



**A RENTAL HOUSING
MARKET FEASIBILITY ANALYSIS
FOR
COLUMBUS, GEORGIA**

Baker Village Apartments (phase I)
Project Number 07-025

June 26, 2007

Prepared for:

Georgia Department of Community Affairs
The Georgia Housing & Finance Authority
60 Executive Park South NE
Atlanta, GA 30329

Prepared by:

Shaw Research & Consulting
P.O. Box 38
Bad Axe, MI 48413
Phone: (989) 415-3554

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SIGNED STATEMENT REQUIREMENTS

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

CERTIFICATE OF ACCURACY AND RELIABILITY

I hereby attest that this market study has been completed by an independent third-party market consultant with no fees received contingent upon the funding of this proposal. Furthermore, information contained within the following report obtained through other sources is considered to be trustworthy and reliable. As such, Shaw Research and Consulting does not guarantee the data nor assume any liability for any errors in fact, analysis, or judgment resulting from the use of this data. This report was written according to DCA market study requirements. The information included is accurate and can be relied upon by DCA as a true assessment of the low-income housing rental market.



Steven R. Shaw
SHAW RESEARCH & CONSULTING

Date: June 26, 2007

I. INTRODUCTION

Shaw Research & Consulting has prepared the following report to examine and analyze the Columbus area as it pertains to the market feasibility of Baker Village Apartments, a proposed 148-unit affordable rental housing targeted for very low, low, and moderate-income single and family households. The subject proposal is to be located within the southern portion of the city of Columbus, along the east side of Benning Drive approximately ¼ mile north of Victory Drive (U.S. 24/U.S. 280) and one mile west of Interstate 185. Furthermore, the proposed development is situated roughly 1¼ miles west of Fort Benning Military Reservation and four miles southeast of downtown Columbus.

The subject proposal is part of a re-development plan to demolish a total of 590 existing rental units operated by the Housing Authority of the City of Columbus and redevelop the property in multiple phases consisting of a combination of rental units (a mix of subsidized, tax credit, and market rate), homeownership opportunities, and commercial development. The first phase of the Baker Village redevelopment (and the subject of the study) is to construct a total of 148 multi-family rental units within the northern portion of the Baker Village site. Existing buildings on the property are currently in fair to poor condition, but all buildings on the property will be razed to make room for the new development of Baker Village. According to the Housing Authority, relocation of the property has already begun as the project is presently 47 percent occupied, with only 280 of the 590 tenants remaining.

The purpose of this report is to analyze the market feasibility of the subject proposal based on the project specifications and site location presented in the following section. Findings and conclusions will be based through an analytic evaluation of demographic trends, recent economic patterns, existing rental housing conditions, fieldwork and site visit, and a demand forecast for the proposed development within the Baker Village primary market area (PMA). All fieldwork and community data collection was conducted on June 12 and 13, 2007 by Steven Shaw. A phone survey of existing rental developments identified within the primary market area (PMA), as well as site visits to those properties deemed most comparable to the subject, was also reviewed and analyzed to further measure the potential market depth for the subject proposal.

This study assumes Low Income Housing Tax Credits (LIHTC) will be utilized in the development of the subject rental facility, along with the associated rent and income restrictions obtained from HUD and Georgia Department of Community Affairs (DCA). As a result, the proposed Baker Village Apartments will feature a total of 148 units (32 one-bedroom, 88 two-bedroom, and 28 three-bedroom units) targeted at a variety of income levels: 117 units (80 percent of all units) will be restricted at 60 percent of the area median income (AMI), while the remaining 31 units (20 percent) will be unrestricted (market rate). Additionally, 75 of the tax credit units will contain project-based rental assistance (PBRA), while an additional 18 units will be traditional Public Housing units. As such, 24 of the 148 units will be non-subsidized LIHTC units.

II. EXECUTIVE SUMMARY

Based on the information collected and presented within this report, sufficient evidence has been introduced for the successful introduction and absorption of the subject proposal within the Baker Village market area in Columbus, Georgia. As such, the following summary highlights the key findings and conclusions reached from this information:

- 1) Based on U.S. Census figures, demographic patterns throughout the Columbus area have been generally positive although trends for the Baker Village PMA have declined since 1990. The overall population within the PMA decreased by eight percent between 1990 and 2000, representing 4,625 fewer residents during the decade. However, future projections indicate these declines will slow, with a decrease of less than four percent (roughly 1,900 persons) anticipated between 2000 and 2012. This growth clearly provides an indication for the need of adequate housing to compensate for this future growth.
- 2) Current economic conditions for the Columbus area are improving, with unemployment rates slightly above both state and national averages since 2005. Overall, the number of jobs within Muscogee County has increased by more than 7,100 jobs since 1995 (ten percent increase). According to the most recent employment data, the unemployment rate for Muscogee County was 4.9 percent for April 2007, remaining slightly above the state average of 4.1 percent. However, this figure represented more than 1,200 new jobs from April 2006 levels.
- 3) In addition, the economy throughout the Columbus area has exhibited quite positive signs. Over the last two years, it has been announced that AFLAC would expand by more than 2,000 new jobs, and that in nearby West Point (approximately 30 miles north of Columbus), automaker KIA is in the process of constructing a manufacturing plant with roughly 2,500 positions. FedEx Ground also announced it would be locating its Regional Distribution Center (and 170 new jobs) to the area. Furthermore, Fort Benning is also expanding with the consolidation of the U.S. Army's Infantry and Armor Schools that will bring an additional 35,000 soldiers to the base and creating approximately 11,000 jobs. Furthermore, it has been estimated by community officials that between 11 and 18 tier-one suppliers are planning on locating to the region due to the Kia manufacturing facility.
- 4) The absorption rate is conservatively calculated at approximately six to eight units per month for LIHTC units and four to six units per month for market rate units. As such, the overall stabilization period is estimated at five to eight months overall and up to seven months to reach 93 percent occupancy. Additionally, the projected stabilized occupancy level is estimated at 95 percent. As such, evidence presented within the market study suggests a normal lease-up period should be anticipated based on project characteristics as proposed.

- 5) The proposed rental rates within the subject are competitive and compare favorably with other LIHTC properties in the local area. Of the five LIHTC properties within the defined PMA, four can be considered as directly comparable to the subject property. As can be seen in the following figure, the proposed rental rates at the proposed Baker Village Apartments (both tax credit and market rate) are lower at 60 percent of AMI at each bedroom size as compared to the four most comparable LIHTC projects in the market area.

LIHTC RENTS					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	\$457	\$482			
Two-Bedroom Units	\$544	\$500-\$578	\$560	\$470-\$580	\$550
Three-Bedroom Units	\$600	\$660	\$645	\$540-\$655	\$625
MARKET RENTS					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	\$500				
Two-Bedroom Units	\$600			\$620	
Three-Bedroom Units	\$650			\$685	
UNIT SIZES					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	750	725			
Two-Bedroom Units	1,005	800	1,175	960	1,059
Three-Bedroom Units	1,200	1,450	1,350	1,290	1,199

Note: Projects with rent ranges reflect 50% and 60% AMI rental rates.

- 6) Additionally, the proposal’s competitive unit sizes and the inclusion of numerous modern amenities that are not as common throughout the local market demonstrate the true affordability of the proposal. As such, the proposal’s unit rent, unit mix, and unit sizes are appropriate for the Baker Village rental market in Columbus.
- 7) The amenity package within the proposal is extremely competitive to other developments throughout the market area. Key amenities include central air, dishwasher, garbage disposal, microwave, laundry hook-up, clubhouse, exercise/fitness room, equipped computer center, and swimming pool – giving the subject a competitive advantage over most local properties.
- 8) The location of the project is generally positive. The subject property is situated just ¼ mile north of Victory Drive (U.S. 24/U.S. 280), 1 ¼ miles west of Fort Benning, and one mile west of Interstate 185, providing access to much of the area’s retail, medical, recreation, schools, and other necessary services. Several

neighborhood convenience stores are within walking distance of the subject property, while two shopping centers can be found within ¾ mile. In addition, two METRA bus stops are located at the site, thereby providing access to most areas of the city.

- 9) Demand estimates for the proposed development show sufficient statistical support for the introduction and absorption of additional rental units within the Baker Village PMA. Approximately 77 percent of all renter households are income-qualified for the tax credit portion of the project, resulting in an overall capture rate of just four percent. Additionally, capture rates range between 0.5 percent and 27 percent for each individual unit size and income type, all clearly within DCA accepted thresholds
- 10) Occupancy rates for rental housing appear relatively positive throughout the market area. An overall occupancy rate of 96 percent was calculated from a June 2007 survey of 25 rental developments identified and contacted within the PMA. Additionally, 18 of the properties had an occupancy rate of 95 percent or greater, and 11 were 99 or 100 percent occupied. When considering only the five tax credit properties included in the report, an occupancy rate of 97.4 percent was determined, clearly demonstrating the strength of the local rental market for affordable rental units.
- 11) Considering the subject's location, proposed amenities, rental rates, and relative strength of the overall rental market, the development of Baker Village Apartments should prove successful. Coupled with stabilizing demographic patterns within the PMA, as well as generally positive and improving economic conditions, the revitalization of the Baker Village neighborhood will undoubtedly have an extremely positive effect within the southern Columbus area.

Capture Rate Analysis Chart

Unit Type	Income Targeting	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Estimated Absorption	Avg. Market Rent	Proposed Rents
One-Bedroom Units	Subsidized	19	4,024	0	4,024	0.5%	2 months	NA	\$450
One-Bedroom Units	60% AMI	6	631	25	606	1.0%	3 months	\$482	\$457
One-Bedroom Units	Market Rate	7	947	0	947	0.7%	4 months	\$449	\$500
One-Bedroom Units	Total LIHTC	25	4,024	25	3,999	0.6%	3-4 months		
Two-Bedroom Units	Subsidized	55	3,987	0	3,987	1.4%	3 months	NA	\$514
Two-Bedroom Units	60% AMI	15	521	465	56	26.8%	5 months	\$497	\$544
Two-Bedroom Units	Market Rate	18	511	16	495	3.6%	7 months	\$541	\$600
Two-Bedroom Units	Total LIHTC	70	3,987	465	3,522	2.0%	5-7 months		
Three-Bedroom Units	Subsidized	19	3,838	0	3,838	0.5%	2 months	NA	\$608
Three-Bedroom Units	60% AMI	3	299	280	19	15.6%	2 months	\$583	\$600
Three-Bedroom Units	Market Rate	6	491	8	483	1.2%	3 months	\$659	\$650
Three-Bedroom Units	Total LIHTC	22	3,838	280	3,558	0.6%	2-3 months		
Proposed Project Capture Rate - LIHTC Units			2.2%						
Proposed Project Capture Rate - Market Rate Units			4.8%						
Proposed Capture Rate - ALL Units			3.8%						
Proposed Project Stabilization Period				5-7 months					

III. PROJECT DESCRIPTION

Based on project information supplied by DCA, the analysis presented within this report is based on the following development configuration and assumptions:

Project Description:

Development Location.....	Columbus, Georgia
.....	1440 Benning Drive
Construction Type.....	New construction
Occupancy Type	Family (<i>open</i>)
Special Population Group	8 units will be set aside for special categories
Number of Units/Bedrooms	See below
Structure Type.....	See below
Rents and Utility Allowance.....	See following page
Proposed Rental Assistance	The Housing Authority of Columbus (<i>75 units</i>)
.....	
Proposed Amenities	See following page
Projected Placed-In-Service Date	December 31, 2009
Current Occupancy Level	47 percent (<i>590 units – 280 occupied</i>)
Target Income Group.....	\$3,120 to \$31,558 (<i>up to \$50,000 for market units</i>)

Project Size:

Total Development Size.....	148 units
Number of Affordable Units.....	117 units
Number of Market Rate Units.....	31 units
Number of PBRA Units.....	75 units

Development Characteristics:

Number of Total Buildings.....	23 buildings
Number of Residential Buildings.....	22 buildings
Number of Non-Residential Buildings	1 building
Total Area of Site.....	14.685 acres
Number of Mobility Impaired Units.....	11 units
Number of Sight/Hearing Impaired Units.....	3 units
Number of Residential Parking Spaces.....	430 spaces

Income Targeting/Project Mix:

	<u>Total</u>	<u>PHA</u>	<u>60% AMI</u>	<u>Market Rate</u>
One-bedroom/one-bath units	32 units	15.....	10.....	7
Two-bedroom/two-bath units.....	88 units	45.....	25.....	18
Three-bedroom/two-bath units.....	28 units	15.....	7.....	6
Total Units	148 units	75.....	42.....	31

Square Feet:

One-bedroom units.....	750 square feet
Two-bedroom units.....	1,005 square feet
Three-bedroom units.....	1,200 square feet

Rental Rates: (Proposed contract rents net of utility allowance)

	<u>60%</u> <u>AMI</u>	<u>Market</u> <u>Rate</u>	<u>PHA</u>
One-bedroom units.....	\$457.....	\$500.....	\$450
Two-bedroom units.....	\$544.....	\$600.....	\$514
Three-bedroom units.....	\$600.....	\$650.....	\$608

Unit Amenities:

- | | |
|--------------------|---------------------------------------|
| ➤ Refrigerator | ➤ Central HVAC System |
| ➤ Oven/Range | ➤ Carbon Monoxide Fire Suppression |
| ➤ Garbage Disposal | ➤ Washer and Dryer Hook-up |
| ➤ Dishwasher | ➤ Pre-wired for Security Alarm System |
| ➤ Microwave | |

Development Amenities:

- | | |
|-------------------------------|----------------------------------|
| ➤ Community Building | ➤ Central On-Site Laundry |
| ➤ Equipped Computer Center | ➤ Covered Pavilion |
| ➤ Equipped Fitness Center | ➤ Picnic and Barbeque Facilities |
| ➤ Equipped Playground/Tot Lot | ➤ Gazebo |
| ➤ Swimming Pool | |

Additional Assumptions:

- Only trash removal will be included in the rent. Electricity (including electric heat pump), water, sewer, cable television, and telephone charges will be paid by the tenant;
- Market entry is scheduled for December 31, 2009
- On-site full-time management/staffing, including a professional management company with experience in similar rental housing alternatives will be contracted to operate the facility, with pre-leasing activities beginning as soon as possible.

A. Proposed Unit Configuration Structure

Project Name: Baker Village Apartments I Location: 1440 Benning Drive, Columbus, GA County: Muscogee County Total Units: 148 Occupancy Type: Family Construction Type: New Construction Income Targeting*: Overall - \$3,120 - \$50,000 60% AMI (subsidized) - \$3,120 - \$31,558 60% AMI (non-subsidized) \$18,549 - \$31,558 Market Rate \$20,000 - \$50,000									
Targeting/Mix	Number of Units	Unit Type	Number of Baths	Square Feet	Contract Rent	Utility Allowance	Gross Rent	Max. LIHTC Rent*	Includes PBRA
One-Bedroom Units									
	32								
60% of Area Median Income	4	Apt.	1.0	750	\$0	\$91	\$91	\$548	Yes
60% of Area Median Income	15	Apt.	1.0	750	\$450	\$91	\$541	\$548	Yes
60% of Area Median Income	6	Apt.	1.0	750	\$457	\$91	\$548	\$548	No
Market Rate	7	Apt.	1.0	750	\$500	---	---	---	---
Two-Bedroom Units									
	88								
60% of Area Median Income	10	Apt.	2.0	1,005	\$0	\$113	\$113	\$657	Yes
60% of Area Median Income	45	Apt.	2.0	1,005	\$514	\$113	\$627	\$657	Yes
60% of Area Median Income	15	Apt.	2.0	1,005	\$544	\$113	\$657	\$657	No
Market Rate	18	Apt.	2.0	1,005	\$600	---	---	---	---
Three-Bedroom Units									
	28								
60% of Area Median Income	4	Apt.	2.0	1,200	\$0	\$151	\$151	\$759	Yes
60% of Area Median Income	15	Apt.	2.0	1,200	\$608	\$151	\$759	\$759	Yes
60% of Area Median Income	3	Apt.	2.0	1,200	\$600	\$151	\$751	\$759	No
Market Rate	6	Apt.	2.0	1,200	\$650	---	---	---	---

***Maximum Rents** based on 2007 Program Maximum Gross Rent Tables for the Columbus MSA obtained from Georgia DCA website; **Maximum Income Limits** based on HUD Area Median Incomes published 3/20/2007, as listed on HUDUSER website.

IV. SITE EVALUATION AND CHARACTERISTICS

The proposed site of the Baker Village I rental development currently consists of 590 units operated by the Housing Authority of the City of Columbus. Located approximately four miles southeast of downtown Columbus and one mile west of Fort Benning, the development was originally constructed in 1941 and contains 281 Section 8 units, 110 Public Housing units, 41 units with Section 8 portable vouchers, and 158 market rate units. The redevelopment strategy of Baker Village is multiple phases of rental housing (phases I and II), homeownership units (phases III and IV), and commercial development (phase V). While the entire size of Baker Village is approximately 66.5 acres, the subject property (phase I) is 14.7 acres – a map of the proposed phases can be seen in the map on the following page. It should be noted that all existing structures will be razed to make room for the new development.

The subject property is located between Benning Drive and Fort Benning Road, south of Baker Plaza Drive and north of Pinta Drive - the actual address of the subject is 1440 Benning Drive. Although the property has two access drives from Fort Benning Road and just one from Benning Drive, primary access will be from Benning Drive post-redevelopment. As such, Benning Drive represents a relatively lightly-traveled two-lane roadway consisting of a combination of single-family homes and multi-family duplex units – most of which are in fair condition. Fort Benning Road to the east of the site is a moderately-traveled two-lane road which contains numerous older retail and commercial properties, many of which are closed and/or are in poor condition. In addition, scattered single-family homes and multi-family units in fair to good condition can be found along Fort Benning Road. Victory Drive is situated approximately one-third mile south of the subject property, consisting of six-lane divided highway providing a direct route to much of the area's retail, medical, employment, and other necessary services required by local residents.

The immediate neighborhood is predominantly residential and consists of modest homes mostly in good condition, although scattered homes in fair to poor condition can be found. A newer middle school is situated directly to the west of the site across Benning Drive, while the Benning Park Super Recreation Center is located just south of the school.

Map 1: Baker Village Redevelopment Plan



Although all buildings on the site will be demolished for the development of the subject proposal, it should also be noted that the existing rental units on the subject property are in fair to poor condition. The site is approximately 14.7 acres and is located in Census Tract 32 (a Qualified Census Tract) with current zoning acceptable for multi-family development. Surrounding land usages consist of a combination of multi-family housing (north and south), a school, and retail and commercial. As such, current zoning throughout the neighborhood should not impede or negatively affect the viability of the subject proposal. Adjacent land usage is as follows:

- North:** Multi-family units (E.J. Knight Gardens – recently rehabbed)
- South:** Multi-family units (Baker Village – future phase II)
- East:** Public Housing office (future commercial/retail)
- West:** Benning Drive/Baker Middle School

Overall, the immediate neighborhood of the subject property can be characterized as a generally older, established area of the city consisting of somewhat older residential homes, most of which are in fair to good condition. In addition, E.J. Knight Gardens is situated adjacent to the north of the site, which is a PHA property recently rehabbed and in good condition. In addition, the Benning Park Super Recreation Center is less than ¼ mile south of the subject along Benning Drive – consisting of baseball/softball fields, tennis and racquetball courts, pool tables, weight room, senior center, exercise room, and arts/crafts. While much of the retail opportunities nearest in proximity to the subject are in fair condition along Fort Benning Road, larger shopping centers can be found along Victory Drive and Lumpkin Road to the south. As such, several schools, retail opportunities, parks, medical services, and employment locales are all situated within a short distance of the site. Furthermore, two METRA bus stops are located at the site – one near the intersection of Benning Drive and Singleton Drive, and another at the corner of Fort Benning Road and Albion Way, providing convenient access to most areas throughout metropolitan Columbus.

Although several small convenience/party stores are situated within ½ mile of the site, the nearest larger retail concentration can be found approximately ¾ mile to the south at the northwest intersection of Victory Drive and Fort Benning Road. This shopping center (Heritage Corners) consists of a Piggly Wiggly grocery, Family Dollar, CitiTrends, Radio Shack, Shoe

Show, and several more opportunities and restaurants. Additional nearby retail centers can be found along South Lumpkin Road to the south and Victory Drive to the west. As such, most necessary services are relatively close to the site, with a grocery, pharmacy, several convenience stores, schools, medical facilities, and other various services all within one mile.

Based on a site visit conducted June 12 and 13, 2007, overall site characteristics can be viewed as mostly positive, with no significant visible nuances that can potentially affect the marketability or absorption of the subject property adversely. Existing structures on the subject property are among those in the poorest condition in the neighborhood, and the demolition of these, along with the subsequent development of the subject proposal, would undoubtedly enhance the local neighborhood. While the site is situated within a somewhat economically challenged and deteriorated neighborhood, the development of the subject proposal will continue be a key force in the revitalization of the area. Due to generally good visibility from a well-traveled roadway, coupled with conveniently located METRA bus stops at the site, local residents have convenient access to most areas of Columbus, and are in relatively close proximity to necessary schools, retail, churches, medical facilities, and other services.

The following identifies pertinent locations and features within the Baker Village market area, and can be found on the following map by the number next to the corresponding description (*all distances are estimated by paved roadway*):

Retail

- 1. Heritage Corners shopping center.....¾ mile south
(w/ Piggly Wiggly grocery, Family Dollar, Shoe Show, CitiTrends, Rent-A-Center, Rainbow Fashion, Radio Shack, Eagle Cleaners, #1 Chinese Restaurant, Vallarta Mexican Restaurant)
- 2. River Square Marketplace.....½ mile southwest
(w/ Winn-Dixie Marketplace grocery, Cato Fashions, Dollar Tree, Rent-A-Center, CVS/Pharmacy, Little Caesar’s Pizza)
- 3. Oakland Plaza (w/ Piggly Wiggly grocery)<¾ mile south
- 4. Dollar General.....¾ mile south
- 5. Video Warehouse.....½ mile southwest
- 6. Family Dollar<¾ mile southwest
- 7. Various convenience/party storeswithin ½ mile of site
- 8. Kap’s Market<¼ mile north
- 9. Hae Won Foods grocery½ mile north
- 10. Family Dollar1¾ miles north
- 11. Piggly Wiggly grocery3 miles northwest

- 12. Cross Country Plaza.....4 miles north
(w/ Publix grocery, Dollar Tree, Office Max, CVS/Pharmacy, Books-A-Million, Cato Fashions, Simply Fashions, Foot Locker, Radio Shack, Blockbuster Video, Pier One Imports)
- 13. Big Kmart.....4 miles north
- 14. Peachtree Mall6½ miles north
(w/ anchor stores of Dillard's, JC Penney, Macy's, and Peachtree Cinemas)

Medical

- 15. Columbus Regional Medical Center5 miles northwest
- 16. St. Francis Hospital6½ miles north
- 17. Valley Healthcare Medical Clinic.....<¼ mile south
- 18. South Columbus Family Practice.....2¾ miles northeast

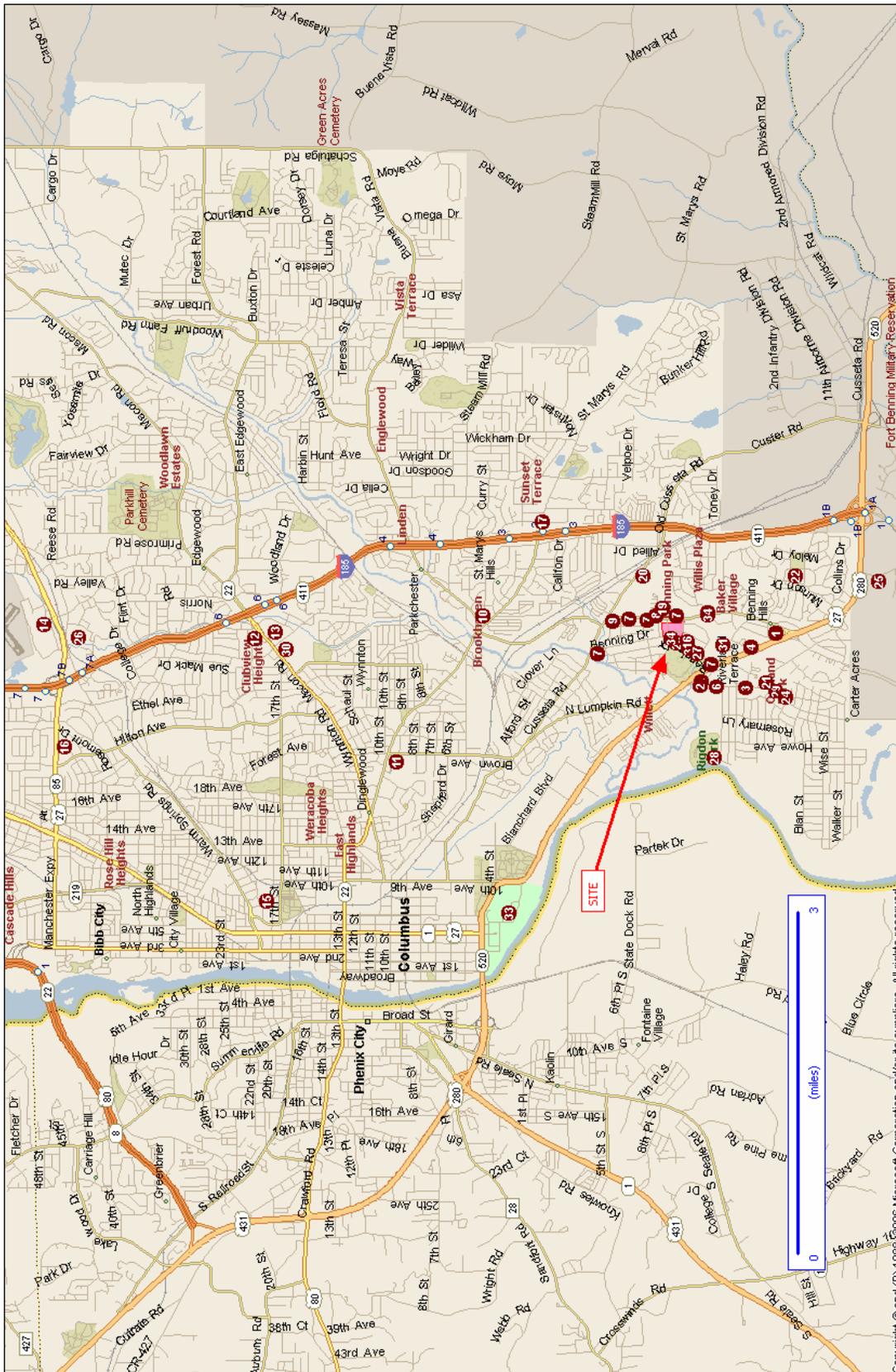
Education

- 19. Muscogee Elementary School.....<¼ mile east
- 20. Cusseta Road Elementary School<1 mile northeast
- 21. South Columbus Elementary School<1 mile south
- 22. Benning Hills Elementary School.....1¼ miles southeast
- 23. Baker Middle Schooladjacent to west
- 24. Eddy Middle School1 mile south
- 25. Spencer High School.....2 miles southeast
- 26. Columbus State University6½ miles north

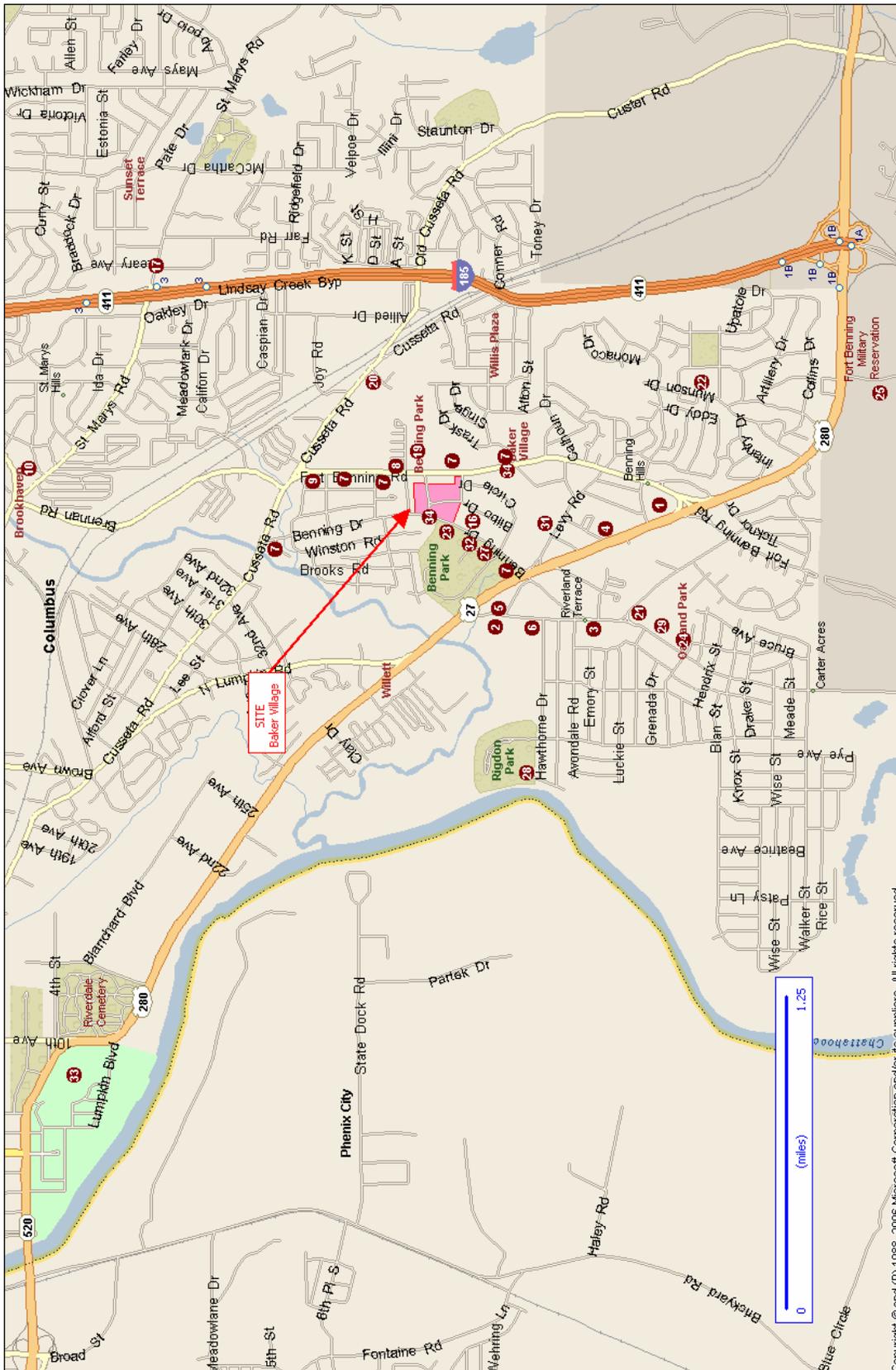
Recreation/Other

- 27. Benning Park Super Recreation Center< ¼ mile south
- 28. Rigdon Park and Pool1½ miles west
- 29. South Columbus Branch Library1 mile south
- 30. Columbus Public Library3¾ miles north
- 31. Girls, Inc.½ mile south
- 32. Columbus Post Office – Baker Village Office<¼ mile south
- 33. South Commons Recreation Complex (*shaded light green*).....3 miles northwest
(w/ Civic Center, McLurg Memorial Stadium, and Golden Park)
- 34. Metra Bus Stops (*nearest to site*).....adjacent to site

Map 2: Local Features/Amenities



Map 3: Local Features/Amenities – Local View



A. Site/Neighborhood Photos



Site – Baker Village
Facing east from Bilbo Drive
Columbus, GA



Site – Baker Village
Facing east from Bilbo Drive
Columbus, GA









**Baker Village Neighborhood
Baker Middle School
West side of Benning Drive**



**Baker Village Neighborhood
Looking south along Benning Drive
Site on left: school on right**



Baker Village Neighborhood
E.J. Knight Gardens
Adjacent to north of site



Baker Village Neighborhood
Single-family homes



**Baker Village Neighborhood
Existing Baker Village buildings to
south of site (future phase II)**



**Baker Village Neighborhood
Existing Baker Village buildings to
south of site (future phase II)**

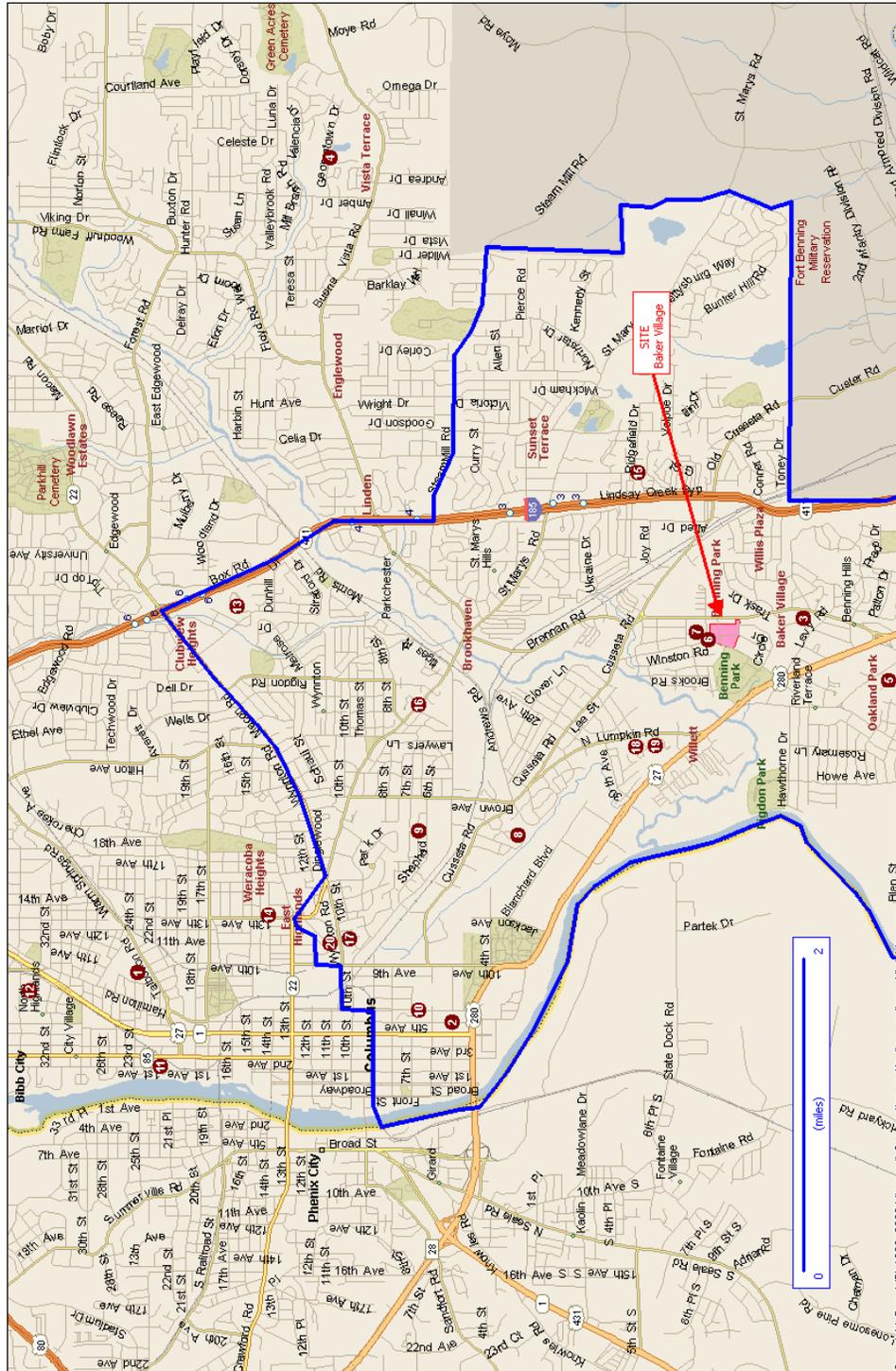


**Baker Village Neighborhood
Single-family homes**



**Baker Village Neighborhood
Single-family homes**

Map 4: Existing Low-Income Housing Properties



1. Ashley Station	2. Booker T. Washington	3. Chapman Homes	4. Columbus Villas
5. Eagles Trace	6. E.J. Knight Apts	7. E.J. Knight Gardens	8. Elizabeth E. Canty
9. Farley Homes	10. Liberty Garden THs	11. Louis T. Chase	12. Luther C. Wilson
13. Midtown Square	14. Nicholson Terrace	15. Point East Apts	16. Renaissance Villas
17. Rivers Apts	18. Springfield Crossing	19. Victory Crossing	20. Warren Williams

NOTE: Bold indicates LIHTC property

V. PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is defined as the geographic area from which a property (either proposed or existing) is expected to draw the majority of its residents. For the purpose of this report, the Baker Village PMA consists of the southern portion of the city of Columbus. More specifically, the market area consists of 17 census tracts and is bound by the Chattahoochee River to the west, Wynnton Road/Macon Road (Highway 22) to the north, Interstate 185 and Fort Benning military reservation to the east, and Walker Street and Fort Benning to the south. In general terms, the PMA area reaches approximately 1½ miles to 3½ miles from the site, and represents the area from which the majority of potential residents for the subject development currently reside, and includes the following census tracts (all within Muscogee County):

- ✓ Census Tract 20
- ✓ Census Tract 22
- ✓ Census Tract 23
- ✓ Census Tract 24
- ✓ Census Tract 25
- ✓ Census Tract 26
- ✓ Census Tract 27
- ✓ Census Tract 28
- ✓ Census Tract 29.01
- ✓ Census Tract 29.02
- ✓ Census Tract 30
- ✓ Census Tract 31
- ✓ Census Tract 32
- ✓ Census Tract 33
- ✓ Census Tract 34
- ✓ Census Tract 107.02
- ✓ Census Tract 107.03

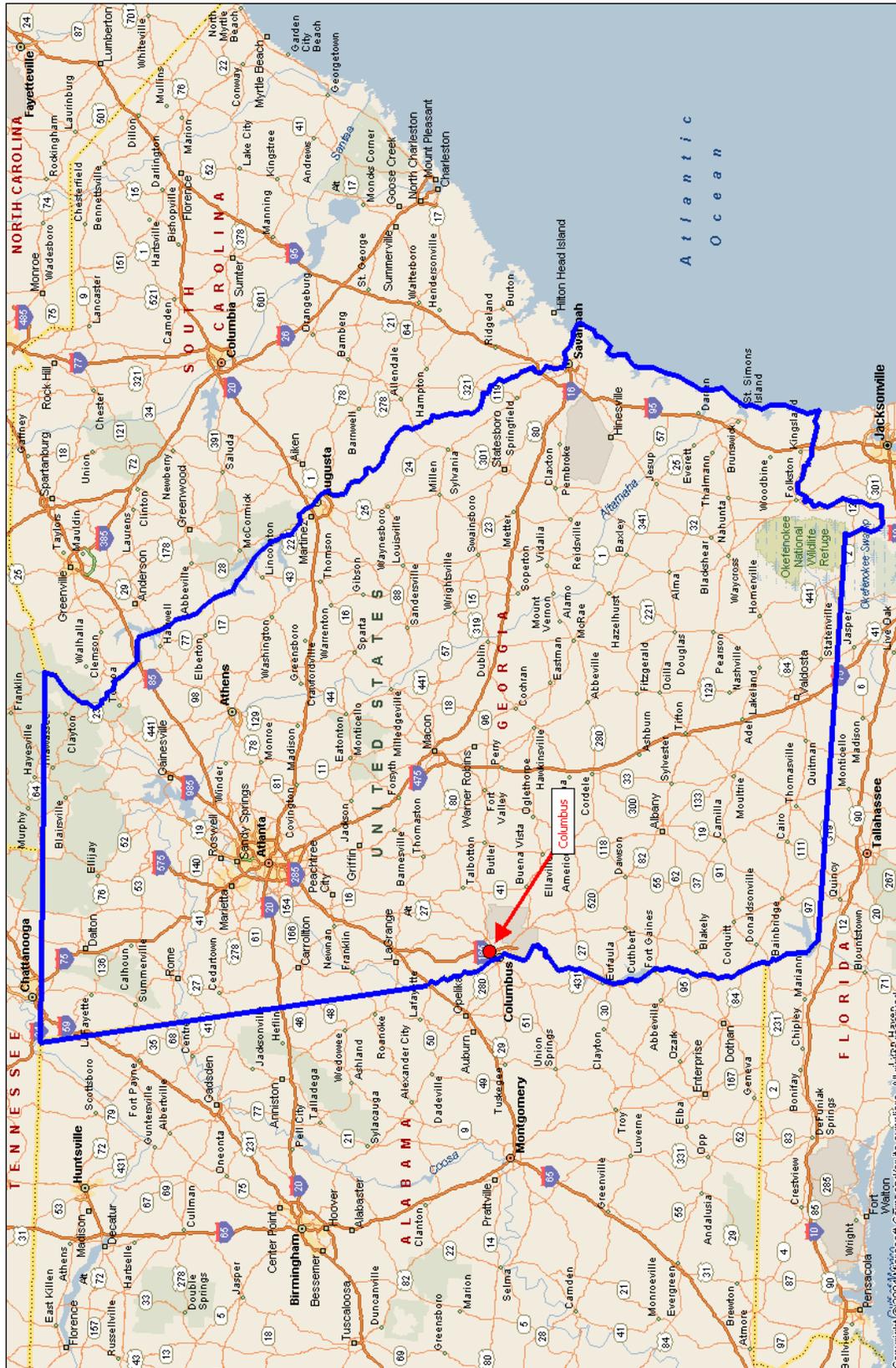
While not included within the actual analysis throughout this report, it is important to note that neighboring areas close to the PMA could also yield potential residents for the proposed rental community. These areas comprise the Secondary Market Area (SMA), and primarily include persons currently residing throughout the remainder of Columbus and Muscogee County, but can also include Cusseta and Phenix City to a lesser extent. However, please keep in mind that secondary market considerations are not included in the following demand calculations or market analysis.

Factors such as socio-economic conditions and patterns, local roadway infrastructure, commuting patterns, physical boundaries, and personal observations and interviews were utilized when defining the primary and secondary market areas. As such, several key transportation routes located near the subject property make the site convenient for persons currently residing both inside and outside of the immediate area. Providing this convenience are two prominent roadways intersecting the PMA – Interstate 185 (less than one mile east of the site) provides a

route north to LaGrange and Atlanta, while U.S. 27/280 (½ mile south) provides a route to northern areas of Columbus and south to Albany. In addition, U.S. 80/Highway 96 is located approximately seven miles north of the site, offering access to other communities and metropolitan areas throughout the region.

A visual representation of the PMA can be found in the maps on the following pages. The defined market area represents a realistic area from which the majority of potential residents for the subject development currently reside. The following demographic and economic information, comparable properties, and demand analysis are based on the PMA as defined above and highlighted in the following maps. Furthermore, Census Tract 32 and Columbus/Muscogee County as a whole have also been used throughout the analysis for neighborhood and regional comparisons.

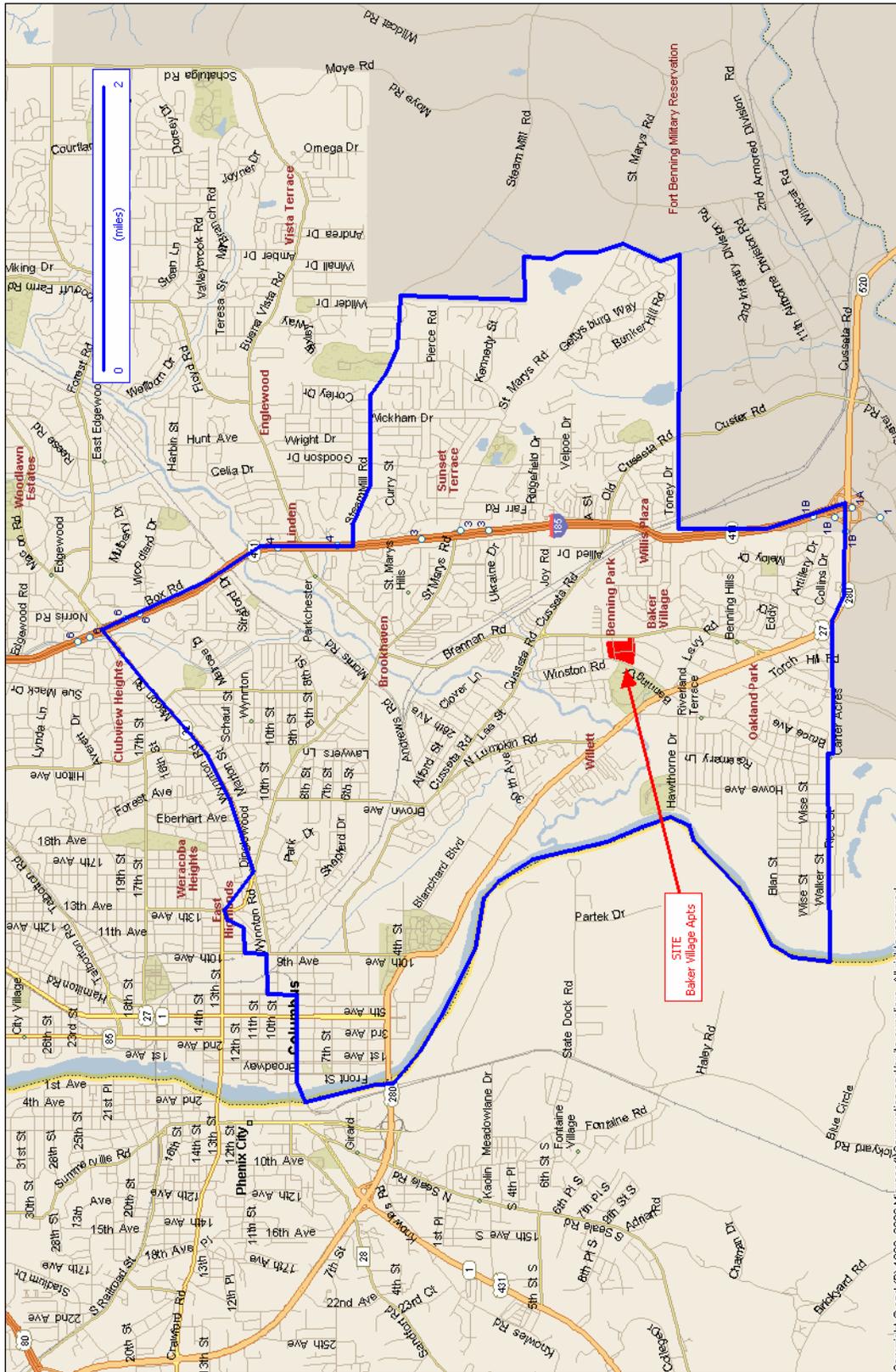
Map 5: State of Georgia



Map 6: Columbus Area



Map 7: Baker Village Primary Market Area



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VI. COMMUNITY DEMOGRAPHIC DATA

A. Population Trends

Although overall demographic patterns for the Columbus area have been somewhat positive since 1990, trends for the Baker Village PMA (and especially the immediate neighborhood – Tract 32) have exhibited declining numbers during this time. According to U.S. Census data, the PMA had a population of 54,624 persons in 2000, representing an eight percent decrease from 1990 (a loss of roughly 4,625 persons), while Census Tract 32 decreased by 19 percent during the same time span. In contrast, the city of Columbus (which is the same as Muscogee County) increased by four percent during the decade to 185,781 persons.

Future trends indicate population figures will continue to decrease somewhat through 2012 for Tract 32 and the Baker Village PMA, while Columbus is expected to increase during this time period. As such, the PMA is anticipated to decrease by approximately 1,900 persons between 2000 and 2012 (a decline of nearly four percent), while Tract 32 is projected to decrease by five percent. In comparison, Columbus is expected to increase by two percent during this same time span.

Table 1: Population Trends (1990 to 2012)

	<u>1990</u>	<u>2000</u>	<u>2007</u>	<u>2009</u>	<u>2012</u>
Census Tract 32	4,016	3,266	3,174	3,148	3,109
Baker Village PMA	59,249	54,624	53,511	53,193	52,716
City of Columbus	178,681	185,781	187,449	187,926	188,641
		1990-2000	2000-2007	2000-2009	2000-2012
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Census Tract 32		-18.7%	-2.8%	-3.6%	-4.8%
Baker Village PMA		-7.8%	-2.0%	-2.6%	-3.5%
City of Columbus		4.0%	0.9%	1.2%	1.5%

Source: U.S. Census of Population and Housing (SF 1) - 1990/2000; ESRI Business Analyst; Shaw Research & Consulting

The largest population group for the PMA in 2000 consisted of persons between the ages of 20 and 44 years, representing 36 percent of all persons. In comparison, this age cohort also represented 37 percent of persons within Tract 32, and 38 percent of the city. Persons under 20 also accounted for a major portion of the population in each area. As such, 33 percent of the total population in the PMA was under 20 years in 2000, while representing a similar proportion of the overall city population. Furthermore, the 20 years and under age segment was the largest cohort within the immediate neighborhood at 42 percent of all persons.

When reviewing distribution patterns between 1990 and 2012, the aging of the population is clearly evident within all three areas analyzed. The proportion of persons under the age of 44 has steadily declined since 1990, and is expected to decrease further through 2012. In contrast, the fastest growing age segment within the PMA is the 45 to 64 age cohort, which represented 17 percent of the population in 1990 and is expected to increase to 24 percent by 2012 – clearly demonstrating the aging of the baby boom generation. As such, this aging trend can be seen in all three geographic areas analyzed.

The steady percentage of population below the age of 45 seen throughout the PMA and city (69 percent of all persons in 2000) and immediate neighborhood (79 percent) signify positive trends for the subject proposal by continuing to provide a solid base of potential tenants for the subject development.

Table 2: Age Distribution (1990 to 2012)

	Census Tract 32				Baker Village PMA				City of Columbus			
	2000 Number	1990 Percent	2000 Percent	2012 Percent	2000 Number	1990 Percent	2000 Percent	2012 Percent	2000 Number	1990 Percent	2000 Percent	2012 Percent
Under 20 years	1,356	46.6%	41.6%	38.6%	17,847	33.0%	32.7%	29.4%	56,717	30.9%	30.5%	27.5%
20 to 24 years	307	8.5%	9.4%	9.3%	4,173	9.1%	7.6%	8.2%	15,338	8.6%	8.3%	8.5%
25 to 34 years	491	17.4%	15.0%	14.2%	7,465	17.4%	13.7%	14.8%	27,087	18.1%	14.6%	14.9%
35 to 44 years	422	11.0%	12.9%	11.2%	8,000	13.2%	14.6%	11.7%	28,227	13.9%	15.2%	12.4%
45 to 54 years	323	5.7%	9.9%	11.1%	6,628	8.7%	12.1%	12.9%	22,677	9.1%	12.2%	13.5%
55 to 59 years	111	2.3%	3.4%	5.2%	2,263	4.4%	4.1%	6.5%	7,721	4.3%	4.2%	6.4%
60 to 64 years	75	2.5%	2.3%	3.7%	1,983	4.2%	3.6%	4.8%	6,282	4.3%	3.4%	4.7%
65 to 74 years	109	4.1%	3.3%	4.0%	3,807	6.4%	7.0%	6.1%	12,137	6.5%	6.5%	5.9%
75 to 84 years	57	1.6%	1.7%	1.9%	1,912	2.9%	3.5%	4.1%	7,211	3.4%	3.9%	4.2%
85 years and older	15	0.3%	0.5%	0.7%	546	0.6%	1.0%	1.5%	2,384	0.9%	1.3%	1.9%
Under 20 years	1,356	46.6%	41.6%	38.6%	17,847	33.0%	32.7%	29.4%	56,717	30.9%	30.5%	27.5%
20 to 44 years	1,220	36.9%	37.3%	34.7%	19,638	39.8%	35.9%	34.6%	70,652	40.6%	38.1%	35.7%
45 to 64 years	509	10.5%	15.6%	20.0%	10,874	17.3%	19.8%	24.2%	36,680	17.7%	19.8%	24.7%
65 years and older	181	6.1%	5.5%	6.6%	6,265	9.9%	11.5%	11.7%	21,732	10.8%	11.7%	12.1%
55 years and older	367	10.8%	11.2%	15.5%	10,511	18.5%	19.2%	23.0%	35,735	19.3%	19.3%	23.3%
75 years and older	72	1.9%	2.2%	2.6%	2,458	3.5%	4.5%	5.6%	9,595	4.2%	5.2%	6.1%

Source: U.S. Census of Population and Housing (SF 1) - 1990 and 2000; ESRI Business Analyst; Shaw Research & Consulting

Average household sizes throughout the Columbus area indicate a continuing trend of declining family sizes throughout the area – another likely effect of the aging of the baby boomers and generally consistent with regional and national trends. For the PMA, the average household size was 2.56 persons in 2000, representing a decrease of two percent from 1990’s average of 2.60 persons. These trends are expected to continue through the year 2012 at a similar rate as compared to previous decades for the PMA and city. Based on estimates obtained from ESRI Business Analyst, average household sizes for the PMA are forecast to decrease an additional two percent between 2000 and 2012, to 2.51 persons per household.

Overall, the PMA contains somewhat larger household sizes than the immediate neighborhood, and more in line with Columbus as a whole. In comparison to the PMA average of 2.56 persons per household in 2000, Tract 32 had an average household size of 2.47 persons, while the city had an average of 2.54 persons per household.

Table 3: Average Household Size (1990 to 2012)

	<u>1990</u>	<u>2000</u>	<u>2007</u>	<u>2009</u>	<u>2012</u>
Census Tract 32	2.61	2.47	2.44	2.43	2.42
Baker Village PMA	2.60	2.56	2.53	2.52	2.51
City of Columbus	2.61	2.54	2.51	2.50	2.49
		1990-2000	2000-2007	2000-2009	2000-2012
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Census Tract 32		-5.2%	-1.3%	-1.7%	-2.3%
Baker Village PMA		-1.8%	-1.1%	-1.4%	-1.8%
City of Columbus		-2.6%	-1.1%	-1.4%	-1.9%

Source: U.S. Census of Population and Housing (SF 1) - 1990/2000; ESRI Business Analyst; Shaw Research & Consulting

B. Household Trends

Similar to population trends, the Baker Village PMA (including the immediate neighborhood) experienced declines in the number of households since 1990, while the Columbus as a whole demonstrated modest gains during the past decade. Occupied households within the PMA decreased to a total of 21,036 households in 2000, representing a decline of six percent during the 1990s and a decrease of approximately 1,375 households. ESRI forecasts through 2012 indicates the number of households within the PMA will continue to decline, but at a much slower rate – with a decrease of less than two percent (approximately 375 fewer households) between 2000 and 2012.

In comparison, the number of households within Columbus increased by six percent between 1990 and 2000. Furthermore, future projections indicate an increase of four percent through 2012, demonstrating strong demographic patterns throughout the region. Patterns for the immediate neighborhood (Tract 32) are generally more consistent with the PMA, with continued decreases since 1990.

Table 4: Household Trends (1990 to 2012)

	<u>1990</u>	<u>2000</u>	<u>2007</u>	<u>2009</u>	<u>2012</u>
Census Tract 32	1,538	1,320	1,300	1,295	1,286
Baker Village PMA	22,403	21,036	20,824	20,763	20,672
City of Columbus	65,634	69,599	71,050	71,464	72,086
		1990-2000	2000-2007	2000-2009	2000-2012
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Census Tract 32		-14.2%	-1.5%	-1.9%	-2.6%
Baker Village PMA		-6.1%	-1.0%	-1.3%	-1.7%
City of Columbus		6.0%	2.1%	2.7%	3.6%

Source: U.S. Census of Population and Housing (SF 1) - 1990/2000; ESRI Business Analyst; Shaw Research & Consulting

Renter-occupied households throughout the Baker Village market area have exhibited similar declines as compared to overall households over the past decade. A total of 11,538 renter-occupied households were recorded within the PMA in 2000, representing a decrease of eight percent from 1990 figures (a decline of 1,100 rental units). Although declines were experienced within the PMA, the number of renter households remained level for the city as a whole during the decade, increasing by less than one percent (roughly 65 new units).

Overall, renter household propensities are quite high throughout the area, especially within Tract 32. For the PMA, the renter household percentage was calculated at 55 percent in 2000, notably higher than that for the city as a whole at 44 percent. In comparison, Tract 32 had a renter household percentage of 89 percent in 2000. It should also be noted that renter propensities for the PMA and city decreased slightly from a decade earlier, while increasing somewhat for the immediate neighborhood.

Table 5: Renter Household Trends (1990 to 2000)

	<u>1990</u>	<u>2000</u>	<u>2007</u>	<u>1990-2000</u> <u>Change</u>	<u>2000-2007</u> <u>Change</u>
Census Tract 32	1,332	1,173	1,150	-11.9%	-2.0%
Baker Village PMA	12,644	11,538	11,383	-8.7%	-1.3%
City of Columbus	30,291	30,355	30,447	0.2%	0.3%
	% Renter	% Renter	% Renter		
	<u>1990</u>	<u>2000</u>	<u>2007</u>		
Census Tract 32	86.6%	88.9%	88.4%		
Baker Village PMA	56.4%	54.8%	54.7%		
City of Columbus	46.2%	43.6%	42.9%		

Source: U.S. Census of Population and Housing (SF 1) - 1990/2000; ESRI Business Analyst; Shaw Research & Consulting

C. Housing Stock Composition

In comparison to the city as a whole, the PMA (and especially the immediate neighborhood) contained a relatively large percentage of multi-family structures in 2000. According to U.S. Census data, approximately 59 percent of all households within the PMA were single-family dwellings, while 33 percent were in multi-family structures (apartments or condominiums). Mobile homes, trailers, and other arrangements represented the remaining eight percent of households within the PMA. Locally, just 31 percent of all housing units were single-family in nature in Tract 32, which is not surprising considering the extremely high renter propensity (89 percent) within the tract. In comparison, 70 percent of the city housing stock was single-family, while 26 percent was multi-family.

Table 6: Housing Stock Composition (2000)

	Census Tract 32	Baker Village PMA	City of Columbus
Single-Family	408	12,464	49,204
Percent of total units	30.9%	59.4%	70.7%
Multi-Family	833	6,817	18,102
Percent of total units	63.1%	32.5%	26.0%
2 to 4 units	382	2,536	6,475
Percent of total units	28.9%	12.1%	9.3%
5 or more units	451	4,281	11,627
Percent of total units	34.2%	20.4%	16.7%
Mobile Homes - Total	79	1,718	2,291
Percent of total units	6.0%	8.2%	3.3%
Other	0	0	0
Percent of total units	0.0%	0.0%	0.0%

Source: U.S. Census of Population and Housing (SF 3) - 2000

D. Median Gross Rent and Unit Size

The median gross rent within the Baker Village PMA increased from \$309 in 1990 to \$418 in 2000, representing an increase of 35 percent and an average annual increase of 3.1 percent from 1990 levels. Although median rent levels for the immediate neighborhood were significantly lower than that recorded for the PMA, growth rates greatly exceeded the PMA during the past decade, increasing by 67 percent (5.2 percent annually). In comparison, median gross rent levels for 2000 for the PMA were 19 percent higher than Tract 32 (\$350), but 17 percent lower than that of the city (\$500).

Table 7: Median Gross Rent (1990 to 2000)

	<u>1990</u>	<u>2000</u>	<u>1990-2000</u> <u>Change</u>	<u>1990-2000</u> <u>Annual</u>
Census Tract 32	\$210	\$350	66.7%	5.2%
Baker Village PMA	\$309	\$418	35.2%	3.1%
City of Columbus	\$358	\$500	39.7%	3.4%

Source: U.S. Census of Population and Housing (SF 3) - 1990 and 2000

Renter household sizes for the Baker Village PMA and city of Columbus were quite similar. As such, one-person households within the PMA accounted for 32 percent of all rental households in 2000, while two-persons represented 25 percent. Three- and four-person households represented 32 percent of all units, and those renter households with five or more persons accounted for 11 percent of the PMA's rental housing stock in 2000.

The PMA's average rental unit size of 2.56 persons in 2000 represents a similar ratio as 1990 (2.55 persons per rental). In all, rental unit sizes are extremely diverse as demonstrated by sizeable percentages of one, two, and three/four person renter households within the PMA, as well as throughout the city.

Table 8: Rental Unit Size Distribution (2000)

	<u>One Person</u>	<u>Two Persons</u>	<u>3 or 4 Persons</u>	<u>5 or More Persons</u>	<u>Median Persons Per Rental Unit</u>	
					<u>1990</u>	<u>2000</u>
Census Tract 32	401	291	357	124	2.63	2.48
Baker Village PMA	3,733	2,836	3,649	1,320	2.55	2.56
City of Columbus	9,756	7,840	9,826	2,933	2.54	2.49
	<u>One Person Percent</u>	<u>Two Person Percent</u>	<u>3-4 Person Percent</u>	<u>5+ Person Percent</u>	<u>Median Change</u>	
Census Tract 32	34.2%	24.8%	30.4%	10.6%	-5.7%	
Baker Village PMA	32.4%	24.6%	31.6%	11.4%	0.0%	
City of Columbus	32.1%	25.8%	32.4%	9.7%	-2.0%	

Source: U.S. Census of Population and Housing (SF 1) - 1990 and 2000

E. Economic and Employment Characteristics

Overall, the economy throughout Columbus and Muscogee County is comprised largely of manufacturing and services employment. According to U.S. Census data, 45 percent of all employed persons within the PMA were employed in the services industry in 2000 and represented the largest employment segment by far, followed by the manufacturing sector at 19 percent. In addition, retail trade also represented a sizeable portion of the market area's economy at 11 percent of the employment base.

Based on a comparison of employment by industry from the 1990 and 2000 Census', the services industry experienced the largest gains over the past decade, increasing by 20 percent. In contrast, the retail trade sector exhibited substantial decreases (48 percent) during the same time frame, while manufacturing employed declined by seven percent.

Table 9: Employment by Industry (2000)

	Baker Village PMA		Census Tract 32	City of Columbus
	<u>Number</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Agriculture	122	0.6%	0.0%	0.4%
Construction	1,242	6.3%	8.8%	6.2%
Manufacturing	3,827	19.4%	13.6%	15.3%
Transportation and Public Utilities	835	4.2%	3.3%	3.7%
Wholesale Trade	275	1.4%	1.1%	2.1%
Retail Trade	2,254	11.4%	15.4%	11.9%
Finance, Insurance, and Real Estate	1,240	6.3%	5.7%	11.1%
Services	8,803	44.6%	46.1%	43.1%
Public Administration	1,122	5.7%	6.0%	6.2%

Source: U.S. Census of Population and Housing (SF 3) - 2000

Additional analysis of Census employment data demonstrates a mix of white-collar and blue-collar employment opportunities throughout the area. According to 2000 data, service and sales employment represented the largest segment of the labor force within the PMA (47 percent), followed by production, transportation, and material moving positions (24 percent) and managerial and professional occupations (19 percent).

Table 10: Employment by Occupation (2000)

	Baker Village PMA		Census Tract 32	City of Columbus
	<u>Number</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Managerial and Professional	3,860	19.2%	6.4%	30.7%
Service and Sales	9,440	46.9%	55.6%	43.5%
Farming and Forestry	59	0.3%	0.0%	0.2%
Construction, Extraction, and Maintenance	2,014	10.0%	11.5%	9.1%
Production, Transportation, and Material Moving	4,740	23.6%	26.5%	16.5%

Source: U.S. Census of Population and Housing (SF 3) - 2000

Based on place of employment, approximately 85 percent of PMA residents are employed within Muscogee County, while 15 percent are employed outside of the county – six percent of which is employed outside of Georgia.

Table 11: Place of Employment (2000)

	Baker Village PMA		Census Tract 32	City of Columbus
	<u>Number</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Place of Work within County	17,403	84.8%	88.4%	86.6%
Place of Work Outside of County	1,838	9.0%	7.0%	8.6%
Place of Work Outside of State	1,271	6.2%	4.7%	4.8%

Source: U.S. Census of Population and Housing (SF 3) - 2000

Below is a chart depicting the largest employers within Columbus, according to information supplied by the Greater Columbus Chamber of Commerce. As can be seen, the region is largely influenced by Fort Benning, but also exhibits a relatively diverse economy. Outside of Fort Benning, public education employment represents the largest industry (with Muscogee County Schools being the largest non-military employer), while TSYS, Blue Cross/Blue Shield of Georgia, and AFLAC employ more than 3,400 persons each.

Employer	Industry	Number of Employees
U.S. Army Infantry Central HQ and Fort Benning	Military	42,039
Muscogee County School District	Education	5,927
TSYS	Data Processing	5,577
AFLAC	Insurance	3,836
Blue Cross/Blue Shield of Georgia	Health Insurance	3,418
Columbus Consolidated Government	Government	2,847
Columbus Regional Healthcare System	Healthcare	2,800
Char-Broil	Manufacturing	2,603
St. Francis Hospital, Inc.	Healthcare	1,470
Swift Denim, Inc.		1,450
W.C. Bradley Company		1,200

In addition, the economy throughout the Columbus area has been thriving. Over the last two years, it has been announced that AFLAC would expand by more than 2,000 new jobs, and that in nearby West Point (approximately 30 miles north of Columbus), automaker KIA is in the process of constructing a manufacturing plant with roughly 2,500 positions. FedEx Ground also announced it would be locating its Regional Distribution Center (and 170 new jobs) to the area. Furthermore, Fort Benning is also expanding with the consolidation of the U.S. Army’s Infantry and Armor Schoos that will bring an additional 35,000 soldiers to the base and creating approximately 11,000 jobs (this consolidation is scheduled to begin in 2009 and take place over two years). Furthermore, it has been estimated by community officials that between 11 and 18 tier-one suppliers are planning on locating to the region (relating to the Kia manufacturing facility).

Despite this economic growth, three closures and/or reductions have been reported within Muscogee County since January 2006, according to information from the Georgia Department of

Labor's WARN System (Worker Adjustment and Retraining Notification). However, just one closure has occurred within the past year, with Swift Galey Midland closing operations in December 2006 eliminating 800 jobs. Other companies which had somewhat larger employee reductions included Frontier Spinning Mills (closure with 215 positions eliminated in March 2006) and Char-Broil (did not close, but laid off 950 employees in January 2006).

The county's employment distribution and prevailing average incomes are reflective of the need for affordable housing. The continued growth of new jobs throughout Muscogee County since 1990 (despite declines experienced between 1999 and 2002) are clearly indicative of healthy economic conditions locally. Further, most positions available near the Baker Village neighborhood are typically in the lower paying categories, further emphasizing the importance of affordable housing alternatives.

Overall, economic conditions have been relatively positive throughout Muscogee County with sustained job creation since 1990 (in 13 of the past 16 years). Information obtained from the Georgia Department of Labor is presented in the following figures and illustrates these employment patterns throughout the county. Nearly 10,000 jobs (a 14 percent increase) have been added to the county since 1990, with roughly 7,100 of these added since 1995 (an increase of ten percent). Although employment levels dropped between 1990 and 2002 (with subsequent increases in unemployment) due to an economic slowdown experienced in much of the U.S., it is important to note that more than 3,700 new jobs were added to the county's workforce between 2003 and 2006.

Furthermore, the latest annual figures reported Muscogee County had an unemployment rate of 5.5 percent in 2006 – which was somewhat higher than both the state and national averages (4.6 percent). As of April 2007, the unemployment rate for the county further decreased to 4.9 percent, remaining slightly higher than the state (4.1 percent) and national levels (4.3 percent). In addition, the county's latest monthly figure represented an increase of 1,200 new jobs over April 2006 levels, but an increase from an unemployment rate of 4.8 percent a year ago, both indicative of a stable and improving economy.

Figure 1: Employment Growth

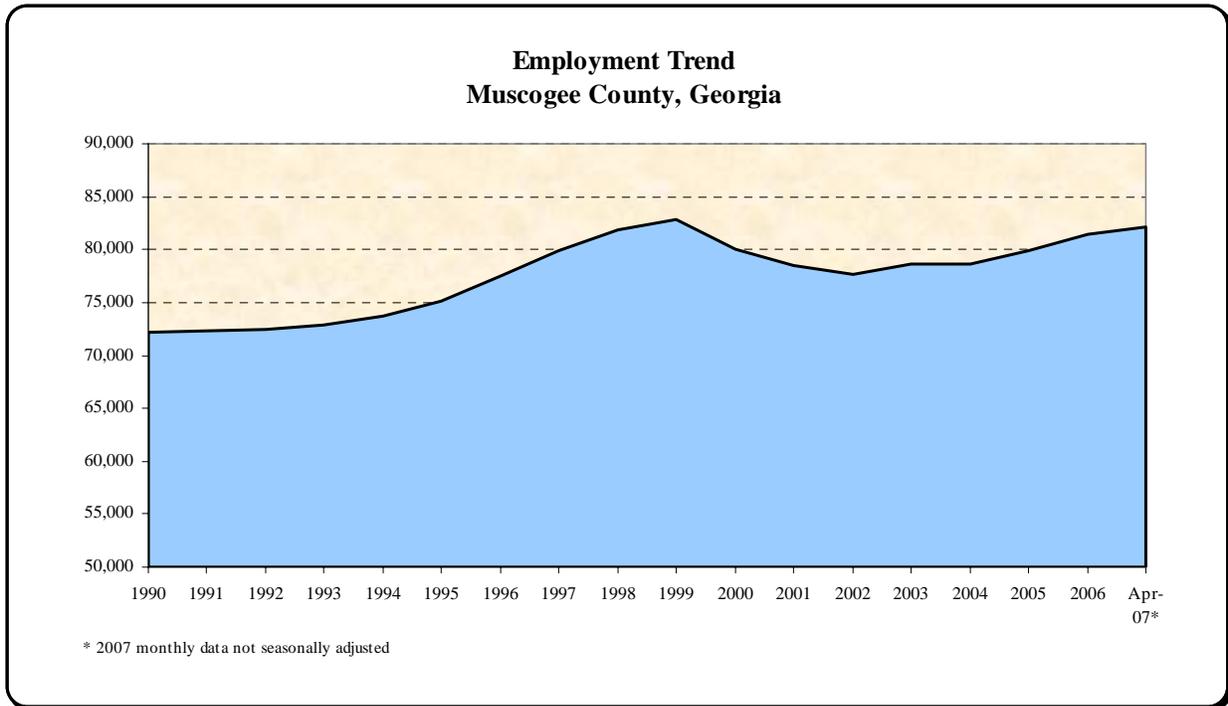


Figure 2: Historical Unemployment Rate

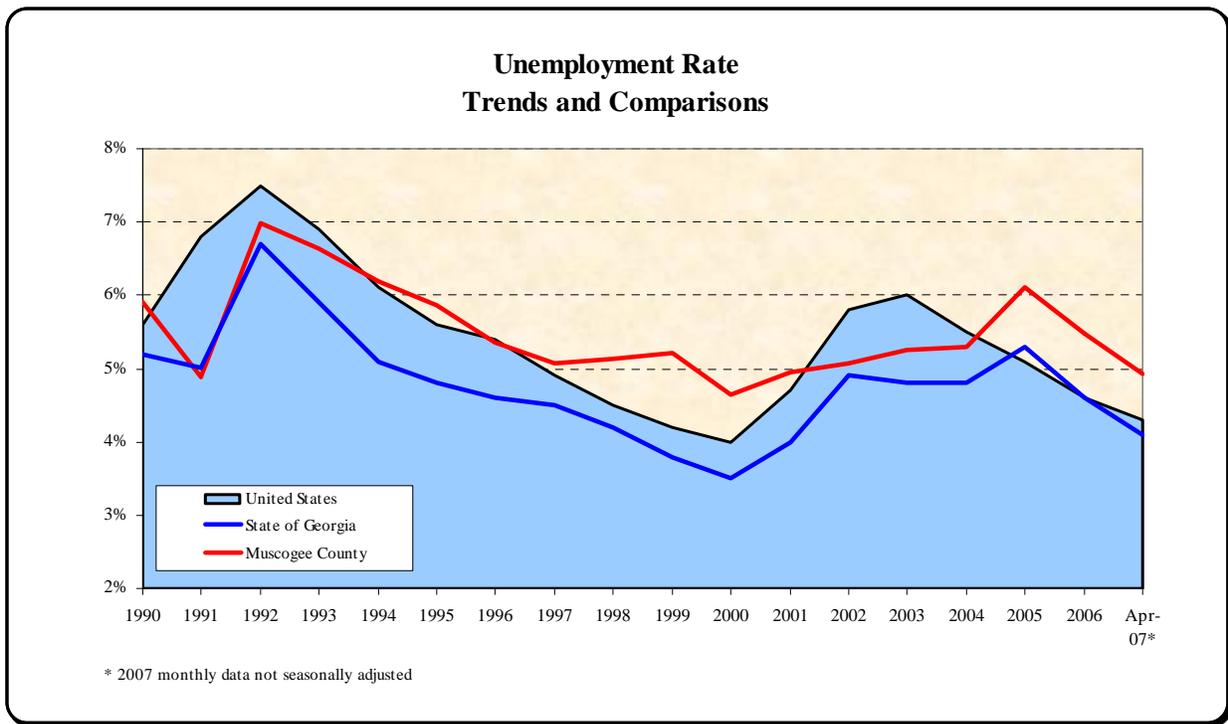


Table 12: Historical Employment Trends

	Muscogee County				State of Georgia	United States
Year	Labor Force	Number Employed	Annual Change	Unemployment Rate	Unemployment Rate	Unemployment Rate
1990	76,765	72,238	--	5.9%	5.2%	5.6%
1991	76,025	72,305	67	4.9%	5.0%	6.8%
1992	77,859	72,422	117	7.0%	6.7%	7.5%
1993	78,045	72,859	437	6.6%	5.9%	6.9%
1994	78,604	73,737	878	6.2%	5.1%	6.1%
1995	79,751	75,075	1,338	5.9%	4.8%	5.6%
1996	81,961	77,565	2,490	5.4%	4.6%	5.4%
1997	84,177	79,905	2,340	5.1%	4.5%	4.9%
1998	86,228	81,805	1,900	5.1%	4.2%	4.5%
1999	87,340	82,794	989	5.2%	3.8%	4.2%
2000	83,999	80,102	(2,692)	4.6%	3.5%	4.0%
2001	82,631	78,537	(1,565)	5.0%	4.0%	4.7%
2002	81,837	77,693	(844)	5.1%	4.9%	5.8%
2003	82,986	78,620	927	5.3%	4.8%	6.0%
2004	83,035	78,640	20	5.3%	4.8%	5.5%
2005	85,130	79,937	1,297	6.1%	5.3%	5.1%
2006	86,121	81,409	1,472	5.5%	4.6%	4.6%
Apr-06*	85,062	80,976	--	4.8%	4.3%	4.5%
Apr-07*	86,442	82,189	1,213	4.9%	4.1%	4.3%

	<u>Number</u>	<u>Percent</u>	<u>Avg. Annual</u>
Change (1990-Present):	9,951	13.8%	0.8%
Change (1995-Present):	7,114	9.5%	0.8%
Change (2000-Present):	2,087	2.6%	0.4%
Change (2005.-Present):	2,252	2.8%	1.4%
Change (1990-1995):	2,837	3.9%	0.8%
Change (1995-2000):	5,027	6.7%	1.3%
Change (2000-2005):	(165)	-0.2%	0.0%

*Monthly data not seasonally adjusted

F. Median Household Income

Income levels throughout the Columbus area have experienced steady gains over the past decade. While all three geographic levels recorded annual increases of nearly four percent or greater during the 1990s, income levels for the PMA are somewhat lower than that recorded for the city as a whole. In 1999, the median household income was calculated at \$25,791 for the PMA, which was more than double that of Tract 32 (\$12,057), but approximately 26 percent lower than Columbus proper (\$34,853). Furthermore, the PMA figure represents an increase of 44 percent during the decade (an average annual increase of 3.7 percent), while the city also increased at a healthy rate (3.8 percent annually). And despite the relatively low incomes found locally, the median household income within Tract 32 increased by 5.2 percent between 1989 and 1999.

According to ESRI data, the rate of income growth is forecast to slow somewhat through 2012. As such, it is projected that the PMA will increase by 2.6 percent annually between 2000 and 2012, as compared to 3.3 percent for the city during this time.

Table 13: Median Household Incomes (1989 to 2012)

	<u>1989</u>	<u>1999</u>	<u>2007</u>	<u>2009</u>	<u>2012</u>
Census Tract 32	\$7,296	\$12,057	\$15,288	\$16,211	\$17,595
Baker Village PMA	\$17,909	\$25,791	\$31,189	\$32,732	\$35,045
City of Columbus	\$24,102	\$34,853	\$44,700	\$47,514	\$51,734
		1989-1999	1999-2007	1999-2009	1999-2012
		<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>
Census Tract 32		65.3%	26.8%	34.4%	45.9%
Baker Village PMA		44.0%	20.9%	26.9%	35.9%
City of Columbus		44.6%	28.3%	36.3%	48.4%
		1989-1999	1999-2007	1999-2009	1999-2012
		<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>	<u>Ann. Change</u>
Census Tract 32		5.2%	3.4%	3.3%	3.2%
Baker Village PMA		3.7%	2.8%	2.7%	2.6%
City of Columbus		3.8%	3.6%	3.5%	3.3%

Source: U.S. Census of Population and Housing (SF 3) - 1990/2000; ESRI Business Analyst; Shaw Research & Consulting

G. Overall Household Income Distribution

According to the U.S. Census Bureau, more than 65 percent of all households within the Baker Village PMA had an annual income of less than \$35,000 in 1999 – the portion of the population with the greatest need for affordable housing options. In comparison, 86 percent of households within Tract 32 and 50 percent of households city-wide had incomes within this range.

Table 14: Overall Household Income Distribution - 1999

	Census Tract 32		Baker Village PMA		City of Columbus	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	551	41.3%	4,255	20.3%	8,520	12.2%
\$10,000 to \$14,999	241	18.1%	2,229	10.6%	5,280	7.6%
\$15,000 to \$19,999	152	11.4%	2,067	9.8%	5,234	7.5%
\$20,000 to \$24,999	94	7.0%	1,885	9.0%	5,519	7.9%
\$25,000 to \$29,999	66	4.9%	1,745	8.3%	5,357	7.7%
\$30,000 to \$34,999	44	3.3%	1,560	7.4%	4,988	7.2%
\$35,000 to \$39,999	59	4.4%	1,093	5.2%	4,110	5.9%
\$40,000 to \$44,999	40	3.0%	1,115	5.3%	4,367	6.3%
\$45,000 to \$49,999	19	1.4%	719	3.4%	3,354	4.8%
\$50,000 to \$59,999	0	0.0%	1,276	6.1%	5,691	8.2%
\$60,000 to \$74,999	11	0.8%	1,452	6.9%	6,508	9.4%
\$75,000 to \$99,999	9	0.7%	809	3.9%	5,071	7.3%
\$100,000 to \$124,999	14	1.0%	415	2.0%	2,627	3.8%
\$125,000 to \$149,999	0	0.0%	94	0.4%	1,066	1.5%
\$150,000 to \$199,999	8	0.6%	73	0.3%	710	1.0%
\$200,000 and Over	26	1.9%	207	1.0%	1,158	1.7%
TOTAL	1,334	100.0%	20,994	100.0%	69,560	100.0%
Median Income	\$12,057		\$25,791		\$34,853	
Less than \$34,999	1,148	86.1%	13,741	65.5%	34,898	50.2%
\$35,000 to \$49,999	118	8.8%	2,927	13.9%	11,831	17.0%
\$50,000 to \$74,999	11	0.8%	2,728	13.0%	12,199	17.5%
\$75,000 to \$99,000	9	0.7%	809	3.9%	5,071	7.3%
\$100,000 and Over	48	3.6%	789	3.8%	5,561	8.0%

Source: U.S. Census of Population and Housing (SF 3) - 2000

H. Income-Qualified Households

Based on the proposed income targeting and rent levels, and considering the level of rental assistance and subsidies that will be available, the key income range for the subject proposal is \$3,120 to \$50,000 (in current dollars). Utilizing 2000 Census information available on household income by tenure, dollar values from 1999 were inflated to current dollars using the Consumer Price Index calculator from the Bureau of Labor Statistic's website. Based on this data, the targeted income range accounts for a sizable number of low-income households throughout the area. As such, roughly 56 percent of the PMA's total owner-occupied household number, and 77 percent of the renter-occupied household figure are within the income-qualified range. Overall, this income range accounted for approximately two out of every three households (at 67 percent) within the PMA. Considering the relative density of the PMA, this equates to nearly 14,000 potential income-qualified households for the proposed development, including more than 8,700 income-qualified renter households.

Considering only the LIHTC qualified income range (with no subsidies), approximately 20 percent of all households are income-qualified, numbering more than 4,100 total households and 2,400 renter-occupied households.

Table 15: Household Income by Tenure – Baker Village PMA (2009)

	Number of 2009 Households			Percent of 2009 Households		
	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
Less than \$5,962	1,849	343	1,506	8.9%	3.6%	13.3%
\$5,963 to \$11,924	2,411	592	1,820	11.6%	6.3%	16.0%
\$11,925 to \$17,887	2,195	706	1,489	10.6%	7.5%	13.1%
\$17,888 to \$23,849	2,016	819	1,197	9.7%	8.7%	10.5%
\$23,850 to \$29,812	1,861	757	1,104	9.0%	8.0%	9.7%
\$29,813 to \$41,737	3,278	1,502	1,776	15.8%	16.0%	15.6%
\$41,738 to \$59,625	2,879	1,567	1,312	13.9%	16.6%	11.6%
\$59,626 to \$89,438	2,654	1,864	789	12.7%	19.8%	7.0%
\$88,439 and Over	1,620	1,263	357	7.8%	13.4%	3.1%
Total	20,763	9,413	11,350	100.0%	100.0%	100.0%

Source: U.S. Census of Population and Housing (SF 3) - 2000; BLS CPI Calculator; Shaw Research & Consulting

I. Rent Overburdened Households

The 2000 Census shows that nearly 50 percent of all renter households within the PMA that have incomes between \$10,000 and \$20,000 are overburdened; that is, they pay more than 35 percent of their incomes on rent. Additionally, roughly six percent of renter households having incomes between \$20,000 and \$35,000 are rent overburdened. This data suggests that the need for affordable housing is apparent in the PMA, and the income-targeting plan proposed for the subject would clearly help to alleviate this problem.

Table 16: Rent Overburdened Households (2000)

	Census Tract 32	Baker Village PMA	City of Columbus
HH Income less than \$10,000	528	3,379	6,331
Less than 35 percent for housing	92	535	1,063
35 percent or more for housing	330	2,362	4,255
Not computed	106	482	1,013
Percent paying more than 35 percent	78.2%	81.5%	80.0%
HH Income \$10,000 to \$19,999	352	2,723	6,093
Less than 35 percent for housing	226	1,422	2,661
35 percent or more for housing	117	1,273	3,019
Not computed	9	28	413
Percent paying more than 35 percent	34.1%	47.2%	53.2%
HH Income \$20,000 to \$34,999	149	2,926	8,136
Less than 35 percent for housing	141	2,643	6,450
35 percent or more for housing	0	163	725
Not computed	8	120	961
Percent paying more than 35 percent	0.0%	5.8%	10.1%
HH Income \$35,000 to \$49,999	89	1,333	4,847
Less than 35 percent for housing	73	1,274	4,333
35 percent or more for housing	9	15	62
Not computed	7	44	452
Percent paying more than 35 percent	11.0%	1.2%	1.4%
HH Income \$50,000 to \$74,999	13	797	3,250
Less than 35 percent for housing	13	778	3,012
35 percent or more for housing	0	0	38
Not computed	0	19	200
Percent paying more than 35 percent	0.0%	0.0%	1.2%
HH Income \$75,000 to \$99,999	14	218	845
Less than 35 percent for housing	14	211	801
35 percent or more for housing	0	0	0
Not computed	0	7	44
Percent paying more than 35 percent	0.0%	0.0%	0.0%
HH Income \$100,000 or More	30	145	718
Less than 35 percent for housing	30	138	700
35 percent or more for housing	0	0	0
Not computed	0	7	18
Percent paying more than 35 percent	0.0%	0.0%	0.0%

Source: U.S. Census of Population and Housing (SF 3) - 2000

VII. DEMAND ANALYSIS

A. Demand for Tax Credit and Market Rate Rental Units

Demand calculations for each targeted income level of the subject proposal are illustrated in the following tables. Utilizing Georgia DCA requirements, demand estimates will be measured from three key sources: household growth, substandard housing, and rent-overburdened households. All demand sources will be income-qualified, based on the targeting plan of the subject proposal and current LIHTC income restrictions as published by DCA and HUD. For the subject proposal, demand estimates will be calculated for units designated at 60 percent AMI (broken out by subsidized and non-subsidized) and units with market rents. As such, calculations will be based on the starting rental rate, a 35 percent rent-to-income ratio, and an income ceiling of \$31,558 (the 5-person income limit at 60 percent AMI for the Columbus MSA). The resulting overall income-eligibility range (expressed in current-year dollars) for each targeted income level is as follows:

	<u>Minimum</u>	<u>Maximum</u>
60 percent of AMI (subsidized)	\$3,120	\$31,558
60 percent of AMI (non-subsidized)	\$18,549	\$31,558
Market Rate	\$20,000	\$50,000
Overall	\$3,120	\$50,000

By applying the income-qualified range and 2009 household forecasts to the current-year household income distribution by tenure (adjusted from 2000 data based on the Labor Statistics’ Consumer Price Index), the number of income-qualified households can be calculated. As a result, 77 percent of all renter households within the PMA are estimated to fall within the stated LIHTC qualified income range. More specifically, 58 percent of all renter households are income-qualified for the subsidized units at 60 percent of AMI, and 21 percent are qualified for the non-subsidized units at 60 percent AMI. In addition, 38 percent of all renter households within the PMA are income-qualified for the market-rate portion of the proposal.

Based on U.S. Census data and projections from ESRI, approximately 188 fewer renter households are anticipated in 2009 as compared to 2000. By applying the income-qualified percentage to the overall eligible figure, a negative demand for rental units can be calculated as a result of new rental household growth.

Using U.S. Census data on substandard rental housing, it is estimated that approximately ten percent of all renter households within the Baker Village PMA could be considered substandard, either by overcrowding (a greater than 1-to-1 ratio of persons to rooms) or incomplete plumbing facilities (a unit that lacks at least a sink, bathtub, or toilet). Applying this figure, along with the renter propensity and income-qualified percentage, to the number of households currently present in 2000 (the base year utilized within the demand calculations), a total non-subsidized tax credit demand resulting from substandard units is calculated at 255 units within the PMA.

And lastly, potential demand for the subject proposal may also arise from those households experiencing rent-overburden, defined by households paying greater than 35 percent of monthly income for rent. Excluding owner-occupied units, an estimate of market potential for the subject proposal based on 2000 Census data on rent-overburdened households paying more than 35 percent of monthly income for rent is calculated. Using the subject proposal's beginning rental rate and utilizing the above-mentioned affordability range, the percentage of renter households within this overburdened range is estimated at five percent. Applying this rate to the estimated number of renter households in 2009 yields a total demand of 583 additional units as a result of rent-overburden.

Comparable LIHTC properties within the Baker Village PMA which have received an LIHTC allocation since 2000 include Eagle's Trace Apartments, Midtown Square Apartments, Springfield Crossing, and Victory Crossing. As such, these 770 tax credit and 24 market rate units need to be deducted from the three factors listed previously. Combining these factors (and including a 15 percent allowance for potential demand arising from secondary market sources) results in an overall demand of 153 LIHTC units (non-subsidized) and 652 market rate units in 2009.

Calculations by individual bedroom size are also provided utilizing the same methodology. As such, it is clear that ample demand exists for each of the unit types proposed. It is worth noting at this time that these demand calculations do not consider that the construction of a new rental facility typically generates interest above movership ratios typically observed. In

this case, a new rental housing option for very low, low, and moderate-income households should receive a positive response due to the revitalization of the Baker Village neighborhood, as well as the relatively high occupancy levels within most existing local developments.

Table 17: Demand Calculation – by Income Targeting (2009)

2000 Total Occupied Households	21,036				
2000 Owner-Occupied Households	9,498				
2000 Renter-Occupied Households	11,538				
		Subsidized	60% AMI	Total LIHTC	Market Rate
QUALIFIED-INCOME RANGE					
Minimum Annual Income		\$3,120	\$18,549	\$3,120	\$20,000
Maximum Annual Income		\$31,558	\$31,558	\$50,000	\$50,000
DEMAND FROM NEW HOUSEHOLD GROWTH					
Renter Household Growth, 2000-2009		-188	-188	-188	-188
Percent Income Qualified Renter Households		58.0%	21.4%	76.7%	37.5%
Total Demand From New Households		(109)	(40)	(144)	(70)
DEMAND FROM EXISTING HOUSEHOLDS					
Percent of Renters in Substandard Housing		10.3%	10.3%	10.3%	10.3%
Percent Income Qualified Renter Households		58.0%	21.4%	76.7%	37.5%
Total Demand From Substandard Renter Households		692	255	914	447
Percent of Renters Rent-Overburdened		27.4%	5.1%	28.2%	4.7%
Total Demand From Overburdened Renter Households		3,157	583	3,250	202
Total Demand From Existing Households		3,849	838	4,164	649
DEMAND FROM SECONDARY MARKET SOURCES (15%)		577	126	625	97
TOTAL DEMAND		4,317	923	4,645	676
LESS: Total Comparable Units Constructed Since 2000		0	770	770	24
LESS: Total Comparable Units Proposed/Under Construction		0	0	0	0
TOTAL NET DEMAND		4,317	153	3,875	652
PROPOSED NUMBER OF UNITS		93	24	148	31
CAPTURE RATE		2.2%	15.6%	3.8%	4.8%
Note: Totals may not sum due to rounding					
Source: U.S. Census of Population and Housing - 2000; U.S. Department of Housing and Urban Development; ESRI Business Analyst					

Table 18: Demand Calculation – by Bedroom Size

	One-Bedroom Units				Two-Bedroom Units				Three-Bedroom Units			
	Subsidized	AMI	Market Rate	Total LIHTC	Subsidized	AMI	Market Rate	Total LIHTC	Subsidized	AMI	Market Rate	Total LIHTC
2000 Total Occupied Households												
2000 Owner-Occupied Households												
2000 Renter-Occupied Households												
QUALIFIED-INCOME RANGE												
Minimum Annual Income	\$3,120	\$18,549	\$20,000	\$3,120	\$3,874	\$21,497	\$24,000	\$3,874	\$5,177	\$26,023	\$26,000	\$5,177
Maximum Annual Income	\$23,376	\$23,376	\$40,000	\$23,376	\$26,298	\$26,298	\$45,000	\$26,298	\$31,558	\$31,558	\$50,000	\$31,558
	-188	-188	-188	-188	-188	-188	-188	-188	-188	-188	-188	-188
DEMAND FROM NEW HOUSEHOLD GROWTH												
Renter Household Growth, 2000-2009	45%	9%	30%	45%	48%	8%	27%	48%	53%	8%	27%	53%
Percent Income Qualified Renter Households	(85)	(16)	(56)	(85)	(91)	(15)	(51)	(91)	(100)	(16)	(51)	(100)
Total Demand From New Households												
DEMAND FROM EXISTING HOUSEHOLDS												
Percent of Renters in Substandard Housing	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%	10.3%
Percent Income Qualified Renter Households	45%	9%	30%	45%	48%	8%	27%	48%	53%	8%	27%	53%
Total Demand From Substandard Renter Households	538	102	356	538	576	97	325	576	637	101	324	637
Percent of Renters Rent-Overburdened	26.3%	4.0%	4.5%	26.3%	25.7%	3.2%	1.4%	25.7%	24.2%	1.5%	1.3%	24.2%
Total Demand From Overburdened Renter Households	3,035	461	516	3,035	2,970	369	164	2,970	2,788	173	147	2,788
Total Demand From Existing Households	3,573	562	872	3,573	3,546	466	489	3,546	3,425	274	472	3,425
DEMAND FROM SECONDARY MARKET SOURCES (15%)	536	84	131	536	532	70	73	532	514	41	71	514
TOTAL DEMAND	4,024	631	947	4,024	3,987	521	511	3,987	3,838	299	491	3,838
LESS: Total Comparable Units Constructed Since 2000	0	25	0	25	0	465	16	465	0	280	8	280
LESS: Total Comparable Units Proposed/Under Construction	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL NET DEMAND	4,024	606	947	3,999	3,987	56	495	3,522	3,838	19	483	3,558
PROPOSED NUMBER OF UNITS	19	6	7	25	55	15	18	70	19	3	6	22
CAPTURE RATE	0.5%	1.0%	0.7%	0.6%	1.4%	26.8%	3.6%	2.0%	0.5%	15.6%	1.2%	0.6%

Note: Totals may not sum due to rounding
 Source: U.S. Census of Population and Housing - 2000; U.S. Department of Housing and Urban Development; ESRI Business Analyst

B. Capture and Absorption Rates

Utilizing information from the demand forecast calculations, capture rates provide an indication of the percentage of annual income-qualified demand necessary for the successful absorption of the subject property. An overall capture rate of less than four percent was determined based on the demand calculation (including renter household growth, existing renter households, substandard units, and excluding any comparable rental activity since 2000), providing an indication of the subject proposal’s market depth within the Baker Village PMA. More specifically, the capture rate for the subsidized units restricted at 60 percent AMI was calculated at two percent, while the non-subsidized units at 60 percent AMI were at approximately 16 percent. Furthermore, the market rate portion of the proposal had a capture rate of five percent. As such, the capture rate provides a positive indication of the subject’s marketability and is well below DCA thresholds, and should be considered as a positive factor.

Taking into consideration the overall occupancy rate for the Baker Village PMA, the generally positive occupancy rates among area rental properties, the likely affect the revitalization of Baker Village will have on the local neighborhood, and the improving economic climate within Columbus, an estimate of the overall absorption rate can be calculated as follows:

	<u>Number</u>	<u>Estimated Units Per Month</u>	<u>Absorption Range (in months)</u>	
Subsidized LIHTC Units	93	Most Pre-leased	1	2
Non-Subsidized LIHTC Units	24	6 8	3	4
Market Rate Units	31	4 6	5	8
Total Units	148		5	8
Total Units (93 percent occupancy)	138		5	7

As such, the resulting absorption period to reach 93 percent occupancy is *conservatively* estimated at five to seven months. This estimate is based on an approximate market entry in late 2009; a minimum of 20 percent of non-subsidized units pre-leased of the project; and assumes all units will enter the market at approximately the same time. It is also worth noting that 93 units will contain subsidies and will be mostly pre-leased by the Housing Authority of the City of Columbus through their extensive waiting list.

Taking into account the positive occupancy levels within local rental developments, especially among tax credit properties, and the planned redevelopment of the Baker Village neighborhood, no market-related concerns are present. Further considering the overall occupancy rate for the market as a whole (96 percent), nearby successful LIHTC projects (Eagle's Trace, Springfield Crossing, and Victory Crossing), along with a newly constructed facility with modern amenities and broad income targeting, absorption of the subject to 93 percent occupancy should not be an issue into the foreseeable future.

VIII. COMPARABLE RENTAL ANALYSIS

A. Columbus Rental Market Characteristics

As part of the Columbus rental analysis, a survey of existing rental projects within the Baker Village primary market area was completed by Shaw Research & Consulting in June 2007. Excluding senior-only rental developments, a total of 25 apartment properties within the Columbus area were identified and questioned for information such as current rental rates, amenities, and vacancy levels. Results from the survey provide an indication of overall market conditions throughout the Columbus area, and are discussed below and illustrated on the following pages.

Considering the developments responding to our survey, a total of 3,276 units were reported within the 25 properties, with the majority containing two bedrooms. Among the properties providing a specific unit breakdown, 22 percent of all units contained one bedroom, 56 percent had two bedrooms, and 19 percent of units contained three bedrooms. Few efficiency/studio and four-bedroom units were reported in the survey – each representing just one percent of all units. The average age of the rental properties was 23 years old (with an average build date of 1984), with 11 properties built before 1980, seven during the 1980s, and seven since 1990 (with six of these developed since 2000). The newest rental properties in the area utilized tax credits, with these five developments averaging just six years old (2001). Among the developments included in our detailed survey, seven rental developments (28 percent of all properties) have some sort of income eligibility requirements – there are five LIHTC facilities and two HUD projects.

The results of the survey do not include Public Housing units managed by the Housing Authority of Columbus. Not including Baker Village, the Housing Authority manages 12 properties within Columbus with a total of 1,797 units, and includes the following projects:

Booker T. Washington	392 units	Chapman Homes.....	161 units
Columbus Villas.....	88 units	E.J. Knight Apts.....	52 units
E.J. Knight Garden Apts	40 units	Elizabeth E. Canty	265 units
Farley Homes	102 units	Louis T. Chase.....	108 units
Luther C. Wilson.....	305 units	Nicholson Terrace.....	100 units
Rivers Apts.....	24 units	Warren Williams.....	160 units

Overall conditions for the Columbus rental market appear quite strong. Among the 25 properties included in the survey in the Baker Village market area, the overall occupancy rate was calculated at 96 percent, with thirteen developments over 97 percent occupancy (eight were 100 percent occupied). Considering that the majority of local developments reported an occupancy rate of 95 percent or greater (18 of 25 properties), current conditions clearly reflect positive conditions within the Columbus rental market. Further, perhaps the greatest indication of market depth for the subject property is the ongoing success of the area's tax credit properties. Among the five LIHTC developments (with a total of 907 units), an overall occupancy rate of over 97 percent was reported – providing additional indications of the need for modern affordable rental housing such as the subject proposal.

Detailed results from our survey of area rental developments are illustrated in the tables on the following pages. Overall, the average rent for a one-bedroom unit was calculated at \$445 per month with an average size of 715 square feet – the resulting average rent per square foot ratio is \$0.62. The average rent for a two-bedroom unit was \$521 with an average size of 970 square feet (an average rent per square foot ratio of \$0.54), while three-bedroom units averaged \$616 and 1,268 square feet (\$0.49 per square foot). As can be seen, the proposed rental rates and unit sizes at the subject proposal are quite competitive to other properties throughout the area.

Clearly, the rental stock throughout the Columbus area appears quite affordable. Considering only LIHTC properties, averages for a one-bedroom unit were \$482 and 725 square feet (\$0.66 per square foot), two-bedrooms averaged \$497 and 1,033 square feet (\$0.48 per square foot), and three-bedrooms averaged \$583 and 1,300 square feet (\$0.45 per square foot). As such, the subject proposal's rental rates compare favorably to tax credit averages, as well as market rate averages, and can be considered appropriate for the market area.

The most common amenities found within the market include central air conditioning (100 percent of all properties), mini-blinds (88 percent), coin-operated laundry (84 percent), patio/balcony (80 percent), and dishwasher (76 percent). Other popular amenities include ceiling fan, garbage disposal, laundry hook-up, and swimming pool, each in over 60 percent of all developments. While the subject property will contain the majority of these more common

features, a number of additional amenities will be found within the subject that are not as prevalent throughout the area. These include clubhouse/community room, exercise/fitness room, and microwave. Along with the proposal’s broad income targeting, affordable rental rates and competitive unit sizes, the generous amenity package undoubtedly gives a competitive advantage over most rental developments within the local market area.

Proposed rental rates within the subject are competitive and compare favorably with other LIHTC properties in the local area. As can be seen in the following figure, the proposed rental rates at the proposed Baker Village Apartments (both tax credit and market rate) are lower at 60 percent of AMI at each bedroom size as compared to the four most comparable LIHTC projects in the market area. Considering the competitive unit sizes as well as the modern amenities to be included (with clubhouse, exercise room, microwave, and computer center), the proposal’s relative value becomes even more apparent.

Figure 3: LIHTC Comparison

LIHTC RENTS					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	\$457	\$482			
Two-Bedroom Units	\$544	\$500-\$578	\$560	\$470-\$580	\$550
Three-Bedroom Units	\$600	\$660	\$645	\$540-\$655	\$625
MARKET RENTS					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	\$500				
Two-Bedroom Units	\$600			\$620	
Three-Bedroom Units	\$650			\$685	
UNIT SIZES					
	<u>Subject</u>	<u>Eagle Trace</u>	<u>Midtown Square</u>	<u>Springfield Crossing</u>	<u>Victory Crossing</u>
One-Bedroom Units	750	725			
Two-Bedroom Units	1,005	800	1,175	960	1,059
Three-Bedroom Units	1,200	1,450	1,350	1,290	1,199

Note: Projects with rent ranges reflect 50% and 60% AMI rental rates.

From a market standpoint, it is evident that sufficient demand is present for the development of additional tax credit units within the Columbus market. However, based on prevailing rental rates and income levels, the rent structure is crucial for the viability of any new rental development. As such, the proposed rental rates within the subject are well-suited for the Baker Village marketplace by providing a modern rental option with numerous amenities at a relatively affordable price. Coupled with 75 units with project based rental assistance, 22 public housing units, and 31 market rate units, the subject proposal will be targeting a wide range of households. In light of an occupancy rate calculated at 96 percent for the overall market (and 97 percent for tax credit properties), coupled with the proposal's generous amenities and unit sizes, the subject should be absorbed into the local rental market within a normal period of time with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Additionally, the local rental market appears to be relatively stable, with 18 of the 25 facilities surveyed at 95 percent occupancy or greater, as well as no widespread rent concessions reported. Based on the proposed unit sizes and amenities to be offered, the facility will be competitive with other local available rental alternatives.

According to local government officials, no comparable multi-family activity was reported within the PMA (not including subsequent phases of the Baker Village redevelopment plan). However, approximately five rental developments are in various stages of the planning or development process throughout the city. While it was believed that all were conventional market-rate projects, the contact at the planning department would provide no additional information after repeated requests.

Table 19: Rental Housing Survey

Project Name	Year Built*	Total Units	Studio/ Eff.	One-bedroom	Two-bedroom	Three-bedroom	Four-bedroom	Heat Included	Heat Type	Electric Included	Occupancy Rate	Senior Only Facility
2000 Wynnton Apts	2002	72	0	0	66	6	0	No	GAS	No	100%	No
Cross Creek Apts	1977	200	0	66	68	66	0	No	GAS	No	100%	No
Eagle's Trace Apts	2002	383	0	25	281	52	25	No	ELE	No	95%	No
Essex Apts	1983	6	0	0	6	0	0	No	ELE	No	100%	No
Hannah Heights	1984	90	0	24	48	12	6	No	GAS	No	96%	No
Holly Hills Apts	1975	210	24	48	48	90	0	No	ELE	No	90%	No
Holly Park Apts	1980	66	20	10	36	0	0	No	ELE	No	100%	No
Huckleberry Hill Apts	2000	104	0	32	72	0	0	No	ELE	No	93%	No
Kabar Apartments	1969	55	0	55	0	0	0	No	ELE	No	95%	No
Liberty Garden THs	1995	88	0	0	72	16	0	No	ELE	No	98%	No
Lodge Apartments	1977	237	0	97	120	20	0	No	ELE	No	95%	No
Magnolia Garden Apts	1977	44	0	0	42	2	0	No	ELE	No	95%	No
Midtown Square Apartments	2000	144	0	0	24	120	0	No	ELE	No	100%	No
Overlook Club	1977	73	0	2	68	3	0	No	ELE	No	100%	No
Overlook Crossing	1976	164	0	109	55	0	0	No	ELE	No	90%	No
Parkway Place	1987	208	0	8	128	72	0	No	ELE	No	94%	No
Pembroke Apts	1989	124	0	25	66	33	0	No	ELE	No	97%	No
Point East Apartments	1973	72	0	12	48	12	0	Yes	GAS	No	100%	No
Renaissance Villas	1980	72	0	0	64	8	0	No	GAS	No	100%	No
Riverwind Apartments	1977	44	0	1	43	0	0	No	ELE	No	84%	No
Sherwood Arms	1974	165	0	99	66	0	0	No	ELE	No	93%	No
Springfield Crossing	2002	120	0	0	80	40	0	No	ELE	No	99%	No
Victory Crossing	2004	172	0	0	96	76	0	No	ELE	No	99%	No
Wedgefield Court Apts	1985	78	0	10	68	0	0	No	GAS	No	91%	No
Willow Creek Apts	1963	285	0	113	164	8	0	No	ELE	No	99%	No
Totals and Averages	1984	3,276	44	736	1,829	636	31				95.9%	
<i>Unit Distribution</i>			1%	22%	56%	19%	1%					
SUBJECT PROJECT												
BAKER VILLAGE APTS I	2009	148	0	32	88	28	0	No	ELE	No	NA	No

Table 20: Rental Housing Summary

SUMMARY									
	Number of Dev.	Year Built	Total Units	Studio/ Eff.	1BR	2BR	3BR	4BR	Avg. Occ.
Total Developments	25	1984	3,276	44	736	1829	636	31	95.9%
<i>Unit Distribution</i>				1%	22%	56%	19%	1%	
Market Rate Only	18	1981	2,225	44	699	1,164	312	6	95.1%
<i>Unit Distribution</i>				2%	31%	52%	14%	0%	
LIHTC Only	5	2001	907	0	25	553	304	25	97.4%
<i>Unit Distribution</i>				0%	3%	61%	34%	3%	
Other Affordable	2	1977	144	0	12	112	20	0	100.0%
<i>Unit Distribution</i>				0%	8%	78%	14%	0%	

Table 21: Rent Range for 1 & 2 Bedrooms

Project Name	Subsidized	1BR Rent LOW	1BR Rent HIGH	1BR Ft.	Sq. Ft.	1BR Sq. Ft.	Sq. Ft.	Rent per Square Foot Range	2BR Rent LOW	2BR Rent HIGH	2BR Ft.	Sq. Ft.	2BR Sq. Ft.	Sq. Ft.	Rent per Square Foot Range
2000 Wynnton Apts	No								\$515	\$575	800	920			\$0.64 \$0.63
Cross Creek Apts	No	\$445	\$470	750	750			\$0.59 \$0.63	\$545	\$570	980	980			\$0.56 \$0.58
Eagle's Trace Apts	No	\$482	\$482	700	750			\$0.69 \$0.64	\$500	\$578	800	1,400			\$0.63 \$0.41
Essex Apts	No								\$525		840				\$0.63
Hannah Heights	No	\$449		800				\$0.56	\$519		900				\$0.58
Holly Hills Apts	No	\$450		700				\$0.64	\$475		1,000				\$0.48
Holly Park Apts	No	\$479		576				\$0.83	\$595		895				\$0.66
Huckleberry Hill Apts	No	\$450		746				\$0.60	\$535		928				\$0.58
Kabar Apartments	No	\$315		740				\$0.43							
Liberty Garden THs	No								\$324	\$416	920	920			\$0.35 \$0.45
Lodge Apartments	No	\$470	\$480	719	736			\$0.65 \$0.65	\$580	\$600	1,012	1,120			\$0.57 \$0.54
Magnolia Garden Apts	No								\$450						
Midtown Square Apartments	No								\$560		1,175				\$0.48
Overlook Club	No								\$525		900				\$0.58
Overlook Crossing	No	\$485		727				\$0.67	\$620		1,050				\$0.59
Parkway Place	No	\$495		900				\$0.55	\$525		1,000				\$0.53
Pembroke Apts	No	\$480		850				\$0.56	\$550	\$590	980	1,150			\$0.56 \$0.51
Point East Apartments	No	\$361	\$406	612	612			\$0.59 \$0.66	\$397	\$446	892	892			\$0.45 \$0.50
Renaissance Villas	No								\$471						
Riverwind Apartments	No								\$515		910				\$0.57
Sherwood Arms	No	\$350		675				\$0.52	\$395	\$500	837	1,055			\$0.47 \$0.47
Springfield Crossing	No								\$470	\$620	960	960			\$0.49 \$0.65
Victory Crossing	No								\$550		1,059				\$0.52
Wedgfield Court Apts	No	\$450		624				\$0.72	\$500	\$525	768	1,096			\$0.65 \$0.48
Willow Creek Aptsd	No	\$460		609				\$0.76	\$526	\$640	920	1,006			\$0.57 \$0.64
Totals and Averages			\$445		715			\$0.62		\$521		970			\$0.54
SUBJECT PROPERTY															
BAKER VILLAGE APTS I	Partial	\$450	\$500	750	750			\$0.60 \$0.67	\$514	\$600	1,005	1,005			\$0.51 \$0.60
SUMMARY															
Overall			\$445		715			\$0.62		\$521		970			\$0.54
Market Rate Only			\$449		727			\$0.62		\$541		959			\$0.56
LIHTC Only			\$482		725			\$0.66		\$497		1,033			\$0.48
Other Affordable			\$384		612			\$0.63		\$438		892			\$0.49

Table 22: Rent Range for 3 & 4 Bedrooms

Project Name	Program	3BR Rent LOW	3BR Rent HIGH	3BR Ft. LOW	Sq. 3BR Ft. HIGH	Sq. Ft.	Rent per Square Foot Range	4BR Rent LOW	4BR Rent HIGH	4BR Ft. LOW	Sq. 4BR Ft. HIGH	Sq. Ft.	Rent per Square Foot Range
2000 Wynnton Apts	LIHTC	\$675	\$700	1,400	1,800		\$0.48 \$0.39						
Cross Creek Apts		\$660	\$685	1,150	1,150		\$0.57 \$0.60						
Eagle's Trace Apts		\$660	\$660	1,450	1,500		\$0.46 \$0.44	\$723		1,526			\$0.47
Essex Apts													
Hannah Heights			\$555		1,100		\$0.50	\$620		1,600			\$0.39
Holly Hills Apts			\$525		1,250		\$0.42						
Holly Park Apts													
Huckleberry Hill Apts													
Kabar Apartments													
Liberty Garden THs		LIHTC	\$368	\$509	1,155	1,155		\$0.32 \$0.44					
Lodge Apartments		\$750		1,316			\$0.57						
Magnolia Garden Apts		\$525											
Midtown Square Apartments	LIHTC	\$645		1,350			\$0.48						
Overlook Club		\$654		1,100			\$0.59						
Overlook Crossing													
Parkway Place		\$595		1,100			\$0.54						
Pembroke Apts		\$680	\$690	1,350	1,350		\$0.50 \$0.51						
Point East Apartments	HUD 236	\$427	\$480	1,093	1,093		\$0.39 \$0.44						
Renaissance Villas	HUD	\$604											
Riverwind Apartments													
Sherwood Arms													
Springfield Crossing	LIHTC/MKT	\$540	\$685	1,290	1,290		\$0.42 \$0.53						
Victory Crossing	LIHTC	\$625		1,199			\$0.52						
Wedgefield Court Apts													
Willow Creek Aptsd		\$750	\$750	1,073	1,440		\$0.70 \$0.52						
Totals and Averages			\$616		1,268		\$0.49	\$672			1,563		\$0.43
SUBJECT PROPERTY													
BAKER VILLAGE APTS I	LIHTC/MKT	\$600	\$650	1,200	1,200		\$0.50 \$0.54						
SUMMARY													
Overall			\$616		1,268		\$0.49	\$672			1,563		\$0.43
Market Rate Only			\$659		1,276		\$0.52	\$620			1,600		\$0.39
LIHTC Only			\$583		1,300		\$0.45	\$723			1,526		\$0.47
Other Affordable			\$504		1,093		\$0.46	NA			NA		NA

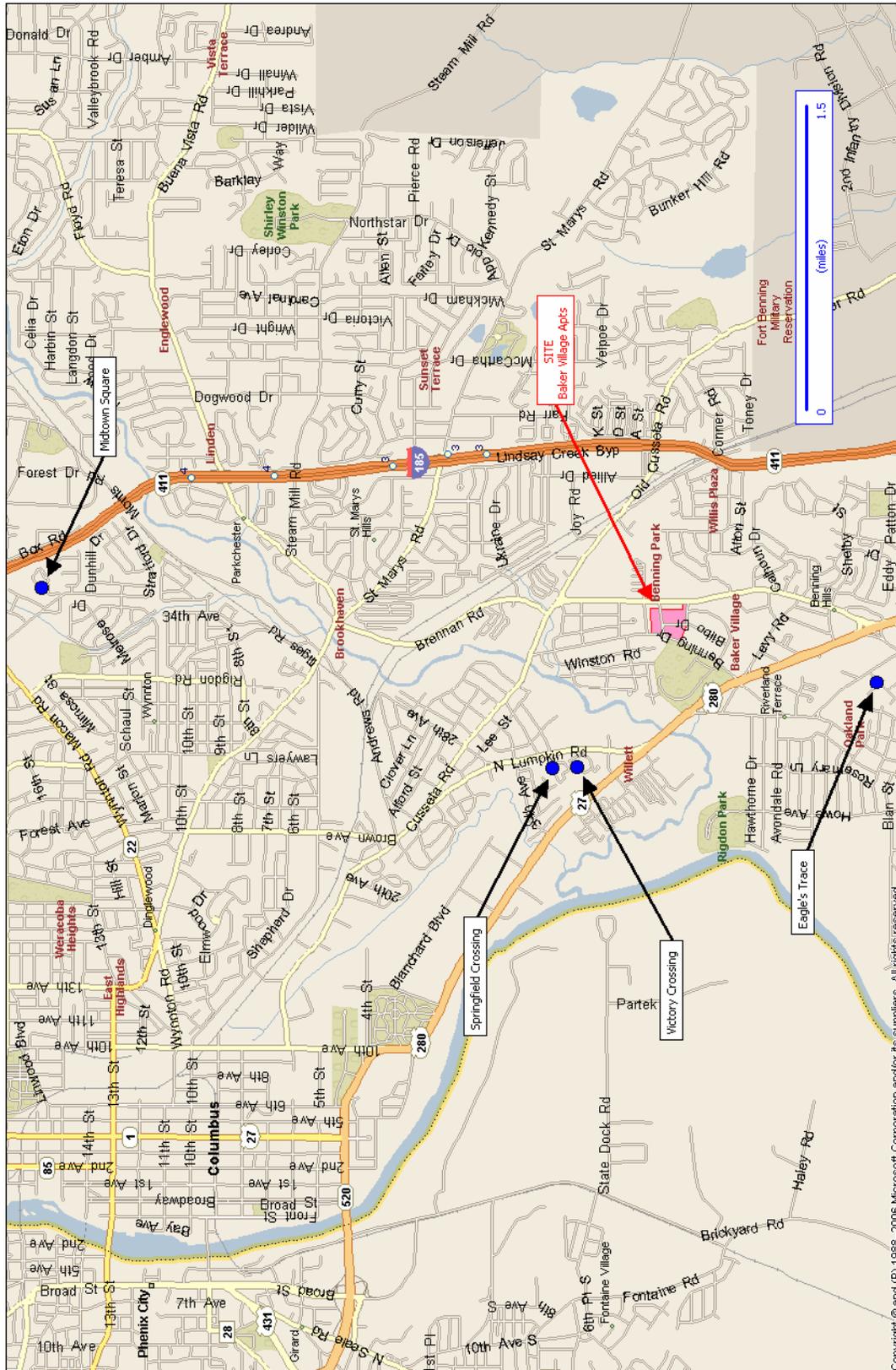
Table 23: Project Amenities

Project Name	Ceiling Fan	Central Air	Club House	Coin Op Laundry	Dish Washer	Entry Security	Exercise Room	Garbage Disposal	In-unit Laundry	Laundry Hookup	Micro-wave	Mini Blinds	Patio/Balcony	Play-ground	Pool	Walk-in Closet
2000 Wynnton Apts	No	Yes	No	No	Yes	No	No	Yes	No	Yes	No	Yes	Yes	No	Yes	No
Cross Creek Apts	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	Yes	Yes	No	Yes	No
Eagle's Trace Apts	No	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	No	Yes	Yes	Yes
Essex Apts	Yes	Yes	No	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	No	No	No
Hannah Heights	Yes	Yes	No	Yes	Yes	No	No	No	No	Yes	No	Yes	No	Yes	No	No
Holly Hills Apts	Yes	Yes	No	Yes	Yes	No	No	Yes	No	Yes	No	Yes	Yes	No	Yes	No
Holly Park Apts	Yes	Yes	No	Yes	Yes	No	No	Yes	No	No	Yes	Yes	Yes	No	No	No
Huckleberry Hill Apts	Yes	Yes	No	No	Yes	No	No	Yes	No	Yes	No	No	No	Yes	Yes	No
Kabar Apartments	Yes	Yes	No	Yes	No	No	No	No	No	No	No	Yes	No	No	No	No
Liberty Garden THs	No	Yes	No	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	Yes	No	No
Lodge Apartments	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	Yes	Yes	No	Yes	No
Magnolia Garden Apts	Yes	Yes	No	Yes	No	No	No	No	No	No	No	Yes	Yes	No	Yes	No
Midtown Square Apartments	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Overlook Club	Yes	Yes	No	Yes	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No
Overlook Crossing	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	No	No	Yes	Yes	No	Yes	No
Parkway Place	Yes	Yes	No	Yes	Yes	No	No	No	No	Yes	No	Yes	Yes	No	No	No
Pembroke Apts	Yes	Yes	No	Yes	Yes	No	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	No
Point East Apartments	Yes	Yes	No	Yes	No	No	No	No	No	No	No	No	Yes	No	No	No
Renaissance Villas	No	Yes	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No
Riverwind Apartments	Yes	Yes	No	Yes	Yes	No	No	Yes	No	No	No	Yes	Yes	No	Yes	No
Sherwood Arms	No	Yes	No	Yes	No	No	No	Yes	No	Yes	No	Yes	Yes	No	No	No
Springfield Crossing	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Victory Crossing	Yes	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes	No	Yes	Yes	Yes	Yes	Yes
Wedgfield Court Apts	No	Yes	Yes	No	No	No	No	No	No	Yes	No	Yes	Yes	No	Yes	No
Willow Creek Aptsd	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	No
Totals and Averages	72%	100%	36%	84%	76%	12%	8%	64%	4%	68%	12%	88%	80%	36%	64%	16%
SUBJECT PROJECT																
BAKER VILLAGE APTS I	NA	Yes	Yes	Yes	Yes	No	Yes	Yes	No	Yes	Yes	NA	NA	Yes	Yes	NA
SUMMARY																
Overall	72%	100%	36%	84%	76%	12%	8%	64%	4%	68%	12%	88%	80%	36%	64%	16%
Market Rate Only	83%	100%	28%	78%	78%	0%	6%	72%	0%	67%	17%	94%	83%	22%	67%	0%
LIHTC Only	40%	100%	80%	100%	100%	60%	20%	60%	20%	100%	0%	100%	80%	100%	80%	80%
Other Affordable	50%	100%	0%	100%	0%	0%	0%	0%	0%	0%	0%	0%	50%	0%	0%	0%

B. Comparable/Nearby Rental Projects –Baker Village PMA

The following map includes four LIHTC rental developments within the Baker Village market area that can be considered as comparable to the subject property. As such, information on these developments provides a more realistic indication of the market conditions facing the development of the proposal

Map 8: Comparable LIHTC Rental Developments



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COMPARABLE PROJECT INFORMATION

Project Name:	EAGLE'S TRACE APARTMENTS	Year Built:	2002 (rehab)
Address:	2001 Torch Hill Road	City/State:	Columbus, GA
Phone:	(706) 689-6618	Zip Code:	31903
Program:	LIHTC	Floors:	2
Number of PBRA*:	0	Percent Senior:	NA

* Including Section 8, Rental Assistance, and any other Project-Based Subsidy

UNIT CONFIGURATION/RENTAL RATES

<u>Unit Type</u>	<u>Number</u>	<u>Vacancies</u>	<u>Square Feet</u>	<u>Contract Rents</u>	<u>Occupancy Rate</u>
1 Bedroom	25	0	700-750	\$482	100%
2 Bedroom	281	21	800-1400	\$500-\$578	93%
3 Bedroom	52	0	1,450-1,500	\$660	100%
4 Bedroom	<u>25</u>	<u>0</u>	1,526	\$723	<u>100%</u>
TOTAL	383	21			95%

AMENITIES

APPLIANCES	UNIT	DEVELOPMENT
Dishwasher <input checked="" type="checkbox"/>	Draperies <input type="checkbox"/>	Clubhouse <input checked="" type="checkbox"/>
Garbage Disposal <input type="checkbox"/>	Fireplace <input type="checkbox"/>	Community Room <input type="checkbox"/>
Microwave <input type="checkbox"/>	Individ. Entry <input type="checkbox"/>	Playground <input checked="" type="checkbox"/>
Refrigerator <input checked="" type="checkbox"/>	Mini-Blinds <input checked="" type="checkbox"/>	Swimming Pool <input checked="" type="checkbox"/>
Stove/Range <input checked="" type="checkbox"/>	Patio/Balcony <input type="checkbox"/>	Basketball Court <input type="checkbox"/>
Central A/C <input checked="" type="checkbox"/>	Storage <input type="checkbox"/>	Tennis Court <input type="checkbox"/>
Wall A/C Unit <input type="checkbox"/>	Walk-in Closet <input checked="" type="checkbox"/>	Volleyball Court <input type="checkbox"/>
LAUNDRY	PARKING	OTHER
Coin-Op <input checked="" type="checkbox"/>	Carport <input type="checkbox"/>	Heat Included <input type="checkbox"/>
Hook-Up <input checked="" type="checkbox"/>	Garage <input type="checkbox"/>	Elect. Included <input type="checkbox"/>
In-Unit <input checked="" type="checkbox"/>	Surface Lot Only <input checked="" type="checkbox"/>	Heat Type <input type="checkbox"/> ELE

Eagle's Trace Apartments is approximately 1.2 miles south of the site, and represents the comparable LIHTC property closest in proximity to the subject property. The facility, a 383-unit project originally constructed in 1947 and rehabbed with tax credits in 2002, contains a unit mix of one, two, three, and four-bedroom units. Unit sizes for one-bedroom units are similar to the subject proposal, while two-bedroom units are notably smaller than the proposal. However, three-bedroom units are somewhat larger than those proposed. Rental rates units are somewhat higher than the subject, with the exception of the smaller two-bedroom units. A 95 percent occupancy rate was reported with a small waiting list. The property is in good condition. Based on an on-site interview on June 12, 2007, the facility is normally 92-95 percent occupancy with low to moderate turnover. Additional amenities include after-school program, secured access gate, and gazebo.



COMPARABLE PROJECT INFORMATION					
Project Name:	MIDTOWN SQUARE APTS	Year Built:	2000		
Address:	1400 Boxwood Blvd	City/State:	Columbus, GA		
Phone:	(706) 561-1083	Zip Code:	31906		
Program:	LIHTC	Floors:	2		
Number of PBRA*:	0	Percent Senior:	NA		
<small>* Including Section 8, Rental Assistance, and any other Project-Based Subsidy</small>					
UNIT CONFIGURATION/RENTAL RATES					
<u>Unit Type</u>	<u>Number</u>	<u>Vacancies</u>	<u>Square Feet</u>	<u>Contract Rents</u>	<u>Occupancy Rate</u>
1 Bedroom	0	0	NA	NA	NA
2 Bedroom	24	0	1,175	\$560	100%
3 Bedroom	120	0	1,350	\$645	100%
TOTAL	144	0			100%
AMENITIES					
APPLIANCES		UNIT		DEVELOPMENT	
Dishwasher	<input checked="" type="checkbox"/>	Draperies	<input type="checkbox"/>	Clubhouse	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>	Fireplace	<input type="checkbox"/>	Community Room	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>	Individ. Entry	<input type="checkbox"/>	Playground	<input checked="" type="checkbox"/>
Refrigerator	<input checked="" type="checkbox"/>	Mini-Blinds	<input checked="" type="checkbox"/>	Swimming Pool	<input checked="" type="checkbox"/>
Stove/Range	<input checked="" type="checkbox"/>	Patio/Balcony	<input checked="" type="checkbox"/>	Basketball Court	<input checked="" type="checkbox"/>
Central A/C	<input checked="" type="checkbox"/>	Storage	<input type="checkbox"/>	Tennis Court	<input checked="" type="checkbox"/>
Wall A/C Unit	<input type="checkbox"/>	Walk-in Closet	<input checked="" type="checkbox"/>	Volleyball Court	<input checked="" type="checkbox"/>
LAUNDRY		PARKING		OTHER	
Coin-Op	<input checked="" type="checkbox"/>	Carport	<input type="checkbox"/>	Heat Included	<input type="checkbox"/>
Hook-Up	<input checked="" type="checkbox"/>	Garage	<input type="checkbox"/>	Elect. Included	<input type="checkbox"/>
In-Unit	<input type="checkbox"/>	Surface Lot Only	<input checked="" type="checkbox"/>	Heat Type	ELE

Midtown Square Apartments is roughly 4½ miles north of the subject property, and consists of 144 two and three-bedroom tax credit units constructed in 2000. Unit sizes are approximately 15 percent larger than the subject proposal, while rental rates between five and eight percent higher than those proposed. Although no vacancies were reported by the leasing agent, a waiting list was not being maintained. The property is in very good condition. Based on an on-site interview on June 12, 2007, the facility has consistently been at or near 100 percent occupancy, and typically has low turnover. All units are at 60 percent of AMI. Additional amenities include computer center, exercise/fitness room, community kitchenette, gazebo, car wash area, and secured access gate.



COMPARABLE PROJECT INFORMATION					
Project Name:	SPRINGFIELD CROSSING	Year Built:	2002		
Address:	3312 N. Lumpkin Road	City/State:	Columbus, GA		
Phone:	(706) 689-7717	Zip Code:	31903		
Program:	LIHTC	Floors:	2		
Number of PBRA*:	0	Percent Senior:	NA		
<small>* Including Section 8, Rental Assistance, and any other Project-Based Subsidy</small>					
UNIT CONFIGURATION/RENTAL RATES					
<u>Unit Type</u>	<u>Number</u>	<u>Vacancies</u>	<u>Square Feet</u>	<u>Contract Rents</u>	<u>Occupancy Rate</u>
1 Bedroom	0	0	NA	NA	NA
2 Bedroom	80	1	960	\$470/\$580/\$620	99%
3 Bedroom	40	0	1,290	\$540/\$655/\$685	100%
TOTAL	120	1		<i>(50%/60%/Market)</i>	99%
AMENITIES					
APPLIANCES		UNIT		DEVELOPMENT	
Dishwasher	<input checked="" type="checkbox"/>	Draperies	<input type="checkbox"/>	Clubhouse	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>	Fireplace	<input type="checkbox"/>	Community Room	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>	Individ. Entry	<input type="checkbox"/>	Playground	<input checked="" type="checkbox"/>
Refrigerator	<input checked="" type="checkbox"/>	Mini-Blinds	<input checked="" type="checkbox"/>	Swimming Pool	<input checked="" type="checkbox"/>
Stove/Range	<input checked="" type="checkbox"/>	Patio/Balcony	<input checked="" type="checkbox"/>	Basketball Court	<input type="checkbox"/>
Central A/C	<input checked="" type="checkbox"/>	Storage	<input type="checkbox"/>	Tennis Court	<input type="checkbox"/>
Wall A/C Unit	<input type="checkbox"/>	Walk-in Closet	<input checked="" type="checkbox"/>	Volleyball Court	<input checked="" type="checkbox"/>
LAUNDRY		PARKING		OTHER	
Coin-Op	<input checked="" type="checkbox"/>	Carport	<input type="checkbox"/>	Heat Included	<input type="checkbox"/>
Hook-Up	<input checked="" type="checkbox"/>	Garage	<input type="checkbox"/>	Elect. Included	<input type="checkbox"/>
In-Unit	<input type="checkbox"/>	Surface Lot Only	<input checked="" type="checkbox"/>	Heat Type	ELE

Springfield Crossing is perhaps the most directly comparable property to the subject proposal. The facility, a 120-unit LIHTC development constructed in 2002, is approximately 1.3 miles east of the site and contains a mix of two and three-bedroom units. Unit sizes are similar to the subject proposal, and rental rates for 60 percent AMI and market rate units are somewhat higher than the subject (tax credit rents are seven to nine percent higher, while market rents are three to five percent greater). Just one vacancy was reported with a small waiting list being maintained. The property is in very good condition. Based on an on-site interview on June 12, 2007, the facility is historically at or near 100 percent occupancy with generally low turnover. Income targeting is 50% AMI, 60% AMI, and Market. Additional amenities include ceiling fan, computer center, community kitchenette, gazebo, and secured access gate.



COMPARABLE PROJECT INFORMATION					
Project Name:	VICTORY CROSSING	Year Built:	2004		
Address:	3390 N. Lumpkin Road	City/State:	Columbus, GA		
Phone:	(706) 689-6979	Zip Code:	31903		
Program:	LIHTC	Floors:	2		
Number of PBRA*:	0	Percent Senior:	NA		
* Including Section 8, Rental Assistance, and any other Project-Based Subsidy					
UNIT CONFIGURATION/RENTAL RATES					
<u>Unit Type</u>	<u>Number</u>	<u>Vacancies</u>	<u>Square Feet</u>	<u>Contract Rents</u>	<u>Occupancy Rate</u>
1 Bedroom	0	0	NA	NA	NA
2 Bedroom	96	2	1,059	\$550	98%
3 Bedroom	76	0	1,199	\$625	100%
TOTAL	172	2			99%
AMENITIES					
APPLIANCES		UNIT		DEVELOPMENT	
Dishwasher	<input checked="" type="checkbox"/>	Draperies	<input type="checkbox"/>	Clubhouse	<input checked="" type="checkbox"/>
Garbage Disposal	<input checked="" type="checkbox"/>	Fireplace	<input type="checkbox"/>	Community Room	<input checked="" type="checkbox"/>
Microwave	<input type="checkbox"/>	Individ. Entry	<input checked="" type="checkbox"/>	Playground	<input checked="" type="checkbox"/>
Refrigerator	<input checked="" type="checkbox"/>	Mini-Blinds	<input checked="" type="checkbox"/>	Swimming Pool	<input checked="" type="checkbox"/>
Stove/Range	<input checked="" type="checkbox"/>	Patio/Balcony	<input checked="" type="checkbox"/>	Basketball Court	<input type="checkbox"/>
Central A/C	<input checked="" type="checkbox"/>	Storage	<input type="checkbox"/>	Tennis Court	<input type="checkbox"/>
Wall A/C Unit	<input type="checkbox"/>	Walk-in Closet	<input checked="" type="checkbox"/>	Volleyball Court	<input type="checkbox"/>
LAUNDRY		PARKING		OTHER	
Coin-Op	<input checked="" type="checkbox"/>	Carport	<input type="checkbox"/>	Heat Included	<input type="checkbox"/>
Hook-Up	<input checked="" type="checkbox"/>	Garage	<input type="checkbox"/>	Elect. Included	<input type="checkbox"/>
In-Unit	<input type="checkbox"/>	Surface Lot Only	<input checked="" type="checkbox"/>	Heat Type	ELE

Victory Crossing is located approximately 1½ miles west of the subject property, and represents the newest LIHTC facility within the PMA. The development is a 172-unit LIHTC project constructed in 2004 consisting two and three-bedroom units. Unit sizes are similar to the subject proposal with rental rates somewhat higher than the subject (one to four percent greater). According to the leasing manager, the property had no vacancies and no waiting list. The property is in very good condition. Based on an on-site interview on June 12, 2007, the facility has consistently been above 95 percent occupancy, with low to moderate turnover. Income targeting is at 60 percent of AMI. Additional amenities include ceiling fan, computer center, community kitchenette, and gazebo.

IX. INTERVIEWS

Throughout the course of performing this analysis of the Columbus rental market, many individuals were contacted. Based on discussions with local government officials, no comparable multi-family rental development is under construction or proposed, outside of subsequent phases of the Baker Village Revitalization Plan.

Additional information was collected during property visits and informal interviews with leasing agents and resident managers throughout the Baker Village rental market as part of Shaw Research and Consulting's survey of existing rental housing to collect more specific data. The results of these interviews are presented within the supply section of the market study. It is also worth noting that leasing agents throughout the local rental market did not express any negative feelings regarding the strength or stability of the rental market, and in many cases, expressed positive comments noting improving conditions with good traffic and generally low turnover.

According to an interview with Amy Moore from The Housing Authority of Columbus, the Authority has 1,791 PHA units and administers 2,252 Section 8 vouchers in Muscogee and Harris Counties. In addition, the waiting list has just re-opened and had nearly 1,200 names in less than one week – a total of 2,000 persons were expected to sign during the two-week “open” period. Ms. Moore also expressed that the Authority is currently relocating residents of Baker Village into other rental facilities throughout the city and that Baker Village is presently less than 50 percent occupied.

X. CONCLUSIONS/RECOMMENDATIONS

Based on the information collected and reported within this study, sufficient evidence has been presented for the successful introduction and absorption of the subject proposal within the Baker Village PMA in the southern portion of Columbus. Extremely positive occupancy levels within the overall rental market (at 96 percent), generally successful existing comparable LIHTC properties within the PMA (combined 97 percent occupied), improving economic conditions (with the recent announcements newly created jobs at AFLAC, FedEx Ground, Kia, Manufacturing, and Fort Benning), a modern product with numerous amenities and features, and a sufficient statistical demand all support the introduction of a newly constructed rental alternative targeted for a broad range of households (with very low, low, and moderate incomes). Also taking into consideration the overall revitalization plan of the Baker Village neighborhood with subsequent phases of additional rental units, homeownership opportunities, and commercial development, the facility should maintain at least a 93 percent occupancy rate into the foreseeable future with no long-term adverse effects on existing local rental facilities – either affordable or market rate. Assuming the subject proposal is developed as described within this analysis, Shaw Research & Consulting can provide a positive recommendation for the proposed development with no reservations or conditions.

XI. SIGNED STATEMENT REQUIREMENTS

I affirm that I have made a physical inspection of the market area and the subject property on June 12 and 13, 2007, and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent upon this project being funded.



Steven R. Shaw
SHAW RESEARCH AND CONSULTING

Date: June 26, 2007

XII. COMPARISON OF COMPETING PROJECTS

Based on information supplied by DCA, no other developments are competing with the subject proposal in the 2007 Georgia funding round.

XIII. SOURCES

1990 U.S. Census of Population and Housing - U.S. Census Bureau

2000 U.S. Census of Population and Housing - U.S. Census Bureau

2007/2012 Demographic Forecasts, ESRI Business Analyst Online

ESRI ArcView, Version 3.3

Microsoft Streets and Trips 2007

Area Labor Statistics, 1990 – Present, U.S. Bureau of Labor Statistics and Georgia Department of Labor

Muscogee County Area Labor Profile – Georgia Department of Labor

Columbus, Georgia and Phenix City, Alabama Economic Development Guide – 2005-2006 Edition – Greater Columbus Chamber of Commerce

Partners across the Chattahoochee Newcomer Guide – 2006-2007 – Greater Columbus Chamber of Commerce

Columbus, Georgia Visitors Guide – Columbus Convention and Visitor’s Bureau

Worker Adjustment and Retraining Notification Guide (WARN) – Georgia Department of Labor

The Valley Partnership – Newsletter and Website – Greater Columbus Chamber of Commerce

Georgia Trend Magazine – “Columbus: Gearing Up” – June 2007

Georgia Trend magazine – “Military Matters” – June 2007

Interviews with managers and leasing specialists at local rental developments

Interviews with community planning officials

XIV. RESUME

STEVEN R. SHAW SHAW RESEARCH & CONSULTING

Mr. Shaw is a principal at Shaw Research and Consulting. With over sixteen years of experience in market research, he has assisted a broad range of clients with the development of various types of housing alternatives throughout the United States, including multi-family rental properties, single-family rental developments, for-sale condominiums, and senior housing options. Clients include developers, federal and state government agencies, non-profit organizations, and financial institutions. Areas of expertise include market study preparation, pre-feasibility analysis, strategic targeting and market identification, customized survey and focus group research, and demographic and economic analysis. Since 2000, Mr. Shaw has reviewed and analyzed housing conditions in more than 350 markets across 24 states.

Previous to forming Shaw Research in January 2007, he most recently served as partner and Director of Market Research at Community Research Services (2004-2006). In addition, Mr. Shaw also was a partner for Community Research Group (1999-2004), and worked as a market consultant at Community Targeting Associates (1997-1999). Each of these firms provided the same types of services as Shaw Research and Consulting.

Additional market research experience includes serving as manager of automotive analysis for J.D. Power and Associates (1992-1997), a global automotive market research firm based in Troy, Michigan. While serving in this capacity, Mr. Shaw was responsible for identifying market trends and analyzing the automotive sector through proprietary and syndicated analytic reports. During his five-year tenure at J.D. Power, Mr. Shaw developed a strong background in quantitative and qualitative research measurement techniques through the use of mail and phone surveys, focus group interviews, and demographic and psychographic analysis. Previous to J.D. Power, Mr. Shaw was employed as a Senior Market Research Analyst with Target Market Systems (the market research branch of First Centrum Corporation) in East Lansing, Michigan (1990-1992). At TMS, his activities consisted largely of market study preparation for housing projects financed through RHS and MSHDA programs. Other key duties included the strategic targeting and identification of new areas for multi-family and single-family housing development throughout the Midwest.

A 1990 graduate of Michigan State University, Mr. Shaw earned a Bachelor of Arts degree in Marketing with an emphasis in Market Research, while also earning an additional major in Psychology.

XV. DCA TABLE OF CONTENTS

Market Analyst Certification and Checklist

I understand that by initializing (or checking) the following items, I am stating those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report.

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

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

Signed:  _____

Date: June 26, 2007

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