

MARKET STUDY

Property:

Cameron Court
1807 Macon Road
Perry, Houston County, Georgia 31069



Type of Property:

Affordable Multifamily Development
Housing for Older Persons-New Construction

Date of Report:

July 11, 2006

Effective Date:

July 1, 2006

Developer:

Mr. William B. Collins III
Cameron Court, L.P.
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Fort Valley, Georgia 31030
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Prepared For:

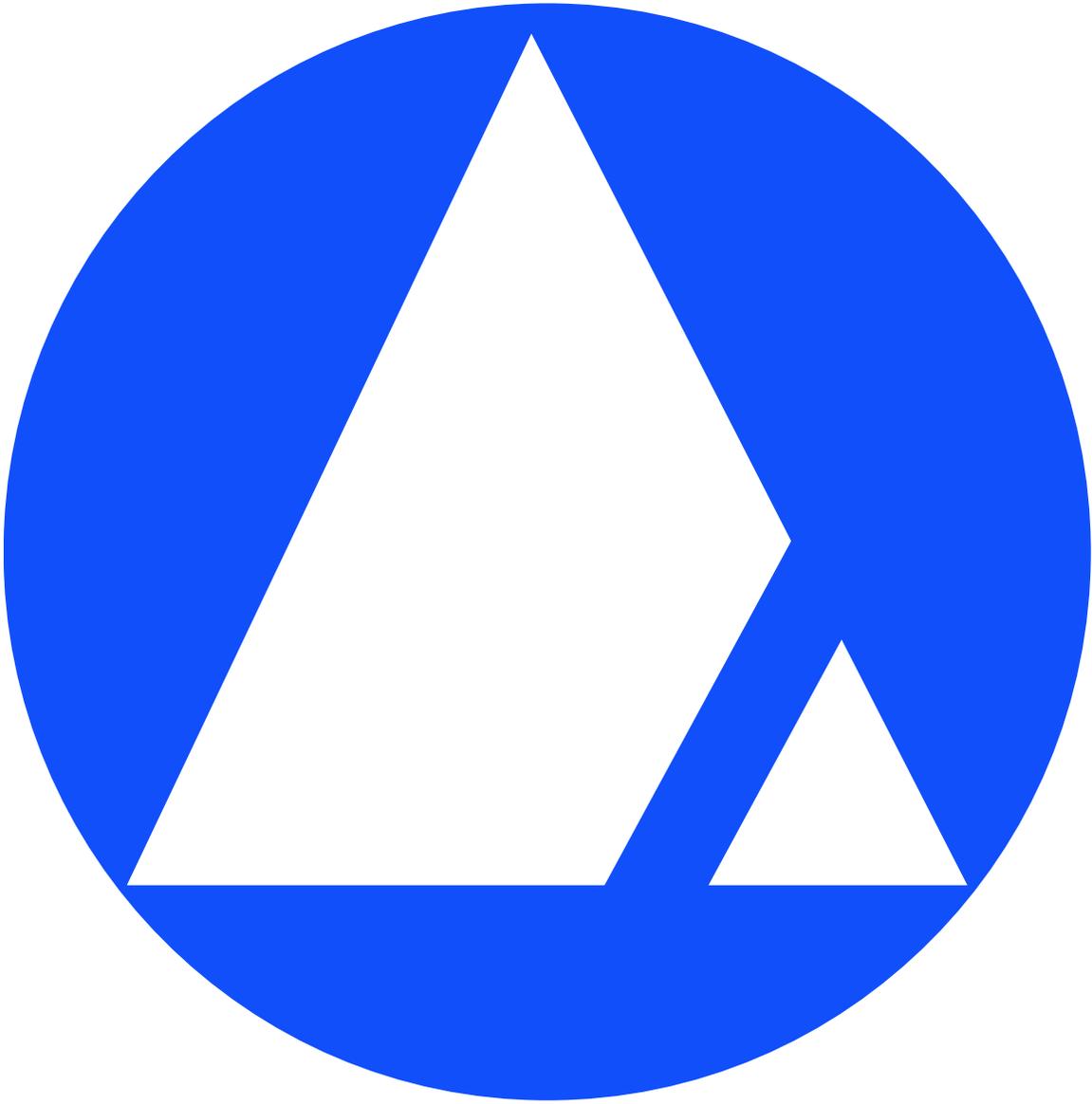
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July 11, 2006

Ms. Christie Cade
Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, Georgia 30329-2231

Re: Cameron Court

Dear Ms. Cade:

Please find the enclosed market study for the above referenced property.

The subject property, known as Cameron Court, is a proposed affordable multifamily development to be located at 1807 Macon Road, Perry, Houston County, Georgia. The developer proposes using below-market debt and/or tax credit financing to construct 64 affordable multifamily units at this location.

The subject property is proposed to be a 55+ age-restricted community. Consistent with Georgia Department of Community Affairs (DCA) guidelines, we will use 62+ demographic data in this analysis, grossing up demand by 10 percent to account for persons aged 55-62 years old. While most renters in age-restricted multifamily properties are in excess of 60 years old, this methodology offers a reasonable picture of the group most likely to lease at the subject property.

The subject property is proposed to consist of a total of 64 revenue-producing units including 1-, 2- and 3-bedroom apartments. A total of 23 units are proposed to be restricted to 50% of AMI; a total of 41 units are proposed to be restricted to 60% of AMI, no units are proposed to be set aside as market rate units; no units are proposed to receive project-based rental assistance.

Individual apartments are proposed to include a kitchen, living room, dining room, and 1, 2 or 3 bedrooms. The project is proposed to include a business center, community center, fitness center, gazebo, library and walking trails. In addition, the project is proposed to include a central laundry and washer/dryer hookups in each unit. Bathrooms are proposed to include a tub with shower, a vanity, and mirror. Living rooms and bedrooms will be carpeted. Kitchens, dining areas, and bathrooms will have vinyl flooring. Each unit is proposed to be furnished with a stove, refrigerator, disposal, dishwasher and microwave. Unit heating and cooling is proposed to consist of central units.

All utilities – with the exception of trash - are proposed to be paid by the resident.

The scope of this assignment consists of a comprehensive market analysis for the subject property. The market study was completed in accordance with Georgia Department of Community Affairs (DCA) and National Council of Affordable Housing Market Analysts (NCAHMA) requirements and Standards 4 and 5 of the Uniform Standards of Professional Practice (USPAP). The completion of this report involved a site visit, interviews with local property managers, and the collection of market data through discussions with persons knowledgeable of the local real estate market. This report is presented in a self-contained report format, of which this section is a part.

The purpose of the report is to evaluate market need for the subject property as of the effective date of this report. The function of this report is to assess the marketability of the subject property for equity financing purposes. This report should not be used for any other purposes without the express written permission of Allen & Associates Consulting.

The Georgia Department of Community Affairs (DCA) is our client for purposes of this assignment. Additional users of this report include Cameron Court, L.P. No other person or entity may use this report for any reason whatsoever without the express written permission of Allen & Associates Consulting.

Our conclusions are summarized in the table found on the following page; an expanded summary is found in the Executive Summary section of this report.

The market rent conclusions are computed in current dollars as of the effective date of this report and are subject to the construction, lease up and operation of the subject property as described in this report.

The findings and conclusions reported are based on the conditions that exist as of the effective date of this report. These factors are subject to change and may alter, or otherwise affect the findings and conclusions presented in this report.

To the best of our knowledge, this report presents an accurate evaluation of market conditions for the subject property as of the effective date of this report. While the analysis that follows is based upon information obtained from sources believed to be reliable, no guarantee is made of its accuracy.

Feel free to contact us with any questions or comments.

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING



Jeffrey B. Carroll

Conclusions

| Subject Property Units | | | Penetration and Saturation Rate Estimate | | | | Capture Rate Estimate | | | | Absorption Analysis | | Rent Analysis | | |
|------------------------|------------|----------------|--|------------------|------------------|-----------------|-----------------------|------------|---------------|--------------|---------------------|-------------------|----------------------|--------------|---------------|
| Unit Type | Rent Type | Units Proposed | Gross Qualified | Penetration Rate | Competing Supply | Saturation Rate | Gross Qualified | New Supply | Net Qualified | Capture Rate | Absorption Rate | Absorption Period | Achievable Rent | Program Rent | Proposed Rent |
| 1-BR | 50% of AMI | 3 | 17 | 18.0% | 13 | 94.9% | 14 | 13 | 1 | 246.9% | 0.28 | 11 mos | \$440 | \$441 | \$373 |
| 1-BR | 60% of AMI | 5 | 27 | 18.4% | 13 | 65.5% | 15 | 13 | 2 | 278.0% | 0.45 | 11 mos | \$440 | \$551 | \$373 |
| 2-BR | 50% of AMI | 17 | 32 | 53.5% | 6 | 72.4% | 23 | 6 | 17 | 101.6% | 0.53 | 31 mos | \$495 | \$522 | \$397 |
| 2-BR | 60% of AMI | 31 | 60 | 51.6% | 6 | 61.6% | 37 | 6 | 31 | 100.8% | 0.99 | 30 mos | \$495 | \$654 | \$397 |
| 3-BR | 50% of AMI | 3 | 1 | 335.6% | | 335.6% | 1 | | 1 | 543.8% | 0.01 | 208 mos | \$515 | \$591 | \$438 |
| 3-BR | 60% of AMI | 5 | 1 | 355.4% | | 355.4% | 1 | | 1 | 548.9% | 0.02 | 202 mos | \$515 | \$744 | \$438 |
| Average/Total | | 64 | 138 | 46.4% | 38 | 73.7% | 90 | 38 | 52 | 123.2% | 0.30 | 208 mos | Stabilized Occupancy | | 97% |

In this report we provide four measures of market depth: (1) Penetration rate - the ratio of the number of subject property units to the number of income-qualified households in the market area; (2) Saturation rate - the ratio of the number of subject property units plus the number of competing units to the number of income qualified households in the market area; (3) Capture rate - the ratio of the number of subject property units – net of new and pipeline units - to the number of income qualified overburdened and substandard households in the market area; and (4) Absorption period – the estimated number of months to fill the subject property units.

Penetration and saturation rates were computed using a methodology promoted by the National Council of Affordable Housing Market Analysts. Capture rates were computed in conformance with Georgia Department of Community Affairs (DCA) specifications. Absorption periods were estimated using a methodology developed by the Appraisal Institute.

In our opinion, the estimated overall penetration rate (46.4%), saturation rate (73.7%), capture rate (123.2%), and absorption period (>31 months) are all excessive. Although our research suggests that the proposed rents are achievable and a 97 percent stabilized occupancy rate for this project, the various demand measures indicate a slow lease-up for this development. This is especially true for the 3-bedroom units at this proposed age-restricted development - our research suggests little or no demand for these units. In our opinion, therefore, the subject property is not feasible as proposed.

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INTRODUCTION

Identification of the Subject Property

The subject property, known as Cameron Court, is a proposed affordable multifamily development to be located at 1807 Macon Road, Perry, Houston County, Georgia. The developer proposes using below-market debt and/or tax credit financing to construct 64 affordable multifamily units at this location.

The subject property is proposed to be a 55+ age-restricted community. Consistent with Georgia Department of Community Affairs (DCA) guidelines, we will use 62+ demographic data in this analysis, grossing up demand by 10 percent to account for persons aged 55-62 years old. While most renters in age-restricted multifamily properties are in excess of 60 years old, this methodology offers a reasonable picture of the group most likely to lease at the subject property.

The subject property is proposed to consist of a total of 64 revenue-producing units including 1-, 2- and 3-bedroom apartments. A total of 23 units are proposed to be restricted to 50% of AMI; a total of 41 units are proposed to be restricted to 60% of AMI, no units are proposed to be set aside as market rate units; no units are proposed to receive project-based rental assistance.

Individual apartments are proposed to include a kitchen, living room, dining room, and 1, 2 or 3 bedrooms. The project is proposed to include a business center, community center, fitness center, gazebo, library and walking trails. In addition, the project is proposed to include a central laundry and washer/dryer hookups in each unit. Bathrooms are proposed to include a tub with shower, a vanity, and mirror. Living rooms and bedrooms will be carpeted. Kitchens, dining areas, and bathrooms will have vinyl flooring. Each unit is proposed to be furnished with a stove, refrigerator, disposal, dishwasher and microwave. Unit heating and cooling is proposed to consist of central units.

All utilities – with the exception of trash - are proposed to be paid by the resident.

Scope of the Report

The scope of this assignment consists of a comprehensive market analysis for the subject property. The market study was completed in accordance with Georgia Department of Community Affairs (DCA) and National Council of Affordable Housing Market Analysts (NCAHMA) requirements and Standards 4 and 5 of the Uniform Standards of Professional Practice (USPAP). The completion of this report involved a site visit, interviews with local property managers, and the collection of market data through discussions with persons knowledgeable of the local real estate market. This report is presented in a self-contained report format, of which this section is a part.

Purpose of the Report

The purpose of the report is to evaluate market need for the subject property as of the effective date of this report. The function of this report is to assess the marketability of

the subject property for equity financing purposes. This report should not be used for any other purposes without the express written permission of Allen & Associates Consulting.

Intended Users of the Report

The Georgia Department of Community Affairs (DCA) is our client for purposes of this assignment. Additional users of this report include Cameron Court, L.P. No other person or entity may use this report for any reason whatsoever without the express written permission of Allen & Associates Consulting.

Statement of Competency

On July 19, 1995 the Appraisal Standards Board issued Advisory Opinion 14 dealing specifically with the evaluation of subsidized housing, including tax-exempt bond and Low Income Housing Tax-Credit properties. The Advisory Opinion makes the following statement regarding the competency of the consultant on subsidized housing:

Appraisers should be aware that the competency required to appraise subsidized housing extends beyond typical residential appraisal competency. Subsidized housing appraisals require the appraiser to understand the various programs, definitions, and pertinent tax considerations involved in the particular assignment applicable to the location and development. An appraiser should be capable of analyzing the impact of the programs and definitions in the local subsidized housing submarket, as well as in the general market that is unaffected by subsidized housing programs. Appraisers should also be aware of possible political changes that will affect the durability of the benefits and restrictions to the subsidized housing projects and fully understand interpretation and enforcement of subsidy programs.

The Advisory Opinion underscores the fact that conventional multifamily experience is insufficient for the analysis of subsidized housing. Allen & Associates Consulting has provided demand analyses, market studies, feasibility studies, and appraisals for subsidized multifamily properties since 1988. The analyst is familiar with local multifamily supply and demand characteristics and the technical details of the tax-exempt bond and the Low Income Housing Tax Credit programs. The analysts hereby certify that they are experienced in the analysis of affordable income-producing housing as set forth above.

Date of Site Visit

The date of the site visit was July 1, 2006.

Effective Date of Report

The effective date of this report is July 1, 2006.

Date of Report

The date of this report is July 11, 2006.

Date of Market Entry

For purposes of our market analysis, we will use July 1, 2008 as the date of market entry for the subject property.

Zoning

According to the developer's tax credit application, the subject property is currently zoned R-3. It is our understanding that the proposed development is a legal, conforming use under this zoning classification.

Survey & Easements

A current survey for the subject property was not provided to the analyst. A current survey for the subject property should be evaluated to ascertain whether there are any easements encumbering the subject property. It is our understanding that the site is encumbered by standard utility easements that do not adversely affect its marketability and that the site is serviced by municipal utilities.

Plans & Specifications

Construction drawings for the subject property were not provided to the analyst for review. Construction drawings are necessary so that the analysis accurately reflects the characteristics of the property and to evaluate any potential functional obsolescence with respect to the subject property.

Statement of Assumptions and Limiting Conditions

- 1) The title to the subject property is merchantable, and the property is free and clear of all liens and encumbrances, except as noted.
- 2) No liability is assumed for matters legal in nature.
- 3) Ownership and management are assumed to be in competent and responsible hands.
- 4) No survey has been made by the analyst. Dimensions are as supplied by others and are assumed to be correct.
- 5) The report was prepared for the purpose so stated and should not be used for any other reason.
- 6) All direct and indirect information supplied by the owner and their representatives concerning the subject property is assumed to be true and accurate.
- 7) No responsibility is assumed for information supplied by others and such information is believed to be reliable and correct. This includes zoning information provided by Municipal officials.
- 8) The signatories shall not be required to give testimony or attend court or be at any governmental hearing with respect to the subject property unless prior arrangements have been made with the client.
- 9) Disclosure of the contents of this report is governed by the By-Laws and Regulations of the Appraisal Institute.
- 10) The legal description is assumed to be accurate.
- 11) This report specifically assumes that there are no site, subsoil, or building contaminants present resulting from residual substances or construction materials, such as asbestos, radon gas, PCB, etc. Should any of these factors exist, the appraiser reserves the right to review these findings, review the value estimates, and change the estimates, if deemed necessary.
- 12) The Americans with Disabilities Act (ADA) became effective July 1, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA.
- 13) The market rent conclusions are computed in current dollars as of the effective date of this report and are subject to the construction, lease up and operation of the subject property as described in this report.
- 14) The findings and conclusions reported are based on the conditions that exist as of the effective date of this report. These factors are subject to change and may alter, or otherwise affect the findings and conclusions presented in this report.
- 15) This analysis assumes that the proposed debt and equity financing described in this report is approved and funded.

Certification

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 area can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in 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.

In addition, I certify to the following:

- 1) We have no present or contemplated future interest in the real estate that is the subject of this report.
- 2) We have no personal interest or bias with respect to the subject matter of this report or the parties involved.
- 3) To the best of our knowledge and belief, the statements of fact contained in this report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
- 4) This report sets forth all of the limiting conditions (imposed by the terms of our assignment or by the undersigned) affecting the analysis, opinions, and conclusions contained in this report.
- 5) This report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Conduct of the Appraisal Institute.
- 6) Our compensation is not contingent upon an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- 7) Jeffrey B. Carroll and Frank Victory (Allen & Associates Consulting, Inc.) visited the subject property and surrounding area.
- 8) Jeffrey B. Carroll (Allen & Associates Consulting, Inc.) conducted the analysis found in this report.
- 9) The following Allen & Associates employees assisted in the compilation of data for this report: Frank Victory and Debbie Rucker. No one else had a significant contribution to the analyses and opinions expressed in this report.
- 10) The assignment was not based upon a minimum or specific outcomes, or approval of a loan.

11) The analyst's analysis, opinions, and conclusions were developed and the report has been prepared in accordance with Georgia Department of Community Affairs (DCA) and National Council of Affordable Housing Market Analysts (NCAHMA) requirements and Standards 4 and 5 of the Uniform Standards of Professional Practice (USPAP).

Respectfully submitted:
ALLEN & ASSOCIATES CONSULTING



Jeffrey B. Carroll

EXECUTIVE SUMMARY

Market Study

Property:

Cameron Court
1807 Macon Road
Perry, Houston County, Georgia 31069



Type of Property:

Affordable Multifamily Development
Housing for Older Persons-New Construction

Date of Report:

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Prepared By:

Mr. Jeffrey B. Carroll
Allen & Associates Consulting
3116 Glen Summit Drive
Charlotte, North Carolina 28270
Phone: 704-905-2276 • Fax: 704-708-4261

Overview

In this report we provide four measures of market depth: (1) Penetration rate - the ratio of the number of subject property units to the number of income-qualified households in the market area; (2) Saturation rate - the ratio of the number of subject property units plus the number of competing units to the number of income qualified households in the market area; (3) Capture rate - the ratio of the number of subject property units – net of new and pipeline units - to the number of income qualified overburdened and substandard households in the market area; and (4) Absorption period – the estimated number of months to fill the subject property units.

Penetration and saturation rates were computed using a methodology promoted by the National Council of Affordable Housing Market Analysts. Capture rates were computed in conformance with Georgia Department of Community Affairs (DCA) specifications. Absorption periods were estimated using a methodology developed by the Appraisal Institute.

In our opinion, the estimated overall penetration rate (46.4%), saturation rate (73.7%), capture rate (123.2%), and absorption period (>31 months) are all excessive. Although our research suggests that the proposed rents are achievable and a 97 percent stabilized occupancy rate for this project, the various demand measures indicate a slow lease-up for this development. This is especially true for the 3-bedroom units at this proposed age-restricted development - our research suggests little or no demand for these units. In our opinion, therefore, the subject property is not feasible as proposed.

The following is a summary of our conclusions and recommendations with respect to the subject property:

Project Description

The subject property, known as Cameron Court, is a proposed affordable multifamily development to be located at 1807 Macon Road, Perry, Houston County, Georgia. The developer proposes using below-market debt and/or tax credit financing to construct 64 affordable multifamily units at this location.

The subject property is proposed to be a 55+ age-restricted community. Consistent with Georgia Department of Community Affairs (DCA) guidelines, we will use 62+ demographic data in this analysis, grossing up demand by 10 percent to account for persons aged 55-62 years old. While most renters in age-restricted multifamily properties are in excess of 60 years old, this methodology offers a reasonable picture of the group most likely to lease at the subject property.

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All utilities – with the exception of trash - are proposed to be paid by the resident.

Site Evaluation

In our opinion the location of the subject property is good. Our observations follow:

- Based on our evaluation of the neighborhood, the subject property is located in a small town that appears to be in the growth stage of its life cycle. Significant population and household growth is anticipated for the next several years, along with significant increases in the housing stock. Properties in the immediate area appear to be generally 20-40 years old and in good condition.
- Our analysis suggests that the subject is located in an area that is generally characterized by persons with a high school education, consisting of a mix of renters and owners with lower to middle incomes with a mixture of ages.
- The topographic map shows that the site is fairly flat and drains to the west. There do not appear to be any topographic issues with respect to the subject property.
- The FEMA map identified the subject property as not being located in the 100-year flood zone.
- Our public records review identified 0 leaking underground storage tank(s), 2 hazardous waste spill site(s), and 0 hazardous waste generator(s) within ½ mile of the subject property. We recommend that the sponsor obtain an environmental assessment prior to this transaction being funded.
- Our review of the site shows that the subject is located in a small town with single commercial and residential to the north, commercial and residential to the south, residential to the east, and vacant land and residential to the west.
- The subject property is located off a major thoroughfare with a fairly volume of traffic flow. Accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.
- The subject property is located off a major thoroughfare with a fairly high volume of traffic flow. Visibility and exposure are, therefore, good by virtue of the site's location relative to existing traffic patterns.
- According to Claritas, the crime rate in the immediate vicinity of the subject property is 1.0 percent. This is compared with market area and regional crime rates of 1.1 percent and 1.5 percent, respectively. In our opinion, the subject property appears to be located in an area with below-average crime risk.
- According to Standards & Poor the subject property is located in an area with above-average elementary schools, above-average middle schools, and average high schools. According to Claritas, the subject property is located in an area with above-average educational attainment.
- The majority of the top employers are located within 20 miles of the subject property. Employees in the

vicinity of the subject property have an average commute time of 21 minutes. This is compared with market area and regional commute times of 22 minutes and 21 minutes, respectively. We conclude that the subject property has a good location with respect to local employers.

- Our analysis suggests that the subject property has a good location with respect to local amenities and services.
- We are not aware of any planned road or infrastructure improvements in the immediate vicinity of the subject property.

Primary Market Area

We defined the primary market area by generating a drive time zone around the subject property and analyzing median rents and average household income levels in the area. We also considered population densities, existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

Based on our evaluation of the local market, we concluded that the primary market area includes the following 2000 Census Tracts:

| <u>Census Tract</u> | <u>County</u> | <u>% of Tract</u> |
|---------------------|---------------|-------------------|
| 211.06 | Houston | 100% |
| 212 | Houston | 100% |
| 213 | Houston | 100% |
| 214 | Houston | 100% |
| 401 | Peach | 40% |
| 402 | Peach | 60% |
| 404 | Peach | 60% |

The site is located in Houston County Census Tract 212.

Secondary Market Area

The subject property is proposed to be a 55+ age-restricted community. Consistent with Georgia Department of Community Affairs (DCA) guidelines, we will use 62+ demographic data in this analysis, grossing up demand by 10 percent to account for persons aged 55-62 years old. While most renters in age-restricted multifamily properties are in excess of 60 years old, this methodology offers a reasonable picture of the group most likely to lease at the subject property.

In addition, our research suggests that as much as 20 percent of demand will come from homeowners converting to renters for this project. Finally, our research suggests that as much as 15 percent of multifamily demand will come from areas outside of the market area defined above.

Regional Economy

In our opinion, the economic outlook for the region is good. Our observations are summarized below:

- Establishment-based employment for the region increased from 59,722 in 1990 to 79,123 in 2005. Employment is forecasted to increase 1.6 percent annually through 2010. This is compared with projected growth of 1.5 and 1.4 percent for the state and nation, respectively.
- According to local property management personnel, Blue Bird Corporation – the largest civilian employer in the region - recently laid off a number of its bus fabrication employees. Growth of small businesses is anticipated to absorb the displaced employees, however.
- Population-based employment for the region increased from 57,342 in 1996 to 69,956 in 2005. Job growth and unemployment averaged 2.6 and 5.0 percent, respectively, over the past year.
- The unemployment rates for the region have remained steady at about 5.0 percent over the past 24 months.
- An estimated 2,062 residential permits are anticipated for the region in 2006. Multifamily is anticipated to account for 10.4 percent of this total through 2010.

Market Area Demographic Characteristics

In our opinion, the demographic outlook for the market area is very good. Our observations are summarized below:

- Population for the market area increased from 26,126 in 1990 to 46,417 in 2005. Population is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.1, 1.3 and 1.0 percent for the region, state and nation, respectively.
- The total number of households for the market area increased from 9,743 in 1990 to 16,318 in 2005. The total number of households is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.2, 1.5 and 1.2 percent for the region, state and nation, respectively.
- The total number of owner households for the market area currently stand at 12,853 and are anticipated to increase 3.6 percent annually through 2010. The total number of renter households for the market area currently stand at 3,464 and are anticipated to increase 1.6 percent annually through 2010.
- Average household income for the market area increased from \$35,376 in 1990 to \$62,892 in 2005. Average household income is forecasted to increase 2.8 percent annually through 2010. This is compared with a projected consumer price index growth of 2.8 percent, suggesting no erosion in real disposable income over the next several years.

Age-Restricted Demographic Characteristics

In our opinion, the age-restricted demographic outlook for the market area is excellent. Our observations are summarized below:

- The age-restricted population for the market area increased from 3,313 in 1990 to 5,236 in 2005. The age-restricted population is forecasted to increase 5.8 percent annually through 2010. This is compared with projected growth of 4.6, 2.8 and 2.1 percent for the region, state and nation, respectively.
- The number of age-restricted households for the market area increased from 2,116 in 1990 to 3,268 in 2005. The number of age-restricted households is forecasted to increase 5.0 percent annually through 2010.

Supply Analysis

Occupancy Rates

Occupancies by rent type for units at stabilized elderly properties follow: Market rate, 100.0% (12 units in sample); restricted rents, 100.0% (47 units in sample); and subsidized rents, not applicable (0 units in sample).

Occupancies by rent type for units at stabilized family properties follow: Market rate, 95.8% (525 units in sample); restricted rents, 92.7% (303 units in sample); and subsidized rents, 100.0% (50 units in sample).

Overall market occupancies for units at stabilized properties currently stand at 95.3% (937 units in sample).

Stabilized Occupancy Rates

Based on the prevailing occupancy rates for market rate, restricted and subsidized properties, and considering the unit mix for the subject property, we anticipate a stabilized occupancy rate of approximately 97 percent.

Rent Comparability Analysis

The following is a summary of our observations from the rent comparability analysis section of this report:

Analysis of Restricted Rent Comparables

Based on our evaluation of the rents for competing restricted-rent properties, and considering the location, quality and amenities of the subject property, we conclude the following indicated market rents for restricted units at the subject property:

- \$440 (\$0.49/sf) for the 1BR 891sf units
- \$495 (\$0.43/sf) for the 2BR 1139sf units
- \$515 (\$0.39/sf) for the 3BR 1330sf units

Analysis of Market Rate Comparables

Based on our evaluation of the rents for competing market rate properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were an unrestricted property:

- \$515 (\$0.58/sf) for the 1BR 891sf units
- \$605 (\$0.53/sf) for the 2BR 1139sf units

- \$670 (\$0.50/sf) for the 3BR 1330sf units

The actual rents achieved for market rate units at restricted-rent properties often fall short of the rents at unrestricted properties. Based on the analysis set forth above, we conclude the following indicated market rents for the market rate units at the subject property:

- \$480 (\$0.54/sf) for the 1BR 891sf units
- \$550 (\$0.48/sf) for the 2BR 1139sf units
- \$595 (\$0.45/sf) for the 3BR 1330sf units

Projected Rent Growth

Our analysis suggests that the market area is currently overbuilt by approximately 1.8 percent. While the number of renter households is anticipated to increase significantly over the next five years, the number of renter housing units is anticipated to increase at a faster pace, resulting in a market that is 7.0 percent overbuilt in 5 years.

Based on the forecasted relationship between supply and demand for this marketplace, we anticipate 0.0 percent real and 2.8 percent nominal rent growth annually for the foreseeable future.

Achievable Rents

Achievable rents represent the absolute highest rent permissible for the area, considering market rental rates and program rent limits. Achievable rents for the subject property follow:

- \$440 for 1BR units at 50% of AMI
- \$440 for 1BR units at 60% of AMI
- \$495 for 2BR units at 50% of AMI
- \$495 for 2BR units at 60% of AMI
- \$515 for 3BR units at 50% of AMI
- \$515 for 3BR units at 60% of AMI

Our analysis suggests that all units appear to be priced at or below allowable tax credit rent limits (proposed rents range from 59% to 85% of allowable tax credit rents). In addition, all units appear to be priced at or below indicated market rents (proposed rents range from 80% to 85% of indicated market rents). In our opinion, the proposed development is priced appropriately and affordably.

Feasibility Rents

Our analysis suggests market rents of \$515, \$605 and \$670, respectively, for the 1-, 2- and 3-bedroom units at the subject property. Our analysis also suggests feasibility rents of \$818, \$940 and \$1035, respectively, for the 1-, 2- and 3-bedroom units. Because of the disparity between market and feasibility rents, we conclude that competing market rate units are not financially feasible in the immediate area and development of such units is not likely under current economic conditions.

Utilization of Resources

Based on the relationship between feasibility rents, unrestricted market rents, program rents and proposed rents, we conclude that 38 percent of the financial benefits associated with this transaction are being used to make this project affordable. The remaining 62 percent of the resources are being used to overcome market forces in order to deliver safe & decent housing. This transaction would otherwise not be feasible without the use of these additional resources.

Demand Analysis

Penetration Rate Estimate

We estimate a penetration rate of 46.4% for the subject property. The overall rate breaks down as follows:

- 18.0% for 1BR units at 50% of AMI
- 18.4% for 1BR units at 60% of AMI
- 53.5% for 2BR units at 50% of AMI
- 51.6% for 2BR units at 60% of AMI
- 335.6% for 3BR units at 50% of AMI
- 355.4% for 3BR units at 60% of AMI

In general, the lower the penetration rates the better. Underwriters often utilize penetration rate limits of 10 to 25 percent, depending on the specific project. In our opinion, the estimated penetration rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Saturation Rate Estimate

We estimate a saturation rate of 73.7% for the subject property. The overall rate breaks down as follows:

- 94.9% for 1BR units at 50% of AMI
- 65.5% for 1BR units at 60% of AMI
- 72.4% for 2BR units at 50% of AMI
- 61.6% for 2BR units at 60% of AMI
- 335.6% for 3BR units at 50% of AMI
- 355.4% for 3BR units at 60% of AMI

In general, the lower the saturation rates the better. Saturation rates less than 100% suggest that sufficient numbers of income-qualified households exist to fill subject property units. Underwriters often utilize saturation rate limits of 25 to 50 percent, depending on the specific project. In our opinion, the estimated saturation rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Capture Rate Estimate

We estimate a capture rate of 123.2% for the subject property. The overall rate breaks down as follows:

- 246.9% for 1BR units at 50% of AMI

- 278.0% for 1BR units at 60% of AMI
- 101.6% for 2BR units at 50% of AMI
- 100.8% for 2BR units at 60% of AMI
- 543.8% for 3BR units at 50% of AMI
- 548.9% for 3BR units at 60% of AMI

In general, the lower the capture rates the better. Capture rates less than 100% suggest that sufficient numbers of income-qualified overburdened and substandard households exist to fill subject property units. Underwriters often utilize capture rate limits of 25 to 50 percent, depending on the specific project. Capture rates in excess of 100% suggest that the property will need to attract income-qualified households that are not currently overburdened or substandard from competing projects in order to fill. Negative capture rates suggest that the need for affordable housing has been addressed by new and proposed construction. In our opinion, the estimated capture rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Absorption Period Estimate

We estimate an absorption period in excess of 31 months to stabilization for the subject property. The absorption period breaks down by unit type and income level as follows:

- 11 month(s) for 1BR units at 50% of AMI
- 11 month(s) for 1BR units at 60% of AMI
- 31 month(s) for 2BR units at 50% of AMI
- 30 month(s) for 2BR units at 60% of AMI
- >31 month(s) for 3BR units at 50% of AMI
- >31 month(s) for 3BR units at 60% of AMI

In general, the lower the absorption period the better. Underwriters often utilize absorption period limits of 12 to 24 months, depending on the specific project. In our opinion, the estimated absorption periods indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Sensitivity Analysis

The purpose of our sensitivity analysis is to evaluate the impact of possible rent increases on the marketability of the subject property. Our analysis to this point has been based on the proposed rents for the subject property. In this section we evaluate the marketability of the project at achievable rents. Achievable rents – which are defined as the lesser of program or market rents - represent the absolute highest rent permissible for the area, considering market rental rates and maximum allowable rent limits.

Our sensitivity analysis yields the following comparison of marketability measures of the subject property at proposed versus achievable rents:

- Penetration Rate: 46.4% (proposed rents); 69.8% (achievable rents)

- Saturation Rate: 73.7% (proposed rents); 110.8% (achievable rents)
- Capture Rate: 123.2% (proposed rents); 309.5% (achievable rents)
- Absorption Period: >31 months (proposed rents); >52 months (achievable rents)

Our analysis suggests that increasing the proposed rents to achievable rent levels would result in significant increases in penetration, saturation, and capture rates. Further, the increased rents would result in a dramatic increase in the absorption period for the project. In our opinion, therefore, increasing the rents to achievable rents would have a material adverse impact on the marketability of this project.

Recommendations & Conclusions

In our opinion, the estimated overall penetration rate (46.4%), saturation rate (73.7%), capture rate (123.2%), and absorption period (>31 months) are all excessive. Although our research suggests that the proposed rents are achievable and a 97 percent stabilized occupancy rate for this project, the various demand measures indicate a slow lease-up for this development. This is especially true for the 3-bedroom units at this proposed age-restricted development - our research suggests little or no demand for these units. In our opinion, therefore, the subject property is not feasible as proposed.

PROJECT DESCRIPTION

Project Description

The subject property, known as Cameron Court, is a proposed affordable multifamily development to be located at 1807 Macon Road, Perry, Houston County, Georgia. The developer proposes using below-market debt and/or tax credit financing to construct 64 affordable multifamily units at this location.

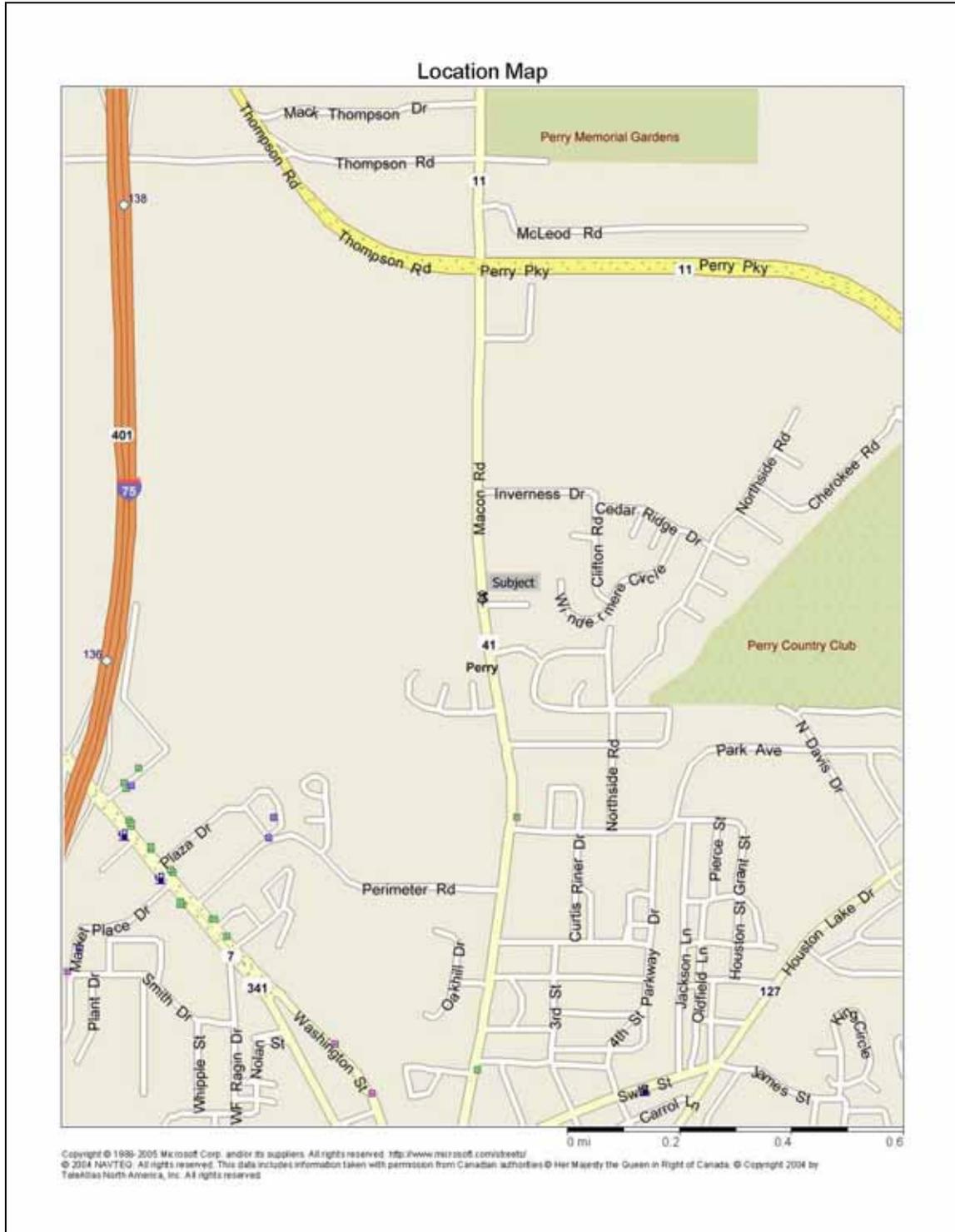
An overview of the proposed development follows:

| | |
|---------------------------------|---|
| Development Location | 1807 Macon Road Perry, Ga |
| Construction Type | New Construction |
| Occupancy Type | 55+ Age Restricted |
| Target Income Group | 23 Units at 50% of AMI 41 Units at 60% of AMI |
| Special Population Target | None |
| Unit Configuration | 8 One-Bedroom 48 Two-Bedroom 8 Three-Bedroom |
| Average Unit Size | 891 sf One-Bedroom 1139 sf Two-Bedroom 1330 sf Three-Bedroom |
| Structure Type | Garden |
| Rents | \$373-\$373 One-Bedroom \$397-\$397 Two-Bedroom \$438-\$438 Three-Bedroom |
| Utility Allowances | \$111 One-Bedroom \$141 Two-Bedroom \$175 Three-Bedroom |
| Project-Based Rental Assistance | PBRA for 0 Units |
| Development Amenities | Community Center Fitness Center Business Center |
| Unit Amenities | Blinds Carpeting |
| Kitchen Amenities | Stove Refrigerator Disposal Dishwasher Microwave |
| Laundry Amenities | Central Laundry Washer/Dryer Hookups |

Source: Developer/Manager/Owner

Location Map

A map showing the location of the subject property follows:



Building Description

The following table gives a description of the proposed improvements for the subject property:

Building Description

| | |
|---|-------------------------------|
| Acres (per Developer) | 14.60 |
| Zoning (per Developer) | R-3 Multifamily |
| Buildings | 9 |
| Parking Spaces (Estimated) | 96 |
| Stories | 1 |
| Units | 64 |
| Net Rentable Area, SF | 72,440 |
| Gross Residential Building Area, SF (Estimated) | 90,550 |
| Framing | Wood |
| Exterior Doors | Metal |
| Windows | All Metal With Thermal Breaks |
| Façade | Brick & Siding |
| Roof | Gabled |
| Roof Covering | Composition |
| Floor Covering | Carpet & Vinyl |
| Heating | Central |
| Cooling | Central |
| Community Facilities | |
| Community Center | Yes |
| Pool | No |
| Sports Court | No |
| Playground | No |
| Fitness Center | Yes |
| Business Center | Yes |
| Office | Yes |
| Laundry Room | Yes |
| Maintenance Room | Yes |

Source: Developer/Manager/Owner

Unit Configuration

The subject property is proposed to consist of a total of 64 revenue-producing units including 1-, 2- and 3-bedroom apartments. A total of 23 units are proposed to be restricted to 50% of AMI; a total of 41 units are proposed to be restricted to 60% of AMI, no units are proposed to be set aside as market rate units; no units are proposed to receive project-based rental assistance.

The following is the proposed unit configuration for the subject property:

| Unit Configuration CAMERON COURT 1807 MACON ROAD PERRY, GA | | | | | | | | | |
|---|-------------|-----------|-------------------|----------------------|--------------|-------------------|--------------|--------------|---------------|
| Unit Type | Rent Type | Units | Fair Market Rents | Maximum Housing Cost | Housing Cost | Utility Allowance | Rent | Square Feet | \$/SF |
| 0 Bedroom | 30% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 1 Bedroom | 30% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 2 Bedroom | 30% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 3 Bedroom | 30% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 4 Bedroom | 30% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| Total | | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 0 Bedroom | 50% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 1 Bedroom | 50% of AMI | 3 | \$389 | \$552 | \$484 | \$111 | \$373 | 891 | \$0.42 |
| 2 Bedroom | 50% of AMI | 17 | \$453 | \$663 | \$538 | \$141 | \$397 | 1,139 | \$0.35 |
| 3 Bedroom | 50% of AMI | 3 | \$687 | \$766 | \$613 | \$175 | \$438 | 1,330 | \$0.33 |
| 4 Bedroom | 50% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| Total | | 23 | \$475 | \$662 | \$541 | \$142 | \$399 | 1,132 | \$0.35 |
| 0 Bedroom | 60% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 1 Bedroom | 60% of AMI | 5 | \$389 | \$662 | \$484 | \$111 | \$373 | 891 | \$0.42 |
| 2 Bedroom | 60% of AMI | 31 | \$453 | \$795 | \$538 | \$141 | \$397 | 1,139 | \$0.35 |
| 3 Bedroom | 60% of AMI | 5 | \$687 | \$919 | \$613 | \$175 | \$438 | 1,330 | \$0.33 |
| 4 Bedroom | 60% of AMI | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0 | \$0.00 |
| Total | | 41 | \$474 | \$794 | \$541 | \$141 | \$399 | 1,132 | \$0.35 |
| 0 Bedroom | Market Rate | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 1 Bedroom | Market Rate | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 2 Bedroom | Market Rate | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 3 Bedroom | Market Rate | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 4 Bedroom | Market Rate | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| Total | | 0 | NA | NA | \$0 | \$0 | \$0 | 0 | \$0.00 |
| 0 Bedroom | Total | 0 | NA | NA | NA | NA | NA | 0 | NA |
| 1 Bedroom | Total | 8 | NA | NA | NA | NA | NA | 891 | NA |
| 2 Bedroom | Total | 48 | NA | NA | NA | NA | NA | 1,139 | NA |
| 3 Bedroom | Total | 8 | NA | NA | NA | NA | NA | 1,330 | NA |
| 4 Bedroom | Total | 0 | NA | NA | NA | NA | NA | 0 | NA |
| Grand Total | | 64 | NA | NA | NA | NA | NA | 1,132 | NA |

Source: Developer/Manager/Owner

Amenities

Individual apartments are proposed to include a kitchen, living room, dining room, and 1, 2 or 3 bedrooms. The project is proposed to include a business center, community center, fitness center, gazebo, library and walking trails. In addition, the project is proposed to include a central laundry and washer/dryer hookups in each unit. Bathrooms are proposed to include a tub with shower, a vanity, and mirror. Living rooms and bedrooms will be carpeted. Kitchens, dining areas, and bathrooms will have vinyl flooring. Each unit is proposed to be furnished with a stove, refrigerator, disposal, dishwasher and microwave. Unit heating and cooling is proposed to consist of central units.

The following table sets forth the proposed amenities for the subject property:

| Amenities | | | | | | | | | |
|-------------------|-----|----------------|-----|-----|------------------|-----|------------------|-----|-----|
| Building Type | | Unit Amenities | | | Kitchens | | Parking | | |
| 1 Story | yes | Blinds | yes | na | Stove | yes | Garage | no | \$0 |
| 2-4 Story | no | Ceiling Fans | no | \$0 | Refrigerator | yes | Covered | no | \$0 |
| 5-10 Story | no | Carpeting | yes | na | Disposal | yes | Assigned | no | na |
| >10 Story | no | Fireplace | no | \$0 | Dishwasher | yes | Open | yes | na |
| | | Patio/Balcony | no | na | Microwave | yes | None | no | na |
| | | Storage | no | \$0 | | | | | |
| Project Amenities | | | | | Air Conditioning | | Laundry | | |
| Ball Field | no | Horseshoe Pit | no | | Central | yes | Central | yes | na |
| BBQ Area | no | Lake | no | | Wall Units | no | W/D Units | no | \$0 |
| Billiards | no | Library | yes | | Window Units | no | W/D Hookups | yes | na |
| Bus/Comp Ctr | yes | Movie Theatre | no | | None | no | | | |
| Car Care Ctr | no | Picnic Area | no | | | | | | |
| Comm Center | yes | Playground | no | | Heat | | Security | | |
| Elevator | no | Pool | no | | Central | yes | Call Buttons | | yes |
| Fitness Center | yes | Sauna | no | | Wall Units | no | Cont Access | | no |
| Gazebo | yes | Sports Court | no | | Baseboards | no | Courtesy Officer | | no |
| Hot Tub/Jacuzzi | no | Walking Trail | yes | | Radiators | no | Monitored Alarms | | no |
| | | | | | None | no | Security Alarms | | no |
| | | | | | | | Security Patrols | | no |

Utilities

All utilities – with the exception of trash - are proposed to be paid by the resident.

The following table shows the proposed utility allowances for the subject property:

| Utility | Tenant | Owner |
|------------------|--------|-------|
| Heating - Gas | no | no |
| Heating - Elec | yes | no |
| Cooking - Gas | no | no |
| Cooking - Elec | yes | no |
| Other Electric | yes | no |
| Air Conditioning | yes | no |
| Hot Water - Gas | no | no |
| Hot Water - Elec | yes | no |
| Water | yes | no |
| Sewer | yes | no |
| Trash Collection | no | yes |

| Unit Type | UA |
|-----------|-------|
| 1-Bedroom | \$111 |
| 2-Bedroom | \$141 |
| 3-Bedroom | \$175 |

Income & Rent Limits

The project is proposed to be subject to income and rent restrictions. The following tables give the proposed income and rent limits for the subject property:

| Income & Rent Limits | | | | |
|-------------------------|----------|----------|----------|----------|
| Income Limits | | | | |
| | 30% | 50% | 60% | 100% |
| 1 person | \$12,350 | \$20,600 | \$24,700 | \$41,200 |
| 2 person | \$14,150 | \$23,550 | \$28,250 | \$47,100 |
| 3 person | \$15,900 | \$26,500 | \$31,800 | \$53,000 |
| 4 person | \$17,650 | \$29,450 | \$35,350 | \$58,900 |
| 5 person | \$19,100 | \$31,800 | \$38,150 | \$63,600 |
| 6 person | \$20,500 | \$34,150 | \$41,000 | \$68,300 |
| 7 person | \$21,900 | \$36,500 | \$43,800 | \$73,000 |
| 8 person | \$23,300 | \$38,850 | \$46,600 | \$77,700 |
| Maximum Housing Expense | | | | |
| | 30% | 50% | 60% | 100% |
| 0 bedroom | \$309 | \$515 | \$618 | \$1,030 |
| 1 bedroom | \$331 | \$552 | \$662 | \$1,104 |
| 2 bedroom | \$398 | \$663 | \$795 | \$1,325 |
| 3 bedroom | \$459 | \$766 | \$919 | \$1,531 |
| 4 bedroom | \$513 | \$854 | \$1,025 | \$1,708 |
| Utility Allowance | | | | |
| | 30% | 50% | 60% | 100% |
| 0 bedroom | \$79 | \$79 | \$79 | \$79 |
| 1 bedroom | \$111 | \$111 | \$111 | \$111 |
| 2 bedroom | \$141 | \$141 | \$141 | \$141 |
| 3 bedroom | \$175 | \$175 | \$175 | \$175 |
| 4 bedroom | \$196 | \$196 | \$196 | \$196 |
| Rent Limits | | | | |
| | 30% | 50% | 60% | 100% |
| 0 bedroom | \$230 | \$436 | \$539 | \$951 |
| 1 bedroom | \$220 | \$441 | \$551 | \$993 |
| 2 bedroom | \$257 | \$522 | \$654 | \$1,184 |
| 3 bedroom | \$284 | \$591 | \$744 | \$1,356 |
| 4 bedroom | \$317 | \$658 | \$829 | \$1,512 |

Source: State Housing Finance Agency; HUD

Fair Market Rents

The following table sets forth the fair market rents for any Section 8 voucher recipients at the subject property:

| Fair Market Rents | |
|-------------------|-------|
| 0 bedroom | \$491 |
| 1 bedroom | \$500 |
| 2 bedroom | \$594 |
| 3 bedroom | \$862 |
| 4 bedroom | \$991 |
| Utility Allowance | |
| 0 bedroom | \$79 |
| 1 bedroom | \$111 |
| 2 bedroom | \$141 |
| 3 bedroom | \$175 |
| 4 bedroom | \$196 |
| Rent Limits | |
| 0 bedroom | \$412 |
| 1 bedroom | \$389 |
| 2 bedroom | \$453 |
| 3 bedroom | \$687 |
| 4 bedroom | \$795 |

Source: U.S. Department of Housing & Urban
Development

SITE EVALUATION

Our assessment of the site includes an evaluation of the following factors with respect to the subject property: (1) Neighborhood, (2) Aerial Photograph, (3) Topography, (4) Flood Plain, (5) Environmental, (6) Surrounding Properties, (7) Accessibility, (8) Visibility, (9) Crime, (10) Schools, (11) Proximity to Employment, (12) Proximity to Area Amenities; and (13) Planned Road and Infrastructure Improvements.

Our discussion begins with an evaluation of the neighborhood in which the subject property is located.

Neighborhood

Neighborhoods are sometimes thought to evolve through four distinct stages:

- Growth – A period during which the area gains public favor and acceptance.
- Stability – A period of equilibrium without marked gains or losses.
- Decline – A period of diminishing demand.
- Revitalization – A period of renewal, redevelopment, modernization, and increasing demand.

For purposes of this analysis we define the neighborhood as zip code 31069. A map showing the neighborhood boundaries is found on the following page.

Based on our evaluation of the neighborhood, the subject property is located in a small town that appears to be in the growth stage of its life cycle. Significant population and household growth is anticipated for the next several years, along with significant increases in the housing stock. Properties in the immediate area appear to be generally 20-40 years old and in good condition.

Prizm Demographics provides demographic segmentation data for the area. According to Prizm Demographics, the neighborhood consists of the following main demographic groups: (1) Greenbelt Sports, (2) Mayberry-ville, (3) New Homesteaders, (4) Old Milltowns; and (5) Young & Rustic. Detailed write ups for each of these demographic groups are found in the following pages.

Our analysis suggests that the subject is located in an area that is generally characterized by persons with a high school education, consisting of a mix of renters and owners with lower to middle incomes with a mixture of ages.





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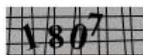
ZIP Code Look-up

PRIZM NE

► **PRIZM NE Segmentation System**

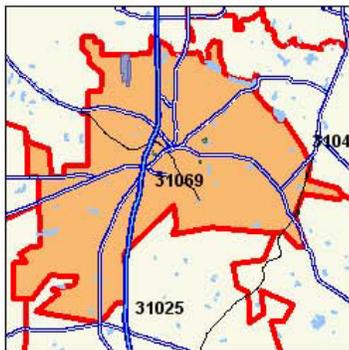
Enter 5-digit ZIP CODE 31069

Enter the security code shown below * :



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* This is to improve performance and prevent unauthorized automated scripts.



Perry, GA 31069's most common PRIZM NE Segments are:

| Number | Name |
|--------|------------------------------------|
| 23 | Greenbelt Sports |
| 37 | Mayberry-ville |
| 32 | New Homesteaders |
| 57 | Old Milltowns |
| 48 | Young & Rustic |

Click on the segment name for more detail.

Please Note: Segments are listed in alphabetical order by segment name. You must [log in](#) to view segments in order of their predominant concentration of households within the selected ZIP Code.



About Claritas

Since 1971, Claritas has been the pre-eminent source of accurate, up-to-date demographic data and target marketing information about the population, consumer behavior, consumer spending, households and businesses within any specific geographic market area in the United States. Claritas' target marketing research, customer segmentation profiling and market analysis services are aimed at reducing your cost of customer acquisition and growing customer value.

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MyBestSegments

2005 PRIZM NE Segmentation System

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[Demographics](#)
[Lifestyles](#)
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>>>



23 Greenbelt Sports

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A segment of middle-class exurban couples, Greenbelt Sports is known for its active lifestyle. Most of these middle-aged residents are married, college-educated and own new homes; about a third have children. And few segments have higher rates for pursuing outdoor activities such as skiing, canoeing, backpacking, boating and mountain biking.

Social Group: [Country Comfort](#)

Lifestage Group: [Young Achievers](#)

2005 Statistics:

US Households: 1,885,142 (1.7%)

Median HH Income: \$55,923

Lifestyle Traits

- Go mountain biking
- Buy self-help books
- Read Self
- Watch Professional wrestling
- Drive a Ford F-super duty

Demographics Traits:

| | |
|--------------------------|---------------|
| Ethnic Diversity: | Mostly White |
| Family Types: | Mix |
| Age Ranges: | 25-54 |
| Education Levels: | H.S./College |
| Employment Levels: | WC, BC, Farm |
| Housing Types: | Homeowners |
| Urbanicity: | Town/Rural |
| Income: | Midscale |
| Income Producing Assets: | not available |

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site location solutions - demographics, market segmentation, site location and target marketing software

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2005 PRIZM NE Segmentation System

[Snapshot](#)
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>>>



37 Mayberry-ville

[BACK](#)

Like the old Andy Griffith show set in a quaint picturesque berg, Mayberry-ville harks back to an old-fashioned way of life. In these small towns, middle-class couples and families like to fish and hunt during the day, and stay home and watch TV at night. With lucrative blue-collar jobs and moderately priced housing, residents use their discretionary cash to purchase boats, campers, motorcycles and pickup trucks.

Social Group: [Country Comfort](#)

Lifestage Group: [Midlife Success](#)

2005 Statistics:

US Households: 2,549,084 (2.3%)

Median HH Income: \$51,655

Lifestyle Traits

- Eat at Cracker Barrel
- Own a satellite dish
- Read Field & Stream
- Watch NASCAR Winston Cup
- Drive a full-size Ford pickup

Demographics Traits:

| | |
|--------------------------|-------------------|
| Ethnic Diversity: | Mostly White |
| Family Types: | Mix |
| Age Ranges: | 35-64 |
| Education Levels: | High School |
| Employment Levels: | Blue-Collar, Farm |
| Housing Types: | Homeowners |
| Urbanicity: | Rural |
| Income: | Midscale |
| Income Producing Assets: | not available |

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site location solutions - demographics, market segmentation, site location and target marketing software

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MyBestSegments

2005 PRIZM NE Segmentation System

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32 New Homesteaders

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Young, middle-class families seeking to escape suburban sprawl find refuge in New Homesteaders, a collection of small rustic townships filled with new ranches and Cape Cods. With decent-paying jobs in white-collar and service industries, these dual-income couples have fashioned comfortable, child-centered lifestyles, their driveways filled with campers and powerboats, their family rooms with PlayStations and Game Boys.

Social Group: [Country Comfort](#)

Lifestage Group: [Mainstream Families](#)

2005 Statistics:

US Households: 2,131,717 (1.92%)

Median HH Income: \$54,331

Lifestyle Traits

- Buy toys by mail and phone
- Play volleyball
- Read Woman's World
- Watch Wonderful World Disney
- Drive a Pontiac Montana minivan

Demographics Traits:

| | |
|--------------------------|-----------------|
| Ethnic Diversity: | White, Amlnd |
| Family Types: | Families |
| Age Ranges: | 25-44 |
| Education Levels: | High School |
| Employment Levels: | WC, Service, BC |
| Housing Types: | Homeowners |
| Urbanicity: | Town |
| Income: | Midscale |
| Income Producing Assets: | not available |

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57 Old Milltowns

[BACK](#)

America's once-thriving mining and manufacturing towns have aged - as have the residents in Old Milltowns communities. Today, the majority of residents are retired singles and couples, living on downscale incomes in pre-1960 homes and apartments. For leisure, they enjoy gardening, sewing, socializing at veterans clubs or eating out at casual restaurants.

Social Group: [Rustic Living](#)

Lifestage Group: [Sustaining Seniors](#)

2005 Statistics:

US Households: 1,590,835 (1.43%)

Median HH Income: \$28,404

Lifestyle Traits

- Go camping
- Eat at casual/buffet rest.
- Watch Daytime TV
- Watch The Price is Right
- Drive a Ford F-super duty truck

Demographics Traits:

Ethnic Diversity: White, Black, Amlnd

Family Types: Singles/Couples

Age Ranges: 65+

Education Levels: Elementary/H.S.

Employment Levels: Service, Blue-Collar

Housing Types: Mix

Urbanicity: Town

Income: Downscale

Income Producing Assets: not available

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2005 PRIZM NE Segmentation System

Snapshot Demographics Lifestyles Media Markets

>>>



48 Young & Rustic

BACK

Like the soap opera that inspired its nickname, Young & Rustic is composed of young, restless singles. Unlike the glitzy soap denizens, however, these folks tend to be lower income, high school-educated and living in tiny apartments in the nation's exurban towns. With their service industry jobs and modest incomes, these folks still try to fashion fast-paced lifestyles centered on sports, cars and dating.

Social Group: [Rustic Living](#)

Lifestage Group: [Striving Singles](#)

2005 Statistics:

US Households: 3,393,228 (3.06%)

Median HH Income: \$31,884

Lifestyle Traits

- Play basketball
- Eat convenience store meals
- Read Motorcycle magazines
- Watch Days of Our Lives
- Drive a Ford Escort

Demographics Traits:

| | |
|--------------------------|----------------------|
| Ethnic Diversity: | White, Amlnd |
| Family Types: | Mix |
| Age Ranges: | <35 |
| Education Levels: | High School |
| Employment Levels: | Service, Blue-Collar |
| Housing Types: | Renters |
| Urbanicity: | Town |
| Income: | Downscale |
| Income Producing Assets: | not available |

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Aerial Photo

A recent aerial photo showing the location of the subject property is found below:

TerraServer Image Courtesy of the USGS Page 1 of 1

[Send To Printer](#) [Back To TerraServer](#) [Change to 11x17 Print Size](#) [Show Grid Lines](#) [Change to Landscape](#)
USGS 3 km N of Perry, Georgia, United States 05 Feb 1999



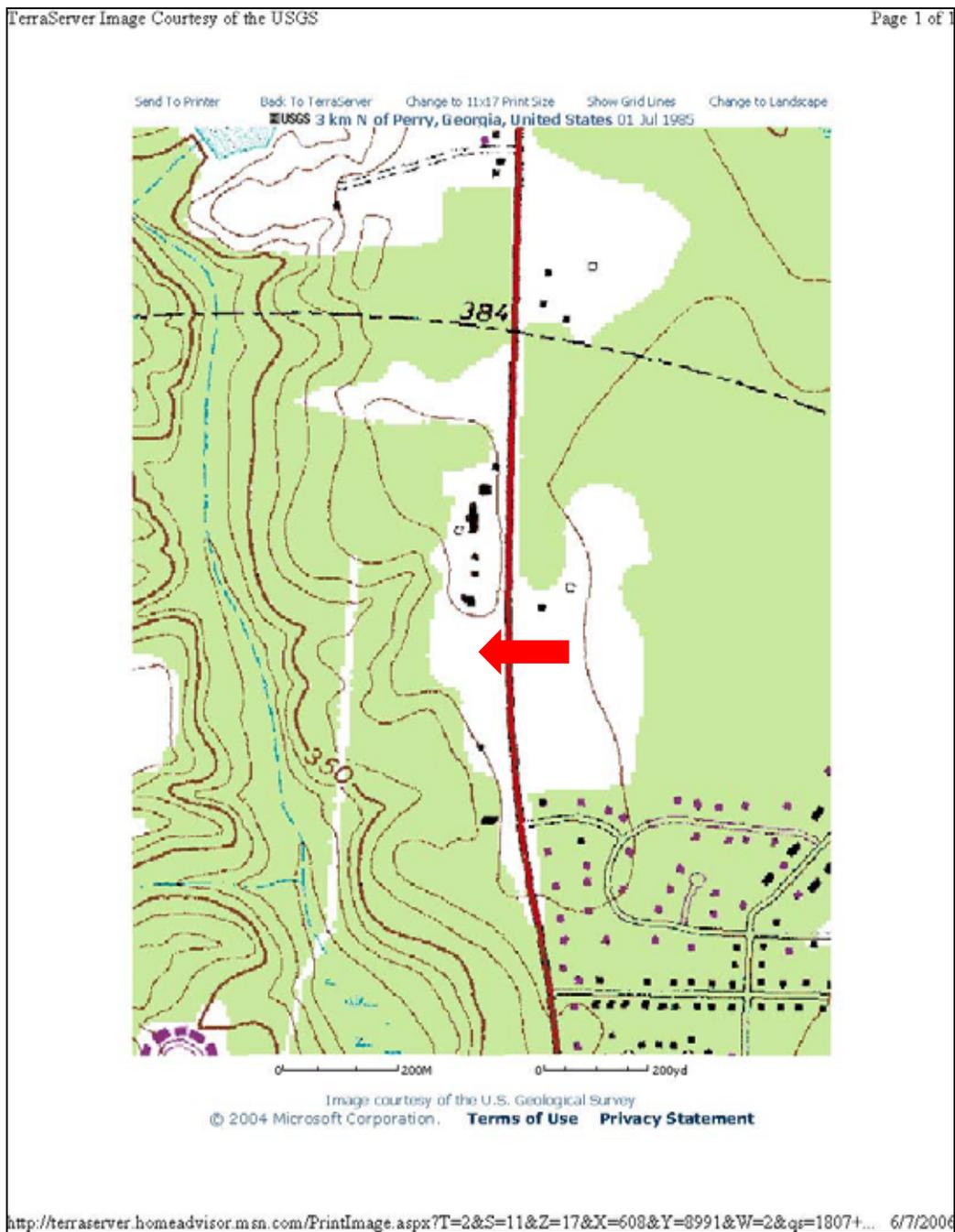
0 200M 0 200yd

Image courtesy of the U.S. Geological Survey
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<http://terraserver.homeadvisor.msn.com/PrintImage.aspx?T=1&S=11&Z=17&X=608&Y=8991&W=2&q8=1807+...> 6/7/2006

Topography

The USGS map showing the topography of the subject property and surrounding area is found below:



The topographic map shows that the site is fairly flat and drains to the west. There do not appear to be any topographic issues with respect to the subject property.

Flood Plain

The FEMA map showing the location of the subject property relative to nearby areas prone to flooding (the 100-year flood plain is identified in purple; the 500-year flood plain is identified in yellow) is found below:

Page 1 of 1

Flood Insights test results for :

Latitude: 32.47673 Longitude: -83.72985
Geocoding Accuracy: Not Available

Flood Zone Determinations [Test Description](#)

SFHA (Flood Zone) Within 250 feet of multiple flood zones?
 Out No

| Community | Community Name | Zone | Panel | Panel Date | Cobra |
|-----------|----------------|------|-------|------------------|-------|
| 130110 | PERRY, CITY OF | C | 0001B | January 19, 1978 | OUT |

FIPS Code 13153 **Census Tract** 0212.00

Copyright 2000, First American Flood Data Services. All rights reserved.

Flood Map Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRMs

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http://www.floodinsights.com/XsiteScripts/hsrun.hse/FloodInsights/FloodLookups/StateId/R.3HhIwCtgJx1Ubgbtg... 6/7/2006

The FEMA map identified the subject property as not being located in the 100-year flood zone.

Environmental

The FirstSearch public records review identifying the location of any potential recognized environmental conditions with respect to the subject property is found below:

| Environmental FirstSearch Search Summary Report | | | | | | | | | | |
|--|-----|----------|--------|------|-----|-----|-----|------|-----|--------|
| Target Site: | | | | | | | | | | |
| PERRY GA 31069 | | | | | | | | | | |
| FirstSearch Summary | | | | | | | | | | |
| Database | Sel | Updated | Radius | Site | 1/8 | 1/4 | 1/2 | 1/2> | ZIP | TOTALS |
| NPL | Y | 04-10-06 | 1.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CERCLIS | Y | 03-08-06 | 0.50 | 0 | 0 | 0 | 0 | - | 0 | 0 |
| NFRAP | Y | 03-08-06 | 0.25 | 0 | 0 | 0 | - | - | 0 | 0 |
| RCRA TSD | Y | 02-16-06 | 0.50 | 0 | 0 | 0 | 0 | - | 0 | 0 |
| RCRA COR | Y | 02-16-06 | 1.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| RCRA GEN | Y | 02-16-06 | 0.25 | 0 | 0 | 0 | - | - | 0 | 0 |
| ERNS | Y | 12-31-05 | 0.15 | 0 | 0 | 0 | - | - | 0 | 0 |
| State Sites | Y | 04-01-06 | 1.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Spills-1990 | Y | 03-31-06 | 0.25 | 0 | 0 | 2 | - | - | 0 | 2 |
| SWL | Y | 01-01-06 | 0.50 | 0 | 0 | 0 | 0 | - | 0 | 0 |
| Other | Y | 04-01-06 | 0.25 | 0 | 0 | 0 | - | - | 0 | 0 |
| REG UST/AST | Y | 02-01-06 | 0.25 | 0 | 0 | 2 | - | - | 1 | 3 |
| Leaking UST | Y | 03-01-06 | 0.50 | 0 | 0 | 0 | 0 | - | 0 | 0 |
| - TOTALS - | | | | 0 | 0 | 4 | 0 | 0 | 1 | 5 |

Notice of Disclaimer

Due to the limitations, constraints, inaccuracies and incompleteness of government information and computer mapping data currently available to FirstSearch Technology Corp., certain conventions have been utilized in preparing the locations of all federal, state and local agency sites residing in FirstSearch Technology Corp.'s databases. All EPA NPL and state landfill sites are depicted by a rectangle approximating their location and size. The boundaries of the rectangles represent the eastern and western most longitudes; the northern and southern most latitudes. As such, the mapped areas may exceed the actual areas and do not represent the actual boundaries of these properties. All other sites are depicted by a point representing their approximate address location and make no attempt to represent the actual areas of the associated property. Actual boundaries and locations of individual properties can be found in the files residing at the agency responsible for such information.

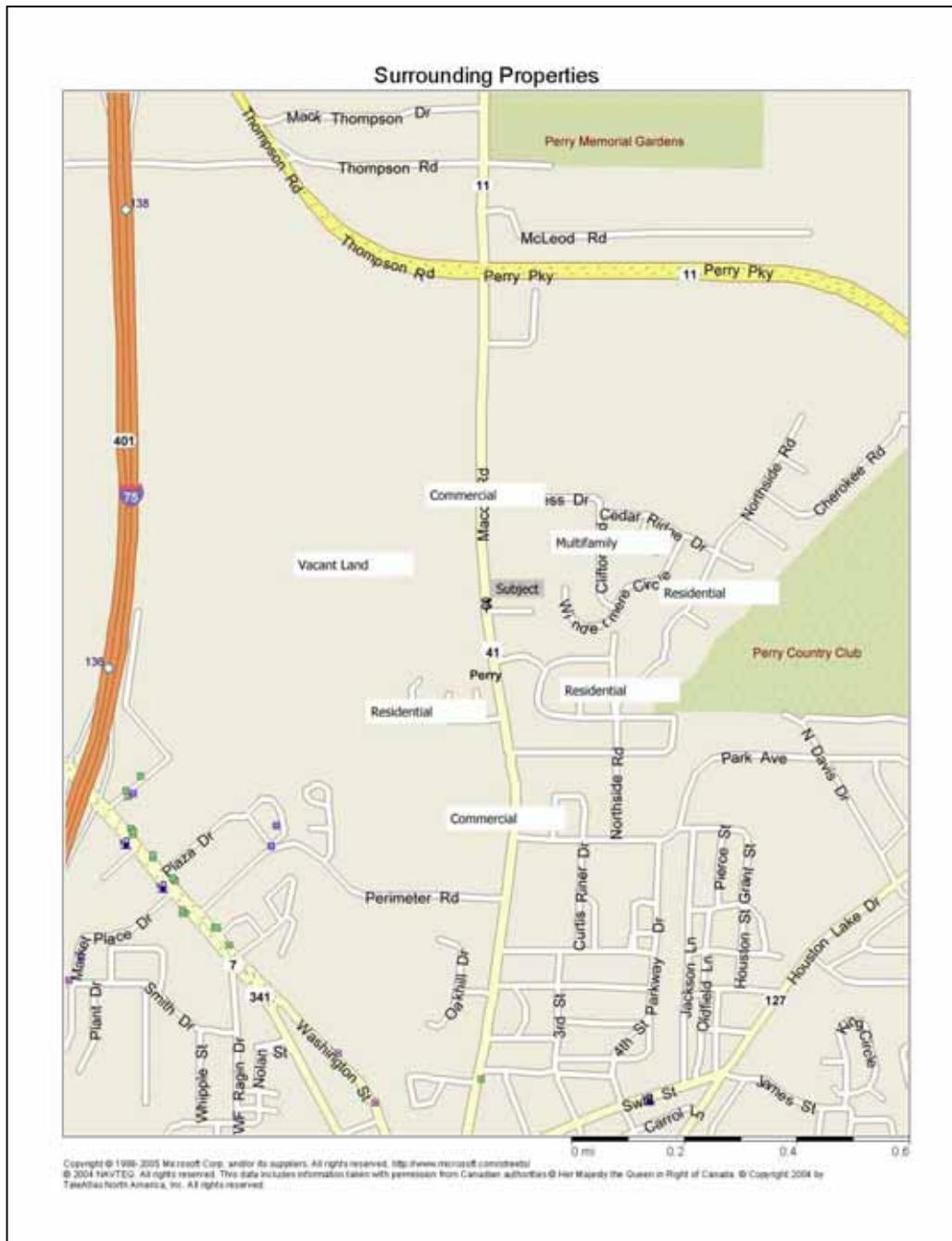
Waiver of Liability

Although FirstSearch Technology Corp. uses its best efforts to research the actual location of each site, FirstSearch Technology Corp. does not and can not warrant the accuracy of these sites with regard to exact location and size. All authorized users of FirstSearch Technology Corp.'s services proceeding are signifying an understanding of FirstSearch Technology Corp.'s searching and mapping conventions, and agree to waive any and all liability claims associated with search and map results showing incomplete and or inaccurate site locations.

Our public records review identified 0 leaking underground storage tank(s), 2 hazardous waste spill site(s), and 0 hazardous waste generator(s) within 1/2 mile of the subject property. We recommend that the sponsor obtain an environmental assessment prior to this transaction being funded.

Surrounding Properties

A map showing the location of the subject property relative to adjacent and nearby parcels is shown below:



Our review of the site shows that the subject is located in a small town with single commercial and residential to the north, commercial and residential to the south, residential to the east, and vacant land and residential to the west.

Accessibility

The subject property is located off a major thoroughfare with a fairly volume of traffic flow. Accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.

Visibility

The subject property is located off a major thoroughfare with a fairly high volume of traffic flow. Visibility and exposure are, therefore, good by virtue of the site's location relative to existing traffic patterns.

Crime

Claritas maintains crime rate data at the census tract level throughout the United States. A table showing crime rates for the area is found below:

| | Region | Market | Tract |
|-------------|---------|--------|-------|
| Total Crime | 2,082 | 462 | 85 |
| Poputalion | 138,713 | 40,482 | 8,707 |
| Crime Rate | 1.5% | 1.1% | 1.0% |

Source: Claritas

According to Claritas, the crime rate in the immediate vicinity of the subject property is 1.0 percent. This is compared with market area and regional crime rates of 1.1 percent and 1.5 percent, respectively. In our opinion, the subject property appears to be located in an area with below-average crime risk.

Please note: The crime statistics presented above include violent and non-violent crime for a wide variety of property types. Further, the statistics make no consideration for the implementation of an affirmative crime prevention program at the subject property.

Schools

Standards & Poor maintains information on public school districts throughout the United States. The following table provides details for the school district serving the subject property:

| | This District | State |
|--|---------------|-------|
| How Students Performed on State Reading Tests | | |
| Grade 3 Reading Proficiency (%) | 94.6 | 91.9 |
| Grade 8 Reading Proficiency (%) | 86.4 | 82.7 |
| Grade 11 English Language Arts Proficiency (%) | 94.7 | 94.9 |
| How Students Performed on State Math Tests | | |
| Grade 3 Math Proficiency (%) | 92.2 | 89.4 |
| Grade 8 Math Proficiency (%) | 80.5 | 68.8 |
| Grade 11 Math Proficiency (%) | 93.2 | 92.1 |

Source: Standards & Poor

Claritas maintains educational attainment data at the census tract level throughout the United States. A table showing educational attainment data for the area is found below:

| | Region | Market | Tract |
|-----------------------------------|--------|--------|--------|
| Completed less than 9th grade | 6.1% | 5.7% | 6.0% |
| Completed grades 9-12, no diploma | 13.9% | 15.1% | 13.6% |
| Completed high school | 17.1% | 15.9% | 15.8% |
| Completed some college | 30.3% | 28.5% | 31.9% |
| Associate's degree | 8.0% | 7.2% | 5.5% |
| Bachelor's degree | 14.6% | 16.5% | 15.6% |
| Graduate or professional degree | 10.0% | 11.2% | 11.6% |
| Total | 100.0% | 100.0% | 100.0% |
| Less than high school | 20.0% | 20.7% | 19.6% |
| High school or more | 80.0% | 79.3% | 80.4% |
| Bachelor's degree or more | 24.6% | 27.7% | 27.2% |

Source: Claritas

According to Standards & Poor the subject property is located in an area with above-average elementary schools, above-average middle schools, and average high schools. According to Claritas, the subject property is located in an area with above-average educational attainment.

Commute to Work

| | Region | Market | Tract |
|------------------------|--------|--------|--------|
| 4 minutes or less | 2.8% | 2.9% | 2.9% |
| 5 to 14 minutes | 30.4% | 26.8% | 27.7% |
| 15 to 29 minutes | 42.3% | 44.0% | 45.2% |
| 30 to 44 minutes | 16.2% | 17.2% | 15.2% |
| 45 minutes or more | 6.8% | 7.1% | 5.8% |
| Worked at home | 1.6% | 2.0% | 3.1% |
| Total | 100.0% | 100.0% | 100.0% |
| Less than 5 minutes | 2.8% | 2.9% | 2.9% |
| Less than 15 minutes | 33.2% | 29.7% | 30.6% |
| Less than 30 minutes | 75.4% | 73.7% | 75.8% |
| Less than 45 minutes | 91.6% | 90.9% | 91.1% |
| More than 45 minutes | 6.8% | 7.1% | 5.8% |
| Worked at home | 1.6% | 2.0% | 3.1% |
| Average Commute Time | 21 | 22 | 21 |
| Vehicles per household | 1.85 | 1.91 | 1.90 |

Source: U.S. Census

The majority of the top employers are located within 20 miles of the subject property. Employees in the vicinity of the subject property have an average commute time of 21 minutes. This is compared with market area and regional commute times of 22 minutes and 21 minutes, respectively. We conclude that the subject property has a good location with respect to local employers.

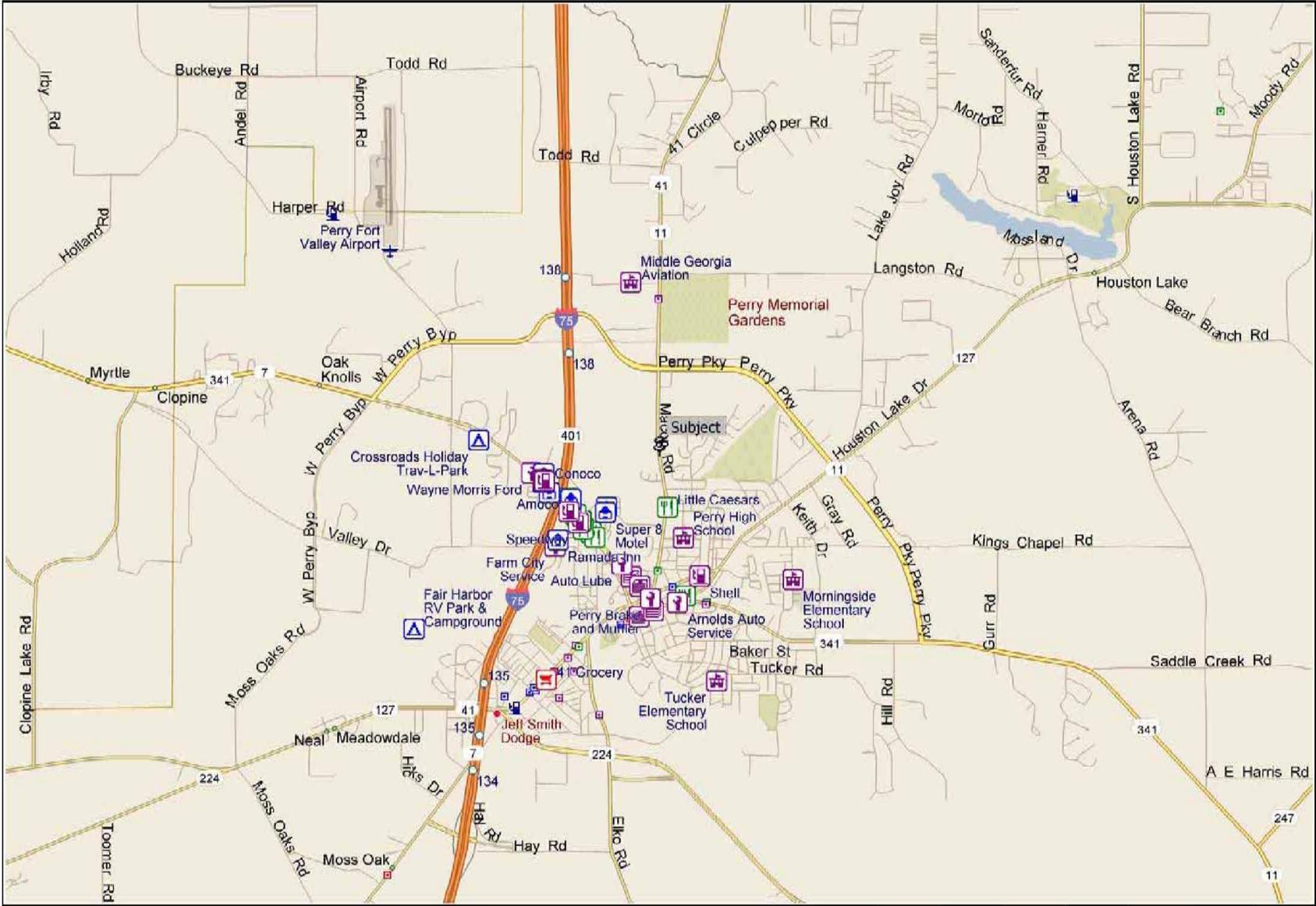
Proximity to Area Amenities

The map and table found in the following pages gives a summary of the site's location relative to entertainment, health clinics, hospitals, places worship, public services, retail, and schools. The map and table suggest that the subject property is located the following distances from a variety of amenities and services:

- Entertainment: Good. Within 2.0 miles of most establishments.
- Health Clinics: Good. Within 2.0 miles of nearest establishment.
- Hospitals: Good. Within 2.0 miles of nearest establishment.
- Places of Worship: Good. Within 1.0 miles of nearest establishment.
- Public Services: Good. Within 2.0 miles of most establishments.
- Retail: Very Good. Within 1.0 miles of nearest establishment.
- Schools: Good. Within 2.0 miles of nearest establishment.

Our analysis suggests that the subject property has a good location with respect to local amenities and services.

Proximity to Area Amenities



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Proximity to Area Amenities

| Business Type | Business Name Address, City, State (Miles to Subject) Phone Number | Business Type | Business Name Address, City, State (Miles to Subject) Phone Number |
|--------------------------|--|--------------------------|---|
| | Entertainment | | Places of Worship |
| Recreation Centers | Perry City Parks & Recreation 1060 Keith Dr, Perry, GA (1.65 miles away) 478-988-2860 | Churches | First Christian Church 2100 Macon Rd, Perry, GA (0.48 miles away) 478-987-5428 |
| Theatres | Parkway Cinemas 821 Russell Pkwy, Warner Robins, GA (9.82 miles away) 478-922-2424 | Mosques | Muhammad Mosque 1695 3rd St, Macon, GA (24.55 miles away) 478-744-0913 |
| Video Rental | Movie Gallery 1007 Saint Patricks Dr, Perry, GA (0.84 miles away) 478-988-8558 | Temples | Temple Beth Israel 892 Cherry St, Macon, GA (25.88 miles away) 478-745-6727 |
| Locational Rating | Good | Locational Rating | Good |
| | Retail | | Schools |
| Banks | Security Bank 1208 Washington St, Perry, GA (1.01 miles away) 478-722-7130 | Preschool | Sugar Plum Child Care Ctr Inc 1821 Macon Rd, Perry, GA (0.02 miles away) 478-987-0886 |
| Department Stores | Dollar General 104 Plaza Connector, Perry, GA (0.62 miles away) 478-218-0124 | Elementary School | PERRY ELEMENTARY SCHOOL 906 SCHOOL ST, PERRY, GA (1.33 miles away) 478-988-6267 |
| Grocers | Wal-Mart Supercenter 1109 Saint Patricks Dr, Perry, GA (0.70 miles away) 478-987-3620 | Junior High School | Perry Middle School 495 Perry Pkwy, Perry, GA (1.53 miles away) 478-988-6285 |
| Pharmacies | Eckerd Pharmacy 1325 Washington St, Perry, GA (0.90 miles away) 478-987-9225 | Senior High School | Perry High School 1307 North Ave, Perry, GA (0.67 miles away) 478-988-6298 |
| Restaurants | My Sisters Cafe 107 Perimeter Rd, Perry, GA (0.54 miles away) 478-987-3131 | Junior Colleges | Middle Georgia Technical Clg 80 Cohen Walker Dr, Warner Robins, GA (6.34 miles away) 478-988-6800 |
| Locational Rating | Very Good | Locational Rating | Good |
| | Public Services | | Public Services |
| Fire Department | Perry Fire Dept 1207 Washington St, Perry, GA (1.01 miles away) 478-988-2850 | Police | Perry Police Dept 1207 Washington St, Perry, GA (1.01 miles away) 478-988-2800 |
| Government | Perry City Administrative Ofc 1211 Washington St, Perry, GA (1.01 miles away) 478-988-2736 | Post Office | US Post Office Perry, GA (1.15 miles away) 478-000-1111 |
| Housing Authority | Perry Housing Authority 822 Perimeter Rd, Perry, GA (0.76 miles away) 478-987-5097 | Senior Centers | Summerhill Elderliving Home 500 Stanley St, Perry, GA (1.95 miles away) 478-987-3251 |
| Libraries | Perry Public Library 1201 Washington St, Perry, GA (1.06 miles away) 478-987-3050 | Social Services | Family & Children's Svc Dept 92 Cohen Walker Dr, Warner Robins, GA (6.39 miles away) 478-988-7600 |
| Locational Rating | Good | Locational Rating | Good |
| | Health Care | | Health Care |
| Health Clinics | Perry Family Medical Assoc 938 Carroll St, Perry, GA (1.24 miles away) 478-987-2212 | Hospitals | Perry Hospital 1120 Morningside Dr, Perry, GA (1.61 miles away) 478-987-3600 |
| Locational Rating | Good | Locational Rating | Good |

Planned Road & Infrastructure Improvements

We are not aware of any planned road or infrastructure improvements in the immediate vicinity of the subject property.

Conclusions

The following table gives a summary of our overall site evaluation:

| Overall Site Evaluation | | |
|-----------------------------------|--|-----------|
| Topography | | |
| Grade | Flat | Good |
| Drainage | West | |
| Flood Plain | | |
| Designated Flood Plain | No | Good |
| Environmental | | |
| Leaking USTs (within 1/2 mile) | 0 | Fair |
| Spill Sites (within 1/2 mile) | 2 | |
| Hazardous Waste (within 1/2 mile) | 0 | |
| Surrounding Properties | | |
| Neighboring Property to North | Commercial/Vacant Land/Residential Commercial/Vacant Land Multifamily/Single Family Vacant Land/Single Family | Good |
| Neighboring Property to South | | |
| Neighboring Property to East | | |
| Neighboring Property to West | | |
| Accessibility | | |
| Location | Off Major Thoroughfare | Good |
| Visibility | | |
| Location | Off Major Thoroughfare | Good |
| Crime | | |
| Crime Rate, Site | 1.0% | Very Good |
| Crime Rate, Market | 1.1% | |
| Crime Rate, Regional | 1.5% | |
| Elementary Schools | | |
| Reading Proficiency (Local/State) | 94.6%/91.9% | Very Good |
| Math Proficiency (Local/State) | 92.2%/89.4% | |
| Middle Schools | | |
| Reading Proficiency (Local/State) | 86.4%/82.7% | Very Good |
| Math Proficiency (Local/State) | 80.5%/68.8% | |
| High Schools | | |
| Reading Proficiency (Local/State) | 94.7%/94.9% | Good |
| Math Proficiency (Local/State) | 93.2%/92.1% | |
| Educational Attainment | | |
| H.S. Graduation Rate, Site | 80.4% | Very Good |
| H.S. Graduation Rate, Market | 79.3% | |
| H.S. Graduation Rate, Regional | 80.0% | |
| Proximity to Employment | | |
| Commute Time (minutes), Site | 21 | Good |
| Commute Time (minutes), Market | 22 | |
| Commute Time (minutes), Regional | 21 | |
| Proximity to Services | | |
| Distance to Entertainment | 2.0 Miles | Good |
| Distance to Health Clinics | 2.0 Miles | Good |
| Distance to Hospitals | 2.0 Miles | Good |
| Distance to Places of Worship | 1.0 Miles | Good |
| Distance to Public Services | 2.0 Miles | Good |
| Distance to Retail | 1.0 Miles | Very Good |
| Distance to Schools | 2.0 Miles | Good |
| Overall Site Evaluation | | Good |

Source: Allen & Associates

In our opinion the location of the subject property is good. Our observations follow:

- Based on our evaluation of the neighborhood, the subject property is located in a small town that appears to be in the growth stage of its life cycle. Significant population and household growth is anticipated for the next several years, along with significant increases in the housing stock. Properties in the immediate area appear to be generally 20-40 years old and in good condition.
- Our analysis suggests that the subject is located in an area that is generally characterized by persons with a high school education, consisting of a mix of renters and owners with lower to middle incomes with a mixture of ages.
- The topographic map shows that the site is fairly flat and drains to the west. There do not appear to be any topographic issues with respect to the subject property.
- The FEMA map identified the subject property as not being located in the 100-year flood zone.
- Our public records review identified 0 leaking underground storage tank(s), 2 hazardous waste spill site(s), and 0 hazardous waste generator(s) within ½ mile of the subject property. We recommend that the sponsor obtain an environmental assessment prior to this transaction being funded.
- Our review of the site shows that the subject is located in a small town with single commercial and residential to the north, commercial and residential to the south, residential to the east, and vacant land and residential to the west.
- The subject property is located off a major thoroughfare with a fairly volume of traffic flow. Accessibility is good by virtue of the location of the subject property relative to existing streets and thoroughfares.
- The subject property is located off a major thoroughfare with a fairly high volume of traffic flow. Visibility and exposure are, therefore, good by virtue of the site's location relative to existing traffic patterns.
- According to Claritas, the crime rate in the immediate vicinity of the subject property is 1.0 percent. This is compared with market area and regional crime rates of 1.1 percent and 1.5 percent, respectively. In our opinion, the subject property appears to be located in an area with below-average crime risk.
- According to Standards & Poor the subject property is located in an area with above-average elementary schools, above-average middle schools, and average high schools. According to Claritas, the subject property is located in an area with above-average educational attainment.
- The majority of the top employers are located within 20 miles of the subject property. Employees in the vicinity of the subject property have an average commute time of 21 minutes. This is compared with market area and regional commute times of 22 minutes and 21 minutes, respectively. We conclude that the subject property has a good location with respect to local employers.
- Our analysis suggests that the subject property has a good location with respect to local amenities and services.
- We are not aware of any planned road or infrastructure improvements in the immediate vicinity of the subject property.

SUBJECT PROPERTY PHOTOS

Photos of the subject property are found below:

Cameron Court



Looking South on Macon Road



Looking North on Macon Road



MARKET AREA

Overview

Market areas are influenced by a variety of interrelated factors. These factors include site location, economic, and demographic characteristics (tenure, income, rent levels, etc.), local transportation patterns, physical boundaries (rivers, streams, topography, etc.), census geographies, and the location of comparable and/or potentially competing communities.

In areas where the county seat is the largest city, centrally located, and draws from the entire county, the county may be the market area. In the case where there are potentially competing communities in one county, the market area may be part of the county. In fact, the market area could include portions of adjacent counties. In this case, a combination of county subdivisions may be used to define the market area. In urban or suburban areas, the market area will be adjacent to the site extending to all locations of similar character with residents or potential residents likely to be interested in the project. In this case, county subdivisions, townships, or a combination of census tracts may be used to define the market area.

Allen & Associates recently conducted a series of property management interviews to better understand market areas and resident moving patterns for affordable multifamily properties. A summary of the survey results follows:

Market Area Survey

| Family | | | |
|--|-------|----------|-------|
| | Urban | Suburban | Rural |
| How many minutes does your typical tenant move from to reside in your units? | 15 | 20 | 15 |
| What % of your tenants come from outside this typical drive time area? | 20% | 20% | 10% |
| What % of your tenants are over 55 years old? | 20% | 15% | 15% |

| 55+ Elderly | | | |
|--|-------|----------|-------|
| | Urban | Suburban | Rural |
| How many minutes does your typical tenant move from to reside in your units? | 15 | 20 | 15 |
| What % of your tenants come from outside this typical drive time area? | 25% | 25% | 15% |
| What % of your tenants come out of single family residences? | 40% | 20% | 30% |
| What % of your tenants are between 55 & 65 years old? | 35% | 30% | 30% |
| What % of your tenants are between 65 & 75 years old? | 60% | 55% | 55% |
| What % of your tenants are over 75 years old? | 5% | 15% | 15% |
| What % of your tenants are female? | 85% | 80% | 90% |

| 62+ Elderly | | | |
|--|-------|----------|-------|
| | Urban | Suburban | Rural |
| How many minutes does your typical tenant move from to reside in your units? | 15 | 20 | 15 |
| What % of your tenants come from outside this typical drive time area? | 20% | 20% | 10% |
| What % of your tenants come out of single family residences? | 20% | 20% | 10% |
| What % of your tenants are between 62 & 65 years old? | 20% | 10% | 10% |
| What % of your tenants are between 65 & 75 years old? | 70% | 75% | 75% |
| What % of your tenants are over 75 years old? | 10% | 10% | 10% |
| What % of your tenants are female? | 80% | 95% | 95% |

Source: Allen & Associates

The market area survey was used to develop the primary and secondary market area defined below.

Primary Market Area

We defined the primary market area by generating a drive time zone around the subject property and analyzing median rents and average household income levels in the area. We also considered population densities, existing concentrations of multifamily properties and the nearest census tract boundaries in our analysis.

Based on our evaluation of the local market, we concluded that the primary market area includes the following 2000 Census Tracts:

| Census Tract | County | % of Tract |
|---------------------|---------------|-------------------|
| 211.06 | Houston | 100% |
| 212 | Houston | 100% |
| 213 | Houston | 100% |
| 214 | Houston | 100% |
| 401 | Peach | 40% |
| 402 | Peach | 60% |
| 404 | Peach | 60% |

The site is located in Houston County Census Tract 212.

Secondary Market Area

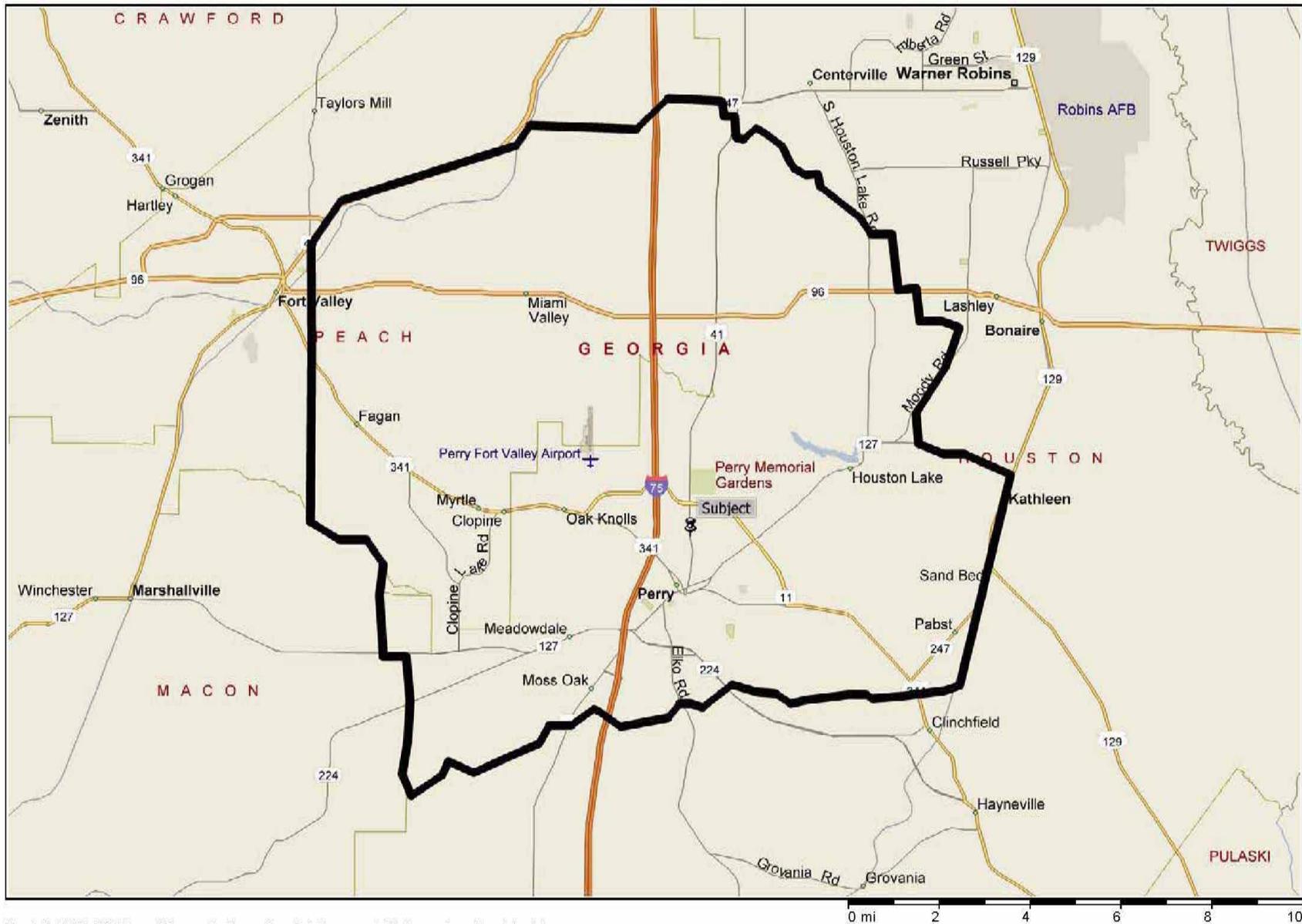
The subject property is proposed to be a 55+ age-restricted community. Consistent with Georgia Department of Community Affairs (DCA) guidelines, we will use 62+ demographic data in this analysis, grossing up demand by 10 percent to account for persons aged 55-62 years old. While most renters in age-restricted multifamily properties are in excess of 60 years old, this methodology offers a reasonable picture of the group most likely to lease at the subject property.

In addition, our research suggests that as much as 20 percent of demand will come from homeowners converting to renters for this project. Finally, our research suggests that as much as 15 percent of multifamily demand will come from areas outside of the market area defined above.

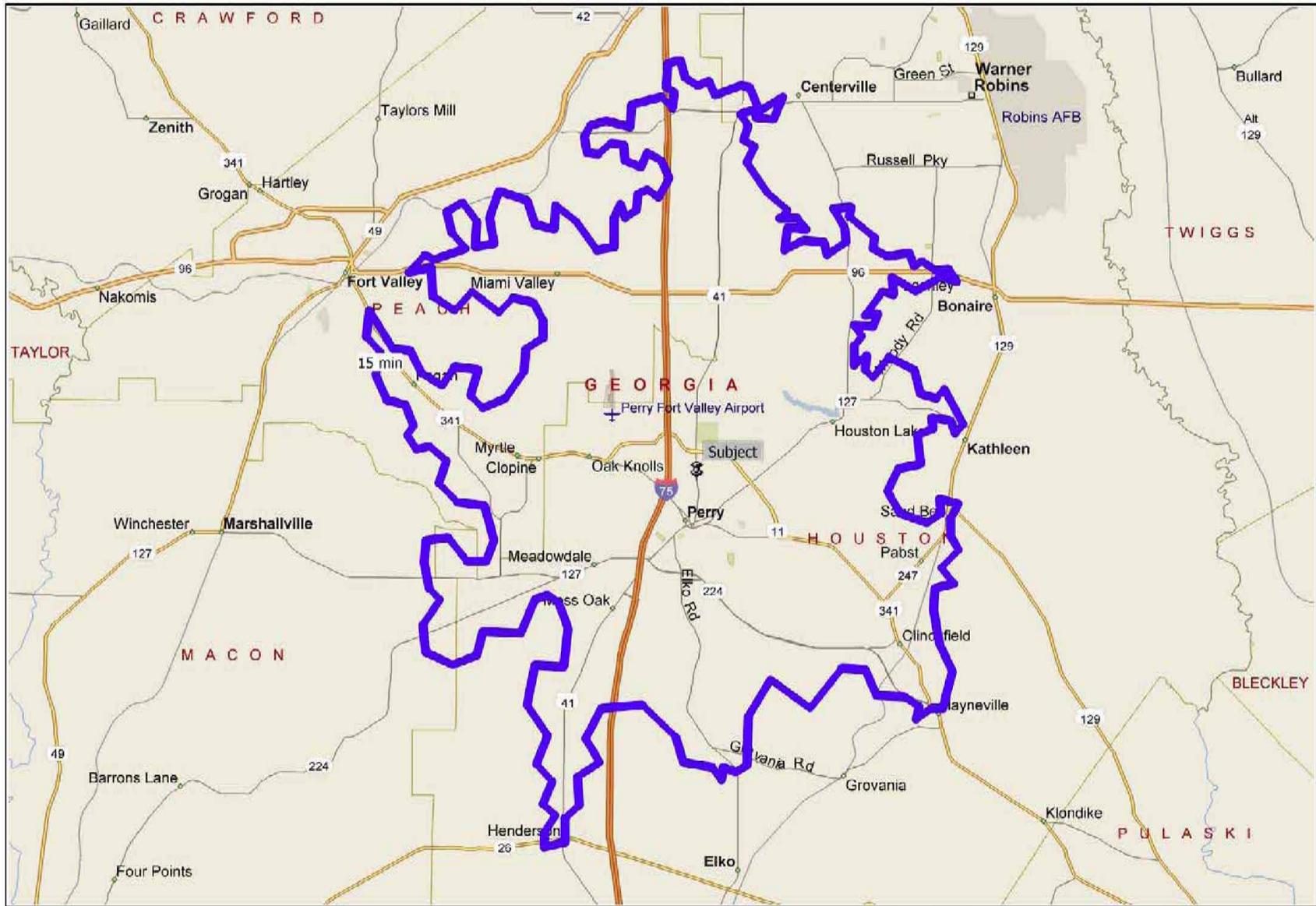
Market Area Map

Market area, drive time and existing multifamily maps depicting the location of the subject property are presented in the following pages:

Market Area

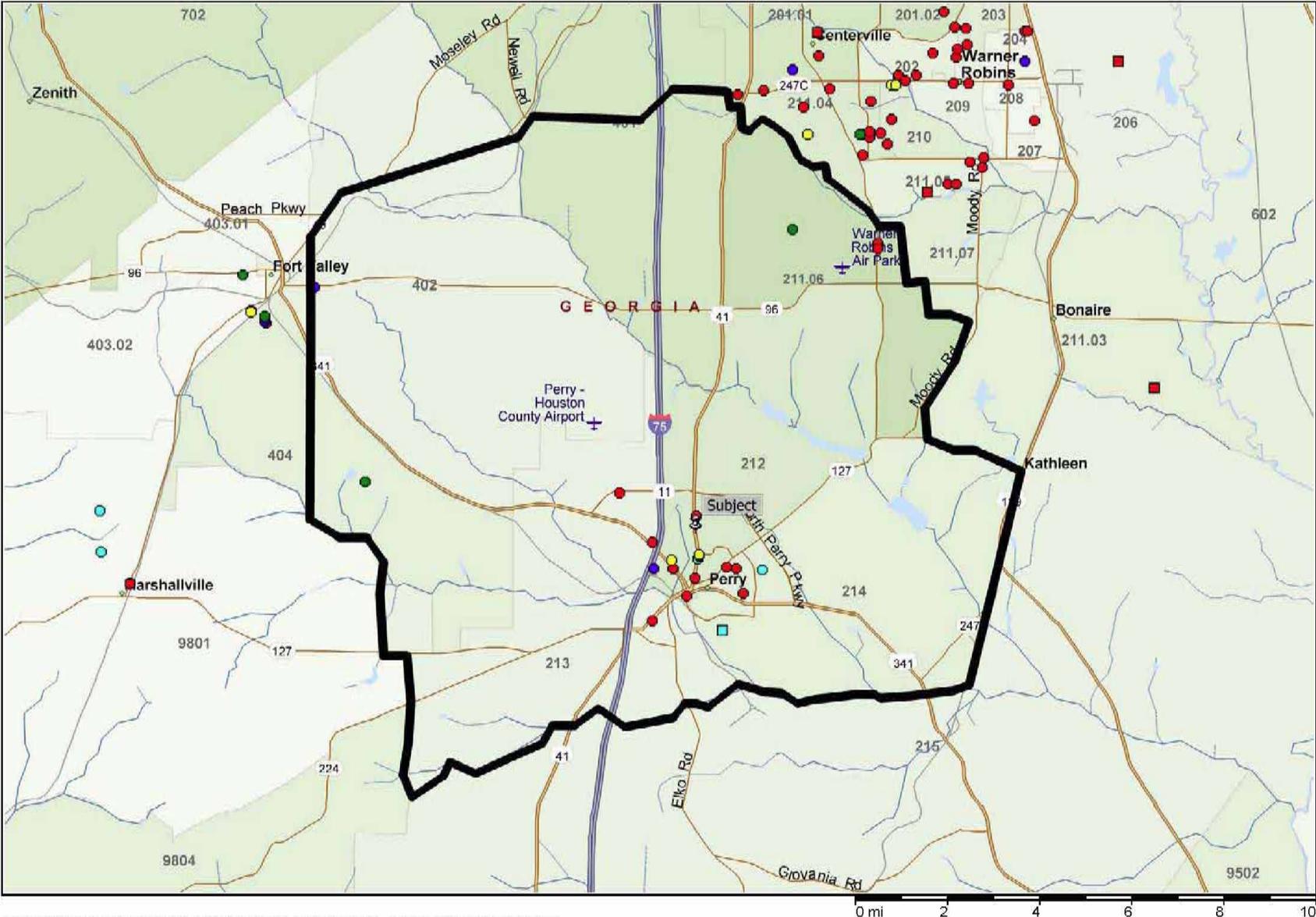


Drive Time



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Existing Multifamily



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REGIONAL ECONOMY

In this section we conduct an analysis of the regional economy. For purposes of this analysis, we define the Region as Peach and Houston Counties, Georgia.

Employment, Establishment-Based

The following table gives establishment-based employment data for the nation, state and region since 1990. The data set, which comes from Woods & Poole Economics, includes a forecast through 2010:

| Employment, Establishment-Based | | | | | |
|---------------------------------|----------------------------|-------------|-----------|--------|----------------------------|
| 1990-2000 Historic | | | | | |
| Line | | US | State | Region | Notes |
| 1 | 1990 Employment | 139,380,891 | 3,689,352 | 59,722 | Bureau of Labor Statistics |
| 2 | 2000 Employment | 166,758,782 | 4,892,289 | 72,239 | Bureau of Labor Statistics |
| 3 | 1990-2000 Change | 27,377,891 | 1,202,937 | 12,517 | (2) - (1) |
| 4 | | | | | |
| 5 | 1990-2000 Annual Change, % | 1.8% | 2.9% | 1.9% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | | |
| 7 | | US | State | Region | |
| 8 | 2000 Employment | 166,758,782 | 4,892,289 | 72,239 | Bureau of Labor Statistics |
| 9 | 2005 Employment | 174,571,542 | 5,119,132 | 79,123 | Bureau of Labor Statistics |
| 10 | 2000-2005 Change | 7,812,760 | 226,843 | 6,884 | (9) - (8) |
| 11 | | | | | |
| 12 | 2000-2005 Annual Change, % | 0.9% | 0.9% | 1.8% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | | |
| 14 | | US | State | Region | |
| 15 | 2005 Employment | 174,571,542 | 5,119,132 | 79,123 | Bureau of Labor Statistics |
| 16 | 2010 Employment | 187,135,175 | 5,527,813 | 85,624 | Woods & Poole |
| 17 | 2005-2010 Change | 12,563,633 | 408,681 | 6,501 | (16) - (15) |
| 18 | | | | | |
| 19 | 2005-2010 Annual Change, % | 1.4% | 1.5% | 1.6% | $[(16)/(15)]^{(1/5)}-1$ |

Source: Bureau of Labor Statistics; Woods & Poole Economics

Establishment-based employment for the region increased from 59,722 in 1990 to 79,123 in 2005. Employment is forecasted to increase 1.6 percent annually through 2010. This is compared with projected growth of 1.5 and 1.4 percent for the state and nation, respectively.

Employment, by Industry

The following table gives the current distribution and a forecast of establishment-based employment by industry for the nation, state and region:

| Employment, by Industry | | | | | | | | |
|----------------------------------|--------------------|--------------------|-----------------------|--------------------|-----------------------|------------------------|--------------------|---------------------|
| United States | | | | | | | | |
| Category | 1990 | 2000 | 1990-2000 Historic | 2005 | 2000-2005 Historic | 2005-2010 Projected | 2010 | Percent of Total |
| Farm Employment | 3,153,000 | 3,113,000 | -0.1% | 3,071,143 | -0.3% | 0.0% | 3,064,734 | 1.8% |
| Agricultural | 1,453,958 | 2,121,118 | 3.8% | 2,295,176 | 1.6% | 1.8% | 2,513,356 | 1.3% |
| Mining | 1,044,098 | 784,205 | -2.8% | 773,133 | -0.3% | 0.9% | 808,485 | 0.4% |
| Construction | 7,261,784 | 9,446,293 | 2.7% | 9,871,419 | 0.9% | 1.5% | 10,634,270 | 5.7% |
| Manufacturing | 19,694,193 | 19,114,818 | -0.3% | 17,131,709 | -2.2% | 0.2% | 17,335,429 | 9.8% |
| Trans, Comm & Public Utilities | 6,550,612 | 8,244,403 | 2.3% | 8,442,010 | 0.5% | 1.4% | 9,060,356 | 4.8% |
| Wholesale Trade | 6,720,494 | 7,584,128 | 1.2% | 7,681,175 | 0.3% | 1.2% | 8,146,127 | 4.4% |
| Retail Trade | 22,885,508 | 27,222,299 | 1.8% | 28,044,676 | 0.6% | 1.1% | 29,596,745 | 16.1% |
| Finance, Insurance & Real Estate | 10,714,602 | 13,193,718 | 2.1% | 15,384,800 | 3.1% | 1.1% | 16,276,060 | 8.8% |
| Services | 38,670,642 | 52,990,800 | 3.2% | 57,668,413 | 1.7% | 2.1% | 64,054,988 | 33.0% |
| Federal Civilian Government | 3,233,004 | 2,891,979 | -1.1% | 2,753,317 | -1.0% | 0.3% | 2,792,255 | 1.6% |
| Federal Military Government | 2,717,996 | 2,075,021 | -2.7% | 1,972,214 | -1.0% | 0.3% | 2,002,656 | 1.1% |
| State and Local Government | 15,281,000 | 17,977,000 | 1.6% | 19,482,357 | 1.6% | 1.4% | 20,849,714 | 11.2% |
| Total | 139,380,891 | 166,758,782 | 1.8% | 174,571,542 | 0.9% | 1.4% | 187,135,175 | 100.0% |

| State | | | | | | | | |
|----------------------------------|------------------|------------------|-----------------------|------------------|-----------------------|------------------------|------------------|---------------------|
| Category | 1990 | 2000 | 1990-2000 Historic | 2005 | 2000-2005 Historic | 2005-2010 Projected | 2010 | Percent of Total |
| Farm Employment | 74,286 | 67,255 | -1.0% | 67,535 | 0.1% | -0.2% | 66,894 | 1.3% |
| Agricultural | 31,513 | 55,925 | 5.9% | 64,490 | 2.9% | 2.4% | 72,538 | 1.3% |
| Mining | 10,595 | 9,549 | -1.0% | 9,234 | -0.7% | 0.4% | 9,408 | 0.2% |
| Construction | 212,380 | 301,578 | 3.6% | 307,227 | 0.4% | 1.7% | 334,411 | 6.0% |
| Manufacturing | 572,396 | 601,281 | 0.5% | 548,816 | -1.8% | 0.5% | 561,485 | 10.7% |
| Trans, Comm & Public Utilities | 215,815 | 302,717 | 3.4% | 310,571 | 0.5% | 2.1% | 344,755 | 6.1% |
| Wholesale Trade | 228,510 | 274,869 | 1.9% | 274,635 | 0.0% | 1.2% | 290,915 | 5.4% |
| Retail Trade | 605,660 | 816,577 | 3.0% | 845,817 | 0.7% | 1.3% | 903,628 | 16.5% |
| Finance, Insurance & Real Estate | 245,001 | 348,052 | 3.6% | 402,911 | 3.0% | 1.1% | 424,712 | 7.9% |
| Services | 876,674 | 1,419,252 | 4.9% | 1,545,501 | 1.7% | 2.3% | 1,734,710 | 30.2% |
| Federal Civilian Government | 102,989 | 96,894 | -0.6% | 94,478 | -0.5% | 0.5% | 96,883 | 1.8% |
| Federal Military Government | 90,745 | 94,379 | 0.4% | 92,075 | -0.5% | 0.3% | 93,483 | 1.8% |
| State and Local Government | 422,788 | 503,961 | 1.8% | 555,842 | 2.0% | 1.3% | 593,991 | 10.9% |
| Total | 3,689,352 | 4,892,289 | 2.9% | 5,119,132 | 0.9% | 1.5% | 5,527,813 | 100.0% |

| Region | | | | | | | | |
|----------------------------------|---------------|---------------|-----------------------|---------------|-----------------------|------------------------|---------------|---------------------|
| Category | 1990 | 2000 | 1990-2000 Historic | 2005 | 2000-2005 Historic | 2005-2010 Projected | 2010 | Percent of Total |
| Farm Employment | 945 | 1,098 | 1.5% | 1,147 | 0.9% | 0.5% | 1,177 | 1.4% |
| Agricultural | 851 | 905 | 0.6% | 1,076 | 3.5% | 1.6% | 1,165 | 1.4% |
| Mining | 32 | 38 | 1.7% | 34 | -2.2% | 0.0% | 34 | 0.0% |
| Construction | 2,543 | 3,358 | 2.8% | 3,814 | 2.6% | 2.3% | 4,263 | 4.8% |
| Manufacturing | 5,596 | 6,731 | 1.9% | 6,380 | -1.1% | 0.8% | 6,632 | 8.1% |
| Trans, Comm & Public Utilities | 983 | 1,311 | 2.9% | 1,292 | -0.3% | 1.6% | 1,402 | 1.6% |
| Wholesale Trade | 972 | 1,057 | 0.8% | 1,108 | 0.9% | 0.4% | 1,132 | 1.4% |
| Retail Trade | 9,185 | 13,387 | 3.8% | 14,225 | 1.2% | 1.9% | 15,617 | 18.0% |
| Finance, Insurance & Real Estate | 2,026 | 2,887 | 3.6% | 3,511 | 4.0% | 0.8% | 3,647 | 4.4% |
| Services | 9,742 | 15,379 | 4.7% | 18,358 | 3.6% | 3.5% | 21,856 | 23.2% |
| Federal Civilian Government | 16,223 | 12,254 | -2.8% | 12,697 | 0.7% | -0.2% | 12,583 | 16.0% |
| Federal Military Government | 4,278 | 5,082 | 1.7% | 5,778 | 2.6% | 0.0% | 5,776 | 7.3% |
| State and Local Government | 6,346 | 8,752 | 3.3% | 9,703 | 2.1% | 1.3% | 10,340 | 12.3% |
| Total | 59,722 | 72,239 | 1.9% | 79,123 | 1.8% | 1.6% | 85,624 | 100.0% |

Source: Bureau of Labor Statistics; Woods & Poole Economics

Earnings, by Industry

The following table gives the current distribution of per-capita earnings by industry for the nation, state and region:

| Earnings, by Industry | | | |
|----------------------------------|----------|----------|-----------|
| 2005 | | | |
| Category | US | State | Region |
| Farm Employment | \$11,787 | \$19,396 | \$17,298 |
| Agricultural | \$21,151 | \$20,666 | \$21,486 |
| Mining | \$78,554 | \$58,326 | \$118,235 |
| Construction | \$39,046 | \$34,685 | \$25,917 |
| Manufacturing | \$55,963 | \$45,992 | \$45,996 |
| Trans, Comm & Public Utilities | \$50,928 | \$60,253 | \$36,901 |
| Wholesale Trade | \$51,217 | \$55,592 | \$34,095 |
| Retail Trade | \$19,657 | \$18,904 | \$15,035 |
| Finance, Insurance & Real Estate | \$43,213 | \$38,091 | \$18,091 |
| Services | \$34,213 | \$35,138 | \$25,908 |
| Federal Civilian Government | \$72,766 | \$70,520 | \$70,310 |
| Federal Military Government | \$42,304 | \$45,007 | \$64,278 |
| State and Local Government | \$39,760 | \$36,054 | \$34,754 |

Source: Woods & Poole Economics

Major Employers

The table on the following page gives a snapshot of the top civilian employers in the region. The data was obtained from InfoUSA:

Major Employers

| Region | | | | | | | |
|--------------------------------|--------------------------|---------------|-------|------------|----------------|-----------|---|
| COMPANY NAME | MAILING ADDRESS | CITY | STATE | ZIP CODE | PHONE | EMPLOYEES | PRIMARY SIC DESCRIPTION |
| Robins Air Force Base | 215 Page Rd | Robins Afb | GA | 31098-1662 | (478) 926-2137 | 19000 | Federal Government-National Security |
| Blue Bird Corp | PO Box 937 | Fort Valley | GA | 31030-0937 | (478) 825-2021 | 3000 | Buses-Manufacturers |
| Purdue Farms Inc | 250 GA Highway 247 Spur | Perry | GA | 31069-9211 | (478) 988-6000 | 1650 | Poultry Processing Plants |
| Houston Medical Ctr | PO Box 2886 | Warner Robins | GA | 31099-2886 | (478) 922-4281 | 1632 | Hospitals |
| Frito-Lay Inc | 1200 GA Highway 247 S | Kathleen | GA | 31047-2348 | (478) 987-6100 | 1100 | Food Products (Wholesale) |
| Wal-Mart Supercenter | 1109 Saint Patricks Dr | Perry | GA | 31069-2147 | (478) 987-3620 | 550 | Department Stores |
| Wal-Mart Supercenter | 2720 Watson Blvd | Warner Robins | GA | 31093-8041 | (478) 953-7070 | 530 | Department Stores |
| Fort Valley State University | 1005 State University Dr | Fort Valley | GA | 31030-3298 | (478) 825-6211 | 525 | Junior Colleges & Technical Institutes |
| Anchor Glass Container Corp | 1044 Booth Rd | Warner Robins | GA | 31088-5299 | (478) 922-4271 | 450 | Glass Containers (Manufacturers) |
| Graphic Packaging Intl Inc | 905 Perry Pkwy | Perry | GA | 31069-2416 | (478) 988-2000 | 400 | Manufacturers |
| U S Air Force Hospital | Bldg 700 | Robins Afb | GA | 31098 | (478) 926-6397 | 372 | Hospitals |
| US Air Force Reserve Unit | 99 Stealth St # 125 | Robins Afb | GA | 31098-2604 | (478) 926-3115 | 360 | Federal Government-National Security |
| Wal-Mart Supercenter | 1009 Saint Patricks Dr | Perry | GA | 31069-2144 | (478) 987-1444 | 340 | Department Stores |
| Us Airforce Police Dept | 250 Peacekeeper Way | Robins Afb | GA | 31098-1808 | (478) 926-2187 | 301 | Police Departments |
| Houston County Sheriff's Dept | 202 Carl Vinson Pkwy | Warner Robins | GA | 31088-5893 | (478) 542-2080 | 300 | Sheriff |
| Southern Orchard Supply Co Inc | PO Box 716 | Fort Valley | GA | 31030-0716 | (478) 825-2891 | 300 | Fruits & Vegetables-Growers & Shippers |
| Warner Robins Supply Co | PO Box 2268 | Warner Robins | GA | 31099-2268 | (478) 953-4100 | 255 | Building Materials |
| Peach Paving & Asphalt | PO Box 1087 | Fort Valley | GA | 31030-1087 | (478) 825-1236 | 250 | Paving Contractors |
| Middle Georgia Technical Clg | 80 Cohen Walker Dr | Warner Robins | GA | 31088-2730 | (478) 988-6800 | 220 | Junior Colleges & Technical Institutes |
| Madison Research Corp | 502 Park Dr | Warner Robins | GA | 31088-5171 | (478) 922-1143 | 200 | Aerospace Industries |
| Robins Federal Credit Union | 803 Watson Blvd | Warner Robins | GA | 31093-3400 | (478) 923-3773 | 200 | Credit Unions |
| Winn Dixie | 785 GA Highway 96 | Bonaire | GA | 31005-3327 | (478) 987-7442 | 200 | Grocers-Retail |
| Houston County High School | 920 GA Highway 96 | Warner Robins | GA | 31088-1500 | (478) 988-6340 | 199 | Schools |
| SKE Support Svc | 555 3rd St | Robins Afb | GA | 31098-1657 | (478) 929-0204 | 180 | Automobile Dealers-Used Cars |
| Kroger | 2907 Watson Blvd | Warner Robins | GA | 31093-8512 | (478) 953-9330 | 175 | Grocers-Retail |
| Blue Bird Coachworks | 1 Wanderlodge Way | Fort Valley | GA | 31030-3384 | (478) 825-2021 | 170 | Buildings-Pre-Cut Prefab & Modlr-Mfrs |
| Publix Super Market | 207 Russell Pkwy | Warner Robins | GA | 31088-3251 | (478) 329-5040 | 170 | Grocers-Retail |
| Lowe's | 2704 Watson Blvd | Warner Robins | GA | 31093-2948 | (478) 953-6700 | 160 | Home Centers |
| Phoenix Behavioral Health Svc | PO Box 2866 | Warner Robins | GA | 31099-2866 | (478) 322-4000 | 158 | Drug Abuse & Addiction Info & Treatment |
| Summerhill Elderliving Home | 500 Stanley St | Perry | GA | 31069-3145 | (478) 987-3251 | 155 | Nursing & Convalescent Homes |
| Arinc Inc | 100 Park Place Dr | Warner Robins | GA | 31088-5294 | (478) 929-0276 | 150 | Engineers-Aeronautical |
| Arinc Systems Engineering | 100 Park Place Dr | Warner Robins | GA | 31088-5294 | (478) 322-4579 | 150 | Engineers |
| Five Star Chevrolet Cadillac | 495 Watson Blvd | Warner Robins | GA | 31093-3407 | (478) 922-7172 | 150 | Automobile Dealers-New Cars |
| Northrop Grumman Space Tech | 293 GA Highway 247 S | Warner Robins | GA | 31088-7417 | (478) 929-7300 | 150 | Electronic Research & Development |
| Northside High School | 926 Green St | Warner Robins | GA | 31093-2780 | (478) 929-7858 | 150 | Schools |
| Perry City Personnel | 1211 Washington St | Perry | GA | 31069-2555 | (478) 988-2713 | 150 | Government Offices-City, Village & Twp |
| Ske Support Svc Inc | PO Box 2047 | Warner Robins | GA | 31099-2047 | (478) 923-1575 | 150 | General Contractors |
| Warner Robins High School | 401 S Davis Dr | Warner Robins | GA | 31088-4997 | (478) 929-7877 | 150 | Schools |

Source: InfoUSA

According to local property management personnel, Blue Bird Corporation – the largest civilian employer in the region - recently laid off a number of its bus fabrication employees. Growth of small businesses is anticipated to absorb the displaced employees, however.

Employment, Population-Based

The following table gives population-based employment data for region since 1996. Historic data comes from the Bureau of Labor Statistics.

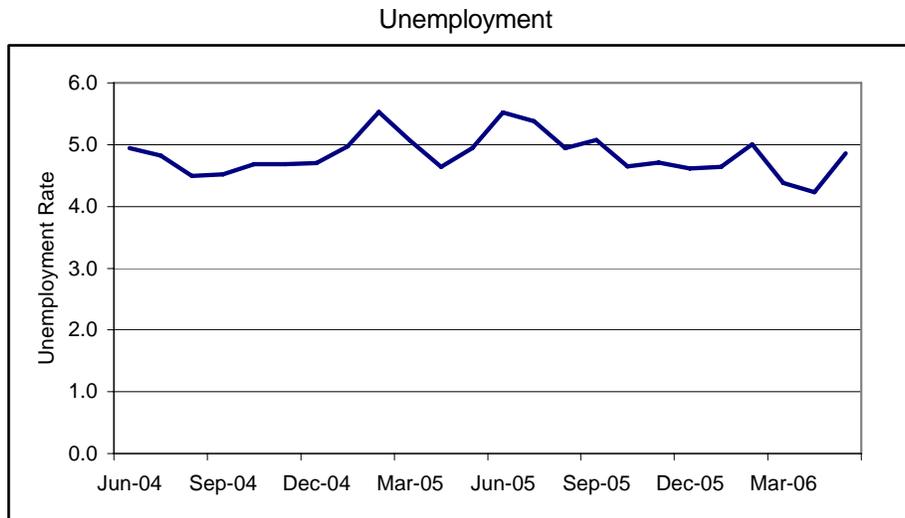
| Region | | | | | | |
|--------|-------------|------------|------------|---------------|--------------|---------------|
| Year | Labor Force | Employment | Job Growth | Growth Rate % | Unemployment | Unempl Rate % |
| 1996 | 59,870 | 57,342 | 2,013 | 3.6% | 2,528 | 4.2% |
| 1997 | 61,991 | 59,268 | 1,926 | 3.4% | 2,723 | 4.4% |
| 1998 | 62,806 | 60,178 | 910 | 1.5% | 2,628 | 4.2% |
| 1999 | 61,009 | 58,495 | -1,683 | -2.8% | 2,514 | 4.1% |
| 2000 | 64,705 | 62,417 | 3,922 | 6.7% | 2,288 | 3.5% |
| 2001 | 66,000 | 63,691 | 1,274 | 2.0% | 2,309 | 3.5% |
| 2002 | 67,799 | 65,138 | 1,447 | 2.3% | 2,661 | 3.9% |
| 2003 | 69,918 | 67,096 | 1,958 | 3.0% | 2,822 | 4.0% |
| 2004 | 71,343 | 68,199 | 1,103 | 1.6% | 3,144 | 4.4% |
| 2005 | 73,646 | 69,956 | 1,757 | 2.6% | 3,690 | 5.0% |

Source: Bureau of Labor Statistics

Population-based employment for the region increased from 57,342 in 1996 to 69,956 in 2005. Job growth and unemployment averaged 2.6 and 5.0 percent, respectively, over the past year.

Unemployment

The following exhibit illustrates the pattern of unemployment for the region over the past 24 months.



Source: Bureau of Labor Statistics

The unemployment rates for the region have remained steady at about 5.0 percent over the past 24 months.

Consumer Price Index

The following table shows consumer price index data since 1990 and a forecast through 2010:

| Consumer Price Index | | |
|----------------------|----------------------|---------------|
| US Total | | |
| Year | Consumer Price Index | Annual Change |
| 1990 | 130.7 | 5.4% |
| 1991 | 136.2 | 4.2% |
| 1992 | 140.3 | 3.0% |
| 1993 | 144.5 | 3.0% |
| 1994 | 148.2 | 2.6% |
| 1995 | 152.4 | 2.8% |
| 1996 | 156.9 | 3.0% |
| 1997 | 160.5 | 2.3% |
| 1998 | 163.0 | 1.6% |
| 1999 | 166.6 | 2.2% |
| 2000 | 172.2 | 3.4% |
| 2001 | 177.1 | 2.8% |
| 2002 | 179.9 | 1.6% |
| 2003 | 184.0 | 2.3% |
| 2004 | 188.9 | 2.7% |
| 2005 | 195.3 | 3.4% |
| 2006 | 200.7 | 2.8% |
| 2007 | 206.3 | 2.8% |
| 2008 | 212.0 | 2.8% |
| 2009 | 217.9 | 2.8% |
| 2010 | 224.0 | 2.8% |

Source: Bureau of Labor Statistics
 Historic Data; Allen & Associates
 Projection Based on 3-Year Historic
 Average

Residential Permits

The following table gives residential permit data for the region since 2000 and a forecast through 2010:

| Residential Permits | | | | | |
|---------------------|-------|---------------|-------------|---------------|-------------|
| Region | | | | | |
| Year | Total | Single Family | Multifamily | Single Family | Multifamily |
| 2000 | 1,636 | 1,246 | 390 | 76.2% | 23.8% |
| 2001 | 2,185 | 1,651 | 534 | 75.6% | 24.4% |
| 2002 | 1,534 | 1,516 | 18 | 98.8% | 1.2% |
| 2003 | 1,822 | 1,648 | 174 | 90.5% | 9.5% |
| 2004 | 2,205 | 1,873 | 332 | 84.9% | 15.1% |
| 2005 | 2,160 | 2,020 | 140 | 93.5% | 6.5% |
| 2006 | 2,062 | 1,847 | 215 | 89.6% | 10.4% |
| 2007 | 2,062 | 1,847 | 215 | 89.6% | 10.4% |
| 2008 | 2,062 | 1,847 | 215 | 89.6% | 10.4% |
| 2009 | 2,062 | 1,847 | 215 | 89.6% | 10.4% |
| 2010 | 2,062 | 1,847 | 215 | 89.6% | 10.4% |

Source: U.S. Census Bureau Historic Data; Allen & Associates
Projection Based on 3-Year Historic Average

An estimated 2,062 residential permits are anticipated for the region in 2006. Multifamily is anticipated to account for 10.4 percent of this total through 2010.

Conclusions

In our opinion, the economic outlook for the region is good. Our observations are summarized below:

- Establishment-based employment for the region increased from 59,722 in 1990 to 79,123 in 2005. Employment is forecasted to increase 1.6 percent annually through 2010. This is compared with projected growth of 1.5 and 1.4 percent for the state and nation, respectively.
- According to local property management personnel, Blue Bird Corporation – the largest civilian employer in the region - recently laid off a number of its bus fabrication employees. Growth of small businesses is anticipated to absorb the displaced employees, however.
- Population-based employment for the region increased from 57,342 in 1996 to 69,956 in 2005. Job growth and unemployment averaged 2.6 and 5.0 percent, respectively, over the past year.
- The unemployment rates for the region have remained steady at about 5.0 percent over the past 24 months.
- An estimated 2,062 residential permits are anticipated for the region in 2006. Multifamily is anticipated to account for 10.4 percent of this total through 2010.

MARKET AREA DEMOGRAPHIC CHARACTERISTICS

In this section we conduct an analysis of regional and market area demographics. Our analysis uses the regional and market area definitions presented previously in this report.

Population

The following table gives population data for the nation, state, region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Population | | | | | | |
|---------------------|----------------------------|-------------|-----------|---------|--------|-------------------------|
| 1990-2000 Historic | | | | | | |
| Line | | US | State | Region | Market | Notes |
| 1 | 1990 Population | 249,622,814 | 6,512,602 | 110,396 | 26,126 | US Census Bureau |
| 2 | 2000 Population | 282,177,838 | 8,230,094 | 134,433 | 38,244 | US Census Bureau |
| 3 | 1990-2000 Change | 32,555,024 | 1,717,492 | 24,037 | 12,117 | (2) - (1) |
| 4 | | | | | | |
| 5 | 1990-2000 Annual Change, % | 1.2% | 2.4% | 2.0% | 3.9% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | | | |
| Line | | US | State | Region | Market | Notes |
| 8 | 2000 Population | 282,177,838 | 8,230,094 | 134,433 | 38,244 | US Census Bureau |
| 9 | 2005 Population | 296,468,313 | 8,919,405 | 149,938 | 46,417 | W&P; Claritas |
| 10 | 2000-2005 Change | 14,290,475 | 689,311 | 15,505 | 8,174 | (9) - (8) |
| 11 | | | | | | |
| 12 | 2000-2005 Annual Change, % | 1.0% | 1.6% | 2.2% | 3.9% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | | | |
| Line | | US | State | Region | Market | Notes |
| 15 | 2005 Population | 296,468,313 | 8,919,405 | 149,938 | 46,417 | W&P; Claritas |
| 16 | 2010 Population | 311,034,645 | 9,517,755 | 165,976 | 54,317 | W&P; Claritas |
| 17 | 2005-2010 Change | 14,566,332 | 598,350 | 16,038 | 7,900 | (16) - (15) |
| 18 | | | | | | |
| 19 | 2005-2010 Annual Change, % | 1.0% | 1.3% | 2.1% | 3.2% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau, Woods & Poole; Claritas

Population for the market area increased from 26,126 in 1990 to 46,417 in 2005. Population is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.1, 1.3 and 1.0 percent for the region, state and nation, respectively.

Population, by Age, Sex and Race

The following tables give population data by age, sex and race for the region and market area in 2000:

Population, by Age

| Population | 2000 | | | |
|-------------------|----------------|---------------|---------------|---------------|
| | Region | Market | Region | Market |
| Under 5 years | 9,247 | 2,657 | 6.9% | 6.9% |
| 5 to 9 years | 10,742 | 3,137 | 8.0% | 8.2% |
| 10 to 14 years | 10,981 | 3,256 | 8.2% | 8.5% |
| 15 to 19 years | 10,800 | 3,189 | 8.0% | 8.3% |
| 20 to 24 years | 9,608 | 2,511 | 7.1% | 6.6% |
| 25 to 29 years | 9,103 | 2,406 | 6.8% | 6.3% |
| 30 to 34 years | 9,511 | 2,694 | 7.1% | 7.0% |
| 35 to 39 years | 11,846 | 3,584 | 8.8% | 9.4% |
| 40 to 44 years | 11,217 | 3,461 | 8.3% | 9.1% |
| 45 to 49 years | 9,282 | 2,791 | 6.9% | 7.3% |
| 50 to 54 years | 8,221 | 2,383 | 6.1% | 6.2% |
| 55 to 59 years | 6,086 | 1,602 | 4.5% | 4.2% |
| 60 to 64 years | 5,163 | 1,284 | 3.8% | 3.4% |
| 65 to 69 years | 4,402 | 1,072 | 3.3% | 2.8% |
| 70 to 74 years | 3,242 | 802 | 2.4% | 2.1% |
| 75 to 79 years | 2,499 | 652 | 1.9% | 1.7% |
| 80 to 84 years | 1,457 | 412 | 1.1% | 1.1% |
| 85 years and over | 1,026 | 349 | 0.8% | 0.9% |
| Total | 134,433 | 38,244 | 100.0% | 100.0% |

Population, by Sex

| Population | 2000 | | | |
|--------------|----------------|---------------|---------------|---------------|
| | Region | Market | Region | Market |
| Male | 65,951 | 18,662 | 49.1% | 48.8% |
| Female | 68,482 | 19,582 | 50.9% | 51.2% |
| Total | 134,433 | 38,244 | 100.0% | 100.0% |

Population, by Race

| Population | 2000 | | | |
|--|----------------|---------------|---------------|---------------|
| | Region | Market | Region | Market |
| White alone | 90,305 | 25,717 | 67.2% | 67.2% |
| Black or African American alone | 38,160 | 11,242 | 28.4% | 29.4% |
| American Indian or Alaska Native alone | 453 | 116 | 0.3% | 0.3% |
| Asian alone | 1,839 | 422 | 1.4% | 1.1% |
| Native Hawaiian/Pacific Islander alone | 77 | 19 | 0.1% | 0.0% |
| Some other race alone | 1,571 | 325 | 1.2% | 0.8% |
| Population of two or more races | 2,028 | 403 | 1.5% | 1.1% |
| Total | 134,433 | 38,244 | 100.0% | 100.0% |

Source: U.S. Census Bureau

Households

The following table gives household data for the nation, state, region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Total Households | | | | | | |
|---------------------|----------------------------|-------------|-----------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | | | |
| Line | | US | State | Region | Market | Notes |
| 1 | 1990 Total Households | 92,315,441 | 2,383,128 | 39,575 | 9,743 | US Census Bureau |
| 2 | 2000 Total Households | 105,838,068 | 3,022,306 | 49,347 | 13,415 | US Census Bureau |
| 3 | 1990-2000 Change | 13,522,627 | 639,178 | 9,772 | 3,672 | (2) - (1) |
| 4 | | | | | | |
| 5 | 1990-2000 Annual Change, % | 1.4% | 2.4% | 2.2% | 3.3% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | | | |
| 7 | | US | State | Region | Market | |
| 8 | 2000 Total Households | 105,838,068 | 3,022,306 | 49,347 | 13,415 | US Census Bureau |
| 9 | 2005 Total Households | 112,896,794 | 3,315,203 | 55,620 | 16,318 | W&P; Claritas |
| 10 | 2000-2005 Change | 7,058,726 | 292,897 | 6,273 | 2,903 | (9) - (8) |
| 11 | | | | | | |
| 12 | 2000-2005 Annual Change, % | 1.3% | 1.9% | 2.4% | 4.0% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | | | |
| 14 | | US | State | Region | Market | |
| 15 | 2005 Total Households | 112,896,794 | 3,315,203 | 55,620 | 16,318 | W&P; Claritas |
| 16 | 2010 Total Households | 120,065,782 | 3,574,811 | 62,008 | 19,082 | W&P; Claritas |
| 17 | 2005-2010 Change | 7,168,988 | 259,608 | 6,388 | 2,764 | (16) - (15) |
| 18 | | | | | | |
| 19 | 2005-2010 Annual Change, % | 1.2% | 1.5% | 2.2% | 3.2% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau, Woods & Poole; Claritas

The total number of households for the market area increased from 9,743 in 1990 to 16,318 in 2005. The total number of households is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.2, 1.5 and 1.2 percent for the region, state and nation, respectively.

Tenure

The following table gives household tenure data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Owner Tenure | | | | |
|---------------------|----------------------------|--------|--------|------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 Owner Tenure | 65.81% | 72.10% | US Census Bureau |
| 2 | 2000 Owner Tenure | 68.45% | 76.28% | US Census Bureau |
| 3 | 1990-2000 Change, % | 2.65% | 4.18% | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 0.26% | 0.42% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 Owner Tenure | 68.45% | 76.28% | US Census Bureau |
| 9 | 2005 Owner Tenure | 69.84% | 78.77% | Claritas |
| 10 | 2000-2005 Change, % | 1.39% | 2.49% | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 0.28% | 0.50% | (10) / 5 |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 Owner Tenure | 69.84% | 78.77% | Claritas |
| 16 | 2010 Owner Tenure | 70.77% | 80.32% | Claritas |
| 17 | 2005-2010 Change, % | 0.94% | 1.55% | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 0.19% | 0.31% | (17) / 5 |

| Renter Tenure | | | | |
|---------------------|----------------------------|--------|--------|------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 Renter Tenure | 34.19% | 27.90% | US Census Bureau |
| 2 | 2000 Renter Tenure | 31.55% | 23.72% | US Census Bureau |
| 3 | 1990-2000 Change, % | -2.65% | -4.18% | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | -0.26% | -0.42% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 Renter Tenure | 31.55% | 23.72% | US Census Bureau |
| 9 | 2005 Renter Tenure | 30.16% | 21.23% | Claritas |
| 10 | 2000-2005 Change, % | -1.39% | -2.49% | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | -0.28% | -0.50% | (10) / 5 |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 Renter Tenure | 30.16% | 21.23% | Claritas |
| 16 | 2010 Renter Tenure | 29.23% | 19.68% | Claritas |
| 17 | 2005-2010 Change, % | -0.94% | -1.55% | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | -0.19% | -0.31% | (17) / 5 |

Source: U.S. Census Bureau; Claritas

Households, by Tenure

The following table gives household tenure data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Owner Households | | | | |
|---------------------|----------------------------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 Owner Households | 26,043 | 7,024 | US Census Bureau |
| 2 | 2000 Owner Households | 33,779 | 10,233 | US Census Bureau |
| 3 | 1990-2000 Change | 7,736 | 3,208 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 2.6% | 3.8% | $[(2)/(1)]^{(1/10)-1}$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 Owner Households | 33,779 | 10,233 | US Census Bureau |
| 9 | 2005 Owner Households | 38,844 | 12,853 | Claritas |
| 10 | 2000-2005 Change | 5,065 | 2,621 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 2.8% | 4.7% | $[(9)/(8)]^{(1/5)-1}$ |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 Owner Households | 38,844 | 12,853 | Claritas |
| 16 | 2010 Owner Households | 43,886 | 15,327 | Claritas |
| 17 | 2005-2010 Change | 5,042 | 2,474 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 2.5% | 3.6% | $[(16)/(15)]^{(1/5)-1}$ |

| Renter Households | | | | |
|---------------------|----------------------------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 Renter Households | 13,532 | 2,719 | US Census Bureau |
| 2 | 2000 Renter Households | 15,568 | 3,182 | US Census Bureau |
| 3 | 1990-2000 Change | 2,036 | 464 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 1.4% | 1.6% | $[(2)/(1)]^{(1/10)-1}$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 Renter Households | 15,568 | 3,182 | US Census Bureau |
| 9 | 2005 Renter Households | 16,776 | 3,464 | Claritas |
| 10 | 2000-2005 Change | 1,208 | 282 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 1.5% | 1.7% | $[(9)/(8)]^{(1/5)-1}$ |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 Renter Households | 16,776 | 3,464 | Claritas |
| 16 | 2010 Renter Households | 18,122 | 3,754 | Claritas |
| 17 | 2005-2010 Change | 1,346 | 290 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 1.6% | 1.6% | $[(16)/(15)]^{(1/5)-1}$ |

Source: U.S. Census Bureau; Claritas

The total number of owner households for the market area currently stand at 12,853 and are anticipated to increase 3.6 percent annually through 2010. The total number of renter households for the market area currently stand at 3,464 and are anticipated to increase 1.6 percent annually through 2010.

Households, by Tenure, Size

The following table gives household size data by tenure for the region and market area in 2000. The data set comes from the U.S. Census Bureau:

Households, Owner, by Size

| Households | 2000 | | | |
|--------------|---------------|---------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 person | 6,321 | 1,618 | 18.7% | 15.8% |
| 2 person | 11,864 | 3,318 | 35.1% | 32.4% |
| 3 person | 6,560 | 2,168 | 19.4% | 21.2% |
| 4 person | 5,653 | 1,976 | 16.7% | 19.3% |
| 5 person | 2,304 | 805 | 6.8% | 7.9% |
| 6 person | 700 | 221 | 2.1% | 2.2% |
| 7+ person | 377 | 126 | 1.1% | 1.2% |
| Total | 33,779 | 10,233 | 100.0% | 100.0% |

Households, Renter, by Size

| Households | 2000 | | | |
|--------------|---------------|--------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 person | 4,640 | 908 | 29.8% | 28.5% |
| 2 person | 4,025 | 835 | 25.9% | 26.2% |
| 3 person | 2,989 | 638 | 19.2% | 20.1% |
| 4 person | 2,215 | 461 | 14.2% | 14.5% |
| 5 person | 1,082 | 213 | 7.0% | 6.7% |
| 6 person | 394 | 77 | 2.5% | 2.4% |
| 7+ person | 223 | 50 | 1.4% | 1.6% |
| Total | 15,568 | 3,182 | 100.0% | 100.0% |

Source: U.S. Census Bureau

Households, by Tenure, Movership

The following table gives household movership data by tenure for the region and market area in 1990 and 2000. The data set comes from the U.S. Census Bureau:

Movership, Owner

| Households | 1990 | | 1990 | |
|----------------------|---------------|--------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 year or less | 2,145 | 646 | 8.2% | 9.2% |
| 1 year to 5 years | 7,883 | 2,239 | 30.3% | 31.9% |
| 6 years to 10 years | 3,951 | 1,170 | 15.2% | 16.7% |
| 11 years to 20 years | 6,768 | 1,627 | 26.0% | 23.2% |
| 21 years to 30 years | 3,254 | 666 | 12.5% | 9.5% |
| 30 years or more | 2,042 | 676 | 7.8% | 9.6% |
| Total | 26,043 | 7,024 | 100.0% | 100.0% |

| Households | 2000 | | 2000 | |
|----------------------|---------------|---------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 year or less | 3,142 | 1,115 | 9.3% | 10.9% |
| 1 year to 5 years | 10,004 | 3,499 | 29.6% | 34.2% |
| 6 years to 10 years | 6,364 | 1,953 | 18.8% | 19.1% |
| 11 years to 20 years | 6,300 | 1,755 | 18.7% | 17.1% |
| 21 years to 30 years | 4,205 | 881 | 12.4% | 8.6% |
| 30 years or more | 3,764 | 1,030 | 11.1% | 10.1% |
| Total | 33,779 | 10,233 | 100.0% | 100.0% |

Source: U.S. Census Bureau

Movership, Renter

| Households | 1990 | | 1990 | |
|----------------------|---------------|--------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 year or less | 5,566 | 1,055 | 41.1% | 38.8% |
| 1 year to 5 years | 6,082 | 1,137 | 44.9% | 41.8% |
| 6 years to 10 years | 1,010 | 268 | 7.5% | 9.8% |
| 11 years to 20 years | 526 | 122 | 3.9% | 4.5% |
| 21 years to 30 years | 204 | 60 | 1.5% | 2.2% |
| 30 years or more | 144 | 77 | 1.1% | 2.8% |
| Total | 13,532 | 2,719 | 100.0% | 100.0% |

| Households | 2000 | | 2000 | |
|----------------------|---------------|--------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 year or less | 5,741 | 983 | 36.9% | 30.9% |
| 1 year to 5 years | 7,348 | 1,541 | 47.2% | 48.4% |
| 6 years to 10 years | 1,154 | 222 | 7.4% | 7.0% |
| 11 years to 20 years | 898 | 290 | 5.8% | 9.1% |
| 21 years to 30 years | 215 | 69 | 1.4% | 2.2% |
| 30 years or more | 211 | 78 | 1.4% | 2.4% |
| Total | 15,568 | 3,182 | 100.0% | 100.0% |

Source: U.S. Census Bureau

Household Income

The following table gives average household income data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Average Household Income | | | | |
|--------------------------|-------------------------------|----------|----------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 Average Household Income | \$34,838 | \$35,376 | US Census Bureau |
| 2 | 2000 Average Household Income | \$50,176 | \$53,380 | US Census Bureau |
| 3 | 1990-2000 Change | \$15,338 | \$18,003 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 3.7% | 4.2% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 Average Household Income | \$50,176 | \$53,380 | US Census Bureau |
| 9 | 2005 Average Household Income | \$57,416 | \$62,892 | Claritas |
| 10 | 2000-2005 Change | \$7,240 | \$9,512 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2004 Annual Change, % | 2.7% | 3.3% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 Average Household Income | \$57,416 | \$62,892 | Claritas |
| 16 | 2010 Average Household Income | \$64,858 | \$72,286 | Claritas |
| 17 | 2005-2010 Change | \$7,442 | \$9,394 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 2.5% | 2.8% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau; Claritas

Average household income for the market area increased from \$35,376 in 1990 to \$62,892 in 2005. Average household income is forecasted to increase 2.8 percent annually through 2010. This is compared with a projected consumer price index growth of 2.8 percent, suggesting no erosion in real disposable income over the next several years.

Owner Household Income, 2000

The following table gives owner household income data for the market area from the 2000 Census. The data, which was originally tabulated in 1999 dollars, is initially converted to percentages and then trended forward to 2005 dollars by inflating the income brackets using average household income growth rates for the market area. The resulting constant 2005 dollar estimates are then restated in cumulative \$10,000 increments for ease of reference and comparison.

Owner Household Income, by Percent of Income Spent on Housing, 2000 Census

| 1999 \$ | | | Percent of Income Spent on Housing | | | | | |
|------------------|----|----------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | Total |
| \$0 | to | \$9,999 | 40 | 29 | 16 | 23 | 347 | 455 |
| \$10,000 | to | \$19,999 | 129 | 70 | 77 | 46 | 315 | 637 |
| \$20,000 | to | \$34,999 | 523 | 160 | 203 | 192 | 450 | 1,529 |
| \$35,000 | to | \$49,999 | 733 | 367 | 274 | 178 | 277 | 1,829 |
| \$50,000 | to | \$74,999 | 1,761 | 678 | 175 | 91 | 112 | 2,817 |
| \$75,000 | to | \$99,999 | 1,485 | 215 | 67 | 70 | 1 | 1,838 |
| \$100,000 | or | more | 1,055 | 64 | 10 | 0 | 0 | 1,129 |
| Total Households | | | 5,727 | 1,583 | 823 | 599 | 1,501 | 10,233 |

| 1999 \$ | | | Percent of Income Spent on Housing | | | | | |
|------------------|----|----------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | Total |
| \$0 | to | \$9,999 | 0.4% | 0.3% | 0.2% | 0.2% | 3.4% | 4.4% |
| \$10,000 | to | \$19,999 | 1.3% | 0.7% | 0.8% | 0.5% | 3.1% | 6.2% |
| \$20,000 | to | \$34,999 | 5.1% | 1.6% | 2.0% | 1.9% | 4.4% | 14.9% |
| \$35,000 | to | \$49,999 | 7.2% | 3.6% | 2.7% | 1.7% | 2.7% | 17.9% |
| \$50,000 | to | \$74,999 | 17.2% | 6.6% | 1.7% | 0.9% | 1.1% | 27.5% |
| \$75,000 | to | \$99,999 | 14.5% | 2.1% | 0.7% | 0.7% | 0.0% | 18.0% |
| \$100,000 | or | more | 10.3% | 0.6% | 0.1% | 0.0% | 0.0% | 11.0% |
| Percent of Total | | | 56.0% | 15.5% | 8.0% | 5.9% | 14.7% | 100.0% |

| 2006 \$ | | | Percent of Income Spent on Housing | | | | | |
|------------------|----|-----------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | Total |
| \$0 | to | \$12,622 | 0.4% | 0.3% | 0.2% | 0.2% | 3.4% | 4.4% |
| \$12,623 | to | \$25,246 | 1.3% | 0.7% | 0.8% | 0.5% | 3.1% | 6.2% |
| \$25,247 | to | \$44,181 | 5.1% | 1.6% | 2.0% | 1.9% | 4.4% | 14.9% |
| \$44,182 | to | \$63,116 | 7.2% | 3.6% | 2.7% | 1.7% | 2.7% | 17.9% |
| \$63,117 | to | \$94,675 | 17.2% | 6.6% | 1.7% | 0.9% | 1.1% | 27.5% |
| \$94,676 | to | \$126,233 | 14.5% | 2.1% | 0.7% | 0.7% | 0.0% | 18.0% |
| \$126,235 | or | more | 10.3% | 0.6% | 0.1% | 0.0% | 0.0% | 11.0% |
| Percent of Total | | | 56.0% | 15.5% | 8.0% | 5.9% | 14.7% | 100.0% |

| 2006 \$ | | | Percent of Income Spent on Housing | | | | | |
|--------------|----|-----------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | Total |
| \$0 | to | \$10,000 | 0.3% | 0.2% | 0.1% | 0.2% | 2.7% | 3.5% |
| \$0 | to | \$20,000 | 1.1% | 0.7% | 0.6% | 0.5% | 5.2% | 8.1% |
| \$0 | to | \$30,000 | 2.9% | 1.4% | 1.4% | 1.1% | 7.6% | 14.4% |
| \$0 | to | \$40,000 | 5.6% | 2.2% | 2.4% | 2.1% | 9.9% | 22.2% |
| \$0 | to | \$50,000 | 8.9% | 3.6% | 3.7% | 3.1% | 11.7% | 31.0% |
| \$0 | to | \$60,000 | 12.7% | 5.5% | 5.1% | 4.0% | 13.1% | 40.4% |
| \$0 | to | \$70,000 | 17.5% | 7.5% | 5.9% | 4.5% | 13.8% | 49.3% |
| \$0 | to | \$80,000 | 23.1% | 9.6% | 6.5% | 4.8% | 14.1% | 58.1% |
| \$0 | to | \$90,000 | 28.6% | 11.8% | 7.0% | 5.0% | 14.5% | 66.9% |
| \$0 | to | \$100,000 | 33.5% | 13.1% | 7.4% | 5.3% | 14.7% | 73.9% |
| \$0 | or | more | 56.0% | 15.5% | 8.0% | 5.9% | 14.7% | 100.0% |

Source: U.S. Census Bureau; Allen & Associates

Renter Household Income, 2000

The following table gives renter household income data for the market area from the 2000 Census. The data, which was originally tabulated in 1999 dollars, is initially converted to percentages and then trended forward to 2005 dollars by inflating the income brackets using average household income growth rates for the market area. The resulting constant 2005 dollar estimates are then restated in cumulative \$10,000 increments for ease of reference and comparison.

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|-------------|------------------------------------|--------|--------|--------|------|-------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$9,999 | 24 | 40 | 41 | 32 | 514 | 651 |
| \$10,000 | to \$19,999 | 58 | 127 | 97 | 123 | 338 | 743 |
| \$20,000 | to \$34,999 | 207 | 205 | 120 | 80 | 93 | 705 |
| \$35,000 | to \$49,999 | 413 | 33 | 61 | 10 | 1 | 518 |
| \$50,000 | to \$74,999 | 353 | 15 | 38 | 4 | 0 | 410 |
| \$75,000 | to \$99,999 | 90 | 0 | 0 | 0 | 0 | 90 |
| \$100,000 | or more | 65 | 0 | 0 | 0 | 0 | 65 |
| Total Households | | 1,210 | 420 | 358 | 248 | 947 | 3,182 |

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|-------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$9,999 | 0.8% | 1.3% | 1.3% | 1.0% | 16.2% | 20.5% |
| \$10,000 | to \$19,999 | 1.8% | 4.0% | 3.0% | 3.9% | 10.6% | 23.3% |
| \$20,000 | to \$34,999 | 6.5% | 6.4% | 3.8% | 2.5% | 2.9% | 22.2% |
| \$35,000 | to \$49,999 | 13.0% | 1.0% | 1.9% | 0.3% | 0.0% | 16.3% |
| \$50,000 | to \$74,999 | 11.1% | 0.5% | 1.2% | 0.1% | 0.0% | 12.9% |
| \$75,000 | to \$99,999 | 2.8% | 0.0% | 0.0% | 0.0% | 0.0% | 2.8% |
| \$100,000 | or more | 2.0% | 0.0% | 0.0% | 0.0% | 0.0% | 2.0% |
| Percent of Total | | 38.0% | 13.2% | 11.3% | 7.8% | 29.8% | 100.0% |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|--------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$12,622 | 0.8% | 1.3% | 1.3% | 1.0% | 16.2% | 20.5% |
| \$12,623 | to \$25,246 | 1.8% | 4.0% | 3.0% | 3.9% | 10.6% | 23.3% |
| \$25,247 | to \$44,181 | 6.5% | 6.4% | 3.8% | 2.5% | 2.9% | 22.2% |
| \$44,182 | to \$63,116 | 13.0% | 1.0% | 1.9% | 0.3% | 0.0% | 16.3% |
| \$63,117 | to \$94,675 | 11.1% | 0.5% | 1.2% | 0.1% | 0.0% | 12.9% |
| \$94,676 | to \$126,233 | 2.8% | 0.0% | 0.0% | 0.0% | 0.0% | 2.8% |
| \$126,235 | or more | 2.0% | 0.0% | 0.0% | 0.0% | 0.0% | 2.0% |
| Percent of Total | | 38.0% | 13.2% | 11.3% | 7.8% | 29.8% | 100.0% |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|--------------|--------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$10,000 | 0.6% | 1.0% | 1.0% | 0.8% | 12.8% | 16.2% |
| \$0 | to \$20,000 | 1.8% | 3.6% | 3.1% | 3.2% | 22.3% | 34.0% |
| \$0 | to \$30,000 | 4.2% | 6.9% | 5.3% | 5.5% | 27.5% | 49.3% |
| \$0 | to \$40,000 | 7.6% | 10.2% | 7.2% | 6.8% | 29.0% | 60.9% |
| \$0 | to \$50,000 | 13.0% | 12.0% | 8.7% | 7.4% | 29.7% | 70.8% |
| \$0 | to \$60,000 | 19.8% | 12.6% | 9.7% | 7.6% | 29.7% | 79.5% |
| \$0 | to \$70,000 | 24.4% | 12.8% | 10.3% | 7.7% | 29.8% | 84.9% |
| \$0 | to \$80,000 | 27.9% | 13.0% | 10.7% | 7.7% | 29.8% | 89.1% |
| \$0 | to \$90,000 | 31.5% | 13.1% | 11.1% | 7.8% | 29.8% | 93.2% |
| \$0 | to \$100,000 | 33.6% | 13.2% | 11.3% | 7.8% | 29.8% | 95.6% |
| \$0 | or more | 38.0% | 13.2% | 11.3% | 7.8% | 29.8% | 100.0% |

Source: U.S. Census Bureau; Allen & Associates

Conclusions

In our opinion, the demographic outlook for the market area is very good. Our observations are summarized below:

- Population for the market area increased from 26,126 in 1990 to 46,417 in 2005. Population is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.1, 1.3 and 1.0 percent for the region, state and nation, respectively.
- The total number of households for the market area increased from 9,743 in 1990 to 16,318 in 2005. The total number of households is forecasted to increase 3.2 percent annually through 2010. This is compared with projected growth of 2.2, 1.5 and 1.2 percent for the region, state and nation, respectively.
- The total number of owner households for the market area currently stand at 12,853 and are anticipated to increase 3.6 percent annually through 2010. The total number of renter households for the market area currently stand at 3,464 and are anticipated to increase 1.6 percent annually through 2010.
- Average household income for the market area increased from \$35,376 in 1990 to \$62,892 in 2005. Average household income is forecasted to increase 2.8 percent annually through 2010. This is compared with a projected consumer price index growth of 2.8 percent, suggesting no erosion in real disposable income over the next several years.

AGE-RESTRICTED DEMOGRAPHIC CHARACTERISTICS

In this section we present age-restricted demographic data for the region and the market area (defined previously in this report).

Population

The following table gives age-restricted population data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| 62+ Population | | | | | | |
|---------------------|----------------------------|------------|-----------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | | | |
| Line | | US | State | Region | Market | Notes |
| 1 | 1990 62+ Population | 37,577,771 | 804,385 | 11,804 | 3,313 | US Census Bureau |
| 2 | 2000 62+ Population | 42,410,913 | 988,920 | 16,001 | 4,153 | US Census Bureau |
| 3 | 1990-2000 Change | 4,833,142 | 184,535 | 4,196 | 840 | (2) - (1) |
| 4 | | | | | | |
| 5 | 1990-2000 Annual Change, % | 1.2% | 2.1% | 3.1% | 2.3% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | | | |
| 7 | | US | State | Region | Market | |
| 8 | 2000 62+ Population | 42,410,913 | 988,920 | 16,001 | 4,153 | US Census Bureau |
| 9 | 2005 62+ Population | 45,714,473 | 1,109,018 | 19,292 | 5,236 | W&P; Claritas |
| 10 | 2000-2005 Change | 3,303,559 | 120,098 | 3,291 | 1,083 | (9) - (8) |
| 11 | | | | | | |
| 12 | 2000-2005 Annual Change, % | 1.5% | 2.3% | 3.8% | 4.7% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | | | |
| 14 | | US | State | Region | Market | |
| 15 | 2005 62+ Population | 45,714,473 | 1,109,018 | 19,292 | 5,236 | W&P; Claritas |
| 16 | 2010 62+ Population | 50,613,547 | 1,271,441 | 24,143 | 6,948 | W&P; Claritas |
| 17 | 2005-2010 Change | 4,899,074 | 162,424 | 4,852 | 1,713 | (16) - (15) |
| 18 | | | | | | |
| 19 | 2005-2010 Annual Change, % | 2.1% | 2.8% | 4.6% | 5.8% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau, Woods & Poole, Claritas; Allen & Associates

The age-restricted population for the market area increased from 3,313 in 1990 to 5,236 in 2005. The age-restricted population is forecasted to increase 5.8 percent annually through 2010. This is compared with projected growth of 4.6, 2.8 and 2.1 percent for the region, state and nation, respectively.

Households

The following table gives age-restricted household data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| 62+ Households | | | | |
|---------------------|----------------------------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 62+ Households | 7,589 | 2,116 | US Census Bureau |
| 2 | 2000 62+ Households | 10,390 | 2,670 | US Census Bureau |
| 3 | 1990-2000 Change | 2,802 | 554 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 3.2% | 2.4% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| 7 | | Region | Market | |
| 8 | 2000 62+ Households | 10,390 | 2,670 | US Census Bureau |
| 9 | 2005 62+ Households | 12,143 | 3,268 | Claritas |
| 10 | 2000-2005 Change | 1,753 | 597 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 3.2% | 4.1% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | | |
| 14 | | Region | Market | |
| 15 | 2005 62+ Households | 12,143 | 3,268 | Claritas |
| 16 | 2010 62+ Households | 14,820 | 4,177 | Claritas |
| 17 | 2005-2010 Change | 2,677 | 910 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 4.1% | 5.0% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau, Claritas; Allen & Associates

The number of age-restricted households for the market area increased from 2,116 in 1990 to 3,268 in 2005. The number of age-restricted households is forecasted to increase 5.0 percent annually through 2010.

Tenure

The following table gives age-restricted household tenure data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| 62+ Owner Tenure | | | | |
|---------------------|----------------------------|--------|--------|------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 62+ Owner Tenure | 82.84% | 81.03% | US Census Bureau |
| 2 | 2000 62+ Owner Tenure | 85.96% | 84.75% | US Census Bureau |
| 3 | 1990-2000 Change, % | 3.13% | 3.72% | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 0.31% | 0.37% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| Line | | Region | Market | Notes |
| 8 | 2000 62+ Owner Tenure | 85.96% | 84.75% | US Census Bureau |
| 9 | 2005 62+ Owner Tenure | 85.95% | 84.76% | 2000 Tenure |
| 10 | 2000-2005 Change, % | -0.01% | 0.02% | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 0.00% | 0.00% | (10) / 5 |
| 2005-2010 Projected | | | | |
| Line | | Region | Market | Notes |
| 15 | 2005 62+ Owner Tenure | 85.95% | 84.76% | 2000 Tenure |
| 16 | 2010 62+ Owner Tenure | 85.95% | 84.78% | 2000 Tenure |
| 17 | 2005-2010 Change, % | 0.00% | 0.01% | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 0.00% | 0.00% | (17) / 5 |

| 62+ Renter Tenure | | | | |
|---------------------|----------------------------|--------|--------|------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 62+ Renter Tenure | 17.16% | 18.97% | US Census Bureau |
| 2 | 2000 62+ Renter Tenure | 14.04% | 15.25% | US Census Bureau |
| 3 | 1990-2000 Change, % | -3.13% | -3.72% | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | -0.31% | -0.37% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | | |
| Line | | Region | Market | Notes |
| 8 | 2000 62+ Renter Tenure | 14.04% | 15.25% | US Census Bureau |
| 9 | 2005 62+ Renter Tenure | 14.05% | 15.24% | 2000 Tenure |
| 10 | 2000-2004 Change, % | 0.01% | -0.02% | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 0.00% | 0.00% | (10) / 5 |
| 2005-2010 Projected | | | | |
| Line | | Region | Market | Notes |
| 15 | 2005 62+ Renter Tenure | 14.05% | 15.24% | 2000 Tenure |
| 16 | 2010 62+ Renter Tenure | 14.05% | 15.22% | 2000 Tenure |
| 17 | 2005-2010 Change, % | 0.00% | -0.01% | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 0.00% | 0.00% | (17) / 5 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

Households, by Tenure

The following table gives age-restricted household tenure data for the region and market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| 62+ Owner Households | | | | |
|----------------------|----------------------------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 62+ Owner Households | 6,286 | 1,714 | US Census Bureau |
| 2 | 2000 62+ Owner Households | 8,932 | 2,263 | US Census Bureau |
| 3 | 1990-2000 Change | 2,646 | 548 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 3.6% | 2.8% | $[(2)/(1)]^{(1/10)-1}$ |
| 2000-2005 Historic | | | | |
| Line | | Region | Market | Notes |
| 8 | 2000 62+ Owner Households | 8,932 | 2,263 | US Census Bureau |
| 9 | 2005 62+ Owner Households | 10,437 | 2,770 | HH * Tenure |
| 10 | 2000-2005 Change | 1,506 | 507 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 3.2% | 4.1% | $[(9)/(8)]^{(1/5)-1}$ |
| 2005-2010 Projected | | | | |
| Line | | Region | Market | Notes |
| 15 | 2005 62+ Owner Households | 10,437 | 2,770 | HH * Tenure |
| 16 | 2010 62+ Owner Households | 12,738 | 3,541 | HH * Tenure |
| 17 | 2005-2010 Change | 2,300 | 772 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 4.1% | 5.0% | $[(16)/(15)]^{(1/5)-1}$ |

| 62+ Renter Households | | | | |
|-----------------------|----------------------------|--------|--------|-------------------------|
| 1990-2000 Historic | | | | |
| Line | | Region | Market | Notes |
| 1 | 1990 62+ Renter Households | 1,302 | 401 | US Census Bureau |
| 2 | 2000 62+ Renter Households | 1,458 | 407 | US Census Bureau |
| 3 | 1990-2000 Change | 156 | 6 | (2) - (1) |
| 4 | | | | |
| 5 | 1990-2000 Annual Change, % | 1.1% | 0.1% | $[(2)/(1)]^{(1/10)-1}$ |
| 2000-2005 Historic | | | | |
| Line | | Region | Market | Notes |
| 8 | 2000 62+ Renter Households | 1,458 | 407 | US Census Bureau |
| 9 | 2005 62+ Renter Households | 1,706 | 498 | HH * Tenure |
| 10 | 2000-2005 Change | 247 | 91 | (9) - (8) |
| 11 | | | | |
| 12 | 2000-2005 Annual Change, % | 3.2% | 4.1% | $[(9)/(8)]^{(1/5)-1}$ |
| 2005-2010 Projected | | | | |
| Line | | Region | Market | Notes |
| 15 | 2005 62+ Renter Households | 1,706 | 498 | HH * Tenure |
| 16 | 2010 62+ Renter Households | 2,082 | 636 | HH * Tenure |
| 17 | 2005-2010 Change | 377 | 138 | (16) - (15) |
| 18 | | | | |
| 19 | 2005-2010 Annual Change, % | 4.1% | 5.0% | $[(16)/(15)]^{(1/5)-1}$ |

Source: U.S. Census Bureau, Claritas; Allen & Associates

Households, by Tenure, Size

The following table gives household size data by tenure for the region and market area since 1990. The data set comes from the U.S. Census Bureau:

62+ Households, Owner, by Size

| Households | 2000 | | | |
|--------------|--------------|--------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 person | 2,939 | 741 | 32.9% | 32.7% |
| 2 person | 2,589 | 586 | 29.0% | 25.9% |
| 3 person | 1,432 | 383 | 16.0% | 16.9% |
| 4 person | 1,234 | 349 | 13.8% | 15.4% |
| 5 person | 503 | 142 | 5.6% | 6.3% |
| 6 person | 153 | 39 | 1.7% | 1.7% |
| 7+ person | 82 | 22 | 0.9% | 1.0% |
| Total | 8,932 | 2,263 | 100.0% | 100.0% |

62+ Households, Renter, by Size

| Households | 2000 | | | |
|--------------|--------------|------------|---------------|---------------|
| | Region | Market | Region | Market |
| 1 person | 495 | 136 | 33.9% | 33.5% |
| 2 person | 355 | 99 | 24.3% | 24.4% |
| 3 person | 263 | 76 | 18.1% | 18.7% |
| 4 person | 195 | 55 | 13.4% | 13.5% |
| 5 person | 95 | 25 | 6.5% | 6.2% |
| 6 person | 35 | 9 | 2.4% | 2.3% |
| 7+ person | 20 | 6 | 1.3% | 1.5% |
| Total | 1,458 | 407 | 100.0% | 100.0% |

Source: U.S. Census Bureau; Allen & Associates

Household Income

The following tables give 2000 age-restricted household income data for the market area by tenure:

62+ Owner Household Income, by Percent of Income Spent on Housing

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|--------------|------------------------------------|--------|--------|--------|------|-------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$9,999 | 40 | 29 | 16 | 23 | 231 | 338 |
| \$10,000 | to \$14,999 | 105 | 33 | 18 | 15 | 50 | 220 |
| \$15,000 | to \$19,999 | 125 | 14 | 8 | 6 | 18 | 171 |
| \$20,000 | to \$24,999 | 163 | 18 | 10 | 8 | 25 | 224 |
| \$25,000 | to \$29,999 | 102 | 11 | 6 | 5 | 16 | 141 |
| \$30,000 | to \$34,999 | 106 | 12 | 6 | 5 | 17 | 147 |
| \$35,000 | to \$39,999 | 85 | 9 | 5 | 4 | 14 | 118 |
| \$40,000 | to \$44,999 | 64 | 7 | 4 | 3 | 11 | 89 |
| \$45,000 | to \$49,999 | 84 | 9 | 5 | 4 | 14 | 116 |
| \$50,000 | to \$59,999 | 140 | 16 | 9 | 7 | 23 | 195 |
| \$60,000 | to \$74,999 | 146 | 16 | 9 | 7 | 24 | 203 |
| \$75,000 | to \$99,999 | 108 | 12 | 7 | 5 | 18 | 150 |
| \$100,000 | to \$124,999 | 48 | 5 | 3 | 2 | 8 | 67 |
| \$125,000 | to \$149,999 | 35 | 4 | 2 | 2 | 6 | 49 |
| \$150,000 | to \$199,999 | 9 | 1 | 1 | 0 | 2 | 13 |
| \$200,000 | or more | 17 | 2 | 1 | 1 | 3 | 24 |
| Total Households | | 1,376 | 199 | 110 | 99 | 479 | 2,263 |

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|--------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$9,999 | 1.7% | 1.3% | 0.7% | 1.0% | 10.2% | 14.9% |
| \$10,000 | to \$14,999 | 4.6% | 1.4% | 0.8% | 0.7% | 2.2% | 9.7% |
| \$15,000 | to \$19,999 | 5.5% | 0.6% | 0.3% | 0.3% | 0.8% | 7.5% |
| \$20,000 | to \$24,999 | 7.2% | 0.8% | 0.4% | 0.4% | 1.1% | 9.9% |
| \$25,000 | to \$29,999 | 4.5% | 0.5% | 0.3% | 0.2% | 0.7% | 6.2% |
| \$30,000 | to \$34,999 | 4.7% | 0.5% | 0.3% | 0.2% | 0.7% | 6.5% |
| \$35,000 | to \$39,999 | 3.7% | 0.4% | 0.2% | 0.2% | 0.6% | 5.2% |
| \$40,000 | to \$44,999 | 2.8% | 0.3% | 0.2% | 0.1% | 0.5% | 3.9% |
| \$45,000 | to \$49,999 | 3.7% | 0.4% | 0.2% | 0.2% | 0.6% | 5.1% |
| \$50,000 | to \$59,999 | 6.2% | 0.7% | 0.4% | 0.3% | 1.0% | 8.6% |
| \$60,000 | to \$74,999 | 6.5% | 0.7% | 0.4% | 0.3% | 1.1% | 9.0% |
| \$75,000 | to \$99,999 | 4.8% | 0.5% | 0.3% | 0.2% | 0.8% | 6.6% |
| \$100,000 | to \$124,999 | 2.1% | 0.2% | 0.1% | 0.1% | 0.4% | 2.9% |
| \$125,000 | to \$149,999 | 1.5% | 0.2% | 0.1% | 0.1% | 0.3% | 2.2% |
| \$150,000 | to \$199,999 | 0.4% | 0.0% | 0.0% | 0.0% | 0.1% | 0.6% |
| \$200,000 | or more | 0.8% | 0.1% | 0.0% | 0.0% | 0.1% | 1.1% |
| Percent of Total | | 60.8% | 8.8% | 4.8% | 4.4% | 21.2% | 100.0% |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|--------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$12,622 | 1.7% | 1.3% | 0.7% | 1.0% | 10.2% | 14.9% |
| \$12,623 | to \$18,934 | 4.6% | 1.4% | 0.8% | 0.7% | 2.2% | 9.7% |
| \$18,935 | to \$25,246 | 5.5% | 0.6% | 0.3% | 0.3% | 0.8% | 7.5% |
| \$25,247 | to \$31,557 | 7.2% | 0.8% | 0.4% | 0.4% | 1.1% | 9.9% |
| \$31,558 | to \$37,869 | 4.5% | 0.5% | 0.3% | 0.2% | 0.7% | 6.2% |
| \$37,870 | to \$44,181 | 4.7% | 0.5% | 0.3% | 0.2% | 0.7% | 6.5% |
| \$44,182 | to \$50,493 | 3.7% | 0.4% | 0.2% | 0.2% | 0.6% | 5.2% |
| \$50,494 | to \$56,804 | 2.8% | 0.3% | 0.2% | 0.1% | 0.5% | 3.9% |
| \$56,805 | to \$63,116 | 3.7% | 0.4% | 0.2% | 0.2% | 0.6% | 5.1% |
| \$63,117 | to \$75,739 | 6.2% | 0.7% | 0.4% | 0.3% | 1.0% | 8.6% |
| \$75,740 | to \$94,675 | 6.5% | 0.7% | 0.4% | 0.3% | 1.1% | 9.0% |
| \$94,676 | to \$126,233 | 4.8% | 0.5% | 0.3% | 0.2% | 0.8% | 6.6% |
| \$126,234 | to \$157,792 | 2.1% | 0.2% | 0.1% | 0.1% | 0.4% | 2.9% |
| \$157,793 | to \$189,351 | 1.5% | 0.2% | 0.1% | 0.1% | 0.3% | 2.2% |
| \$189,352 | to \$252,468 | 0.4% | 0.0% | 0.0% | 0.0% | 0.1% | 0.6% |
| \$252,469 | or more | 0.8% | 0.1% | 0.0% | 0.0% | 0.1% | 1.1% |
| Percent of Total | | 60.8% | 8.8% | 4.8% | 4.4% | 21.2% | 100.0% |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|--------------|--------------|------------------------------------|--------|--------|--------|-------|--------|
| Income Range | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to \$10,000 | 1.4% | 1.0% | 0.6% | 0.8% | 8.1% | 11.8% |
| \$0 | to \$20,000 | 7.6% | 2.8% | 1.5% | 1.7% | 12.3% | 25.8% |
| \$0 | to \$30,000 | 17.8% | 3.9% | 2.2% | 2.2% | 13.8% | 39.9% |
| \$0 | to \$40,000 | 25.3% | 4.8% | 2.6% | 2.6% | 15.0% | 50.2% |
| \$0 | to \$50,000 | 31.5% | 5.5% | 3.0% | 2.9% | 16.0% | 58.9% |
| \$0 | to \$60,000 | 36.6% | 6.0% | 3.3% | 3.1% | 16.8% | 66.0% |
| \$0 | to \$70,000 | 41.6% | 6.6% | 3.6% | 3.4% | 17.7% | 72.9% |
| \$0 | to \$80,000 | 45.6% | 7.0% | 3.9% | 3.6% | 18.3% | 78.4% |
| \$0 | to \$90,000 | 49.0% | 7.4% | 4.1% | 3.8% | 18.9% | 83.2% |
| \$0 | to \$100,000 | 50.8% | 7.6% | 4.2% | 3.8% | 19.2% | 85.7% |
| \$0 | or more | 60.8% | 8.8% | 4.8% | 4.4% | 21.2% | 100.0% |

Source: U.S. Census; Allen & Associates

62+ Renter Household Income, by Percent of Income Spent on Housing

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------------|------|------------------------------------|--------|--------|------|-----|-------|
| Income Range | <20% | 20-24% | 25-29% | 30-34% | 35%+ | | |
| \$0 to \$9,999 | 24 | 40 | 12 | 7 | 74 | 157 | |
| \$10,000 to \$14,999 | 15 | 14 | 3 | 1 | 16 | 49 | |
| \$15,000 to \$19,999 | 7 | 5 | 1 | 1 | 6 | 19 | |
| \$20,000 to \$24,999 | 9 | 7 | 1 | 1 | 8 | 26 | |
| \$25,000 to \$29,999 | 5 | 5 | 1 | 0 | 5 | 17 | |
| \$30,000 to \$34,999 | 6 | 5 | 1 | 1 | 5 | 17 | |
| \$35,000 to \$39,999 | 5 | 4 | 1 | 0 | 5 | 14 | |
| \$40,000 to \$44,999 | 3 | 3 | 1 | 0 | 3 | 11 | |
| \$45,000 to \$49,999 | 4 | 4 | 1 | 0 | 4 | 14 | |
| \$50,000 to \$59,999 | 7 | 6 | 1 | 1 | 8 | 23 | |
| \$60,000 to \$74,999 | 8 | 7 | 1 | 1 | 8 | 24 | |
| \$75,000 to \$99,999 | 6 | 5 | 1 | 1 | 6 | 18 | |
| \$100,000 to \$124,999 | 3 | 2 | 0 | 0 | 3 | 8 | |
| \$125,000 to \$149,999 | 2 | 2 | 0 | 0 | 2 | 6 | |
| \$150,000 to \$199,999 | 1 | 0 | 0 | 0 | 0 | 2 | |
| \$200,000 or more | 1 | 1 | 0 | 0 | 1 | 3 | |
| Total Households | 105 | 108 | 27 | 14 | 153 | 407 | |

| 1999 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------------|-------|------------------------------------|--------|--------|-------|--------|-------|
| Income Range | <20% | 20-24% | 25-29% | 30-34% | 35%+ | | |
| \$0 to \$9,999 | 5.9% | 9.8% | 3.1% | 1.6% | 18.2% | 38.5% | |
| \$10,000 to \$14,999 | 3.8% | 3.4% | 0.7% | 0.3% | 4.0% | 12.1% | |
| \$15,000 to \$19,999 | 1.6% | 1.2% | 0.3% | 0.1% | 1.4% | 4.6% | |
| \$20,000 to \$24,999 | 2.1% | 1.8% | 0.4% | 0.2% | 1.9% | 6.3% | |
| \$25,000 to \$29,999 | 1.3% | 1.1% | 0.2% | 0.1% | 1.3% | 4.1% | |
| \$30,000 to \$34,999 | 1.4% | 1.2% | 0.2% | 0.1% | 1.3% | 4.2% | |
| \$35,000 to \$39,999 | 1.1% | 0.9% | 0.2% | 0.1% | 1.1% | 3.5% | |
| \$40,000 to \$44,999 | 0.8% | 0.7% | 0.1% | 0.1% | 0.8% | 2.6% | |
| \$45,000 to \$49,999 | 1.1% | 0.9% | 0.2% | 0.1% | 1.1% | 3.4% | |
| \$50,000 to \$59,999 | 1.8% | 1.6% | 0.3% | 0.2% | 1.8% | 5.7% | |
| \$60,000 to \$74,999 | 1.9% | 1.6% | 0.3% | 0.2% | 1.9% | 6.0% | |
| \$75,000 to \$99,999 | 1.4% | 1.2% | 0.2% | 0.1% | 1.4% | 4.4% | |
| \$100,000 to \$124,999 | 0.6% | 0.5% | 0.1% | 0.1% | 0.6% | 2.0% | |
| \$125,000 to \$149,999 | 0.5% | 0.4% | 0.1% | 0.0% | 0.5% | 1.4% | |
| \$150,000 to \$199,999 | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% | 0.4% | |
| \$200,000 or more | 0.2% | 0.2% | 0.0% | 0.0% | 0.2% | 0.7% | |
| Percent of Total | 25.8% | 26.6% | 6.5% | 3.5% | 37.6% | 100.0% | |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------------|-------|------------------------------------|--------|--------|-------|--------|-------|
| Income Range | <20% | 20-24% | 25-29% | 30-34% | 35%+ | | |
| \$0 to \$12,622 | 5.9% | 9.8% | 3.1% | 1.6% | 18.2% | 38.5% | |
| \$12,623 to \$18,934 | 3.8% | 3.4% | 0.7% | 0.3% | 4.0% | 12.1% | |
| \$18,935 to \$25,246 | 1.6% | 1.2% | 0.3% | 0.1% | 1.4% | 4.6% | |
| \$25,247 to \$31,557 | 2.1% | 1.8% | 0.4% | 0.2% | 1.9% | 6.3% | |
| \$31,558 to \$37,869 | 1.3% | 1.1% | 0.2% | 0.1% | 1.3% | 4.1% | |
| \$37,870 to \$44,181 | 1.4% | 1.2% | 0.2% | 0.1% | 1.3% | 4.2% | |
| \$44,182 to \$50,493 | 1.1% | 0.9% | 0.2% | 0.1% | 1.1% | 3.5% | |
| \$50,494 to \$56,804 | 0.8% | 0.7% | 0.1% | 0.1% | 0.8% | 2.6% | |
| \$56,805 to \$63,116 | 1.1% | 0.9% | 0.2% | 0.1% | 1.1% | 3.4% | |
| \$63,117 to \$75,739 | 1.8% | 1.6% | 0.3% | 0.2% | 1.8% | 5.7% | |
| \$75,740 to \$94,675 | 1.9% | 1.6% | 0.3% | 0.2% | 1.9% | 6.0% | |
| \$94,676 to \$126,233 | 1.4% | 1.2% | 0.2% | 0.1% | 1.4% | 4.4% | |
| \$126,234 to \$157,792 | 0.6% | 0.5% | 0.1% | 0.1% | 0.6% | 2.0% | |
| \$157,793 to \$189,351 | 0.5% | 0.4% | 0.1% | 0.0% | 0.5% | 1.4% | |
| \$189,352 to \$252,468 | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% | 0.4% | |
| \$252,469 or more | 0.2% | 0.2% | 0.0% | 0.0% | 0.2% | 0.7% | |
| Percent of Total | 25.8% | 26.6% | 6.5% | 3.5% | 37.6% | 100.0% | |

| 2006 \$ | | Percent of Income Spent on Housing | | | | | Total |
|------------------|-------|------------------------------------|--------|--------|-------|--------|-------|
| Income Range | <20% | 20-24% | 25-29% | 30-34% | 35%+ | | |
| \$0 to \$10,000 | 4.6% | 7.7% | 2.4% | 1.3% | 14.4% | 30.4% | |
| \$0 to \$20,000 | 9.8% | 13.1% | 3.7% | 1.9% | 21.8% | 50.3% | |
| \$0 to \$30,000 | 12.8% | 15.5% | 4.2% | 2.2% | 24.5% | 59.1% | |
| \$0 to \$40,000 | 15.0% | 17.4% | 4.6% | 2.4% | 26.6% | 65.9% | |
| \$0 to \$50,000 | 16.8% | 19.0% | 4.9% | 2.6% | 28.4% | 71.6% | |
| \$0 to \$60,000 | 18.3% | 20.2% | 5.2% | 2.7% | 29.9% | 76.4% | |
| \$0 to \$70,000 | 19.8% | 21.5% | 5.4% | 2.8% | 31.4% | 81.0% | |
| \$0 to \$80,000 | 21.0% | 22.5% | 5.6% | 3.0% | 32.6% | 84.6% | |
| \$0 to \$90,000 | 22.0% | 23.4% | 5.8% | 3.1% | 33.6% | 87.8% | |
| \$0 to \$100,000 | 22.6% | 23.8% | 5.9% | 3.1% | 34.1% | 89.5% | |
| \$0 or more | 25.8% | 26.6% | 6.5% | 3.5% | 37.6% | 100.0% | |

Source: U.S. Census; Allen & Associates

Conclusions

In our opinion, the age-restricted demographic outlook for the market area is excellent. Our observations are summarized below:

- The age-restricted population for the market area increased from 3,313 in 1990 to 5,236 in 2005. The age-restricted population is forecasted to increase 5.8 percent annually through 2010. This is compared with projected growth of 4.6, 2.8 and 2.1 percent for the region, state and nation, respectively.
- The number of age-restricted households for the market area increased from 2,116 in 1990 to 3,268 in 2005. The number of age-restricted households is forecasted to increase 5.0 percent annually through 2010.

SUPPLY ANALYSIS

Overview

In this section we conduct an analysis of market area housing supply. Our analysis uses the market area definition presented previously in this report.

Total Housing Units

The following table gives total housing unit data for the market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Total Housing Units | | | |
|---------------------|----------------------------|--------|-------------------------|
| 1990-2000 Historic | | | |
| Line | | Market | Notes |
| 1 | 1990 Total Housing Units | 10,314 | US Census Bureau |
| 2 | 2000 Total Housing Units | 14,433 | US Census Bureau |
| 3 | 1990-2000 Change | 4,120 | (2) - (1) |
| 4 | | | |
| 5 | 1990-2000 Annual Change, % | 3.4% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | |
| 7 | | Market | |
| 8 | 2000 Total Housing Units | 14,433 | US Census Bureau |
| 9 | 2005 Total Housing Units | 17,495 | Claritas |
| 10 | 2000-2005 Change | 3,062 | (9) - (8) |
| 11 | | | |
| 12 | 2000-2005 Annual Change, % | 3.9% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | |
| 14 | | Market | |
| 15 | 2005 Total Housing Units | 17,495 | Claritas |
| 16 | 2010 Total Housing Units | 20,416 | Claritas |
| 17 | 2005-2010 Change | 2,920 | (16) - (15) |
| 18 | | | |
| 19 | 2005-2010 Annual Change, % | 3.1% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau; Claritas

The total number of housing units for the market area increased from 10,314 in 1990 to 17,495 in 2005. The total number of housing units is forecasted to increase 3.1 percent annually through 2010.

Total Housing Units, by Tenure, Age of Structure

The following table gives total housing units by tenure and age or structure for the market area in 2000. The data set comes from the U.S. Census Bureau:

| Housing Units | | | | | | | |
|-----------------|---------------|--------------|---------------|--------------|-------------|---------------|---------------|
| 2000 | | | | | | | |
| Year Built | Owner | Renter | Occupied | Vacant | Percent | Total | Percent |
| 1990 to 2000 | 4,679 | 793 | 5,473 | 280 | 4.9% | 5,754 | 39.9% |
| 1980 to 1989 | 1,946 | 614 | 2,560 | 249 | 8.9% | 2,809 | 19.5% |
| 1970 to 1979 | 1,413 | 727 | 2,139 | 217 | 9.2% | 2,356 | 16.3% |
| 1960 to 1969 | 895 | 560 | 1,455 | 66 | 4.3% | 1,521 | 10.5% |
| 1950 to 1959 | 639 | 243 | 883 | 143 | 13.9% | 1,025 | 7.1% |
| 1940 to 1949 | 285 | 112 | 398 | 11 | 2.7% | 409 | 2.8% |
| 1939 or earlier | 376 | 132 | 507 | 52 | 9.3% | 560 | 3.9% |
| Total | 10,233 | 3,182 | 13,415 | 1,018 | 7.1% | 14,433 | 100.0% |

Source: U.S. Census Bureau

| Median Age | | |
|--------------|-------------|-----------|
| 2006 | | |
| | Built | Age |
| Owner | 1986 | 20 |
| Renter | 1978 | 28 |
| Total | 1984 | 22 |

Source: U.S. Census Bureau

Our analysis suggests median ages of 20 and 28 years, respectively, for the owner and renter housing units in the market area.

Renter Housing Units

The following table gives renter housing unit data for the market area since 1990. The data set, which comes from the U.S. Census Bureau and Claritas, includes a forecast through 2010:

| Renter Housing Units | | | |
|----------------------|----------------------------|--------|-------------------------|
| 1990-2000 Historic | | | |
| Line | | Market | Notes |
| 1 | 1990 Renter Housing Units | 2,954 | US Census Bureau |
| 2 | 2000 Renter Housing Units | 3,512 | US Census Bureau |
| 3 | 1990-2000 Change | 558 | (2) - (1) |
| 4 | | | |
| 5 | 1990-2000 Annual Change, % | 1.7% | $[(2)/(1)]^{(1/10)}-1$ |
| 2000-2005 Historic | | | |
| 7 | | Market | |
| 8 | 2000 Renter Housing Units | 3,512 | US Census Bureau |
| 9 | 2005 Renter Housing Units | 4,258 | Claritas |
| 10 | 2000-2005 Change | 745 | (9) - (8) |
| 11 | | | |
| 12 | 2000-2005 Annual Change, % | 3.9% | $[(9)/(8)]^{(1/5)}-1$ |
| 2005-2010 Projected | | | |
| 14 | | Market | |
| 15 | 2005 Renter Housing Units | 4,258 | Claritas |
| 16 | 2010 Renter Housing Units | 4,968 | Claritas |
| 17 | 2005-2010 Change | 711 | (16) - (15) |
| 18 | | | |
| 19 | 2005-2010 Annual Change, % | 3.1% | $[(16)/(15)]^{(1/5)}-1$ |

Source: U.S. Census Bureau, Claritas; Allen & Associates

The total number of renter housing units for the market area increased from 2,954 in 1990 to 4,258 in 2005. The total number of housing units is forecasted to increase 3.1 percent annually through 2010.

Renter Housing Units, by Bedroom Count

The following table gives renter housing units by bedroom count for the market area in 1990 and 2000. The data set comes from the U.S. Census Bureau:

| Renter Housing Units | | | | | |
|----------------------|--------------|------------|-------------|--------------|---------------|
| 1990 | | | | | |
| Unit Type | Occupied | Vacant | Percent | Total | Percent |
| 0 Bedroom | 11 | 7 | 41.2% | 18 | 0.6% |
| 1 Bedroom | 556 | 13 | 2.3% | 568 | 19.2% |
| 2 Bedroom | 1,265 | 101 | 7.4% | 1,366 | 46.2% |
| 3 Bedroom | 764 | 91 | 10.7% | 855 | 28.9% |
| 4 Bedroom | 108 | 20 | 15.6% | 129 | 4.4% |
| 5 Bedroom | 16 | 3 | 15.7% | 18 | 0.6% |
| Total | 2,719 | 235 | 8.0% | 2,954 | 100.0% |

| 2000 | | | | | |
|--------------|--------------|------------|-------------|--------------|---------------|
| Unit Type | Occupied | Vacant | Percent | Total | Percent |
| 0 Bedroom | 57 | 4 | 6.9% | 62 | 1.8% |
| 1 Bedroom | 561 | 38 | 6.3% | 598 | 17.0% |
| 2 Bedroom | 1,261 | 126 | 9.1% | 1,387 | 39.5% |
| 3 Bedroom | 1,087 | 139 | 11.3% | 1,226 | 34.9% |
| 4 Bedroom | 179 | 20 | 9.8% | 198 | 5.6% |
| 5 Bedroom | 37 | 4 | 9.4% | 41 | 1.2% |
| Total | 3,182 | 330 | 9.4% | 3,512 | 100.0% |

Source: U.S. Census Bureau; Allen & Associates

Renter Housing Units, by Unit Size

The following table gives renter housing units by unit size for the market area in 1990 and 2000. The data set comes from the U.S. Census Bureau:

| Renter Housing Units | | |
|----------------------|----------|-------|
| 1990 | | |
| Unit Type | Occupied | Size |
| 0 Bedroom | 11 | 500 |
| 1 Bedroom | 556 | 700 |
| 2 Bedroom | 1,265 | 1,000 |
| 3 Bedroom | 764 | 1,250 |
| 4 Bedroom | 108 | 1,400 |
| 5 Bedroom | 16 | 1,550 |
| Total/Average | 2,719 | 1,026 |

| 2000 | | |
|---------------|----------|-------|
| Unit Type | Occupied | Size |
| 0 Bedroom | 57 | 500 |
| 1 Bedroom | 561 | 700 |
| 2 Bedroom | 1,261 | 1,000 |
| 3 Bedroom | 1,087 | 1,250 |
| 4 Bedroom | 179 | 1,400 |
| 5 Bedroom | 37 | 1,550 |
| Total/Average | 3,182 | 1,053 |

Source: U.S. Census Bureau; Allen & Associates

Median Rent

The following tables give the 1990 and 2000 median rent data for the market area. This data comes from the US Census Bureau:

| Median Rent | | |
|------------------|----------|--------|
| 1990 | | |
| Rent Range | | Market |
| \$0 | to \$249 | 741 |
| \$250 | to \$499 | 1,321 |
| \$500 | to \$749 | 414 |
| \$750 | to \$999 | 32 |
| \$1,000 | to more | 19 |
| No Cash Rent | | 192 |
| Total Households | | 2,719 |

| Median Rent | | |
|------------------|----------|--------|
| 2000 | | |
| Rent Range | | Market |
| \$0 | to \$249 | 400 |
| \$250 | to \$499 | 1,149 |
| \$500 | to \$749 | 866 |
| \$750 | to \$999 | 377 |
| \$1,000 | to more | 134 |
| No Cash Rent | | 256 |
| Total Households | | 3,182 |

| 1990 - 2000 Change | |
|----------------------------|---------|
| Description | Market |
| Median Rent, 1990 | \$358 |
| Median Rent, 2000 | \$520 |
| Average Square Feet, 1990 | 1,026 |
| Average Square Feet, 2000 | 1,053 |
| Rent per Square Foot, 1990 | \$0.349 |
| Rent per Square Foot, 2000 | \$0.494 |
| 1990-2000 Change | \$0.145 |
| 1990-2000 Annual Change, % | 3.5% |

Source: U.S. Census Bureau; Allen & Associates

The renter housing unit data suggests a 3.5 percent annual increase in median rent for the market area between 1990 and 2000.

Substandard Housing Units

The U.S. Census Bureau defines substandard housing units as follows: (1) Units without complete plumbing; or (2) Units with 1.00 or more persons per room. The following tables give the 1990 and 2000 breakdown of substandard housing units by tenure:

| Substandard Housing Units | | | |
|-------------------------------|--------|--------|--------|
| 1990 | | | |
| Households | Total | Owner | Renter |
| 1.00 persons per room or less | 9,331 | 6,837 | 2,494 |
| 1.01 to 1.50 persons per room | 213 | 116 | 97 |
| 1.51 persons per room or more | 128 | 36 | 92 |
| Complete Plumbing | 9,672 | 6,989 | 2,682 |
| 1.00 persons per room or less | 57 | 33 | 23 |
| 1.01 to 1.50 persons per room | 13 | 0 | 13 |
| 1.51 persons per room or more | 2 | 2 | 0 |
| Lacking Complete Plumbing | 71 | 35 | 36 |
| Standard | 9,331 | 6,837 | 2,494 |
| Substandard | 412 | 187 | 225 |
| Total | 9,743 | 7,024 | 2,719 |
| Standard | 95.8% | 97.3% | 91.7% |
| Substandard | 4.2% | 2.7% | 8.3% |
| Total | 100.0% | 100.0% | 100.0% |

| 2000 | | | |
|-------------------------------|--------|--------|--------|
| Households | Total | Owner | Renter |
| 1.00 persons per room or less | 12,890 | 10,013 | 2,878 |
| 1.01 to 1.50 persons per room | 314 | 147 | 166 |
| 1.51 persons per room or more | 160 | 43 | 117 |
| Complete Plumbing | 13,364 | 10,203 | 3,161 |
| 1.00 persons per room or less | 51 | 29 | 21 |
| 1.01 to 1.50 persons per room | 0 | 0 | 0 |
| 1.51 persons per room or more | 0 | 0 | 0 |
| Lacking Complete Plumbing | 51 | 30 | 21 |
| Standard | 12,890 | 10,013 | 2,878 |
| Substandard | 525 | 220 | 305 |
| Total | 13,415 | 10,233 | 3,182 |
| Standard | 96.1% | 97.8% | 90.4% |
| Substandard | 3.9% | 2.2% | 9.6% |
| Total | 100.0% | 100.0% | 100.0% |

Source: U.S. Census Bureau

Rental Property Inventory

In conducting our analysis, we attempted to obtain information on every multifamily property with 20 or more units in the primary market area. We compiled a list of all properties financed by the state housing finance authority and all properties subsidized by USDA and/or HUD. We also conducted a search for conventional multifamily communities.

Our analysis included a total of 16 properties in the market area. This total included 14 stabilized properties consisting of 7 properties with 100 percent market rate units (market rate properties), 6 properties with a mixture of market rate / restricted / subsidized units (restricted properties), and 1 property with 100 percent project-based rental assistance (subsidized properties). The total included 1 stabilized elderly property and 13 stabilized family properties. The breakout is set forth below:

| Market Rate | | | |
|-----------------------|---------|--------|-------|
| | Elderly | Family | Total |
| Total Properties | 0 | 9 | 9 |
| Stabilized Properties | 0 | 7 | 7 |

| Restricted | | | |
|-----------------------|---------|--------|-------|
| | Elderly | Family | Total |
| Total Properties | 1 | 5 | 6 |
| Stabilized Properties | 1 | 5 | 6 |

| Subsidized | | | |
|-----------------------|---------|--------|-------|
| | Elderly | Family | Total |
| Total Properties | 0 | 1 | 1 |
| Stabilized Properties | 0 | 1 | 1 |

| Total | | | |
|-----------------------|---------|--------|-------|
| | Elderly | Family | Total |
| Total Properties | 1 | 15 | 16 |
| Stabilized Properties | 1 | 13 | 14 |

The following is our inventory of properties in the market area:

| | | Overview | | | | | | | | |
|----------|----------------------------|------------------|------------|----------------|-------------|----------------|------------|-------------|--------------|-----------|
| AAC Code | Project Name | Miles to Subject | Year Built | Year Renovated | Rent Type | Occupancy Type | Status | Total Units | Vacant Units | Occupancy |
| 001 | Ashton Landing | 0.38 | 2000 | na | Restricted | Family | Stabilized | 108 | 20 | 81.5% |
| 003 | Commodore Manor Apartments | 0.95 | 1983 | na | Restricted | Family | Stabilized | 53 | 2 | 96.2% |
| 004 | Gatwick Senior Village | 0.70 | 2002 | na | Restricted | Elderly | Stabilized | 59 | 0 | 100.0% |
| 005 | Hamptons Of Perry | 2.43 | 1995 | na | Market Rate | Family | Stabilized | 152 | 1 | 99.3% |
| 006 | Heritage Apartments | 2.17 | 1990 | na | Market Rate | Family | Stabilized | 96 | 5 | 94.8% |
| 007 | High Grove Apartments | 0.85 | 2006 | na | Market Rate | Family | Lease Up | 99 | 26 | 73.7% |
| 008 | Kings Villas, Phase 1 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 60 | 0 | 100.0% |
| 009 | Kings Villas, Phase 2 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 30 | 0 | 100.0% |
| 010 | Marquis Apartments | 1.46 | 1970 | na | Market Rate | Family | Stabilized | 33 | 3 | 90.9% |
| 011 | Mullins Apartments | 1.09 | 0 | na | Market Rate | Family | na | 0 | 0 | 0.0% |
| 012 | Pacific Coast Apartments | 0.87 | 1993 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% |
| 014 | Pine Castle Apartments | 1.11 | 1975 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% |
| 013 | Pinebrook Apartments | 0.93 | 1986 | na | Restricted | Family | Stabilized | 52 | 0 | 100.0% |
| 015 | Richmond Apartments | 6.42 | 2000 | na | Market Rate | Family | Stabilized | 124 | 10 | 91.9% |
| 017 | Smith Heights Apartments | 0.96 | 12 | na | Subsidized | Family | Stabilized | 50 | 0 | 100.0% |
| 019 | Winslow Place | 0.08 | 1988 | na | Market Rate | Family | Stabilized | 88 | 3 | 96.6% |

Other properties exist in the market area that were not included in this study. In our opinion, however, the properties included in this study give an accurate picture of market conditions as of the effective date of this report.

Rental Property Inventory Map

A map showing the location of properties included in this report relative to the subject property is found on the next page. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for all properties are found in the Appendix of this report.

Occupancy Summary

Our occupancy summary for the market area is found in the following pages.

Occupancies by rent type for units at stabilized elderly properties follow: Market rate, 100.0% (12 units in sample); restricted rents, 100.0% (47 units in sample); and subsidized rents, not applicable (0 units in sample).

Occupancies by rent type for units at stabilized family properties follow: Market rate, 95.8% (525 units in sample); restricted rents, 92.7% (303 units in sample); and subsidized rents, 100.0% (50 units in sample).

Overall market occupancies for units at stabilized properties currently stand at 95.3% (937 units in sample).

Stabilized Occupancy Rates

The following table uses the proposed unit mix and prevailing occupancy rates to estimate the stabilized occupancy rate for the subject property:

| | 30% of AMI | 50% of AMI | 60% of AMI | Restricted | Market Rate | Total |
|----------------------|------------|------------|------------|------------|-------------|-------|
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 |
| 2-Bedroom | 0 | 17 | 31 | 48 | 0 | 48 |
| 3-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| Subject Units | 0 | 23 | 41 | 64 | 0 | 64 |
| 0-Bedroom | 0% | 0% | 0% | 0% | 0% | 0% |
| 1-Bedroom | 0% | 97% | 97% | 97% | 0% | 97% |
| 2-Bedroom | 0% | 97% | 97% | 97% | 0% | 97% |
| 3-Bedroom | 0% | 97% | 97% | 97% | 0% | 97% |
| 4-Bedroom | 0% | 0% | 0% | 0% | 0% | 0% |
| Stabilized Occupancy | 0% | 97% | 97% | 97% | 0% | 97% |

Source: Allen & Associates

Based on the prevailing occupancy rates for market rate, restricted and subsidized properties, and considering the unit mix for the subject property, we anticipate a stabilized occupancy rate of approximately 97 percent.

Rental Property Inventory



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Market Rate

| | Elderly | | | | | | Family | | | | | | Total | | | | | |
|-------------------------|---------|--------|--------|-----|-----|--------|--------|-------|-------|-------|-----|-------|-------|-------|-------|-------|-----|-------|
| | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total |
| Total Units | 0 | 8 | 4 | 0 | 0 | 12 | 0 | 188 | 368 | 68 | 0 | 624 | 0 | 196 | 372 | 68 | 0 | 636 |
| Total Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 39 | 4 | 0 | 48 | 0 | 5 | 39 | 4 | 0 | 48 |
| Total Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 97.3% | 89.4% | 94.1% | - | 92.3% | - | 97.4% | 89.5% | 94.1% | - | 92.5% |
| Stabilized Units | 0 | 8 | 4 | 0 | 0 | 12 | 0 | 188 | 301 | 36 | 0 | 525 | 0 | 196 | 305 | 36 | 0 | 537 |
| Stabilized Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 14 | 3 | 0 | 22 | 0 | 5 | 14 | 3 | 0 | 22 |
| Stabilized Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 97.3% | 95.3% | 91.7% | - | 95.8% | - | 97.4% | 95.4% | 91.7% | - | 95.9% |

Restricted

| | Elderly | | | | | | Family | | | | | | Total | | | | | |
|-------------------------|---------|--------|--------|-----|-----|--------|--------|--------|-------|-------|-----|-------|-------|--------|-------|-------|-----|-------|
| | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total |
| Total Units | 0 | 32 | 15 | 0 | 0 | 47 | 0 | 68 | 175 | 60 | 0 | 303 | 0 | 100 | 190 | 60 | 0 | 350 |
| Total Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 10 | 0 | 22 | 0 | 0 | 12 | 10 | 0 | 22 |
| Total Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 100.0% | 93.1% | 83.3% | - | 92.7% | - | 100.0% | 93.7% | 83.3% | - | 93.7% |
| Stabilized Units | 0 | 32 | 15 | 0 | 0 | 47 | 0 | 68 | 175 | 60 | 0 | 303 | 0 | 100 | 190 | 60 | 0 | 350 |
| Stabilized Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12 | 10 | 0 | 22 | 0 | 0 | 12 | 10 | 0 | 22 |
| Stabilized Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 100.0% | 93.1% | 83.3% | - | 92.7% | - | 100.0% | 93.7% | 83.3% | - | 93.7% |

Subsidized

| | Elderly | | | | | | Family | | | | | | Total | | | | | |
|-------------------------|---------|-----|-----|-----|-----|-------|--------|-----|--------|--------|-----|--------|-------|-----|--------|--------|-----|--------|
| | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total |
| Total Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32 | 18 | 0 | 50 | 0 | 0 | 32 | 18 | 0 | 50 |
| Total Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Occupancy | - | - | - | - | - | - | - | - | 100.0% | 100.0% | - | 100.0% | - | - | 100.0% | 100.0% | - | 100.0% |
| Stabilized Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32 | 18 | 0 | 50 | 0 | 0 | 32 | 18 | 0 | 50 |
| Stabilized Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Stabilized Occupancy | - | - | - | - | - | - | - | - | 100.0% | 100.0% | - | 100.0% | - | - | 100.0% | 100.0% | - | 100.0% |

Grand Total

| | Elderly | | | | | | Family | | | | | | Total | | | | | |
|-------------------------|---------|--------|--------|-----|-----|--------|--------|-------|-------|-------|-----|-------|-------|-------|-------|-------|-----|-------|
| | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total | 0BR | 1BR | 2BR | 3BR | 4BR | Total |
| Total Units | 0 | 40 | 19 | 0 | 0 | 59 | 0 | 256 | 575 | 146 | 0 | 977 | 0 | 296 | 594 | 146 | 0 | 1,036 |
| Total Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 51 | 14 | 0 | 70 | 0 | 5 | 51 | 14 | 0 | 70 |
| Total Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 98.0% | 91.1% | 90.4% | - | 92.8% | - | 98.3% | 91.4% | 90.4% | - | 93.2% |
| Stabilized Units | 0 | 40 | 19 | 0 | 0 | 59 | 0 | 256 | 508 | 114 | 0 | 878 | 0 | 296 | 527 | 114 | 0 | 937 |
| Stabilized Vacant Units | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 26 | 13 | 0 | 44 | 0 | 5 | 26 | 13 | 0 | 44 |
| Stabilized Occupancy | - | 100.0% | 100.0% | - | - | 100.0% | - | 98.0% | 94.9% | 88.6% | - | 95.0% | - | 98.3% | 95.1% | 88.6% | - | 95.3% |

RENT COMPARABILITY ANALYSIS

In this section we evaluate the proposed rents for the subject property given the pricing for similar properties in the marketplace. In our analysis, we first compare the subject property to similar restricted rent properties in order to arrive at an indicated market rent conclusion for the restricted rent units at the subject property. Our next step is to compare the subject property to similar market rate properties in order to arrive at a market rent conclusion for the subject property units, assuming that the subject property was completely unrestricted. Because the actual rents market rate units at restricted-rent properties often fall short of the rents at unrestricted properties, we utilize the restricted rent and market rent conclusions derived above to arrive at an indicated market rent conclusion for any market rate units at the subject property. Finally, we compare our rent conclusions with the sponsor's proposed rents to assess whether the subject property is priced appropriately.

Analysis of Restricted Rent Comparables

In this section we select comparable rentals and use them to develop estimates of indicated market rents for the restricted rent units at the subject property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating a linkage between the two property types. The table below illustrates this further:

Elderly Renter Household Analysis

| | | | |
|---|---|-----|-------------------------|
| 1 | Elderly Renter Households | 736 | U.S. Census |
| 2 | Elderly Renter Households in Elderly Renter Housing Units | 59 | Allen & Associates |
| 3 | Elderly Renter Households in General Occupancy Renter Housing Units | 677 | (1) - (2) |
| 4 | Percentage of Elderly Renter Households in General Occupancy Renter Housing Units | 92% | (3) / (1) |
| 5 | Percentage of Elderly Households in General Occupancy Housing Units | 80% | 1995 AARP Member Survey |

Source: Allen & Associates

As the table demonstrates, 92 percent of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

Comparables with market rate rents are used when a sufficient number of restricted rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

On the next page we present a master list of properties with notes regarding the reasons for selecting or rejecting each property as a rent comparable for purposes of this analysis.

Comparable Rental Property Map

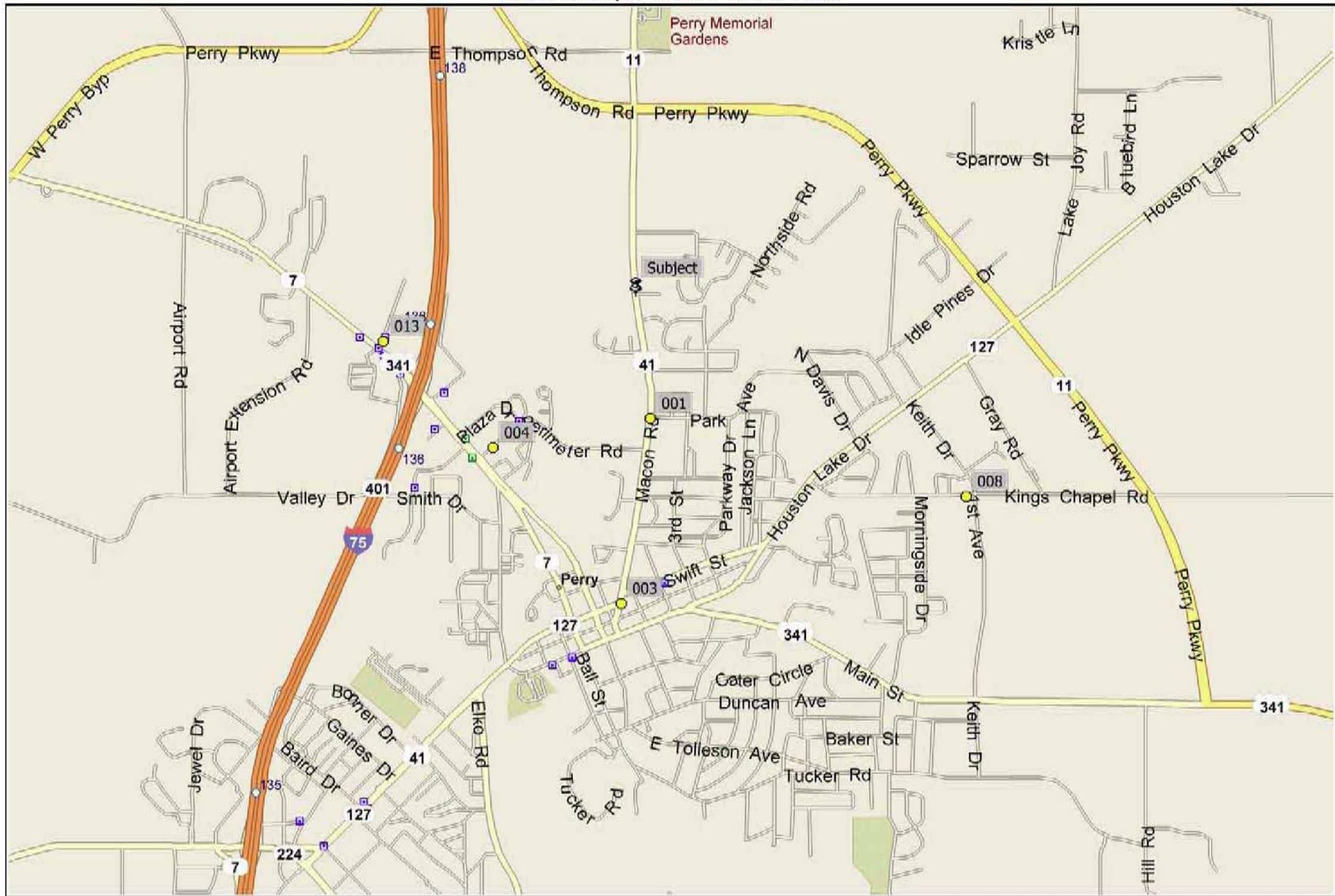
A map showing the location of the properties selected as comparables in this analysis is found after the master list of properties found below. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the comparables are found in the Appendix of this report.

Rent Comparability Grids

Our analysis utilized rent comparability grids and resulted in an achievable rent estimate for each of the subject's unit types. The rent comparability grids for the subject property are found after the map of the rent comparables found below:

| AAC Code | Project Name | Overview | | | | | | | | | Selection as Restricted Rent Comparable |
|----------|----------------------------|------------------|------------|----------------|-------------|----------------|------------|-------------|--------------|-----------|---|
| | | Miles to Subject | Year Built | Year Renovated | Rent Type | Occupancy Type | Status | Total Units | Vacant Units | Occupancy | |
| 001 | Ashton Landing | 0.38 | 2000 | na | Restricted | Family | Stabilized | 108 | 20 | 81.5% | Selected |
| 003 | Commodore Manor Apartments | 0.95 | 1983 | na | Restricted | Family | Stabilized | 53 | 2 | 96.2% | Selected |
| 004 | Gatwick Senior Village | 0.70 | 2002 | na | Restricted | Elderly | Stabilized | 59 | 0 | 100.0% | Selected |
| 005 | Hamptons Of Perry | 2.43 | 1995 | na | Market Rate | Family | Stabilized | 152 | 1 | 99.3% | Market Rate |
| 006 | Heritage Apartments | 2.17 | 1990 | na | Market Rate | Family | Stabilized | 96 | 5 | 94.8% | Market Rate |
| 007 | High Grove Apartments | 0.85 | 2006 | na | Market Rate | Family | Lease Up | 99 | 26 | 73.7% | Lease Up |
| 008 | Kings Villas, Phase 1 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 60 | 0 | 100.0% | Selected |
| 009 | Kings Villas, Phase 2 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 30 | 0 | 100.0% | See Phase 1 |
| 010 | Marquis Apartments | 1.46 | 1970 | na | Market Rate | Family | Stabilized | 33 | 3 | 90.9% | Market Rate |
| 011 | Mullins Apartments | 1.09 | 0 | na | Market Rate | Family | na | 0 | 0 | 0.0% | Unconfirmed |
| 012 | Pacific Coast Apartments | 0.87 | 1993 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% | Market Rate |
| 014 | Pine Castle Apartments | 1.11 | 1975 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% | Market Rate |
| 013 | Pinebrook Apartments | 0.93 | 1986 | na | Restricted | Family | Stabilized | 52 | 0 | 100.0% | Selected |
| 015 | Richmond Apartments | 6.42 | 2000 | na | Market Rate | Family | Stabilized | 124 | 10 | 91.9% | Location |
| 017 | Smith Heights Apartments | 0.96 | 12 | na | Subsidized | Family | Stabilized | 50 | 0 | 100.0% | Subsidized |
| 019 | Winslow Place | 0.08 | 1988 | na | Market Rate | Family | Stabilized | 88 | 3 | 96.6% | Market Rate |

Rent Comparables, Restricted



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| Project Name | Adjustments | | | Sub | 001 | 003 | 004 | 008 | 013 |
|----------------------|--------------|----------|---------|-----------------|-----------------|----------------------------|------------------------|------------------------|------------------------|
| | Min | Max | Adj | | | | | | |
| Address | | | | Cameron Court | Ashton Landing | Commodore Manor Apartments | Gatwick Senior Village | Kings Villas, Phase 1 | Pinebrook Apartments |
| City | | | | 1807 Macon Road | 1701 Macon Road | 1603 Manor Road | 901 Perimeter Road | 1980 Kings Chapel Road | 715 Mason Terrace Road |
| State | | | | Perry | Perry | Perry | Perry | Perry | Perry |
| Zip | | | | Georgia | Georgia | Georgia | Georgia | Georgia | Georgia |
| Phone | | | | 31069 | 31069 | 31069 | 31069 | 31069 | 31069 |
| Latitude | | | | (478) 825-7754 | (478) 988-0917 | (478) 987-4800 | (478) 987-7252 | (727) 449-1182 | (478) 987-4800 |
| Longitude | | | | 32.4767 | 32.4701 | 32.4600 | 32.4685 | 32.4659 | 32.4743 |
| Miles to Subject | | | | -83.7299 | -83.7290 | -83.7309 | -83.7391 | -83.7087 | -83.7461 |
| Effective Date | | | | 0.00 | 0.38 | 0.95 | 0.70 | 1.35 | 0.93 |
| Rent Type | | | | 07/01/06 | 05/17/06 | 05/17/06 | 05/17/06 | 05/17/06 | 05/17/06 |
| Income Limit | | | | Restricted | Restricted | Restricted | Restricted | Restricted | Restricted |
| Project Type | | | | 60% of AMI | 60% of AMI | 80% of AMI | 60% of AMI | 80% of AMI | 80% of AMI |
| Project Status | | | | Elderly | Family | Family | Elderly | Family | Family |
| Total Units | | | | Prop Const | Stabilized | Stabilized | Stabilized | Stabilized | Stabilized |
| Vacant Units | | | | 31 | 45 | 33 | 7 | 30 | 38 |
| Year Built | | | | 31 | 10 | 2 | 0 | 0 | 0 |
| Year Renovated | | | | 2006 | 2000 | 1983 | 2002 | 1980 | 1986 |
| Occupancy | | | | na | na | na | na | na | na |
| Square Feet, Minimum | | | | 0% | 78% | 94% | 100% | 100% | 100% |
| Square Feet, Maximum | | | | 1,139 | 951 | 1,080 | 1,079 | 900 | 900 |
| Square Feet, Typical | | | | 1,139 | 951 | 1,080 | 1,079 | 900 | 900 |
| Utility Allowance | | | | 1,139 | 951 | 1,080 | 1,079 | 900 | 900 |
| Net Rent, Minimum | | | | \$141 | \$166 | \$127 | \$186 | \$127 | \$127 |
| Net Rent, Maximum | | | | \$397 | \$475 | \$379 | \$397 | \$510 | \$335 |
| Net Rent, Typical | | | | \$397 | \$475 | \$560 | \$397 | \$510 | \$507 |
| | | | | \$397 | \$475 | \$470 | \$397 | \$510 | \$421 |
| Utilities in Rent | Change in UA | | | \$141 UA | \$166 UA | \$127 UA | \$186 UA | \$127 UA | \$127 UA |
| Unit Type | varies | varies | \$0.00 | Garden/Flat | Garden/Flat | Townhome | Garden/Flat | Townhome | Townhome |
| Location | varies | varies | \$0.00 | 3 | 3 | 2.5 | 3 | 2.5 | 2.5 |
| Condition | varies | varies | \$0.00 | 5 | 4.5 | 3 | 4.5 | 3 | 3 |
| Effective Age | \$0.00 | \$2.00 | \$0.00 | 0 | 6 | 23 | 4 | 26 | 20 |
| Bedrooms | \$0.00 | \$100.00 | \$50.00 | 2 | 2 | 2 | 2 | 2 | 2 |
| Bathrooms | \$0.00 | \$50.00 | \$25.00 | 2.0 | 2.0 | 1.5 | 2.0 | 1.5 | 1.5 |
| Square Feet, Typical | \$0.00 | \$1.00 | \$0.00 | 1,139 | 951 | 1,080 | 1,079 | 900 | 900 |
| Building Type | | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Project Amenities | | | | | \$5 | \$25 | \$5 | \$25 | \$25 |
| Unit Amenities | | | | | \$10 | -\$10 | -\$5 | -\$5 | -\$5 |
| Kitchen Amenities | | | | | \$5 | \$15 | \$5 | \$15 | \$15 |
| A/C Units | | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Heat | | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Parking | | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| W/D Units | | | | | \$0 | \$15 | \$0 | \$10 | \$10 |
| Security | | | | | \$5 | \$0 | -\$5 | \$5 | \$5 |
| Services | | | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Indicated Rent | | | | \$495 | \$505 | \$513 | \$442 | \$559 | \$470 |

| Project Name | Adjustments | | | Sub | 001 | 003 | 004 | 008 | 013 | | |
|----------------------|-------------|-----|-----|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | Min | Max | Adj | | | | | | | | |
| Address | | | | Cameron Court | Ashton Landing | Commodore Manor Apartments | Gatwick Senior Village | Kings Villas, Phase 1 | Pinebrook Apartments | | |
| City | | | | 1807 Macon Road | 1701 Macon Road | 1603 Manor Road | 901 Perimeter Road | 1980 Kings Chapel Road | 715 Mason Terrace Road | | |
| State | | | | Perry | Perry | Perry | Perry | Perry | Perry | | |
| Zip | | | | Georgia | Georgia | Georgia | Georgia | Georgia | Georgia | | |
| Phone | | | | 31069 | 31069 | 31069 | 31069 | 31069 | 31069 | | |
| Latitude | | | | (478) 825-7754 | (478) 988-0917 | (478) 987-4800 | (478) 987-7252 | (727) 449-1182 | (478) 987-4800 | | |
| Longitude | | | | 32.4767 | 32.4701 | 32.4600 | 32.4685 | 32.4659 | 32.4743 | | |
| Miles to Subject | | | | -83.7299 | -83.7290 | -83.7309 | -83.7391 | -83.7087 | -83.7461 | | |
| Effective Date | | | | 0.00 | 0.38 | 0.95 | 0.70 | 1.35 | 0.93 | | |
| Rent Type | | | | 07/01/06 | 05/17/06 | 05/17/06 | 05/17/06 | 05/17/06 | 05/17/06 | | |
| Income Limit | | | | Restricted | Restricted | Restricted | Restricted | Restricted | Restricted | | |
| Project Type | | | | 60% of AMI | 60% of AMI | 80% of AMI | 60% of AMI | 80% of AMI | 80% of AMI | | |
| Project Status | | | | Elderly | Family | Family | Elderly | Family | Family | | |
| Total Units | | | | Prop Const | Stabilized | Stabilized | Stabilized | Stabilized | Stabilized | | |
| Vacant Units | | | | 5 | 57 | 33 | 7 | 30 | 38 | | |
| Year Built | | | | 5 | 10 | 2 | 0 | 0 | 0 | | |
| Year Renovated | | | | 2006 | 2000 | 1983 | 2002 | 1980 | 1986 | | |
| Occupancy | | | | na | na | na | na | na | na | | |
| Square Feet, Minimum | | | | 0% | 82% | 94% | 100% | 100% | 100% | | |
| Square Feet, Maximum | | | | 1,330 | 1,089 | 1,080 | 1,079 | 900 | 900 | | |
| Square Feet, Typical | | | | 1,330 | 1,089 | 1,080 | 1,079 | 900 | 900 | | |
| Utility Allowance | | | | \$175 | \$204 | \$127 | \$186 | \$127 | \$127 | | |
| Net Rent, Minimum | | | | \$438 | \$500 | \$379 | \$397 | \$510 | \$335 | | |
| Net Rent, Maximum | | | | \$438 | \$500 | \$560 | \$397 | \$510 | \$507 | | |
| Net Rent, Typical | | | | \$438 | \$500 | \$470 | \$397 | \$510 | \$421 | | |
| Utilities in Rent | | | | Min | Max | Adj | Data | Adj | Data | Adj | |
| Unit Type | | | | Change in UA | \$175 UA | \$204 UA | \$29 | \$127 UA | -\$48 | \$186 UA | \$11 |
| Location | | | | Garden/Flat | Garden/Flat | Garden/Flat | \$0 | Townhome | \$0 | Garden/Flat | \$0 |
| Condition | | | | 3 | 3 | 3 | \$0 | 3 | \$0 | 2.5 | \$0 |
| Effective Age | | | | 5 | 4.5 | 3 | \$0 | 4.5 | \$0 | 3 | \$0 |
| Bedrooms | | | | 0 | 6 | 23 | \$0 | 4 | \$0 | 26 | \$0 |
| Bathrooms | | | | \$0.00 | \$2.00 | \$0.00 | \$0 | 2 | \$50 | 2 | \$50 |
| Square Feet, Typical | | | | \$0.00 | \$100.00 | \$50.00 | \$0 | 2 | \$50 | 2 | \$50 |
| Building Type | | | | \$0.00 | \$50.00 | \$25.00 | \$0 | 1.5 | \$13 | 1.5 | \$13 |
| Project Amenities | | | | \$0.00 | \$1.00 | \$0.00 | \$0 | 1,330 | 1,089 | \$0 | \$0 |
| Unit Amenities | | | | \$0 | \$0 | \$0 | \$0 | 1,080 | \$0 | 1,079 | \$0 |
| Kitchen Amenities | | | | \$0 | \$0 | \$0 | \$0 | 900 | \$0 | 900 | \$0 |
| A/C Units | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Heat | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Parking | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| W/D Units | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Security | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Services | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Indicated Rent | | | | See Supplemental Adjustment Schedule |
| | | | | \$515 | \$534 | \$529 | \$458 | \$575 | \$486 | | |

The following table sets forth the supplementary rent adjustments used in our analysis:

| | | Min | Max | Adj | Sub | 001 | 003 | 004 | 008 | 013 |
|-------------------|------------------|------|-------|------|-------|-------|------|------|------|------|
| Building Type | 1 Story | \$0 | \$0 | \$0 | yes | no | yes | no | no | no |
| | 2-4 Story | \$0 | \$0 | \$0 | no | yes | yes | yes | yes | yes |
| | 5-10 Story | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | >10 Story | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Project Amenities | Ball Field | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | BBQ Area | \$0 | \$10 | \$5 | no | yes | no | yes | no | no |
| | Billiards | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Bus/Comp Ctr | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Car Care Ctr | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Comm Center | \$0 | \$10 | \$5 | yes | yes | no | yes | no | no |
| | Elevator | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Fitness Center | \$0 | \$10 | \$5 | yes | yes | no | yes | no | no |
| | Gazebo | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Hot Tub/Jacuzzi | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Horseshoe Pit | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Lake | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Library | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Movie Theatre | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Picnic Area | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Playground | \$0 | \$10 | \$5 | no | yes | yes | no | yes | yes |
| | Pool | \$0 | \$10 | \$5 | no | yes | no | no | no | no |
| | Sauna | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| Sports Court | \$0 | \$10 | \$5 | no | no | no | yes | no | no | |
| Walking Trail | \$0 | \$10 | \$5 | yes | no | no | yes | no | no | |
| Adjustment | | | | \$0 | \$5 | \$25 | \$5 | \$25 | \$25 | |
| Unit Amenities | Blinds | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Ceiling Fans | \$0 | \$10 | \$5 | no | yes | yes | no | no | no |
| | Carpeting | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Fireplace | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Patio/Balcony | \$0 | \$10 | \$5 | no | yes | yes | yes | yes | yes |
| | Storage | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | -\$10 | -\$10 | -\$5 | -\$5 | -\$5 | |
| Kitchen Amenities | Stove | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Refrigerator | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Disposal | \$0 | \$10 | \$5 | yes | yes | no | yes | no | no |
| | Dishwasher | \$0 | \$10 | \$5 | yes | yes | no | yes | no | no |
| | Microwave | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| Adjustment | | | | \$0 | \$5 | \$15 | \$5 | \$15 | \$15 | |
| A/C Units | Central | \$20 | \$40 | \$30 | yes | yes | yes | yes | yes | yes |
| | Wall Units | \$10 | \$30 | \$20 | no | no | no | no | no | no |
| | Window Units | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Heat | Central | \$10 | \$20 | \$15 | yes | yes | yes | yes | yes | yes |
| | Wall Units | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | Baseboards | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | Radiators | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Parking | Garage | \$0 | \$100 | \$50 | no | no | no | no | no | no |
| | Covered | \$0 | \$50 | \$25 | no | no | no | no | no | no |
| | Assigned | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Open | \$0 | \$0 | \$0 | yes | yes | yes | yes | yes | yes |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| W/D Units | Central | \$5 | \$15 | \$10 | yes | yes | yes | no | no | no |
| | W/D Units | \$20 | \$30 | \$25 | no | no | no | no | no | no |
| | W/D Hookups | \$10 | \$20 | \$15 | yes | yes | no | yes | yes | yes |
| | Adjustment | | | | \$0 | \$0 | \$15 | \$0 | \$10 | \$10 |
| Security | Call Buttons | \$0 | \$10 | \$5 | yes | no | no | yes | no | no |
| | Cont Access | \$0 | \$10 | \$5 | no | no | no | yes | no | no |
| | Courtesy Officer | \$0 | \$10 | \$5 | no | no | yes | no | no | no |
| | Monitored Alarms | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Security Alarms | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Security Patrols | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Adjustment | | | | \$0 | \$5 | \$0 | -\$5 | \$5 | \$5 |
| Services | After School | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Concierge | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Dry Cleaning | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Emp Counseling | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Hair Salon | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Health Care | \$0 | \$0 | \$0 | yes | no | no | no | no | no |
| | HO Counseling | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Linens | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Meals | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Transportation | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Trash Pickup | \$0 | \$0 | \$0 | no | no | no | no | no | no | |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

Based on our evaluation of the rents for competing restricted-rent properties, and considering the location, quality and amenities of the subject property, we conclude the following indicated market rents for restricted units at the subject property:

- \$440 (\$0.49/sf) for the 1BR 891sf units
- \$495 (\$0.43/sf) for the 2BR 1139sf units
- \$515 (\$0.39/sf) for the 3BR 1330sf units

Analysis of Market Rate Comparables

In this section we select comparable rentals and use them to develop estimates of market rents for the subject property units, assuming that the subject was an unrestricted property. Our selection of comparables was based on location, age, condition, unit mix and amenities of the comparable properties relative to the subject property.

The subject property is located in an area with very few market rate elderly developments. Consequently, we have elected to use general occupancy properties in our analysis of market rents. This is appropriate because most of the existing elderly renters currently reside in general occupancy units creating in a linkage between the two property types. The table below illustrates this further:

| | | | |
|---|---|-----|-------------------------|
| 1 | Elderly Renter Households | 736 | U.S. Census |
| 2 | Elderly Renter Households in Elderly Renter Housing Units | 59 | Allen & Associates |
| 3 | Elderly Renter Households in General Occupancy Renter Housing Units | 677 | (1) - (2) |
| 4 | Percentage of Elderly Renter Households in General Occupancy Renter Housing Units | 92% | (3) / (1) |
| 5 | Percentage of Elderly Households in General Occupancy Housing Units | 80% | 1995 AARP Member Survey |

Source: Allen & Associates

As the table demonstrates, 92 percent of elderly renter households in the market area currently reside in general occupancy housing. This is consistent with a 1995 AARP member survey which found that 80 percent of respondents resided in general occupancy properties. Because such a high percentage of seniors reside in general occupancy housing, the subject property will need to be priced competitively to attract these renters. Consequently, it is not only appropriate - but prudent - to address general occupancy rents when determining market rents for age-restricted units in this market.

Comparables with restricted rents are used when a sufficient number of market rent comparables are not available and when maximum allowable rents for properties with restricted rents exceed prevailing rents in the area. In the event that program rental rates exceed market rental rates, restricted units are, in fact, *de facto* market rate units.

On the next page we present a master list of properties with notes regarding the reasons for selecting or rejecting each property as a rent comparable for purposes of this analysis.

Comparable Rental Property Map

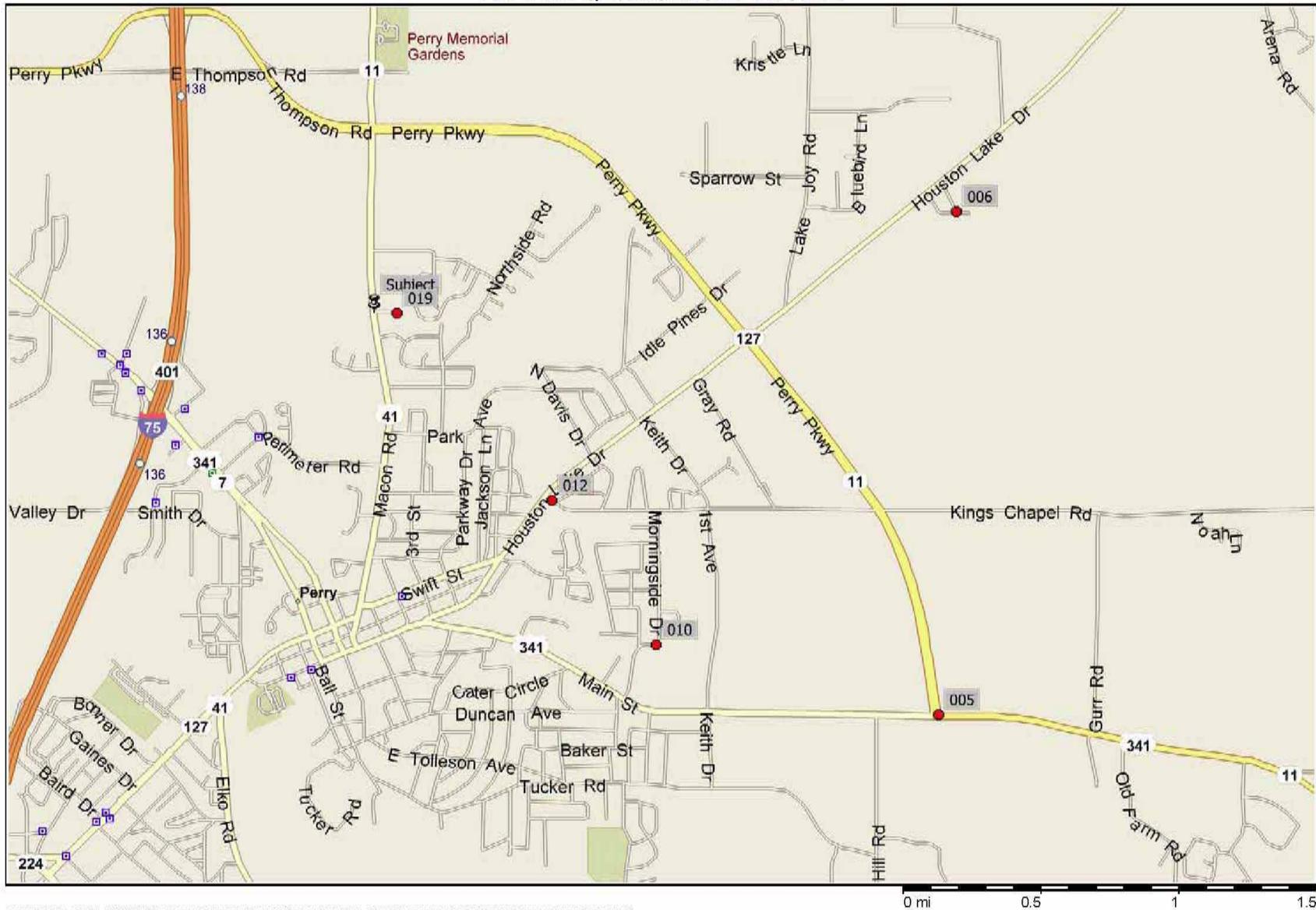
A map showing the location of the properties selected as comparables in this analysis is found after the master list of properties found below. Properties identified with red pushpins have market rents, properties identified with yellow pushpins have restricted rents, and properties identified with blue pushpins have subsidized rents. Detailed write-ups for the comparables are found in the Appendix of this report.

Rent Comparability Grids

Our analysis utilized rent comparability grids and resulted in a market rent estimate for each of the subject's unit types. The rent comparability grids for the subject property are found after the map of the rent comparables found below:

| AAC Code | Project Name | Overview | | | | | | | | | Selection as Market Rate Comparable |
|----------|----------------------------|------------------|------------|----------------|-------------|----------------|------------|-------------|--------------|-----------|-------------------------------------|
| | | Miles to Subject | Year Built | Year Renovated | Rent Type | Occupancy Type | Status | Total Units | Vacant Units | Occupancy | |
| 001 | Ashton Landing | 0.38 | 2000 | na | Restricted | Family | Stabilized | 108 | 20 | 81.5% | Restricted |
| 003 | Commodore Manor Apartments | 0.95 | 1983 | na | Restricted | Family | Stabilized | 53 | 2 | 96.2% | Restricted |
| 004 | Gatwick Senior Village | 0.70 | 2002 | na | Restricted | Elderly | Stabilized | 59 | 0 | 100.0% | Restricted |
| 005 | Hamptons Of Perry | 2.43 | 1995 | na | Market Rate | Family | Stabilized | 152 | 1 | 99.3% | Selected |
| 006 | Heritage Apartments | 2.17 | 1990 | na | Market Rate | Family | Stabilized | 96 | 5 | 94.8% | Selected |
| 007 | High Grove Apartments | 0.85 | 2006 | na | Market Rate | Family | Lease Up | 99 | 26 | 73.7% | Lease Up |
| 008 | Kings Villas, Phase 1 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 60 | 0 | 100.0% | Restricted |
| 009 | Kings Villas, Phase 2 | 1.35 | 1980 | na | Restricted | Family | Stabilized | 30 | 0 | 100.0% | Restricted |
| 010 | Marquis Apartments | 1.46 | 1970 | na | Market Rate | Family | Stabilized | 33 | 3 | 90.9% | Selected |
| 011 | Mullins Apartments | 1.09 | 0 | na | Market Rate | Family | na | 0 | 0 | 0.0% | Unconfirmed |
| 012 | Pacific Coast Apartments | 0.87 | 1993 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% | Selected |
| 014 | Pine Castle Apartments | 1.11 | 1975 | na | Market Rate | Family | Stabilized | 16 | 0 | 100.0% | Age & Condition |
| 013 | Pinebrook Apartments | 0.93 | 1986 | na | Restricted | Family | Stabilized | 52 | 0 | 100.0% | Restricted |
| 015 | Richmond Apartments | 6.42 | 2000 | na | Market Rate | Family | Stabilized | 124 | 10 | 91.9% | Location |
| 017 | Smith Heights Apartments | 0.96 | 12 | na | Subsidized | Family | Stabilized | 50 | 0 | 100.0% | Subsidized |
| 019 | Winslow Place | 0.08 | 1988 | na | Market Rate | Family | Stabilized | 88 | 3 | 96.6% | Selected |

Rent Comparables, Market Rate



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| | Adjustments | | | Sub | 005 | 006 | 010 | 012 | 019 | | | | | |
|----------------------|--------------------------------------|----------|---------|-----------------|-------------------|---------------------|------------------------|--------------------------|--------------------|-------|-------------|-------|-------------|-------|
| Project Name | | | | Cameron Court | Hamptons Of Perry | Heritage Apartments | Marquis Apartments | Pacific Coast Apartments | Winslow Place | | | | | |
| Address | | | | 1807 Macon Road | 395 Perry Parkway | 100 Ashley Street | 1121 Morningside Drive | 1712 Kings Chapel Road | 200 Bristol Street | | | | | |
| City | | | | Perry | Perry | Perry | Perry | Perry | Perry | | | | | |
| State | | | | Georgia | Georgia | Georgia | Georgia | Georgia | Georgia | | | | | |
| Zip | | | | 31069 | 31069 | 31069 | 31069 | 31069 | 31069 | | | | | |
| Phone | | | | (478) 825-7754 | (478) 987-8179 | (478) 987-7749 | (478) 987-1045 | (478) 987-1045 | (478) 218-2875 | | | | | |
| Latitude | | | | 32.4767 | 32.4546 | 32.4823 | 32.4585 | 32.4665 | 32.4767 | | | | | |
| Longitude | | | | -83.7299 | -83.6931 | -83.6919 | -83.7115 | -83.7183 | -83.7284 | | | | | |
| Miles to Subject | | | | 0.00 | 2.43 | 2.17 | 1.46 | 0.87 | 0.08 | | | | | |
| Effective Date | | | | 07/01/06 | 05/22/06 | 05/16/06 | 05/16/06 | 05/16/06 | 05/17/06 | | | | | |
| Rent Type | | | | Restricted | Market Rate | Market Rate | Market Rate | Market Rate | Market Rate | | | | | |
| Income Limit | | | | 60% of AMI | Market Rate | Market Rate | Market Rate | Market Rate | Market Rate | | | | | |
| Project Type | | | | Elderly | Family | Family | Family | Family | Family | | | | | |
| Project Status | | | | Prop Const | Stabilized | Stabilized | Stabilized | Stabilized | Stabilized | | | | | |
| Total Units | | | | 5 | 74 | 64 | 2 | 16 | 32 | | | | | |
| Vacant Units | | | | 5 | 0 | 3 | 0 | 0 | 1 | | | | | |
| Year Built | | | | 2006 | 1995 | 1990 | 1970 | 1993 | 1988 | | | | | |
| Year Renovated | | | | na | na | na | na | na | na | | | | | |
| Occupancy | | | | 0% | 100% | 95% | 100% | 100% | 97% | | | | | |
| Square Feet, Minimum | | | | 891 | 747 | 700 | 700 | 1,000 | 745 | | | | | |
| Square Feet, Maximum | | | | 891 | 747 | 700 | 700 | 1,000 | 745 | | | | | |
| Square Feet, Typical | | | | 891 | 747 | 700 | 700 | 1,000 | 745 | | | | | |
| Utility Allowance | | | | \$111 | \$117 | \$99 | \$99 | \$127 | \$99 | | | | | |
| Net Rent, Minimum | | | | \$373 | \$490 | \$350 | \$425 | \$500 | \$505 | | | | | |
| Net Rent, Maximum | | | | \$373 | \$490 | \$350 | \$425 | \$500 | \$505 | | | | | |
| Net Rent, Typical | | | | \$373 | \$490 | \$350 | \$425 | \$500 | \$505 | | | | | |
| | Min | Max | Adj | Data | Data | Adj | Data | Adj | Data | Adj | Data | Adj | | |
| Utilities in Rent | Change in UA | | | \$111 UA | \$117 UA | \$6 | \$99 UA | -\$12 | \$99 UA | -\$12 | \$127 UA | \$16 | \$99 UA | -\$12 |
| Unit Type | varies | varies | \$0.00 | Garden/Flat | Garden/Flat | \$0 | Garden/Flat | \$0 | Garden/Flat | \$0 | Garden/Flat | \$0 | Garden/Flat | \$0 |
| Location | varies | varies | \$0.00 | 3 | 3 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Condition | varies | varies | \$0.00 | 5 | 3.5 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Effective Age | \$0.00 | \$2.00 | \$0.30 | 0 | 11 | \$3 | 16 | \$5 | 36 | \$11 | 13 | \$4 | 18 | \$5 |
| Bedrooms | \$0.00 | \$100.00 | \$50.00 | 1 | 1 | \$0 | 1 | \$0 | 1 | \$0 | 2 | -\$50 | 1 | \$0 |
| Bathrooms | \$0.00 | \$50.00 | \$25.00 | 1.0 | 1.0 | \$0 | 1.0 | \$0 | 1.0 | \$0 | 1.0 | \$0 | 1.0 | \$0 |
| Square Feet, Typical | \$0.00 | \$1.00 | \$0.30 | 891 | 747 | \$43 | 700 | \$57 | 700 | \$57 | 1,000 | -\$33 | 745 | \$44 |
| Building Type | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Project Amenities | | | | | | \$5 | | \$30 | | \$30 | | \$30 | | \$5 |
| Unit Amenities | See Supplemental Adjustment Schedule | | | | | -\$10 | | -\$5 | | -\$5 | | -\$5 | | -\$15 |
| Kitchen Amenities | | | | | | \$5 | | \$10 | | \$10 | | \$15 | | \$5 |
| A/C Units | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Heat | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Parking | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| W/D Units | | | | | | \$0 | | \$10 | | \$10 | | \$10 | | \$0 |
| Security | | | | | | \$0 | | \$5 | | \$5 | | \$5 | | \$5 |
| Services | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Indicated Rent | | | | \$515 | \$543 | | \$450 | | \$531 | | \$492 | | \$542 | |

| | Adjustments | | | Sub | 005 | | 006 | | 010 | | 012 | | 019 | |
|----------------------|--------------------------------------|----------|---------|-----------------|-------------------|-------|---------------------|-------|------------------------|-------|--------------------------|-------|--------------------|-------|
| Project Name | | | | Cameron Court | Hamptons Of Perry | | Heritage Apartments | | Marquis Apartments | | Pacific Coast Apartments | | Winslow Place | |
| Address | | | | 1807 Macon Road | 395 Perry Parkway | | 100 Ashley Street | | 1121 Morningside Drive | | 1712 Kings Chapel Road | | 200 Bristol Street | |
| City | | | | Perry | Perry | | Perry | | Perry | | Perry | | Perry | |
| State | | | | Georgia | Georgia | | Georgia | | Georgia | | Georgia | | Georgia | |
| Zip | | | | 31069 | 31069 | | 31069 | | 31069 | | 31069 | | 31069 | |
| Phone | | | | (478) 825-7754 | (478) 987-8179 | | (478) 987-7749 | | (478) 987-1045 | | (478) 987-1045 | | (478) 218-2875 | |
| Latitude | | | | 32.4767 | 32.4546 | | 32.4823 | | 32.4585 | | 32.4665 | | 32.4767 | |
| Longitude | | | | -83.7299 | -83.6931 | | -83.6919 | | -83.7115 | | -83.7183 | | -83.7284 | |
| Miles to Subject | | | | 0.00 | 2.43 | | 2.17 | | 1.46 | | 0.87 | | 0.08 | |
| Effective Date | | | | 07/01/06 | 05/22/06 | | 05/16/06 | | 05/16/06 | | 05/16/06 | | 05/17/06 | |
| Rent Type | | | | Restricted | Market Rate | | Market Rate | | Market Rate | | Market Rate | | Market Rate | |
| Income Limit | | | | 60% of AMI | Market Rate | | Market Rate | | Market Rate | | Market Rate | | Market Rate | |
| Project Type | | | | Elderly | Family | | Family | | Family | | Family | | Family | |
| Project Status | | | | Prop Const | Stabilized | | Stabilized | | Stabilized | | Stabilized | | Stabilized | |
| Total Units | | | | 31 | 39 | | 32 | | 27 | | 16 | | 32 | |
| Vacant Units | | | | 31 | 1 | | 2 | | 3 | | 0 | | 1 | |
| Year Built | | | | 2006 | 1995 | | 1990 | | 1970 | | 1993 | | 1988 | |
| Year Renovated | | | | na | na | | na | | na | | na | | na | |
| Occupancy | | | | 0% | 97% | | 94% | | 89% | | 100% | | 97% | |
| Square Feet, Minimum | | | | 1,139 | 1,069 | | 1,000 | | 1,000 | | 1,000 | | 1,045 | |
| Square Feet, Maximum | | | | 1,139 | 1,069 | | 1,000 | | 1,000 | | 1,000 | | 1,140 | |
| Square Feet, Typical | | | | 1,139 | 1,069 | | 1,000 | | 1,000 | | 1,000 | | 1,093 | |
| Utility Allowance | | | | \$141 | \$147 | | \$127 | | \$127 | | \$127 | | \$127 | |
| Net Rent, Minimum | | | | \$397 | \$573 | | \$450 | | \$525 | | \$500 | | \$605 | |
| Net Rent, Maximum | | | | \$397 | \$573 | | \$450 | | \$525 | | \$500 | | \$615 | |
| Net Rent, Typical | | | | \$397 | \$573 | | \$450 | | \$525 | | \$500 | | \$610 | |
| | Min | Max | Adj | Data | Data | Adj | Data | Adj | Data | Adj | Data | Adj | Data | Adj |
| Utilities in Rent | Change in UA | | | \$141 UA | \$147 UA | \$6 | \$127 UA | -\$14 | \$127 UA | -\$14 | \$127 UA | -\$14 | \$127 UA | -\$14 |
| Unit Type | varies | varies | \$0.00 | Garden/Flat | Garden/Flat | \$0 | Townhome | \$0 | Townhome | \$0 | Garden/Flat | \$0 | Townhome | \$0 |
| Location | varies | varies | \$0.00 | 3 | 3 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Condition | varies | varies | \$0.00 | 5 | 3.5 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Effective Age | \$0.00 | \$2.00 | \$0.30 | 0 | 11 | \$3 | 16 | \$5 | 36 | \$11 | 13 | \$4 | 18 | \$5 |
| Bedrooms | \$0.00 | \$100.00 | \$50.00 | 2 | 2 | \$0 | 2 | \$0 | 2 | \$0 | 2 | \$0 | 2 | \$0 |
| Bathrooms | \$0.00 | \$50.00 | \$25.00 | 2.0 | 2.0 | \$0 | 1.0 | \$25 | 1.5 | \$13 | 1.0 | \$25 | 2.0 | \$0 |
| Square Feet, Typical | \$0.00 | \$1.00 | \$0.30 | 1,139 | 1,069 | \$21 | 1,000 | \$42 | 1,000 | \$42 | 1,000 | \$42 | 1,093 | \$14 |
| Building Type | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Project Amenities | | | | | | \$5 | | \$30 | | \$30 | | \$30 | | \$5 |
| Unit Amenities | See Supplemental Adjustment Schedule | | | | | -\$10 | | -\$5 | | -\$5 | | -\$5 | | -\$15 |
| Kitchen Amenities | | | | | | \$5 | | \$10 | | \$10 | | \$15 | | \$5 |
| A/C Units | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Heat | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Parking | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| W/D Units | | | | | | \$0 | | \$10 | | \$10 | | \$10 | | \$0 |
| Security | | | | | | \$0 | | \$5 | | \$5 | | \$5 | | \$5 |
| Services | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Indicated Rent | | | | \$605 | \$603 | | \$558 | | \$626 | | \$612 | | \$615 | |

| | Adjustments | | | Sub | 005 | 006 | 010 | 012 | 019 | | | | | |
|------------------------|--------------|----------|---------|-----------------|-------------------|---------------------|------------------------|--------------------------|--------------------|-------|-------------|-------|----------|-------|
| Project Name | | | | Cameron Court | Hamptons Of Perry | Heritage Apartments | Marquis Apartments | Pacific Coast Apartments | Winslow Place | | | | | |
| Address | | | | 1807 Macon Road | 395 Perry Parkway | 100 Ashley Street | 1121 Morningside Drive | 1712 Kings Chapel Road | 200 Bristol Street | | | | | |
| City | | | | Perry | Perry | Perry | Perry | Perry | Perry | | | | | |
| State | | | | Georgia | Georgia | Georgia | Georgia | Georgia | Georgia | | | | | |
| Zip | | | | 31069 | 31069 | 31069 | 31069 | 31069 | 31069 | | | | | |
| Phone | | | | (478) 825-7754 | (478) 987-8179 | (478) 987-7749 | (478) 987-1045 | (478) 987-1045 | (478) 218-2875 | | | | | |
| Latitude | | | | 32.4767 | 32.4546 | 32.4823 | 32.4585 | 32.4665 | 32.4767 | | | | | |
| Longitude | | | | -83.7299 | -83.6931 | -83.6919 | -83.7115 | -83.7183 | -83.7284 | | | | | |
| Miles to Subject | | | | 0.00 | 2.43 | 2.17 | 1.46 | 0.87 | 0.08 | | | | | |
| Effective Date | | | | 07/01/06 | 05/22/06 | 05/16/06 | 05/16/06 | 05/16/06 | 05/17/06 | | | | | |
| Rent Type | | | | Restricted | Market Rate | Market Rate | Market Rate | Market Rate | Market Rate | | | | | |
| Income Limit | | | | 60% of AMI | Market Rate | Market Rate | Market Rate | Market Rate | Market Rate | | | | | |
| Project Type | | | | Elderly | Family | Family | Family | Family | Family | | | | | |
| Project Status | | | | Prop Const | Stabilized | Stabilized | Stabilized | Stabilized | Stabilized | | | | | |
| Total Units | | | | 5 | 39 | 32 | 4 | 16 | 32 | | | | | |
| Vacant Units | | | | 5 | 1 | 2 | 0 | 0 | 1 | | | | | |
| Year Built | | | | 2006 | 1995 | 1990 | 1970 | 1993 | 1988 | | | | | |
| Year Renovated | | | | na | na | na | na | na | na | | | | | |
| Occupancy | | | | 0% | 97% | 94% | 100% | 100% | 97% | | | | | |
| Square Feet, Minimum | | | | 1,330 | 1,069 | 1,000 | 1,250 | 1,000 | 1,045 | | | | | |
| Square Feet, Maxaximum | | | | 1,330 | 1,069 | 1,000 | 1,250 | 1,000 | 1,140 | | | | | |
| Square Feet, Typical | | | | 1,330 | 1,069 | 1,000 | 1,250 | 1,000 | 1,093 | | | | | |
| Utility Allowance | | | | \$175 | \$147 | \$127 | \$155 | \$127 | \$127 | | | | | |
| Net Rent, Minimum | | | | \$438 | \$573 | \$450 | \$600 | \$500 | \$605 | | | | | |
| Net Rent, Maximum | | | | \$438 | \$573 | \$450 | \$600 | \$500 | \$615 | | | | | |
| Net Rent, Typical | | | | \$438 | \$573 | \$450 | \$600 | \$500 | \$610 | | | | | |
| | Min | Max | Adj | Data | Data | Adj | Data | Adj | Data | Adj | | | | |
| Utilities in Rent | Change in UA | | | \$175 UA | \$147 UA | -\$28 | \$127 UA | -\$48 | \$155 UA | -\$20 | \$127 UA | -\$48 | | |
| Unit Type | varies | varies | \$0.00 | Garden/Flat | Garden/Flat | \$0 | Townhome | \$0 | Townhome | \$0 | Garden/Flat | \$0 | Townhome | \$0 |
| Location | varies | varies | \$0.00 | 3 | 3 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Condition | varies | varies | \$0.00 | 5 | 3.5 | \$0 | 3 | \$0 | 2.5 | \$0 | 2.5 | \$0 | 2.5 | \$0 |
| Effective Age | \$0.00 | \$2.00 | \$0.30 | 0 | 11 | \$3 | 16 | \$5 | 36 | \$11 | 13 | \$4 | 18 | \$5 |
| Bedrooms | \$0.00 | \$100.00 | \$50.00 | 3 | 2 | \$50 | 2 | \$50 | 3 | \$0 | 2 | \$50 | 2 | \$50 |
| Bathrooms | \$0.00 | \$50.00 | \$25.00 | 2.0 | 2.0 | \$0 | 1.0 | \$25 | 2.5 | -\$13 | 1.0 | \$25 | 2.0 | \$0 |
| Square Feet, Typical | \$0.00 | \$1.00 | \$0.30 | 1,330 | 1,069 | \$78 | 1,000 | \$99 | 1,250 | \$24 | 1,000 | \$99 | 1,093 | \$71 |
| Building Type | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Project Amenities | | | | | | \$5 | | \$30 | | \$30 | | \$30 | | \$5 |
| Unit Amenities | | | | | | -\$10 | | -\$5 | | -\$5 | | -\$5 | | -\$15 |
| Kitchen Amenities | | | | | | \$5 | | \$10 | | \$10 | | \$15 | | \$5 |
| A/C Units | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Heat | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Parking | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| W/D Units | | | | | | \$0 | | \$10 | | \$10 | | \$10 | | \$0 |
| Security | | | | | | \$0 | | \$5 | | \$5 | | \$5 | | \$5 |
| Services | | | | | | \$0 | | \$0 | | \$0 | | \$0 | | \$0 |
| Indicated Rent | | | | \$670 | \$677 | | \$631 | | \$652 | | \$685 | | \$689 | |

The following table sets forth the supplementary rent adjustments used in our analysis:

| | | Min | Max | Adj | Sub | 005 | 006 | 010 | 012 | 019 |
|-------------------|------------------|------|-------|------|-------|------|------|------|-------|-----|
| Building Type | 1 Story | \$0 | \$0 | \$0 | yes | no | no | no | yes | no |
| | 2-4 Story | \$0 | \$0 | \$0 | no | yes | yes | yes | no | yes |
| | 5-10 Story | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | >10 Story | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Project Amenities | Ball Field | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | BBQ Area | \$0 | \$10 | \$5 | no | no | no | no | no | yes |
| | Billiards | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Bus/Comp Ctr | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Car Care Ctr | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Comm Center | \$0 | \$10 | \$5 | yes | yes | no | no | no | no |
| | Elevator | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Fitness Center | \$0 | \$10 | \$5 | yes | yes | no | no | no | yes |
| | Gazebo | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Hot Tub/Jacuzzi | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Horseshoe Pit | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Lake | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Library | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Movie Theatre | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Picnic Area | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Playground | \$0 | \$10 | \$5 | no | yes | no | no | no | yes |
| | Pool | \$0 | \$10 | \$5 | no | yes | no | no | no | yes |
| | Sauna | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| Sports Court | \$0 | \$10 | \$5 | no | yes | no | no | no | yes | |
| Walking Trail | \$0 | \$10 | \$5 | yes | no | no | no | no | no | |
| Adjustment | | | | \$0 | \$5 | \$30 | \$30 | \$30 | \$5 | |
| Unit Amenities | Blinds | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Ceiling Fans | \$0 | \$10 | \$5 | no | no | yes | some | no | yes |
| | Carpeting | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Fireplace | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Patio/Balcony | \$0 | \$10 | \$5 | no | yes | no | yes | no | yes |
| | Storage | \$0 | \$10 | \$5 | no | yes | no | no | yes | yes |
| Adjustment | | | | \$0 | -\$10 | -\$5 | -\$5 | -\$5 | -\$15 | |
| Kitchen Amenities | Stove | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Refrigerator | \$0 | \$10 | \$5 | yes | yes | yes | yes | yes | yes |
| | Disposal | \$0 | \$10 | \$5 | yes | no | some | some | no | yes |
| | Dishwasher | \$0 | \$10 | \$5 | yes | yes | yes | yes | no | yes |
| | Microwave | \$0 | \$10 | \$5 | yes | yes | no | no | no | no |
| Adjustment | | | | \$0 | \$5 | \$10 | \$10 | \$15 | \$5 | |
| A/C Units | Central | \$20 | \$40 | \$30 | yes | yes | yes | yes | yes | yes |
| | Wall Units | \$10 | \$30 | \$20 | no | no | no | no | no | no |
| | Window Units | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Heat | Central | \$10 | \$20 | \$15 | yes | yes | yes | yes | yes | yes |
| | Wall Units | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | Baseboards | \$5 | \$15 | \$10 | no | no | no | no | no | no |
| | Radiators | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| Parking | Garage | \$0 | \$100 | \$50 | no | no | no | no | no | no |
| | Covered | \$0 | \$50 | \$25 | no | no | no | no | no | no |
| | Assigned | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Open | \$0 | \$0 | \$0 | yes | yes | yes | yes | yes | yes |
| | None | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |
| W/D Units | Central | \$5 | \$15 | \$10 | yes | yes | no | no | no | yes |
| | W/D Units | \$20 | \$30 | \$25 | no | no | no | no | no | no |
| | W/D Hookups | \$10 | \$20 | \$15 | yes | yes | yes | yes | yes | yes |
| | Adjustment | | | | \$0 | \$0 | \$10 | \$10 | \$10 | \$0 |
| Security | Call Buttons | \$0 | \$10 | \$5 | yes | no | no | no | no | no |
| | Cont Access | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Courtesy Officer | \$0 | \$10 | \$5 | no | yes | no | no | no | no |
| | Monitored Alarms | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Security Alarms | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| | Security Patrols | \$0 | \$10 | \$5 | no | no | no | no | no | no |
| Adjustment | | | | \$0 | \$0 | \$5 | \$5 | \$5 | \$5 | |
| Services | After School | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Concierge | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Dry Cleaning | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Emp Counseling | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Hair Salon | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Health Care | \$0 | \$0 | \$0 | yes | no | no | no | no | no |
| | HO Counseling | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Linens | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Meals | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| | Transportation | \$0 | \$0 | \$0 | no | no | no | no | no | no |
| Trash Pickup | \$0 | \$0 | \$0 | no | no | no | no | no | no | |
| Adjustment | | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | |

Based on our evaluation of the rents for competing market rate properties, and considering the location, quality and amenities of the subject property, we conclude the following market rents for the subject property units, assuming that the subject were an unrestricted property:

- \$515 (\$0.58/sf) for the 1BR 891sf units
- \$605 (\$0.53/sf) for the 2BR 1139sf units
- \$670 (\$0.50/sf) for the 3BR 1330sf units

The actual rents achieved for market rate units at restricted-rent properties often fall short of the rents at unrestricted properties. Based on the analysis set forth above, we conclude the following indicated market rents for the market rate units at the subject property:

- \$480 (\$0.54/sf) for the 1BR 891sf units
- \$550 (\$0.48/sf) for the 2BR 1139sf units
- \$595 (\$0.45/sf) for the 3BR 1330sf units

Projected Rent Growth

In this section we analyze the historic and projected supply/demand relationship for the market area, utilizing the household and housing stock data found previously in this report. The housing stock projection is used to give us an indication of the overall health of the rental housing market.

Our analysis begins with an estimate of the number of competing multifamily renter units and the number of occupied competing renter multifamily units in the market area. These figures, which come from data found in the supply analysis section of this report, are trended forward to 2010 using the renter household and renter housing unit growth rates presented previously.

The next step in our analysis is to estimate the optimal number of competing renter multifamily units by grossing up the estimated number of occupied competing renter multifamily units by an assumed optimal vacancy rate. For purposes of this analysis, we have elected to use a 5 percent optimal vacancy rate target. This rate is commonly used by lenders, syndicators and housing finance agencies when underwriting proposed multifamily developments.

Finally, we compare the optimal number of competing renter multifamily units to the estimated number of units to determine whether the market is overbuilt or underbuilt. Based on our evaluation of overbuilt/underbuilt status, we estimate likely rent increases using consumer price index, average household income growth, and historic rent growth data.

Our housing stock projection and supply/demand analysis is found on the following page.

Our analysis suggests that the market area is currently overbuilt by approximately 1.8 percent. While the number of renter households is anticipated to increase significantly over the next five years, the number of renter housing units is anticipated to increase at a faster pace, resulting in a market that is 7.0 percent overbuilt in 5 years.

Based the forecasted relationship between supply and demand for this marketplace, we anticipate 0.0 percent real and 2.8 percent nominal rent growth annually for the foreseeable future.

Achievable Rents

In this section, we compare the proposed rents to program and market rents to determine whether the proposed rents are appropriate for the subject property. The following table summarizes our findings:

| Unit Type | Square Feet | Rent Type | Proposed Rent (A) | Program Rent (B) | Ratio (A/B) | Market Rent (C) | Ratio (A/C) | Achievable Min(B,C) |
|-----------|-------------|------------|-------------------|------------------|-------------|-----------------|-------------|---------------------|
| 1-Bedroom | 891 | 50% of AMI | \$373 | \$441 | 85% | \$440 | 85% | \$440 |
| 1-Bedroom | 891 | 60% of AMI | \$373 | \$551 | 68% | \$440 | 85% | \$440 |
| 2-Bedroom | 1,139 | 50% of AMI | \$397 | \$522 | 76% | \$495 | 80% | \$495 |
| 2-Bedroom | 1,139 | 60% of AMI | \$397 | \$654 | 61% | \$495 | 80% | \$495 |
| 3-Bedroom | 1,330 | 50% of AMI | \$438 | \$591 | 74% | \$515 | 85% | \$515 |
| 3-Bedroom | 1,330 | 60% of AMI | \$438 | \$744 | 59% | \$515 | 85% | \$515 |

Source: Allen & Associates

Achievable rents represent the absolute highest rent permissible for the area, considering market rental rates and program rent limits. Achievable rents for the subject property follow:

- \$440 for 1BR units at 50% of AMI
- \$440 for 1BR units at 60% of AMI
- \$495 for 2BR units at 50% of AMI
- \$495 for 2BR units at 60% of AMI
- \$515 for 3BR units at 50% of AMI
- \$515 for 3BR units at 60% of AMI

Our analysis suggests that all units appear to be priced at or below allowable tax credit rent limits (proposed rents range from 59% to 85% of allowable tax credit rents). In addition, all units appear to be priced at or below indicated market rents (proposed rents range from 80% to 85% of indicated market rents). In our opinion, the proposed development is priced appropriately and affordably.

Please note: Great care should be taken in pricing restricted units. In the event that program rental rates exceed market rental rates, these units would, in fact, be nothing more than *de facto* market rate units. Since these units could only be marketed to a limited population of income-restricted households, they would, in fact, be more risky than market rate units.

Feasibility Rent Estimate

Feasibility rent is defined as the minimum rent level at which market-rate development of conventional multifamily housing is economically viable. In areas where market rents fall below feasibility rents, development is not feasible without incentives such as tax credits, grants and/or below-market financing. The calculation of feasibility rent utilizes current construction cost data from the Marshall Valuation Service Cost Estimating Guide. Our analysis follows:

Feasibility Rents

| Line | Item | 1BR | 2BR | 3BR | Source |
|------|--------------------------------|----------|----------|-----------|-----------------------------|
| 1 | Unit Mix | 8 | 48 | 8 | Developer/Manager/Owner |
| 2 | | | | | |
| 3 | Net Rentable Area, SF | 891 | 1,139 | 1,330 | Developer/Manager/Owner |
| 4 | Factor | 1.25 | 1.25 | 1.25 | Allen & Associates |
| 5 | Gross Floor Area, SF | 1,114 | 1,424 | 1,663 | (3) * (4) |
| 6 | | | | | |
| 7 | Base Cost, Gross Floor Area | \$52.62 | \$52.62 | \$52.62 | MVS Section 12 |
| 8 | Gross Floor Area, SF | 1,114 | 1,424 | 1,663 | (3) * (4) |
| 9 | Subtotal, Gross Floor Area | \$58,606 | \$74,918 | \$87,481 | (7) * (8) |
| 10 | | | | | |
| 11 | Base Cost, Site Improvements | \$1,000 | \$1,000 | \$1,000 | Allen & Associates |
| 12 | Parking Spaces, EA | 1.50 | 1.50 | 1.50 | Allen & Associates |
| 13 | Subtotal, Site Improvements | \$1,500 | \$1,500 | \$1,500 | (11) * (12) |
| 14 | | | | | |
| 15 | Base Cost, Appliance Package | \$1,270 | \$1,270 | \$1,270 | MVS Section 12 |
| 16 | Appliance Packages, EA | 1.00 | 1.00 | 1.00 | Allen & Associates |
| 17 | Subtotal, Appliance Packages | \$1,270 | \$1,270 | \$1,270 | (15) * (16) |
| 18 | | | | | |
| 19 | Replacement Cost, Unadjusted | \$61,376 | \$77,688 | \$90,251 | (9) + (13) + (17) |
| 20 | Current Cost Multiplier | 1.150 | 1.150 | 1.150 | MVS Section 99 |
| 21 | Local Multiplier | 0.880 | 0.880 | 0.880 | MVS Section 99 |
| 22 | Replacement Cost, Adjusted | \$62,112 | \$78,620 | \$91,334 | (19) * (20) * (21) |
| 23 | Development Fee | \$6,211 | \$7,862 | \$9,133 | 10% of (22) |
| 24 | Soft Costs | \$1,553 | \$1,965 | \$2,283 | 2.5% of (22) |
| 25 | Subtotal | \$69,876 | \$88,447 | \$102,750 | (22) + (23) + (24) |
| 26 | Land Value | \$4,500 | \$4,500 | \$4,500 | Allen & Associates |
| 27 | Total Development Cost | \$74,376 | \$92,947 | \$107,250 | (25) + (26) |
| 28 | | | | | |
| 29 | Total Development Cost | \$74,376 | \$92,947 | \$107,250 | (25) + (26) |
| 30 | Capitalization Rate | 7.50% | 7.50% | 7.50% | Allen & Associates |
| 31 | Net Operating Income | \$5,578 | \$6,971 | \$8,044 | (29) * (30) |
| 32 | Total Operating Expenses | \$3,750 | \$3,750 | \$3,750 | Allen & Associates |
| 33 | Effective Gross Income | \$9,328 | \$10,721 | \$11,794 | (31) + (32) |
| 34 | Vacancy & Collection Loss | \$491 | \$564 | \$621 | 5% of (33) |
| 35 | Potential Gross Income | \$9,819 | \$11,285 | \$12,415 | (33) + (34) |
| 36 | | | | | |
| 37 | Potential Gross Income | \$9,819 | \$11,285 | \$12,415 | (33) + (34) |
| 38 | Months | 12 | 12 | 12 | Months / Year |
| 39 | Feasibility Rent, Monthly | \$818 | \$940 | \$1,035 | (37) / (38) |
| 40 | | | | | |
| 41 | Feasibility Rent, Monthly | \$818 | \$940 | \$1,035 | (37) / (38) |
| 42 | Net Rentable Area, SF | 891 | 1,139 | 1,330 | Developer/Manager/Owner |
| 43 | Feasibility Rent, Monthly / SF | \$0.92 | \$0.83 | \$0.78 | (41) / (42) |
| 44 | | | | | |
| 45 | Feasibility Rent, Monthly | | \$937 | | sumproduct[(1),(41)]/sum(1) |
| 46 | Net Rentable Area, SF | | 1,132 | | sumproduct[(1),(42)]/sum(1) |
| 47 | Feasibility Rent, Monthly / SF | | \$0.83 | | (45) / (46) |

Our analysis suggests market rents of \$515, \$605 and \$670, respectively, for the 1-, 2- and 3-bedroom units at the subject property. Our analysis also suggests feasibility rents of \$818, \$940 and \$1035, respectively, for the 1-, 2- and 3-bedroom units. Because of the disparity between market and feasibility rents, we conclude that competing market rate units are not financially feasible in the immediate area and development of such units is not likely under current economic conditions.

Utilization of Resources

In this section we compare feasibility, market, program and proposed rents to evaluate how the tax credit and/or below market debt financing is utilized by the proposed development. The best way to illustrate the way this works is to consider two hypothetical projects:

Assume that a hypothetical project has feasibility rents of \$1000, market rents of \$1000, program rents of \$900 and proposed rents of \$800. In this case 100 percent of the tax credit and/or below-market debt financing would go towards project affordability, with 50 percent of the resources going towards program-mandated affordability levels ($\$1000 - \$900 = \$100$ versus a \$200 total rent reduction) and 50 percent of the resources going towards sponsor-volunteered affordability levels ($\$900 - \$800 = \$100$ versus a \$200 total rent reduction). This project would be feasible with conventional financing and market rents; however, the favorable financing would allow the sponsor to price the project more affordably than other market rate properties in the area.

Now assume that a second hypothetical project has feasibility rents of \$1000, market rents of \$800, program rents of \$800 and proposed rents of \$800. In this case 0 percent of the tax credit and/or below-market debt financing would go towards project affordability. Instead, 100 percent of the resources would be used simply to overcome market forces to deliver safe and decent housing (the \$200 spread between feasibility and market rents). Indeed, the project would be a *de facto* market rate development that otherwise would not be feasible without the favorable financing.

In practice most projects contain a mixture of the elements set forth above. The following table sets forth our analysis for the subject property:

Utilization of Resources

| Detail | | | | | | |
|-------------|------------|-------|-------------|--------|---------|----------|
| Unit Type | Rent Type | Units | Feasibility | Market | Program | Proposed |
| 1-Bedroom | 50% of AMI | 3 | \$818 | \$515 | \$441 | \$373 |
| 1-Bedroom | 60% of AMI | 5 | \$818 | \$515 | \$551 | \$373 |
| 2-Bedroom | 50% of AMI | 17 | \$940 | \$605 | \$522 | \$397 |
| 2-Bedroom | 60% of AMI | 31 | \$940 | \$605 | \$654 | \$397 |
| 3-Bedroom | 50% of AMI | 3 | \$1,035 | \$670 | \$591 | \$438 |
| 3-Bedroom | 60% of AMI | 5 | \$1,035 | \$670 | \$744 | \$438 |
| Subtotal | | | | | | |
| Unit Type | Rent Type | Units | Feasibility | Market | Program | Proposed |
| 1-Bedroom | Subtotal | 8 | \$818 | \$515 | \$510 | \$373 |
| 2-Bedroom | Subtotal | 48 | \$940 | \$605 | \$607 | \$397 |
| 3-Bedroom | Subtotal | 8 | \$1,035 | \$670 | \$687 | \$438 |
| Grand Total | | | | | | |
| Unit Type | Rent Type | Units | Feasibility | Market | Program | Proposed |
| Grand | Total | 64 | \$937 | \$602 | \$605 | \$399 |

Conclusion

| Item | Rent | Reduction \$ | Reduction % | Resources used to: |
|-------------|-------|--------------|-------------|---|
| Feasibility | \$937 | - | - | - |
| Market | \$602 | \$335 | 62% | Overcome Market Forces to Deliver Safe & Decent Housing |
| Program | \$605 | \$0 | 0% | Achieve Program-Mandated Affordability Levels |
| Proposed | \$399 | \$203 | 38% | Achieve Sponsor-Volunteered Affordability Levels |
| Total | | \$538 | 100% | |

Source: Allen & Associates

Based on the relationship between feasibility rents, unrestricted market rents, program rents and proposed rents, we conclude that 38 percent of the financial benefits associated with this transaction are being used to make this project affordable. The remaining 62 percent of the resources are being used to overcome market forces in order to deliver safe & decent housing. This transaction would otherwise not be feasible without the use of these additional resources.

Specifically, our analysis suggests that the subject property has weighted average feasibility rents of \$937, weighted average unrestricted market rents of \$602, weighted average program rents of \$605 and weighted average proposed rents of \$399. Consequently, 62 percent of the tax credit and/or below-market debt financing are proposed to be used to overcome market forces to deliver safe & decent housing ($\$937 - \$602 = \$335$ versus a \$538 total rent reduction); 0 percent of the resources are proposed to be used to achieve program-mandated affordability levels ($\$602 - \$602 = \$0$ versus a \$538 total rent reduction); and 38 percent of the resources are proposed to be used to achieve sponsor-volunteered affordability levels ($\$602 - \$399 = \$203$ versus a \$538 total rent reduction).

DEMAND ANALYSIS

Demand Assumptions

In this report we provide four measures of market depth: (1) Penetration rate - the ratio of the number of subject property units to the number of income-qualified households in the market area; (2) Saturation rate - the ratio of the number of subject property units plus the number of competing units to the number of income qualified households in the market area; (3) Capture rate - the ratio of the number of subject property units – net of new and pipeline units - to the number of income qualified overburdened and substandard households in the market area; and (4) Absorption period – the estimated number of months to fill the subject property units.

Penetration and saturation rates were computed using a methodology promoted by the National Council of Affordable Housing Market Analysts. Capture rates were computed in conformance with Georgia Department of Community Affairs (DCA) specifications. Absorption periods were estimated using a methodology developed by the Appraisal Institute.

The following table sets forth the various components of demand for each of these measures or market depth:

| Demand Assumptions | | |
|---|-----------------|--------|
| Penetration & Saturation Rate Estimate | | |
| | Owner | Renter |
| Demographic Data | 62+ Elderly | |
| Effective Date | July 1, 2006 | |
| Income Qualified Households | Yes | Yes |
| Income Qualified Overburdened Households | No | No |
| Income Qualified Substandard Households | No | No |
| Income Qualified Household Movership | No | No |
| Income Qualified Household Growth | No | No |
| Income Qualification Ratio | 40% | |
| Household Growth Projection Period, Years | 0 | |
| Secondary Market | 25% | |
| Maximum Ratio of Income Qualified Households to Total Income Qualified Households | 20% | na |
| Capture Rate Estimate | | |
| | Owner | Renter |
| Demographic Data | 62+ Elderly | |
| Effective Date | January 1, 2000 | |
| Income Qualified Households | No | No |
| Income Qualified Overburdened Households | Yes | Yes |
| Income Qualified Substandard Households | Yes | Yes |
| Income Qualified Household Movership | No | No |
| Income Qualified Household Growth | Yes | Yes |
| Income Qualification Ratio | 40% | |
| Household Growth Projection Period, Years | 8 | |
| Secondary Market | 25% | |
| Maximum Ratio of Income Qualified Households to Total Income Qualified Households | 20% | na |
| Absorption Period Estimate | | |
| | Owner | Renter |
| Demographic Data | 62+ Elderly | |
| Effective Date | July 1, 2008 | |
| Income Qualified Households | No | No |
| Income Qualified Overburdened Households | No | No |
| Income Qualified Substandard Households | No | No |
| Income Qualified Household Movership | Yes | Yes |
| Income Qualified Household Growth | Yes | Yes |
| Income Qualification Ratio | 40% | |
| Household Growth Projection Period, Years | 1 | |
| Secondary Market | 25% | |
| Maximum Ratio of Income Qualified Households to Total Income Qualified Households | 20% | na |

Source: Allen & Associates

In order to accurately evaluate the depth of a market it is necessary to segment demand by unit type and household size as set forth below:

| Demand Assumptions, Segmentation by Unit Type | | | | | |
|---|-------------|-------|-------|------|------|
| | 55+ Elderly | | | | |
| | 0BR | 1BR | 2BR | 3BR | 4BR |
| Competing Property Survey | 0.0% | 67.8% | 32.2% | 0.0% | 0.0% |
| Management Company Survey | 0.0% | 25.0% | 75.0% | 0.0% | 0.0% |
| | 62+ Elderly | | | | |
| | 0BR | 1BR | 2BR | 3BR | 4BR |
| Competing Property Survey | 0.0% | 67.8% | 32.2% | 0.0% | 0.0% |
| Management Company Survey | 0.0% | 80.0% | 20.0% | 0.0% | 0.0% |
| | Conclusion | | | | |
| | 0BR | 1BR | 2BR | 3BR | 4BR |
| Unit Mix | 0.0% | 27.5% | 70.0% | 2.5% | 0.0% |

Source: American Housing Survey; Allen & Associates

| Demand Assumptions, Segmentation by Household Size | | |
|--|-------------|---------|
| | 55+ Elderly | |
| | Minimum | Maximum |
| 1-Bedroom | 1 | 2 |
| 2-Bedroom | 1 | 2 |
| 3-Bedroom | 1 | 2 |
| | 62+ Elderly | |
| | Minimum | Maximum |
| 1-Bedroom | 1 | 2 |
| 2-Bedroom | 1 | 2 |
| 3-Bedroom | 1 | 2 |
| | Conclusion | |
| | Minimum | Maximum |
| 1-Bedroom | 1 | 2 |
| 2-Bedroom | 1 | 2 |
| 3-Bedroom | 2 | 2 |

Source: Allen & Associates

In our analysis we utilized proposed rents to determine the minimum income necessary to qualify for units at the subject property. For family properties, it is assumed that residents will pay no more than 35 percent of their income on housing-related expenses (rent plus utilities). For elderly properties, the amount is 40 percent. Our estimates are set forth below:

| Minimum Qualified Income | | | | | |
|--------------------------|---------------|-------------------|-----------------------|---------------------|----------------|
| 30% of AMI | | | | | |
| | Proposed Rent | Utility Allowance | Proposed Housing Cost | Qualifying Income % | Minimum Income |
| 0 bedroom | | | | | |
| 1 bedroom | | | | | |
| 2 bedroom | | | | | |
| 3 bedroom | | | | | |
| 4 bedroom | | | | | |
| 50% of AMI | | | | | |
| | Proposed Rent | Utility Allowance | Proposed Housing Cost | Qualifying Income % | Minimum Income |
| 0 bedroom | | | | | |
| 1 bedroom | \$373 | \$111 | \$484 | 40% | \$14,520 |
| 2 bedroom | \$397 | \$141 | \$538 | 40% | \$16,140 |
| 3 bedroom | \$438 | \$175 | \$613 | 40% | \$18,390 |
| 4 bedroom | | | | | |
| 60% of AMI | | | | | |
| | Proposed Rent | Utility Allowance | Proposed Housing Cost | Qualifying Income % | Minimum Income |
| 0 bedroom | | | | | |
| 1 bedroom | \$373 | \$111 | \$484 | 40% | \$14,520 |
| 2 bedroom | \$397 | \$141 | \$538 | 40% | \$16,140 |
| 3 bedroom | \$438 | \$175 | \$613 | 40% | \$18,390 |
| 4 bedroom | | | | | |
| Market Rate | | | | | |
| | Proposed Rent | Utility Allowance | Proposed Housing Cost | Qualifying Income % | Minimum Income |
| 0 bedroom | | | | | |
| 1 bedroom | | | | | |
| 2 bedroom | | | | | |
| 3 bedroom | | | | | |
| 4 bedroom | | | | | |

Source: Allen & Associates

In our analysis we established the maximum allowable incomes for units at the subject property. Our analysis utilized current HUD income limits for the market area for various household sizes. The maximum income for market rate units is assumed to be 100% of AMI. A table depicting maximum allowable incomes is set forth below:

Maximum Allowable Income

| | 30% | 50% | 60% | 100% |
|----------|----------|----------|----------|----------|
| 1 person | \$12,350 | \$20,600 | \$24,700 | \$41,200 |
| 2 person | \$14,150 | \$23,550 | \$28,250 | \$47,100 |
| 3 person | \$15,900 | \$26,500 | \$31,800 | \$53,000 |
| 4 person | \$17,650 | \$29,450 | \$35,350 | \$58,900 |
| 5 person | \$19,100 | \$31,800 | \$38,150 | \$63,600 |
| 6 person | \$20,500 | \$34,150 | \$41,000 | \$68,300 |
| 7 person | \$21,900 | \$36,500 | \$43,800 | \$73,000 |
| 8 person | \$23,300 | \$38,850 | \$46,600 | \$77,700 |

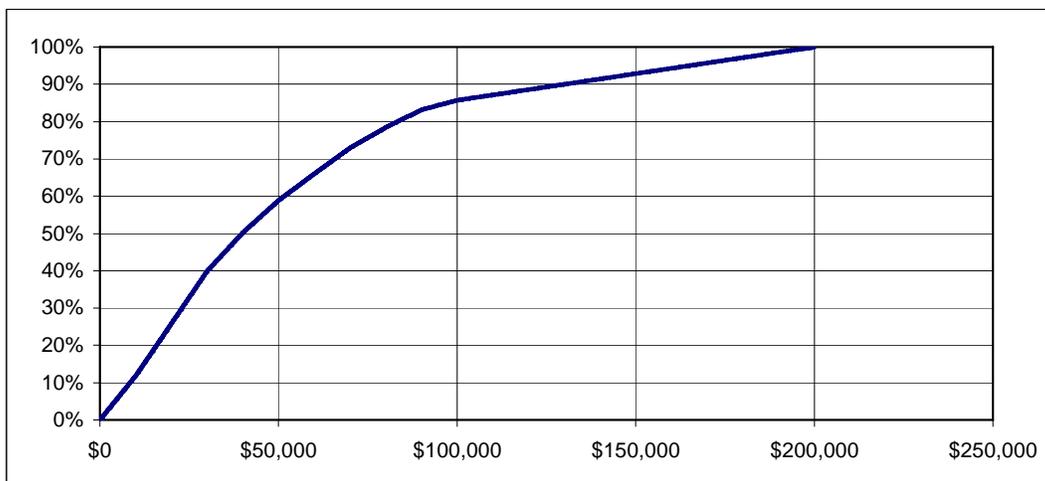
Source: State Housing Finance Agency; HUD

Finally, our analysis utilizes a distribution of households by percent of income spent on housing-related expenses for the market area as of the effective date of the report. Our analysis utilizes the distribution found below, which was originally developed in the demographic overview section of this report:

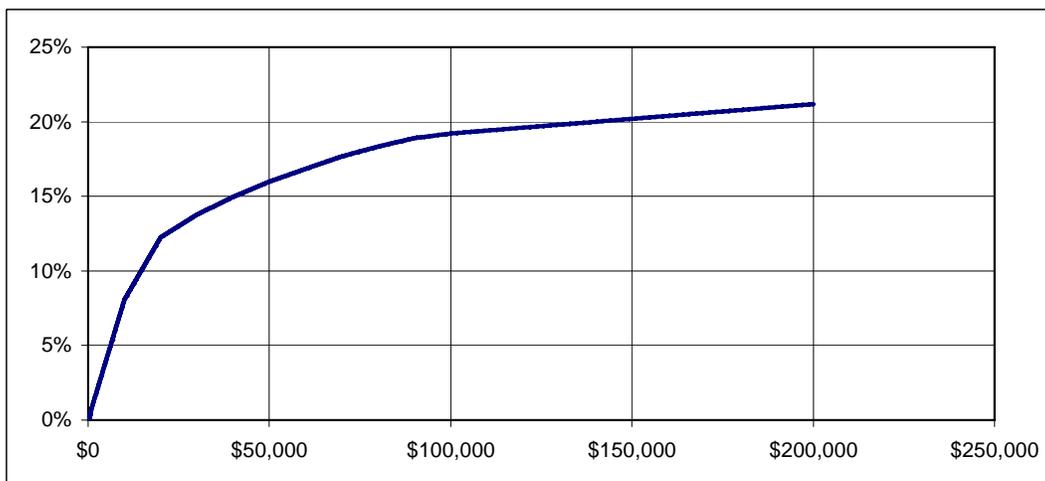
62+ Owner Household Income, by Percent of Income Spent on Housing

| 2006 \$ Income Range | | | Percent of Income Spent on Housing | | | | | Total |
|-------------------------|----|-----------|------------------------------------|--------|--------|--------|-------|--------|
| | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to | \$10,000 | 1.4% | 1.0% | 0.6% | 0.8% | 8.1% | 11.8% |
| \$0 | to | \$20,000 | 7.6% | 2.8% | 1.5% | 1.7% | 12.3% | 25.8% |
| \$0 | to | \$30,000 | 17.8% | 3.9% | 2.2% | 2.2% | 13.8% | 39.9% |
| \$0 | to | \$40,000 | 25.3% | 4.8% | 2.6% | 2.6% | 15.0% | 50.2% |
| \$0 | to | \$50,000 | 31.5% | 5.5% | 3.0% | 2.9% | 16.0% | 58.9% |
| \$0 | to | \$60,000 | 36.6% | 6.0% | 3.3% | 3.1% | 16.8% | 66.0% |
| \$0 | to | \$70,000 | 41.6% | 6.6% | 3.6% | 3.4% | 17.7% | 72.9% |
| \$0 | to | \$80,000 | 45.6% | 7.0% | 3.9% | 3.6% | 18.3% | 78.4% |
| \$0 | to | \$90,000 | 49.0% | 7.4% | 4.1% | 3.8% | 18.9% | 83.2% |
| \$0 | to | \$100,000 | 50.8% | 7.6% | 4.2% | 3.8% | 19.2% | 85.7% |
| \$0 | or | more | 60.8% | 8.8% | 4.8% | 4.4% | 21.2% | 100.0% |

Owner Household Income Distribution, Total



Owner Household Income Distribution, Overburdened

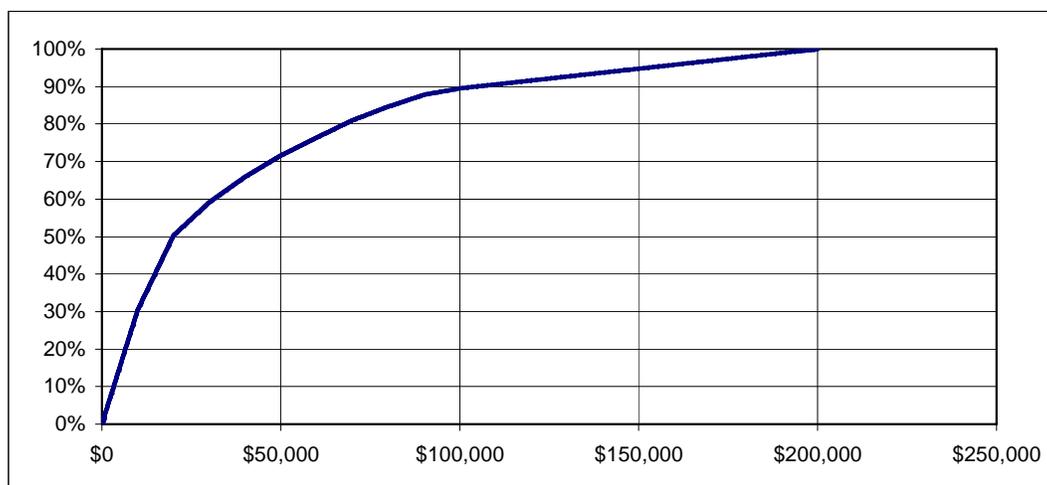


Source: U.S. Census; Allen & Associates

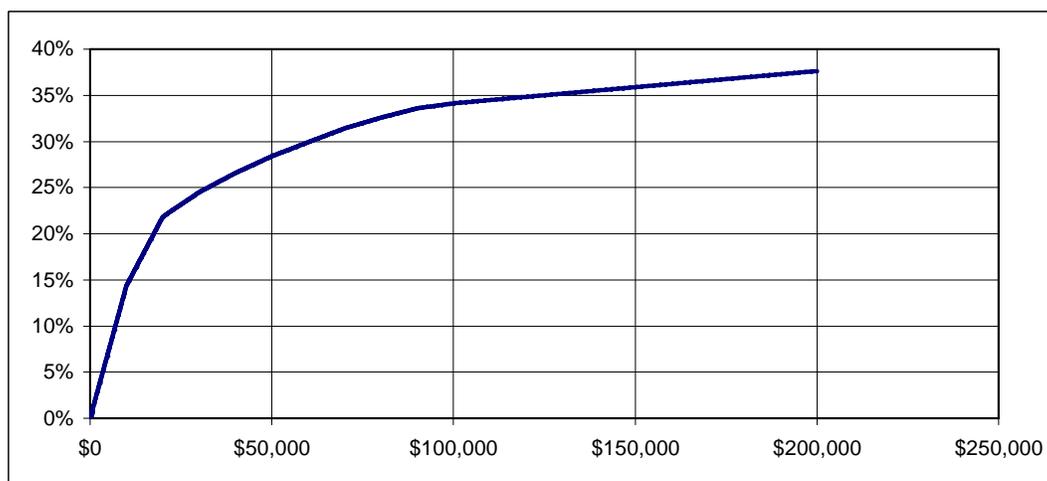
62+ Renter Household Income, by Percent of Income Spent on Housing

| 2006 \$ Income Range | | | Percent of Income Spent on Housing | | | | | Total |
|-------------------------|----|-----------|------------------------------------|--------|--------|--------|-------|--------|
| | | | <20% | 20-24% | 25-29% | 30-34% | 35%+ | |
| \$0 | to | \$10,000 | 4.6% | 7.7% | 2.4% | 1.3% | 14.4% | 30.4% |
| \$0 | to | \$20,000 | 9.8% | 13.1% | 3.7% | 1.9% | 21.8% | 50.3% |
| \$0 | to | \$30,000 | 12.8% | 15.5% | 4.2% | 2.2% | 24.5% | 59.1% |
| \$0 | to | \$40,000 | 15.0% | 17.4% | 4.6% | 2.4% | 26.6% | 65.9% |
| \$0 | to | \$50,000 | 16.8% | 19.0% | 4.9% | 2.6% | 28.4% | 71.6% |
| \$0 | to | \$60,000 | 18.3% | 20.2% | 5.2% | 2.7% | 29.9% | 76.4% |
| \$0 | to | \$70,000 | 19.8% | 21.5% | 5.4% | 2.8% | 31.4% | 81.0% |
| \$0 | to | \$80,000 | 21.0% | 22.5% | 5.6% | 3.0% | 32.6% | 84.6% |
| \$0 | to | \$90,000 | 22.0% | 23.4% | 5.8% | 3.1% | 33.6% | 87.8% |
| \$0 | to | \$100,000 | 22.6% | 23.8% | 5.9% | 3.1% | 34.1% | 89.5% |
| \$0 | or | more | 25.8% | 26.6% | 6.5% | 3.5% | 37.6% | 100.0% |

Renter Household Income Distribution, Total



Renter Household Income Distribution, Overburdened



Source: U.S. Census; Allen & Associates

Penetration Rate Estimate

Penetration rate is defined as the ratio of the number of subject property units to the number of income-qualified households in the market area.

Our estimate of penetration rates begins with an estimate the number of qualified households for each unit type using the income levels and household size characteristics set forth above. For developments with multiple overlapping income limits we established income floors/ceilings to eliminate any overlap and distribute demand evenly across income levels. This eliminates double-counting and results in a more accurate demand estimate for subject property units. For elderly properties, owner demand is limited to a percentage of total demand supported by our market research.

Our estimate of the number of qualified households by unit type is found below:

| Qualified Households, 1-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2006 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 5,578 | | | |
| Population per Household | 1.62 | | | |
| Households | 3,450 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 2,924 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 525 | | | |
| Households, 1-BR, % | 27.5% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$14,520 | \$14,520 | \$0 |
| Upper Income Limit | \$0 | \$18,000 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$14,520 | \$18,000 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 23.0% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 18.1% | 23.0% | 0.0% |
| Qualified, Owner % | 0.0% | 4.9% | 14.4% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 46.3% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 39.4% | 46.3% | 0.0% |
| Qualified, Renter % | 0.0% | 6.9% | 11.3% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,924 | 2,924 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Owner Households, 1-BR | 0 | 804 | 804 | 0 |
| Qualified, % | 0.0% | 4.9% | 14.4% | 0.0% |
| Owner Households, 1-BR, Qualified | 0 | 39 | 116 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 39 | 116 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 52 | 154 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 3 | 5 | 0 |
| Qualified Households, Owner, Total | 0 | 3 | 5 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 525 | 525 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Renter Households, 1-BR | 0 | 144 | 144 | 0 |
| Qualified, % | 0.0% | 6.9% | 11.3% | 0.0% |
| Renter Households, 1-BR, Qualified | 0 | 10 | 16 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 10 | 16 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 13 | 22 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 3 | 5 | 0 |
| Qualified Households, Renter, Total | 0 | 13 | 22 | 0 |
| Qualified Households | 0 | 17 | 27 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Qualified Households, 2-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2006 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 5,578 | | | |
| Population per Household | 1.62 | | | |
| Households | 3,450 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 2,924 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 525 | | | |
| Households, 2-BR, % | 70.0% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$16,140 | \$16,140 | \$0 |
| Upper Income Limit | \$0 | \$18,750 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$16,140 | \$18,750 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 24.1% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 20.4% | 24.1% | 0.0% |
| Qualified, Owner % | 0.0% | 3.7% | 13.4% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 47.8% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 42.6% | 47.8% | 0.0% |
| Qualified, Renter % | 0.0% | 5.2% | 9.8% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,924 | 2,924 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Owner Households, 2-BR | 0 | 2,047 | 2,047 | 0 |
| Qualified, % | 0.0% | 3.7% | 13.4% | 0.0% |
| Owner Households, 2-BR, Qualified | 0 | 75 | 273 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 75 | 273 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 100 | 364 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 6 | 12 | 0 |
| Qualified Households, Owner, Total | 0 | 6 | 12 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 525 | 525 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Renter Households, 2-BR | 0 | 368 | 368 | 0 |
| Qualified, % | 0.0% | 5.2% | 9.8% | 0.0% |
| Renter Households, 2-BR, Qualified | 0 | 19 | 36 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 19 | 36 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 25 | 48 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 6 | 12 | 0 |
| Qualified Households, Renter, Total | 0 | 25 | 48 | 0 |
| Qualified Households | 0 | 32 | 60 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Qualified Households, 3-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2006 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 5,578 | | | |
| Population per Household | 1.62 | | | |
| Households | 3,450 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 2,924 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 525 | | | |
| Households, 3-BR, % | 2.5% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$18,390 | \$18,390 | \$0 |
| Upper Income Limit | \$0 | \$21,000 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$18,390 | \$21,000 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 27.2% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 23.6% | 27.2% | 0.0% |
| Qualified, Owner % | 0.0% | 3.7% | 10.2% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 51.2% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 47.1% | 51.2% | 0.0% |
| Qualified, Renter % | 0.0% | 4.1% | 6.4% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,924 | 2,924 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Owner Households, 3-BR | 0 | 73 | 73 | 0 |
| Qualified, % | 0.0% | 3.7% | 10.2% | 0.0% |
| Owner Households, 3-BR, Qualified | 0 | 3 | 7 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 3 | 7 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 4 | 10 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 0 | 0 | 0 |
| Qualified Households, Owner, Total | 0 | 0 | 0 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 525 | 525 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Renter Households, 3-BR | 0 | 13 | 13 | 0 |
| Qualified, % | 0.0% | 4.1% | 6.4% | 0.0% |
| Renter Households, 3-BR, Qualified | 0 | 1 | 1 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 1 | 1 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 1 | 1 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 0 | 0 | 0 |
| Qualified Households, Renter, Total | 0 | 1 | 1 | 0 |
| Qualified Households | 0 | 1 | 1 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

The following table utilizes the qualified household estimates from above to compute the penetration rate by income level and by unit type for the subject property:

| Penetration Rate Estimate | | | | | | |
|---------------------------|------------|------------|------------|------------|-------------|--------|
| | 30% of AMI | 50% of AMI | 60% of AMI | Restricted | Market Rate | Total |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 17 | 27 | 44 | 0 | 44 |
| 2-Bedroom | 0 | 32 | 60 | 92 | 0 | 92 |
| 3-Bedroom | 0 | 1 | 1 | 2 | 0 | 2 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| Qualified Households | 0 | 49 | 89 | 138 | 0 | 138 |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 |
| 2-Bedroom | 0 | 17 | 31 | 48 | 0 | 48 |
| 3-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 |
| Subject Units | 0 | 23 | 41 | 64 | 0 | 64 |
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 1-Bedroom | 0.0% | 18.0% | 18.4% | 18.3% | 0.0% | 18.3% |
| 2-Bedroom | 0.0% | 53.5% | 51.6% | 52.3% | 0.0% | 52.3% |
| 3-Bedroom | 0.0% | 335.6% | 355.4% | 347.7% | 0.0% | 347.7% |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Penetration Rate | 0.0% | 46.6% | 46.3% | 46.4% | 0.0% | 46.4% |

Source: Allen & Associates

Qualified Households

We estimate project-specific qualified households for 138 units. The estimate breaks down as follows:

- 17 units for 1BR units at 50% of AMI
- 27 units for 1BR units at 60% of AMI
- 32 units for 2BR units at 50% of AMI
- 60 units for 2BR units at 60% of AMI
- 1 units for 3BR units at 50% of AMI
- 1 units for 3BR units at 60% of AMI

Penetration Rate Estimate

We estimate a penetration rate of 46.4% for the subject property. The overall rate breaks down as follows:

- 18.0% for 1BR units at 50% of AMI
- 18.4% for 1BR units at 60% of AMI
- 53.5% for 2BR units at 50% of AMI
- 51.6% for 2BR units at 60% of AMI
- 335.6% for 3BR units at 50% of AMI
- 355.4% for 3BR units at 60% of AMI

In general, the lower the penetration rates the better. Underwriters often utilize penetration rate limits of 10 to 25 percent, depending on the specific project. In our opinion, the estimated penetration rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Saturation Rate Estimate

Saturation rate is defined as the ratio of the number of subject property units plus the number of competing units to the number of income qualified households in the market area.

Our estimate of the number of qualified households is found in the previous section. In this section we estimate the number of competing units as of the effective date of this report. Of particular importance are proposed and existing developments with subsidized or restricted rents targeting the same income levels as the subject property. Other than those identified below, we are not aware of any competing properties in the market area:

| Competing Supply | | | | | |
|------------------------|------------|------------|------------|------------|-------------|
| | Subsidized | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Gatwick Senior Village | | | | | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 6 | 13 | 13 | 8 |
| 2-Bedroom | 0 | 3 | 6 | 6 | 4 |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 |

| Grand Total | | | | | |
|-------------|------------|------------|------------|------------|-------------|
| | Subsidized | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 6 | 13 | 13 | 8 |
| 2-Bedroom | 0 | 3 | 6 | 6 | 4 |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 9 | 19 | 19 | 12 |

Source: Allen & Associates

The following table utilizes the qualified household estimates and the competing supply unit distribution presented above to compute saturation rates by income level and by unit type for the subject property:

| Saturation Rate Estimate | | | | | | | |
|--------------------------|------------|------------|------------|------------|-------------|--------|--|
| | 30% of AMI | 50% of AMI | 60% of AMI | Restricted | Market Rate | Total | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 17 | 27 | 44 | 0 | 44 | |
| 2-Bedroom | 0 | 32 | 60 | 92 | 0 | 92 | |
| 3-Bedroom | 0 | 1 | 1 | 2 | 0 | 2 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Qualified Households | 0 | 49 | 89 | 138 | 0 | 138 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 | |
| 2-Bedroom | 0 | 17 | 31 | 48 | 0 | 48 | |
| 3-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Subject Units | 0 | 23 | 41 | 64 | 0 | 64 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 13 | 13 | 26 | 0 | 26 | |
| 2-Bedroom | 0 | 6 | 6 | 12 | 0 | 12 | |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Competing Units | 0 | 19 | 19 | 38 | 0 | 38 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 16 | 18 | 34 | 0 | 34 | |
| 2-Bedroom | 0 | 23 | 37 | 60 | 0 | 60 | |
| 3-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total Units | 0 | 42 | 60 | 102 | 0 | 102 | |
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | |
| 1-Bedroom | 0.0% | 94.9% | 65.5% | 76.7% | 0.0% | 76.7% | |
| 2-Bedroom | 0.0% | 72.4% | 61.6% | 65.3% | 0.0% | 65.3% | |
| 3-Bedroom | 0.0% | 335.6% | 355.4% | 347.7% | 0.0% | 347.7% | |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | |
| Saturation Rate | 0.0% | 84.8% | 67.5% | 73.7% | 0.0% | 73.7% | |

Source: Allen & Associates

Saturation Rate Estimate

We estimate a saturation rate of 73.7% for the subject property. The overall rate breaks down as follows:

- 94.9% for 1BR units at 50% of AMI
- 65.5% for 1BR units at 60% of AMI
- 72.4% for 2BR units at 50% of AMI
- 61.6% for 2BR units at 60% of AMI
- 335.6% for 3BR units at 50% of AMI
- 355.4% for 3BR units at 60% of AMI

In general, the lower the saturation rates the better. Saturation rates less than 100% suggest that sufficient numbers of income-qualified households exist to fill subject property units. Underwriters often utilize saturation rate limits of 25 to 50 percent, depending on the specific project. In our opinion, the estimated saturation rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Capture Rate Estimate

For purposes of this report, capture rate is defined as the ratio of the number of subject property units – net of new and pipeline units - to the number of income qualified overburdened and substandard households in the market area.

Our estimate of capture rate utilizes the assumptions and income data set forth in the previous section. The income limits are used to determine the number of qualified households for the proposed development. New and pipeline units are then tabulated and subtracted from this figure to arrive at the net qualified household estimate for the subject property. This figure is then divided into the total number of proposed units to arrive at the capture rate for the subject property.

For purposes of the capture rate computation, qualified households consist of the following: (1) Income-qualified overburdened households (households paying 35 percent or more of their income towards housing-related expenses), (2) Income-qualified substandard units (overcrowded units or units lacking plumbing), and (3) Income-qualified growth as set forth in the demand assumptions presented earlier.

For developments with multiple overlapping income limits we established income floors/ceilings to eliminate any overlap and distribute demand evenly across income levels. This eliminates double-counting and results in a more accurate demand estimate for subject property units. For elderly properties, owner demand is limited to a percentage of total demand supported by our market research.

Our estimate of the number of qualified households by unit type is found below:

| Qualified Households, 1-Bedroom | | | | |
|--|-----------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | January 1, 2000 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 4,153 | | | |
| Population per Household | 1.56 | | | |
| Households | 2,670 | | | |
| Owner Tenure | 84.75% | | | |
| Owner Households | 2,263 | | | |
| Renter Tenure | 15.25% | | | |
| Renter Households | 407 | | | |
| Households, 1-BR, % | 27.5% | | | |
| Income Limits | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$14,520 | \$14,520 | \$0 |
| Upper Income Limit | \$0 | \$18,850 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$14,520 | \$18,850 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 24.2% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 18.1% | 24.2% | 0.0% |
| Qualified, Owner % | 0.0% | 6.1% | 13.2% | 0.0% |
| Qualified, Owner, Overburdened, Upper Income Limit, % | 0.0% | 11.8% | 13.5% | 0.0% |
| Qualified, Owner, Overburdened, Lower Income Limit, % | 0.0% | 10.0% | 11.8% | 0.0% |
| Qualified, Owner, Overburdened, % | 0.0% | 1.8% | 1.7% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 48.0% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 39.4% | 48.0% | 0.0% |
| Qualified, Renter % | 0.0% | 8.6% | 9.6% | 0.0% |
| Qualified, Renter, Overburdened, Upper Income Limit, % | 0.0% | 21.0% | 24.0% | 0.0% |
| Qualified, Renter, Overburdened, Lower Income Limit, % | 0.0% | 17.7% | 21.0% | 0.0% |
| Qualified, Renter, Overburdened, % | 0.0% | 3.2% | 3.1% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,263 | 2,263 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Owner Households, 1-BR | 0 | 622 | 622 | 0 |
| Qualified, Overburdened, % | 0.0% | 1.8% | 1.7% | 0.0% |
| Owner Households, 1-BR, Qualified, Overburdened | 0 | 11 | 11 | 0 |
| Owner Households, 1-BR | 0 | 622 | 622 | 0 |
| Qualified, % | 0.0% | 6.1% | 13.2% | 0.0% |
| Owner Households, 1-BR, Qualified | 0 | 38 | 82 | 0 |
| Owner Households, 1-BR, Qualified, Substandard, % | 0.0% | 2.2% | 2.2% | 0.0% |
| Owner Households, 1-BR, Qualified, Substandard | 0 | 1 | 2 | 0 |
| Owner Households, 1-BR | 0 | 622 | 622 | 0 |
| Qualified, % | 0.0% | 6.1% | 13.2% | 0.0% |
| Owner Households, 1-BR, Qualified | 0 | 38 | 82 | 0 |
| Owner Households, 1-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 1-BR, Qualified, Growth | 0 | 2 | 4 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Owner Households, 1-BR, Qualified, Growth, Projected | 0 | 15 | 33 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 27 | 46 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 36 | 61 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 3 | 3 | 0 |
| Qualified Households, Owner, Total | 0 | 3 | 3 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 407 | 407 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Renter Households, 1-BR | 0 | 112 | 112 | 0 |
| Qualified, Overburdened, % | 0.0% | 3.2% | 3.1% | 0.0% |
| Renter Households, 1-BR, Qualified, Overburdened | 0 | 4 | 3 | 0 |
| Renter Households, 1-BR | 0 | 112 | 112 | 0 |
| Qualified, % | 0.0% | 8.6% | 9.6% | 0.0% |
| Renter Households, 1-BR, Qualified | 0 | 10 | 11 | 0 |
| Renter Households, 1-BR, Qualified, Substandard, % | 0.0% | 9.6% | 9.6% | 0.0% |
| Renter Households, 1-BR, Qualified, Substandard | 0 | 1 | 1 | 0 |
| Renter Households, 1-BR | 0 | 112 | 112 | 0 |
| Qualified, % | 0.0% | 8.6% | 9.6% | 0.0% |
| Renter Households, 1-BR, Qualified | 0 | 10 | 11 | 0 |
| Renter Households, 1-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 1-BR, Qualified, Growth | 0 | 0 | 1 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Renter Households, 1-BR, Qualified, Growth, Projected | 0 | 4 | 4 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 8 | 9 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 11 | 12 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 3 | 3 | 0 |
| Qualified Households, Renter, Total | 0 | 11 | 12 | 0 |
| Qualified Households | 0 | 14 | 15 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Qualified Households, 2-Bedroom | | | | |
|--|-----------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | January 1, 2000 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 4,153 | | | |
| Population per Household | 1.56 | | | |
| Households | 2,670 | | | |
| Owner Tenure | 84.75% | | | |
| Owner Households | 2,263 | | | |
| Renter Tenure | 15.25% | | | |
| Renter Households | 407 | | | |
| Households, 2-BR, % | 70.0% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$16,140 | \$16,140 | \$0 |
| Upper Income Limit | \$0 | \$18,900 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$16,140 | \$18,900 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 24.3% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 20.4% | 24.3% | 0.0% |
| Qualified, Owner % | 0.0% | 3.9% | 13.1% | 0.0% |
| Qualified, Owner, Overburdened, Upper Income Limit, % | 0.0% | 11.8% | 13.5% | 0.0% |
| Qualified, Owner, Overburdened, Lower Income Limit, % | 0.0% | 10.6% | 11.8% | 0.0% |
| Qualified, Owner, Overburdened, % | 0.0% | 1.2% | 1.7% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 48.1% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 42.6% | 48.1% | 0.0% |
| Qualified, Renter % | 0.0% | 5.5% | 9.5% | 0.0% |
| Qualified, Renter, Overburdened, Upper Income Limit, % | 0.0% | 21.0% | 24.0% | 0.0% |
| Qualified, Renter, Overburdened, Lower Income Limit, % | 0.0% | 19.0% | 21.0% | 0.0% |
| Qualified, Renter, Overburdened, % | 0.0% | 2.1% | 3.0% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,263 | 2,263 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Owner Households, 2-BR | 0 | 1,584 | 1,584 | 0 |
| Qualified, Overburdened, % | 0.0% | 1.2% | 1.7% | 0.0% |
| Owner Households, 2-BR, Qualified, Overburdened | 0 | 18 | 27 | 0 |
| Owner Households, 2-BR | 0 | 1,584 | 1,584 | 0 |
| Qualified, % | 0.0% | 3.9% | 13.1% | 0.0% |
| Owner Households, 2-BR, Qualified | 0 | 61 | 208 | 0 |
| Owner Households, 2-BR, Qualified, Substandard, % | 0.0% | 2.2% | 2.2% | 0.0% |
| Owner Households, 2-BR, Qualified, Substandard | 0 | 1 | 4 | 0 |
| Owner Households, 2-BR | 0 | 1,584 | 1,584 | 0 |
| Qualified, % | 0.0% | 3.9% | 13.1% | 0.0% |
| Owner Households, 2-BR, Qualified | 0 | 61 | 208 | 0 |
| Owner Households, 2-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 2-BR, Qualified, Growth | 0 | 3 | 10 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Owner Households, 2-BR, Qualified, Growth, Projected | 0 | 25 | 84 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 44 | 116 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 59 | 154 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 5 | 7 | 0 |
| Qualified Households, Owner, Total | 0 | 5 | 7 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 407 | 407 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Renter Households, 2-BR | 0 | 285 | 285 | 0 |
| Qualified, Overburdened, % | 0.0% | 2.1% | 3.0% | 0.0% |
| Renter Households, 2-BR, Qualified, Overburdened | 0 | 6 | 9 | 0 |
| Renter Households, 2-BR | 0 | 285 | 285 | 0 |
| Qualified, % | 0.0% | 5.5% | 9.5% | 0.0% |
| Renter Households, 2-BR, Qualified | 0 | 16 | 27 | 0 |
| Renter Households, 2-BR, Qualified, Substandard, % | 0.0% | 9.6% | 9.6% | 0.0% |
| Renter Households, 2-BR, Qualified, Substandard | 0 | 1 | 3 | 0 |
| Renter Households, 2-BR | 0 | 285 | 285 | 0 |
| Qualified, % | 0.0% | 5.5% | 9.5% | 0.0% |
| Renter Households, 2-BR, Qualified | 0 | 16 | 27 | 0 |
| Renter Households, 2-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 2-BR, Qualified, Growth | 0 | 1 | 1 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Renter Households, 2-BR, Qualified, Growth, Projected | 0 | 6 | 11 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 14 | 22 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 18 | 29 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 5 | 7 | 0 |
| Qualified Households, Renter, Total | 0 | 18 | 29 | 0 |
| Qualified Households | 0 | 23 | 37 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Qualified Households, 3-Bedroom | | | | |
|--|-----------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | January 1, 2000 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 4,153 | | | |
| Population per Household | 1.56 | | | |
| Households | 2,670 | | | |
| Owner Tenure | 84.75% | | | |
| Owner Households | 2,263 | | | |
| Renter Tenure | 15.25% | | | |
| Renter Households | 407 | | | |
| Households, 3-BR, % | 2.5% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$18,390 | \$18,390 | \$0 |
| Upper Income Limit | \$0 | \$20,650 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$18,390 | \$20,650 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 26.7% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 23.6% | 26.7% | 0.0% |
| Qualified, Owner % | 0.0% | 3.2% | 10.7% | 0.0% |
| Qualified, Owner, Overburdened, Upper Income Limit, % | 0.0% | 12.4% | 13.5% | 0.0% |
| Qualified, Owner, Overburdened, Lower Income Limit, % | 0.0% | 11.6% | 12.4% | 0.0% |
| Qualified, Owner, Overburdened, % | 0.0% | 0.8% | 1.2% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 50.9% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 47.1% | 50.9% | 0.0% |
| Qualified, Renter % | 0.0% | 3.8% | 6.7% | 0.0% |
| Qualified, Renter, Overburdened, Upper Income Limit, % | 0.0% | 22.0% | 24.0% | 0.0% |
| Qualified, Renter, Overburdened, Lower Income Limit, % | 0.0% | 20.6% | 22.0% | 0.0% |
| Qualified, Renter, Overburdened, % | 0.0% | 1.4% | 2.0% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 2,263 | 2,263 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Owner Households, 3-BR | 0 | 57 | 57 | 0 |
| Qualified, Overburdened, % | 0.0% | 0.8% | 1.2% | 0.0% |
| Owner Households, 3-BR, Qualified, Overburdened | 0 | 0 | 1 | 0 |
| Owner Households, 3-BR | 0 | 57 | 57 | 0 |
| Qualified, % | 0.0% | 3.2% | 10.7% | 0.0% |
| Owner Households, 3-BR, Qualified | 0 | 2 | 6 | 0 |
| Owner Households, 3-BR, Qualified, Substandard, % | 0.0% | 2.2% | 2.2% | 0.0% |
| Owner Households, 3-BR, Qualified, Substandard | 0 | 0 | 0 | 0 |
| Owner Households, 3-BR | 0 | 57 | 57 | 0 |
| Qualified, % | 0.0% | 3.2% | 10.7% | 0.0% |
| Owner Households, 3-BR, Qualified | 0 | 2 | 6 | 0 |
| Owner Households, 3-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 3-BR, Qualified, Growth | 0 | 0 | 0 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Owner Households, 3-BR, Qualified, Growth, Projected | 0 | 1 | 2 | 0 |
| Qualified Households, Owner, Primary Market Area | 0 | 1 | 3 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Owner, Total | 0 | 2 | 4 | 0 |
| Qualified Households, Owner, Maximum (20% of Total Qualified Households) | 0 | 0 | 0 | 0 |
| Qualified Households, Owner, Total | 0 | 0 | 0 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 407 | 407 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Renter Households, 3-BR | 0 | 10 | 10 | 0 |
| Qualified, Overburdened, % | 0.0% | 1.4% | 2.0% | 0.0% |
| Renter Households, 3-BR, Qualified, Overburdened | 0 | 0 | 0 | 0 |
| Renter Households, 3-BR | 0 | 10 | 10 | 0 |
| Qualified, % | 0.0% | 3.8% | 6.7% | 0.0% |
| Renter Households, 3-BR, Qualified | 0 | 0 | 1 | 0 |
| Renter Households, 3-BR, Qualified, Substandard, % | 0.0% | 9.6% | 9.6% | 0.0% |
| Renter Households, 3-BR, Qualified, Substandard | 0 | 0 | 0 | 0 |
| Renter Households, 3-BR | 0 | 10 | 10 | 0 |
| Qualified, % | 0.0% | 3.8% | 6.7% | 0.0% |
| Renter Households, 3-BR, Qualified | 0 | 0 | 1 | 0 |
| Renter Households, 3-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 3-BR, Qualified, Growth | 0 | 0 | 0 | 0 |
| Projection Period, Years | 0 | 8 | 8 | 0 |
| Renter Households, 3-BR, Qualified, Growth, Projected | 0 | 0 | 0 | 0 |
| Qualified Households, Renter, Primary Market Area | 0 | 0 | 1 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Qualified Households, Renter, Total | 0 | 0 | 1 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Qualified Households, Owner, Total | 0 | 0 | 0 | 0 |
| Qualified Households, Renter, Total | 0 | 0 | 1 | 0 |
| Qualified Households | 0 | 1 | 1 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

The next step in our analysis is to account for new supply in order to compute the number of qualified households – net of new and pipeline units - for the subject property. Of particular importance are new and proposed subsidized and restricted developments targeting the same income levels as the subject property. Other than those identified below, we are not aware of any directly competing new or proposed subsidized, restricted or market rate developments in the market area.

The table below sets forth our analysis of new supply in the market area as of the effective date of this report:

| New Supply | | | | | |
|------------------------|------------|------------|------------|------------|-------------|
| | Subsidized | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Gatwick Senior Village | | | | | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 6 | 13 | 13 | 8 |
| 2-Bedroom | 0 | 3 | 6 | 6 | 4 |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 |

| Comparability Factors | | | | | |
|------------------------|------------|------------|------------|------------|-------------|
| | Subsidized | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Gatwick Senior Village | | | | | |
| Location | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Affordability | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Property Type | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Quality | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Comparability Factor | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

| Grand Total | | | | | |
|-------------|------------|------------|------------|------------|-------------|
| | Subsidized | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 6 | 13 | 13 | 8 |
| 2-Bedroom | 0 | 3 | 6 | 6 | 4 |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 9 | 19 | 19 | 12 |

Source: Allen & Associates

The following table utilizes the qualified household estimate and the new supply unit distribution presented above to compute the capture rates by income level and by unit type for the subject property:

| Capture Rate Estimate | | | | | | | |
|---------------------------|------------|------------|------------|------------|-------------|--------|--|
| | 30% of AMI | 50% of AMI | 60% of AMI | Restricted | Market Rate | Total | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 14 | 15 | 29 | 0 | 29 | |
| 2-Bedroom | 0 | 23 | 37 | 59 | 0 | 59 | |
| 3-Bedroom | 0 | 1 | 1 | 1 | 0 | 1 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Qualified Households | 0 | 37 | 52 | 90 | 0 | 90 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 13 | 13 | 26 | 0 | 26 | |
| 2-Bedroom | 0 | 6 | 6 | 12 | 0 | 12 | |
| 3-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| New Supply | 0 | 19 | 19 | 38 | 0 | 38 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 1 | 2 | 3 | 0 | 3 | |
| 2-Bedroom | 0 | 17 | 31 | 47 | 0 | 47 | |
| 3-Bedroom | 0 | 1 | 1 | 1 | 0 | 1 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Qualified Households, Net | 0 | 19 | 33 | 52 | 0 | 52 | |
| 0-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| 1-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 | |
| 2-Bedroom | 0 | 17 | 31 | 48 | 0 | 48 | |
| 3-Bedroom | 0 | 3 | 5 | 8 | 0 | 8 | |
| 4-Bedroom | 0 | 0 | 0 | 0 | 0 | 0 | |
| Subject Units | 0 | 23 | 41 | 64 | 0 | 64 | |
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | |
| 1-Bedroom | 0.0% | 246.9% | 278.0% | 265.4% | 0.0% | 265.4% | |
| 2-Bedroom | 0.0% | 101.6% | 100.8% | 101.1% | 0.0% | 101.1% | |
| 3-Bedroom | 0.0% | 543.8% | 548.9% | 547.0% | 0.0% | 547.0% | |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | |
| Capture Rate | 0.0% | 124.3% | 122.5% | 123.2% | 0.0% | 123.2% | |

Source: Allen & Associates

Qualified Households, Net

We estimate project-specific qualified households for 52 units. The estimate breaks down as follows:

- 3 units for 1BR units at 50% of AMI
- 5 units for 1BR units at 60% of AMI
- 17 units for 2BR units at 50% of AMI
- 31 units for 2BR units at 60% of AMI
- 3 units for 3BR units at 50% of AMI
- 5 units for 3BR units at 60% of AMI

Capture Rate Estimate

We estimate a capture rate of 123.2% for the subject property. The overall rate breaks down as follows:

- 246.9% for 1BR units at 50% of AMI
- 278.0% for 1BR units at 60% of AMI
- 101.6% for 2BR units at 50% of AMI
- 100.8% for 2BR units at 60% of AMI
- 543.8% for 3BR units at 50% of AMI
- 548.9% for 3BR units at 60% of AMI

In general, the lower the capture rates the better. Capture rates less than 100% suggest that sufficient numbers of income-qualified overburdened and substandard households exist to fill subject property units. Underwriters often utilize capture rate limits of 25 to 50 percent, depending on the specific project. Capture rates in excess of 100% suggest that the property will need to attract income-qualified households that are not currently overburdened or substandard from competing projects in order to fill. Negative capture rates suggest that the need for affordable housing has been addressed by new and proposed construction. In our opinion, the estimated capture rates indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Absorption Period Estimate

The absorption period is defined as the estimated number of months to fill the subject property units.

Our absorption period estimate involves a four-step process. First, we estimate annual growth and movership by income level and unit type for the market area for the effective date of the report using the rent and income limits set previously. Second, we estimate the fair share, or the proportion of growth and movership that we would expect the subject property to capture. Third, we multiply the fair share by annual growth and movership and divide by 12 to estimate the amount of monthly income-qualified growth and movership that would likely lease at the subject property. Finally, we utilize the absorption rates by income and unit type to construct a lease up schedule for the subject property. Our analysis utilizes the assumptions and income data set forth in the previous section.

The following table sets forth our estimates of annual growth and movership by income level and unit type for the subject property:

| Growth & Movership, 1-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2008 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 6,263 | | | |
| Population per Household | 1.64 | | | |
| Households | 3,813 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 3,233 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 581 | | | |
| Households, 1-BR, % | 27.5% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$14,520 | \$14,520 | \$0 |
| Upper Income Limit | \$0 | \$18,000 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$14,520 | \$18,000 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 23.0% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 18.1% | 23.0% | 0.0% |
| Qualified, Owner % | 0.0% | 4.9% | 14.4% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 46.3% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 39.4% | 46.3% | 0.0% |
| Qualified, Renter % | 0.0% | 6.9% | 11.3% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 3,233 | 3,233 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Owner Households, 1-BR | 0 | 889 | 889 | 0 |
| Qualified, % | 0.0% | 4.9% | 14.4% | 0.0% |
| Owner Households, 1-BR, Qualified | 0 | 43 | 128 | 0 |
| Owner Households, 1-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 1-BR, Qualified, Growth | 0 | 2 | 6 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Owner Households, 1-BR, Qualified, Growth, Projected | 0 | 2 | 6 | 0 |
| Owner Households, 1-BR | 0 | 889 | 889 | 0 |
| Qualified, % | 0.0% | 4.9% | 14.4% | 0.0% |
| Owner Households, 1-BR, Qualified | 0 | 43 | 128 | 0 |
| Owner Households, 1-BR, Qualified, Movership, % | 0.0% | 10.9% | 10.9% | 0.0% |
| Owner Households, 1-BR, Qualified, Movership | 0 | 5 | 14 | 0 |
| Growth & Movership, Owner, Primary Market Area | 0 | 7 | 20 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Owner, Total | 0 | 9 | 27 | 0 |
| Growth & Movership, Owner, Maximum (20% of Total Qualified Households) | 0 | 1 | 2 | 0 |
| Growth & Movership, Owner, Total | 0 | 1 | 2 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 581 | 581 | 0 |
| Households, 1-BR, % | 0.0% | 27.5% | 27.5% | 0.0% |
| Renter Households, 1-BR | 0 | 160 | 160 | 0 |
| Qualified, % | 0.0% | 6.9% | 11.3% | 0.0% |
| Renter Households, 1-BR, Qualified | 0 | 11 | 18 | 0 |
| Renter Households, 1-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 1-BR, Qualified, Growth | 0 | 1 | 1 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Renter Households, 1-BR, Qualified, Growth, Projected | 0 | 1 | 1 | 0 |
| Renter Households, 1-BR | 0 | 160 | 160 | 0 |
| Qualified, % | 0.0% | 6.9% | 11.3% | 0.0% |
| Renter Households, 1-BR, Qualified | 0 | 11 | 18 | 0 |
| Renter Households, 1-BR, Qualified, Movership, % | 0.0% | 30.9% | 30.9% | 0.0% |
| Renter Households, 1-BR, Qualified, Movership | 0 | 3 | 6 | 0 |
| Growth & Movership, Renter, Primary Market Area | 0 | 4 | 6 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Renter, Total | 0 | 5 | 9 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Growth & Movership, Owner, Total | 0 | 1 | 2 | 0 |
| Growth & Movership, Renter, Total | 0 | 5 | 9 | 0 |
| Growth & Movership | 0 | 7 | 11 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Growth & Movership, 2-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2008 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 6,263 | | | |
| Population per Household | 1.64 | | | |
| Households | 3,813 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 3,233 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 581 | | | |
| Households, 2-BR, % | 70.0% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$16,140 | \$16,140 | \$0 |
| Upper Income Limit | \$0 | \$18,750 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$16,140 | \$18,750 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 24.1% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 20.4% | 24.1% | 0.0% |
| Qualified, Owner % | 0.0% | 3.7% | 13.4% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 47.8% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 42.6% | 47.8% | 0.0% |
| Qualified, Renter % | 0.0% | 5.2% | 9.8% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 3,233 | 3,233 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Owner Households, 2-BR | 0 | 2,263 | 2,263 | 0 |
| Qualified, % | 0.0% | 3.7% | 13.4% | 0.0% |
| Owner Households, 2-BR, Qualified | 0 | 83 | 302 | 0 |
| Owner Households, 2-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 2-BR, Qualified, Growth | 0 | 4 | 15 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Owner Households, 2-BR, Qualified, Growth, Projected | 0 | 4 | 15 | 0 |
| Owner Households, 2-BR | 0 | 2,263 | 2,263 | 0 |
| Qualified, % | 0.0% | 3.7% | 13.4% | 0.0% |
| Owner Households, 2-BR, Qualified | 0 | 83 | 302 | 0 |
| Owner Households, 2-BR, Qualified, Movership, % | 0.0% | 10.9% | 10.9% | 0.0% |
| Owner Households, 2-BR, Qualified, Movership | 0 | 9 | 33 | 0 |
| Growth & Movership, Owner, Primary Market Area | 0 | 13 | 48 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Owner, Total | 0 | 18 | 64 | 0 |
| Growth & Movership, Owner, Maximum (20% of Total Qualified Households) | 0 | 3 | 5 | 0 |
| Growth & Movership, Owner, Total | 0 | 3 | 5 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 581 | 581 | 0 |
| Households, 2-BR, % | 0.0% | 70.0% | 70.0% | 0.0% |
| Renter Households, 2-BR | 0 | 406 | 406 | 0 |
| Qualified, % | 0.0% | 5.2% | 9.8% | 0.0% |
| Renter Households, 2-BR, Qualified | 0 | 21 | 40 | 0 |
| Renter Households, 2-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 2-BR, Qualified, Growth | 0 | 1 | 2 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Renter Households, 2-BR, Qualified, Growth, Projected | 0 | 1 | 2 | 0 |
| Renter Households, 2-BR | 0 | 406 | 406 | 0 |
| Qualified, % | 0.0% | 5.2% | 9.8% | 0.0% |
| Renter Households, 2-BR, Qualified | 0 | 21 | 40 | 0 |
| Renter Households, 2-BR, Qualified, Movership, % | 0.0% | 30.9% | 30.9% | 0.0% |
| Renter Households, 2-BR, Qualified, Movership | 0 | 7 | 12 | 0 |
| Growth & Movership, Renter, Primary Market Area | 0 | 8 | 14 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Renter, Total | 0 | 10 | 19 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Growth & Movership, Owner, Total | 0 | 3 | 5 | 0 |
| Growth & Movership, Renter, Total | 0 | 10 | 19 | 0 |
| Growth & Movership | 0 | 13 | 24 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

| Growth & Movership, 3-Bedroom | | | | |
|--|--------------|------------|------------|-------------|
| General Assumptions | | | | |
| Effective Date | July 1, 2008 | | | |
| Household Size | 2 maximum | | | |
| Raw Data | | | | |
| Population | 6,263 | | | |
| Population per Household | 1.64 | | | |
| Households | 3,813 | | | |
| Owner Tenure | 84.77% | | | |
| Owner Households | 3,233 | | | |
| Renter Tenure | 15.23% | | | |
| Renter Households | 581 | | | |
| Households, 3-BR, % | 2.5% | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Maximum Allowable Income | \$0 | \$23,550 | \$28,250 | \$0 |
| Minimum Qualifying Income | \$0 | \$18,390 | \$18,390 | \$0 |
| Upper Income Limit | \$0 | \$20,750 | \$28,250 | \$0 |
| Lower Income Limit | \$0 | \$18,390 | \$20,750 | \$0 |
| Qualified, Owner, Upper Income Limit, % | 0.0% | 26.9% | 37.4% | 0.0% |
| Qualified, Owner, Lower Income Limit, % | 0.0% | 23.6% | 26.9% | 0.0% |
| Qualified, Owner % | 0.0% | 3.3% | 10.5% | 0.0% |
| Qualified, Renter, Upper Income Limit, % | 0.0% | 50.9% | 57.6% | 0.0% |
| Qualified, Renter, Lower Income Limit, % | 0.0% | 47.1% | 50.9% | 0.0% |
| Qualified, Renter % | 0.0% | 3.9% | 6.6% | 0.0% |
| Owner Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Owner Households | 0 | 3,233 | 3,233 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Owner Households, 3-BR | 0 | 81 | 81 | 0 |
| Qualified, % | 0.0% | 3.3% | 10.5% | 0.0% |
| Owner Households, 3-BR, Qualified | 0 | 3 | 9 | 0 |
| Owner Households, 3-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Owner Households, 3-BR, Qualified, Growth | 0 | 0 | 0 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Owner Households, 3-BR, Qualified, Growth, Projected | 0 | 0 | 0 | 0 |
| Owner Households, 3-BR | 0 | 81 | 81 | 0 |
| Qualified, % | 0.0% | 3.3% | 10.5% | 0.0% |
| Owner Households, 3-BR, Qualified | 0 | 3 | 9 | 0 |
| Owner Households, 3-BR, Qualified, Movership, % | 0.0% | 10.9% | 10.9% | 0.0% |
| Owner Households, 3-BR, Qualified, Movership | 0 | 0 | 1 | 0 |
| Growth & Movership, Owner, Primary Market Area | 0 | 0 | 1 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Owner, Total | 0 | 1 | 2 | 0 |
| Growth & Movership, Owner, Maximum (20% of Total Qualified Households) | 0 | 0 | 0 | 0 |
| Growth & Movership, Owner, Total | 0 | 0 | 0 | 0 |
| Renter Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Renter Households | 0 | 581 | 581 | 0 |
| Households, 3-BR, % | 0.0% | 2.5% | 2.5% | 0.0% |
| Renter Households, 3-BR | 0 | 15 | 15 | 0 |
| Qualified, % | 0.0% | 3.9% | 6.6% | 0.0% |
| Renter Households, 3-BR, Qualified | 0 | 1 | 1 | 0 |
| Renter Households, 3-BR, Qualified, Growth, % | 0.0% | 5.0% | 5.0% | 0.0% |
| Renter Households, 3-BR, Qualified, Growth | 0 | 0 | 0 | 0 |
| Projection Period, Years | 0 | 1 | 1 | 0 |
| Renter Households, 3-BR, Qualified, Growth, Projected | 0 | 0 | 0 | 0 |
| Renter Households, 3-BR | 0 | 15 | 15 | 0 |
| Qualified, % | 0.0% | 3.9% | 6.6% | 0.0% |
| Renter Households, 3-BR, Qualified | 0 | 1 | 1 | 0 |
| Renter Households, 3-BR, Qualified, Movership, % | 0.0% | 30.9% | 30.9% | 0.0% |
| Renter Households, 3-BR, Qualified, Movership | 0 | 0 | 0 | 0 |
| Growth & Movership, Renter, Primary Market Area | 0 | 0 | 0 | 0 |
| Secondary Market, % | 0.0% | 25.0% | 25.0% | 0.0% |
| Growth & Movership, Renter, Total | 0 | 0 | 0 | 0 |
| Total Households | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| Growth & Movership, Owner, Total | 0 | 0 | 0 | 0 |
| Growth & Movership, Renter, Total | 0 | 0 | 0 | 0 |
| Growth & Movership | 0 | 0 | 1 | 0 |

Source: U.S. Census Bureau, Claritas; Allen & Associates

The next step in our analysis is to estimate the proportion of growth and movership the development should be able to attract in order to drive our lease-up projection. This amount, known as the fair share, is an integral component in our absorption period analysis.

The fair share analysis is used extensively in single-family, multifamily, commercial, and retail market studies. The books entitled Market Analysis for Valuation Appraisals (1994, Appraisal Institute) and Market Analysis and Highest & Best Use (2005, Appraisal Institute) provide a good overview of this technique and its application to a variety of property types. These textbooks are used in the *Highest & Best Use and Market Analysis* course offered by the Appraisal Institute.

The following formula can be used to estimate the fair share for a specific project:

$$\text{Fair Share} = 1/(1+N)$$

N represents the number of properties directly competitive with the subject property for each unit type and each income level. We normally do not assume that the estimated fair share will exceed 50 percent.

Based on the rental property inventory and the competing property data presented previously in this report, we conclude the following fair share estimates for units at the subject property:

Fair Share Estimate

| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
|-----------|------------|------------|------------|-------------|
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |
| 1-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 2-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 3-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |

Source: Allen & Associates

The next step in our analysis is to compute the absorption rate for the subject property. The absorption rate estimate tells us the rate at which subject property units are likely to lease. The following table gives the absorption rate, by unit type, for the subject property:

| Absorption Rate Estimate | | | | |
|-----------------------------|------------|------------|------------|-------------|
| Growth & Movership, Annual | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 7 | 11 | 0 |
| 2-Bedroom | 0 | 13 | 24 | 0 |
| 3-Bedroom | 0 | 0 | 1 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 |
| Growth & Movership, Monthly | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0.0 | 0.0 | 0.0 | 0.0 |
| 1-Bedroom | 0.0 | 0.6 | 0.9 | 0.0 |
| 2-Bedroom | 0.0 | 1.1 | 2.0 | 0.0 |
| 3-Bedroom | 0.0 | 0.0 | 0.0 | 0.0 |
| 4-Bedroom | 0.0 | 0.0 | 0.0 | 0.0 |
| Fair Share | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |
| 1-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 2-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 3-Bedroom | 0.0% | 50.0% | 50.0% | 0.0% |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |
| Absorption Rate, Monthly | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0.00 | 0.00 | 0.00 | 0.00 |
| 1-Bedroom | 0.00 | 0.28 | 0.45 | 0.00 |
| 2-Bedroom | 0.00 | 0.53 | 0.99 | 0.00 |
| 3-Bedroom | 0.00 | 0.01 | 0.02 | 0.00 |
| 4-Bedroom | 0.00 | 0.00 | 0.00 | 0.00 |

Source: Allen & Associates

The final step is to compute the absorption period for the subject property. The absorption period estimate tells us how long it will take for the subject property units to lease. The following table gives the absorption period, by unit type, for the subject property:

| Absorption Period Estimate | | | | |
|-----------------------------|------------|---------------------------|------------|-------------|
| Subject Units | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 3 | 5 | 0 |
| 2-Bedroom | 0 | 17 | 31 | 0 |
| 3-Bedroom | 0 | 3 | 5 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 |
| Stabilized Occupancy | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |
| 1-Bedroom | 0.0% | 97.0% | 97.0% | 0.0% |
| 2-Bedroom | 0.0% | 97.0% | 97.0% | 0.0% |
| 3-Bedroom | 0.0% | 97.0% | 97.0% | 0.0% |
| 4-Bedroom | 0.0% | 0.0% | 0.0% | 0.0% |
| Absorption Rate, Monthly | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0.00 | 0.00 | 0.00 | 0.00 |
| 1-Bedroom | 0.00 | 0.28 | 0.45 | 0.00 |
| 2-Bedroom | 0.00 | 0.53 | 0.99 | 0.00 |
| 3-Bedroom | 0.00 | 0.01 | 0.02 | 0.00 |
| 4-Bedroom | 0.00 | 0.00 | 0.00 | 0.00 |
| Absorption Period, Months | | | | |
| | 30% of AMI | 50% of AMI | 60% of AMI | Market Rate |
| 0-Bedroom | 0 | 0 | 0 | 0 |
| 1-Bedroom | 0 | 11 | 11 | 0 |
| 2-Bedroom | 0 | 31 | 30 | 0 |
| 3-Bedroom | 0 | 208 | 202 | 0 |
| 4-Bedroom | 0 | 0 | 0 | 0 |
| Absorption Period = 208 mos | | Average Rate = 0.3 uts/mo | | |

Source: Allen & Associates

We estimate an absorption period in excess of 31 months to stabilization for the subject property. The absorption period breaks down by unit type and income level as follows:

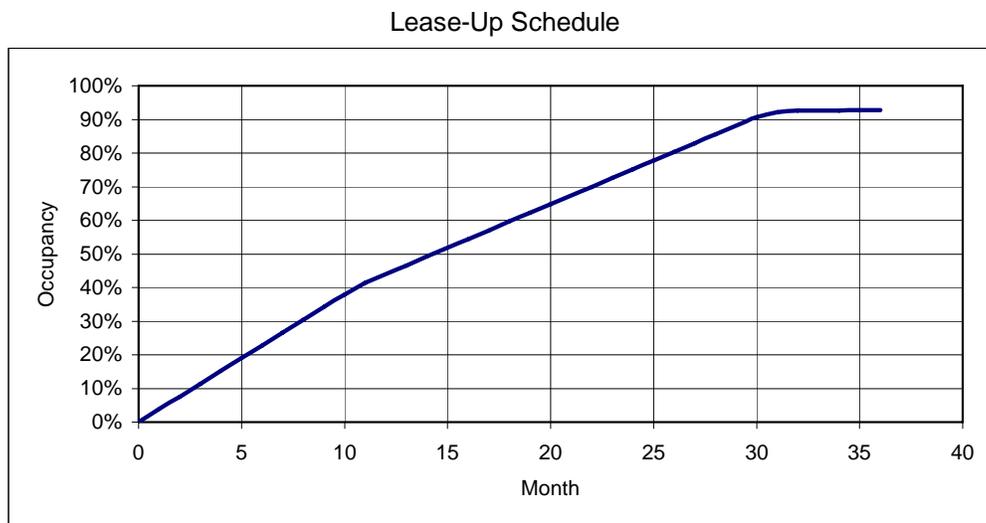
- 11 month(s) for 1BR units at 50% of AMI
- 11 month(s) for 1BR units at 60% of AMI
- 31 month(s) for 2BR units at 50% of AMI
- 30 month(s) for 2BR units at 60% of AMI
- >31 month(s) for 3BR units at 50% of AMI
- >31 month(s) for 3BR units at 60% of AMI

In general, the lower the absorption period the better. Underwriters often utilize absorption period limits of 12 to 24 months, depending on the specific project. In our

opinion, the estimated absorption periods indicate that too many units may be proposed for the subject property. Further, our analysis suggests that there is no market for 3-bedroom age-restricted units.

Please note: This analysis does not account for pent-up demand, pre-leasing efforts, relocation program efforts for existing properties, or rents subsidies. In reality, 3 months of pre-leasing could theoretically shave 3 months off the absorption period. Alternatively, a 50% resident retention rate could cut the capture rate and absorption period in half for an existing property. Finally, any rent subsidies not accounted for already in this analysis could cut capture rates and absorption periods for subsidized units significantly.

The following table utilizes the absorption estimates from above to derive a lease-up schedule to stabilized occupancy for the subject property:



Source: Allen & Associates

Sensitivity Analysis

The purpose of our sensitivity analysis is to evaluate the impact of possible rent increases on the marketability of the subject property. Our analysis to this point has been based on the proposed rents for the subject property. In this section we evaluate the marketability of the project at achievable rents. Achievable rents – which are defined as the lesser of program or market rents - represent the absolute highest rent permissible for the area, considering market rental rates and maximum allowable rent limits.

Our sensitivity analysis yields the following comparison of marketability measures of the subject property at proposed versus achievable rents:

- Penetration Rate: 46.4% (proposed rents); 69.8% (achievable rents)
- Saturation Rate: 73.7% (proposed rents); 110.8% (achievable rents)
- Capture Rate: 123.2% (proposed rents); 309.5% (achievable rents)
- Absorption Period: >31 months (proposed rents); >52 months (achievable rents)

Our analysis suggests that increasing the proposed rents to achievable rent levels would result in significant increases in penetration, saturation, and capture rates. Further, the increased rents would result in a dramatic increase in the absorption period for the project. In our opinion, therefore, increasing the rents to achievable rents would have a material adverse impact on the marketability of this project.

Tables comparing the marketability of the subject property at proposed rents versus achievable rents are found on the following page.

Proposed Rents

| Subject Property Units | | | Penetration and Saturation Rate Estimate | | | | Capture Rate Estimate | | | | Absorption Analysis | | Rent Analysis | | |
|------------------------|------------|----------------|--|------------------|------------------|-----------------|-----------------------|------------|---------------|--------------|---------------------|-------------------|----------------------|--------------|---------------|
| Unit Type | Rent Type | Units Proposed | Gross Qualified | Penetration Rate | Competing Supply | Saturation Rate | Gross Qualified | New Supply | Net Qualified | Capture Rate | Absorption Rate | Absorption Period | Achievable Rent | Program Rent | Proposed Rent |
| 1-BR | 50% of AMI | 3 | 17 | 18.0% | 13 | 94.9% | 14 | 13 | 1 | 246.9% | 0.28 | 11 mos | \$440 | \$441 | \$373 |
| 1-BR | 60% of AMI | 5 | 27 | 18.4% | 13 | 65.5% | 15 | 13 | 2 | 278.0% | 0.45 | 11 mos | \$440 | \$551 | \$373 |
| 2-BR | 50% of AMI | 17 | 32 | 53.5% | 6 | 72.4% | 23 | 6 | 17 | 101.6% | 0.53 | 31 mos | \$495 | \$522 | \$397 |
| 2-BR | 60% of AMI | 31 | 60 | 51.6% | 6 | 61.6% | 37 | 6 | 31 | 100.8% | 0.99 | 30 mos | \$495 | \$654 | \$397 |
| 3-BR | 50% of AMI | 3 | 1 | 335.6% | | 335.6% | 1 | | 1 | 543.8% | 0.01 | 208 mos | \$515 | \$591 | \$438 |
| 3-BR | 60% of AMI | 5 | 1 | 355.4% | | 355.4% | 1 | | 1 | 548.9% | 0.02 | 202 mos | \$515 | \$744 | \$438 |
| Average/Total | | 64 | 138 | 46.4% | 38 | 73.7% | 90 | 38 | 52 | 123.2% | 0.30 | 208 mos | Stabilized Occupancy | | 97% |

Achievable Rents

| Subject Property Units | | | Penetration and Saturation Rate Estimate | | | | Capture Rate Estimate | | | | Absorption Analysis | | Rent Analysis | | |
|------------------------|------------|----------------|--|------------------|------------------|-----------------|-----------------------|------------|---------------|--------------|---------------------|-------------------|----------------------|--------------|---------------|
| Unit Type | Rent Type | Units Proposed | Gross Qualified | Penetration Rate | Competing Supply | Saturation Rate | Gross Qualified | New Supply | Net Qualified | Capture Rate | Absorption Rate | Absorption Period | Achievable Rent | Program Rent | Proposed Rent |
| 1-BR | 50% of AMI | 3 | 12 | 25.4% | 13 | 133.8% | 12 | 13 | -1 | -242.2% | 0.21 | 14 mos | \$440 | \$441 | \$373 |
| 1-BR | 60% of AMI | 5 | 22 | 22.3% | 13 | 79.5% | 11 | 13 | -2 | -221.9% | 0.35 | 14 mos | \$440 | \$551 | \$373 |
| 2-BR | 50% of AMI | 17 | 21 | 82.1% | 6 | 111.1% | 14 | 6 | 8 | 205.0% | 0.32 | 52 mos | \$495 | \$522 | \$397 |
| 2-BR | 60% of AMI | 31 | 35 | 87.8% | 6 | 104.8% | 21 | 6 | 15 | 207.0% | 0.61 | 50 mos | \$495 | \$654 | \$397 |
| 3-BR | 50% of AMI | 3 | 1 | 542.4% | | 542.4% | 0 | | 0 | 878.3% | 0.01 | 318 mos | \$515 | \$591 | \$438 |
| 3-BR | 60% of AMI | 5 | 1 | 548.2% | | 548.2% | 1 | | 1 | 887.6% | 0.02 | 322 mos | \$515 | \$744 | \$438 |
| Average/Total | | 64 | 92 | 69.8% | 38 | 110.8% | 58 | 38 | 21 | 309.5% | 0.19 | 322 mos | Stabilized Occupancy | | 97% |

RECOMMENDATIONS & CONCLUSIONS

In our opinion, the estimated overall penetration rate (46.4%), saturation rate (73.7%), capture rate (123.2%), and absorption period (>31 months) are all excessive. Although our research suggests that the proposed rents are achievable and a 97 percent stabilized occupancy rate for this project, the various demand measures indicate a slow lease-up for this development. This is especially true for the 3-bedroom units at this proposed age-restricted development - our research suggests little or no demand for these units. In our opinion, therefore, the subject property is not feasible as proposed.

APPENDIX

Data Sources

Project Description

Subject Property Developer/Manager/Owner
Microsoft MapPoint
State Housing Finance Agency
U.S. Department of Housing & Urban Development

Site Evaluation

Prizm Demographics
Microsoft TerraServer
Transamerica Flood Insurance
FirstSearch Environmental
Microsoft MapPoint
Claritas
InfoUSA
U.S. Census

Regional Economy

Bureau of Labor Statistics
Woods & Poole Economics
InfoUSA
Claritas
U.S. Census Bureau

Market Area Demographic Characteristics

Elderly Demographic Characteristics

U.S. Census Bureau
Claritas

Supply Analysis

U.S. Census Bureau
Claritas
InfoUSA
State Housing Finance Agency
U.S. Department of Housing & Urban Development
USDA Rural Development
Microsoft MapPoint
Competing Property Developer/Manager/Owner

Market Rent Estimate

Microsoft MapPoint
Claritas
Bureau of Labor Statistics
U.S. Census Bureau
Marshall Valuation Service

Market Rent Estimate (Continued)
State Housing Finance Agency
U.S. Department of Housing & Urban Development

Qualified Households & Penetration Rates
Demand & Capture Rates
Absorption Period & Fill Rates
Competing Property Developer/Manager/Owner
American Housing Survey
State Housing Finance Agency
U.S. Department of Housing & Urban Development
U.S. Census Bureau
Claritas

Qualifications

Allen & Associates is a real estate valuation and advisory firm specializing in affordable income-producing housing. Allen & Associates provides market studies, demand analyses, supply analyses, rent comparability studies, appraisals, land appraisals, environmental assessments, property condition reports, and utility studies to its clients.

Our area of specialty includes the evaluation of low-income housing tax credit properties. Over the past several years we have completed assignments in 24 states including Alabama, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, North Carolina, North Dakota, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, Wisconsin, Wyoming and Puerto Rico.

Allen & Associates has offices in Charlotte, North Carolina and Detroit, Michigan and is approved to provide its services throughout the United States. Since 1973, we have completed thousands of assignments across the country.

The following discussion summarizes our affordable multifamily activities over the past several years:

- Since 2000 we have completed a total of 735 assignments throughout the United States including 221 in 2005. A summary listing of projects is found below:

| Project Summary | | | | | | | | | | | | |
|-----------------|------------|-----------|----------------|-----------|-------------------|-----------|------------|-----------|------------|------------|---------------|------------|
| Year | Virginia | | North Carolina | | South Carolina ** | | Georgia | | Region | | United States | |
| | Total | HFA | Total | HFA | Total | HFA | Total | HFA | Total | HFA | Total | HFA |
| 2001 | 11 | na | 4 | 3 | 5 | 0 | 18 | 18 | 38 | 21 | 87 | 21 |
| 2002 | 25 | na | 13 | 13 | 0 | 0 | 15 | 6 | 53 | 19 | 122 | 19 |
| 2003 | 30 | na | 8 | 8 | 4 | 0 | 24 | 10 | 66 | 18 | 170 | 18 |
| 2004 | 22 | na | 16 | 11 | 1 | 0 | 30 | 17 | 69 | 28 | 135 | 28 |
| 2005 | 31 | na | 13 | 9 | 24 | 10 | 30 | 17 | 98 | 36 | 221 | 36 |
| Total | 119 | na | 54 | 44 | 34 | 10 | 117 | 68 | 324 | 122 | 735 | 122 |

** Currently in the Process of Completing Demand Analyses for All 46 Counties in the State of South Carolina

- Since 2000 we have completed 324 assignments in Virginia, North Carolina, South Carolina, and Georgia. A total of 119 of these assignments were in Virginia, 54 were in North Carolina, 34 were in South Carolina, and 117 were in Georgia. A total of 122 of these assignments were engaged by state housing finance agencies.
- We have compiled a database of detailed information for every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Texas, Iowa and Minnesota since 1999. We have made this data available to National Council of Affordable Housing Market Analysts members as part of our ongoing effort to provide useful information to industry participants.
- We are in the process of conducting county-level demand assessments for Virginia, North Carolina, South Carolina and Georgia. In 2003 we conducted this analysis for Texas and Wisconsin.

- The Georgia Department of Community Affairs ranks its market analysts each year. Allen & Associates Consulting has been ranked at the top of its list of analysts for the past two years based on a variety of factors including price, work quality, work capacity, and responsiveness to their needs.
- In 2004, the State of Indiana solicited our input regarding their market study guidelines and their underwriting process. We were one of 3 firms asked to provide input.
- In 2003 and 2004, Allen & Associates was retained to provide expert testimony with respect to litigation involving the market feasibility of several affordable multifamily properties in Michigan.
- In 2003, Allen & Associates was retained to provide expert testimony with respect to litigation involving the valuation of a Michigan low-income housing tax credit property that was being over-assessed.

The following is a listing of key personnel at Allen & Associates:

Jeffrey B. Carroll

Jeffrey B. Carroll is President of Allen & Associates Consulting and has over 17 years of real estate consulting experience. Since 1988, he has performed over 1000 market study, appraisal, and environmental assessment assignments throughout the country for affordable multifamily properties.

Mr. Carroll chairs the data and ethics committees for the National Council of Affordable Housing Market Analysts, he is a Certified Environmental Consultant and a member of the Environmental Assessment Association. He is also a certified general appraiser, licensed to appraise real estate in the states of Alabama, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia. Mr. Carroll, an associate member of the Appraisal Institute, is currently completing the requirements necessary to obtain the MAI designation.

Jeff Carroll has written articles on development, market assessment, financial analysis, and property management for Urban Land magazine, The Journal of Property Management, Community Management magazine, Merchandiser magazine, and a publication of the Texas A&M Real Estate Research Center known as Terra Grande.

Mr. Carroll is also the founder of The Tartan Foundation, Inc., a non-profit organization that provides research and education on a variety of affordable housing issues.

Mr. Carroll has conducted seminars on development, market & feasibility analysis and affordable housing for the American Planning Association, Community Management magazine, the Georgia Department of Community Affairs, the Manufactured Housing Institute, and the National Council of Affordable Housing Market Analysts.

The following is a summary of Mr. Carroll's relevant educational background:

Clemson University, Bachelor of Science Degree

| | |
|---|----------------|
| Chemical Engineering and Economics | 1983 |
| Harvard University, Master's Degree in Business Administration General Management, Economics and Real Estate | 1988 |
| Appraisal Institute | |
| Appraisal Principles | 2001 |
| Appraisal Procedures | 2001 |
| Uniform Standards of Professional Appraisal Practice | 2001 |
| Applied Residential Property Valuation | 2001 |
| General Applications | 2002 |
| Highest & Best Use and Market Analysis | 2002 |
| Basic Income Capitalization | 2002 |
| Advanced Income Capitalization | 2002 |
| General Demonstration Report Writing | 2003 |
| Advanced Applications | 2003 |
| Advanced Sales Comparison & Cost Approach | 2003 |
| Report Writing & Valuation Analysis | 2003 |
| Business Practices & Ethics | 2003 |
| Uniform Standards of Professional Appraisal Practice Update | 2005 |
| Market Analysis for Real Estate | 2005 |
| Uniform Standards of Professional Appraisal Practice | 2006 |
| Uniform Standards of Professional Appraisal Practice Update | 2006 |
| Business Practices & Ethics | 2006 |
| National Council of Affordable Housing Market Analysts | |
| Semi-Annual Meeting & Continuing Education | January 2002 |
| Semi-Annual Meeting & Continuing Education | September 2002 |
| Semi-Annual Meeting & Continuing Education | January 2003 |
| Semi-Annual Meeting & Continuing Education | September 2003 |
| Semi-Annual Meeting & Continuing Education | January 2004 |
| Semi-Annual Meeting & Continuing Education | September 2004 |
| Semi-Annual Meeting & Continuing Education | January 2005 |
| Semi-Annual Meeting & Continuing Education | September 2005 |
| Semi-Annual Meeting & Continuing Education | January 2006 |
| Semi-Annual Meeting & Continuing Education | May 2006 |

Mr. Carroll, who was awarded a scholarship on the Clemson University varsity wrestling team, is an assistant coach for a local high school wrestling team. He is also a children's instructor at a local judo club. Mr. Carroll resides in Charlotte, North Carolina with his wife Becky and his two children, Luke and Brittany.

Laurence G. Allen

Laurence G. Allen is President of Allen & Associates Appraisal and has over 30 years of real estate valuation and consulting experience. Since 1973, he has performed over 3000 appraisal and consulting assignments for a variety of property types throughout the country.

His experience includes the appraisal and feasibility analysis for low income housing tax credit and tax-exempt bond projects. Since 2000, he has performed over 200 market study and appraisal assignments throughout the country for affordable multifamily properties.

Mr. Allen, a member of the National Council of Affordable Housing Market Analysts, has written a number of articles in the Appraisal Journal, Michigan Assessor magazine, and Community Management magazine. In addition, he wrote a section entitled “Estimating Value” for the book How to Find, Buy and Sell Manufactured Home Communities.

Mr. Allen taught courses on real estate appraisal at the University of Michigan . In addition, he was a guest lecturer on real estate appraisal at the University of Michigan and Michigan State University School of Business Administration, Graduate programs.

Mr. Allen is a licensed real estate broker and a state certified real estate appraiser in the state of Michigan, Georgia and Virginia. In addition, he holds the MAI designation with the Appraisal Institute and the CFA (Chartered Financial Analyst) designation with the CFA Institute.

Mr. Allen received his Bachelor’s Degree with honors from Linfield College and his Master’s Degree in Business Administration from the University of Michigan .

The following is a summary of Mr. Allen’s relevant educational background:

| | |
|--|-----------|
| Linfield College, Bachelor of Arts Degree | |
| Psychology | 1972 |
| University of Michigan, Master’s Degree in Business Administration | |
| Marketing and Finance | 1982 |
| American Institute of Real Estate Appraisers | |
| Completed Required Curriculum for MAI Designation | 1973-1978 |
| Appraisal Institute Appraising Troubled Properties | 1985 |
| Rates, Ratios & Reasonableness | 1985 |
| Hotel/Motel Valuation | 1990 |
| Analysis of Retail Properties | 1995 |
| Dynamics of Office Building Valuation | 2000 |
| Subdivision Valuation | 2005 |

National Council of Affordable Housing Market Analysts
Semi-Annual Meeting & Continuing Education

September 2005

Mr. Allen is the father of two and resides in Birmingham, Michigan with his wife Susan.

Debbie Rucker

Debbie Rucker is an analyst with Allen & Associates, coordinating rent surveys and data collection for the company. Ms. Rucker has worked on over 250 assignments and has conducted over 5000 rent surveys.

Ms. Rucker was also responsible for compiling the database of detailed information on of every tax credit and tax-exempt bond transaction in Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Texas, Iowa and Minnesota since 1999. We have made this data available to National Council of Affordable Housing Market Analysts members as part of our ongoing effort to provide useful information to industry participants.

The following is a summary of Ms. Rucker's relevant educational background:

National Council of Affordable Housing Market Analysts
Semi-Annual Meeting & Continuing Education

September 2005

Ms. Rucker is active in her church and helps run a local judo club. Ms. Rucker is the mother of two and resides in Weddington, North Carolina.

Frank Victory

Frank Victory is an analyst with Allen & Associates, coordinating rent surveys and data collection for the company. Mr. Victory has worked on over 150 assignments and has compiled over 30 gigabytes of economic and demographic data.

Mr. Victory is also in the process of compiling the data for county-level demand assessments for Virginia, North Carolina, South Carolina and Georgia.

The following is a summary of Mr. Victory's relevant educational background:

National Council of Affordable Housing Market Analysts
Semi-Annual Meeting & Continuing Education

September 2005

Mr. Victory is active in his church and the community. He was recently named "Charlotte's Hometown Hero" for his charitable work by one of the largest radio and television stations in North Carolina. Mr. Victory is the father of two and resides in Monroe, North Carolina.

Interviews

Ms. Ginger Henderson, Manager

Ashton Landing

(478) 988-0917

1999 TC's awarded for new construction w/o Project Based rental assistance. Rents reflect special pricing. Property accepts section 8 vouchers. 2 tenants asked to leave. Many purchasing homes. Area is growing constantly. New Senior facility going up in town.

Ms. Kim Bradley

Austin Pointe

(478) 922-7935

1999 TC's awarded for new construction of units w/o Project Based rental assistance. Manager reported a different unit mix from the TC application. 1 person on the waiting list. 3 leases have been signed for June 1st. People buying homes. 3 non rental units.

Mr. Theron Crouch

Commodore Manor Apartments

(478) 987-4800

USDA Rural Development Property w/o Project Based rental assistance. Seniors occupy most of the one bedroom units. 3 people on waiting list.

Ms. Rose Mary Chaney

Gatwick Senior Village

(478) 987-7252

2000 TC's awarded for new construction w/o Project Based rental assistance. 5 people on waiting list for 1 bedroom units. 10 people on waiting list for 2 bedroom units. Property accepts section 8 vouchers.

Ms. B.J., Manager

Hamptons Of Perry

(478) 987-8179

Manager reported this property was just purchased 2 weeks ago.

Ms. Katy Coscarelli

High Grove Apartments

(478) 218-5366

Rents reflect special pricing in the security / move in fees are only \$ 0.02.

Mr. Theron Crouch

Kings Villas, Phase 1

(727) 449-1182

USDA Rural Development Property with 12 floating units of rental assistance. 8 people on waiting list for 2 bedrooms and 5 people on waiting list for 1 bedroom units.

Mr. Theron Crouch
Kings Villas, Phase 2
(727) 449-1182

USDA Rural Development Property with zero units of rental assistance. 8 people on waiting list for 2 bedrooms and 5 people on waiting list for 1 bedroom units.

Ms. Jane Holt
Mullins Apartments
(478) 987-1045

This is not an apartment complex, but rather an apartment management company leasing for Pacific Coast Apartments and Pine Castle Apartments. Please refer to survey listed under property's name.

Mr. Theron Crouch
Pinebrook Apartments
(478) 987-4800

1999 TC's awarded for new construction w/o Project Based rental assistance. Rents reflect special pricing. Property accepts section 8 vouchers. 2 tenants asked to leave. Many purchasing homes. Area is growing constantly. New Senior facility going up in town.

Ms. Kim Bradley
Ridgecrest Apartments
(478) 922-7935

2001 TC's awarded for new construction w/o Project Based rental assistance. 2 people on waiting list 2 bedroom units; 2 people on waiting list on 1 bedroom units; 3 people on waiting list on 3 bedroom units. Property accepts section 8 vouchers. Property has putting greens.

Ms. Alice Mobley
Smith Heights Apartments
(478) 987-1496

There is a great need for low income housing in the area. 15-25 people on waiting list.

Ms. Kay Patterson
Timberwood Apartments
(478) 987-4150

1 people on waiting list for 2 bedroom unit. Economy is not too good. Rents reflect special pricing. Management pays for part of the water, sewer & trash. Studios are furnished.

Ms. Nikki Parson
Huntington Chase Apartments
(478) 953-1112

Hydronic heating system. New Apartments being built in the area. Property uses both gas and electric to heat with.

Donna Hayes
Byron Apartments
(229) 242-7759

No new apartments in the area. Most commute for jobs in Macon, Warner Robins and Perry. 10 units have Project Based rental assistance.

Ms. Rojeanna
College Square Apartments
(478) 825-2140

54 units have Project Based rental assistance. 6 units have vouchers. Most commute for jobs in Macon, Warner Robins and Perry. Waiting list is 2-3 months.

Gordan Davis
Davis Properties
(478) 825-3030

New apartments across the street and a new Auto Zone. Jobs are not good, lost a major Dry Goods plant. 2 months waiting list.

Ms. Jennifer
Indian Oaks Apartments
(478) 825-3156

New Auto Zone and new apartments built about a year ago. 6-12 months waiting list.

Ms. Marilyn
Lakeview Apartments
(478) 825-0163

Most commute for jobs in Macon, Warner Robins and Perry. Waiting list is 3-6 months. No new apartments in the area.

Nicky Thomas
Marvin Gardens
(478) 825-7227

Most commute for jobs in Macon, Warner Robins and Perry. New apartments 6 blocks away. Rents reflect special pricing.

Ms. Hietha
Marvin Gardens II
(478) 825-7313

No new apartments in the area. Most commute for jobs in Macon, Warner Robins and Perry. Rents reflect special pricing.

Manager

Valley Pines Apartments

(478) 825-7461

Most commute for jobs in Macon, Warner Robins and Perry. No new apartments in the area.

Trisha Sears

Valley Pines III

(478) 825-7561

Seasonal turnover because of university students. 0 units have Project Based rental assistance.

Trisha Sears

Valley Pines IV

(478) 825-7461

Seasonal turnover because of university students. 0 units have Project Based rental assistance.

Trish Sears

Westside Villas

(478) 825-7461

44 units have Project Based rental assistance. 40 people on waiting list.

Rental Property Inventory Data

| Project Information | | | BR | BA | Unit Type | Rent Type | Income Limit | Tot Uts | Vac Uts | Street Rent | | | Disc | Net Rent | | | Util | Gross Rent | | | Square Feet | | | | | | | | |
|--|-------------------------------|-----|---------------|-----|-----------------|----------------|--------------|---------|----------|-------------------|-------|---------|-------|----------|------------------|-------|-------|------------|-------|------------------|-------------|-------|-------|----------|------------------|--|--|--|--|
| | | | | | | | | | | Min | Max | Avg | | Min | Max | Avg | Allow | Min | Max | Avg | Min | Max | Avg | | | | | | |
| Property Name | Ashton Landing | | 2 | 2.0 | Garden/Flat | Restricted | 60% of AMI | 45 | 10 | \$550 | \$550 | \$550 | \$75 | \$475 | \$475 | \$475 | \$166 | \$641 | \$641 | \$641 | 951 | 951 | 951 | | | | | | |
| Street Number | 1701 | | 2 | 2.0 | Garden/Flat | Restricted | 50% of AMI | 3 | 0 | \$450 | \$450 | \$450 | \$50 | \$400 | \$400 | \$400 | \$166 | \$566 | \$566 | \$566 | 951 | 951 | 951 | | | | | | |
| Street Name | Macon | | 3 | 2.0 | Garden/Flat | Restricted | 60% of AMI | 57 | 10 | \$600 | \$600 | \$600 | \$100 | \$500 | \$500 | \$500 | \$204 | \$704 | \$704 | \$704 | 1,089 | 1,089 | 1,089 | | | | | | |
| Street Type | Road | | 3 | 2.0 | Garden/Flat | Restricted | 50% of AMI | 3 | 0 | \$550 | \$550 | \$550 | \$50 | \$500 | \$500 | \$500 | \$204 | \$704 | \$704 | \$704 | 1,089 | 1,089 | 1,089 | | | | | | |
| City | Perry | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| State | Georgia | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zip | 31069 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phone Number | (478) 988-0917 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Built | 2000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Renovated | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Lease | 12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Security Deposit/Fees | \$235 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Waiting List | no | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Rent | Restricted | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Type | Family | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Status | Stabilized | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Latitude | 32.4701 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Longitude | -83.729 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AAC Code | 13153-0-001 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Person Interviewed | Ms. Ginger Henderson, Manager | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interview Date | May 17, 2006 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interviewed By | DFR | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1999 TC's awarded for new construction w/o Project Based rental assistance. Rents reflect special pricing. Property accepts section 8 vouchers. 2 tenants asked to leave. Many purchasing homes. Area is growing constantly. New Senior facility going up in town. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total / Average | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 108 20 \$574 \$574 \$574 \$87 \$487 \$487 \$487 \$187 \$674 \$674 \$674 1,028 1,028 1,028 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Summary | | | Building Type | | | Unit Amenities | | | Kitchens | | | Parking | | | Utility | | | Tenant | | | Owner | | | Services | | | | | |
| Total Units | | | | | Avg Net Rent | | | | | Project Amenities | | | | | Air Conditioning | | | | | Laundry | | | | | Historic Summary | | | | |
| 0BR | 0 | 0 | 0 | 0 | 0BR | na | na | na | na | 0BR | na | na | na | na | 0BR | na | na | na | na | 0BR | na | na | na | na | | | | | |
| 1BR | 0 | 0 | 0 | 0 | 1BR | na | na | na | na | 1BR | na | na | na | na | 1BR | na | na | na | na | 1BR | na | na | na | na | | | | | |
| 2BR | 0 | 48 | 0 | 48 | 2BR | na | \$470 | na | \$470 | 2BR | na | \$470 | na | \$470 | 2BR | na | na | na | na | 2BR | na | 951 | na | 951 | | | | | |
| 3BR | 0 | 60 | 0 | 60 | 3BR | na | \$500 | na | \$500 | 3BR | na | \$500 | na | \$500 | 3BR | na | 1,089 | na | 1,089 | 3BR | na | 1,089 | na | 1,089 | | | | | |
| 4BR | 0 | 0 | 0 | 0 | 4BR | na | na | na | na | 4BR | na | na | na | na | 4BR | na | na | na | na | 4BR | na | na | na | na | | | | | |
| Total | 0 | 108 | 0 | 108 | Avg | na | \$487 | na | \$487 | Avg | na | \$487 | na | \$487 | Avg | na | 1,028 | na | 1,028 | Avg | na | 1,028 | na | 1,028 | | | | | |
| Occupied Units | | | | | Avg Square Feet | | | | | Heat | | | | | Security | | | | | Historic Summary | | | | | | | | | |
| 0BR | 0 | 0 | 0 | 0 | 0BR | na | na | na | na | 0BR | na | na | na | na | 0BR | na | na | na | na | 0BR | na | na | na | na | | | | | |
| 1BR | 0 | 0 | 0 | 0 | 1BR | na | na | na | na | 1BR | na | na | na | na | 1BR | na | na | na | na | 1BR | na | na | na | na | | | | | |
| 2BR | 0 | 38 | 0 | 38 | 2BR | na | 951 | na | 951 | 2BR | na | 951 | na | 951 | 2BR | na | 951 | na | 951 | 2BR | na | 951 | na | 951 | | | | | |
| 3BR | 0 | 50 | 0 | 50 | 3BR | na | 1,089 | na | 1,089 | 3BR | na | 1,089 | na | 1,089 | 3BR | na | 1,089 | na | 1,089 | 3BR | na | 1,089 | na | 1,089 | | | | | |
| 4BR | 0 | 0 | 0 | 0 | 4BR | na | na | na | na | 4BR | na | na | na | na | 4BR | na | na | na | na | 4BR | na | na | na | na | | | | | |
| Total | 0 | 88 | 0 | 88 | Avg | na | 1,028 | na | 1,028 | Avg | na | 1,028 | na | 1,028 | Avg | na | 1,028 | na | 1,028 | Avg | na | 1,028 | na | 1,028 | | | | | |

| Project Information | | BR | BA | Unit Type | Rent Type | Income Limit | Tot Uts | Vac Uts | Street Rent | | | Disc | Net Rent | | | Util Allow | Gross Rent | | | Square Feet | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-------------------|-----|-------------|-----------------------|--------------|------------|---------|-------------|-------------------|-------|-------|----------|-------|------------------|------------|------------|-------|-------|--------------------|-------|-------|-------|--|----------------------|--|--|--|--|--------|--|--|--|--|----------------------|--|--|--|--|------------------|--|--|--|--|-------------------|--|--|--|--|------|--|--|--|--|-----|--|--|--|--|
| | | | | | | | | | Min | Max | Avg | | Min | Max | Avg | | Min | Max | Avg | Min | Max | Avg | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Commodore Manor Apartments | | 1 | 1.0 | Garden/Flat | Restricted | 80% of AMI | 20 | 0 | \$318 | \$460 | \$389 | \$0 | \$318 | \$460 | \$389 | \$99 | \$417 | \$559 | \$488 | 725 | 725 | 725 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Street Number | | 1603 | 2 | 1.5 | Townhome | Restricted | 80% of AMI | 33 | 2 | \$379 | \$560 | \$470 | \$0 | \$379 | \$560 | \$470 | \$127 | \$506 | \$687 | \$597 | 1,080 | 1,080 | 1,080 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Street Name | | Manor | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Street Type | | Road | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| City | | Perry | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| State | | Georgia | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zip | | 31069 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phone Number | | (478) 987-4800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Built | | 1983 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Renovated | | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Lease | | 12 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Security Deposit/Fees | | \$325 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Waiting List | | yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Rent | | Restricted | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Type | | Family | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Status | | Stabilized | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Latitude | | 32.46002699 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Longitude | | -83.73087995 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AAC Code | | 13153-0-003 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Person Interviewed | | Mr. Theron Crouch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interview Date | | May 17, 2006 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interviewed By | | DFR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| USDA Rural Development Property w/o Project Based rental assistance. Seniors occupy most of the one bedroom units. 3 people on waiting list. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total / Average | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 53 2 \$356 \$522 \$439 \$0 \$356 \$522 \$439 \$116 \$472 \$639 \$556 946 946 946 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Summary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Building Type Unit Amenities Kitchens Parking Utility Tenant Owner Services | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1 Story yes Blinds yes na Stove yes Garage no \$0 Heating - Gas no no After School no \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2-4 Story yes Ceiling Fans yes \$0 Refrigerator yes Covered no \$0 Heating - Elec yes no Concierge no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5-10 Story no Carpeting yes na Disposal no Assigned no na Cooking - Gas no no Dry Cleaning no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| >10 Story no Fireplace no \$0 Dishwasher no Open yes na Cooking - Elec yes no Emp Counseling no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Patio/Balcony yes na Microwave no None no Other Electric yes no Hair Salon no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Storage no \$0 Air Conditioning Laundry Air Conditioning yes no Health Care no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hot Water - Gas no no HO Counseling no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hot Water - Elec yes no Linens no \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Water no yes Meals no \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sewer no yes Transportation no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trash Collection no yes Trash Pickup no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Amenities Air Conditioning Laundry | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Ball Field no Horseshoe Pit no Central yes Central yes na Hot Water - Elec yes no Linens no \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BBQ Area no Lake no Wall Units no W/D Units no \$0 Water no yes Meals no \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Billiards no Library no Window Units no W/D Hookups no na Sewer no yes Transportation no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Bus/Comp Ctr no Movie Theatre no None no Trash Collection no yes Trash Pickup no na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Car Care Ctr no Picnic Area no | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Comm Center no Playground yes Heat Security Historic Summary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Elevator no Pool no Central yes Call Buttons no Date Rent Occ Date Rent Occ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fitness Center no Sauna no Wall Units no Cont Access no 5/06 \$439 96.2% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gazebo no Sports Court no Baseboards no Courtesy Officer yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hot Tub/Jacuzzi no Walking Trail no Radiators no Monitored Alarms no | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| None no Security Alarms no | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Security Patrols no | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Units | | | | | Avg Net Rent | | | | | Kitchens | | | | | Parking | | | | | Utility | | | | | Tenant | | | | | Owner | | | | | Services | | | | | | | | | | | | | | | | | | | | | | | | |
| 0BR 0 0 0 0 | | | | | 0BR na na na na | | | | | Stove yes | | | | | Garage no | | | | | Heating - Gas no | | | | | After School no | | | | | \$0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1BR 0 20 0 20 | | | | | 1BR na \$389 na \$389 | | | | | Refrigerator yes | | | | | Covered no | | | | | Heating - Elec yes | | | | | Concierge no | | | | | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2BR 0 33 0 33 | | | | | 2BR na \$470 na \$470 | | | | | Disposal no | | | | | Assigned no | | | | | Cooking - Gas no | | | | | Dry Cleaning no | | | | | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3BR 0 0 0 0 | | | | | 3BR na na na na | | | | | Dishwasher no | | | | | Open yes | | | | | Cooking - Elec yes | | | | | Emp Counseling no | | | | | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4BR 0 0 0 0 | | | | | 4BR na na na na | | | | | Microwave no | | | | | None no | | | | | Other Electric yes | | | | | Hair Salon no | | | | | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total 0 53 0 53 | | | | | Avg na \$439 na \$439 | | | | | Storage no | | | | | Air Conditioning | | | | | Laundry | | | | | Air Conditioning yes | | | | | no | | | | | Health Care no | | | | | na | | | | | | | | | | | | | | | | | | | |
| Occupied Units | | | | | Avg Square Feet | | | | | Project Amenities | | | | | Air Conditioning | | | | | Laundry | | | | | Utility | | | | | Tenant | | | | | Owner | | | | | Services | | | | | | | | | | | | | | | | | | | |
| 0BR 0 0 0 0 | | | | | 0BR na na na na | | | | | Ball Field no | | | | | Horseshoe Pit no | | | | | Central yes | | | | | Central yes | | | | | na | | | | | Hot Water - Elec yes | | | | | no | | | | | Linens no | | | | | \$0 | | | | | | | | | |
| 1BR 0 20 0 20 | | | | | 1BR na 725 na 725 | | | | | BBQ Area no | | | | | Lake no | | | | | Wall Units no | | | | | W/D Units no | | | | | \$0 | | | | | Water no | | | | | yes | | | | | Meals no | | | | | \$0 | | | | | | | | | |
| 2BR 0 31 0 31 | | | | | 2BR na 1,080 na 1,080 | | | | | Billiards no | | | | | Library no | | | | | Window Units no | | | | | W/D Hookups no | | | | | na | | | | | Sewer no | | | | | yes | | | | | Transportation no | | | | | na | | | | | | | | | |
| 3BR 0 0 0 0 | | | | | 3BR na na na na | | | | | Bus/Comp Ctr no | | | | | Movie Theatre no | | | | | None no | | | | | Trash Collection no | | | | | yes | | | | | Trash Pickup no | | | | | na | | | | | na | | | | | | | | | | | | | | |
| 4BR 0 0 0 0 | | | | | 4BR na na na na | | | | | Car Care Ctr no | | | | | Picnic Area no | | | | | Comm Center no | | | | | Playground yes | | | | | Heat | | | | | Security | | | | | Historic Summary | | | | | | | | | | | | | | | | | | | |
| Total 0 51 0 51 | | | | | Avg na 946 na 946 | | | | | Elevator no | | | | | Pool no | | | | | Central yes | | | | | Call Buttons no | | | | | Date | | | | | Rent | | | | | Occ | | | | | Date | | | | | Rent | | | | | Occ | | | | |

| Project Information | | BR | BA | Unit Type | Rent Type | Income Limit | Tot Uts | Vac Uts | Street Rent | | | Disc | Net Rent | | | Util Allow | Gross Rent | | | Square Feet | | | | |
|--|--------------------|----|-----|-------------|-----------------|--------------|---------------|---------|----------------|-----------|-----|------------------|----------|-----------------|---------|-------------|------------|-------------------|--------|-----------------|-------|--------|----------|--|
| | | | | | | | | | Min | Max | Avg | | Min | Max | Avg | | Min | Max | Avg | Min | Max | Avg | | |
| Property Name | Mullins Apartments | 1 | 1.0 | Garden/Flat | Market Rate | Market Rate | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$99 | \$99 | \$99 | \$99 | 700 | 700 | 700 | | |
| Street Number | 915 | | | | | | | | | | | | | | | | | | | | | | | |
| Street Name | Main | | | | | | | | | | | | | | | | | | | | | | | |
| Street Type | Street | | | | | | | | | | | | | | | | | | | | | | | |
| City | Perry | | | | | | | | | | | | | | | | | | | | | | | |
| State | Georgia | | | | | | | | | | | | | | | | | | | | | | | |
| Zip | 31069 | | | | | | | | | | | | | | | | | | | | | | | |
| Phone Number | (478) 987-1045 | | | | | | | | | | | | | | | | | | | | | | | |
| Year Built | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Renovated | na | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Lease | | | | | | | | | | | | | | | | | | | | | | | | |
| Security Deposit/Fees | | | | | | | | | | | | | | | | | | | | | | | | |
| Waiting List | no | | | | | | | | | | | | | | | | | | | | | | | |
| Project Rent | Market Rate | | | | | | | | | | | | | | | | | | | | | | | |
| Project Type | Family | | | | | | | | | | | | | | | | | | | | | | | |
| Project Status | na | | | | | | | | | | | | | | | | | | | | | | | |
| Latitude | 32.45764648 | | | | | | | | | | | | | | | | | | | | | | | |
| Longitude | -83.73278521 | | | | | | | | | | | | | | | | | | | | | | | |
| AAC Code | 13153-0-011 | | | | | | | | | | | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | | | | | | | | | | | | |
| Person Interviewed | Ms. Jane Holt | | | | | | | | | | | | | | | | | | | | | | | |
| Interview Date | May 16, 2006 | | | | | | | | | | | | | | | | | | | | | | | |
| Interviewed By | JGR | | | | | | | | | | | | | | | | | | | | | | | |
| This is not an apartment complex, but rather an apartment management company leasing for Pacific Coast Apartments and Pine Castle Apartments. Please refer to survey listed under property's name. | | | | | | | | | | | | | | | | | | | | | | | | |
| Total / Average | | | | | | | | | | | | | | | | | | | | | | | | |
| Summary | | | | | | | Building Type | | Unit Amenities | | | Kitchens | | | Parking | | Utility | | Tenant | | Owner | | Services | |
| Total Units | | | | | Avg Net Rent | | | | | 1 Story | | no Blinds | | yes Stove | | no Garage | | no Heating - Gas | | no After School | | no \$0 | | |
| 0BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 1BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 2BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 3BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 4BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Occupied Units | | | | | Avg Square Feet | | | | | 2-4 Story | | yes Ceiling Fans | | no Refrigerator | | yes Covered | | no Heating - Elec | | yes Concierge | | no na | | |
| 0BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 1BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 2BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 3BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| 4BR | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | | |
| Total / Average | | | | | | | | | | | | | | | | | | | | | | | | |
| 5-10 Story | | | | | | | | | | | | | | | | | | | | | | | | |
| no Carpeting | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Disposal | | | | | | | | | | | | | | | | | | | | | | | | |
| no Assigned | | | | | | | | | | | | | | | | | | | | | | | | |
| no Fireplace | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Dishwasher | | | | | | | | | | | | | | | | | | | | | | | | |
| no Open | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Cooking - Elec | | | | | | | | | | | | | | | | | | | | | | | | |
| no Cooking - Gas | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Emp Counseling | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Patio/Balcony | | | | | | | | | | | | | | | | | | | | | | | | |
| no Microwave | | | | | | | | | | | | | | | | | | | | | | | | |
| no None | | | | | | | | | | | | | | | | | | | | | | | | |
| no Other Electric | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Hair Salon | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Storage | | | | | | | | | | | | | | | | | | | | | | | | |
| no \$0 | | | | | | | | | | | | | | | | | | | | | | | | |
| no Air Conditioning | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Laundry | | | | | | | | | | | | | | | | | | | | | | | | |
| no Hot Water - Gas | | | | | | | | | | | | | | | | | | | | | | | | |
| no HO Counseling | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Ball Field | | | | | | | | | | | | | | | | | | | | | | | | |
| no Horseshoe Pit | | | | | | | | | | | | | | | | | | | | | | | | |
| no Central | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Central | | | | | | | | | | | | | | | | | | | | | | | | |
| yes na | | | | | | | | | | | | | | | | | | | | | | | | |
| no BBQ Area | | | | | | | | | | | | | | | | | | | | | | | | |
| no Lake | | | | | | | | | | | | | | | | | | | | | | | | |
| no Wall Units | | | | | | | | | | | | | | | | | | | | | | | | |
| no W/D Units | | | | | | | | | | | | | | | | | | | | | | | | |
| no \$0 | | | | | | | | | | | | | | | | | | | | | | | | |
| no Water | | | | | | | | | | | | | | | | | | | | | | | | |
| no yes | | | | | | | | | | | | | | | | | | | | | | | | |
| no Meals | | | | | | | | | | | | | | | | | | | | | | | | |
| no \$0 | | | | | | | | | | | | | | | | | | | | | | | | |
| no Billiards | | | | | | | | | | | | | | | | | | | | | | | | |
| no Library | | | | | | | | | | | | | | | | | | | | | | | | |
| no Window Units | | | | | | | | | | | | | | | | | | | | | | | | |
| no W/D Hookups | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Sewer | | | | | | | | | | | | | | | | | | | | | | | | |
| no yes | | | | | | | | | | | | | | | | | | | | | | | | |
| no Transportation | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Bus/Comp Ctr | | | | | | | | | | | | | | | | | | | | | | | | |
| no Movie Theatre | | | | | | | | | | | | | | | | | | | | | | | | |
| no None | | | | | | | | | | | | | | | | | | | | | | | | |
| no Trash Collection | | | | | | | | | | | | | | | | | | | | | | | | |
| no yes | | | | | | | | | | | | | | | | | | | | | | | | |
| no Trash Pickup | | | | | | | | | | | | | | | | | | | | | | | | |
| no na | | | | | | | | | | | | | | | | | | | | | | | | |
| no Car Care Ctr | | | | | | | | | | | | | | | | | | | | | | | | |
| no Picnic Area | | | | | | | | | | | | | | | | | | | | | | | | |
| no Comm Center | | | | | | | | | | | | | | | | | | | | | | | | |
| no Playground | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no Elevator | | | | | | | | | | | | | | | | | | | | | | | | |
| no Pool | | | | | | | | | | | | | | | | | | | | | | | | |
| no Central | | | | | | | | | | | | | | | | | | | | | | | | |
| yes Call Buttons | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no Fitness Center | | | | | | | | | | | | | | | | | | | | | | | | |
| no Sauna | | | | | | | | | | | | | | | | | | | | | | | | |
| no Cont Access | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no Gazebo | | | | | | | | | | | | | | | | | | | | | | | | |
| no Sports Court | | | | | | | | | | | | | | | | | | | | | | | | |
| no Baseboards | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no Hot Tub/Jacuzzi | | | | | | | | | | | | | | | | | | | | | | | | |
| no Walking Trail | | | | | | | | | | | | | | | | | | | | | | | | |
| no Radiators | | | | | | | | | | | | | | | | | | | | | | | | |
| no Monitored Alarms | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no None | | | | | | | | | | | | | | | | | | | | | | | | |
| no Security Alarms | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| no Security Patrols | | | | | | | | | | | | | | | | | | | | | | | | |
| no no | | | | | | | | | | | | | | | | | | | | | | | | |
| Historic Summary | | | | | | | | | | | | | | | | | | | | | | | | |
| Date Rent Occ | | | | | | | | | | | | | | | | | | | | | | | | |
| Date Rent Occ | | | | | | | | | | | | | | | | | | | | | | | | |
| 5/06 \$0 0.0% | | | | | | | | | | | | | | | | | | | | | | | | |

| Project Information | | BR | BA | Unit Type | Rent Type | Income Limit | Tot Uts | Vac Uts | Street Rent | | | Disc | Net Rent | | | Util Allow | Gross Rent | | | Square Feet | | | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------|------|-------|-----------------|-------------|--------------|---------|-------------------|-------------|---------------|-------|------------------|--------------|------------------|----------|------------|------------------|------------------|-------|------------------|----------------|-------|-----|---------|--|--|--|--------|--|--|--|-------|--|--|--|----------|--|--|--|
| | | | | | | | | | Min | Max | Avg | | Min | Max | Avg | | Min | Max | Avg | Min | Max | Avg | | | | | | | | | | | | | | | | | |
| Property Name | Winslow Place | 1 | 1.0 | Garden/Flat | Market Rate | Market Rate | 32 | 1 | \$505 | \$505 | \$505 | \$0 | \$505 | \$505 | \$505 | \$99 | \$604 | \$604 | \$604 | 745 | 745 | 745 | | | | | | | | | | | | | | | | | |
| Street Number | 200 | 2 | 1.0 | Garden/Flat | Market Rate | Market Rate | 24 | 1 | \$585 | \$585 | \$585 | \$0 | \$585 | \$585 | \$585 | \$127 | \$712 | \$712 | \$712 | 978 | 978 | 978 | | | | | | | | | | | | | | | | | |
| Street Name | Bristol | 2 | 2.0 | Townhome | Market Rate | Market Rate | 32 | 1 | \$605 | \$615 | \$610 | \$0 | \$605 | \$615 | \$610 | \$127 | \$732 | \$742 | \$737 | 1,045 | 1,140 | 1,093 | | | | | | | | | | | | | | | | | |
| Street Type | Street | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| City | Perry | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| State | Georgia | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Zip | 31069 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Phone Number | (478) 218-2875 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Built | 1988 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year Renovated | na | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Minimum Lease | 6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Security Deposit/Fees | \$223 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Waiting List | no | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Rent | Market Rate | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Type | Family | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project Status | Stabilized | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Latitude | 32.47674447 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Longitude | -83.72836995 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AAC Code | 13153-0-019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Notes | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Person Interviewed | Ms. Alice Holcombe | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interview Date | May 17, 2006 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Interviewed By | JGR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total / Average | | | | | | | 88 | 3 | \$563 | \$567 | \$565 | \$0 | \$563 | \$567 | \$565 | \$117 | \$680 | \$684 | \$682 | 918 | 952 | 935 | | | | | | | | | | | | | | | | | |
| Summary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Units | | | | Avg Net Rent | | | | Building Type | | | | Unit Amenities | | | | Kitchens | | | | Parking | | | | Utility | | | | Tenant | | | | Owner | | | | Services | | | |
| Mkt | Rest | Subs | Total | Mkt | Rest | Subs | Avg | 1 Story | no | Blinds | yes | na | Stove | yes | Garage | no | \$0 | Heating - Gas | no | no | After School | no | \$0 | | | | | | | | | | | | | | | | |
| 0BR | 0 | 0 | 0 | na | na | na | na | 2-4 Story | yes | Ceiling Fans | yes | \$0 | Refrigerator | yes | Covered | no | \$0 | Heating - Elec | yes | no | Concierge | no | na | | | | | | | | | | | | | | | | |
| 1BR | 32 | 0 | 0 | na | na | na | na | 5-10 Story | no | Carpeting | yes | na | Disposal | yes | Assigned | no | na | Cooking - Gas | no | no | Dry Cleaning | no | na | | | | | | | | | | | | | | | | |
| 2BR | 56 | 0 | 0 | na | na | na | na | >10 Story | no | Fireplace | no | \$0 | Dishwasher | yes | Open | yes | na | Cooking - Elec | yes | no | Emp Counseling | no | na | | | | | | | | | | | | | | | | |
| 3BR | 0 | 0 | 0 | na | na | na | na | | | Patio/Balcony | yes | na | Microwave | no | None | no | na | Other Electric | yes | no | Hair Salon | no | na | | | | | | | | | | | | | | | | |
| 4BR | 0 | 0 | 0 | na | na | na | na | | | Storage | yes | \$0 | | | | | na | Air Conditioning | yes | no | Health Care | no | na | | | | | | | | | | | | | | | | |
| Total | 88 | 0 | 0 | 88 | na | na | na | | | | | | | | | | | Hot Water - Gas | no | no | HO Counseling | no | na | | | | | | | | | | | | | | | | |
| Occupied Units | | | | Avg Square Feet | | | | Project Amenities | | | | Air Conditioning | | | | Laundry | | | | Historic Summary | | | | | | | | | | | | | | | | | | | |
| Mkt | Rest | Subs | Total | Mkt | Rest | Subs | Avg | Ball Field | no | Horseshoe Pit | no | Central | yes | Central | yes | na | Hot Water - Elec | yes | no | Linens | no | \$0 | | | | | | | | | | | | | | | | | |
| 0BR | 0 | 0 | 0 | na | na | na | na | BBQ Area | yes | Lake | no | Wall Units | no | W/D Units | no | \$0 | Water | no | yes | Meals | no | \$0 | | | | | | | | | | | | | | | | | |
| 1BR | 31 | 0 | 0 | na | na | na | na | Billiards | no | Library | no | Window Units | no | W/D Hookups | yes | na | Sewer | no | yes | Transportation | no | na | | | | | | | | | | | | | | | | | |
| 2BR | 54 | 0 | 0 | na | na | na | na | Bus/Comp Ctr | no | Movie Theatre | no | None | no | | | | Trash Collection | no | yes | Trash Pickup | no | na | | | | | | | | | | | | | | | | | |
| 3BR | 0 | 0 | 0 | na | na | na | na | Car Care Ctr | no | Picnic Area | no | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4BR | 0 | 0 | 0 | na | na | na | na | Comm Center | no | Playground | yes | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 85 | 0 | 0 | 85 | na | na | na | Elevator | no | Pool | yes | Central | yes | Call Buttons | no | Date | Rent | Occ | Date | Rent | Occ | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Fitness Center | yes | Sauna | no | Wall Units | no | Cont Access | no | 5/06 | \$565 | 96.6% | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Gazebo | no | Sports Court | yes | Baseboards | no | Courtesy Officer | no | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | Hot Tub/Jacuzzi | no | Walking Trail | no | Radiators | no | Monitored Alarms | no | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | None | None | no | Security Alarms | no | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | Security Patrols | no | | | | | | | | | | | | | | | | | | | | | | | | |

Ashton Landing Apartments



Commodore Manor Apartments



Gatwick Senior Village



Hamptons Of Perry



Heritage Apartments



High Grove Apartments



Kings Villas



Kings Villas II



Marquis Apartments



Pacific Coast Apartments



Pine Brook Apartments



Pine Castle Apartments



Richmond Apartments



Smith Heights Apartments



Winslow Place

