven to eight months. This assumes an absorption rate of 10 to 11 units per month.

No absorption projections were provided for the project in the unlikely scenario the HUD Section 8 subsidy is lost.

SECTION J – INTERVIEWS

Within the Site PMA, we identified and were able to survey 10 assisted housing projects contain Tax Credit and or government-subsidized housing units. These projects contained a total of 597 units that were 96.0% occupied. Notably, the only two age-restricted and subsidized housing projects (including the subject site) were 100.0%, which indicates substantial demand in the market. Ms. Adkinson is the property manager at the Fitzgerald Summit subject project and she noted that she receives numerous walk-in/phone inquiries from potential residents looking for age-restricted, affordable units in Fitzgerald. She stated that most low-income seniors are simply trying to find an affordable housing option.

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

Interviews were also conducted with the Fitzgerald-Ben Hill County Chamber of Commerce in order to gather economic data, such as major employer data and the potential for job growth/decline in the area.

Area building and planning department officials were interviewed regarding area apartments and other housing developments, as well as infrastructure changes that could affect the Fitzgerald market area.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the 84 units at the subject site following LIHTC renovations. This assumes it is developed as detailed in this report. Changes in the project's site, rent, amenities or renovation completion date may alter these findings. No recommendations are proposed at this time.

Assuming the project retains the HUD Section 8 project subsidy, it will remain marketable to low-income renters within the Site PMA. The proposed LIHTC renovations will not effectively change the income targeting at the site and most current tenants are expected to remain in place following renovations. Between 2010 and 2014, demographic growth is anticipated among the target population (low-income senior households) and will provide an increasing base of support for the renovated subject project. Regardless, the subject development only requires an effective capture rate of 0.2%, which indicates a substantial base of demographic support will continue to exist. Effectively, the project will not have an "absorption period," as it will maintain occupancy rates higher than 93.0% throughout and after the renovation process. However, should the tenants be displaced for any reason and the project had to re-lease all 84 units under both the HUD Section 8 and LIHTC programs, we anticipate the units to reach a stabilized occupancy rate of 93.0% within seven to eight months. This assumes an absorption rate of 10 to 11 units per month.

We do not have any recommendations for modifications to the proposed subject project.

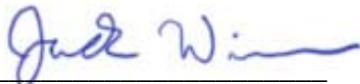
SECTION L - SIGNED STATEMENT

I affirm that I have made a physical inspection of the market area and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded.

Certified:



Patrick Bowen
President/Market Analyst
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patrickb@bowennational.com
Date: June 12, 2012



Jack Wiseman
Market Analyst
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Date: June 12, 2012



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Market Analyst
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benb@bowennational.com
Date: June 12, 2012

SECTION M – MARKET STUDY REPRESENTATION

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

SECTION N - QUALIFICATIONS

THE COMPANY

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

THE STAFF

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, for 14 years. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Benjamin J. Braley, Market Analyst, has conducted on-site market evaluations for over four years in more than 200 markets. He has completed work in 37 states and tribal reservations throughout the U.S. Mr. Braley has analyzed apartments (subsidized, Tax Credit and upscale market-rate), senior housing (i.e. nursing homes, assisted living, etc.), student housing, condominiums, single-family homes and marina developments. In addition, he has studied retail, office and hotel markets. Mr. Braley has a bachelor's degree in Economics from Otterbein College.

Amy Tyrrell is a Market Analyst for Bowen National Research and is based out of Washington, DC. She has 15 years experience in the real estate and construction industries, with 10 years specializing in the research field. She has researched, analyzed, and prepared reports on a variety of trends, industries, and property types, including industrial, office, medical office, multifamily apartments and condominiums, and senior housing. Prior to her focus on research, Ms. Tyrrell performed financial analysis for retail developments throughout the United States. She holds a Masters in Business Administration with concentrations in real estate and marketing from the University of Cincinnati and a Bachelor of Arts in economics with a minor in mathematics from Smith College.

Becky Musso is a Market Analyst at Bowen National Research. She has been involved in the research process for many jobs, but has specifically been skilled in the research of homeless, special needs and farmlabor data. Ms. Musso conducts a variety of interviews with local planning, economic development and stakeholder officials that are used in the analysis of each market.

Stephanie Viren is the Research Director at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Jack Wiseman, a Market Analyst with Bowen National Research, has conducted extensive market research in over 200 markets throughout the United States. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, educational facilities, marinas and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts in Economics from Miami University.

June Davis, Office Manager of Bowen National Research, has 22 years experience in market feasibility research. Ms. Davis has overseen production on over 13,000 market studies for projects throughout the United States.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

FITZGERALD, GEORGIA

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

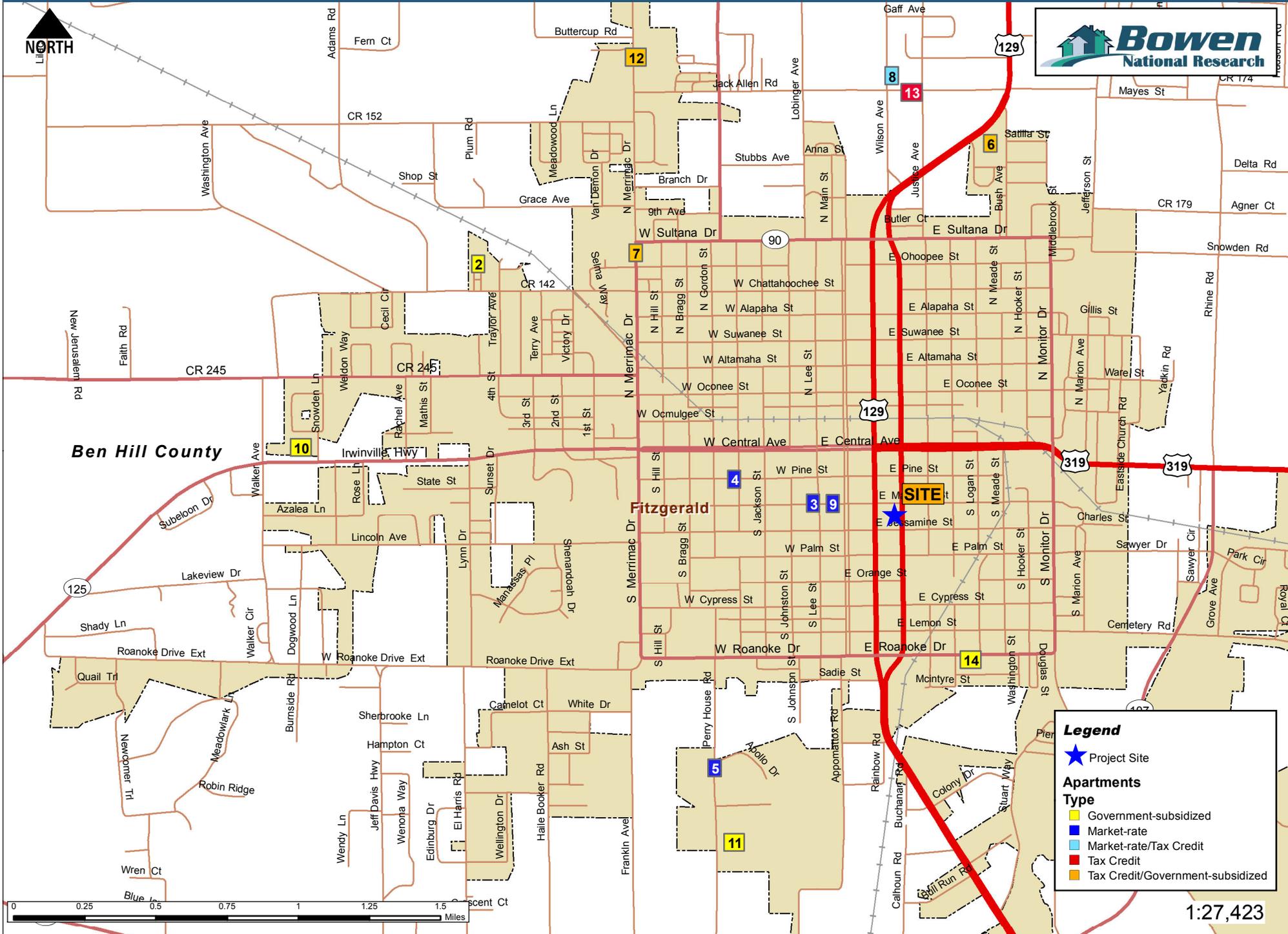
The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

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

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

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

Fitzgerald, GA: Apartment Locations



Legend

- Project Site
- Apartments Type**
- Government-subsidized
- Market-rate
- Market-rate/Tax Credit
- Tax Credit
- Tax Credit/Government-subsidized

1:27,423

MAP IDENTIFICATION LIST - FITZGERALD, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
◆ 1	Fitzgerald Summit Apts. (Site)	GSS	C	1979	84	0	100.0%	-
2	Washington Avenue Apts.	GSS	C	1982	40	12	70.0%	1.9
3	218 W. Magnolia St.	MRR	B-	1920	5	1	80.0%	0.3
4	514-516 W. Pine St.	MRR	B-	1928	2	1	50.0%	0.6
5	Baytree Ridge Apts.	MRR	C	1974	36	12	66.7%	1.4
6	Bridge Creek	TGS	B+	1983	71	0	100.0%	1.3
7	Colony Square Apts.	TGS	B-	1985	24	5	79.2%	1.6
8	Jack Allen Apts.	MRT	A	2005	60	3	95.0%	1.4
9	Magnolia Apts.	MRR	C	1964	12	1	91.7%	0.2
10	McKinley Lane Apts.	GSS	B	1989	48	2	95.8%	2.0
◆ 11	Meadow Run Apts. I & II	GSS	B	1989	100	0	100.0%	1.6
12	Merrimac Village	TGS	B+	1982	50	0	100.0%	2.1
◆ 13	Mulberry Court	TAX	A	2007	48	5	89.6%	1.4
14	Roanoke Homes	GSS	C+	1978	78	0	100.0%	0.8

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	4	55	15	72.7%	0
MRT	1	60	3	95.0%	0
TAX	1	48	5	89.6%	0
TGS	3	145	5	96.6%	0
GSS	5	350	14	96.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

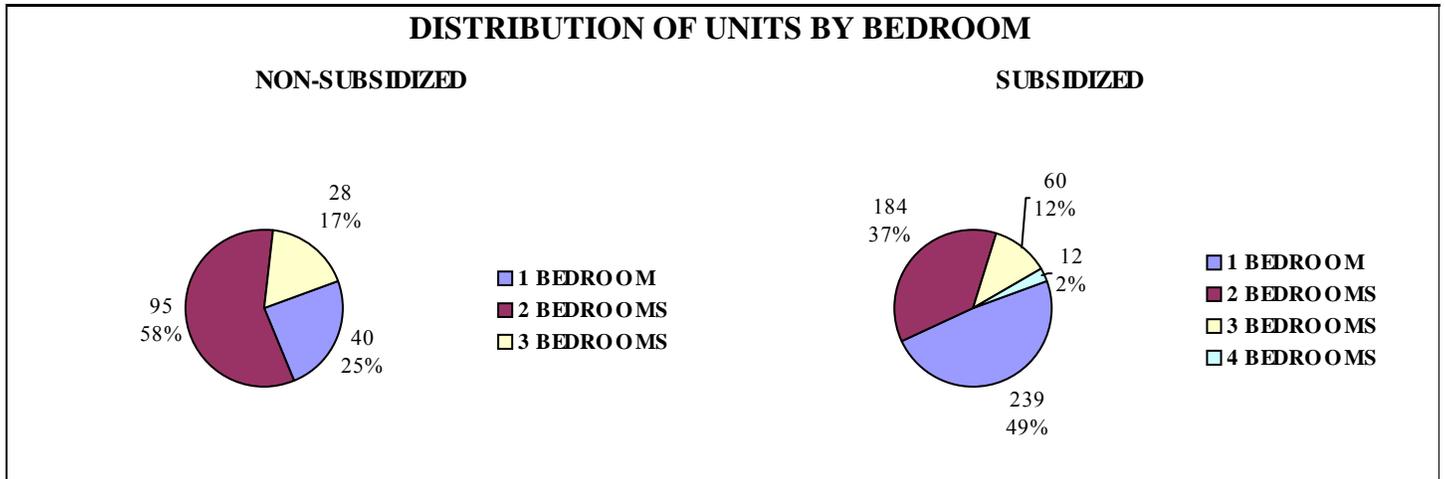
* - Drive Distance (Miles)

Survey Date: June 2012

DISTRIBUTION OF UNITS - FITZGERALD, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	10	16.4%	2	20.0%	\$419
2	1	45	73.8%	13	28.9%	\$548
2	1.5	2	3.3%	1	50.0%	\$672
3	1	2	3.3%	0	0.0%	\$574
3	2	2	3.3%	2	100.0%	\$767
TOTAL		61	100.0%	18	29.5%	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	30	29.4%	3	10.0%	\$518
2	1.5	24	23.5%	0	0.0%	\$547
2	2	24	23.5%	2	8.3%	\$607
3	2	24	23.5%	0	0.0%	\$632
TOTAL		102	100.0%	5	4.9%	
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	26	17.9%	0	0.0%	N.A.
2	1	77	53.1%	5	6.5%	N.A.
3	1.5	38	26.2%	0	0.0%	N.A.
4	1.5	4	2.8%	0	0.0%	N.A.
TOTAL		145	100.0%	5	3.4%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	213	60.9%	6	2.8%	N.A.
2	1	43	12.3%	0	0.0%	N.A.
2	1.5	64	18.3%	8	12.5%	N.A.
3	1	20	5.7%	0	0.0%	N.A.
3	1.5	2	0.6%	0	0.0%	N.A.
4	1	8	2.3%	0	0.0%	N.A.
TOTAL		350	100.0%	14	4.0%	
GRAND TOTAL		658	-	42	6.4%	

DISTRIBUTION OF UNITS - FITZGERALD, GEORGIA



SURVEY OF PROPERTIES - FITZGERALD, GEORGIA

1 Fitzgerald Summit Apts. (Site)			
	Address 318 S. Grant St. Fitzgerald, GA 31750	Phone (229) 423-5707 (Contact in person)	Total Units 84
	Year Built 1979 Comments HUD Section 8	Contact Penny	Vacancies 0 Occupied 100.0% Floors 5 Quality Rating C Senior Restricted (62+) Waiting List 5 households
2 Washington Avenue Apts.			
	Address 183 Washington Ave. Fitzgerald, GA 31750	Phone (229) 423-7608 (Contact in person)	Total Units 40
	Year Built 1982 Comments RD 515, has RA (25 units); Accepts HCV (0 currently); Townhomes have patio & washer/dryer hookups; Vacancies attributed to quality & age of property; Square footage estimated	Contact Cathy	Vacancies 12 Occupied 70.0% Floors 1,2 Quality Rating C Waiting List None
Rent Special	1st month free rent & \$300 security deposit		
3 218 W. Magnolia St.			
	Address 218 W. Magnolia St. Fitzgerald, GA 31750	Phone (229) 423-5251 (Contact in person)	Total Units 5
	Year Built 1920 Renovated 1990 Comments Year built & square footage estimated	Contact Nathan	Vacancies 1 Occupied 80.0% Floors 2 Quality Rating B- Waiting List None
4 514-516 W. Pine St.			
	Address 514-516 W. Pine St. Fitzgerald, GA 31750	Phone (229) 424-0002 (Contact in person)	Total Units 2
	Year Built 1928 Comments Duplex; Year built & square footage estimated	Contact Belinda	Vacancies 1 Occupied 50.0% Floors 1 Quality Rating B- Waiting List None
5 Baytree Ridge Apts.			
	Address 157 Perry House Rd. Fitzgerald, GA 31750	Phone (229) 423-4399 (Contact in person)	Total Units 36
	Year Built 1974 Renovated 1991 Comments Accepts HCV (0 currently); Vacancies due to evictions; Year built & square footage estimated	Contact Chanellle	Vacancies 12 Occupied 66.7% Floors 2 Quality Rating C Waiting List None

Project Type

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

Survey Date: June 2012

SURVEY OF PROPERTIES - FITZGERALD, GEORGIA

6 Bridge Creek			
	Address 149 Bowens Mill Hwy. Fitzgerald, GA 31750	Phone (229) 423-9797 (Contact in person)	Total Units 71
	Year Built 1983 Renovated 2007	Contact Rudine	Vacancies 0
	Comments 60% AMHI; HUD Section 8; HUD-insured; 12 1-br units do not have washer/dryer hookups; Square footage estimated		Occupied 100.0%
			Floors 1,2
			Quality Rating B+
			Waiting List 15 households
7 Colony Square Apts.			
	Address 808 N. Merrimac Dr. Fitzgerald, GA 31750	Phone (229) 423-2647 (Contact in person)	Total Units 24
	Year Built 1985 Renovated 1994	Contact Debbie	Vacancies 5
	Comments 60% AMH; RD 515, has RA (16 units); Accepts HCV; 3-br units have washer/dryer hookups; Vacancies in non-RA units; Year built & square footage estimated		Occupied 79.2%
			Floors 2
			Quality Rating B-
			Waiting List RA: 3 households
8 Jack Allen Apts.			
	Address 160 Wilson Ave. Fitzgerald, GA 31750	Phone (229) 423-7400 (Contact in person)	Total Units 60
	Year Built 2005	Contact Lori	Vacancies 3
	Comments Market-rate (6 units); 30%, 50% & 60% AMHI (54 units); HCV (8 units)		Occupied 95.0%
			Floors 2
			Quality Rating A
			Waiting List Tax: 3-6 months
9 Magnolia Apts.			
	Address 115 W. Magnolia St. Fitzgerald, GA 31750	Phone (229) 425-0877 (Contact in person)	Total Units 12
	Year Built 1964	Contact Haywood	Vacancies 1
	Comments Accepts HCV (0 currently)		Occupied 91.7%
			Floors 2
			Quality Rating C
			Waiting List None
10 McKinley Lane Apts.			
	Address 283 Irwinville Hwy. Fitzgerald, GA 31750	Phone (229) 423-3319 (Contact in person)	Total Units 48
	Year Built 1989	Contact Olivia	Vacancies 2
	Comments RD 515, has RA (4 units); HCV (4 units); Square footage estimated		Occupied 95.8%
			Floors 1,2
			Quality Rating B
			Waiting List None

Project Type

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

Survey Date: June 2012

SURVEY OF PROPERTIES - FITZGERALD, GEORGIA

11 Meadow Run Apts. I & II			
	Address 197 Perry House Rd. Fitzgerald, GA 31750	Phone (229) 423-9660 (Contact in person)	Total Units 100
	Year Built 1989 Comments RD 515, has RA (89 units); HCV (3 units); Phase I built 1989, phase II built 1993; Higher rent units are phase II; Square footage estimated	Contact Joyce	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B Senior Restricted (62+) Waiting List 7 households
12 Merrimac Village			
	Address 1000 N. Merrimac Dr. Fitzgerald, GA 31750	Phone (229) 423-9577 (Contact in person)	Total Units 50
	Year Built 1982 Renovated 2007 Comments 60% AMHI; HUD Section 8; HUD-insured; 1-br units do not have washer/dryer hookups; Square footage estimated	Contact Delandra	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B+ Waiting List 8 households
13 Mulberry Court			
	Address 154 Jack Allen Rd. Fitzgerald, GA 31750	Phone (229) 424-9788 (Contact in person)	Total Units 48
	Year Built 2007 Comments 50% & 60% AMHI; HCV (4 units)	Contact Olivia	Vacancies 5 Occupied 89.6% Floors 2 Quality Rating A Senior Restricted (55+) Waiting List None
14 Roanoke Homes			
	Address 469 E. Roanoke Dr. Fitzgerald, GA 31750	Phone (229) 423-3755 (Contact in person)	Total Units 78
	Year Built 1978 Comments Public Housing; Duplexes; Year built, unit mix & square footage estimated	Contact Judy	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating C+ Waiting List 60-70 households

Project Type

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

Survey Date: June 2012

COLLECTED RENTS - FITZGERALD, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
3		\$225	\$325	\$325					
4		\$275	\$300						
5			\$325						
8		\$149 to \$390					\$167 to \$465	\$183 to \$515	
9		\$295	\$305						
13		\$355	\$400						

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: June 2012

PRICE PER SQUARE FOOT - FITZGERALD, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	218 W. Magnolia St.	1	610	\$392	\$0.64
4	514-516 W. Pine St.	1	600	\$415	\$0.69
9	Magnolia Apts.	1	510	\$419	\$0.82
8	Jack Allen Apts.	1	665	\$312 to \$553	\$0.47 to \$0.83
13	Mulberry Court	1	900	\$518	\$0.58
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	218 W. Magnolia St.	1	760	\$533	\$0.70
4	514-516 W. Pine St.	1	762	\$474	\$0.62
5	Baytree Ridge Apts.	1	810	\$548	\$0.68
9	Magnolia Apts.	1	634	\$463	\$0.73
8	Jack Allen Apts.	1.5	871	\$374 to \$672	\$0.43 to \$0.77
13	Mulberry Court	2	1100	\$607	\$0.55
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
3	218 W. Magnolia St.	1	850	\$574	\$0.68
8	Jack Allen Apts.	2	1080	\$435 to \$767	\$0.40 to \$0.71

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: June 2012

AVERAGE GROSS RENT PER SQUARE FOOT - FITZGERALD, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.79	\$0.68	\$0.68
TOWNHOUSE	\$0.00	\$0.77	\$0.71

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.59	\$0.55	\$0.00
TOWNHOUSE	\$0.00	\$0.65	\$0.61

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.64	\$0.64	\$0.68
TOWNHOUSE	\$0.00	\$0.66	\$0.62

TAX CREDIT UNITS - FITZGERALD, GEORGIA

ONE-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
8	Jack Allen Apts.	2	665	1	30%	\$149	
8	Jack Allen Apts.	2	665	1	50%	\$290	
◆	13	Mulberry Court	12	900	1	50%	\$355
◆	13	Mulberry Court	12	900	1	60%	\$355
8	Jack Allen Apts.	2	665	1	60%	\$370	
6	Bridge Creek	20	742	1	60%	\$484	
12	Merrimac Village	6	742	1	60%	\$548	
TWO-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
8	Jack Allen Apts.	3	871	1.5	30%	\$167	
8	Jack Allen Apts.	11	871	1.5	50%	\$340	
7	Colony Square Apts.	20	906	1	60%	\$390 - \$515	
◆	13	Mulberry Court	12	1100	2	60%	\$400
◆	13	Mulberry Court	12	1100	2	50%	\$400
8	Jack Allen Apts.	10	871	1.5	60%	\$435	
6	Bridge Creek	33	842	1	60%	\$613	
12	Merrimac Village	24	842	1	60%	\$648	
THREE-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
8	Jack Allen Apts.	2	1080	2	30%	\$183	
8	Jack Allen Apts.	12	1080	2	50%	\$380	
7	Colony Square Apts.	4	1080	1.5	60%	\$405 - \$537	
8	Jack Allen Apts.	10	1080	2	60%	\$490	
12	Merrimac Village	16	1040	1.5	60%	\$736	
6	Bridge Creek	18	1140	1.5	60%	\$788	
FOUR-BEDROOM UNITS							
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT	
12	Merrimac Village	4	1200	1.5	60%	\$832	

◆ - Senior Restricted

QUALITY RATING - FITZGERALD, GEORGIA

MARKET-RATE PROJECTS AND UNITS

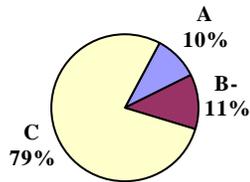
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	6	50.0%		\$553	\$672	\$767	
B-	2	7	28.6%		\$392	\$474	\$574	
C	2	48	27.1%		\$419	\$548		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

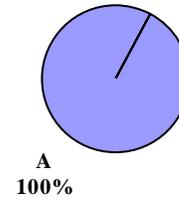
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	102	4.9%		\$518	\$607	\$632	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - FITZGERALD, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	3	19	3	15.8%	19	11.7%
1970 to 1979	1	36	12	33.3%	55	22.1%
1980 to 1989	0	0	0	0.0%	55	0.0%
1990 to 1999	0	0	0	0.0%	55	0.0%
2000 to 2004	0	0	0	0.0%	55	0.0%
2005	1	60	3	5.0%	115	36.8%
2006	0	0	0	0.0%	115	0.0%
2007	1	48	5	10.4%	163	29.4%
2008	0	0	0	0.0%	163	0.0%
2009	0	0	0	0.0%	163	0.0%
2010	0	0	0	0.0%	163	0.0%
2011	0	0	0	0.0%	163	0.0%
2012**	0	0	0	0.0%	163	0.0%
TOTAL	6	163	23	14.1%	163	100.0 %

YEAR RENOVATED - FITZGERALD, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	2	41	13	31.7%	41	100.0%
2000 to 2004	0	0	0	0.0%	41	0.0%
2005	0	0	0	0.0%	41	0.0%
2006	0	0	0	0.0%	41	0.0%
2007	0	0	0	0.0%	41	0.0%
2008	0	0	0	0.0%	41	0.0%
2009	0	0	0	0.0%	41	0.0%
2010	0	0	0	0.0%	41	0.0%
2011	0	0	0	0.0%	41	0.0%
2012**	0	0	0	0.0%	41	0.0%
TOTAL	2	41	13	31.7%	41	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

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

** As of June 2012

APPLIANCES AND UNIT AMENITIES - FITZGERALD, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	6	100.0%	163
REFRIGERATOR	5	83.3%	151
ICEMAKER	2	33.3%	108
DISHWASHER	3	50.0%	144
DISPOSAL	2	33.3%	108
MICROWAVE	0	0.0%	
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	6	100.0%	163
AC - WINDOW	0	0.0%	
FLOOR COVERING	6	100.0%	163
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	6	100.0%	163
PATIO/DECK/BALCONY	3	50.0%	110
CEILING FAN	2	33.3%	108
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	5	83.3%	161
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	16.7%	48

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

PROJECT AMENITIES - FITZGERALD, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	2	33.3%	108
LAUNDRY	2	33.3%	108
CLUB HOUSE	2	33.3%	108
MEETING ROOM	0	0.0%	
FITNESS CENTER	2	33.3%	108
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	1	16.7%	60
COMPUTER LAB	2	33.3%	108
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	1	16.7%	48
SECURITY GATE	1	16.7%	48
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	3	50.0%	120
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	16.7%	48

DISTRIBUTION OF UTILITIES - FITZGERALD, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	84	12.8%
TENANT			
ELECTRIC	11	491	74.6%
GAS	2	83	12.6%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	84	12.8%
TENANT			
ELECTRIC	12	496	75.4%
GAS	1	78	11.9%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	84	12.8%
TENANT			
ELECTRIC	11	491	74.6%
GAS	2	83	12.6%
			100.0%
ELECTRIC			
LANDLORD			
ELECTRIC	1	84	12.8%
TENANT			
ELECTRIC	13	574	87.2%
			100.0%
WATER			
LANDLORD			
ELECTRIC	8	331	50.3%
TENANT			
ELECTRIC	6	327	49.7%
			100.0%
SEWER			
LANDLORD			
ELECTRIC	8	331	50.3%
TENANT			
ELECTRIC	6	327	49.7%
TRASH PICK-UP			
LANDLORD			
ELECTRIC	7	349	53.0%
TENANT			
ELECTRIC	7	309	47.0%
			100.0%

UTILITY ALLOWANCE - FITZGERALD, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$13	\$16		\$25	\$15	\$20	\$5	\$6	\$46	\$14	\$17	\$16	\$20
1	GARDEN	\$19	\$23		\$35	\$20	\$28	\$8	\$9	\$64	\$17	\$22	\$16	\$20
1	TOWNHOUSE	\$19	\$23		\$35	\$20	\$28	\$8	\$9	\$64	\$17	\$22	\$16	\$20
2	GARDEN	\$24	\$29		\$44	\$26	\$36	\$9	\$12	\$81	\$22	\$27	\$16	\$20
2	TOWNHOUSE	\$24	\$29		\$44	\$26	\$36	\$9	\$12	\$81	\$22	\$27	\$16	\$20
3	GARDEN	\$30	\$36		\$53	\$31	\$44	\$12	\$14	\$100	\$26	\$32	\$16	\$20
3	TOWNHOUSE	\$30	\$36		\$53	\$31	\$44	\$12	\$14	\$100	\$26	\$32	\$16	\$20
4	GARDEN	\$36	\$46		\$69	\$39	\$56	\$15	\$18	\$127	\$31	\$38	\$16	\$20
4	TOWNHOUSE	\$36	\$46		\$69	\$39	\$56	\$15	\$18	\$127	\$31	\$38	\$16	\$20

GA-Southern Region (6/2011)

Survey Date: June 2012

A-19



ADDENDUM B

COMPARABLE PROPERTY PROFILES

902 Gables Apts.

28.7 miles to site



Address	1351 Gordon St. W Douglas, GA 31533		
Phone	(912) 384-5555	Contact	Ines
Total Units	32	Vacancies	2
		Percent Occupied	93.8%
Project Type	Market-Rate		
Year Open	1991	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Year built estimated		

Features and Utilities

Utilities No landlord paid utilities
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	8	0	912	\$0.65	\$595
2	2	G	24	2	1020	\$0.66	\$675

905 Whisperwood Apts.

40.6 miles to site



Address	1506 E. 16th Ave. Cordele, GA 31015		
Phone	(229) 273-3548	Contact	Tometrice
Total Units	50	Vacancies	5
		Percent Occupied	90.0%
Project Type	Market-Rate		
Year Open	1985	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	B
Remarks	Does not accept HCV; 1 & 2-br units have washer/dryer hookups & patio; 2-br units have dishwasher; Rent range due to unit location		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Window AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	11	1	356	\$1.11	\$395
1	1	G	33	2	576	\$0.84 - \$0.86	\$485 to \$495
2	1 to 2	G	6	2	864	\$0.70 - \$0.74	\$609 to \$639

910 Sunnyside Apts.

26.4 miles to site



Address	909 20th St. W Tifton, GA 31794		
Phone	(229) 386-2066	Contact	Carole
Total Units	72	Vacancies	5
		Percent Occupied	93.1%
Project Type	Market-Rate		
Year Open	1991	Floors	1
Concessions	Reported 1-br rents discounted		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B	Neighborhood Rating	A
Remarks	HCV (1 unit); Typical 1-br rent: \$540; Studios have microwaves; 1 & 2-br units have washer/dryer hookups, patios & ceiling fans; 2-br rent range due to unit upgrades		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Window AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Laundry Facility, Storage

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
0	1	G	6	0	288	\$1.63	\$470
1	1	G	56	5	576	\$0.87	\$500
2	1 to 2	G	10	0	860	\$0.72 - \$0.74	\$620 to \$640

8 Jack Allen Apts.

1.4 miles to site



Address	160 Wilson Ave. Fitzgerald, GA 31750		
Phone	(229) 423-7400	Contact	Lori
Total Units	60	Vacancies	3
		Percent Occupied	95.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2005	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	Tax: 3-6 months		
Quality Rating	A	Neighborhood Rating	B-
Remarks	Market-rate (6 units); 30%, 50% & 60% AMHI (54 units); HCV (8 units)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, WiFi

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	665	\$0.59	\$390	
1	1	G	2	0	665	\$0.56	\$370	60%
1	1	G	2	0	665	\$0.44	\$290	50%
1	1	G	2	0	665	\$0.22	\$149	30%
2	1.5	T	2	1	871	\$0.53	\$465	
2	1.5	T	10	0	871	\$0.50	\$435	60%
2	1.5	T	11	0	871	\$0.39	\$340	50%
2	1.5	T	3	0	871	\$0.19	\$167	30%
3	2	T	2	2	1080	\$0.48	\$515	
3	2	T	10	0	1080	\$0.45	\$490	60%
3	2	T	12	0	1080	\$0.35	\$380	50%
3	2	T	2	0	1080	\$0.17	\$183	30%

906 West Haven Senior Village

29.0 miles to site



Address	2760 E. B. Hamilton Dr. Tifton, GA 31793		
Phone	(229) 382-2181	Contact	Carla
Total Units	40	Vacancies	0
		Percent Occupied	100.0%
Project Type	Market-Rate & Tax Credit		
Year Open	2011	Floors	1
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	14 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	Market-rate (4 units); 30%, 50% & 60% AMHI; Accepts HCV; Opened 5/2011, 90% occupied 9/2011; Waitlist for market-rate 4 HH, 30% AMHI 6 HH & 60% AMHI 4 HH		

Features and Utilities

Utilities	Landlord pays Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Patio Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Computer Lab, Picnic Area

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	4	0	1200	\$0.43	\$520	
2	2	G	26	0	1200	\$0.38	\$452	60%
2	2	G	8	0	1200	\$0.32	\$385	50%
2	2	G	2	0	1200	\$0.14	\$172	30%

909 Harbor Pointe Apts.

24.6 miles to site



Address	88 Richards Dr. Tifton, GA 31794	
Phone	(229) 388-0736	Contact Elizabeth
Total Units	56	Vacancies 2 Percent Occupied 96.4%
Project Type	Market-Rate & Tax Credit	
Year Open	2003	Floors 2
Concessions	No Rent Specials	
Parking	Surface Parking	
Waiting List	MRR: 5 HH	
Quality Rating	A-	Neighborhood Rating B
Remarks	Market-rate (12 units); 50% AMHI (44 units); Accepts HCV	

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, E-Call Button, Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Elevator, Computer Lab, Picnic Area

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	800	\$0.54	\$435	
1	1	G	22	2	800	\$0.44	\$350	50%
2	1	G	6	0	1000	\$0.48	\$480	
2	1	G	22	0	1000	\$0.39	\$390	50%

13 Mulberry Court

1.4 miles to site



Address	154 Jack Allen Rd. Fitzgerald, GA 31750		
Phone	(229) 424-9788	Contact	Olivia
Total Units	48	Vacancies	5
		Percent Occupied	89.6%
Project Type	Tax Credit		
Year Open	2007	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A	Neighborhood Rating	B-
Remarks	50% & 60% AMHI; HCV (4 units)		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, E-Call Button, Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Elevator, Security Gate, Computer Lab, Picnic Area, Social Services, Community Gardens

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	12	1	900	\$0.39	\$355	60%
1	1	G	12	2	900	\$0.39	\$355	50%
2	2	G	12	1	1100	\$0.36	\$400	60%
2	2	G	12	1	1100	\$0.36	\$400	50%

904 Overlook Pointe

42.5 miles to site



Address 1114 Blackshear Rd.
Cordele, GA 31015

Phone (229) 271-9416 **Contact** Tiffany

Total Units 56 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2004 **Floors** 1,2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 3 households

Quality Rating N **Neighborhood Rating** N

Remarks 30%, 50% & 60% AMHI; HCV (6 units)

**Features and Utilities**

Utilities Landlord pays Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, E-Call Button

Project Amenities On-site Management, Laundry Facility, Club House, Fitness Center, Sports Court, Elevator, Picnic Area, Garden Plots, Putting Green, Shuffleboard

Unit Configuration

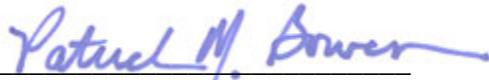
BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	14	0	760	\$0.50	\$380	60%
1	1	G	11	0	760	\$0.47	\$355	50%
1	1	G	3	0	760	\$0.21	\$160	30%
2	2	G	13	0	1000	\$0.43	\$425	60%
2	2	G	12	0	1000	\$0.40	\$400	50%
2	2	G	3	0	1000	\$0.19	\$185	30%

ADDENDUM C – MEMBER CERTIFICATION & CHECKLIST

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

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

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Date: June 12, 2012

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ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Affordable Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. 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 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	H
27.	Households by tenure	H
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H & Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	K
48.	Market strengths and weaknesses impacting project	K
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	H
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

		Section (s)
OTHER REQUIREMENTS		
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	Addendum B
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Fitzgerald, Georgia by The Woda Group LLC.

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Affordable Housing Market Analysts (NCAHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the continued market feasibility of the subject project.

3. REPORT LIMITATIONS

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

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

Any reproduction or duplication of this report without the expressed approval of Bowen National Research is strictly prohibited.

4. SOURCES

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

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- HISTA Data (household income by household size, tenure and age of head of household) by Ribbon Demographics

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

We identified one property within the Fitzgerald Site PMA that we consider comparable to the subject development that offers market-rate units. Due to the limited availability of market-rate developments within the Site PMA, we identified and surveyed four additional properties located outside of the Site PMA that we consider comparable to the subject project. These selected properties are used to derive market rent for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					Studio	One-Br.	Two-Br.	Three-Br.
1 Site	Fitzgerald Summit	1979 / 2014	84	100.0%	-	83 (100.0%)	1 (100.0%)	-
8	Jack Allen Apts.	2005	6*	50.0%	-	2 (100.0%)	2 (50.0%)	2 (0.0%)
902	Gables Apts.	1991	32	93.8%	-	8 (100.0%)	24 (91.7%)	-
905	Whisperwood Apts.	1985	50	90.0%	11 (90.9%)	33 (93.9%)	6 (66.7%)	-
909	Harbor Pointe Apts.	2003	12*	100.0%	-	6 (100.0%)	6 (100.0%)	-
910	Sunnyside Apts.	1991	72	93.1%	6 (100.0%)	56 (91.1%)	10 (100.0%)	-

Occ. - Occupancy
 *Market-rate units only
 900 series Map IDs are located outside the Site PMA

The five selected market-rate projects have a combined total of 172 units with an overall occupancy rate of 91.3%. Note that most vacant units are concentrated among the two- and three-bedroom unit types. The subject project is primarily comprised of one-bedroom units (83 of the 84 total units). Each of the selected properties offers one-bedroom unit types that maintain occupancy rates between 91.1% and 100.0%. As such, these properties are considered accurate benchmarks with which to compare to the renovated subject project regardless of their overall occupancy rates.

A comparison of the weighted average collected rents and those proposed at the subject project is included below.

Weighted Average Collected Rent of Comparable Market-Rate Units	
One-Br.	Two-Br.
\$498	\$579

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent)/proposed rent.

Bedrooms	Weighted Avg. Rent	Proposed Contract Rent	Proposed LIHTC Rent*	Difference	Proposed LIHTC Rent*	Rent Advantage
One-Br.	\$498	\$605	- \$424 (50%)	\$74	/ \$424	17.4%
		\$605	- \$509 (60%)	-\$11	/ \$509	-2.2%
Two-Br.	\$579	\$680	- \$610 (60%)	-\$29	/ \$610	-4.8%

*Maximum Allowable under LIHTC program

Most of the maximum allowable rents at the site (without the HUD Section 8 subsidy) do not represent an advantage. However, these rent advantages would only be relevant if the proposed project ceased to operate with a project-based HUD Section 8 subsidy. Therefore, the advantages or disadvantages that the proposed rents represent are irrelevant to the perceived value of the project to low-income renters. Further, these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Considering the cost of all utilities are included in the monthly collected rent at the subject project, caution must be used when drawing any conclusions based on these collected rent advantages. Further, these rent advantages do not consider differences in unit size, amenities or location. Therefore, we have provided HUD Rent Comparability grids to provide a more accurate rent advantage analysis.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Fitzgerald Summit		Jack Allen Apts.		Gables Apts.		Whisperwood Apts.		Harbor Pointe Apts.		Sunnyside Apts.	
318 S. Grant St.		160 Wilson Ave.		1351 Gordon St. W		1506 E. 16th Ave.		88 Richards Dr.		909 20th St. W	
Fitzgerald, GA		Fitzgerald, GA		Douglas, GA		Cordele, GA		Tifton, GA		Tifton, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$390		\$595		\$490		\$435		\$500	
2 Date Surveyed		Jan-12		May-12		May-12		May-12		May-12	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		100%		100%		94%		100%		91%	
5 Effective Rent & Rent/ sq. ft	▼	\$390	0.59	\$595	0.65	\$490	0.85	\$435	0.54	\$500	0.87
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/5	WU/2		WU/2		R/1		EE/2		R/1	
7 Yr. Built/Yr. Renovated	1979/2014	2005	(\$8)	1991	\$6	1985	\$12	2003	(\$6)	1991	\$6
8 Condition /Street Appeal	G	E	(\$15)	G		G		E	(\$15)	G	
9 Neighborhood	G	G		E	(\$10)	E	(\$10)	E	(\$10)	E	(\$10)
10 Same Market?		Yes		No	(\$120)	No	(\$98)	No	(\$87)	No	(\$100)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	1	1		1		1		1		1	
12 # Baths	1	1		1		1		1		1	
13 Unit Interior Sq. Ft.	575	665	(\$15)	912	(\$58)	576	(\$0)	800	(\$38)	576	(\$0)
14 Balcony/ Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/ Wall	W	C	(\$5)	C	(\$5)	W		C	(\$5)	W	
16 Range/ refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/N	\$15	N/Y	\$5	N/Y	\$5
18 Washer/Dryer	L	HU/L	(\$10)	HU	(\$5)	HU/L	(\$10)	HU/L	(\$10)	HU/L	(\$10)
19 Floor Coverings	C	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	Y/N	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fans	N	Y	(\$5)	N		Y	(\$5)	N		Y	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		N	\$5	Y		Y		N	\$5
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Rooms	N/Y	Y/N		N/N	\$5	N/N	\$5	Y/N		N/N	\$5
28 Pool/ Recreation Areas	N	F	(\$5)	N		N		F	(\$5)	N	
29 Computer Center	N	Y	(\$3)	N		N		Y	(\$3)	N	
30 Picnic Area	Y	Y		N	\$3	N	\$3	Y		N	\$3
31 Playground	N	Y	(\$3)	N		N		N		N	
32 Social Services	Y	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	Y/E	N/E	\$23	N/E	\$23	N/E	\$23	N/G	\$19	N/E	\$23
34 Cooling (in rent?/ type)	Y/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	Y/E	N/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9	N/E	\$9
36 Hot Water (in rent?/ type)	Y/E	N/E	\$28	N/E	\$28	N/E	\$28	N/G	\$20	N/E	\$28
37 Other Electric	Y	N	\$64	N	\$64	N	\$64	N	\$64	N	\$64
38 Cold Water/ Sewer	Y/Y	N/N	\$39	N/N	\$39	N/N	\$39	N/N	\$39	N/N	\$39
39 Trash/Recycling	Y/N	Y/N		N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		3	10	7	6	6	6	3	10	7	6
41 Sum Adjustments B to D		\$18	(\$74)	\$37	(\$203)	\$48	(\$128)	\$18	(\$184)	\$37	(\$130)
42 Sum Utility Adjustments		\$163		\$179		\$179		\$167		\$179	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$107	\$255	\$13	\$419	\$99	\$355	\$1	\$369	\$86	\$346
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$497		\$608		\$589		\$436		\$586	
45 Adj Rent/Last rent			127%		102%		120%		100%		117%
46 Estimated Market Rent	\$500	\$0.87									

← Estimated Market Rent/ Sq. Ft

Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Fitzgerald Summit		Jack Allen Apts.		Gables Apts.		Whisperwood Apts.		Harbor Pointe Apts.		Sunnyside Apts.	
318 S. Grant St.		160 Wilson Ave.		1351 Gordon St. W		1506 E. 16th Ave.		88 Richards Dr.		909 20th St. W	
Fitzgerald, GA		Fitzgerald, GA		Douglas, GA		Cordele, GA		Tifton, GA		Tifton, GA	
Data on Subject		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1 \$ Last Rent / Restricted?		\$465		\$675		\$609		\$480		\$620	
2 Date Surveyed		Jan-12		May-12		May-12		May-12		May-12	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		50%		92%		67%		100%		100%	
5 Effective Rent & Rent/ sq. ft	▼	\$465	0.53	\$675	0.66	\$609	0.70	\$480	0.48	\$620	0.72
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	EE/5	WU/2		WU/2		R/1		EE/2		R/1	
7 Yr. Built/Yr. Renovated	1979/2014	2005	(\$8)	1991	\$6	1985	\$12	2003	(\$6)	1991	\$6
8 Condition /Street Appeal	G	E	(\$15)	G		G		E	(\$15)	G	
9 Neighborhood	G	G		E	(\$10)	E	(\$10)	E	(\$10)	E	(\$10)
10 Same Market?		Yes		No	(\$135)	No	(\$122)	No	(\$96)	No	(\$124)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	2	2		2		2		2		2	
12 # Baths	1	1.5	(\$15)	2	(\$30)	1		1		1	
13 Unit Interior Sq. Ft.	725	871	(\$23)	1020	(\$46)	864	(\$21)	1000	(\$42)	860	(\$21)
14 Balcony/ Patio	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
15 AC: Central/ Wall	W	C	(\$5)	C	(\$5)	W		C	(\$5)	W	
16 Range/ refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/ Dishwasher	Y/Y	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5	N/Y	\$5
18 Washer/Dryer	L	HU/L	(\$10)	HU	(\$5)	HU/L	(\$10)	HU/L	(\$10)	HU/L	(\$10)
19 Floor Coverings	C	C		C		C		C		C	
20 Window Coverings	B	B		B		B		B		B	
21 Intercom/Security System	Y/N	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3	N/N	\$3
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fans	N	Y	(\$5)	N		Y	(\$5)	N		Y	(\$5)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		N	\$5	Y		Y		N	\$5
26 Security Gate	N	N		N		N		N		N	
27 Clubhouse/ Meeting Rooms	N/Y	Y/N		N/N	\$5	N/N	\$5	Y/N		N/N	\$5
28 Pool/ Recreation Areas	N	F	(\$5)	N		N		F	(\$5)	N	
29 Computer Center	N	Y	(\$3)	N		N		Y	(\$3)	N	
30 Picnic Area	Y	Y		N	\$3	N	\$3	Y		N	\$3
31 Playground	N	Y	(\$3)	N		N		N		N	
32 Social Services	Y	N	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	Y/E	N/E	\$29	N/E	\$29	N/E	\$29	N/G	\$24	N/E	\$29
34 Cooling (in rent?/ type)	Y/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	Y/E	N/E	\$12	N/E	\$12	N/E	\$12	N/E	\$12	N/E	\$12
36 Hot Water (in rent?/ type)	Y/E	N/E	\$36	N/E	\$36	N/E	\$36	N/G	\$26	N/E	\$36
37 Other Electric	Y	N	\$81	N	\$81	N	\$81	N	\$81	N	\$81
38 Cold Water/ Sewer	Y/Y	N/N	\$49	N/N	\$49	N/N	\$49	N/N	\$49	N/N	\$49
39 Trash/Recycling	Y/N	Y/N		N/N	\$16	N/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		3	11	7	7	6	6	3	10	7	6
41 Sum Adjustments B to D		\$18	(\$97)	\$37	(\$236)	\$38	(\$173)	\$18	(\$197)	\$37	(\$175)
42 Sum Utility Adjustments		\$207		\$223		\$223		\$208		\$223	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		\$128	\$322	\$24	\$496	\$88	\$434	\$29	\$423	\$85	\$435
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$593		\$699		\$697		\$509		\$705	
45 Adj Rent/Last rent			128%		104%		114%		106%		114%
46 Estimated Market Rent	\$600	\$0.83									

← Estimated Market Rent/ Sq. Ft

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

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$500 for a one-bedroom unit and \$600 for a two-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	Proposed Contract Rent	Proposed LIHTC Rent* (% AMHI)	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$605	\$424 (50%)	\$500	15.2%
	\$605	\$509 (60%)		-1.8%
Two-Bedroom	\$680	\$610 (60%)	\$600	-1.7%

*Maximum Allowable under LIHTC program

The proposed contract rents will exceed the achievable market rents and the maximum allowable LIHTC rents. However, the project will maintain a project-based subsidy and tenants will continue to pay up to 30% of their adjusted gross incomes toward housing costs. In the unlikely event the project-based subsidy was lost, we have provided a comparison of the maximum allowable rents at the subject project under LIHTC guidelines. Based on these rents, the 50% AMHI units would likely represent a value within the Fitzgerald Site PMA. However, the 60% AMHI units would actually represent negative rent advantages. Therefore, these rents would likely have to be reduced even further beyond the maximum allowable if the project were to lose its HUD Section 8 operating subsidy.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.

7. Upon completion of renovation, the subject project will have an effective age of 1997. The selected properties were built between 1985 and 2005. As such, we have adjusted the rents at the selected properties by \$1 per every year difference to reflect the age of these properties compared to the subject project.
9. Most of the selected properties are considered to be within a more desirable neighborhood. As such, these properties have been adjusted negatively to reflect their superior surroundings.
10. Four of the comparable market-rate developments are located outside of the Fitzgerald Site PMA. These properties are located within rental markets that are considered larger in terms of population, community services and employment opportunities. Therefore, we have adjusted each of the collected rents at these developments by 20.0% to reflect differences between markets.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site compared with the competitive properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25.0% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenities package similar to the selected properties. We have, however, made some adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a somewhat limited project amenities package when compared to market-rate developments. Many of the selected properties offer swimming pools or sports facilities. As such, we have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33-39. We have adjusted the rent at each of the selected properties to reflect the utility structure proposed at the subject development. These adjustments have been made based on the 2011 Utility Allowance for the "Southern Region" of Georgia provided by DCA.

ADDENDUM F

SCOPE OF RENOVATIONS

FITZGERALD SUMMIT
SCOPE OF WORK

- Concrete: Install a new exterior patio slab for the community room on the west side of the building.
Install a new concrete pad and sidewalks for the new gazebo at the north end of the building and the new covered pavilion at the west side of the site.
- Masonry: Clean and tuck point the existing exterior masonry. The masonry is to be painted after the repairs are made.
- Metals: Replace the downspouts/gutters at the entry roof drain areas.
- Rough Re-fasten the exterior sheathing and stucco to insure a solid foundation for attachment of metal lath and new cultured stone exterior finish.
- Carpentry Install new canopy shading on the exterior over the windows.
Complete tear out of each unit is to include removal of doors, cabinets, countertops, bath fixtures, carpet, tile, walls and stippled ceilings. Replace as shown on the drawings. Re-frame and close the openings where the existing PTAC units are being removed.
- Finish
Carpentry Replace all interior doors and trim. Install lever door hardware.
Replace all existing base trim.
- Insulation Remove existing drywall on the exterior walls, replace the existing wall insulation with a class one blown fiberglass insulation. Install new drywall and seal all edge joints at the existing floor, ceiling, walls etc. to provide a tight seal that meets LEED requirements. Insulate the exterior block walls with heavy duty polyisocyanurate foam and drywall to get an R-18 rating.
- Roofing: Inspect the existing roofing and repair as needed.
- Doors: Inspect and replace exterior entry doors and hardware as needed. Install lever hardware where at doors that are not automatic push pull doors.
Replace all unit entry doors and hardware.
- Windows: Replace all windows with vinyl energy star rated windows that match the same operation as the existing windows.
- Drywall: Remove and replace all exterior wall drywall. Touch-up and repair all existing drywall to provide a smooth finished surface.

Resilient Flooring	Install new vinyl plank flooring (glue down) in all kitchens. Provide ceramic tile in all dwelling unit and public bathrooms. Install new ceramic tile flooring in the entry areas, stairway entries, and kitchenette.
Painting and Specialties:	Repaint all units, with low voc paints. Install new grab bars, towel bars, toilet paper holders, medicine cabinets, closet shelves and rods, doorstops, range hood fire extinguishers.
Cabinets:	Install new cabinets and countertops. All sink fronts are to be removable. In all handicap units install handicap cabinets (countertop at 34" with wall cabinets mounted at 48" to the bottom shelf).
Appliances:	Install new ranges, refrigerators, handicap accessible microwave range hoods and dishwashers. All units to be energy star where possible. All ranges are to be self cleaning. All range hoods are to be vented to the outside.
Blinds:	Install mini blinds at all window locations
Carpeting:	Install new carpeting. Use green labeled carpeting. The public hallways are to be carpeted.
Plumbing:	The existing boiler for the recirculating hot water system is to be replaced. Replace the recirculating pump in the mechanical room, Provide new 8" deep kitchen sinks, garbage disposals, kitchen faucets, bath lavatory faucets, bath shower faucets, toilets (all low flow), toilet paper holders, shower rods, towel bars, bath tubs and surrounds. The handicapped units are to have sinks that are no more than 6 1/2" deep. Replace all plumbing components and complete repairs as needed. All plumbing fixtures are to be low flow and meet LEED requirements Dishwashers are to be added.
HVAC	Replace all of the electric PTAC hvac units with new energy star Variable Refrigerant Flow HVAC systems. The outside heat pump units are to be installed on the roof of the building. Replace the electric baseboard units in the stairways with new equipment.
Air Conditioning	Included in HVAC
Electrical:	Replace all electrical components. Replace all ceiling light fixtures, bath exhaust fans, electrical outlets (installing GFI in all wet locations as code requires), switches, covers, unit circuit panels and exterior light fixtures. Replace all smoke detectors, adding smoke detectors in all bedrooms interconnected with hall smoke detectors. Install task lighting under kitchen cabinets. All fixtures shall be energy star rated. Check the electrical service in the building and make repairs as needed.

Special Conditions	Install solar panels on the roof to provide electrical power to the existing boiler and the existing common area hvac systems. Repair and replace sidewalk areas that do not meet accessibility requirements and provide curb ramps etc. for access to the site amenities.
Earth Work	Remove two feet of sod adjacent to the building and install a stone separation of planting material and the base of the building.
Site Utilities	Replace the existing site lighting with energy star rated fixtures including the wall mounted lights on the building.
Road and Walk	Relocate and repave the handicap parking areas. Repair areas of the asphalt parking lot and seal the lot. Re-stripe the parking lot. Add concrete curbs and install handicapped curb ramps. Install accessible sidewalks to all amenities.
Site Improvements	Install a new gazebo and benches at the north end of the building. Upgrade the existing picnic area with new seating, barbecue grill, picnic table etc. Install a new project sign which shall be lighted. Install a new tenant gardening area. Collect rain water from the roof drains to flow into a underground water tank and install a pump and underground piping to a hose bib at the tenant gardening area. If collection of rain water is not feasible, connect the new underground water line and hose bib to the building water supply at one of the hose bib piping systems on the west side of the building. A new covered bike rack is to be installed adjacent to the main entry of the building.
Lawns & Planting	Reseed disturbed areas after completion of construction Repair any lawn areas that are disturbed by construction. Install new shrubs and trees, using native plants Remove existing trees as needed on all sides of the building and property to provide areas for the new exterior amenities.