
**MARKET STUDY
OF
AUTUMN CREST APARTMENTS
A PROPOSED 36-UNIT ELDERLY (55+) COMPLEX
CITY OF DAWSON, TERRELL COUNTY, GEORGIA**

**AS OF
JULY 2, 2006**

PREPARED FOR

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Department of Community Affairs
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NOTICE

It is imperative for the reader of this document to understand the data presented and analyzed herein, the study methodology employed, the role of judgments as distinct from calculations based on a specified methodology, the factors that affect projects, and changes that, over time, may result in an outcome different from that projected.

All prospective data (i.e., projections) are subject to changing market and economic conditions and other uncertainties. Hence, the reader must be fully cognizant of the possibility that, as market and economic factors affecting the subject property materialize, they may impact the property in such a way that actual market and financial performance differs from projections. Legal changes – including but not limited to zoning and tax laws and environmental, soil, and wetlands regulations – are also likely to affect real estate performance, and hence value.

The purpose of market, economic and financial projections is to provide a supportable and defensible opinion on potential economic returns from the project and also to provide the basis for the projections so that they can be evaluated by the reader in terms of methodology employed, the data analyzed and applied, and the judgments that were made.

The projections reported herein have been prepared using information, assumptions, and calculations outlined in this report. Information, other than that provided by the client, is from numerous public and private sources, believed to be reliable, as well as from RLJ & Company. It should be noted that all direct and indirect information supplied by others is assumed to be true and accurate. However, RLJ & Company assumes no responsibility for information supplied by others, although any such information cited is believed to be reliable and correct. RLJ & Company has reviewed the information provided for reasonableness and consistency. Further, the projections reported herein rely on property-specific data provided by the client and/or its agents. Care has been taken by RLJ & Company to present correct factual information in regard to the subject property; nonetheless, the reader is hereby advised to reach his/her own independent conclusions concerning all facts, as no representations are made by RLJ & Company as respects property ownership, property site, zoning conformance, occupancy and lease terms, availability of utilities, soil conditions, flood hazard, environmental problems, or any other matters. The information, finding, conclusions, recommendations and projects presented herein are intended solely for internal use by the client.

RLJ & Company is a real estate appraisal and consulting firm whose business activity includes valuations, the analysis of market potential, and analysis and evaluation of projected operating and financial performance. The firm routinely performs assignments for financial institutions, building and development organizations, property owners, and the like. RLJ & Company considers that it is well qualified in these areas; however, it is important to note that evaluating market support and projecting financial results for real estate development is not a precise science. Furthermore, in RLJ & Company's opinion, the methodology and other procedures employed are valid and accepted methods of evaluating real estate. Finally, RLJ & Company recommends that its clients recognize these limitations inherent in using such projections as are contained herein to make business decisions.

EXECUTIVE SUMMARY

Project Description And Site Evaluation:

- Project Name:** Autumn Crest II
- Location:** .1 mile south of U.S. Highway 82, just west of Meadow Run Lane, Census Tract 9804, Dawson, Terrell County, Georgia.
- Project Type:** A proposed 36 unit elderly (55+) in three two-story elevator buildings.
- Project Developer:** Autumn Crest L.P./Jerry W. Braden
- Plan of Operation:** The proposed development will be comprised of twelve (12) one bedroom units and twenty-four (24) 2-bedroom units. This complex is a LIHTC complex, where 100% of the units are utilizing the Low Income Housing Tax Credit (LIHTC) program, Section 42 of the Internal Revenue code. To qualify, the households will have incomes no greater than 50% or 60% of the area's median income. 36% of the units will be 50% of median income, and 64% of the units will be 60% of median income. The project will be located on an 8± acre tract off of U.S. Highway 82.

- Market Area:** After consultation with local real estate professionals, Dawson Chamber of Commerce, on-site managers and field work, it is determined that the primary market area is the City of Dawson and Terrell County, Georgia. Based on field research in the Dawson area of Terrell County, along with an assessment of the competitive environment, transportation and employment patterns, the site location and physical, natural barriers – the Primary Market Area (PMA) for the proposed multi-family elderly development consists of Terrell County. The overall character of the neighborhood within the immediate vicinity of the site can be defined as a mixture of institutional, commercial, multi-family residential development, and vacant land use. The site is located in the southeast portion of Dawson, within the city limits. In the opinion of this analyst, the site is considered to be an excellent location for an elderly multi-family development. The subject will draw a limited number of tenants from the surrounding counties just outside of the primary market area. We found the published U.S. Bureau of the Census figures to be holding true, and that the area has not seen any increase in population due to the hurricanes

along the U.S. gulf coast during 2005.

Demographics:

The senior population in the market is expected to increase (by 4.4%) over the next five years (2010). The number of households has increased by 1.8% since 2000 and is expected to increase by another 4.7% by 2010.

Much of the increase is attributed to the in-migration of local population from nearby Albany, owing to the availability of affordable land, close proximity to work and an increase in Hispanic workforce population.

The projected elderly increase is not to a significant increase in elderly in-migration into the PMA, but instead owing to significant age in-place and the beginning of the baby boom generation beginning to age and becoming empty nester's. The need for large homes diminishes and the up-keep of these homes becomes more taxing. The need for alternative house in the same market starts to increase.

Demand Analysis:

The 2006 Area Median Family Income for LIHTC Compliance is \$48,300. The qualified income range is between \$9,850 and \$28,980 that would qualify for the LIHTC housing units in this proposed project. An estimated 258 income/renter/size-qualified households will qualify for the subject property. This equates to an overall capture rate for the LIHTC units of 13.95%.

Supply Analysis:

The Dawson apartment market is representative of a rural apartment market, with a very limited amount of rental supply. At present, the market has five small apartment complexes, with the remainder of the rental supply comprising mostly of single-family homes and trailers for rent and the public housing authority.

At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted family properties was approximately zero. The typical occupancy rate reported for these properties ranged between 99% and 100%. The one elderly property maintained a waiting list and at the time of the survey was 100% occupied.

The proposed subject rents are significantly less than the comparable/competitive complexes surveyed and the

subject property is going to provide a superior modern unit as well as superior site amenities as compared to all the comparables in the market.

Street rents within the market are generally within a narrow price range because all the comparable properties surveyed are properties developed with governmental programs. The survey revealed that the 1BR apartment net rents range between \$300 and \$350, with an estimated average 1BR net rent of \$325, for the professionally managed and newer units. It is estimated the 2BR net rents range between \$400 and \$450, with an estimated average 2BR/1B net rent of \$425, for the professionally managed.

At present there are no in-kind direct comparable LIHTC (non RA) elderly units in the PMA.

Project Mix:

Proposed Project		
Bedroom Mix	# of Units	Unit Size (Heated SF)
1BR/1BA	12	760
2BR/1BA	24	1,002
TOTAL	36	

Project Rents:

The proposed development will target approximately 36% of the units at 50% or below of Area Median Income (AMI); and approximately 64% of the units at 60% of below AMI. Rent excludes all utilities.

Proposed Project Rents @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance	Gross Rent
1BR/1BA	6	\$261	\$74	\$335
2BR/1BA	7	\$337	\$105	\$442

Proposed Project Rents @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance	Gross Rent
1BR/1BA	6	\$293	\$74	\$367
2BR/1BA	17	\$361	\$105	\$466

Capture Rate Analysis:

Unit Size	Income Limits	Units Proposed	Net Demand	Capture Rate	Absorption	Avg Mkt Net Rent	Proposed Net Rents
1BR	50%	6	50	10.5%	3 Mos.	\$300	\$261
	60%	6	40	15.0%	3 Mos.	\$325	\$293
	TOTAL	12	90	13.3%	3Mos.		
2BR	50%	7	94	7.4%	3 Mos.	\$400	\$337
	60%	17	67	25.4%	3 Mos.	\$425	\$361
	TOTAL	24	161	14.9%	3 Mos.		

Interviews:

Interviews were conducted with the Dawson Housing Authority, the Dawson City Manager, as well as most of the apartment complex leasing personnel. All agreed that an affordable senior housing development would be beneficial in this market area, and specifically in the two-bedroom unit sizes. All apartment managers reported that they have waiting lists.

Conclusions:

The analyst that completed this market study has concluded that the proposed subject property development is viable in the market. The positive attributes include the location of the site as it relates to employment centers, local senior services, shopping area, ease of access to neighborhood and highway systems throughout the market area.

Based upon the analysis and the conclusions, it is my recommendation that the proposed application proceed forward, as presently proposed.

PROJECT DESCRIPTION

The proposed Low Income Housing Tax Credit (LIHTC) multi-family development will target low to moderate income elderly households, age 55 and over in the City of Dawson and Terrell County, Georgia. The subject property is located off US Highway 82, within the Dawson city limits.

The market study assignment was to ascertain market demand for a proposed multi-family elderly development to be known as the Autumn Crest Apartments, for Autumn Crest, L.P.

The proposed development will contain thirty-six (36) newly constructed one-bedroom and two-bedroom housing units. This complex is a proposed LIHTC complex, where 100% of the units are utilizing the Low Income Housing Tax Credit (LIHTC) program, Section 42 of the Internal Revenue code. To qualify for the LIHTC units, the households will have incomes no greater than 50% or 60% of the area's median income. 33% of the units will be 50% of median income, and 67% of the units will be 60% of median income.

UNIT SIZE AND MIX

Unit Type	# of Units	% Mix	Square Feet
1BR/1BA	12	33	760
2BR/1BA	24	67%	1,002
<i>TOTAL</i>	<i>36</i>	<i>100%</i>	<i>921 Avg.</i>

The proposed new construction project design will comprise three, two-story buildings with two elevators. The buildings will be connected by covered cross-walks. The project will include a separate building (1,949 s.f.) that will be used as a manager's office and community room. Common laundry rooms will be provided in each building. The exteriors will be of brick and vinyl, placed on slab. The project will provide a minimum of 1.5 parking spaces per unit.

The proposed *Occupancy Type* is Housing for Older Persons (age 55+).

Unit Amenities

- Electric Stove / Oven
- Frost-Free Refrigerator
- Dishwasher
- Disposal
- Washer/Dryer Connections
- Mini-blinds
- Central Air Conditioning
- Patio / Balcony
- Smoke Detectors
- Laundry room with Washer/ Dryer Connections
- Kitchen, Foyer, & Bath Area – VCT Flooring
- Living Room, Dining Room, and Bedrooms - Carpet
- Cable Ready
- Emergency call / buzzer and outside light system

Project Amenities

- Clubhouse (1,949 S.F.)
- Laundry Room
- Exercise Room with exercise equipment
- Picnic area / Barbeque Facility
- Shuffle Board
- Community Garden
- Management Office in Community Building
- Audio & Video Equipment / Free Internet Service
- Kitchen
- Social Services – Library programs, social & recreational programs, computer tutoring, semi-monthly movies.
- Gazebo

Design Features

- Three two-story elevator buildings
- Pitched Roofs
- Brick and vinyl siding exterior

Utility Detail

Heat:	Electric:	Tenant paid
Air Conditioning:	Central/HVAC:	Tenant paid
Hot Water:	Electric:	Tenant paid
Cooking:	Electric:	Tenant paid
Cold Water/Sewer:	City of Dawson	Tenant paid
Electricity:	Georgia Power	Tenant paid
Trash	City of Dawson	Landlord paid
Pest Control		Tenant paid

Sponsor's Pro-Forma Rents

Proposed Project Rents @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1BA	6	\$261	\$74	\$335
2BR/1BA	7	\$337	\$105	\$442

Proposed Project Rents @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1BA	6	\$293	\$74	\$367
2BR/1BA	17	\$361	\$105	\$466

Reasonability of Sponsor's Projected Rents

Projected rents are well below the maximum permitted LIHTC rent levels at the 50% and 60% threshold. Direct competition and tenant support for the subject is in the local properties surveyed. The subject should compete very well in the market based on price, location, modern design and amenities offered. Considering the lack of development activity in the market and the demand for senior housing that presently exists, it is my opinion that the subject development should be well received by the rental market. Virtually all of the complexes in the immediate area are 100% occupied with waiting lists.

A lease-up rate of 12 units per month is considered very reasonable. The overall occupancy at the surveyed complexes were 100% with most reporting waiting lists. With a strong pre-leasing program prior to construction completion, the subject property should be 100% pre-leased prior to construction completion, and 100% occupied within three months of construction completion.

Sponsor's Projected "Achievable" Restricted LIHTC Rents

Maximum Allowable LIHTC Rents							
Unit Type	# of Units	GLA	% of HH Median	Gross Rent/Month	Mo. Utility Allowance	Max. Net Rent/Mo.	Sponsor's Proposed Rent
1 BR/1 BA	6	760	50%	\$453	\$74	\$379	\$261
2 BR/1 BA	7	1,002	60%	\$543	\$105	\$438	\$337
1 BR/1 BA	6	760	50%	\$543	\$74	\$469	\$293
1 BR/1 BA	17	1,002	60%	\$652	\$105	\$547	\$361
Total Avg.	36						
Overall Average Projected LIHTC Rent/Unit:							\$328
Maximum (Net) Permitted LIHTC Rent:							\$484
Difference from Maximum LIHTC Rents:							-\$156

**Maximum Allowable LIHTC Net Rents ('06), Fair Market Rent ('06),
the Sponsor's Projected Opening Rents & DCA (2006) Maximum Gross Rents**

Unit Type	LIHTC Maximum Allowable Net Rent	Fair Market Rent	Projected Opening Net Rent	DCA Maximum Gross Rents
1 Bedroom (50%)	\$453	\$456	\$261	\$452
1 Bedroom (60%)	\$543	\$456	\$293	\$543
2 Bedroom (50%)	\$543	\$535	\$337	\$542
2 Bedroom (60%)	\$652	\$535	\$361	\$651

Unit Mix:

Surveyed Comparable Apartment Projects Market Mix Summary		
	Subject Property	Market Surveyed Projects
Studio	0%	0%
One Bedroom	0%	17%
Two Bedroom	33%	51%
Three Bedroom	67%	32%
Four Bedroom	0%	0%

The subject offers twelve (12) one-bedroom unit types and twenty-four (24) two-bedroom unit types. Considering that the subject units are senior-oriented, the mix is considered adequate for the market area. 100% of the units will be set aside for households whose incomes are less than 50% or 60% of the area median income. The

market for all sizes of units is generally 100% occupied. Therefore the subject units should be in demand and maintain an excellent occupancy.

The subject's proposed unit mix will meet the needs of senior households looking for extra or senior couples.

No floor plans were provided for the subject property.

One-Bedroom Unit Type: Twelve of the units are 1-bedroom units. The units are all 760 S.F. in size, and have 1 bath per unit. The units are superior in size and condition to all of the other comparables in the market. The units are thoughtfully laid out and functional in design.

Two-Bedroom Unit Type: Twenty-four of the units are 2-bedroom units. The units are all 1,002 S.F. in size and have 1 bath per unit. The units should be well accepted by the rental community.

Utilities: Tenant-paid utilities include electric for lights, air conditioning, plug-in appliances, cooking, heat, and hot water, cold water/sewer. The landlord pays for refuse collection and pest control. At most of the comparable properties, the landlord pays for cold water/sewer and pest control. Considering the rent is competitive with the market and that the subject units are a more desirable design, the subject should be well received by the rental community.

Common Area Amenities: Common area amenities will include a clubhouse/management office (1,949 S.F.), laundry room, exercise room with equipment, picnic area/barbeque facility, shuffle board, community garden, management office in community building, audio & visual equipment, free Internet service, kitchen, library programs, social and recreational programs, computer tutoring, semi-monthly movies, and a gazebo.

Site Plan Configuration: The siting and orientation of the buildings should enhance a sense of neighborhood, with a common area in a centrally located building for all units. Elevator buildings are considered a necessity for a multi-story senior complex. The proposed site amenities will enhance the desirability of the complex and make it the best complex in the market.

SITE EVALUATION

The approximately 8-acre, polygon shaped tract is relatively flat and wooded. The majority (about 80%+) of the site actually sits above the shopping center on a raised piece of ground by about 10 to 15 feet. The raised area is for the most part flat and wooded. The area below the rise is also flat but not as wooded. At present, there are no physical structures on the parcel. The site is considered to be a build able site. However, this assessment is subject to both environmental and engineering studies. I am not an expert in those fields and recommend that independent professionals be retained to do studies for environmental and engineering studies All public utility services are available to the tract and excess capacity exists. The site is not considered to be in a designated flood zone.

Street and highway accessibility are very good. Access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers and area churches. All major facilities in the city can be accessed within a 5-minute drive. At the time of the market study, no significant infrastructure development was in progress in the vicinity of the site.

Direction	Existing Land Use	Current Zoning
North	Commercial & Highway	C3 & C4
East	Institutional & Multi-Family	C4
South	Vacant	C3 & C4
West	Vacant	C3

Zoning Key: G3 – Commercial (Highway Oriented)
G4 – Commercial (Parkway)

Source: City of Dawson, Official Zoning Map



Neighborhood Description / Characteristics:

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land uses including institutional, commercial, multi-family residential, and vacant use.

Directly north of the site is the Village Shopping Center, the Dawson Public Library and several commercial properties located along US 82. Among the business establishments that are located within the shopping center are: Fred's, Dollar General, Subway (fast food) and the Dawson Senior Center. Immediately in front of the site along US 82 is a vacant fast food restaurant and adjacent to that establishment is a bank. Directly northeast of the site is the Dawson Public Library, several buildings in which government offices are located, the Terrell County Community Walking Trail and the Terrell County Health Department.

Directly south of the site is vacant land.

Directly east of the tract is the Meadow Run Apartment development. Meadow Run is a two-phase USDA-RD Section 515 development that was built about 16 to 17 years ago. Phase I comprises 49 family oriented units. Phase II comprises 40 units targeting elderly population age 62 and over. At the time of the survey, both phases of Meadow Run were 100% occupied and maintained with a waiting list. The family section of Meadow Run has 20 units with RA and 12 Section 8 households, and the elderly section has 100% deep subsidy rental assistance with 60% of the units being rented to disabled households and 40% of the units being rented to elderly households. There is currently a waiting list of 18 elderly households for phase II.

Directly west of the tract is vacant land.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.

Parks and Recreational Facilities

Name	Location	Distance
Downtown Dawson	Northeast	1.3 Miles

Libraries

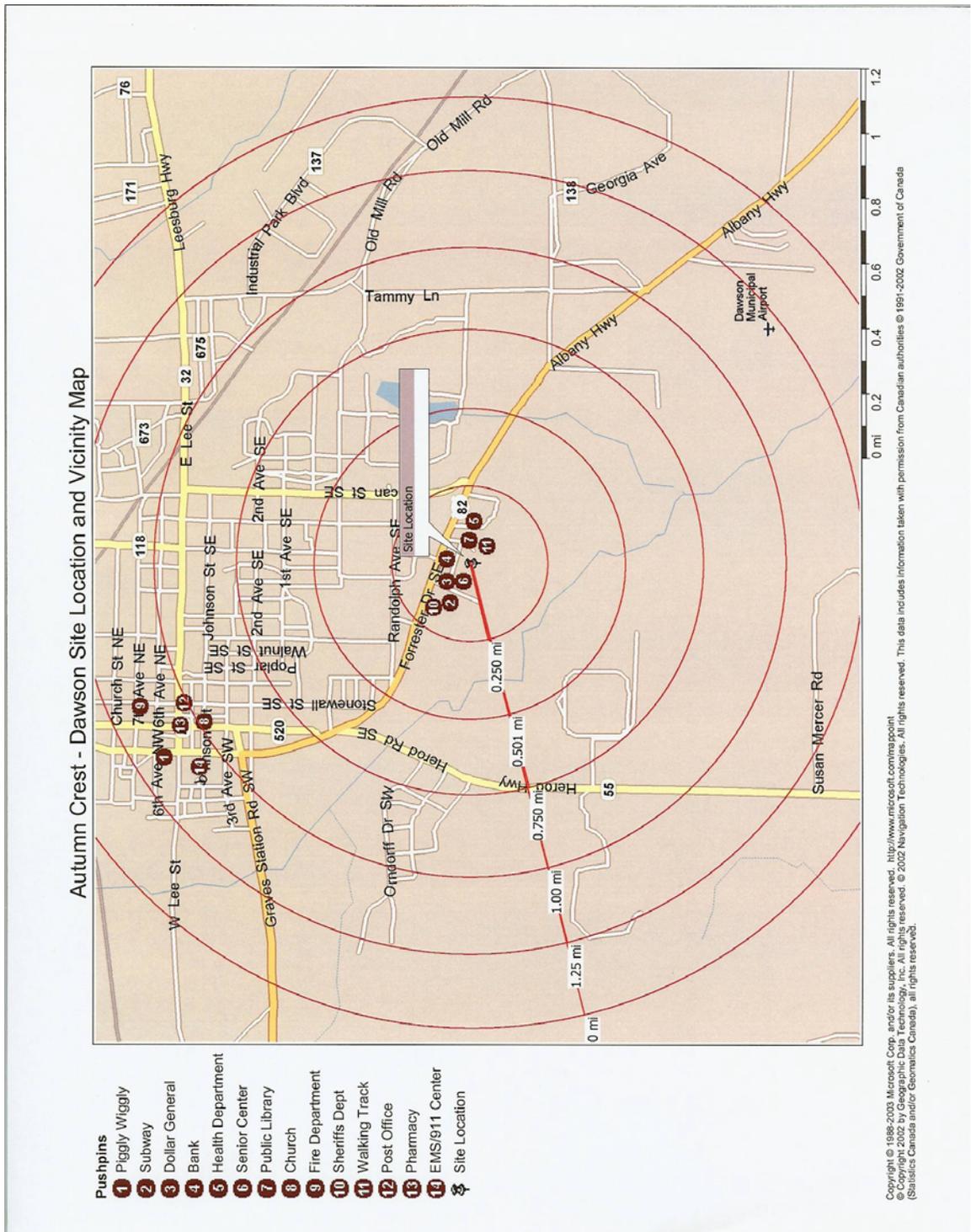
Name	Location	Distance
Dawson Library	Southeast	Walking Distance

Hospitals

Name	Location	Distance
Medical Clinic	Downtown Dawson	1.3 Miles
County Health Dept.	Southeast	Walking Distance

Shopping

Name	Location	Distance
Harveys	Northeast / Hwy. 82	1.3 Miles
Fred's	Hwy. 82	Walking Distance
Dollar General	Hwy. 82	Walking Distance
Piggly Wiggly	Hwy. 82	1 Mile Northeast
Senior Center	East	Walking Distance



LOCATION MAP

SUBJECT PHOTOGRAPHS



ENTRANCE TO SUBJECT SITE VIEWED SOUTHWEST



ENTRANCE TO SUBJECT SITE FROM U.S. HWY. 82



U.S HWY. 82 VIEWED NORTHWEST



U.S. HWY. VIEWED SOUTHEAST



INTERIOR OF SUBJECT SITE VIEWED NORTH FROM MEADOW RUN



VIEW LOOKING NORTH FROM MEADOW RUN



SHOPPING CENTER ON THE EAST SIDE OF THE SUBJECT PROPERTY



SHOPPING CENTER & SENIOR CENTER WALKING DISTANCE FROM THE SUBJECT SITE

Summary on Overall Project Feasibility

Superior in-unit amenity package and services as compared to the comparables in the market. Common area amenities are superior to the complexes in the market. The micro-location is a newer area of the city. The subject's development plan for the property should have a strong positive impact on the overall neighborhood. Access is excellent. This development should perform very well over the foreseeable future.

The complex has an excellent location, and is convenient to all commercial and retail shopping within the Dawson market. Major highways and arterial roads are convenient to the subject site.

The site inspection for the site and market survey was on July 3, 4, and 5, 2006. The site was and field work was performed by Mr. Randy L. Josepher.

The overall character of the neighborhood within the immediate vicinity of the site can be defined as a mixture of institutional, commercial, multi-family residential development, and vacant land use. The site is located in the southeast portion of Dawson, within the city limits.

Access to the site is available off US Highway 82 (Forrester Drive) via a short .1 mile commercial access connector. US 82 is a medium- to high-density, four lane, primary connector road, with a speed limit of 45 miles per hour in the immediate vicinity of the site. The location of the site does not present problems of egress and ingress to the site. The site offers excellent accessibility and linkages to area services and facilities.

In the opinion of the analyst, this site of the subject is considered acceptable as an elderly multi-family development.

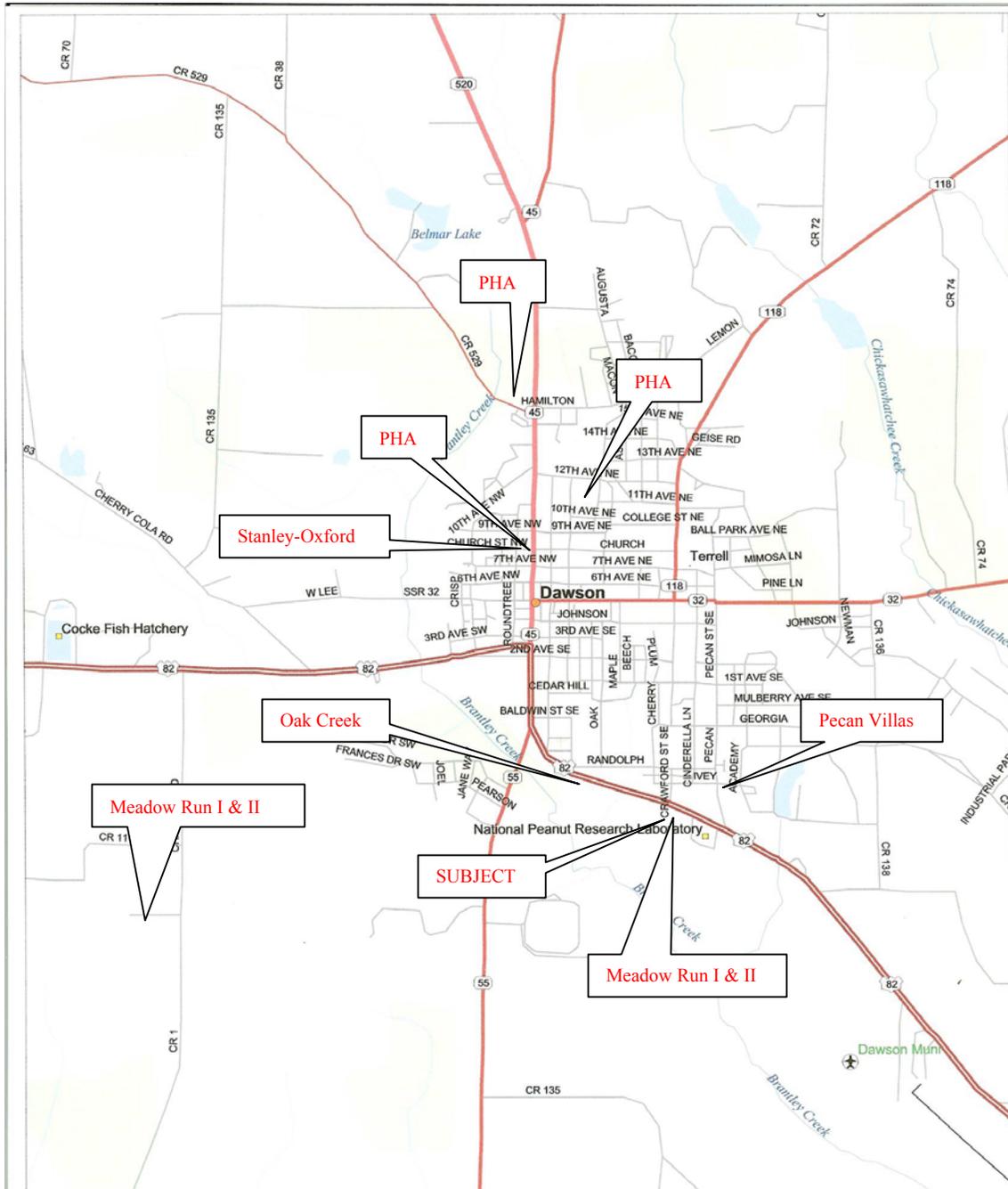
**SUMMARY OF STRENGTHS AND WEAKNESSES
OF THE PROPOSED DEVELOPMENT**

Strength	Weaknesses
Unit amenities are rated as excellent.	None
The subject has superior unit and site amenities as compared to the immediate market.	
Medical facilities are in close proximity.	
The subject units are superior in size and condition as compared to the market.	
Location and availability of social services is excellent.	
Shopping is within walking distance.	
Public services are within walking distance.	
Design of the project is very desirable.	

Program Assisted Apartments in Dawson

At present there are five existing apartment complexes in City of Dawson, along with the scattered sites of housing from the Dawson Housing Authority. A map (on the next page) exhibits the program-assisted properties within Dawson in relation to the site.

Project Name	Street Address	Program Type	Number of Units	Distance From Site
Meadow Run I	Meadow Run Ln	USDA-RD fm	49	.1 Mile
Meadow Run II	Meadow Run Ln	USDA-RD el	40	.1 Mile
Stanley-Oxford	W. 7 th Avenue	LIHTC fm	24	1.5 Miles
Oak Creek	SR 82	PHA & RD fm	20	.3 Miles
Dawson HA	N. Lemon St.	PHA	136	1.7 Miles
Pecan Villas	Pecan Ave.	Mkt. Rate	8	.4 Miles



PROGRAM ASSISTED APARTMENTS

MARKET AREA

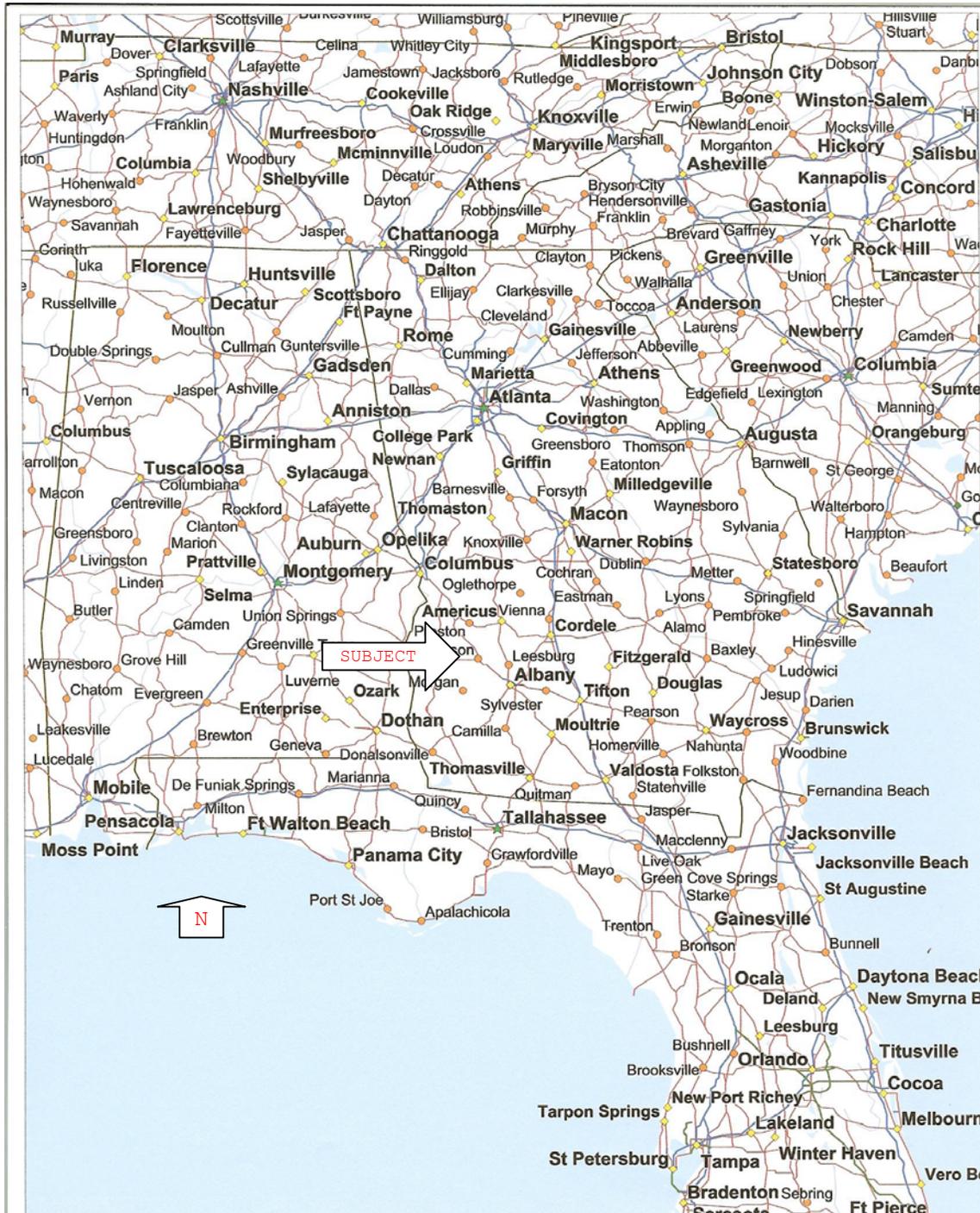
The analysts consulted with real estate professionals in the Dawson market, as well as surveying the entire market. After numerous discussions and fieldwork, it was determined that the Primary Market Area for the subject development is the City of Dawson and the entire County of Terrell.

The definition of a market area for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process considers the location and proximity and scale of competitive options. Often, market areas are geographically defined.

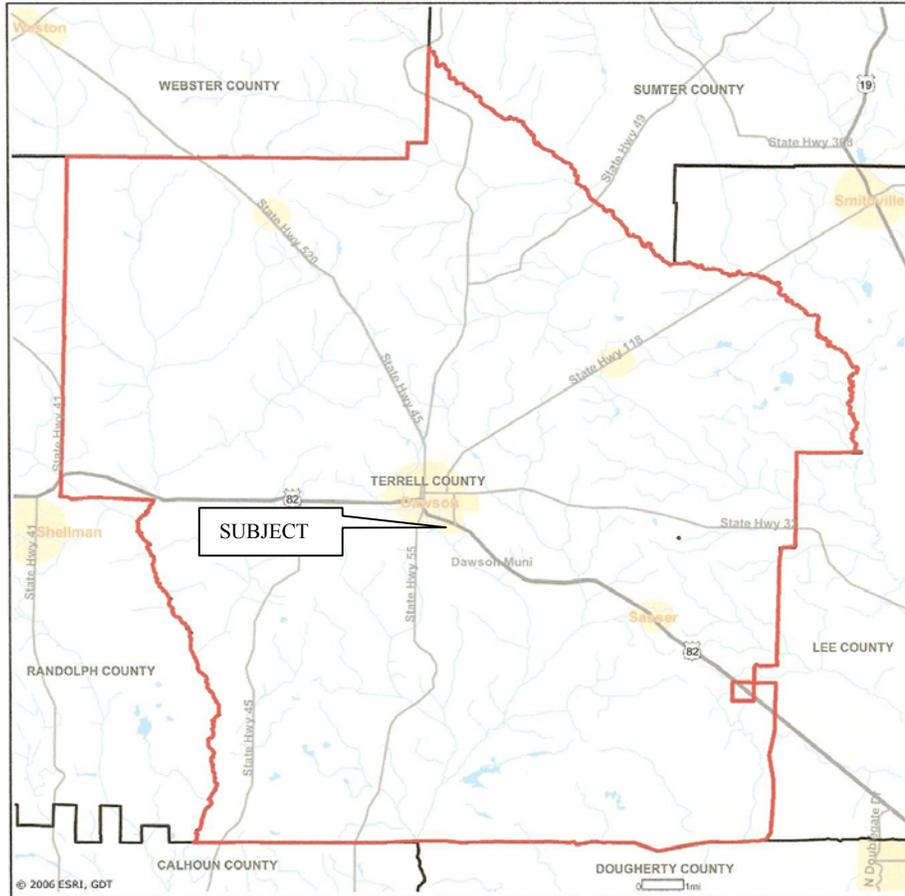
The field research process, including interviews with locals and driving the market area used in order to establish the geographic delineation of the Primary Market Area (PMA). Based upon field research in Dawson and a 10- to 15-mile area, along with an assessment of the competitive environment, transportation and employment patterns, the site location and physical and natural boundaries – the Primary Market Area (PMA) for the proposed multi-family elderly development consists of Terrell County.

Interviews with the Dawson Housing Authority, the City Manager / Building Inspector of Dawson, the Manager of the Phase I and II Meadow Run Apartments, and the Terrell County Chamber of Commerce confirmed that significant market support for the proposed development would include the City of Dawson and extend out from the city of Dawson to include the county as a whole. It was stated that potential market support would be derived from older farm families located in the rural portions of the county in need of alternative housing, as well as from elderly households living in sub-standard housing (older homes and single-wide trailers) in the rural / remote areas of the county.

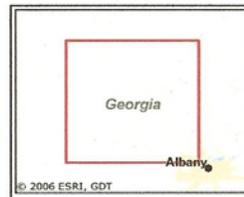
The PMA is located in southwest Georgia. Dawson is approximately 22 miles northwest of Albany and 17 miles west of Leesburg. Dawson, the county seat, is centrally located within Terrell County.



Standard Map
Autumn Crest
July 4, 2006



County: 13273 Terrell County, GA



The PMA is bounded as follows:

Direction	
North	Sumter & Webster Counties
East	Lee County
South	Calhoun & Dougherty Counties
West	Randolph County

The City of Dawson is the largest populated area in the PMA, representing approximately 46% of the total population. In addition to Dawson, there are three other much smaller incorporated areas located within the PMA. Bronwood is the largest of the three, with a 2000 Census population of 513. It is located about 6 miles northeast of Dawson. Sasser has a 2000 Census population of 393. It is located about 8 miles southeast of Dawson. Parrott has a 2000 Census population of 156 people. For the most part, excluding Dawson, the PMA is very rural with much of the land use in agriculture or open space.

Dawson is the regional trade area for the county for employment opportunities, finance, retail and wholesale trade, entertainment and health care services.

The most logical location within the PMA for an independent living elderly apartment complex, without rental assistance would be the City of Dawson. In this case, the complex would not only serve the City, but the PMA as a whole, given the lack of alternative choices in the overall market.

A Secondary Market Area (SMA) consists of an area beyond the Primary Market Area from which a complex would draw a smaller percentage of future tenants from. Demand for the development from the SMA is considered to be moderate to good. Typically, 5% to 25% of program-assisted elderly apartment complexes are occupied by tenants from outside the PMA. It is estimated that the subject will attract 10% to 15% of its tenant base from outside the PMA that have at one time lived in the primary market and are returning or have family, relatives or friends that they are relocating to be closer to. The most, out of PMA elderly households, from the secondary market should come from Albany, just 22 miles south of the subject along U.S. Highway 82. The demand methodology in this market study utilized a GA-DCA market study guideline factor of 15%.

Demand for the subject will predominantly be from existing renter-occupied elderly households, elderly homeowners who “move down” from an owner position to a renter and new elderly renter household formations. Another source of demand will be from non-tenured households currently residing with others, primarily relatives, including grown children and not presently located within a group quarters setting.

The economic health of Terrell County is generally indicated by employment activity, both in workers and jobs.

Recent indicators suggest that the recent losses in the manufacturing sector have stabilized in Terrell County. One major boost to the local economy was a decision made by Tyson Foods, the major employer in the county, not to close its aged facility, but instead to pump more than \$18 Million in capital to improve the facility. The plant is now the exclusive provider of processed chicken for Wendy's in the southeast region of the nation.

According to the Dawson / Terrell County Chamber of Commerce, the local economy stabilized in 2004 – 2005. Besides the expansion at Tyson the county has benefited from the recent employment growth in the Albany economy. Even though Albany / Dougherty County only has a population of around 100,000 people, the area has a workforce of over 50,000. In addition, the Albany economy was not negatively affected when the nearby Marine Corps Logistics Base was not selected to be closed down during the recent round of base closures. In fact, the base might be the recipient of new workers from other base closures around the country.

The significance of the Albany economy is represented by the fact that in Terrell County alone, it is estimated that about 30% of the Terrell County workforce commutes into Albany to work.

In addition, Dawson is the center of trade and services for the county, as well as the location of the majority of the major employers in Terrell county.

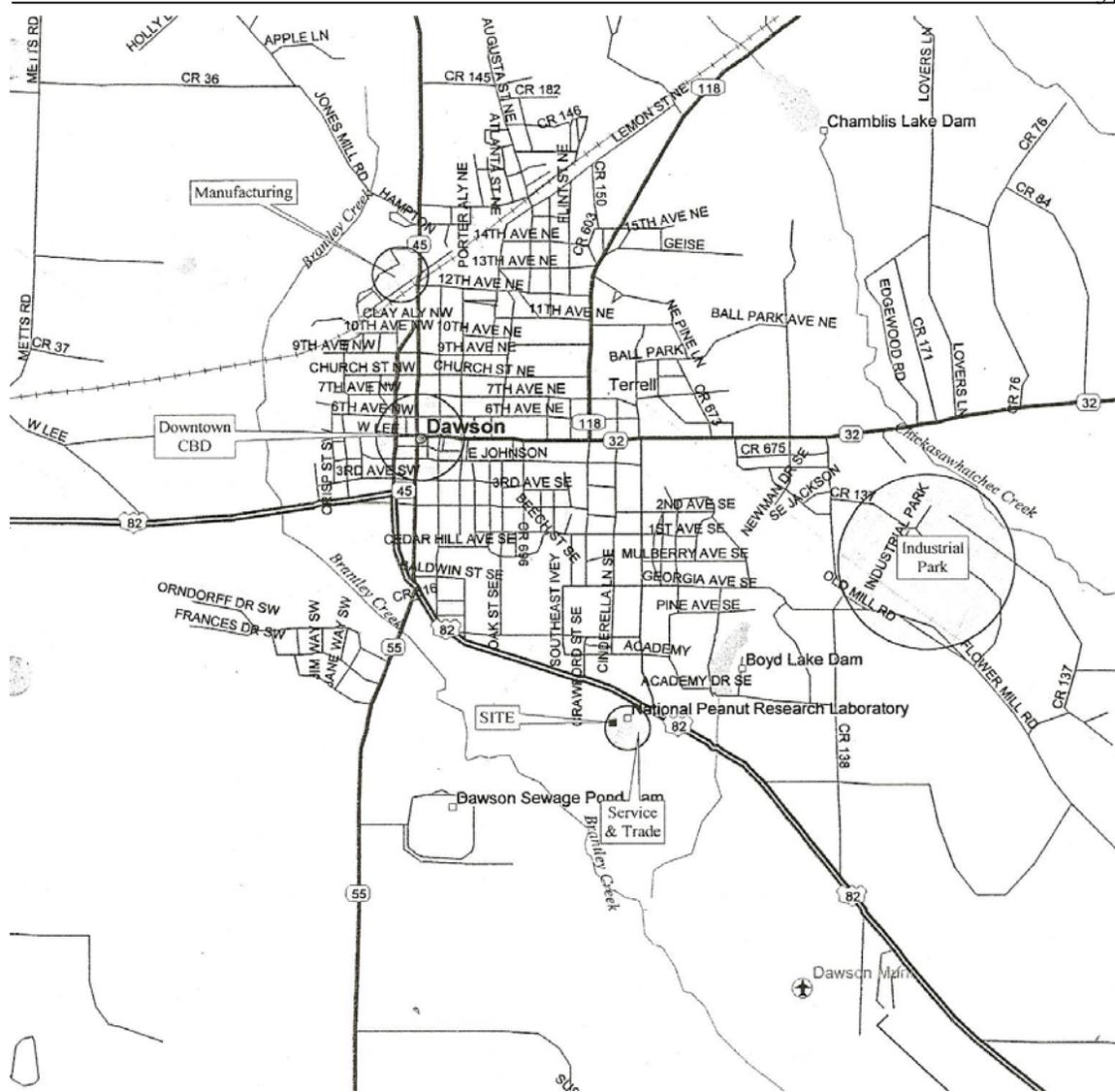
In summary, recent economic indicators are more supportive of a stable local economy for the foreseeable future. A stable economy makes for a more suitable environment for elderly households to sell homes and family farms or give them to relatives. Also, it helps to strengthen the overall demand for rentals by younger households and to give support for local landlords to increase rents on an annual basis as overall supply versus demand tightens.

A map of major employment concentrations in the PMA is exhibited on pages 31.

MAJOR AREA EMPLOYERS

Company	Product / Service
Tyson Foods	Poultry Processing
Golden Peanut	Peanuts
Davis	Vitamins
Dawson Tarpaulins	Vinyl Tarp
Massey	Wholesale
Dawson Manufacturing	Automotive Goods
Tri-County	Ready Mix
Spriggers Choice	Agri-Business
Terrell County	School System
Dawson & Terrell County	Local Government
Piggly Wiggly & Harvey's	Retail Trade
Terrell County Prison	Institution
Dawson Manor	Nursing Home
Terrell Academy	Private School

Sources: Terrell County Chamber of Commerce, (229) 995-2011.
2005 Georgia Manufacturers Directory, Harris Infosource.



MAJOR EMPLOYMENT LOCATIONS

COMMUNITY DEMOGRAPHIC DATA

The following population trends were occurring in the County and City as of the survey date:

POPULATION TREND 55+					
	2000	Estimate 2005	Forecast 2010	Change 2000-2005	Change 2005-2010
County	2,543	2,615	2,729	2.8%	4.4%
City	1,136	1,109	1,192	-2.4%	7.5%

Census Bureau

The County showed a slight increase in senior population, while the recent population estimates for the City of Dawson has declined. However, the forecast for population (55+) in the Year 2010 indicates a positive trend for both the county and the city.

The year 2008 is estimated to be the first year of availability for occupancy of the subject property and projects a population increase of 3% for the City of Dawson and a 1.76% increase for the overall PMA. The year 2000 has been established as the base year for the purpose of estimating new household growth demand, by age and tenure in accordance with the 2006 GA-DCA Market Study Guidelines.

Population gains over the next several years are forecasted for the PMA at a moderate rate of growth. It is estimated that total elderly population in the PMA will increase at a rate of .73% per year, between 2000 and 2010. Much of the increase is attributed to the in-migration of local population, the relocation of seniors from nearby Albany, affordable land, close proximity to work areas and an increase in Hispanic workforce population. It is estimated that approximately 46% of the PMA population is located within the City of Dawson.

The elderly population projection is based on applying a ratio of the forecast for total population in the county for the year 2010. The forecasts for the elderly were interpolated (between 2005 and 2010) for a 2008 estimate. The ESRI Data and U.S 2000 Census data was used.

TERRELL COUNTY				
Year	Population	Total Change	Percent	Annual Change
2000	2,543	-	-	-
2005 estimate	2,615	+72	2.8%	14
2008*extrapolation	2,677	+62	2.4%	21
2010 forecast	2,719	+42	1.6%	21

* 2008 – Estimated year that project is placed in service. Calculations – RLJ & CO. July 2006.

Although the overall population of the PMA is projected to decline by 1.66% by the year 2010, the population 55+ is projected to increase. The average age is projected to increase from 39.2 to 42.8 by the year 2010. This indicates the seniors are staying and the younger generation is leaving. In the primary renter age group of 55 and over, the trend in the data exhibited a slight decline of almost 1.5%. Overall, a significant portion of the total PMA population remains in the target property age eligible group of 55 and over, representing over 23.7% of the total population.

Based on an conversations with the Terrell County Chamber of Commerce, (229) 995-2011, and the City of Dawson Building Inspector, (229) 995-3713, there have been no new nursing homes or senior assisted living facilities introduced into the city or county for the past six years.

The senior population within the county and city area was distributed as follows:

City of Dawson

Total Pop.	Census 2000		2005		2010	
	Number	% of Total Population	Number	% of Total Population	Number	% of Total Population
TOTAL	1,136	22.5%	1,109	21.7%	1,192	23.7%
55 – 59	226	4.5%	243	4.8%	288	5.7%
60 – 64	202	4.0%	231	4.5%	239	4.8%
65 – 69	183	3.6%	194	3.8%	204	4.1%
70 – 74	149	2.9%	136	2.7%	156	3.1%
75 – 79	152	3.0%	116	2.3%	110	2.2%
80 – 84	118	2.3%	97	1.9%	96	1.9%
85+	106	2.1%	92	1.8%	99	2.0%
65+	708	14.0%	635	12.4%	665	13.2%
75+	376	7.4%	305	6.0%	305	6.1%

Source: U.S. Bureau of the Census, 2000 Census population & housing, ESRI forecasts 2005 & 2010, RLJ & Co. extrapolations

Terrell County

Total Pop.	Census 2000		2005		*2008		2010	
	#	% of Total Population						
TOTAL	2,543	23.2%	2,615	24.4%	2,677	25.4%	2,729	26.2%
55 – 59	612	5.6%	618	5.8%	642	5.8%	660	6.3%
60 – 64	506	4.6%	559	5.2%	568	5.2%	577	5.5%
65 – 69	390	3.6%	460	4.3%	473	4.3%	476	4.6%
70 – 74	333	3.0%	312	2.9%	326	2.9%	354	3.4%
75 – 79	306	2.8%	258	2.4%	252	2.4%	246	2.4%
80 – 84	206	1.9%	216	2.0%	210	2.0%	202	1.9%
85+	190	1.7%	192	1.8%	200	1.8%	214	2.1%
65+	1,425	13.0%	1,438	13.4%	1,461	13.9%	1,492	14.3%
75+	702	6.4%	666	6.2%	662	6.3%	662	6.4%

Source: U.S. Bureau of the Census, 2000 Census population & housing, ESRI forecasts 2005 & 2010,* RLJ & Co. extrapolations

Transportation Data

The nearest significant airport in the area is the Albany Regional Airport.

Atlanta International Airport, approximately 3 hours drive west of Dawson, serves as the area's international airport with daily passenger and freight service provided by many major air carriers.

The railroad operates sections of railway that crisscross Dawson, linking this community to Albany, Macon, Atlanta and beyond. Both the railroad and motor freight carriers offer traditional transport as well as inter-modal transport.

Distances to major market areas include:

Name	Distance
Columbus, GA	60 Miles northwest
Albany, GA	22 Miles south
Macon, GA	98 Miles north
Atlanta, GA	199 Miles north

Income and Household Trends

Senior population in the market area has remained relatively stable with a increase of 2.8% from 2000 to 2005. During the same period, the number of households increased by 1.79% to 1653. The number of households is expected to increase by 2.8% by the year 2008 to 1,700 and should positively impact the demand for housing. The size of the senior households is expected to remain the same at 1.4 persons/household.

Market Area SENIOR HOUSEHOLDS

Market Area	Terrell County	City of Dawson
2000 Census	1,624	710
2005 Estimate	1,653	718
2008 extrapolation*	1,700	753
2010 Projection	1,731	777

- Estimated year that the proposed project would be placed in service.
- Calculations extrapolated from Census Data by RLJ & CO. July 2006

HOUSEHOLD INCOME

TERRELL COUNTY

2005 Households by Income & Age of Householder 55+

	55 – 64	65-74	75+	Total
TOTAL	705	521	427	1,653
< \$15,000	205	150	172	527
\$15,000 - \$24,999	49	59	87	195
\$25,000 - \$34,999	129	93	20	242
\$35,000 - \$49,999	118	40	89	247
\$50,000 - \$74,999	108	121	27	256
\$75,000 - \$99,999	39	21	5	65
\$100,000 – 4149,999	34	5	14	53
\$150,000 - \$199,999	7	13	7	27
\$200,000+	16	19	6	41
<i>Median Household Income</i>	<i>\$31,975</i>	<i>\$29,677</i>	<i>\$18,643</i>	<i>\$28,559</i>
<i>Average Household Income</i>	<i>\$45,865</i>	<i>\$47,526</i>	<i>\$34,324</i>	<i>\$43,407</i>

2008 EXTRAPOLATION	Total
<i>TOTAL</i>	<i>1,700</i>
< \$15,000	542
\$15,000 - \$24,999	201
\$25,000 - \$34,999	248
\$35,000 - \$49,999	254
\$50,000 - \$74,999	263
\$75,000 - \$99,999	67
\$100,000 – 4149,999	55
\$150,000 - \$199,999	28
\$200,000+	42

- Estimated year that the proposed project would be placed in service.
- Calculations extrapolated from Census Data by RLJ & CO. July 2006

The estimated household incomes for 2008 were extrapolated from the 2005 and 2010 household figures of the ESRI census 2000 Data.

TERRELL COUNTY
2010 Households by Income & Age of Householder 55+

	55 – 64	65-74	75+	Total
<i>TOTAL</i>	<i>739</i>	<i>560</i>	<i>432</i>	<i>1,731</i>
< \$15,000	199	140	153	492
\$15,000 - \$24,999	51	54	77	182
\$25,000 - \$34,999	118	91	16	225
\$35,000 - \$49,999	108	49	79	236
\$50,000 - \$74,999	119	130	35	284
\$75,000 - \$99,999	43	35	21	99
\$100,000 – \$149,999	50	13	27	90
\$150,000 - \$199,999	16	18	16	50
\$200,000+	35	30	8	73
<i>Median Household Income</i>	<i>\$35,147</i>	<i>\$34,266</i>	<i>\$22,486</i>	<i>\$33,111</i>
<i>Average Household Income</i>	<i>\$61,694</i>	<i>\$58,744</i>	<i>\$45,959</i>	<i>\$56,813</i>

CITY OF DAWSON
2005 Households by Income & Age of Householder 55+

	55 – 64	65-74	75+	Total
TOTAL	304	218	196	718
< \$15,000	103	69	78	250
\$15,000 - \$24,999	11	30	44	85
\$25,000 - \$34,999	77	34	4	115
\$35,000 - \$49,999	32	20	40	92
\$50,000 - \$74,999	56	40	13	109
\$75,000 - \$99,999	13	17	3	33
\$100,000 – 4149,999	8	2	8	18
\$150,000 - \$199,999	2	5	4	11
\$200,000+	2	1	2	5
<i>Median Household Income</i>	\$28,886	\$27,294	\$18,382	\$26,572
<i>Average Household Income</i>	\$38,704	\$39,771	\$35,839	\$38,246

CITY OF DAWSON
2010 Households by Income & Age of Householder 55+

	55 – 64	65-74	75+	Total
TOTAL	337	240	200	777
< \$15,000	107	64	64	235
\$15,000 - \$24,999	13	29	40	82
\$25,000 - \$34,999	68	32	3	103
\$35,000 - \$49,999	36	31	40	107
\$50,000 - \$74,999	67	41	16	124
\$75,000 - \$99,999	14	26	10	50
\$100,000 – 4149,999	14	7	18	39
\$150,000 - \$199,999	7	7	7	21
\$200,000+	11	3	2	16
<i>Median Household Income</i>	\$31,352	\$33,017	\$23,547	\$31,284
<i>Average Household Income</i>	\$50,950	\$45,507	\$45,863	\$47,959

**2005 Market Area
HOUSEHOLD INCOME**

Market Area	Terrell County	City of Dawson
Average Household Income	\$43,407	\$38,246
Median Household Income	\$28,559	\$26,572

**2010 Market Area
HOUSEHOLD INCOME**

Market Area	Terrell County	City of Dawson
Average Household Income	\$56,813	\$47,959
Median Household Income	\$33,111	\$31,284

- The number of senior households 55+ in the PMA increased slightly between 2000 and 2005, and is expected to increase between 2005 and 2010.
- The average household size is 1.58 persons indicating a demand for two bedroom unit types.
- Over 65% of the housing stock was built prior to 1979. The average age of the apartment complexes in the area is 34 years.
- 24% of the households in the market are renters.
- The market occupancy is presently reported to be over 99%.
- The median household income is \$28,559.
- Nearly 36% of the senior households are one-person and 64% two-person households.

HOUSEHOLD NUMBERS BY PERSON
TERRELL COUNTY

Census 2000 Households with Population 60+ by Size and Type

	Number	Percent	% Total HHs
TOTAL	1,375	100.0%	34.4%
1 Person Households	490	35.6%	12.2%
2+ Person Households	885	64.4%	22.1%
Family	858	62.4%	21.4%
Non-Family	27	2.0%	0.7%

TERRELL COUNTY

Census 2000 Households with Population 65+ by Size and Type

	Number	Percent	% Total HHs
TOTAL	1,052	100.0%	26.3%
1 Person Households	408	38.8%	10.2%
2+ Person Households	644	61.2%	16.1%
Family	622	59.1%	15.5%
Non-Family	22	2.1%	0.5%

TERRELL COUNTY

Census 2000 Occupied Housing Units by Age of Householder 55+

	Number	Percent	% Total HHs
TOTAL	1,608	100.0%	40.2%
Owner-Occupied HUs/HH 55+	1,226	76.2%	30.6%
Age 55 – 64	512	31.8%	12.8%
Age 65 – 74	384	23.9%	9.6%
Age 75 – 84	251	15.6%	6.3%
Age 85+	79	4.9%	2.0%
Renter Occupied HUs/HH 55+	382	23.8%	9.5%
Age 55 – 64	158	9.8%	3.9%
Age 65 – 74	106	6.6%	2.6%
Age 75 – 84	86	5.3%	2.1%
Age 85+	32	2.0%	0.8%

CITY OF DAWSON

Census 2000 Households with Population 60+ by Size and Type

	Number	Percent	% Total HHs
TOTAL	627	100.0%	35.0%
1 Person Households	234	37.3%	13.1%
2+ Person Households	393	62.7%	21.9%
Family	381	60.8%	21.3%
Non-Family	12	1.9%	0.7%

CITY OF DAWSON
Census 2000 Households with Population 65+ by Size and Type

	Number	Percent	% Total HHs
TOTAL	493	100.0%	27.5%
1 Person Households	193	39.1%	10.8%
2+ Person Households	300	60.9%	16.8%
Family	290	58.8%	16.2%
Non-Family	10	2.0%	0.6%

CITY OF DAWSON
Census 2000 Occupied Housing Units by Age of Householder 55+

	Number	Percent	% Total HHs
TOTAL	714	100.0%	39.9%
Owner-Occupied HUs/HH 55+	496	69.5%	27.7%
Age 55 – 64	174	24.4%	9.7%
Age 65 – 74	163	22.8%	9.1%
Age 75 – 84	123	17.2%	6.9%
Age 85+	36	5.0%	2.0%
Renter Occupied HUs/HH 55+	218	30.5%	12.2%
Age 55 – 64	101	14.1%	5.6%
Age 65 – 74	52	7.3%	2.9%
Age 75 – 84	49	6.9%	2.7%
Age 85+	16	2.2%	0.9%

In conclusion, the proposed development is attractively located to employment centers, health facilities, senior facilities, shopping and recreational facilities. The subject also provides a unit mix that the market is looking for and is located in an area that is desirable and will draw senior households to the market. The growth of the market is expected to continue for the foreseeable future. The amenities (in unit and site) will also be a draw for elderly households because of the superior nature as compared to apartment complexes in the market area.

Approximately 76% of the senior households are owner-occupied households age 55 and 24% of the seniors 55+ are renter households in the PMA.

One person elderly households are typically attracted to both 1- and 2-bedroom rental units, and 2 person elderly households are typically attracted to 2-bedroom units.

The City of Dawson County Building Inspector reported that no permits were issued for multi-family development in either 2005 or thus far into 2006, with the exception of a duplex in 2005.

Housing Unit Building Permits for: DAWSON, GA					
	2001	2002	2003	2004	2005
Total Units	33	5	5	4	3
Units in Single-Family Structures	30	3	3	4	3
Units in All Multi-Family Structures	3	2	2	0	0
Units in 2-unit Multi-Family Structures	0	2	2	0	0
Units in 3- and 4-unit Multi-Family Structures	3	0	0	0	0
Units in 5+ Unit Multi-Family Structures	0	0	0	0	0

Source: SOCDS Building Permits Database- HUD.org

Housing Unit Building Permits for: TERRELL COUNTY UNINCORPORATED AREA, GA				
	2002	2003	2004	2005
Total Units	20	23	27	30
Units in Single-Family Structures	20	23	27	30
Units in All Multi-Family Structures	0	0	0	0
Units in 2-unit Multi-Family Structures	0	0	0	0
Units in 3- and 4-unit Multi-Family Structures	0	0	0	0
Units in 5+ Unit Multi-Family Structures	0	0	0	0

Source: SOCDS Building Permits Database- HUD.org

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program-assisted multi-family housing.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents, minimum Social Security payments, and/or the availability of subsidy rental assistance (RA) for USDA-RD and HUD Section 8 developments.

The estimate of the upper income limit is based on the most recent set of HUD Median Income Guidelines for two-person households (the maximum household size allowable for the estimation of elderly in the GA-DCA Market Study Guidelines) in Terrell County, Georgia at 50% and 60% of the Area Median Income (AMI).

Owner-occupied households, by age 55+, and by income group and renter-occupied households, by age 55+ in Terrell County in 2000, forecasted to 2005 and 2010 and have been extrapolated by the analyst for 2008 utilizing the census data.

The projections are based on ERSI forecasts for households, by tenure, by age and by income group for the year 2005 and 2010, with a base year data set of 2000 (US Census). A 2008 estimate was extrapolated based on the trend between the 2005 and 2010 data

sets and utilized within the demand calculations.

Income Parameters:

This market study focused upon the following target population with the following income parameters:

Occupied by households at 60% or below of Area Median Income.

Projects must meet the person-per-unit imputed income requirements of the Low Income Housing Tax Credit program. For purposes of estimating rents, the reader should assume no more than the following: (a) for efficiencies and one bedrooms, 1 person; (b) for units with one or more separate bedrooms, 1.5 persons for each separate bedroom. The proposed development will be available to Section 8 voucher holders. The 2006 HUD Income Guidelines were used.

1BR – 1 and 2 persons
2BR – 2 persons

As long as the unit in demand is income-qualified, there is no minimum number of people per unit. It is assumed that the target group for the proposed elderly development (by household size) will be one and two persons. Given the intended subject targeting by age, only household sizes of 1 and 2 persons were utilized in the determination of the income ranges, by AMI.

The proposed development will target approximately 36% of the units at 50% or below Area Median Income (AMI); and approximately 64% of the units at 60% or below AMI.

DEMAND ANALYSIS

Projected Absorption Pace

According to the Dawson Housing Authority, there are over 50 households on the waiting list for public housing units in Dawson. There is sufficient qualified demand in the market area to support the planned development without considering Section 8 certificate and voucher holders. Approximately 258 elderly households have incomes that are between \$9,850 and \$28,980 and would qualify for the LIHTC housing units. The proposed rents for the subject are comparable to the properties in the market that were surveyed, and lower than the maximum allowable rents. The majority of the complexes surveyed in the market were virtually 100% occupied. There is no reason to expect a drop in lease-up activity for the subject complex. An estimated 258 renter/size qualified elderly households will qualify for the subject property, and it is expected to take less than three (3) months to reach 100% occupancy assuming an aggressive pre-leasing and construction marketing plan. This equates to a capture rate of 13.95%.

Projected Turnover (Upon Stabilization)

The turnover rate at the subject is projected to be less 10% annually, or 3 to 4 units per year. The other comparables surveyed are exhibiting similar annual turnover rate. Generally, seniors will only move when they become sick and have to go to a nursing home or if they pass away. Overall occupancy at all the other properties in the market is over 99% with most reporting long waiting lists; therefore, the consultants estimate an economic vacancy of 5% annually is considered reasonable.

Rent Appreciation

The apartment product mix in this market is a combination of older seasoned Public Housing rental units. The subject's units are likely to see a small appreciation over the near- and mid-term, given the low vacancy rates in the market.

Over the long term, market rents in this area are expected to trend upward at, or slightly above, the rate of change in the CPI. Rent increases have been rather small over the past few years at most of the surveyed market rate projects.

Achievable LIHTC rent increases in the market area are projected to increase with historic trends for those properties at the permitted maximum. Rents at surveyed units in the market have increased only slightly over the past year, with some complexes reporting no increases. The projected rents of the subject property are well below the market maximums and should be easily achieved.

Anticipated Tenant Profile

- The profile of households will be elderly households 55+. Household size should range from 1 to 2 persons for each unit type. The average household size in the market area is 1.58 persons.
- Mix of single- and two-income households with incomes ranging from \$9,850 to \$28,980 for all the units.
- Prospective tenants will be attracted to the subject primarily due to comparative affordability with market rate product, the location of the subject and the modern unit design. Additionally, because of the substantial need for senior housing in the Dawson area and the fact that most all of the existing complexes around the area are over 99% occupied.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property intended target group it is estimated that the target LIHTC income group will spend between 40% of their income towards rent. GA-DCA has set the estimate for elderly applications at 40%.

The proposed 1BR net rent at 50% AMI is \$261. The proposed gross rent is \$335. The lower income limit at 50% AMI based on a rent-to-income ratio of 40% is established at \$10,050. The proposed 1BR net rent at 60% AMI is \$293. The proposed gross rent is \$367. The lower income limit at 60% AMI was established at \$11,010. However, the GA-DCA guidelines state that the minimum senior household income shall be based on the minimum Social Security Income payment for the market area. In Terrell County the average Social Security payment based on the 2000 Census was \$8,790. Allowing for adjustments since 2000 and projected forward into 2008 increased the estimate to \$9,850.

The AMI at 50% and 60% for 1 and 2 person households in Terrell County is projected to be:

	50% AMI	60% AMI
1 Person	\$16,900	\$24,150
2 Person	\$19,300	\$28,980

The overall income range for the targeting of income eligible elderly households is 50% AMI is \$9,850 to \$24,150. The overall income range for the targeting of income eligible elderly households at 60% AMI is \$9,850 to \$28,980.

It is estimated that 33% (174) of the households, by tenure, in the \$0 to \$10,000 income group are within the GA-DCA accepted minimum Social Security Income payment for Terrell County.

The overall Target Income Range for the proposed subject property targeting households at 50% AMI is \$9,850 to \$24,150.

It is projected that in 2008 approximately 22% of the elderly owner-occupied households (369) in the PMA were in the subject property 50% AMI LIHTC target income group of \$9,850 to \$24,150.

The overall Target Income Range for the proposed subject property targeting households at 60% AMI is \$9,850 to \$28,980.

It is projected that in 2008 approximately 27.5% of the elderly households (468) in the PMA were in the subject property 60% AMI LIHTC target income group of \$9,850 to \$28,980.

In order to adjust for income overlap between the two income segments (369), several adjustments were made resulting in the following estimates/percentages of households within the 50% and 60% AMI income ranges:

	Owner-Occupied	Renter-Occupied
50% AMI	16.5%	20.0%
60% AMI	13.0%	14.0%

Assumptions for adjustments: (1) the trend data reveals that over the last two censuses increases in the middle- to upper-income groups are occurring versus a decrease primarily in the \$10,000 and below income group; and (2) the proposed subject net rents are not equal at both 50% AMI and 60% AMI; thus the units will be taken on a first-come basis owing to affordability issues more so than discrete income eligibility between the 50% and 60% AMI segments.

This analysis examines the area market demand. This incorporates several sources of income-eligible demand, including demand from new renter household growth and demand for existing elderly renter households already in the Dawson market. In addition, given the amount of substandard housing that still exists in the PMA market, the potential demand from substandard housing is also considered. Also, potential demand from households living with others (i.e., in a non-tenured setting) is also considered.

All of the demand calculations are segmented by age and income, owing to the availability of detailed age and income by tenure data.

This develops an effective market demand comprising of eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool.

The demand forecast process, income qualification is based on the distribution estimates derived previously in the report and extrapolated to 2008.

Subsequent to the derivation of the annual demand estimate, the project is considered in the context of the current market conditions. This assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like kind competitive supply, in this case discriminated by age and income.

The potential impact of the proposed project on the housing market supply is also evaluated, particularly the impact on other like kind assisted elderly apartment projects in the market area.

Effective Demand Pool

There are five basic sources of demand for an apartment complex to acquire potential elderly tenants:

- New growth into the market,
- Existing elderly renters who are living in substandard housing,
- Existing renters who choose to move to another unit, typically based on affordability (rent overburdened) and project location and features, and
- Current homeowners who elect to become renters, typically based on changing physical and financial circumstances and yield to the difficulty in maintaining a home.
- Existing elderly households who are living with others, including grown children and are not a census designated renter or owner householder. Note: This segment of demand is not derived from group quarters population, which is not considered to be a component of demand.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The adjustments are:

- (1) Taking into consideration like kind competitive units now in the “pipeline”, and / or under construction within the 2006 to 2008 forecast period,
- (2) Taking into consideration like kind competition introduced into the market between 1999 and 2006,
- (3) For population age 55 to 61 (a 10% adjustment factor), and
- (4) For secondary market area demand (a 15% adjustment factor).

The age 55 to 61 and secondary market area adjustment factors are pre-determined and specified in the most current GA-DCA Market Study Guideline instructions.

Demand from New Elderly Renter Households (Growth)

For the PMA, forecast housing demand through household formation (age 62+) totals 0 renter-occupied households over the 2000 to 2008 forecast period.

Based on 2008 income forecasts, 0 new renter households (age 62+) fall into the 50% AMI target income segment of the proposed subject property, and 0 into the 60% AMI target income segment.

Demand from Existing Renters that are in Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 Census. In 2000, 57 households were living in renter-occupied dwelling units without complete plumbing facilities in the PMA. Based on a field analysis of Dawson and Terrell County, along with an examination of the trends in substandard data, by age, it is estimated that in 2008 there will be 20 renter households in substandard housing conditions in the PMA.

It is estimated that there are 23 renter households (age 62+) in overcrowded conditions in 2000. The 2000 estimate was kept constant and projected forward to 2008.

Overall, it is estimated that there are 43 elderly renters in substandard housing.

Based on 2008 income forecasts, 9 substandard renter household fall into the 50% AMI target income segment of the proposed subject property, and 6 into the 60% AMI target income segment.

Demand from Existing Renters

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included within the estimated demand of this segment of the analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

In the PMA it is estimated that 45 existing renter households (age 62+) fall into the 50% AMI target income segment of the proposed subject property. In the PMA it is estimated that 32 existing renter households (age 62+) fall into the 60% AMI target income segment of the proposed subject property.

Age 55 to 61 / 55 to 64 Adjustment (10% Factor)

The following is stated on Page 9 of 19 in the 2006 GA-DCA Market Study Guidelines: “Housing for Older Persons Rental Demand will be calculated at 10% of the Elderly Qualified Rental Households demand for the Primary Market Area.” The 10% adjustment factor is applied to the combined elderly renter demand estimates. In this case, the adjustment factor is applied to the residual age group of 55 to 61 for new growth and existing renters and to 55 to 64 for the estimate of demand from substandard elderly renter housing.

The age adjustment factor increased demand by 5 households at 50% of AMI and by 4 households at 60% AMI.

Demand from Existing Owners that are in Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 Census. In 2000, 8 households were living in owner-occupied dwelling units without complete plumbing facilities in the PMA. Based on a field analysis of Dawson and Terrell County, along with an examination of the trends in substandard data, by age, between the 1990 and 2000 Censuses, it is estimated that in 2008 there will be 10 owner households in substandard housing conditions in the PMA.

It is estimated that there are 26 owner households in overcrowded conditions in 2000. Note: The 2000 estimate was kept constant and projected forward to 2008.

Overall, it is estimated that there are 35 elderly owners in substandard housing.

Based on 2008 income forecasts, 6 substandard owner households fall into the 50% AMI target income segment of the proposed subject property, and 5 into the 60% AMI target income segment.

Elderly Homeowner Tenure Conversion

An additional source of potential tenants involves elderly householders who currently own a home, but who may switch to a rental unit. This tendency is usually the result of changes in circumstances in the households – the financial ability to pay maintenance costs and property taxes, the physical ability to maintain a larger, detached house, or an increased need for security and proximity of neighbors. In most cases, the need is strongest among single-person households, primarily female, but is becoming more common among older couples as well. Frequently, pressure comes from the householders' family to make the decision to move.

Recent surveys of new assisted housing for the elderly have indicated that an average of 15% to 30% of a typical, elderly apartment project's tenants were former homeowners. In order to remain conservative this demand factor was capped at 10%.

After income segmentation, this results in 20 elderly households added to the target demand pool at 50% AMI and 16 at 60% AMI.

This portion of the demand calculation does not allow for more than 20% of the overall demand estimate to be derived from owner-occupied tenure. This is to ensure that there is no over-weighting of demand from this portion of the demand methodology. Given this restriction, the demand pool from this segment of the methodology was reduced by a factor of 3 and 5 potential income-eligible households.

Demand from Elderly Households in a Non-Tenure Setting

The most current and reliable data from the US Census regarding elderly households living with others (e.g., grown children) is the 2000 US Census.

Assumptions: (1) this estimate of demand was only applied to elderly households age 65 and over, i.e., those most likely to be residing with grown children and relatives, (2) the renter-occupied income estimates were applied versus the owner-occupied estimates, and (3) the data was not forecasted to 2008, but instead held constant at 2000.

The data that was used was age 65+ for both owner-occupied and renter-occupied. The data used was the total number of households with one or more people age 65 and over. This came to 1,052 households in the PMA. This resulted in 114 households with 1 or more persons age 65+, not in a tenure setting, other than residing with others.

This portion of the demand calculation does not allow for more than 20% of the overall demand estimate to be used. This is to ensure that there is no over-weighting of demand from this portion of the demand calculation. Based on 2008 income forecasts, 19 new renter households fall into the 50% AMI LIHTC target income segment of the proposed subject property; and 13 are in the 60% AMI LIHTC target income segment.

Secondary Market Area Adjustment (15% Factor)

The following is stated on Page 9 of 19 in the 2006 GA_DCA Market Study Guidelines: “To accommodate for the secondary market area, the Demand from Existing Qualified Households within the Primary Market Area will be multiplied by 115% to account for demand from the secondary market area.” The 15% adjustment factor is applied to all of the combined elderly demand estimates (regardless of tenure) as detailed in the overall demand methodology.

The secondary market area adjustment factor increased demand by 20 households at 50% of AMI and by 14 households at 60% AMI.

Total Effective Tenant Pool

The potential demand from these sources total 151 households / units at 50% AMI and 107 households / units at 60% AMI. These estimates comprise the total income-qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

The final process of the demand calculation was to remove like kind competition / supply in the PMA built since 1999. In the case of the subject, like kind supply includes other LIHTC and / or LIHTC / Home elderly developments, USDA-RD Section 515 elderly developments and HUD 221 (d4) elderly developments. Since 1999, no like kind competitive elderly apartment developments have been introduced into the PMA.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct competitive supply under construction and / or in the pipeline for development must be taken into consideration. According to local sources, no other elderly multi-family apartment development supply is under construction or in the pipeline for development. Source: City of Dawson Building Inspector.

The City of Dawson Building Inspector / City Manager did report that over the last 3 to 4 years a development group out of Albany (Seasons Christian Care) has been attempting to rehab the old hospital (off Cinderella Lane) into a personal care boarding home. At the time of the survey, the building appeared to have been worked on over the recent past, but at present seemed to have ceased development. At present it is vacant, with no recent signs of construction activity. The very worn-out sign in the front building stated that the development would include apartments and some homes with garages. The sign had a phone number. This number was contacted and led to an answering machine with no introduction about the project name or parameters and no other numbers to contact. A message was left on the machine, however, the analyst was not given a return call. Local government has no knowledge of what is going on with the development process. In the opinion of the analyst, this deal is most likely dead-in-the-water (owing to a lack of funds), and in any case would be competing for market share from the upper-income

senior population, and not those elderly households restricted to the 50% and 60% AMI and below income levels. Thus, it is not considered to be a competitive project.

A review of the 1999 to 2005 list of awards made by the Georgia Department of Community Affairs revealed that in, no awards were made for LIHTC elderly developments in the PMA.

The segmented, effective demand pool is summarized on the following page.

Quantitative Demand Estimate: Dawson PMA

Demand from New Growth – Elderly Renter Households		
	AMI 50%	AMI 60%
Total Projected Number of Households (2008)	408	269
Less: Current Number of Households (2000)	<u>397</u>	285
Change in Total Renter Households	11	- 16
% of Renter Households in Target Income Range	<u>20%</u>	<u>14%</u>
Total Demand from New Growth	2	1

Demand from Substandard Housing with Renter Households		
	AMI 50%	AMI 60%
Number of HHs in Substandard Housing (2000)	43	43
Number of Households in Substandard Housing (2008)	43	43
% of Substandard Households in Target Income Range	<u>20%</u>	<u>14%</u>
Number of Income-Qualified Renter Households	9	6

Demand from Existing Elderly Renter Households		
	AMI 50%	AMI 60%
Number of Renter Households (2008)	408	408
Minus Number of Substandard Renter Households	<u>- 43</u>	<u>-43</u>
Total in Eligible Demand Pool	365	365
% of Households in Target Income Range	<u>20%</u>	<u>14%</u>
Number of Income-Qualified Renter Households	73	51

Age 55 to 61 / 55 to 64 Adjustment		
	AMI 50%	AMI 60%
Total Demand from Elderly Renters age 62+ / 65+	54	38
Adjustment Factor of 10%	<u>10%</u>	<u>10%</u>
Demand from Age Adjustment	5	4

Total Demand from Elderly Renters		
	AMI 50%	AMI 60%
	89	62

Demand from Substandard Housing with Owner Households		
	AMI 50%	AMI 60%
Number of Households in Substandard Housing (2000)	35	35
Number of Households in Substandard Housing (2008)	35	35
% of Substandard Households in Target Income Range	<u>16.5%</u>	<u>13%</u>
Number of Income-Qualified Renter Households	6	5

Demand from Existing Elderly Owner Households		
	AMI 50%	AMI 60%
Number of Owner Households (2008)	1,292	1,292
Minus Number of Substandard Owner Households	<u>-35</u>	<u>-35</u>
Total in Eligible Demand Pool	1,257	1,257
% of Households in Target Income Range	<u>16.5%</u>	<u>13%</u>
Number of Income-Qualified Renter Households	207	163
Proportion Income-Qualified (likely to re-locate)	<u>10%</u>	<u>10%</u>
Total	20	16
20% Adjustment Rule	<u>-3</u>	<u>-5</u>
Net (after adjustment)	17	13

Total Demand from Elderly Owners		
	AMI 50%	AMI 60%
	23	18

Demand from Elderly in Non-Tenure Settings		
	AMI 50%	AMI 60%
Number of Elderly Households Living with Others (2000)	114	114
Number of Elderly Households Living with Others (2008)	114	114
% of Substandard Households in Target Income Range	<u>20%</u>	<u>14%</u>
Number of Income-Qualified Elderly Households	23	16
20% Rule Adjustment	<u>-4</u>	<u>-3</u>
Net (after adjustment)	19	13

Net Total Demand (Renter, Owner & Non-Tenure)		
	AMI 50%	AMI 60%
	131	93

Secondary Market Area Adjustment		
	AMI 50%	AMI 60%
Net Total Demand	131	93
Adjustment Factor of 10%	<u>15%</u>	<u>15%</u>
Demand from Age Adjustment	20	14

Gross Total Demand (Renter, Owner & Non-Tenure)		
	AMI 50%	AMI 60%
Total Demand	151	107
Minus New Supply of Competitive Units (1999 – 2008)	<u>0</u>	<u>0</u>
	151	107

Gross Total Demand (Renter, Owner & Non-Tenure)		
	AMI 50%	AMI 60%
	151	107

Capture Rate Analysis

Total Number of Households Income-Qualified = 258.

For the subject 36 LIHTC units, this equates to an overall LIHTC Capture Rate of 13.95%.

LIHTC Capture Rates by AMI:

Capture Rate (36-Unit Subject, by AMI)		
	AMI 50%	AMI 60%
Number of Units in Subject Development	13	23
Number of Income-Qualified Households	151	107
Required Capture Rate	8.6%	21.5%

Total Demand by Bedroom Mix

Approximately 40% of the 55 and over population in the PMA is in the 55 to 64 age group. Also, of the PMA elderly population age 62+ that comprises 1 and 2 person households (both owners and renters), approximately 50% are 1 person and 50% are 2 person (see Table 5). In addition, the size of the households age 62+ in 2000 Census approximates 1.5 and in turn suggests demand more support for 2BR units.

Based on this data, it is assumed that 35% to 40% of the target group will demand a 1BR unit, and 60% to 65% a 2BR unit.

Total Demand by Bedroom Type (at 50% AMI)	
1 BR	57
2BR	94
TOTAL	151

Unit Type	Total Demand	Units Proposed	Capture Rate
1BR	57	6	10.5%
2BR	94	7	7.4%

Total Demand by Bedroom Type (at 60% AMI)	
1 BR	40
2BR	67
TOTAL	107

Unit Type	Total Demand	Units Proposed	Capture Rate
1BR	40	6	15.0%
2BR	67	17	25.4%

Absorption Rate Analysis

Given the strength (or lack of strength) of the demand estimated, the worse-case scenario for 93% to 100% rent-up is estimated to be three months (at 12-units-per-month on average). The other complexes in the market have waiting lists. This analyst believes that if the property is properly marketed during construction, most if not all of the units will be rented prior to construction completion.

Stabilized occupancy, subsequent to initial lease-up, is expected to be 95% or higher, subject to the final recommendation scenario.

Overall Impact to the Rental Market

Given the current rental market vacancy rate and the forecasted strength of demand for the expected entry of the subject in 2008, it is estimated that the introduction of the proposed development will probably have little to no long-term negative impact on the PMA program-assisted apartment market.

SUPPLY ANALYSIS

The Dawson apartment market is representative of a rural apartment market, with a very limited amount of rental supply. At present, the market has five small apartment complexes, with the remainder of the rental supply comprised mostly of single-family homes and trailers for rent and the public housing authority. Three of the five complexes are program-assisted (USDA-RD Section 515 / one elderly and two family). One complex is an acquisition / rehab LIHTC family property which targets very low income households and is managed by the Albany Housing Authority. One complex is a small market rate property. The majority of the market rate supply (located in the rural areas of the PMA outside of Dawson) consists primarily of single-family homes for rent and single-wide trailers.

Survey of the Competitive Environment

At the time of the survey, the overall estimated vacancy rate of the surveyed program-assisted family properties was approximately 0%. The typical occupancy rate reported for these properties ranged between 95% and 100%. The one elderly property maintained a waiting list and at the time of the survey was 100% occupied.

At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties was 0%. The overall estimated vacancy rate of non program-assisted properties in the market is less than 3%.

Other than the one small apartment property in the City of Dawson, the majority of the market rate rentals in the PMA consist of single-family houses for rent and single-wide trailers. In the City of Dawson, most single-family rental houses rent between \$300 and \$400, with a few 3bedroom and 4 bedroom rentals commanding rents at \$500 to \$575+. The market does have a few nice duplex/townhouse rental properties. These types of rentals have 1bedroom rents of \$350 to \$500, and 2 bedroom rents of \$400 to \$675. Older 2bedroom/ 1 bath single-family homes rent in the area of \$300 to \$450, with most 2bedroom rentals in the city renting for around \$400. In the rural areas of the county, most of the 2bedroom/1bath trailers rent for \$200 to \$300, and 3bedroom/1bath trailers rent for \$300 to \$400.

The local real estate offices stated that most homes that are for sale are typically around 15 to 25 years old, 1,000 to 1,400 S.F., and are priced in the low \$50s to \$70s for a 3bedroom/1bath home, and in the low \$70,000 to \$90,000 range for a 3bedroom/2bath home.

None of the program-assisted properties in Dawson were offering rent concessions. The typical security deposit of the surveyed program-assisted properties is one month's rent.

Among the most comparable apartment properties in the PMA to the subject are: Meadows Run elderly apartments and to a much lesser degree, the Stanley-Oxford

Apartments.

Key findings are as follows:

- The subject's unit sizes for the most part are larger than the comparables and more desirable in design.
- The unit and complex amenities proposed for the subject will be superior to most of the comparables.
- Access is considered similar to all comparables considering the single-family home subdivision design of the subject.
- Tenants at the comparables generally pay electricity, cooking, heat and hot water, with cold water, sewer, and trash pickup being paid by the landlord.
- Rental increases over the past year have been very low, averaging approximately \$5 per unit/year. It is anticipated that this rate of increase will continue into the foreseeable future.

Terrell County HUD Section 8 Voucher Program

The GA-DCA manages the HUD Section 8 voucher program for Dawson and Terrell County. Currently, 50 Section 8 vouchers are in use in Terrell County, of which 2 are by elderly households. The waiting list for a voucher in Terrell County is long, with 117 applicants. Note: The list was just recently re-opened to accept new applicants. (Source: Ms. Brandy Gardner, GA-DCA, Atlanta Office, (404) 679-4840).

The following chart exhibits the project size, bedroom mix, number of vacant units (at time of survey), net rents and unit sizes of the surveyed apartment properties in the Dawson PMA competitive environment.

Survey of Dawson PMA Apartment Complexes
Project Parameters

Complex	Total Units	1BR	2BR	3BR	Vacant Units	1BR Rent	2BR Rent	3BR Rent	1BR S.F.	2BR S.F.	3BR S.F.
Subject	36	12	24	--	N/A	\$261-\$293	\$337-\$361	--	760	1,002	--
Meadow Run I	49	14	32	3	0	\$263	\$293	\$323	N/A	N/A	N/A
Meadow Run II	40	38	2	--	0	\$280	\$290	--	600	750	--
Stanley-Oxford	24	12	12	--	2	\$135	\$270	--	N/A	N/A	--
Dawson PHA	136	28	57	51	3	BOI	BOI	BOI	N/A	N/A	N/A
Pecan	8	--	8	--	0	--	\$365	--	--	N/A	--
TOTAL*	257	92	111	54	5						

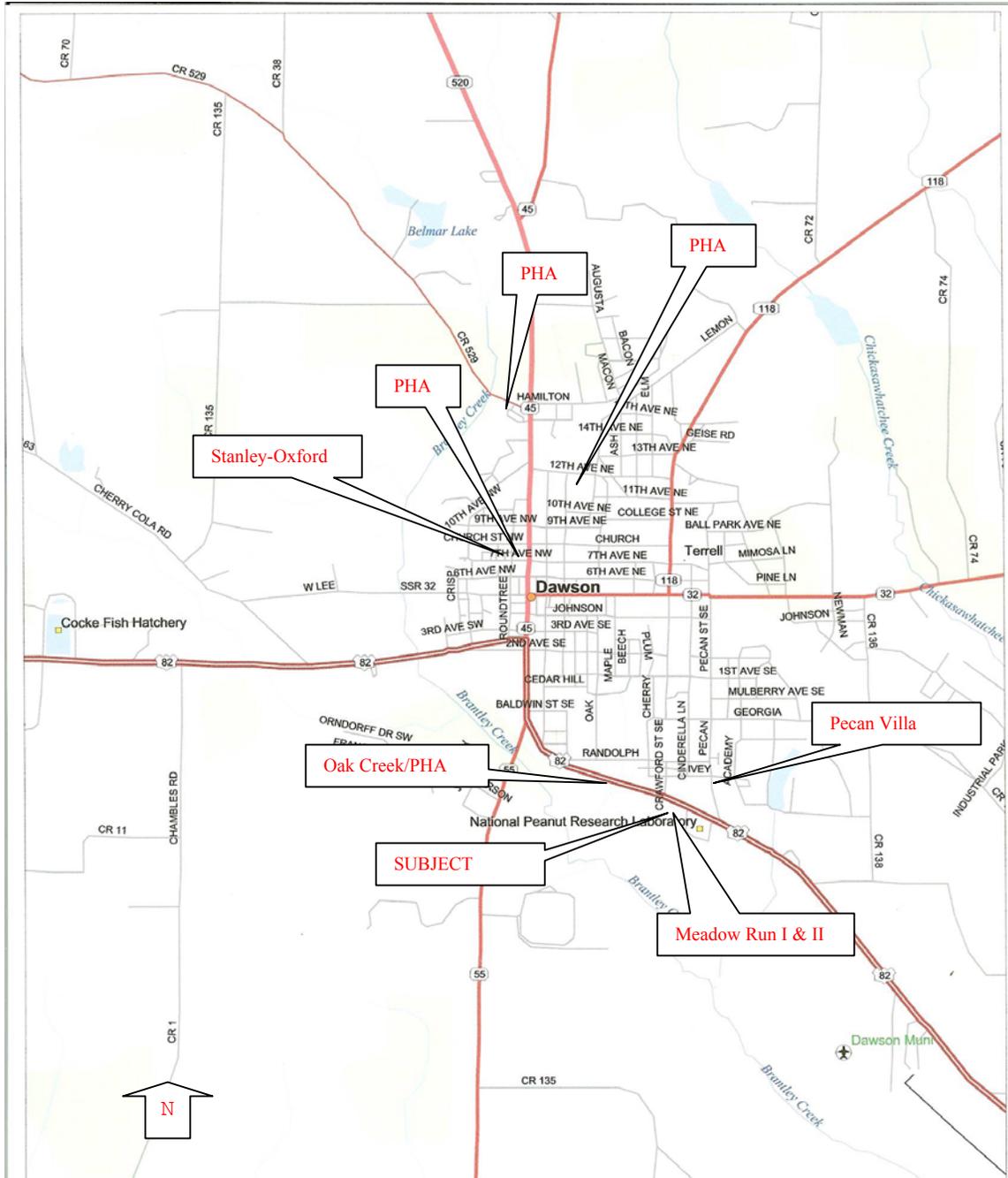
* Excludes the subject property

Reconciliation of Net Rents

The survey of the competitive environment revealed the following market-based findings regarding net rents. The information below exhibits the estimated median market rate net rents by bedroom type in relation to the proposed subject property net rents at 50% and 60% of AMI.

<u>Bedroom Type</u>	<u>Market Estimate</u>		<u>Subject Rents at</u>	
	<u>50% AMI</u>	<u>60% AMI*</u>	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1BA	\$300	\$325	\$261	\$293
2BR/1BA	\$400	\$425	\$337	\$361

* Net rent for comparable units



RENT COMPARABLE LOCATION MAP

Site Amenity Chart

Amenity	Subject	#1	#2	#3	#4	#5
Community Building	X	X				
Laundry Room	X	X	X	X		
Fitness Center	X					
Gated Entry						
Perimeter Fencing						
Pool						
Tennis						
Spa						
Playground						
Community Garden	X	X				
Day Care						
Picnic Area	X	X	X	X	X	X
Grill Area	X	X	X	X	X	X
Open Parking	X	X	X	X	X	X
Secured Parking						
Garages						
Video Surveillance						
Buzzer/Intercom						
Pond/Lake						

Unit Amenity Chart

Legend

X = All Units
Pays

S = Select Units

M = Master Bedroom

R = Resident Pays

LL = Landlord

Amenity	Subject	#1	#2	#3	#4	#5
Blinds	X	X	X	X	X	X
Ceiling Fans						
FF Refrigerator	X	X	X	X	X	X
Stove	X	X	X	X	X	X
Microwave						
Disposal	X					
Dishwasher	X					
Washer/Dryer Units						
Washer/Dryer Conn.	X	X	X			
Patio/Balcony	X	X	X	X	S	X
Carpet	X	X	X	X	X	X
Fireplace						
Walk-in Closet			X			
Pantry						
Linen Closet	X	X	X			
Coat Closet	X	X	X			
Central AC	X	X	X			
Private Storage						
Common Entry						
Private Entry		X	X	X	X	X
Cable TV	X	X	X	X	X	X
Alarm System						
Vaulted Ceilings						

COMPARABLES CHART

Complex Name	Units	Phone	Occ.	Yr. Blt	Number of Units by Configuration					Rent by Configuration					Square Feet by Configuration				
					1/1	2/1	2/2	3/1	4/2	1/1	2/1	2/2	3/1	4/2	1/1	2/1	2/2	3/1	4/2
Subject	36	N/a	N/a	N/a	12	24													
Meadow Run II	40	229-995-8410	100%	1989	38	2				\$280	\$290				600	750			
Meadow Run I	49	229-995-8410	100%	1988	14	32		3		\$263	\$293		\$323		750	950		1,100	
Pecan Villas	8	229-3252	100%	1981		8						\$365				750			
Stanley-Oxford	24	912-434-4500	100%	1991 Ren.	12	12				\$135	\$279				600	750			
PHA	136	229-995-2675	99%	1950 1980's 1990's	28	57		46	5	BOI	BOI	BOI	BOI		N/A	N/A	N/A	N/A	N/A

RENT COMPARABLE NO. 1

Meadow Run II
 875 Meadow Run Lane
 Dawson, GA

No. Units	Type	S.F.	Rent	Vacant Units
38	1BR/1BA	600	280	0
2	2BR/1BA	750	\$290	0

PROPERTY DESCRIPTION

Date Built:	1989	No. Stories:	1	No. Units:	40
Exterior:	Brick	Parking:	Open	Occupancy:	100%
Roof System:	Pitched	Elevator:	No	Surveyed:	07/04/06
Section 8 Accepted:	Yes	Sec. Dep.:	\$150	App. Fee:	N/A
Contact:	Will Bryant 229-995-8410	Concessions:	None	Turnover/Yr: Class:	3 to 5 B
Comments:	100% senior 62+ and / or disabled. 60% disabled tenants, 40% seniors. 100% rental assistance. Waiting list of 18 senior households.				

 UTILITY STRUCTURE # 1

	<u>Resident</u>			<u>Landlord</u>		
	Electric	Gas	Other	Electric	Gas	Other
Cooking	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hot Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cold Water	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pest Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Cond.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SITE AMENITIES

Clubhouse/Community Rm	<input type="checkbox"/> [X]	Controlled Entry	<input type="checkbox"/>	Basketball	<input type="checkbox"/>
Fitness Room	<input type="checkbox"/>	Buzzer/Intercom	<input type="checkbox"/>	Volleyball	<input type="checkbox"/>
Racquetball Courts	<input type="checkbox"/>	Video Surveillanc	<input type="checkbox"/>	Jogging	<input type="checkbox"/>
Sauna	<input type="checkbox"/>	Perimeter Fence	<input type="checkbox"/>	Golf Course	<input type="checkbox"/>
Pool(s)	<input type="checkbox"/>	Open Parking	<input checked="" type="checkbox"/>	Lake	<input type="checkbox"/>
Spa(s)	<input type="checkbox"/>	Secured Parking	<input type="checkbox"/>	Laundry Room	<input type="checkbox"/>
Tennis Courts	<input type="checkbox"/>	Garage	<input type="checkbox"/>	Car Wash	<input type="checkbox"/>
Playground	<input type="checkbox"/>	Porch	<input checked="" type="checkbox"/>	Fire Alarm System	<input type="checkbox"/>
Picnic Areas/Grill	<input type="checkbox"/> <input type="checkbox"/>	Library	<input type="checkbox"/>	Social Programs	<input type="checkbox"/>
Perimeter Lighting	<input checked="" type="checkbox"/>	Shuffleboard	<input type="checkbox"/>	Elevator	<input type="checkbox"/>

UNIT FEATURES

Window Coverings	<input checked="" type="checkbox"/>	W/D Connection	<input checked="" type="checkbox"/>	Alarm System	<input type="checkbox"/>
Ceiling Fans	<input type="checkbox"/>	W/D Units	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/> [R]
FF Refrigerator / Ice Maker	<input checked="" type="checkbox"/> <input type="checkbox"/>	Vaulted Ceiling	<input type="checkbox"/>	A/C	<input checked="" type="checkbox"/>
Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Private Storage	<input type="checkbox"/>
Disposal	<input type="checkbox"/>	Coat Closet	<input checked="" type="checkbox"/>	Flat / TH	<input type="checkbox"/> <input type="checkbox"/>
Stove/Self Clean	<input checked="" type="checkbox"/> <input type="checkbox"/>	Linen Closet	<input checked="" type="checkbox"/>	Common Entry	<input type="checkbox"/>
Microwave	<input checked="" type="checkbox"/>	Walk in Closet	<input type="checkbox"/>	Private Entry	<input checked="" type="checkbox"/>
Pantry	<input type="checkbox"/>	Carpet	<input checked="" type="checkbox"/>	Hardwood Floors	<input type="checkbox"/>
Emergency Pull cords	<input checked="" type="checkbox"/>	Tile	<input type="checkbox"/>	Patio / Balcony	<input checked="" type="checkbox"/>

S = Select Units
C = Central
P = Partial

M = Master BR Only
W = Wall Unit

R = Resident Pays
W1 = Window Unit

RENT COMPARABLE NO. 2



Meadow Run I
875 Meadow Run Lane
Dawson, GA

No. Units	Type	S.F.	Rent	Vacant Units
14	1 BR / 1 BA	750	\$263	0
32	2 BR / 1 BA, TH	950	\$293	0
3	3 BR / 1 BA	1,100	\$323	0

PROPERTY DESCRIPTION

Date Built:	1988	No. Stories:	1	No. Units:	49
Exterior:	Brick	Parking:	Open	Occupancy:	100%
Roof System:	Pitched	Elevator:	No	Surveyed:	07/03/06
Section 8 Accepted:	Yes	Sec. Dep.:	\$150	App. Fee:	N/A
Contact:	Will Bryant 229-995-8410	Concessions	None	Turnover/Yr	6 to 8
				Class:	B

Comments: Family property. 12 households have Section 8 assistance. 20 units have rental assistance. Waiting list for all unit types. Five households are senior in age.

 UTILITY STRUCTURE # 2

	<u>Resident</u>			<u>Landlord</u>		
	Electric	Gas	Other	Electric	Gas	Other
Cooking	[X]	<input type="checkbox"/>				
Heating	[X]	<input type="checkbox"/>				
Hot Water	[X]	<input type="checkbox"/>				
Cold Water	<input type="checkbox"/>	<input type="checkbox"/>	[X]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	[X]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trash	<input type="checkbox"/>	[X]				
Pest Control	<input type="checkbox"/>	[X]				
Electricity	[X]	<input type="checkbox"/>				
Air Cond.	[X]	<input type="checkbox"/>				

SITE AMENITIES

Clubhouse/Community Rm	<input type="checkbox"/>	<input type="checkbox"/>	Controlled Entry	<input type="checkbox"/>	Basketball	<input type="checkbox"/>
Fitness Room	<input type="checkbox"/>		Buzzer/Intercom	<input type="checkbox"/>	Volleyball	<input type="checkbox"/>
Racquetball Courts	<input type="checkbox"/>		Video Surveillanc	<input type="checkbox"/>	Jogging	<input type="checkbox"/>
Sauna	<input type="checkbox"/>		Perimeter Fence	<input type="checkbox"/>	Golf Course	<input type="checkbox"/>
Pool(s)	<input type="checkbox"/>		Open Parking	[X]	Lake	<input type="checkbox"/>
Spa(s)	<input type="checkbox"/>		Secured Parking	<input type="checkbox"/>	Laundry Room	[X]
Tennis Courts	<input type="checkbox"/>		Garage	<input type="checkbox"/>	Car Wash	<input type="checkbox"/>
Playground	<input type="checkbox"/>		Porch	<input type="checkbox"/>	Fire Alarm System	<input type="checkbox"/>
Picnic Areas/Grill	<input type="checkbox"/>	<input type="checkbox"/>	Library	<input type="checkbox"/>	Social Programs	<input type="checkbox"/>
Perimeter Lighting	<input type="checkbox"/>	[X]	Shuffleboard	<input type="checkbox"/>	Elevator	<input type="checkbox"/>

UNIT FEATURES

Window Coverings	[X]	W/D Connection	[X]	Alarm System	<input type="checkbox"/>
Ceiling Fans	<input type="checkbox"/>	W/D Units	<input type="checkbox"/>	Cable TV	[R]
FF Refrigerator / Ice Maker	[X] <input type="checkbox"/>	Vaulted Ceiling	<input type="checkbox"/>	A/C	[X]
Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Private Storage	<input type="checkbox"/>
Disposal	<input type="checkbox"/>	Coat Closet	[X]	Flat / TH	<input type="checkbox"/>
Stove/Self Clean	[X] <input type="checkbox"/>	Linen Closet	[X]	Common Entry	<input type="checkbox"/>
Microwave	<input type="checkbox"/>	Walk in Closet	[M]	Private Entry	[X]
Pantry	<input type="checkbox"/>	Carpet	[X]	Hardwood Floors	<input type="checkbox"/>
Emergency Pull cords	<input type="checkbox"/>	Tile	<input type="checkbox"/>	Patio / Balcony	<input type="checkbox"/>

S = Select Units
C = Central
P = Partial

M = Master BR Only
W = Wall Unit

R = Resident Pays
W1 = Window Unit

RENT COMPARABLE NO. 3


Pecan Villas
Pecan Avenue
Dawson, GA

No. Units	Type	S.F.	Rent	Vacant Units
8	2 BR / 1 BA, TH	750	\$365	0

PROPERTY DESCRIPTION

Date Built:	1981	No. Stories:	2	No. Units:	8
Exterior:	Brick/Metal	Parking:	Open	Occupancy:	100%
Roof System:	Pitched	Elevator:	No	Surveyed:	07/03/06
Section 8 Accepted:	Yes	Sec. Dep.:	1 Month Rent	App. Fee:	N/A
Contact:	Alton Hobbs 229-995-3252	Concessions	None	Turnover/Yr	
				Class:	

Comments:

 UTILITY STRUCTURE # 3

	<u>Resident</u>			<u>Landlord</u>		
	Electric	Gas	Other	Electric	Gas	Other
Cooking	[X]	<input type="checkbox"/>				
Heating	[X]	<input type="checkbox"/>				
Hot Water	[X]	<input type="checkbox"/>				
Cold Water	<input type="checkbox"/>	[X]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sewer	<input type="checkbox"/>	[X]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trash	<input type="checkbox"/>	[X]				
Pest Control	<input type="checkbox"/>	[X]				
Electricity	[X]	<input type="checkbox"/>				
Air Cond.	[X]	<input type="checkbox"/>				

SITE AMENITIES

Clubhouse/Community Rm	<input type="checkbox"/>	<input type="checkbox"/>	Controlled Entry	<input type="checkbox"/>	Basketball	<input type="checkbox"/>
Fitness Room	<input type="checkbox"/>		Buzzer/Intercom	<input type="checkbox"/>	Volleyball	<input type="checkbox"/>
Racquetball Courts	<input type="checkbox"/>		Video Surveillanc	<input type="checkbox"/>	Jogging	<input type="checkbox"/>
Sauna	<input type="checkbox"/>		Perimeter Fence	<input type="checkbox"/>	Golf Course	<input type="checkbox"/>
Pool(s)	<input type="checkbox"/>		Open Parking	[X]	Lake	<input type="checkbox"/>
Spa(s)	<input type="checkbox"/>		Secured Parking	<input type="checkbox"/>	Laundry Room	<input type="checkbox"/>
Tennis Courts	<input type="checkbox"/>		Garage	<input type="checkbox"/>	Car Wash	<input type="checkbox"/>
Playground	<input type="checkbox"/>		Carport	<input type="checkbox"/>	Fire Alarm System	<input type="checkbox"/>
Picnic Areas/Grill	<input type="checkbox"/>	<input type="checkbox"/>	Library	<input type="checkbox"/>	Social Programs	<input type="checkbox"/>
			Shuffleboard	<input type="checkbox"/>	Elevator	<input type="checkbox"/>

UNIT FEATURES

Window Coverings	[X]	W/D Connection	[X]	Alarm System	<input type="checkbox"/>
Ceiling Fans	<input type="checkbox"/>	W/D Units	<input type="checkbox"/>	Cable TV	[R]
FF Refrigerator / Ice Maker	[X] <input type="checkbox"/>	Vaulted Ceiling	<input type="checkbox"/>	A/C	[X]
Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Private Storage	<input type="checkbox"/>
Disposal	<input type="checkbox"/>	Coat Closet	<input type="checkbox"/>	Flat / TH	<input type="checkbox"/>
Stove/Self Clean	[X] <input type="checkbox"/>	Linen Closet	<input type="checkbox"/>	Common Entry	<input type="checkbox"/>
Microwave	<input type="checkbox"/>	Walk in Closet	<input type="checkbox"/>	Private Entry	[X]
Pantry	<input type="checkbox"/>	Carpet	[X]	Hardwood Floors	<input type="checkbox"/>
Emergency Pull cords	<input type="checkbox"/>	Tile	<input type="checkbox"/>	Patio / Balcony	[X]

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 W1 = Window Unit

RENT COMPARABLE NO. 4


Stanley-Oxford Apartments
 Albany Housing Authority
 W. 7th Avenue
 Dawson, GA

No. Units	Type	S.F.	Rent	Vacant Units
12	1 BR / 1 BA	600	\$135	0
12	2 BR / 1 BA	750	\$270	0

PROPERTY DESCRIPTION

Date Built:	1991 Renov.	No. Stories:	1	No. Units:	24
Exterior:	Vinyl	Parking:	Yes	Occupancy:	100%
Roof System:	Pitched	Elevator:	No	Surveyed:	07/03/06
Section 8 Accepted:	Yes	Sec. Dep.:	\$100	App. Fee:	N/A
Contact:	Albany HA 912-434-4500	Concessions	No	Turnover/Yr	
				Class:	C

Comments: 100% subsidized.

 UTILITY STRUCTURE # 4

	<u>Resident</u>			<u>Landlord</u>		
	Electric	Gas	Other	Electric	Gas	Other
Cooking	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
Heating	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
Hot Water	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
Cold Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pest Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>				
Air Cond.	<input checked="" type="checkbox"/>	<input type="checkbox"/>				

SITE AMENITIES

Clubhouse/Community Rm	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Controlled Entry	<input type="checkbox"/>	Basketball	<input type="checkbox"/>
Fitness Room	<input type="checkbox"/>		Buzzer/Intercom	<input type="checkbox"/>	Volleyball	<input type="checkbox"/>
Racquetball Courts	<input type="checkbox"/>		Video Surveillanc	<input type="checkbox"/>	Jogging	<input type="checkbox"/>
Sauna	<input type="checkbox"/>		Perimeter Fence	<input type="checkbox"/>	Golf Course	<input type="checkbox"/>
Pool(s)	<input type="checkbox"/>		Open Parking	<input checked="" type="checkbox"/>	Lake	<input type="checkbox"/>
Spa(s)	<input type="checkbox"/>		Secured Parking	<input type="checkbox"/>	Laundry Room	<input type="checkbox"/>
Tennis Courts	<input type="checkbox"/>		Garage	<input type="checkbox"/>	Car Wash	<input type="checkbox"/>
Playground	<input type="checkbox"/>		Carport	<input type="checkbox"/>	Fire Alarm System	<input type="checkbox"/>
Picnic Areas/Grill	<input type="checkbox"/>	<input type="checkbox"/>	Library	<input type="checkbox"/>	Social Programs	<input type="checkbox"/>
			Shuffleboard	<input type="checkbox"/>	Elevator	<input type="checkbox"/>

UNIT FEATURES

Window Coverings	<input checked="" type="checkbox"/>	W/D Connection	<input checked="" type="checkbox"/>	Alarm System	<input type="checkbox"/>
Ceiling Fans	<input type="checkbox"/>	W/D Units	<input type="checkbox"/>	Cable TV	<input checked="" type="checkbox"/>
FF Refrigerator / Ice Maker	<input checked="" type="checkbox"/>	Vaulted Ceiling	<input type="checkbox"/>	A/C	<input checked="" type="checkbox"/>
Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Private Storage	<input type="checkbox"/>
Disposal	<input type="checkbox"/>	Coat Closet	<input checked="" type="checkbox"/>	Flat / TH	<input checked="" type="checkbox"/>
Stove/Self Clean	<input checked="" type="checkbox"/>	Linen Closet	<input type="checkbox"/>	Common Entry	<input type="checkbox"/>
Microwave	<input type="checkbox"/>	Walk in Closet	<input type="checkbox"/>	Private Entry	<input checked="" type="checkbox"/>
Pantry	<input type="checkbox"/>	Carpet	<input checked="" type="checkbox"/>	Hardwood Floors	<input type="checkbox"/>
Emergency Pull cords	<input type="checkbox"/>	Tile	<input type="checkbox"/>	Patio / Balcony	<input type="checkbox"/>

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 W1 = Window Unit

RENT COMPARABLE NO. 5

Scattered Sites
Dawson Housing Authority

No. Units	Type	S.F.	Rent	Vacant Units
28	1 BR / 1 BA	N/A	BOI	0
57	2 BR / 1 BA	N/A	BOI	0
46	3 BR / 1BA	N/A	BOI	0
5	4BR / 1BA	N/A	BOI	0

PROPERTY DESCRIPTION

Date Built:	1950s, 80s, 90s	No. Stories:	1 & 2	No. Units:	136
Exterior:	Brick	Parking:	Open	Occupancy:	100%
Roof System:	Pitched Mansard	Elevator:	No	Surveyed:	07/05/06
Section 8 Accepted:	Yes	Sec. Dep.:	\$50	App. Fee:	None
Contact:	Dawson HA 229-995-2675	Concessions	None	Turnover/Yr	N/A
				Class	B-
Comments:	Scattered sites. Oak Creek (US Hwy 82) – 20 units with 100% RA, and 10% are senior profile. Lemon Street, 7 th Avenue.				

 UTILITY STRUCTURE # 5

	<u>Resident</u>			<u>Landlord</u>		
	Electric	Gas	Other	Electric	Gas	Other
Cooking	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Hot Water	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cold Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sewer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Trash	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pest Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Air Cond.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SITE AMENITIES

Clubhouse/Community Rm	<input type="checkbox"/>	<input type="checkbox"/>	Controlled Entry	<input type="checkbox"/>	Basketball	<input type="checkbox"/>
Fitness Room	<input type="checkbox"/>		Buzzer/Intercom	<input type="checkbox"/>	Volleyball	<input type="checkbox"/>
Racquetball Courts	<input type="checkbox"/>		Video Surveillanc	<input type="checkbox"/>	Jogging	<input type="checkbox"/>
Sauna	<input type="checkbox"/>		Perimeter Fence	<input type="checkbox"/>	Golf Course	<input type="checkbox"/>
Pool(s)	<input type="checkbox"/>		Open Parking	<input type="checkbox"/>	Lake	<input type="checkbox"/>
Spa(s)	<input type="checkbox"/>		Secured Parking	<input type="checkbox"/>	Laundry Room	<input type="checkbox"/>
Tennis Courts	<input type="checkbox"/>		Garage	<input type="checkbox"/>	Car Wash	<input type="checkbox"/>
Playground	<input type="checkbox"/>		Carport	<input type="checkbox"/>	Fire Alarm System	<input type="checkbox"/>
Picnic Areas/Grill	<input type="checkbox"/>	<input type="checkbox"/>	Library	<input type="checkbox"/>	Social Programs	<input type="checkbox"/>
			Shuffleboard	<input type="checkbox"/>	Elevator	<input type="checkbox"/>

UNIT FEATURES

Window Coverings	<input type="checkbox"/>	W/D Connection	<input type="checkbox"/>	Alarm System	<input type="checkbox"/>
Ceiling Fans	<input type="checkbox"/>	W/D Units	<input type="checkbox"/>	Cable TV	<input type="checkbox"/>
FF Refrigerator / Ice Maker	<input type="checkbox"/>	Vaulted Ceiling	<input type="checkbox"/>	A/C	<input type="checkbox"/>
Dishwasher	<input type="checkbox"/>	Fireplace	<input type="checkbox"/>	Private Storage	<input type="checkbox"/>
Disposal	<input type="checkbox"/>	Coat Closet	<input type="checkbox"/>	Flat / TH	<input type="checkbox"/>
Stove/Self Clean	<input type="checkbox"/>	Linen Closet	<input type="checkbox"/>	Common Entry	<input type="checkbox"/>
Microwave	<input type="checkbox"/>	Walk in Closet	<input type="checkbox"/>	Private Entry	<input type="checkbox"/>
Pantry	<input type="checkbox"/>	Carpet	<input type="checkbox"/>	Hardwood Floors	<input type="checkbox"/>
Emergency Pull cords	<input type="checkbox"/>	Tile	<input type="checkbox"/>	Patio / Balcony	<input type="checkbox"/>

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 W1 = Window Unit

INTERVIEWS

In speaking with the Dawson Housing Authority, the Dawson City Manager, and most of the apartment complex leasing and management personnel, all agreed that an elderly affordable housing development would be beneficial in this market area, and specifically in the two-bedroom unit sizes. All of the apartment managers in the area reported 100% occupancy and stated that vacancies are usually filled immediately from their waiting lists or from walk-ins.

Attributes include easy access to highway systems, recreation facilities, an excellent school system, convenient shopping, and square foot design makes the subject proposal an excellent candidate for a low-income residential development.

CONCLUSIONS AND RECOMMENDATIONS

The analysts that conducted this market study have concluded that the proposed subject property is viable in the market. The positive attributes include the location of the site as it relates to employment centers, shopping areas, ease of access to neighborhood and highway systems through the City of Dawson area, easy access to the school system and excellent access to recreational facilities.

The type of development proposed will blend into the neighborhood nicely and will not be detrimental to the existing LIHTC or Market Rate complexes in the market. The market area surveyed is presently virtually 100% occupied and the subject property should be absorbed within three months after construction completion, assuming an aggressive marketing campaign during the last six months of construction.

Additionally, the unit amenities, site amenities and square foot design proposed would be competitive with the higher end complexes in the market with proposed rents that are competitive with the average market rents that also include complexes of older age.

Overall, it is concluded that the subject's proposed rents are very competitive with the market surveyed and in fact should be very well accepted because of the subdivision type setting of the project. The older less comparable properties in the market will not be much competition to the subject because of their age. The subject should compete well with the high-end market because of comparable age, condition, type of development, location and exposure.

LIMITING CONDITIONS AND ASSUMPTIONS

The estimate expressed herein is predicated upon certain general and specific conditions and assumptions, which may or may not have any effect upon the value of the property. These are indicated below.

1. The legal description is assumed to be correct.
2. The appraiser assumes no liability for structural features not visible on ordinary careful inspection, nor do they assume any responsibility for sub-surface or foundation conditions.
3. Certain information used in this report has been furnished by others. The sources and the information are considered to be reliable, but cannot be guaranteed.
4. No responsibility is assumed for matters legal in character, nor is any opinion rendered as to title, which is assumed to be good and marketable. Normal mortgage loan encumbrances and utility easements are considered to exist.
5. The contents of the report are for limited private use only. If, by virtue of this report, it becomes necessary to testify in court in support of the estimate, an additional fee will be charged. If this report becomes the property of any other party, other than the addressee or the person who has paid the fee connected herewith, permission must be obtained from the original addressee for reproduction or additional copies, and additional fees will be charged for any further consultation, or review of the property.
6. Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of the report, especially any conclusions as to value, the identity of the appraiser or the firm with which he is connected, or any reference to the Appraisal Institute or the MAI designation, shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means or communications without the prior written consent and approval of the undersigned.
7. The value estimates apply only to the defined subject property and cannot be allocated to individual portions or interests without invalidating the value estimates, unless such allocations are set forth in this report.
8. No survey of the property has been made by the appraiser and no responsibility is assumed in connection with such matters.
9. It is assumed that there is full compliance with all Federal, State and Local laws and environmental regulations unless acknowledged and stated in this appraisal report.
10. Unless stated, defined and considered it is assumed that all zoning and use regulations are complied with.
11. The sketches and maps in this report are included to assist the reader in visualizing the property and are not necessarily to scale. Photographs are included for the same purpose and are not intended to represent the property in other than actual status, as of the date of the appraisal.
12. Acceptance of and/or use of this appraisal report acknowledges and constitutes acceptance of the foregoing General Assumptions, General Limiting Conditions and Special Conditions listed in this report.
13. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has knowledge of the existence of asbestos materials in the ceilings of the units of the

property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that the asbestos will be removed as per the preliminary study suggests. No responsibility is assumed for any hazardous conditions, or for any expertise or engineering knowledge required to discover them.

14. The appraiser assumes no liability for structural defects as it relates to soil conditions. Soil and/or engineering reports were not provided to the appraiser. The appraiser is not qualified to determine severity of the soil settling as it relates to the structures. The value estimate is predicated on the assumption that there is no such problem. The Client is urged to retain an expert in this field if desired. The appraiser reserves the right to modify the value, should an engineering report reveal major soil and foundation/building problems.

CERTIFICATION OF APPRAISER

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

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
5. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.
6. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
7. As of the date of this report, Randy L. Josepher has completed the requirements of the continuing education program of the State of Georgia Real Estate Appraisers Board.
8. The owner of RLJ & Company did physically inspect the subject site and the rent comparables.
9. Robert H. Cox provided significant professional assistance to the person signing this report.
10. The assignment was not based on a requested minimum capture rates, minimum valuation, a specific valuation, or the approval of a loan.

Randy L. Josepher
GA State Certified Appraiser #2555

PROFESSIONAL QUALIFICATIONS
RANDY L. JOSEPHER

EXPERIENCE:

- 1990–Present RLJ & Company, Atlanta, Georgia
President - Independent fee appraisal/consulting of commercial real estate
- 1990 – 1993 Graham & Company, Atlanta, Georgia
Senior Appraiser – Appraisal of income property and unimproved land
- 1988 – 1990 American Capital Resource., Inc., Atlanta, Georgia
Vice President/Sr. Loan Officer - originating and structuring multi-family apartment loans nationwide
- 1984 – 1987 DRG Financial Corporation, San Francisco, California
Second Vice President - originating, underwriting and analyzing multi-family apartment loans in California and Western U.S.
- 1983 – 1984 Gerald D. Hines Interests, Denver, Colorado
Asset Manager - Start-up of a 1.2 million square foot 52-story office building. Responsibilities included managing maintenance budget, tenant move-in schedules, billings and general operations.
- 1982 – 1983 Fox and Carskadon Financial Corporation, Denver, Colorado
Leasing Specialist - Generated, negotiated and structured leases for new and existing tenants of shopping centers.
- 1979 – 1983 Apartment Funding Group, Denver, Colorado
Vice President - Exclusive representative for D.R.G. Financial Corporation covering a five-state region. Responsible for initial economic feasibility, under-writing and negotiations with potential borrowers for multi-family apartment loans.

EDUCATION:

- 1989–Present MAI CANDIDATE - Appraisal Institute Chapter 21
- 1983 University of Colorado – XMBA Graduate School Candidate
Coursework: Management, Managerial Accounting, Financial Management, Information Systems, Economics and Business Conditions
- 1976 Colorado State University – BS Degree – Management/Finance

APPRAISAL INSTITUTE COURSES:

Standards of Professional Practice
Course IA-1 Real Estate Appraisal Principals
Course IA-2 Basic Valuation Procedures
Course IB-A Capitalization Theory and Techniques
Course IB-B Capitalization Theory and Techniques
Case Studies
Report Writing
Standards of Professional Practice Course A
Standards of Professional Practice Course B

PROFESSIONAL AFFILIATIONS:

- Appraisal Institute (MAI Candidate No. M89078)
- State of Georgia, Certified Real Estate Appraiser (2555)
- Atlanta Board of Realtors, Inc. - Affiliate Member
- District of Columbia - Certified Real Estate Appraiser (10171)
- National Association of Real Estate Appraisers (53013)

CERTIFICATION OF MARKET ANALYST

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

Randy L. Josepher
Market Analyst

ADDENDA

DEMOGRAPHICS

FAIR MARKET RENTS

UTILITY ALLOWANCE SCHEDULE

INCOME LIMITS