

HOUSING MARKET STUDY
FOR
FARMINGTON HILLS PHASE II
A PROPOSED LIHTC APARTMENT PROJECT

LOCATED IN:

BARROW COUNTY, GEORGIA

PREPARED FOR:

FARMINGTON HILLS II, LP

PREPARED BY:

DOWNING & ASSOCIATES

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**STATEMENT OF CONTINGENT AND LIMITING CONDITIONS
MARKET ANALYST'S CERTIFICATION**

1. The consultant declares that s/he does not have, and will not have in the future, any material interest in the proposed project, and that there is no identity between the consultant and the applicant. Further, the consultant declares that the payment of the study fee is in no way contingent upon a favorable study conclusion, nor upon approval of the project by any agency, before or after the fact.
2. The consultant has based this analysis on information about conditions in Barrow County, Georgia, which has been obtained from the most pertinent and current available sources, and every reasonable effort has been made to insure its accuracy and reliability. However, the consultant assumes no responsibility for inaccuracies in reporting by any of the Federal, State, or Municipal agencies cited, nor for any data withheld or erroneously reported by sources cited during the normal course of a thorough investigation. The consultant reserves the right to alter the conclusions on the basis of any discovered inaccuracies.
3. No opinion of a legal, architectural or engineering nature is intentionally expressed or implied.
4. The fee charged for this study does not include payment for testimony nor further consultation.
5. This analysis assumes a free and fair real estate market place, with no constraints imposed by any market element based on race, age or gender, except for age eligibility established by law for units designated for occupancy by elderly households.
6. The study is designed to satisfy the underwriting guidelines, rules and methodology requirements of GA-DCA and the conclusions reflect the predicted ability of the project to meet or exceed GA-DCA market thresholds. A positive conclusion does not necessarily imply that the project would be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted market analysis standards and elements pre-empted by GA-DCA guidelines.

MARKET ANALYST'S 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 can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

I further affirm that this report was written according to DCA's market study requirements and that the information included is accurate. Further, DCA may rely on the representation made in the market study as a true assessment of the low-income housing rental market. This document is assignable to other lenders that are parties to the DCA loan transaction.



Connie L Downing, Principal

Date: June 1, 2011

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INTRODUCTION

The following is a professional real estate market study for the determination of the need and demand for an assisted multi-family development for families (no age restriction) in Barrow County, Georgia. The study follows standard procedures for a multi-family market study, including the identification and analysis of the site circumstances, the demographic and income characteristics, and economic conditions in the market area; evaluation of the existing multi-family housing supply, and determination of projected demand among family households for rental housing.

The study will conform to professional standards of real estate market analysis, and is designed to satisfy the market study requirements of the Low Income Housing Tax Credit program as outlined in the 2011 Market Study Manual of the Georgia Department of Community Affairs 2011 application instructions, as well as incorporating additional guidelines promulgated by DCA.

The analyst performed a comprehensive on-site analysis in the market area, surrounding neighborhoods, and the site on May 2, 2011. Personal interviews were conducted with local area real estate professionals, city and county officials and other persons knowledgeable of the local housing market, particularly local area rental management firms and apartment managers.

Sources used and cited throughout the study are the U.S. Census of Population and Housing, the Georgia Department of Labor, the U.S. Department of Housing and Urban Development, and pertinent information and materials collected from local professional real estate sources. The population estimates, trends, and forecasts in this report are based on U.S. Census data, trends and estimates. Data from the 2000 Census and the population and household data from the 2010 Census are included in the tables and analysis, and estimates and trends based on that Census data either by the consultant, state sources, or commercial demographic data companies are used in the study - in this case Ribbon Demographics and Nielsen. This involves the derivation and application of proportions and percentages for those categories of data not provided by the 2010 Census, but not yet estimated and forecast by either the ACS or the commercial services including Nielsen.

Other, specific elements of the methodology are discussed in the text of the study.

EXECUTIVE SUMMARY

Project Description:

- Farmington Hills Phase II is a proposed new construction general occupancy (family) project with no age restriction. The initial phase of Farmington Hills received a LIHTC allocation in 2010, and is expected to commence construction in June 2011. The subject is the second phase of the development.
- The project address is Haymon Morris Road, Winder, GA. The site is south of the municipal limits of Winder approximately ¼ mile south of University Parkway (GA 316 and a similar distance west of Carl-Bethlehem Road (the nearest community highways).
- Farmington Hills II has the following profile:

Units	Bedroom Mix	Size (Sq. Ft.)	Net Rent	Utility Allowance	Gross Rent	Target AMI	PBRA	Structure Type	Maximum Rent	Percent of Maximum
4	1BR/1Ba	740	\$489	\$152	\$641	50%	None	Garden Apt	\$641	100.00%
4	2BR/2Ba	1150	\$525	\$195	\$720	50%	None	Garden Apt	\$768	93.75%
3	3BR/2Ba	1250	\$620	\$239	\$859	50%	None	Garden Apt	\$888	96.73%
8	1BR/1Ba	740	\$489	\$152	\$641	60%	None	Garden Apt	\$769	83.36%
32	2BR/2Ba	1150	\$525	\$195	\$720	60%	None	Garden Apt	\$922	78.09%
21	3BR/2Ba	1250	\$620	\$239	\$859	60%	None	Garden Apt	\$1,065	80.66%
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No project-based subsidies are proposed but tenant-based Housing Choice Vouchers will be accepted.

- Buildings will be 2-story walk-up with central breezeway entry, brick and frame construction with pitched roofline. A range of unit and site amenities in keeping with modern LIHTC projects and as specified in the 2011 QAP would be provided, including, but not limited to, a full appliance package including microwave and washer-dryer connections. The community building with laundry facilities and leasing office will be constructed in the Phase I development and shared by both. A full description of all amenities proposed by the developer is provided in the text of the report.
- Farmington Hills will offer an amenity package superior to all of the PMA market rate and assisted projects, and will be consistent with amenities offered in more active markets in Gwinnett County. A detailed comparison of the amenities at the subject to offerings at other projects is shown in the body of the report.

Site Description/Evaluation:

- The site comprises two irregularly shaped Tracts with a total of ±16.465 acres. The subject will be developed on Tract B (±7.639 acres); Farmington Hills Phase I will be built on Tract A (±8.826 acres).
- The site comprises the southernmost part of a ±46.53 acre assemblage which was rezoned from AG (Agricultural) to R-3. The entire assemblage comprised a poultry farm (Gasaway

Poultry). Improvements include the owner’s main residence, a rental mobile home, and assorted outbuildings and agricultural structures including a barn and several chicken houses. The farm is currently accessed via Chancey Circle NW, an unpaved street off Carl-Bethlehem Road. The northern part of the assemblage is cleared pastureland, and much of the westernmost part is mostly wooded and undeveloped (unimproved). Tract B includes more cleared area around the former chicken houses, but also has open grassland (not fenced for pasture) and woods.

- Some of the chicken houses are located on Tract B and a portion of Tract A of the subject site. These as well as the rental mobile home and other redundant farm buildings would be demolished as part of the required site preparation and by agreement with the seller. The seller’s private residence would remain. Aside from the rental mobile home and the redundant chicken houses (all to be demolished during Phase I), there are no improvements on either of the two Tracts which make up the subject site.
- The overall character of the site area is medium to higher-density residential. Two newer subdivisions border the site on the west and south, and additional residential development is located off Carl-Bethlehem Road and further west along Haymon Morris. All of the newly built houses are in excellent condition, as illustrated by the examples in the pictures in the body of this report. Over the past few years many former agricultural tracts in this part of the County have been sold for residential or commercial development. Recent development to the east of the site includes a new Home Depot (visible on the aerial) and Barrow Crossing Shopping Center. A large undeveloped tract on the NE corner of the intersection of Carl-Bethlehem Road and University Parkway (GA316/US 29) is zoned for commercial development. Multi-family apartments would also be permitted on this tract.
- The site has extensive frontage on Haymon Morris which will allow for ingress/egress without hindrance. Two access points will be provided, both directly off Haymon Morris Road. The easternmost access will serve Phase II, with the central access serving both phases. The road frontage also promotes visibility, while the total extent of the site acreage and configuration will ensure sufficient setback to allow both privacy and green space for active and passive recreation.
- Positive attributes of the site include the location within the GA 316 corridor, proximity to other transportation arteries as well as to employment centers and support services in Barrow County. Nothing was observed during the site visit that would detract from marketability or suitability of the site for the proposed multi-family use. As noted, the site is convenient to University Parkway but is sufficiently distant such that no traffic noise was apparent. No noxious odors were observed and the site is not in proximity to active landfills, rail lines, junk yards or similar incompatible land use. Positive (strengths) and negative (weaknesses) attributes of the site are summarized below:

SITE/SUBJECT ATTRIBUTES	
POSITIVE	NEGATIVE
Proximity to services and employment centers	None specifically observed
Access and visibility	
Compatibility with adjacent land use	
Location in Apalachee High School catchment area	
Excellent access to GA 316, considered to be the primary growth corridor in Barrow County	

- The site is conveniently located with respect to current and future residential support services. University Parkway (GA 316/US 29) is the major east and west connector and the area in which the site is located is poised to become the major commercial area for all of Barrow County. Carl-Bethlehem Road turns in an easterly direction at the point of intersection with Haymon Morris, and runs parallel to University Parkway. A new Home Depot is less than a mile from the site on the north side of Carl-Bethlehem Road and the County's newest shopping center is located roughly ¼ mile further east at the intersection of Carl-Bethlehem and Loganville Highway (GA 81). Barrow Crossing included Publix Supermarket, Target, Belks, Staples, PetSmart and smaller retailers; McDonalds occupies an out parcel. Loganville Highway travels north into Winder, where it intersects with GA 211 and GA 53. Each of these roads provides access to I-85 in the northwest part of Barrow County.
- The site is easily accessible to residential support services located within the City of Winder as well as those in the GA 316 corridor previously mentioned. Winder has a small business district generally extending along May Street (GA 8) east and west from the intersection Broad Street. Services in the downtown are typical of small town centers in Georgia, and include convenience stores, gas stations, restaurants, banks, smaller retailers and other typical residential support services. Older businesses are located along Broad Street including small grocery-anchored strip centers (Ingles and Quality Foods) and a newly opened Piggly Wiggly Express. Other strip centers are in multiple locations on Athens Street and May Street.

Service	Location	Distance
Barrow Crossing Shopping Center Publix, Target, Belk, PetSmart, Staples, McDonalds	SR 81 and Carl-Bethlehem Road	1.0
Barrow County Schools		
Yargo Elementary	1000 Haymon Morris Road	0.9
Haymon Morris Middle	1008 Haymon Morris Road	0.9
Apalachee High School	940 Haymon Morris Road	0.9
Downtown Winder	Broad Street/May Street	5.3
Post Office	101 Broad Street	5.3
Walmart	440 Atlanta Highway	5.4
Barrow Regional Medical Center	316 N Broad	6.7
Regional First Care (Medical Center)	340 Exchange Blvd.	1.7
Home Depot	Home Depot Drive	0.8
Barrow County Offices	233 E. Broad Street	6.5

Maps showing the location of the site with respect to these and other services as well as employment concentrations are provided in the body of the study.

- The site is typical of many available for development in rural counties in northeastern Georgia. Access to services available within the City of Winder is excellent, and includes most residential support services utilized on a day-to-day basis as well as some used on an occasional basis. Access to more extensive support services in other parts of the Atlanta metro area is good, and would be considered normal and generally acceptable among residents of Barrow County. The neighborhood has been acceptable in the local community for residential use and is considered marketable for the proposed use, with no observed constraints. Based on proximity to services, employment, visibility in the local community and ease of access, the site is considered above average, with excellent curb appeal.

Market Area Definition:

- Based on field research in Winder and the balance of Barrow County, and an analysis of spatial characteristics, political and natural barriers, the competitive environment and other factors, the Primary Market Area (PMA) for the subject is defined to Barrow County in its entirety. The primary factors influencing the market area definition included the following:
 - The location of Barrow County with respect to other population centers;
 - The size of the County;
 - The location of Winder within Barrow County and its dominant position as the County seat and trade/services center for a broad area that extends into Jackson and Walton counties;
 - The transportation linkages within the County;
 - The location of employment nodes within the County;
 - The lack of identifiable natural or perceptual boundaries delineating any submarkets within the County;
 - The lack of any specific linkages between any part of Barrow County with adjacent market centers.
- The perception of the County as the PMA is reinforced by the County-wide school system. At the same time, Apalachee High School is considered desirable, and the site's location within this catchment area is considered a positive attribute. This also means that potential tenants would be attracted to the site from more distant parts of Barrow County as well as to take advantage of the excellent transportation linkages and employment opportunities.
- The boundary between Barrow and Jackson County on the north is irregular and follows the Mulberry River, then a surveyed line southward to the point of intersection of the boundaries of Barrow, Jackson, Oconee and Clarke counties. (The 'boundary' of Barrow with Clark County is a point; Barrow County shares a similar 'point' boundary with Hall County on the northwest.) The boundary between Barrow County and Oconee County on the east is also a man-made surveyed line as is part of the boundary with Gwinnett County on the west. The balance of the boundary between Gwinnett and Barrow as well as with Walton County follows the Apalachee River. Neither river is sufficiently large to form a natural barrier but rather a convenient point for determining the area that was to become Barrow County. Adjacent counties include the following:
 - North: Jackson County
 - East: Oconee County
 - South: Walton County
 - West: Gwinnett County
- The furthest extent of the boundary of the PMA from the site is roughly 13 miles to the east, on the border between Barrow County and Jackson, Oconee and Clarke counties. The northernmost extent of Barrow County is roughly 12 miles from the site. There are seven Census Tracts within Barrow County, but the boundaries of each Tract and distance from the site preclude exclusion of any specific Tract from the PMA. Further, most of the population that would be served by the project is within the central portion of Barrow County no more than 6.5 miles from the site within an area that includes parts of all Census Tracts. Maps depicting the PMA and the constituent Census Tracts are provided in the body of the report.

Community Demographic Data:

- The population of Barrow County (the PMA) experienced an increase of 16,423 persons between 1990 and 2000 (4.5% annually). Based on data from the 2010 Census, this positive trend continued at a slightly lower rate of 4.2% per year between 2000 and 2010, representing an addition of 2,322 persons per year to the population base. An increase to 80,000 is projected for 2014 (4.0% annual increase since 2000).
- Tenure among households showed a slight decrease in the proportion but a significant increase in the absolute number of renters over the past decade for the Primary Market Area. The ratio of renters in this market was 24.5% in 2000 and 22.8% in 2010, with an increase in absolute numbers from 4,018 to 5,476. The renter ratios are projected to continue to decrease in the PMA over the forecast period to around 22% of all households in 2014. In terms of absolute numbers, the net change in the number of renters is quite positive, with net growth of 2,142 renter households between 2000 and 2014. The positive growth trends indicate continued demand for rental housing, likely exacerbated by in-migration of households from urban areas.
- Median household incomes among all households in Barrow County (the Primary Market Area) are moderate but have increased since 1999. [The Census reports the last full year of income; accordingly, incomes reported in the 2000 Census are for 1999.] The median income for all households in Barrow County was roughly \$45,019 in 1999, compared to \$49,722 for families. (Note: Family income data exclude 1-person households). Incomes among renters were lower, with a median of only \$28,561 reported in the 2000 Census. Data from the 2005-2009 American Community Survey indicate a median household income¹ of \$48,285 for Barrow County, with a margin of error (MOE) of ±\$2,023. The HUD-estimated median for the Atlanta HMFA as a whole is \$68,300.
- The overall target range for the units in the subject at the 50% of AMI level is \$21,977 - \$36,900. Based on HISTA income projections, approximately **16.4%** of renter households will be in the target range in 2014. The overall target income range for the 60% of AMI units in the subject is \$21,977 - \$44,280. Approximately **28.5%** of renter households are projected to have incomes within this range in 2014, based on HISTA projections for the PMA. In this case, the overall eligible range is the same as the 60% of AMI eligible range.
- The limited data available on foreclosures as published by HUD and DCA indicate that Barrow County is considered a higher risk area. HUD data at the County level for 2008 indicated some 1,196 homes were in foreclosure County-wide, or about 6.4% of the nearly 19,000 mortgages. An article on foreclosures in the Barrow County News stated that over 7,000 notices were published during the 2007-2010 period.
- Only one project manager interviewed indicated that any applicants for rental apartments were former homeowners displaced by foreclosure. The manager of Hillcrest stated that some tenants were former homeowners, and that a foreclosure is not considered when management evaluates the information in an applicant's credit report. One home advertised for sale in the site vicinity had a sign indicating that the unit offered was in foreclosure.

¹ Median income in the past 12 months (in 2009 inflation-adjusted dollars)

- Given the limited data available, it is assumed that there will be little, if any, impact on the rental market as the result of foreclosures.

Economic Data:

- Jobs data (by place of work) indicate an increase of over 3,100 jobs between 2000 and 2010, despite loss of 1,114 jobs in 2008 and a further loss of 861 jobs in 2009. Only 40 jobs were lost in Barrow County in 2010.
- The largest sectors of the economy are Retail Trade (2,117 jobs), Government (3,080 jobs) and Food Service/Accommodation (1,616 jobs), and all have exhibited continued growth over the past nine years. Manufacturing represents a relatively small part of the local economy, but still provided around 1,665 jobs in 2010. The strongest growth between 2001 and 2010 was in Food Service/Accommodation (96 jobs per year) and Wholesale Trade (105 jobs per year). A number of firms have warehousing/distribution facilities in Barrow County due to the availability of land for development in proximity to I-85, GA 316/US 29 and the Atlanta metro area.
- The Barrow County economy exhibited positive employment trends (by place of residence) between 2000 and 2007, with overall gains of 4% per year. Unemployment remained at low levels, fluctuating between 4.7% and 4.2% in the post 9/11 period. Unemployment increased to 6.3% in 2008 followed by a further increase to 10.3% in 2009 which was also the rate during 2010.
- The Georgia Department of Labor's listing of closures and downsizing (WARN list) shows one closing. Greatwide Dedicated Transport which serviced Publix Supermarkets announced closure of facilities in Florida and Auburn, GA following termination of the agreement with Publix. The Auburn location employed 69 persons. One of the newer employers is Chico's, which opened in Barrow County in 2002 and expanded operations in 2004 and 2006. A third expansion was announced in June 2009, following the purchase of a vacant building on Barrow Industrial Parkway. A second distribution center now complements Chico's other facilities and employment is now roughly 450 jobs.
- A new Army Reserve Center is under construction on a site near Statham, which is expected to have a positive effect on the local economy, particularly retail and services. Plans are also underway for development of the Route 316 corridor as a biotech center. County EDC director Linda Moore reported that four new employers were added in the first 3 months of 2011.
- The effects of the economic downturn that began in 2007 have been felt in Barrow County as well as the balance of the Atlanta MSA and Georgia as a whole. Unemployment among County residents has increased, and the number of jobs declined between 2007 and the 3rd Quarter of 2010. The overall trend for the longer term (2000-2010) is still positive, with more than 3,000 jobs added to the local economy. Barrow County is not dependent on jobs within the County to sustain growth, but rather the regional economy. The MSA has also shed jobs, but remains a broad-based, diverse economy.

- The County is still growing according to newly published data from the 2010 Census and much of the growth is from in-migration from other parts of Georgia. Many of these 'new' residents continue to work outside Barrow County, principally in Gwinnett County. Because County residents are not totally dependent on the local economy, the closure of any one firm is not as devastating as would be the case in a more isolated area, and the housing market has not been affected in the same way as many parts of the state. Overall, economic and demographic trends suggest continued demand for housing, particularly affordable rental units.

Project-specific Affordability and Demand Analysis

- Based on the rents and income targeting proposed by the developer, the affordability threshold established by GA-DCA guidelines (35% rent to income ratio) and the maximum income limits at the target 50% and 60% of AMI levels, the overall target income range and the number and proportion of income-eligible renter households for the project as proposed is:

Target Income Range	Eligible Ratio	Eligible Renters
\$21,977 - \$36,900 (50%)	16.4%	1,008
\$21,977- \$44,280 (60%)	28.5%	1,758
\$21,977 - \$44,280 (Overall)	28.5%	1,758

- The target income ranges for individual bedroom types and AMI level on which the above overall affordability ranges are based is:

Number of Units	Bedroom Size	Gross Rent	Target Income Range		Target AMI	PBRA
			Minimum	Maximum		
4	1BR/1Ba	\$641	\$21,977	\$27,350	50%	None
4	2BR/2Ba	\$720	\$24,686	\$30,750	50%	None
3	3BR/2Ba	\$859	\$29,451	\$36,900	50%	None
8	1BR/1Ba	\$641	\$21,977	\$32,820	60%	None
32	2BR/2Ba	\$720	\$24,686	\$36,900	60%	None
21	3BR/2Ba	\$859	\$29,451	\$44,280	60%	None

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- As detailed in the body of the report, under the demand methodology specified by GA-DCA, the net LIHTC demand for the target AMI levels at the proposed rents is 1,077 units, which equates to a **6.7% overall** capture rate.
 - Demand at the 50% of AMI level comprises 649 units, which equates to a 1.7% capture rate.
 - Demand at the 60% of AMI level is calculated at 1,088 units, which yields a 5.6% capture rate.
 - No market rate units or units with PBRA are proposed.
- Further segmentation for demand by bedroom mix at each AMI level yields the following capture rates:

SUMMARY: CAPTURE RATES

BEDROOMS	AMI LEVEL	GROSS DEMAND	SUPPLY	NET DEMAND	UNITS PROPOSED	CAPTURE RATE
1BR	50%	152	4	148	4	2.7%
2BR	50%	271	4	267	4	1.5%
3BR	50%	185	3	182	3	1.6%
4BR	50%	52	0	52	0	0.0%
TOTAL LIHTC		660	11	649	11	1.7%
1BR	60%	264	9	255	8	3.1%
2BR	60%	471	31	440	32	7.3%
3BR	60%	322	21	301	21	7.0%
4BR	60%	92	0	92	0	0.0%
TOTAL LIHTC		1,149	61	1,088	61	5.6%
1BR	OVERALL	264	13	251	12	4.8%
2BR	OVERALL	471	35	436	36	8.3%
3BR	OVERALL	322	24	298	24	8.1%
4BR	OVERALL	92	0	92	0	0.0%
TOTAL LIHTC		1,149	72	1,077	72	6.7%

- These capture rates (individual and overall) are within all thresholds established by GA-DCA as outlined in Appendix I – Threshold Criteria of the 2011 QAP.

Overall capture rates of less than 10% indicate a very low risk for development and successful operation. Given the dynamics of this market detailed in the body of the report, the capture rates shown are considered easily achievable in the marketplace.

Competitive Rental Analysis:

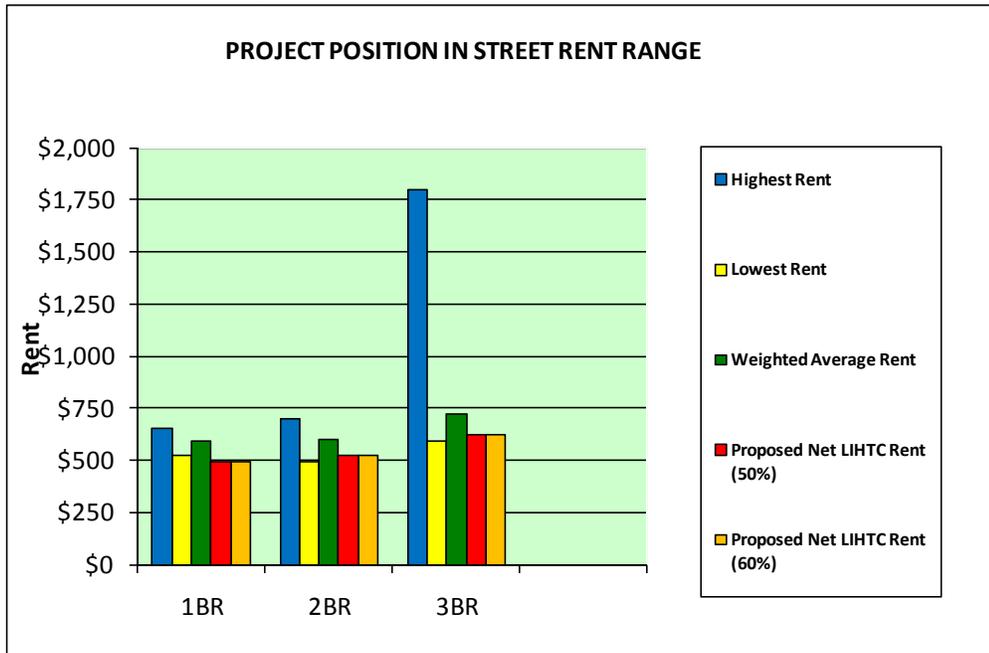
- This analysis included a detailed survey of 9 existing apartment complexes (415 units) in Winder and Barrow County plus one modern LIHTC project (292 units) located outside the PMA in neighboring Gwinnett County. There are no directly comparable, like-kind projects in the PMA at the present time. Farmington Hills Phase I was approved in the 2010 competitive round, but will not enter the market until late 2012. The PMA projects and the data obtained on single-family rentals is representative of the range of product now offered in the market, and the overall sample is considered sufficiently large to evaluate the subject’s position in the market. Further, the comparison with Herrington Mill places the subject in the context of a broader market and illustrates the competitive position of Farmington Hills II within the SMA.
- The most comparable PMA projects are Hillcrest, Ivey Corners and Regal Apartments. Each is more than 10 years old and has far fewer amenities than would be expected at any modern LIHTC or market rate project. In this case single-family homes have become ‘default’ comparables as they represent the most widely available rental type. Upon completion, Farmington Hills Phase I will be a direct, like-kind comparable.
- The assisted rentals within the PMA comprise one RD 515/LIHTC project (Rock Springs/48 units) and two RD 515 projects with 58 units. Two are located in Winder and one is located

in Statham in eastern Barrow County. No project-based assistance is available among these units. All other tenants pay the RD basic rent or overage, up to the full market rent. Four tenants at Winder Woods utilize Vouchers; none are in use at Rock Springs.

- The survey also included one 292-unit LIHTC project located outside the PMA in Gwinnett County, in Lawrenceville. Herrington Mill was completed in 2003 and is typical of the size and type developed in the more populous areas of the Atlanta metro region. Due to the extent of competition, concessions are offered on more or less a continuous basis and at this time are lower than the 'market' rates that would normally be charged. Occupancy in recent years has been as low as 88%, but is now 99% based on units actually available for lease (vacant, not preleased with deposit). Current rents are \$615 (1BR), \$709 (2BR) and \$875 (3BR). After adjusting for differences in utility costs, it is apparent that rents at Farmington Hills II would still be less expensive, and would represent a more affordable option for persons working in Barrow County and now living in Gwinnett.
- The overall occupancy rate among all assisted rentals surveyed was 99.9%. Among the 340 LIHTC units the occupancy rate was also 99.9%.
- The market rate (or conventional) inventory comprises the 6 projects (309 units) which were included in the survey, single-family detached rentals, duplexes and mobile homes. Some of the SFD and duplex units are managed by realty firms; others are owner-managed.
- A total of 10 vacancies were reported among the 5 market rate projects for which occupancy data were available, representing an overall occupancy rate of 96.5%. The highest number of vacancies was at Holly Hill in the 2BR/1Ba flats. These units are fairly large but and while upkeep appears to be generally good, the units are now approaching 30 years old, and are in need of major renovation. Tenants at Holly Hill pay a \$56 per month surcharge for water and sewer in addition to the stated rent.
- The largest apartment project in Barrow County is Hillcrest Apartments which has 102 units. The townhouse units appear in good condition, but the flats are average. Rents vary among the unit types depending on the extent of any renovation (carpet replacement, appliances, etc.) that may have been done. Hillcrest is locally owned and has an on-site manager, but cannot be termed 'professionally managed'. Hillcrest is well located with respect to services and employment within Winder, and has high visibility. Many tenants are newcomers referred by the local Chamber of Commerce. The manager stated that occupancy has increased in the past year and she now maintains a waiting list. Some tenants were said to be former homeowners who had lost houses to foreclosure.
- Single-family detached houses and mobile homes have historically comprised the majority of the rental stock in Barrow County, and the rents being charged are an important component in the determination of average market rents. A review of advertised rentals in April and early May 2011 indicated a wide range of rents overall, but distinct differences between the rents charged for older 'rent houses' and newer units. Rents for 2BR units ranged from \$575-\$700, with a median of \$675 and an average of \$665. Rents for 3BR houses ranged from \$700-\$1800 with a median of \$995 and an average of \$1049. It should be noted that there were very few 2BR units advertised for rent.
- Rents among the market rate units were \$525-\$650 for 1BR, \$495-\$700 for 2BR and \$595-\$1,800 for 3BR. Weighted averages were \$588 (1BR), \$600 (2BR) and \$722 (3BR). The

weighted average rents at all market rate properties are higher than proposed at the subject, which equates to a market advantage for all bedroom types, as illustrated below:

<u>Market Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
Highest Rent	\$650	\$700	\$1,800
Lowest Rent	\$525	\$495	\$595
Weighted Average Rent	\$588	\$600	\$722
<u>Proposed LIHTC Net Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
Net Rent (50% AMI units)	\$489	\$525	\$620
Net Rent (60% AMI units)	\$489	\$525	\$620



- Aside from Farmington Hills Phase I, no other projects are in development in the PMA at the present time. Land is available that could be zoned for multi-family development, and Winder Planning Director Barry Edgar reports that one request for rezoning has been submitted.

The rezoning request was submitted by the NorSouth Company for a site on Route 11 in the northern part of Winder. The site would be developed with 64 rental apartments for seniors aged 62 or older according to discussions with the City. It is assumed that this project would also be a LIHTC submission, but given the targeting, would not be comparable or competitive with the subject.

- The overall vacancy rate among the 707 operational units in the detailed survey was 1.9%, representing 13 turnover vacancies among the 683 units for which data were available. The vacancy rate for the 391 units within the PMA for which data were available was 2.8%; the 292 unit LIHTC project outside the PMA reported a 0.7% vacancy rate.

Absorption/Stabilization Estimate:

- None of the rental projects included in the survey was able to report absorption, but given the age of the projects in the PMA the data would not be meaningful.
- Based on the size of the Barrow County rental market, a project of **72 units** would typically be absorbed in around six to no more than seven months, with sustained absorption of 11 units per month. The absorption period would be reduced if the project attracts a significant ratio of Voucher holders. The time required to reach 93% occupancy (project stabilization) is roughly 6 months.
- Absorption of the various unit types (BR and AMI target) in any project is simultaneous, and not linear. All units are expected to be leased within the time frame shown in the table, but actual absorption will vary from month to month.
- Absorption by BR and AMI is shown in the table below:

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption (months)	Average Market Rent	Market Rents Band Min - Max	Proposed Rents
30% AMI	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
50% AMI	1BR	4	152	4	148	2.7%	2	\$588	\$525-\$650	\$489
	2BR	4	271	4	267	1.5%	2	\$600	\$495-\$700	\$525
	3BR	3	185	3	182	1.6%	2	\$722	\$595-\$1800	\$620
	4BR	0	52	0	52	NA	NA	NA	NA	NA
60% AMI	1BR	8	264	9	255	3.1%	4	\$588	\$525-\$650	\$489
	2BR	32	471	31	440	7.3%	6	\$600	\$495-\$700	\$525
	3BR	21	322	21	301	7.0%	5	\$722	\$595-\$1800	\$620
	4BR	0	92	0	92	NA	NA	NA	NA	NA
Market Rate	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
TOTAL	30% AMI	0	NA	NA	NA	NA	NA			
for	50% AMI	11	660	11	649	1.7%	2			
Project	60% AMI	61	1,149	61	1,088	5.6%	6			
	Market	0	NA	NA	NA	NA	NA			
TOTAL		72	1,149	72	1,077	6.7%	6			

- This opinion of absorption considers the affordability of the project rents, the historic and projected growth in the number of renter-occupied households and the limited additions to

the supply to meet current and projected demand. This is considered a conservative estimate, and consistent with absorption achieved by projects in similar markets in GA, VA, SC and NC in recent years which achieved sustained absorption rates of 8 to 20 units per month. Projects in areas without direct competition tend to have higher absorption rates as units fill an identified void in the market.

- These absorption rates, as well as continued stabilized occupancy subsequent to completion of initial rent up assume that the project will be built as proposed, under the rent structure evaluated in this study, and by the indicated professional development and management team. It further assumes an active pre-leasing program, including contact with the DCA office in Athens which administers the HUD Housing Choice Voucher program so that the Voucher administrators are aware of the project and can place the project on any resource lists that may be maintained.

Overall Conclusion:

- The positive population and household growth trends and forecasts support the need and demand for additional housing units in this market. Owner-occupants comprise majority of households, but renter trends are very positive. The ratio of renters decreased between 1990 and 2000, but only because owner-occupied household growth outstripped renter growth. In terms of absolute numbers, the number of renters increased by 36%, averaging around 146 new renters each year. The renter ratio is projected to decrease slightly over the next few years but a significant increase in absolute numbers is projected. Overall renter household growth for the 2000-2014 forecast period is projected at 2,142 households, or 3.1% per year. The short-term, two year forecast (2011-2014) is for 508 renter households – more than sufficient demand for the subject.
- The income levels among households in the PMA indicate a continuing need for affordable units, particularly among renters. Apartment construction has not kept pace with the projected demand, and detached houses comprise the majority of the rental stock. Around 28.5% of the renter households projected to the point of market entry (2014) would fall into the LIHTC eligible range.
- The effects of the economic downturn that began in 2007 have been felt in Barrow County as well as the balance of the Atlanta metro area and Georgia as a whole. Unemployment among County residents has increased, and the number of jobs declined between 2008 and the 3rd Quarter of 2010. The overall trend for the longer term (2000-2010) is still positive, with more than 3,100 jobs added to the local economy and an increase of more than 6,000 employed residents. Barrow County is not dependent on jobs within the County to sustain growth, but rather the regional economy. The MSA has also shed jobs, but remains a broad-based, diverse economy.

Other conclusions regarding the project and its position in the market include the following:

- The reconciliation of the subject's rents with rents at market rate units in the PMA indicates that the proposed rents are positioned to be affordable in the market in general and to the target LIHTC income eligible group. There are no LIHTC projects in this market aside from an RD 515 project developed during the late 1980's. Farmington Hills I was approved in 2010 will commence construction in June 2011.

- The proposed net rents at the 50% and 60% of AMI levels are below the average rents now being charged in the market for all bedroom sizes. Further, given the single rent structure, all units are affordable at the 50% of AMI target. This produces a wide affordability range for the project as a whole and for each individual bedroom size.
- The proposed gross rents are less than the FMR's for Barrow County which would allow the project to accept households with a HUD Housing Choice Voucher for those units. This acts as a further risk reduction, and may result in faster absorption.
- The amenity package at the subject would be superior to that offered at other apartment projects in the Winder/Barrow County market.
- Unit sizes are also competitive in the market, and consistent with those in LIHTC program assisted offerings in other parts of the metro area.
- The site is conveniently located to residential support services and is in the primary growth corridor within Barrow County. Further, the location is within the catchment area for Apalachee High School, which is considered very desirable among residents of Barrow County.
- The neighborhood has been acceptable in the local community for residential use and is considered marketable for the proposed use, with no observed constraints. Based on proximity to services, employment, visibility in the local community and ease of access, the site is considered above average, with excellent curb appeal.
- The potential for long-term adverse impact on existing rentals would be generally limited given the proposed rent structure, except as previously noted.
- Given the indicated levels of market support, stabilization would likely require no more than 6 months, with full occupancy in less than seven months. The project's ability to achieve and maintain stabilized occupancy levels of 93% or better in this area is enhanced by the rent positioning, which ensures affordability for a broad range of LIHTC-eligible renter households. The net rents are below rents currently being achieved in the market, which suggests that absorption will proceed at a sustained rate of 11 units per month, which is typical for a new project of this type in an emerging suburban market.

The positive population and household growth trends and forecasts support the need and demand for additional housing units in this market. The income levels among households in Barrow County indicate a continuing need for affordable units, particularly among renters, with no units recently built or planned to meet the identified need. Based on the data and conclusions of each section of the report as summarized above, this project has excellent potential for development and operation as presently configured and is recommended to **proceed as proposed**.

Summary Table:

(must be completed by the analyst and included in Executive Summary)

Development	Farmington Hills Phase II	Total # Units:	72
Location:	Haymon Morris Road, Winder, GA (Barrow County - unincorporated area)	# LIHTC Units:	72
PMA Boundary:	Barrow County boundary with adjacent counties; Apalachee River on south, Mulberry River on north, surveyed lines east and west	Farthest Boundary Distance to Subject:	13 miles

Rental Housing Stock (found on page 70-89)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	415	11	97.3%
Market-Rate Housing	6	309	10	96.8%
Assisted/Subsidized Housing not to include LIHTC	2	58	1	98.3%
LIHTC	1	48	0	100.0%
Stabilized Comps	4	235	10	95.7%
Properties in Construction & Lease Up	1	72	72	Construction start 6/2011

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedroom	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
4	1	1	740	\$489	\$588	\$0.90	20%	\$650	\$0.93
4	2	2	1150	\$525	\$600	\$0.57	14%	\$700	\$0.62
3	3	2	1250	\$620	\$722	\$0.54	16%	\$1,800	\$0.90
8	1	1	740	\$489	\$588	\$0.90	20%	\$650	\$0.93
32	2	2	1150	\$525	\$600	\$0.57	14%	\$700	\$0.62
21	3	2	1250	\$620	\$722	\$0.54	16%	\$1,800	\$0.90

Demographic Data (found on page 40-44)

	2000		2011		2014	
Renter Households	4,018	24.5%	5,652	22.8%	6,160	22.7%
Income-Qualified Renter HHs (LIHTC)	1,347	33.5%	1,681	29.7%	1,758	28.5%
Income-Qualified Renter HHs (MR) (if applicable)	NA	NA%	NA	NA%	NA	NA%

Targeted Income-Qualified Renter Household Demand (found on page 57-61)

Type of Demand	30%	50%	60%	Market-rate	Other	Overall
Renter Household Growth		350	611			611
Existing Households (Overburden + Substd)		277	481			481
Homeowner conversion (Seniors)		NA	NA			NA
Secondary Market Demand @ 5%		33	57			57
Less Comparable/Competitive Supply		11	61			72
Net Income-qualified Renter HHs		649	1,088			1,077

Capture Rates (found on page 61-63)

Targeted Population	30%	50%	60%	Market-rate	Other	Overall
Capture Rate		1.7%	5.6%			6.7%

NOTE: Summary data on Rental Housing Stock shown above includes PMA properties only; LIHTC property in Gwinnett County is excluded

PROJECT DESCRIPTION

Farmington Hills II is a proposed LIHTC general occupancy project for families to be built on a site in Barrow County, Georgia south of the City of Winder. The project will be a second phase of Farmington Hills I, which received funding approval in the 2010 competitive (9% LIHTC) round. The project profile includes the following:

- **Project Name:** Farmington Hills Phase II
- **Address:** Haymon Morris Road
Winder, GA 30680
- **Construction type:** New construction
- **Occupancy:** Family (Open Occupancy)
- **Target Income Group:** 11 units at 50% of AMI
61 units at 60% of AMI
- **Special Needs Population:** None specifically targeted
- **Number of Buildings:** 5 residential buildings
- **Structure Type:** Two-story walk-up (stacked flats)
- **Project-based subsidy:** None
- **Energy source:** Total electric (plug load, H/HW and AC)
- **Utilities Included:** Trash removal
 - **Tenant Paid Utilities:** Water/sewer, electric, and personal utilities (telephone, CATV)
- **Placed in Service Date:** 12/31/2013

The project configuration, with proposed rents and utility allowances, is shown below:

Units	Bedroom Mix	Size (Sq. Ft.)	Net Rent	Utility Allowance	Gross Rent	Target AMI	PBRA	Structure Type	Maximum Rent	Percent of Maximum
4	1BR/1Ba	740	\$489	\$152	\$641	50%	None	Garden Apt	\$641	100.00%
4	2BR/2Ba	1150	\$525	\$195	\$720	50%	None	Garden Apt	\$768	93.75%
3	3BR/2Ba	1250	\$620	\$239	\$859	50%	None	Garden Apt	\$888	96.73%
8	1BR/1Ba	740	\$489	\$152	\$641	60%	None	Garden Apt	\$769	83.36%
32	2BR/2Ba	1150	\$525	\$195	\$720	60%	None	Garden Apt	\$922	78.09%
21	3BR/2Ba	1250	\$620	\$239	\$859	60%	None	Garden Apt	\$1,065	80.66%
72										

DEVELOPMENT AMENITIES

- *Community building with:
 - Management office
 - Community room
 - Computer center
 - Laundry facility
- *Gazebo
- *Swimming pool with cabana area
- *Covered pavilion with picnic tables and BBQ facilities
- *Playground

NOTE: Development amenities will be located in Phase I and shared by both phases

UNIT AMENITIES

- *Electric range with electronically controlled solid cover plates over top burners
- *Range hood
- *Refrigerator (Energy Star)
- *Dishwasher (Energy Star)
- *Microwave
- *Washers & dryer connections
- *Ceiling fans
- *Mini-blinds
- *Carpet
- *Patio/balcony
- *Central air-conditioning (heat pump)
- *Pre-wired for CATV, telephone and high-speed internet access

Supportive Services

Planned activities include semi-monthly movie nights in the clubhouse.

SITE EVALUATION

The on-site inspection of the subject property was conducted on May 2, 2011, by Connie Downing during the course of the field work in Winder and Barrow County. Field work included an inspection of the site, surrounding market area, and competitive and/or comparable apartment developments, and other housing alternatives in the Barrow County market.

The subject site is located in the south-central part of Barrow County in the University Parkway (US 29/GA 316) corridor on the north side of Haymon Morris Road. The site in its entirety comprises roughly ±16.465 acres, divided into two tracts. The subject will be developed on Tract B (±7.639 acres); the initial phase is being developed on Tract A (±8.826 acres). Access will be directly off Haymon Morris from two points; the westernmost access driveway will serve both Phases; the easternmost access driveway will serve Phase II.

SITE AND NEIGHBORHOOD CHARACTERISTICS

The site comprises the southernmost part of a ±46.53 acre assemblage which was rezoned from AG (Agricultural) to R-3. The entire assemblage comprised a poultry farm (Gassaway Poultry). Improvements include the owner's main residence, a rental mobile home, and assorted outbuildings and agricultural structures including a barn and several chicken houses. The farm is currently accessed via Chancey Circle NW, an unpaved street off Carl-Bethlehem Road. The northern part of the assemblage is cleared pastureland, and much of the westernmost part is wooded and undeveloped, including the area within Tract A and B.

Some of the chicken houses are partially located on Tract A and Tract B of the subject site. These as well as the rental mobile home and other redundant farm buildings would be demolished as part of the required Phase I site preparation and by agreement with the seller. The seller's private residence would remain. Aside from the rental mobile home and the redundant chicken houses, there are no improvements on either of the two tracts which make up the subject site. As mentioned, much of Tract A is wooded with only a small cleared area around the mobile home.

Topography is typical of the Piedmont physiographic province in which all of Barrow County is located. Relief is locally very slight, and most of the undeveloped land is gently rolling hills. Based on a review of topographic maps and field observation, the site has no areas of steep slope. The general slope is to the north away from the Haymon Morris Road frontage, with the highest point generally in the area around the seller's residence.

The overall character of the site area is medium to higher-density residential. Two newer subdivisions border the site on the west and south, and additional residential development is located off Carl-Bethlehem Road and further west along Haymon Morris. All of the newly built houses are in excellent condition, as illustrated by the examples in the pictures that follow. Over the past few years many former agricultural tracts in this part of the County have been sold for residential or commercial development. Recent development to the east of the site includes a new Home Depot (visible on the aerial) and Barrow Crossing Shopping Center. A large undeveloped tract on the NE corner of the

intersection of Carl-Bethlehem Road and University Parkway (GA316/US 29) is zoned for commercial development. Multi-family apartments would also be permitted on this tract.

The aerial photograph below depicts the site with respect to surrounding development.



Current land use and zoning for parcels surrounding site is summarized below:

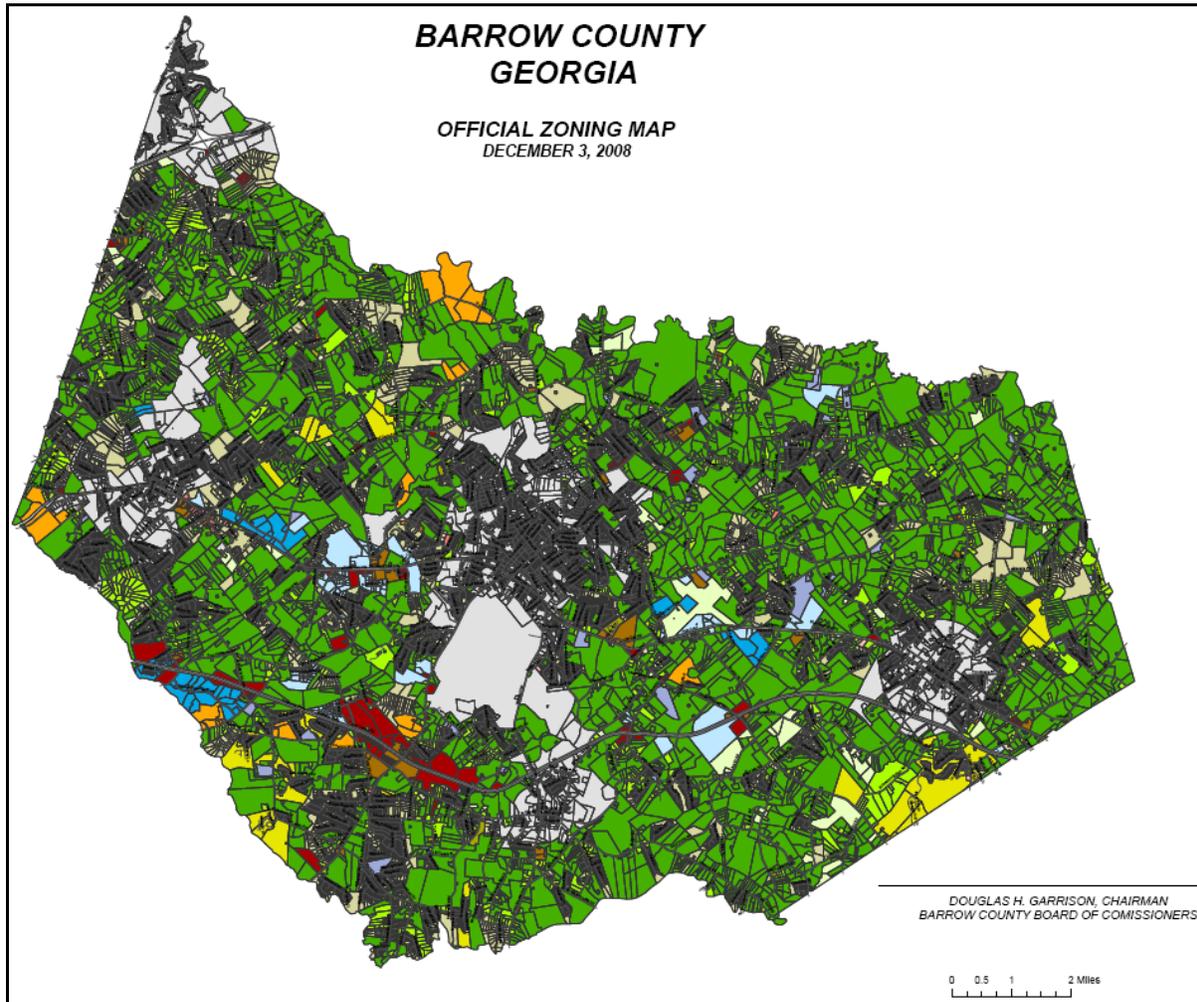
Direction	ADJACENT LAND USE	
	Existing Land Use	Current Zoning
North	Undeveloped (former agricultural) with SFD residence; now zoned for R-3 residential use	R3
South	Single-Family subdivision (Ashbrooke)	R1
East	Low-density residential on Carl-Bethlehem Road frontage; including small vacant parcel	AG
West	Single-Family subdivision (Haymon Estates); Farmington Hills PH I site	R2

SOURCES: Barrow County Planning Department

NOTE: Farmington Hills Phase I will be constructed on Tract A, which is directly west of the site.

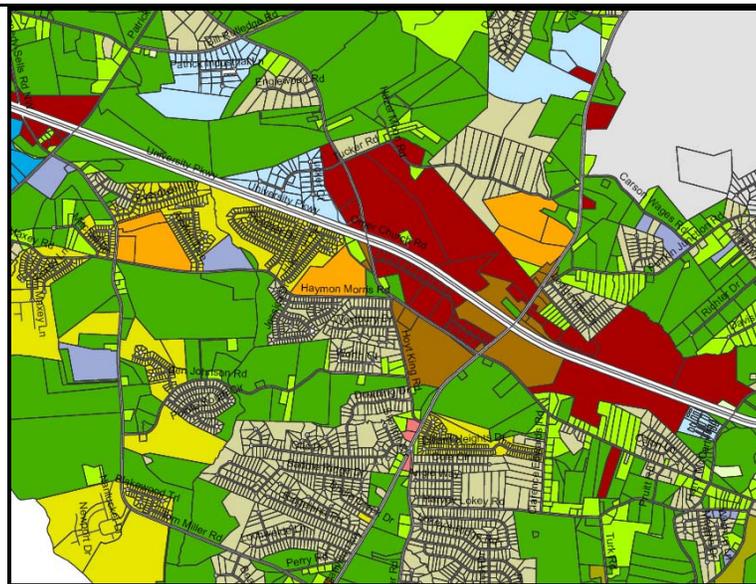
The zoning map that follows shows the general extent of development within Barrow County. Agricultural zoned land is green, but not all is agricultural usage. The site and immediately

surrounding areas are also shown in more detail, and the legend indicates the various zoning classes.



Legend

AC
AG
AR
Auburn
Bethlehem
Braselton
C1
C2
C3
Carl
M1
M2
MH
O1
R1
R2
R3
SPLIT
Winder
Statham

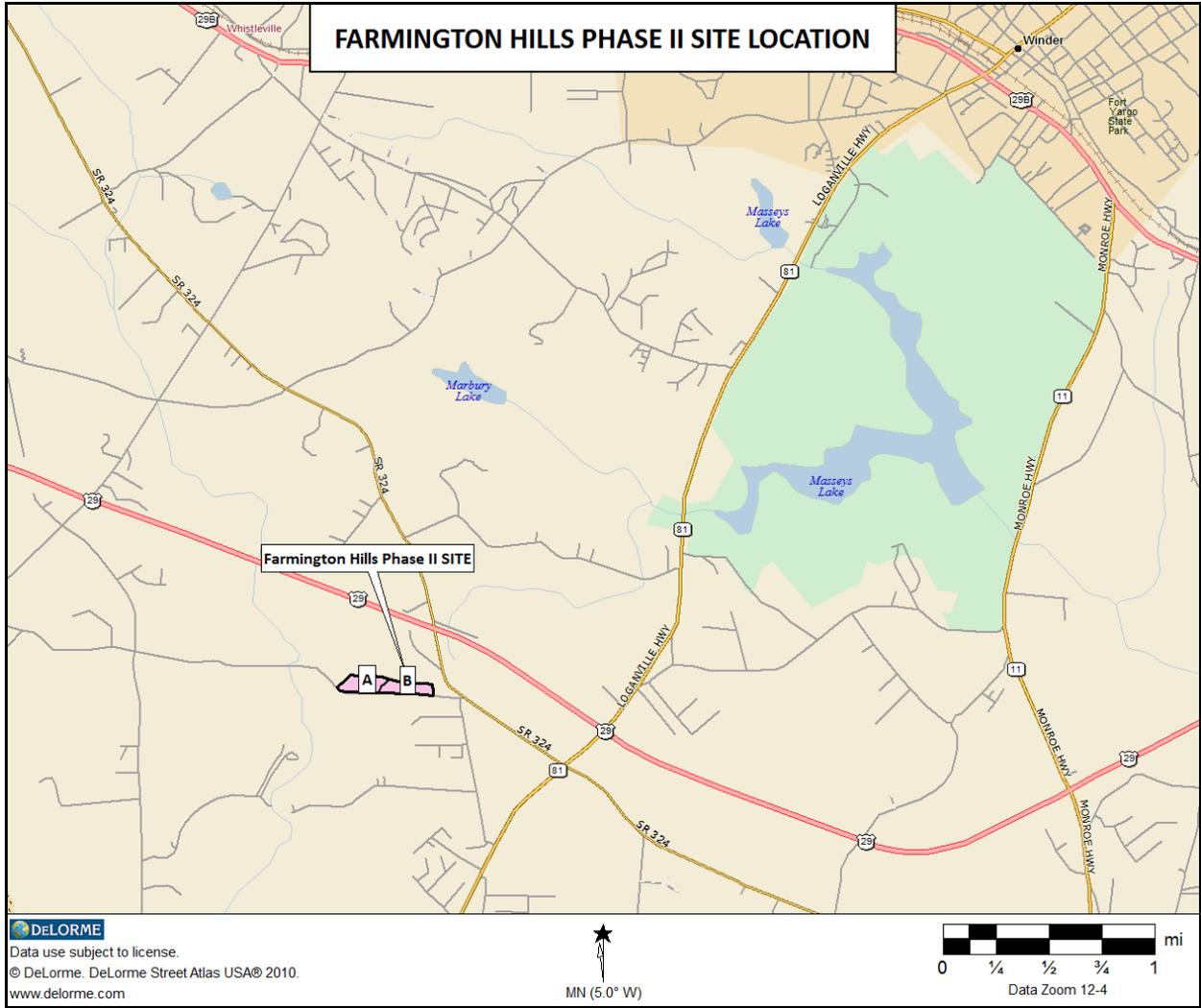


University Parkway (GA 316/US 29) is the major east and west connector and the area in which the site is located is poised to become the major commercial area for all of Barrow County. University Parkway provides a 4-lane route connecting Barrow County with Clarke County and then to Athens on the east, and the Lawrenceville area of Gwinnett County on the west and then to I-85 and Atlanta. The area near the Gwinnett County line roughly 2-3 miles west of the site is an employment node, with several distribution facilities including Chico's.

Carl-Bethlehem Road turns in an easterly direction at the point of intersection with Haymon Morris, and runs parallel to University Parkway. A new Home Depot is less than a mile from the site on the north side of Carl-Bethlehem Road and the County's newest shopping center is located one mile east of the site at the intersection of Carl-Bethlehem and Loganville Highway (GA 81). Barrow Crossing includes Publix Supermarket, Target, Belks, Staples, PetSmart and smaller retailers; McDonalds occupies an out-parcel. Loganville Highway travels north into Winder, where it intersects with GA 211 and GA 53. Each of these roads provides access to I-85 in the northwest part of Barrow County.

Infrastructure improvements are on-going in Barrow County, but none were specifically observed in proximity to the site. The road which will be constructed to access the site is expected to be extended to the northeast and connect Haymon Morris to Carl-Bethlehem Road at the current intersection with Home Depot Drive. This will not proceed until the site is developed however.

The following map notes the site location within the GA 316/US 29 corridor and with respect to the City of Winder. The City limits are actually quite close to the site as they extend south along Loganville Highway (GA 81) and Monroe Highway (GA 11 and encompass Fort Yargo State Park.



The following pictures show the site and surrounding land uses.



1. Looking east along Haymon Morris Road; site frontage to left (north side of road)
2. View of site frontage from entrance to subdivision on south side of Haymon Morris; tall pine tree shows approximate location of westerly access point (new road)



3. View to east along Haymon Morris showing 'Tract B' frontage; location of 2nd easterly access at far edge of tree line
4. Easternmost extent of site (Tract B); example of general topography



5. & 6. Looking south toward site (past tree line) from western edge of Haymon Court in adjacent subdivision



7. Interior aspect of site looking NE from point within tract off Haymon Morris Road

8. Looking south from Chancey Circle NW to farm buildings on Tract B (to be demolished) at approximate location of proposed County road; site in distance past buildings



9. Typical houses in Haymon Estates subdivision to west of site

10. Typical houses in Ashebrooke subdivision opposite site on south side of Haymon Morris Road



11. - 12. New retail development located < 1 mile east of site (Home Depot and Publix - Barrow Crossing Shopping Center)

ACCESS TO SERVICES

The site is easily accessible to residential support services located within the City of Winder as well as those within one mile of the site in the GA 316 corridor previously discussed. Winder has a small business district generally extending along May Street (GA 8) east and west from the intersection Broad Street. Services in the downtown are typical of small town centers in Georgia, and include convenience stores, gas stations, restaurants, banks, smaller retailers and other typical residential support services. Older businesses are located along Broad Street including small grocery-anchored strip centers (Ingles and Quality Foods). Other strip centers are in multiple locations on Athens Street and May Street. Some of the older strip centers are in need of refurbishment as noted in the Livable Cities Initiative study completed for Winder in 2009. The Holly Hill Mall area, eastern downtown and the May Street corridor were specifically targeted for redevelopment and improvements.

City offices are in the downtown area and County offices are in various locations, but most are on East Broad Street northeast of the downtown area. The County Courthouse was formerly in the downtown area but was relocated to a site off Thompson Mill Road northwest of the downtown area.

There is no scheduled, set-route public transportation system within Barrow County. Tenants would use personal transportation to access services.

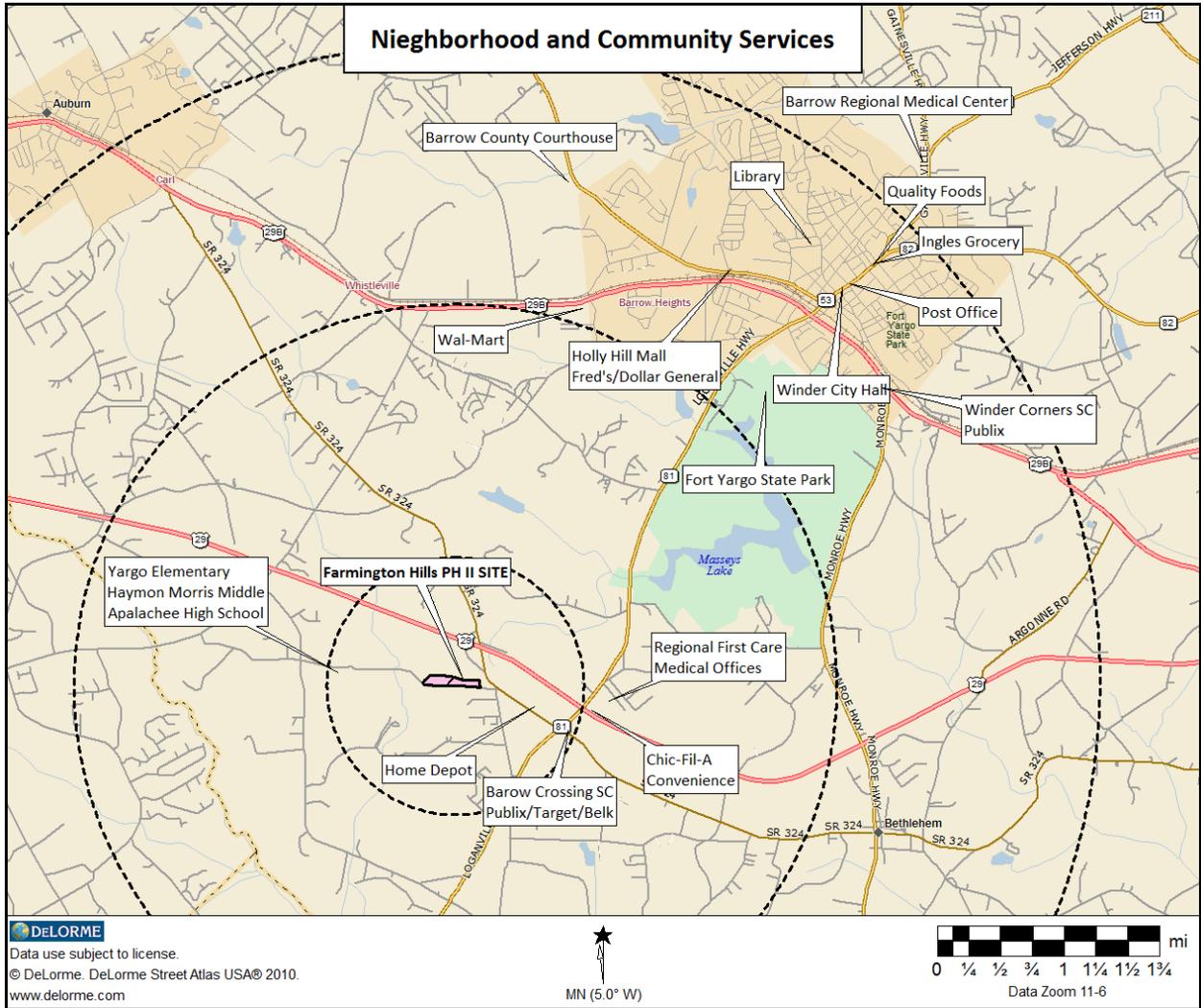
Barrow Regional Medical Center is located on the north side of Winder. The 56-bed facility is a full service hospital and includes surgical facilities, labor & delivery and intensive care. Medical practitioners are in multiple locations within the county, including a new urgent care facility just north of the intersection of GA 81 and University Parkway. Persons requiring specialist care would typically utilize facilities in Atlanta.

Barrow County has a county-wide school system with elementary schools in multiple locations in Winder and other parts of the County. Fort Yargo Elementary, Haymon Morris Middle and Apalachee High School are located in a single campus setting less than 1 mile west of the site. The absence of paved sidewalks precludes walking to any of the schools despite the proximity, but bussing would be provided. Local sources stated that Apalachee High School is one of the more desirable in the area and a location within its catchment area is a 'plus.'

A map showing the site and a representative sample of community services follows. Concentric circles set at 1, 3, and 5 mile radii from the site illustrate the proximity of various services. Actual driving distances may be slightly further, but it is noted that all services are easily accessible, none are more than 15 minutes from the site, and many are within 5 minutes via car.

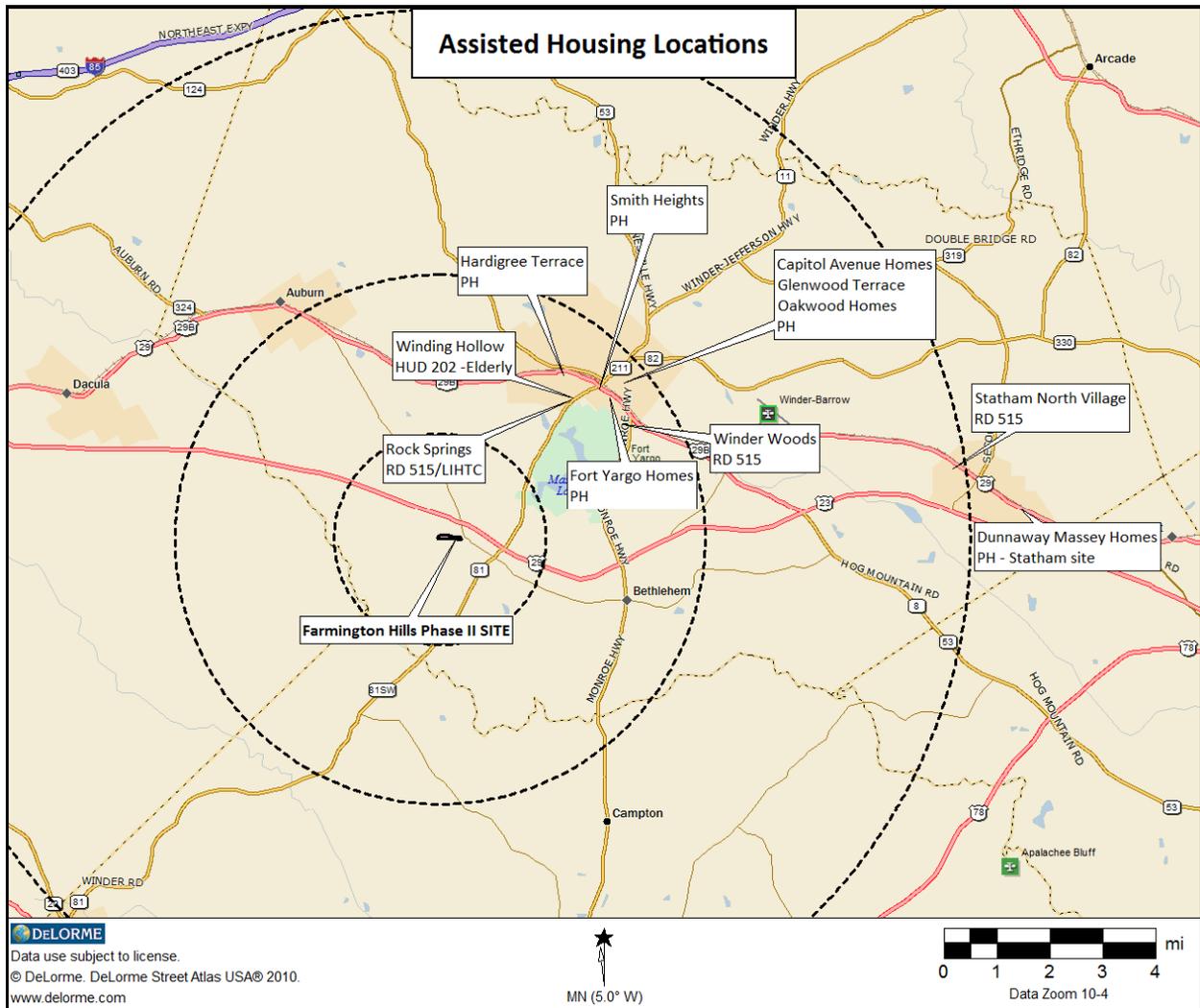
A detailed map of major employment locations is included in a subsequent section. Please note that many of the retail outlets are also major employers. Local schools, town and County government and smaller retail and service outlets within Winder and environs also collectively make up an employment center.

Service	Location	Distance
Barrow Crossing Shopping Center	SR 81 and Carl-Bethlehem Road	
	Publix, Target, Belk, PetSmart, Staples, McDonalds	1.0
Barrow County Schools		
Yargo Elementary	1000 Haymon Morris Road	0.9
Haymon Morris Middle	1008 Haymon Morris Road	0.9
Apalachee High School	940 Haymon Morris Road	0.9
Downtown Winder	Broad Street/May Street	5.3
Post Office	101 Broad Street	5.3
Walmart	440 Atanta Highway	5.4
Barrow Regional Medical Center	316 N Broad	6.7
Regional First Care (Medical Center)	340 Exchange Blvd.	1.7
Home Depot	Home Depot Drive	0.8
Barrow County Offices	233 E. Broad Street	6.5



PROGRAM ASSISTED PROJECTS

There are 3 operational program assisted projects in Winder, one in Statham plus 323 units of public housing on scattered sites in Winder, Statham and Braselton. The table notes the distance from the site to each project via commonly traveled streets. The map that follows notes the location of each project with respect to the subject site. Concentric circles set at 2, 4 and 10 mile radii from the site indicate the relative distance. [NOTE: driving distance may be longer than linear map distance.]



Project	Street Address	Program Type	Number of Units	Distance from Site
Farmington Hills Phase I	Haymon Morris Road	LIHTC	72	Adjacent
Rock Springs	604 S. Broad	RD 515/LIHTC F	48	4.5
Winder Woods	206 2nd Street	RD 515 F	40	6.0
Statham North	379 Sunset, Statham	RD 515 F	18	11.0
Winding Hollow	175 S. Broad	HUD 202 - E	40	4.5
Winder Housing Authority		Public Housing		
Hardigree Terrace	Horton Street		74	5.5
Capitol Avenue Homes	Capitol Avenue		36	5.7
Glenwood Terrace	Capitol Ave/Graham St.		53	5.7
Fort Yargo Apartments	Richardson St/May St.		30	5.5
Oakwood Homes	Capitol Ave/Graham St.		36	5.7
Smith Heights	Jackson St/May St		50	5.1
Dunnaway Massey Homes	33 Piedmont Ave, Braselton		44	15.2
Dunnaway Massey Homes	1685 Atlanta Highway SE, Statham			12.0
			541	

NOTE: The assisted inventory will comprise **541** units subsequent to completion of the 72 units in Farmington Hills Phase I.

CONCLUSION

The site is typical of rural counties of northeastern Georgia. Access to services available within the City of Winder is excellent, and includes most residential support services utilized on a day-to-day basis as well as some used on an occasional basis (medical services, etc.) Access to more extensive support services in other parts of the Atlanta metro area is good, and would be considered normal and generally acceptable among residents of Barrow County. The neighborhood has been acceptable in the local community for residential use and is considered marketable for the proposed use, with no observed constraints. Based on proximity to services, employment, visibility in the local community and ease of access, the site is considered above average, with excellent curb appeal.

The site has extensive frontage on Haymon Morris which will allow for ingress/egress without hindrance. Access will be directly off Haymon Morris, and will include both a central access point serving both phases and an easterly point serving Phase II. The central entrance will ultimately be extended to Carl-Bethlehem Road to the northwest at the intersection with Home Depot Drive. The road frontage also promotes visibility, while the total extent of the site acreage and configuration will ensure sufficient setback to allow both privacy and green space for active and passive recreation.

Nothing was observed during the site visit that would detract from marketability or suitability of the site for the proposed multi-family use. As noted, the site is convenient to University Parkway but is sufficiently distant such that no traffic noise was apparent. No noxious odors were observed and the site is not in proximity to active landfills, rail lines, junk yards or similar incompatible land use. Positive (strengths) and negative (weaknesses) attributes of the site are summarized below:

SITE/SUBJECT ATTRIBUTES	
POSITIVE	NEGATIVE
Proximity to services and employment centers	None specifically observed
Access and visibility	
Compatibility with adjacent land use	
Location in Apalachee High School catchment area	
Excellent access to GA 316, considered to be the primary growth corridor in Barrow County	

MARKET AREA DESCRIPTION

The definition of a market area for any real estate use is generally limited to the geographic area within which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly considers the location and proximity to consumer generators, transportation access, and the proximity and scale of competitive options. Frequently, both a primary and a secondary area are defined, where the primary area consumers will have the greatest propensity to choose a specific product at a specific location, and the secondary area consumers are less likely to choose the product but will still generate significant demand.

PRIMARY MARKET AREA

An affordable housing market area definition is typically based on analysis of population and housing development, transportation and geographic patterns, housing stock conditions, and the location of competitive housing. In this case, the primary factors include the following.

- The location of Barrow County with respect to other population centers;
- The size of the County;
- The location of Winder within Barrow County and its dominant position as the County seat and trade/services center for a broad area that extends into Jackson and Walton counties;
- The transportation linkages within the County;
- The location of employment nodes within the County;
- The lack of identifiable natural or perceptual boundaries delineating any submarkets within the County;
- The lack of any specific linkages between any part of Barrow County with adjacent market centers.

A further consideration is the availability of secondary data from the U.S. Census. In Georgia, data at the sub-County level are available for incorporated places; Census designated places (CDPs), Census County Divisions (CCDs), Census Tracts, Block Groups and Blocks. Complete data are not available for all levels in the Census hierarchy however; data at the Block Group and Block level are frequently withheld to avoid disclosure. In the rural areas of Georgia, CCD and Census Tract boundaries are frequently arbitrary, defined for ease of data collection and reporting. The final definition of a Primary Market Area is ultimately based on a "best fit" geography, which utilizes the geographic area for which verifiable data are available that most closely corresponds with the area identified through the analysis of the other factors previously noted.

The Primary Market Area was defined subsequent to the field research, and considered qualitative information from interviews conducted with property managers and City and County officials. The PMA definition considered the spatial orientation of Winder with respect to other incorporated places and population nodes, distance decay factors and the gravity model. The market area definition also recognizes that many households prefer to remain close to their "home" town and market center, and are reluctant to move far from friends and service providers used for much of their lives. Based on these factors, the effective Primary Market Area for the project is defined as Barrow County. The rationale for this definition is explained below.

Barrow was created in 1914 as a way of settling a dispute among the citizens of the City of Winder, which at the time was located at the juncture of three counties. A new county was created from parts of Gwinnett, Jackson, and Walton counties, with Winder designated as the county seat. The new county was named for David Crenshaw "Uncle Dave" Barrow, long-time chancellor of the University of Georgia. This established Barrow County as separate and distinct from its neighbors, contributing to a sense of 'place'.

Barrow County has six incorporated municipalities, including Braselton which is partially in adjacent Jackson County. As previously noted, Winder is the County seat and largest population center. From observation it is apparent that Winder is the primary trade and services center for a broad area that extends into parts of neighboring counties including Jackson and Walton, and a study completed in 2009 for the City of Winder confirmed this fact.

As can be seen on the maps in this section, Barrow County covers an irregularly shaped geographic area with roughly 163 square miles. Topography is typical of the Piedmont section of Georgia, mostly gently rolling hills with no areas of steep terrain. In this case, topography has not influenced development patterns or restricted development in any way. Development is concentrated in the various transportation corridors and the site's location within the GA 316 enhances its ability to attract tenants from a wider area than might otherwise be the case.

The boundary between Barrow and Jackson County on the north is irregular and follows the Mulberry River, then a surveyed line southward to the point of intersection of the boundaries of Barrow, Jackson, Oconee and Clarke counties. (The 'boundary' of Barrow with Clark County is a point; Barrow County shares a similar 'point' boundary with Hall County on the northwest.) The boundary between Barrow County and Oconee County on the east is also a man-made surveyed line as is part of the boundary with Gwinnett County on the west. The balance of the boundary between Gwinnett and Barrow as well as with Walton County follows the Apalachee River. Neither river is sufficiently large to form a natural barrier but rather a convenient point for determining the area that was to become Barrow County. Adjacent counties include the following:

- North: Jackson County
- East: Oconee County
- South: Walton County
- West: Gwinnett County

The furthest extent of the boundary of the PMA from the site is roughly 13 miles to the east, on the border between Barrow County and Jackson, Oconee and Clarke counties. The northernmost extent of Barrow County is roughly 12 miles from the site. There are seven Census Tracts within Barrow County, but the boundaries of each Tract and distance from the site preclude exclusion of any specific Tract from the PMA. Further, most of the population that would be served by the project is within the central portion of Barrow County no more than 6.5 miles from the site within an area that includes parts of all Census Tracts.

The notion of the County as the PMA is reinforced by the County-wide school system. At the same time, Apalachee High School is considered desirable, and the site's location within this catchment area is considered a positive attribute. This also means that potential tenants would be attracted to

the site from more distant parts of Barrow County as well as to take advantage of the excellent transportation linkages and employment opportunities.

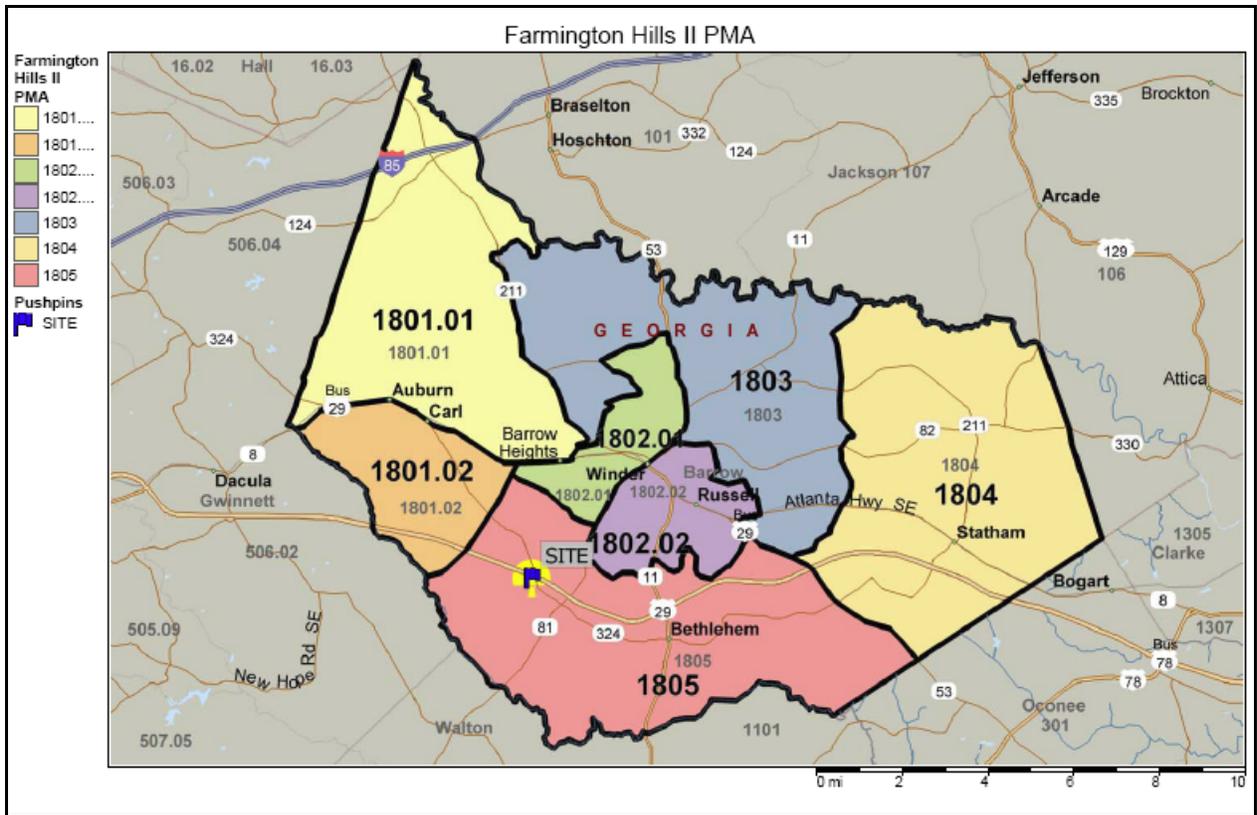
SECONDARY MARKET AREA

The Secondary Market Area (SMA) comprises the geographic area beyond the bounds of the PMA which will generate a moderate amount of demand, typically from 5% to 25% of a project's tenant base. Households in the SMA may consider options in multiple geographies, but will ultimately choose housing in one area because of specific needs (employment opportunities, schools, religious affiliations, for example), affordability, or simply availability of an appropriately sized (and affordable) unit.

In some markets, a high ratio of tenants originates from a wide area outside the defined PMA which cannot be precisely defined. Out-of-market demand is not specific to any geography, and is often "opportunity-oriented": demand is generated by the availability of units. Out-of-market demand includes elderly who return home (move-backs), elderly parents "imported" by their children, and households of any age who move because appropriate and affordable housing options are available.

In this case the SMA is generally considered to comprise the rural parts of adjacent counties, but would also include areas within Gwinnett in the GA 316 corridor, primarily persons working in Barrow County who now live in Gwinnett **because there were no affordable and appropriate rental options available in Barrow.** Demand from the SMA is not specifically quantified from its residential source; in accordance with DCA guidelines, the segment is estimated as an adjustment to the demand from the PMA. The guidelines further limit the demand from the SMA to 15%; in this case, a more conservative 5% is utilized.

The following map notes the boundaries of the Census Tracts which comprise the PMA.



A second map page depicts the boundaries of the PMA in its entirety.

COMMUNITY DEMOGRAPHIC DATA

Demand for any real estate use is typically a function of three basic indices - employment, population and households, and income. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Population and particularly household data indicate the strength of the consumer base, and the characteristics of those consumer households affect product design and marketing. Analysis of the income distribution identifies the ability of target segments to afford a specific product.

For this study, reflecting a specified methodology and an affordable product, these three indices are examined with specific demand goals in mind. Need by type is based on household strength and income distribution, segmented by age, to identify eligible households. Demand is estimated using growth trends, mobility, tenure, and income segmentation, to determine the consumer base to evaluate in the competitive environment. Finally, household characteristics such as household size and age help determine the housing features in demand by the consumers.

Normally this type of analysis relies on Department of Housing and Urban Development (HUD) estimates of income medians, levels, and program limits for consumer households. The 2011 HUD income limits (which were released May 31, 2011) are used in this study in defining upper income limits for target household segments, as required by the LIHTC guidelines. For comparison purposes, the HUD Fair Market Rents are also identified, and reflect the final 2011 FMR's published in late 2010.

The developer has stated that the Placed in Service (PIS) date will be December 31, 2013. The first full year of market entry is considered to be 2014. Accordingly, for the purposes of this analysis, the **forecast period** is defined as fourteen years, from **2000 to 2014**, in accordance with GA-DCA market study guidelines specification that data on population and households is to be provided at the proposed time of market entry.

This type of study usually includes data at the County, market area and town; in this case, these levels are represented by the defined Primary Market Area (Barrow County) and the City of Winder.

MARKET AREA DEMOGRAPHICS

For purposes of this analysis, data for the Primary Market Area from the 2010 Census and the 2000 Census are presented and compared to data from the 1990 Census.

The population estimates, trends, and forecasts in this report are based on U.S. Census data, trends and estimates. Data from the 2000 Census and the population and household data from the 2010 Census are included in the tables and analysis, and estimates and trends based on that Census data either by the consultant, state sources, or commercial demographic data companies are used in the study - in this case Ribbon Demographics and Nielsen. This involves the derivation and application

of proportions and percentages for those categories of data not provided by the 2010 Census, but not yet estimated and forecast by either the ACS or the commercial services including Nielsen.

At this time, the Nielsen forecasts do not reflect input from the ACS or the 2010 Census. The limited data that will be available from the 2010 Census is now being released, and Nielsen will incorporate these data and data from the ACS in forecasts beginning in 2012.

Other estimates and projections of total population were also reviewed as a cross check. These include:

- Georgia 2030 Population Projections, Office of Planning and Budget, Policy, Planning and Technical Support, March 12, 2010;
- Population Estimates 1991-2002 and 2010 Projections, Georgia 2000 Information System.
- US Census estimates (2009);
- 2005-2009 American Community Survey (ACS)

POPULATION AND HOUSEHOLDS

Population trends and projections, and particularly household formations, are the basic indicators of the need and demand for housing. Tables 1 through 6 provide indicators of the trends for population and household growth. For this market area, Barrow County (the Primary Market Area) data are analyzed supplemented by additional data on the City of Winder where appropriate.

The population of Barrow County (the PMA) experienced an increase of 16,423 persons between 1990 and 2000 (4.5% annually). This positive trend continued at a slightly lower rate of 4.2% per year between 2000 and 2010 or a total population of 69,367 according to the 2010 Census, representing an addition of 2,322 persons per year to the population base. Based on a continuation of the trends recorded from 2000 to 2010, the population is projected to reach 80,000 by 2014. See Table 1.

The population of the City of Winder recorded an increase of 2,828 persons, to 10,201 during the 1990's decade, the result of natural increase, in-migration and annexation. During the past 10 years the town has pursued an active annexation policy, and the 2010 Census shows a population of 14,099. The most recent Census Bureau estimates indicated roughly the same rate of growth for Winder, with an estimated population of 14,656 persons in 2009². The Census Bureau estimate series have shown consistent growth since 2000, and the latest estimates are based on the municipal boundaries as of January 1, 2009, which includes land area annexed since 2000.

² Annual Estimates of the Resident Population for Incorporated Places in Georgia: April 1, 2000 to July 1, 2009 (SUB-EST2009-04-13), June 2010.

Assuming a continuation of the active annexation policy, the population of Winder will likely reach 16,000 by 2014.

TABLE 1
POPULATION TRENDS
WINDER AND PRIMARY MARKET AREA
1990 - 2014

	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2011</u>	<u>2014</u>
Barrow County PMA	29,721	46,144	69,367	72,280	80,000
Winder	7,373	10,201	14,099	14,565	16,000

TOTAL POPULATION CHANGE

Barrow County PMA	NUMBER		GROWTH RATE	
	Total	Annual	Total	Annual
1990 - 2000	16,423	1,642	55.3%	4.5%
2000 - 2010	23,223	2,322	50.3%	4.2%
2000 - 2014	33,856	2,418	73.4%	4.0%

Winder	NUMBER		GROWTH RATE	
	Total	Annual	Total	Annual
1990 - 2000	2,828	283	38.4%	3.3%
2000 - 2010	3,898	390	38.2%	3.3%
2000 - 2014	5,799	414	56.8%	3.3%

- NOTES: 1. 2011 - 2014 data are projections.
2. Annual growth rates are compound rates, not simple averages.

SOURCES: 1990 Census of Population
2000 Census of Population, SF1
2010 Census of Population

Mobility in the population confirms that a substantial amount of in-migration has occurred, and that net migration trend corresponds to the very positive growth in the PMA during the 1990's. Around 33.9% of the Barrow County PMA population moved into the area within the five-year period prior to the 2000 Census. The 2005-2009 ACS data indicate that in-migration still comprises much of the population increase, with an estimated 8.1% in-migration rate for 2008 (the year preceding the last ACS sample). Publications by the Census Bureau and the Georgia Office of Planning and Budget note that the State of Georgia has experienced substantial domestic and foreign in-migration since 1990. This trend is expected to continue to be the major contributor to population growth in the state as a whole, but particularly in the Atlanta metro region.

The age distribution table details the estimated growth rates among the various population segments between 2000 and 2010 for Barrow County. As shown, the largest numerical increase was persons aged 35 - 54, followed closely by persons aged 18 or younger. The number of persons aged 55-64 nearly doubled during the last decade.

TABLE 2
POPULATION AGE DISTRIBUTION
BARROW COUNTY
1990 - 2010

	<u>1990 - 2000</u>				<u>2000 - 2010</u>		
	<u>1990</u>	<u>2000</u>	<u>Change</u>	<u>Percent Change</u>	<u>2010</u>	<u>Change</u>	<u>Percent Change</u>
Less than 18 years	8,314	13,125	4,811	57.9%	19,589	6,464	49.2%
Proportion	28.0%	28.4%			28.2%		
18 - 34 years	8,694	12,092	3,398	39.1%	16,520	4,428	36.6%
Proportion	29.3%	26.2%			23.8%		
35 - 54 years	7,188	13,271	6,083	84.6%	19,848	6,577	49.6%
Proportion	24.2%	28.8%			28.6%		
55 - 64 years	2,277	3,475	1,198	52.6%	6,938	3,463	99.7%
Proportion	7.7%	7.5%			10.0%		
65 - 74 years	1,831	2,282	451	24.6%	3,893	1,611	70.6%
Proportion	6.2%	4.9%			5.6%		
75 years and over	1,417	1,899	482	34.0%	2,579	680	35.8%
Proportion	4.8%	4.1%			3.7%		
Total Population	29,721	46,144	16,423	55.3%	69,367	23,223	50.3%
Aged 62 or older	3,910	5,030	1,120	28.6%	8,447	3,417	67.9%
Aged 55 or older	5,525	7,656	2,131	38.6%	13,410	5,754	75.2%

Sources: 1990 Census of Population and Housing
2000 Census of Population, SF1
2010 Census of Population

HOUSEHOLDS

Household growth in the Primary Market Area was also very positive during the 90's commensurate with the very positive population growth. Based on data from the 2010 Census, the number of households increased by 3.9% per year between 2000 and 2010. This represents a gain of 7,529 households (758 annually). Assuming a continuation of the same rate of growth through the end of the forecast period, the PMA will comprise 28,000 households in 2014.

In almost every market, rural and urban, there has been a decline in the household size since 1960, due to a number of sociological factors. These include smaller families, fewer extended or three generation families, greater number of divorces and single parents, increased personal longevity yielding more elderly, one- and two-person households, etc. (By definition, the minimum household size is 1.0.) This trend has been divergent for the PMA, which has a higher average household size

than most areas of Georgia. The average household size increased between 2000 and 2010 but is expected to decrease very marginally to 2.85 persons per household by 2014 (Table 3).

TABLE 3
HOUSEHOLD TRENDS
PRIMARY MARKET AREA
2000 - 2014

	<u>Year</u>	<u>Population</u>	<u>In Group</u>		<u>Persons Per</u>
			<u>Quarters</u>	<u>Households</u>	<u>Household</u>
Barrow County PMA	2000	46,144	457	16,392	2.79
	2010	69,367	289	23,971	2.88
	2011	72,280	300	24,900	2.89
	2014	80,000	300	28,000	2.85

HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	<u>NUMBER</u>		<u>GROWTH RATE</u>	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
2000 - 2010	7,579	758	46.2%	3.9%
2000 - 2014	11,608	829	70.8%	3.9%

- NOTES: 1. 2011 - 2014 data are projections.
2. Annual growth rates are compound rates, not simple averages.

SOURCES: 2000 Census, SF1
2010 Census of Population
Ribbon Demographics/Nielsen HISTA data
2005-2009 American Community Survey

Tenure among households showed a decrease in the proportion but a substantial increase in the absolute number of renters over the 90's for the Primary Market Area, as shown in Table 4. The ratio of renters in this market decreased from 27.7% in 1990 to 24.5% in 2000, with an increase in absolute numbers from 2,960 to 4,018. The absolute number of renters increased to 5,476 between 2000 and 2010, but the ratio declined to 22.8% of all households. The renter ratio is projected to continue to decrease in the PMA during the forecast period to around 22.7% of all households in 2011 and to 22% in 2014. In terms of absolute numbers, the net change in the number of renters is quite positive, with net growth of 2,142 renter households between 2000 and 2014. The positive growth trends indicate continued demand for rental housing, likely exacerbated by in-migration of households from urban areas.

TABLE 4
HOUSEHOLDS BY TENURE
PRIMARY MARKET AREA
1990 - 2014

Barrow County PMA					
	<u>Households</u>	<u>Owner</u>	<u>Percent</u>	<u>Renter</u>	<u>Percent</u>
1990	10,676	7,716	72.3%	2,960	27.7%
2000	16,392	12,374	75.5%	4,018	24.5%
2010	23,971	18,495	77.2%	5,476	22.8%
2011	24,900	19,248	77.3%	5,652	22.7%
2014	28,000	21,840	78.0%	6,160	22.0%

RENTER HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	NUMBER		GROWTH RATE	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
2000 - 2010	1,458	146	36.3%	3.1%
2000 - 2014	2,142	153	53.3%	3.1%

SOURCES: 2000 Census, SF1
1990 Census, SF1
2010 Census of Population
Ribbon Demographics/Nielsen HISTA data

HOUSEHOLD INCOME TRENDS AND AFFORDABILITY

One of the first discriminating factors in residential analysis is income eligibility and affordability. The market study must distinguish between gross demand and effective demand - effective demand is represented by those households that can both qualify for and afford to rent the proposed low-income multi-family development. (For market-rate housing, the eligibility is unlimited, but affordability is nearly as an important a factor as in assisted housing.) In order to quantify this effective demand, the income distribution of the market area households must be analyzed.

Establishing the factor to identify which target households are eligible by income requires the definition of the limits of the affordable income range. Typically in LIHTC demand analysis, the upper limit is set using HUD limits for the LIHTC program for the target AMI level (50% and 60% of AMI in this case) adjusted for household size. This analysis converts household size into bedroom mix using maximum reasonable occupancies. Therefore, a 1BR unit can accommodate three people, but the expected average is 1.5 persons; 2BR = 3 people; and 3BR = 4.5 people. For purposes of this analysis, in accordance with DCA market study guidelines, the maximum income limit for all bedroom types is based on a standard of 1.5 persons per bedroom rounded up to the next whole number. For the subject the maximum income limit for the 3BR units is based on a 5-person household (1.5*3=4.5 rounded to 5), while the maximum for the 1BR units is based on a 2-person household (1.5*1=1.5 rounded to 2). Income limits, maximum rents, and FMR's for Barrow County are shown in the following table:

TABLE 5
MAXIMUM RENTS AND INCOME LEVELS
BARROW COUNTY

<u>HH Size</u>	50% of AMI		60% of AMI	
	<u>Maximum</u>	<u>Income</u>	<u>Maximum</u>	<u>Income</u>
1-person	\$23,950		\$28,740	
2-person	\$27,350		\$32,820	
3-person	\$30,750		\$36,900	
4-person	\$34,150		\$40,980	
5-person	\$36,900		\$44,280	
6-person	\$39,650		\$47,580	
7-person	\$42,350		\$50,820	
8-person	\$45,100		\$54,120	

	Maximum Monthly Gross Rents				
	<u>0BR</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
50% of AMI	\$598	\$641	\$768	\$888	\$991
60% of AMI	\$718	\$769	\$922	\$1,065	\$1,189
2011 FMR	\$731	\$792	\$881	\$1,072	\$1,170

- Notes: 1. Gross rent includes contract rent plus tenant paid utility allowance
2. 2011 Income limits (effective May 31, 2011)

SOURCES: US Department of Housing and Urban Development
Georgia Department of Community Affairs

LIHTC INCOME LIMITS AND TARGET INCOME RANGE

The affordability range for LIHTC units, including both upper and lower income limits, is defined by the subject rents and general affordability standards. Lower limits in most cases are established by assuming that a family household can afford to pay **up to 35%** of its income for housing expenses, including utilities. The upper limit is established by program income limits and the GA-DCA guidelines.

Based on the affordability threshold established by GA-DCA guidelines (35% rent to income ratio) and the maximum income limits at the target 50% and 60% of AMI levels, the affordability thresholds and maximum income limits are as follows:

Number of Units	Bedroom Size	Gross Rent	Target Income Range		Target	PBRA
			Minimum	Maximum	AMI	
4	1BR/1Ba	\$641	\$21,977	\$27,350	50%	None
4	2BR/2Ba	\$720	\$24,686	\$30,750	50%	None
3	3BR/2Ba	\$859	\$29,451	\$36,900	50%	None
8	1BR/1Ba	\$641	\$21,977	\$32,820	60%	None
32	2BR/2Ba	\$720	\$24,686	\$36,900	60%	None
21	3BR/2Ba	\$859	\$29,451	\$44,280	60%	None
72						

Given the limitations of available data, and considering the degree of the overlap in the affordability ranges, the overall income range is set at roughly \$21,977 to \$36,900 for units targeting the 50% of AMI level. The affordability range for units at the 60% of AMI level is \$21,977 to \$44,280; this is also the overall affordability range.

When dealing with multiple target AMI levels, the concept that a household can qualify for inclusion in more than one income range causes these ranges to overlap. In the proposed project, the target income range for the 50% AMI level units overlaps the 60% AMI level by 67%. However, that overlap is merely tacit recognition that households with income of \$21,977-\$36,900 are eligible at both AMI levels. Indeed, it is that part of the range outside the overlap that belongs only to the lower (or higher) AMI cohort.

Given the degree of overlap in the eligible ranges, it is readily apparent that a significant ratio of households within the individual income segments would be eligible to occupy a unit designated for either the 50% of AMI level **or** the 60% of AMI level. In any case, consummation of 'demand' is ultimately based on availability of units. Since the target income groups are not discrete, the more important statistic is the overall demand, not demand by individual AMI level.

INCOME TRENDS

Median household incomes among all households in Barrow County (the Primary Market Area) are moderate but have increased since 1999. [The Census reports the last full year of income; accordingly, incomes reported in the 2000 Census are for 1999.] The median income for all households in Barrow County was roughly \$45,019 in 1999, compared to \$49,722 for families. (Note: Family income data exclude 1-person households). Incomes among renters were lower, with a median of only \$28,561 reported in the 2000 Census. Data from the 2005-2009 American Community Survey indicate a median household income³ of \$48,285 for Barrow County, with a margin of error (MOE) of ±\$2,023. The HUD-estimated median family income for the Atlanta MSA as a whole is higher at \$68,300.

³ Median income in the past 12 months (in 2009 inflation-adjusted dollars)

The following tables exhibit data on income trends for all households and renter households in the PMA for the base year (2000) with forecasts for 2011 and 2014. As noted, the income forecasts for 2011 and 2014 are based on proportions from the HISTA dataset for the PMA.

TABLE 6
HOUSEHOLD INCOME DISTRIBUTION
PRIMARY MARKET AREA

Household Income Range	1999 OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	546	4.4%	743	18.5%
\$10,000 - \$20,000	1,165	9.4%	614	15.3%
\$20,000 - \$30,000	1,205	9.7%	658	16.4%
\$30,000 - \$40,000	1,466	11.8%	627	15.6%
\$40,000 - \$50,000	1,766	14.3%	449	11.2%
\$50,000 - \$60,000	1,837	14.8%	327	8.1%
\$60,000 and over	<u>4,389</u>	<u>35.5%</u>	<u>600</u>	<u>14.9%</u>
TOTAL	12,374	100.0%	4,018	100.0%
Median	\$55,903		\$29,909	
Target Income Groups:				
\$21,977 - \$44,280 (Overall)	3,189	25.8%	1,347	33.5%

SOURCE: Ribbon Demographics/Nielsen HISTA data

The overall target range for the units in the subject at the 50% of AMI level is \$21,977 - \$36,900. Based on HISTA income projections, approximately **16.4%** of renter households will be in the target range in 2014.

The overall target income range for the units in the subject as well as for the 60% of AMI level is \$21,977 - \$44,280. Approximately **28.5%** of renter households are projected to have incomes within this range in 2014, based on HISTA projections for the PMA.

TABLE 7
HOUSEHOLD INCOME DISTRIBUTION
PRIMARY MARKET AREA

2011				
Household Income Range	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	700	3.6%	909	16.1%
\$10,000 - \$20,000	1,471	7.6%	745	13.2%
\$20,000 - \$30,000	1,336	6.9%	795	14.1%
\$30,000 - \$40,000	1,976	10.3%	814	14.4%
\$40,000 - \$50,000	2,257	11.7%	535	9.5%
\$50,000 - \$60,000	2,381	12.4%	463	8.2%
\$60,000 and over	<u>9,127</u>	<u>47.4%</u>	<u>1,392</u>	<u>24.6%</u>
TOTAL	19,248	100.0%	5,652	100.0%
Target Income Group:				
\$21,977 - \$44,280 (Overall)	4,015	20.9%	1,681	29.7%
2014				
Household Income Range	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	760	3.5%	960	15.6%
\$10,000 - \$20,000	1,582	7.2%	790	12.8%
\$20,000 - \$30,000	1,454	6.7%	846	13.7%
\$30,000 - \$40,000	2,118	9.7%	843	13.7%
\$40,000 - \$50,000	2,460	11.3%	552	9.0%
\$50,000 - \$60,000	2,639	12.1%	502	8.1%
\$60,000 and over	<u>10,828</u>	<u>49.6%</u>	<u>1,667</u>	<u>27.1%</u>
TOTAL	21,840	100.0%	6,160	100.0%
Target Income Groups:				
\$21,977 - \$36,900 (50%)	1,992	9.1%	1,008	16.4%
\$21,977- \$44,280 (60%)	4,337	19.9%	1,758	28.5%
\$21,977 - \$44,280 (Overall)	4,337	19.9%	1,758	28.5%

SOURCE: Ribbon Demographics/Nielsen HISTA data

HOUSEHOLDS BY SIZE

Household size data provide an indication that the population in the PMA is generally consistent with national norms, though the ratio of larger households is divergent. According to the 2000 Census, nearly 12% of all PMA households had five people or more (10% is typical). The majority of the households were still in the more traditional sizes of two to four (70% in the PMA) and around 18.4% of PMA households were persons living alone.

These proportions do vary significantly with tenure. Again, in the market area, 62% of renters were in 2-4 person households, and 24.7% were persons living alone. The ratio of larger renter households, with 5 persons or more was above average at 13.6% in the PMA.

Estimates for 2011 and projections for 2014 forecast an increase in the number of single-person and larger renter households (5+ persons). Renter households with 2 to 4 persons are projected to decrease. Based on the distribution of renter households by size, it is apparent that the greatest demand is likely to be for 2BR units, which typically serve households with 2-4 persons, but both 1BR and 3BR units will also be needed. See Table 8.

TABLE 8
HOUSEHOLDS BY SIZE
PRIMARY MARKET AREA
2000 -2014

2000	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
			Cumulative			Cumulative
Household Size	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>
One Person	2,015	16.3%	16.3%	993	24.7%	24.7%
Two Persons	3,975	32.1%	48.4%	1,113	27.7%	52.4%
Three Persons	2,587	20.9%	69.3%	817	20.3%	72.7%
Four Persons	2,381	19.2%	88.6%	549	13.7%	86.4%
Five or More Persons	<u>1,416</u>	<u>11.4%</u>	100.0%	<u>546</u>	<u>13.6%</u>	100.0%
Total Households	12,374	100.0%		4,018	100.0%	
2011	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
			Cumulative			Cumulative
Household Size	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>
One Person	3,218	16.7%	16.7%	1,480	26.2%	26.2%
Two Persons	6,043	31.4%	48.1%	1,410	25.0%	51.1%
Three Persons	4,182	21.7%	69.8%	1,136	20.1%	71.2%
Four Persons	3,559	18.5%	88.3%	729	12.9%	84.1%
Five or More Persons	<u>2,247</u>	<u>11.7%</u>	100.0%	<u>897</u>	<u>15.9%</u>	100.0%
Total Households	19,248	100.0%		5,652	100.0%	
2014	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
			Cumulative			Cumulative
Household Size	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>
One Person	3,692	16.9%	16.9%	1,625	26.4%	26.4%
Two Persons	6,833	31.3%	48.2%	1,510	24.5%	50.9%
Three Persons	4,784	21.9%	70.1%	1,220	19.8%	70.7%
Four Persons	3,981	18.2%	88.3%	797	12.9%	83.6%
Five or More Persons	<u>2,548</u>	<u>11.7%</u>	100.0%	<u>1,009</u>	<u>16.4%</u>	100.0%
Total Households	21,840	100.0%		6,160	100.0%	

SOURCE: 2000 Census of Population
Ribbon Demographics/Nielsen Claritas HISTA ratios

ECONOMIC AND EMPLOYMENT TRENDS

Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

The City of Winder was once known as the 'work clothing capital of the world' because of the number of textile mills and apparel firms that once dominated the economy. Pressures from cheap imports affected Barrow County in the same way as other parts of Georgia, and little remains of the textile industry. Barrow Manufacturing is but one example. The firm was started in 1931, and employed 600 people in 4 locations before finally closing in 2006.

The 90's saw the beginning of spillover growth from Atlanta, particularly neighboring Gwinnett County. Many families moving to Barrow County were middle class working households looking for 'more house for less money' while retaining jobs in Gwinnett and other parts of the metro area. The availability of land and lower taxes also led to business relocations to Barrow County. Construction became increasingly important in the local economy, particularly home-building, which has seen a significant downturn during the past three years. Construction has dramatically slowed, but not stopped, and local sources indicate that building continues albeit at a much slower pace than during the 2000-2005 period.

At the same time, proximity to Atlanta and the presence of excellent transportation linkages resulted in the development of multiple distribution facilities. Many are located in the GA 316 corridor in proximity to the site while others are clustered near the I-85/GA 211 interchange, no more than 20 minutes from the site.

EMPLOYMENT

The economic situation for Winder and environs is evaluated in this analysis by examining the employment activity, both in workers and jobs, in Barrow County as a whole as well as trends in the broader Atlanta MSA.

Labor data for 2009 and 2010 reflect a decrease in employment over the past 24 months, continuing the trend that began in late 2007. These data are subject to revision, as they are based on monthly data and are not seasonally adjusted, but little revision is likely in this case. Year-to-year unemployment data shows only minor fluctuations between 2003 and 2007, but the numbers of unemployed residents and the unemployment rate climbed sharply in 2008 and 2009. Data for 2010 indicate that the number of unemployed residents decreased, but the absolute number was so small that the unemployment rate remained the same at 10.3%.

Jobs data have historically been reported using the Standard Industrial Classification (SIC) system. This has now been replaced by the North American Industry Classification System (NAICS), which

now serves as the new structure for classifying business activity in the United States. The Georgia Department of Labor began publishing NAICS-based state and local employment estimates in 2001. Unlike some states, revised/converted data for prior years have not been released to replace previously published SIC data. Accordingly, detailed analysis of long-term trends is somewhat difficult.

Employment Trends (Place of Work)

Table 9 presents covered employment trends for Barrow County and the Atlanta MSA for 2000 – 2010. Despite the decline in at-place employment recorded in 2008, 2009 and the first three quarters of 2010 in Barrow County, a gain of 3,133 jobs was recorded during the entire period, representing an increase of 2.4% per year.

Job loss in the Atlanta metro area as a whole has been significant during the past three years, such that the total number of jobs recorded in 2010 was fewer than in 2000. The MSA also lost around 65,000 jobs during the early part of the decade in the post 9/11 slump, but gained more than 216,000 jobs in the subsequent four years. Preliminary data for the first 3 quarters of 2010 indicate that the MSA is still shedding jobs, at a higher rate than in 2009.

TABLE 9
COVERED EMPLOYMENT TRENDS
BARROW COUNTY AND ATLANTA MSA
2000 - 2010
(Place of Work)

YEAR	<u>BARROW COUNTY</u>			<u>ATLANTA MSA</u>		
	TOTAL EMPLOYMENT	ANNUAL CHANGE NUMBER	ANNUAL CHANGE PERCENT	TOTAL EMPLOYMENT	ANNUAL CHANGE NUMBER	ANNUAL CHANGE PERCENT
2000	11,573	---	---	2,289,200	---	---
2001	11,273	(300)	-2.6%	2,300,900	11,700	0.5%
2002	11,717	444	3.9%	2,258,200	(42,700)	-1.9%
2003	12,646	929	7.9%	2,235,700	(22,500)	-1.0%
2004	15,098	2,452	19.4%	2,266,000	30,300	1.4%
2005	14,117	(981)	-6.5%	2,335,700	69,700	3.1%
2006	15,441	1,324	9.4%	2,402,700	67,000	2.9%
2007	16,721	1,280	8.3%	2,452,400	49,700	2.1%
2008	15,607	(1,114)	-6.7%	2,426,400	(26,000)	-1.1%
2009	14,746	(861)	-5.5%	2,290,300	(136,100)	-5.6%
2010	14,706	(40)	-0.3%	2,125,748	(164,552)	-7.2%

1. Data for 200-2009 are annual averages; due to changes in estimating benchmarks, data are not strictly comparable from year to year.
2. Data for 2010 are an average of Q1-Q3

SOURCES: Georgia Department of Labor
Bureau of Labor Statistics

Table 10 shows further detail of jobs by industry group for 2001 and 2010 (Q1-Q3). Most of the gains were in private sector employment, inclusive of gains in Wholesale Trade, Health Care/Social Services and Accommodation/Food Services. Manufacturing employment declined, but still represents 11.3% of jobs in the local economy. Due to the scale of the Barrow County economy, data for some sectors are not published, so that individual employers cannot be specifically identified.

TABLE 10
EMPLOYMENT BY INDUSTRY GROUP (NAICS)
BARROW COUNTY
2001 - 2010
(Place of Work)

JOBS:	<u>2001</u>		<u>2010 (Q1-Q3)</u>		<u>Annual Growth</u>		<u>Avg. Weekly Wage</u>
Manufacturing	2,239	19.9%	1,665	11.3%	-64	-3.2%	\$818
Agriculture/Forestry/Fishing	(D)	(D)	(D)	(D)	(D)	(D)	NA
Construction	881	7.8%	848	5.8%	-4	-0.4%	\$706
Wholesale Trade	254	2.3%	1,196	8.1%	105	18.8%	\$679
Retail Trade	1,809	16.0%	2,117	14.4%	34	1.8%	\$484
Transportation/Warehousing	261	2.3%	342	2.3%	9	3.0%	\$793
Utilities	(D)	(D)	39	0.3%	(D)	(D)	\$1,178
Information	(D)	(D)	82	(D)	(D)	(D)	722
Financial Services	271	2.4%	329	2.2%	6	2.2%	\$826
Real Estate/Rental & Leasing	119	1.1%	202	1.4%	9	6.1%	\$333
Professional/Technical Svcs.	215	1.9%	405	2.8%	21	7.3%	\$703
Management of Companies	(D)	(D)	(D)	(D)	(D)	(D)	NA
Educational Services	(D)	(D)	54	0.4%	(D)	(D)	\$247
Waste management/remediation	858	7.6%	720	4.9%	-15	-1.9%	\$774
Health Care/Social Services	668	5.9%	1,263	8.6%	66	7.3%	\$660
Arts/Entertainment/Recreation	30	0.3%	149	1.0%	13	19.5%	\$482
Accommodation/Food Service	750	6.7%	1,616	11.0%	96	8.9%	\$296
Other Services	198	1.8%	349	2.4%	17	6.5%	\$393
Unclassified	43	0.4%	(D)	(D)	(D)	(D)	NA
Government	<u>2,401</u>	21.3%	<u>3,080</u>	20.9%	75	2.8%	\$702
Total	11,273		14,706		381	3.0%	\$622
Total Private	8,872	78.7%	11,626	79.1%	306	3.0%	\$605

D - Denotes confidential data relating to individual employers which cannot be released.

- NOTES: 1. Annual growth rates are compound, not simple averages.
2. Data use NAICS system.
3. Totals include non-disclosed data

SOURCE: Georgia Department of Labor

Major Employers

Table 11 indicates selected major employers in Barrow County. As noted, the largest employers in Barrow County are the Barrow County Schools and Harrison Poultry. One of the newer employers is Chico's, which opened in Barrow County in 2002 and expanded operations in 2004 and 2006. A third expansion was announced in June 2009, following the purchase of a vacant building on Barrow Industrial Parkway. A second distribution center now complements Chico's other facilities and employment has increased to around 450 jobs. In addition, Chico's has just announced that they will operate a data center in the Barrow county facility. This will only add five jobs, but is an example of Chico's long-term commitment to the area.

TABLE 11
SELECTED MAJOR EMPLOYERS
BARROW COUNTY

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
Barrow County Schools	Education	2,183
Harrison Poultry	Poultry processing	896
United Waste Service	Waste disposal/recycling	550
Barrow County	Government/Law Enforcement	550
Anderson Merchandisers Inc.	Book/periodicals wholesalers	500
Wal-Mart Supercenter	Retail	480
Chateau Elan Winery & Resort	Resort/winery	450
Chico's	Distribution/call center	450
Barrow Regional Medical Center	Health care	300
Johns Manville	Fiberglass insulation	238
Tractor Supply Co. Distribution Center	Wholesale/distribution	200
Foley Products	Concrete drainage products	155
Magbee Brothers Lumber & Supply	Millwork and building materials	150

SOURCES: Georgia Department of Labor
Georgia Labor Market Explorer - InfoUSA
Barrow Economic Development Council

The Barrow County Economic Development Council is the lead economic development entity in Barrow County, and works to promote Barrow County to potential new employers. In addition to the expansion of Chico's, Price Industries, a producer of high-end HVAC systems for hospitals and "cleanroom" environments, recently relocated a manufacturing operation to its Barrow facility. In addition, Olympic Steel added an administrative office to position its Winder location as a Southeastern sales headquarters.

Linda Moore of the EDC reports that during the first three months of 2011, Barrow County has been successful in locating 4 new companies to provide 60-75 jobs initially. These include the Army Reserve Training Center near Statham and three others. Ms. Moore stated that DriveTime purchased an existing site near Winder and is upgrading the existing structures and site to accommodate an automotive reconditioning and inspection center to feed their Metro Atlanta retail

centers. Taylor Pallets has acquired a facility near Winder as well to manufacture, recycle, and repair wooden pallets. Kichler Lighting has located in a warehouse/distribution facility near Braselton.

The Georgia Department of Labor's listing of closures and downsizing (WARN list) shows one closing. Greatwide Dedicated Transport which serviced Publix Supermarkets announced closure of facilities in Florida and Auburn, GA following termination of the agreement with Publix. The Auburn location employed 69 persons.

Employment Trends (Place of Residence)

There was a 46.2% overall increase in the number of employed persons during the 90's in Barrow County, an average gain of 4.3 % per year. Growth was steady throughout the 90's, commensurate with the population growth that occurred during the period. Data from 2000 onward represent a new benchmark series and are not strictly comparable with data for prior years, but the trend remains the same - generally steady growth each year through 2008. The number of employed residents increased at an average rate of 4% per year between 2000 and 2007, followed by a decline of 1.6% per year between 2007 and 2009 (all during 2009-2010; 2008 reflected continued growth). This equates to a net gain of 6,288 employed residents over the entire period. The unemployment rate remained below 5% until calendar year 2008 when it increased to 6.3%, followed by another increase to 10.3% in 2009. Unemployment remained at 10.3% in 2010, although the absolute number of unemployed showed a negligible decrease.

It must be re-emphasized that some of these data should be viewed with caution with respect to the interpretation of long-term trends, as they represent different benchmark years. Post 2000 data have been benchmarked to the 2000 Census, but pre-2000 data have not been revised. Further, as previously noted, data for 2010 are preliminary and subject to revision.

Data for 2010 indicate a continued decline in employment levels while the unemployment rate remained at 10.3%. Data for the first 3 months of 2011 indicate little change, with an average of 10.2% unemployed, which is slightly higher than the March 2011 rate for Georgia (10.0%). The preliminary unemployment rate for the Atlanta MSA for March 2011 was 9.8%, which was lower than the revised February rate of 10.2%. Data for the US indicate a 9.2% unemployment rate for March, with a seasonally adjusted rate of 8.8%.

TABLE 12
LABOR FORCE TRENDS
BARROW COUNTY
1990 - 2010
(Place of Residence)

	<u>1990</u>	<u>1999</u>	<u>2000</u>	<u>2007</u>	<u>2010</u>
Civilian Labor Force	15,266	21,284	25,254	33,736	34,317
Employment	14,145	20,681	24,507	32,314	30,795
Unemployment	1,121	603	747	1,422	3,522
Unemployment Rate	7.3%	2.8%	3.0%	4.2%	10.3%

CHANGES IN EMPLOYMENT LEVELS

	NUMBER		GROWTH RATE	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
1990 - 1999	6,536	726	46.2%	4.3%
2000 - 2007	7,807	1,115	31.9%	4.0%
2007 - 2010	-1,519	-506	-4.7%	-1.6%

RECENT EMPLOYMENT & UNEMPLOYMENT TRENDS

YEAR	EMPLOYMENT			UNEMPLOYMENT		
	<u>NUMBER</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>CHANGE</u>	<u>UNEMP.</u>
2000	24,507	---	---	747	---	3.0%
2001	25,043	536	2.2%	1,006	259	3.9%
2002	25,645	602	2.4%	1,263	257	4.7%
2003	26,124	479	1.9%	1,281	18	4.7%
2004	27,540	1,416	5.4%	1,284	3	4.5%
2005	29,265	1,725	6.3%	1,425	141	4.6%
2006	30,780	1,515	5.2%	1,342	(83)	4.2%
2007	32,314	1,534	5.0%	1,422	80	4.2%
2008	32,819	505	1.6%	2,215	793	6.3%
2009	31,114	(1,705)	-5.2%	3,559	1,344	10.3%
2010	30,795	(319)	-1.0%	3,522	(37)	10.3%

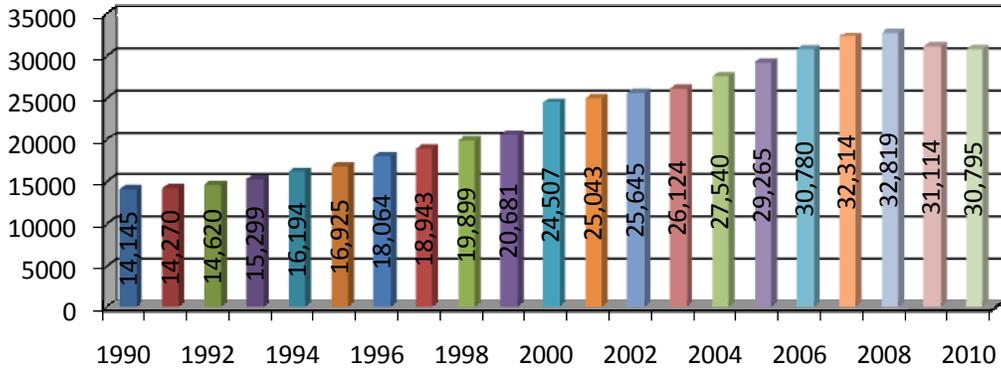
1. 1990-2010 data are annual averages; due to changes in estimating benchmarks, data are not strictly comparable from year to year.

2. Annual growth rates are compound rates, not simple averages.

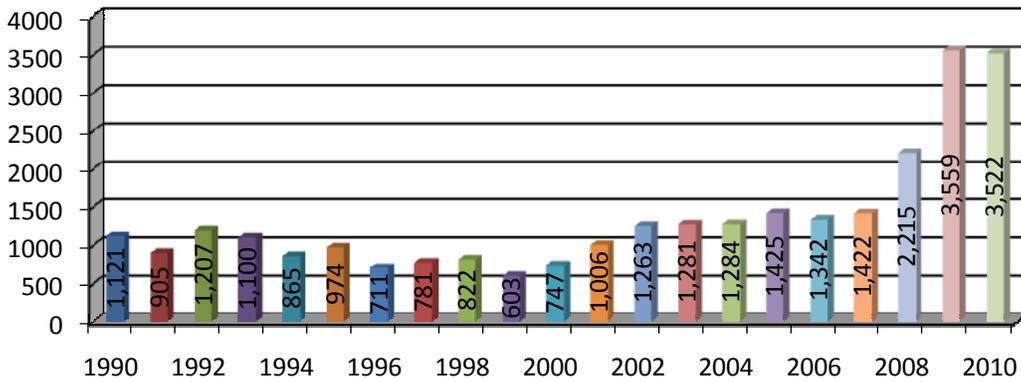
SOURCE: Georgia Department of Labor

Year-to-year changes in employment levels are shown graphically in Figure 1; changes in unemployment are shown in Figure 2.

**FIGURE 1: BARROW COUNTY EMPLOYMENT TRENDS,
1990-2010
(Place of Residence)**



**FIGURE 2: BARROW COUNTY UNEMPLOYMENT TRENDS,
1990-2010
(Place of Residence)**



Commuting patterns from the 2000 Census indicate that 34.3% of the workers had jobs in the County, which emphasizes Barrow County's role as a bedroom community within the Atlanta metro region. As shown in the table below, residents of Barrow County worked in each of the neighboring counties as well as other areas within the MSA. As would be expected given the proximity and ease of access afforded by GA 316, Gwinnett County provided the largest number of jobs for Barrow County residents.

Among commuters into Barrow County, most came from Gwinnett, Jackson and Clarke counties.

EMPLOYED RESIDENTS OF			PERSONS WORKING IN		
Barrow			Barrow		
COUNTY WHERE EMPLOYED	NUMBER	PERCENT OF TOTAL	COUNTY OF RESIDENCE	NUMBER	PERCENT OF TOTAL
Gwinnett, GA	8,229	36.4	Barrow, GA	7,751	61.7
Barrow, GA	7,751	34.3	Gwinnett, GA	894	7.1
Clarke, GA	1,580	7.0	Jackson, GA	883	7.0
DeKalb, GA	1,177	5.2	Clarke, GA	660	5.3
Fulton, GA	959	4.2	Walton, GA	554	4.4
Hall, GA	692	3.1	Oconee, GA	358	2.9
Jackson, GA	567	2.5	Hall, GA	336	2.7
Walton, GA	443	2.0	Madison, GA	154	1.2
Other	1,218	5.4	Other	967	7.7
Total Residents:	22,616	100.0	Total Residents:	12,557	100.0

Note: Other category represents employment from U.S. counties only.

SOURCE: US Census Bureau, 2000 County-to-County Worker Flow Files

The time that workers spent in commuting further illustrates that commuting to other areas from the PMA was common, but that there were significant employment opportunities in proximity to the site. Some 9.8% of the market area workers drove 15 minutes or less to work, while 27.1% traveled 30 minutes or more, inclusive of 8% traveling for 60 minutes or longer. The largest group traveled between 30 and 34 minutes (8.4%).

Limited data from the 2005-2009 ACS indicate that the largest group still has a commute of 30 to 34 minutes, but that the ratio of residents with longer commutes has increased. Commuting data and proportions are provided in Table 13.

TABLE 13
COMMUTING TRENDS
PRIMARY MARKET AREA
(From Residence)

BARROW COUNTY PMA				
	<u>2005-2009 ACS</u>		<u>2000</u>	
Workers By Place Of Residence:	<u>Estimate</u>			
Worked in County	11,705	39.7%	7,751	34.3%
Worked Outside County, In State	17,536	59.4%	14,788	65.4%
Worked Out of State	<u>263</u>	0.9%	<u>77</u>	0.3%
Total Workers	29,504		22,616	
Travel Time to Work:	<u>Estimate</u>			
Less than 5 minutes	913	3.2%	435	2.0%
5 to 9 minutes	2,110	7.4%	1,577	7.1%
10 to 14 minutes	2,878	10.1%	2,298	10.4%
15 to 19 minutes	3,818	13.4%	2,346	10.6%
20 to 24 minutes	3,373	11.9%	2,059	9.3%
25 to 29 minutes	1,866	6.6%	1,388	6.3%
30 to 34 minutes	4,482	15.8%	3,692	16.7%
35 to 39 minutes	1,001	3.5%	1,002	4.5%
40 to 44 minutes	916	3.2%	1,019	4.6%
45 to 59 minutes	3,413	12.0%	3,043	13.8%
60 to 89 minutes	2,767	9.7%	2,116	9.6%
90 or more minutes	<u>885</u>	<u>3.1%</u>	<u>1,101</u>	<u>5.0%</u>
Total, Did Not Work at Home	28,422	100.0%	22,076	100.0%
Worked at home	<u>1,082</u>		<u>540</u>	
	29,504		22,616	

SOURCE: 2000 Census of Population, SF3
2005-2009 American Community Survey

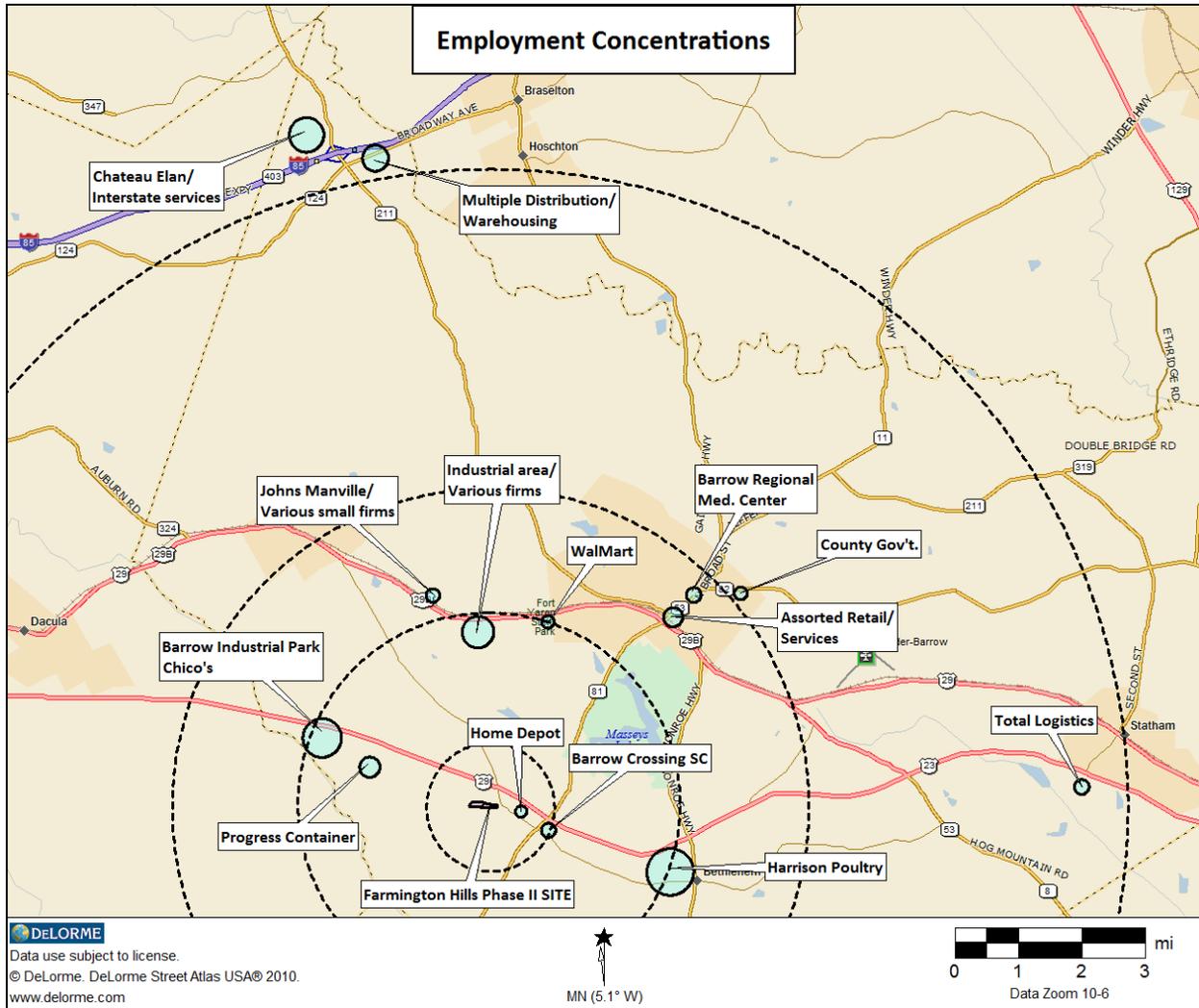
Summary

There is no question that the economic downturn that began in late 2007 has affected Barrow County. The number of jobs lost is relatively low compared to some parts of Georgia, and the overall trend in at-place employment between 2000 and 2010 was still positive. Resident employment has also declined since 2007 and the unemployment rate is now over 10%.

The County is still growing according to newly released data from the 2010 Census, but the overall growth is less than was previously estimated by the Census Bureau. Much of the growth is from in-migration from other parts of Georgia. Many of these 'new' residents continue to work outside Barrow County, principally in Gwinnett and Jackson counties. Because County residents are not

totally dependent on the local economy, the closure of any one firm is not as devastating as would be the case in a more isolated area. The housing market has been affected by the downturn, with fewer 'spec' houses being built in anticipation of ever increasing demand and some approved developments have not moved forward.

The following map indicates the areas of employment concentration in the PMA with respect to the subject site. Concentric circles set at 1, 3, 5 and 10 mile radii from the site show the relative location of major employment nodes.



PROJECT-SPECIFIC AFFORDABILITY AND DEMAND ANALYSIS

The demand for Low Income Housing Tax Credit (LIHTC) assisted apartment units for family tenants is generated from three major sources. The first major source is new household growth in the market area, adjusted for the demand via affordability/tenure. The second major source of demand is forecast to come from existing renter-occupied households within the market area who are currently in a rent overburden condition. The third source of demand is similarly generated from renter households living in substandard units.

These sources will be added together in order to quantify the total effective LIHTC eligible renter demand estimate for the subject development. In accordance with GA-DCA market study guidelines, demand from the PMA may be adjusted by a factor of no more than 15% to account for demand from the Secondary Market Area (SMA). Total demand is then adjusted for the supply of directly comparable affordable housing units built, under construction and/or awarded in the PMA between 2000 and the present (if any). The net demand estimate will then be evaluated vis a vis the project, in order to estimate what percentage of the income-eligible target group would need to be attracted to the subject to achieve a feasible development. This section also presents an estimate of absorption of the units subsequent to completion.

Finally, this analysis examines the project in relation to general household population, including factors of tenure and income qualification. This indicates the proportion of the housing stock the project represents and gives an indication of the scale of the project in the Winder/Barrow County market. Potential impact of the project on the existing housing market is also examined, with respect to other assisted projects in the PMA in particular.

Throughout the demand forecast process, income qualification is based on the income distribution estimates derived in the Income Trends discussion in the Community Demographic Data section of the report. To recap, the minimum and maximum incomes by BR and AMI level are as follows:

Number of Units	Bedroom Size	Gross Rent	Target Income Range		Target	PBRA
			Minimum	Maximum	AMI	
4	1BR/1Ba	\$641	\$21,977	\$27,350	50%	None
4	2BR/2Ba	\$720	\$24,686	\$30,750	50%	None
3	3BR/2Ba	\$859	\$29,451	\$36,900	50%	None
8	1BR/1Ba	\$641	\$21,977	\$32,820	60%	None
32	2BR/2Ba	\$720	\$24,686	\$36,900	60%	None
21	3BR/2Ba	\$859	\$29,451	\$44,280	60%	None
72						

The target income ranges (by AMI and overall) and the proportion of eligible households in each group (as of 2014) is shown below:

According to the 2000 Census, nearly 25% of all renters in the PMA suffered from rent overburden, including 8.9% of renters in the income range generally equivalent to the target for the LIHTC units in the subject. Rent overburden is defined in this case as a condition where a household pays rent greater than 35% of its household income.

Available data from the 2005-2009 ACS indicate that the incidence of rent overburden has increased to around 42% of all renters, which represents a 69% increase in the proportion. Data from the ACS on the distribution of overburden by income group indicates that around 47.8% of renters with income of \$20,000-\$34,999 are overburdened; a further 14.5% of households with income of \$35,000-\$49,999 are also overburdened. This equates to a ROB rate of 36.3% for the two income groups combined, or roughly 820 renter households.

For purposes of this analysis, it was first assumed that the ROB ratio among renters in the target range is generally equivalent to the ROB rate among renters with income of \$20,000-\$49,999. Since this range includes households above and below the target range (\$21,977 to \$44,280), the 36.3% ROB rate was reduced by a factor of 25.7% to compensate for households outside the range.

Demand from rent overburden for the subject is calculated below:

Existing Renter Household Calculation Summary - Rent Overburden

Gross Rental Pool (2011)		5,652	
	50% AMI	60% AMI	OVERALL
Income Qualification Rate:	16.4%	28.5%	28.5%
Income-Qualified Renter Pool:	925	1,613	1,613
Rent Overburden Rate:	27.0%	27.0%	27.0%
Potential Effective Demand From Existing Renters with Rent Overburden (TARGET GROUP)	250	435	435

DEMAND FROM EXISTING RENTER HOUSEHOLDS IN SUBSTANDARD UNITS

GA-DCA also allows a demand component from households in substandard units, typically this is likely to be a very limited source of demand, and is limited to households living in units without plumbing or in overcrowded conditions. In the Winder PMA, the ratio of substandard units is moderate, and the absolute number is relatively low. This component calculation assumes that no additional units have been added which lack plumbing, and assumes that the condition is confined to the lower income groups.

According to the 2000 Census, 673 units (345 owner occupied and 328 renter occupied) in the Winder Market Area lacked complete plumbing or were overcrowded, and defined as substandard. Overall, substandard units comprised 4.1% of the occupied stock, and 8.2% of the occupied rental units. Data from the 2005-2009 ACS indicates that the number of substandard units has decreased

to 236 units overall inclusive of 162 renter-occupied units. The calculation of demand from this component is summarized below:

Existing Renter Household Calculation Summary - Substandard

Substandard Rental Units (ACS data)			162	
		50% AMI	60% AMI	OVERALL
Income Qualification Rate:	16.4%	28.5%	28.5%	
Potential Effective Demand From Existing Renters in Substandard Units (TARGET GROUP)	27	46	46	

ADJUSTMENT FOR DEMAND FROM SECONDARY MARKET AREA

The demand methodology allows the incorporation of an adjustment for demand from the Secondary Market Area (SMA). The Market Study Guidelines specifically state: ***“demand from the Secondary Market will be limited to 15% of the demand from the Primary Market and will require the analyst to sufficient documentation [sic] to justify the need for this market and how it relates to the Primary Market in providing a more accurate analysis of the proposed tenant population for the proposed development.”***

For this market, a factor of 5% has been used. This smaller ratio of out-of-market demand recognizes that affordable options are available in contiguous counties (including Gwinnett and Jackson) and those income-eligible residents in those counties would be somewhat less likely to move to Barrow County. However, it is assumed that some of the persons working in Barrow County but living elsewhere are renters who would consider a move closer to the place of work.

The net effect of migration among residents of Barrow County and the larger, more populous areas with a broader range of housing options is expected to balance at or near zero. Accordingly, the conservative 5% factor is considered most representative of the potential from the rural counties with fewer options.

Application of this adjustment factor to the sum of the demand components previously calculated adds an additional 33 units to the total demand at the 50% of AMI level and 57 units at the 60% of AMI level and to the overall demand.

ADJUSTMENT FOR NEW COMPARABLE UNITS

The demand methodology incorporates renter household growth since 2000 as one component, and identifies households experiencing rent overburden and substandard conditions in 2000 as different components. These calculations do not acknowledge the effect that the existing supply has on rental housing as of 2011. An adjustment must be made for comparable units that have been built since 2000, or are funded to be built in the forecast period, that satisfy the demand from these components. In this case, no units have been built, but the 72 units in Farmington Hills Phase I which were approved in 2010 must be deducted.

Given that all units in Farmington Hills I are direct, like-kind comparable units no adjustment for comparability (per the matrix in the market study manual) is necessary. Units in Phase I are 100% comparable and must be deducted from demand.

TOTAL EFFECTIVE DEMAND POOL AND CAPTURE RATE

The net potential demand from all these sources, by target AMI level, is shown in Table 14. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn.

TABLE 14
CALCULATION OF NET DEMAND ESTIMATE
PRIMARY MARKET AREA

	<u>LIHTC</u>		Overall LIHTC*
	HH at 50% AMI <u>\$21,977 - \$36,900</u> <u>(50%)</u>	HH at 60% AMI <u>\$21,977- \$44,280</u> <u>(60%)</u>	
Demand from New Household migration into the market and growth from existing households in the market: age and income appropriate	350	611	611
Plus			
Demand from Existing Renter Households - Substandard Housing	27	46	46
Plus			
Demand from Existing Renter Households- Rent Over burdened households	250	435	435
Plus			
Secondary Market Demand adjustment @ 105% [SEE TEXT]	33	57	57
Sub Total	660	1,149	1,149
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	NA	NA	NA
Plus			
Demand for Existing HFOP Rental Households (Limited to 10% where applicable)	NA	NA	NA
Equals Total Demand	660	1,149	1,149
Less			
Supply of directly comparable affordable housing units built and/or awarded in the project market between 2000 and the present	11	61	72
Equals Net Demand	649	1,088	1,077
Effective Project Size (Units)	11	61	72
Capture Rate	1.7%	5.6%	6.7%

NA - Not Applicable

* - Adjusted for Overlap

CAPTURE RATE ANALYSIS

Based on the demand estimate and the effective project size (72 LIHTC units as detailed earlier in this section) the subject project would need a capture rate of around **6.7%** of the overall effective income qualified LIHTC demand. The capture rate for units targeted to the 50% of AMI level is calculated at **1.7%** and **5.6%** at the 60% of AMI level.

These overall gross capture rates would generally be considered easily achievable for a well built project such as the subject, which has rents positioned to be affordable to the target group and competitive in the local market. The final opinion of feasibility is based on the capture rates by bedroom type, which considers household size.

ESTIMATE OF DEMAND BY BEDROOM MIX AND TARGET AMI

This section of the demand analysis expands the evaluation to individual bedroom categories by AMI level. Data from the 2007 American Housing Survey indicates the following preferences for bedroom mix among renter households:

Household Size	Bedroom Preference					
1-person	1BR: 59%	2BR: 31%	3BR: 9%	4BR: 2%	100%	
2-person	1BR: 22%	2BR: 55%	3BR: 19%	4BR: 4%	100%	
3-person	1BR: 10%	2BR: 49%	3BR: 35%	4BR: 5%	100%	
4-person	1BR:	2BR: 40%	3BR: 47%	4BR: 13%	100%	
5-persons +	1BR:	2BR: 26%	3BR: 51%	4BR: 23%	100%	

Demand by bedroom mix can be estimated using the above ratios and the renter household size distribution for 2014 (Table 8) and shown below.

Renter Household Size Distribution	
One-person HH	26.2%
Two-person HH	25.0%
Three-person HH	20.1%
Four-person HH	12.9%
Five-person+ HH	15.9%

Based on the above typical bedroom preference and the distribution of renter households by size in the PMA, the effective demand by bedroom is allocated as follows:

BR Size	Ratio
1BR	23%
2BR	41%
3BR	28%
4BR	<u>8%</u>
	100%

Applying these ratios to the gross demand by target AMI previously calculated results in the following demand by bedroom.

Total Demand		50% of AMI	60% of AMI	Overall
		660	1,149	1,149
BR Size	Ratio	Demand by BR		
1BR	23%	152	264	264
2BR	41%	271	471	471
3BR	28%	185	322	322
4BR	8%	52	92	92

The resulting capture rates by individual BR and AMI level are summarized below:

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption (months)	Average Market Rent	Market Rents Band Min - Max	Proposed Rents
30% AMI	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
50% AMI	1BR	4	152	4	148	2.7%	2	\$588	\$525-\$650	\$489
	2BR	4	271	4	267	1.5%	2	\$600	\$495-\$700	\$525
	3BR	3	185	3	182	1.6%	2	\$722	\$595-\$1800	\$620
	4BR	0	52	0	52	NA	NA	NA	NA	NA
60% AMI	1BR	8	264	9	255	3.1%	4	\$588	\$525-\$650	\$489
	2BR	32	471	31	440	7.3%	6	\$600	\$495-\$700	\$525
	3BR	21	322	21	301	7.0%	5	\$722	\$595-\$1800	\$620
	4BR	0	92	0	92	NA	NA	NA	NA	NA
Market Rate	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
TOTAL	30% AMI	0	NA	NA	NA	NA	NA			
for	50% AMI	11	660	11	649	1.7%	2			
Project	60% AMI	61	1,149	61	1,088	5.6%	6			
	Market	0	NA	NA	NA	NA	NA			
TOTAL		72	1,149	72	1,077	6.7%	6			

These capture rates (individual and overall) are within all thresholds established by GA-DCA as outlined in Appendix I – Threshold Criteria of the 2011 QAP.

Capture rates of less than 10% indicate a very low risk for development and successful operation. Given the dynamics of this market as detailed in this report, the capture rates shown are considered easily achievable in the marketplace.

OVERALL PROJECT SCALE AND POSITION IN THE MARKET

This section presents data on the gross household population, and the proportion of the totals represented by the subject. Within this general category, broad qualifications for tenure, income and age are also provided. The data are used to give a general indication of the scale of this project and its position in the Winder market, at the expected placed-in-service date.

TABLE 15
PROJECT SCALE
FARMINGTON HILLS PHASE II

	<u>Total</u>	<u>Project Size (Units)</u>	<u>Project Proportion</u>
Total Households (2014)	28,000	72	0.3%
Total Renters	6,160	72	1.2%
Total LIHTC Income Qualified Renters *	1,758	72	4.1%

* Households with income of \$21,977 - \$44,280

As noted, the subject represents a resource for a very small proportion of PMA renters, and a modest proportion of the income-qualified group. [NOTE: this is not an estimate of potential demand, capture rate, or penetration rate; it is simply a general indicator of the scale of the project compared to the market as a whole.]

HOUSING SUPPLY ANALYSIS

This section of the study examines the existing multi-family housing supply and its ability to satisfy the needs of the household population segments identified in the prior section, based on data from the 2000 Census and the 2005-2009 American Community Survey (ACS). Further, the competitive environment is explored to define general rental market conditions, focusing on affordable options. The most directly competitive units are examined in greater detail regarding vacancy and waiting lists, unit and project features, rent levels and subsidies.

It must be emphasized that all data from the ACS are estimates based on a sample and are subject to sampling variability. Both an estimate and the Margin of Error (MOE) at the 90% confidence level are shown. In statistical terms, this means that that were a complete count of the population done, the true value would be within the interval defined by the estimate, plus or minus the margin of error, 90% of the time.

For purposes of this analysis, seasonal or second homes are excluded; only year-round units are considered.

HOUSING STOCK CONDITION AND AFFORDABILITY

In 2000, there were 673 occupied units (4.1% of the occupied housing stock) that either lacked plumbing or were overcrowded, and therefore defined as substandard. Of these, 328 or 48.7% were renter occupied. Twenty of the occupied units lacked plumbing; the balance were defined as overcrowded, which implies a need for some units with higher bedroom mix among family households. Data from the 2005-2009 ACS indicate that the total number of substandard units has increased very slightly, but the number of substandard units occupied by renters has decreased. The ACS data also suggest that the number of units lacking plumbing as increased, but this may be due to sampling error.

A moderate proportion (16.5%) of the PMA housing stock was in mobile homes in 2000. The ACS data indicate that the absolute number of mobile homes has increased, but the ratio has declined to 11.8% of the housing stock. Other factors yielding substandard or non-competitive conditions are not evaluated.

Rent overburden affects a moderate, but increasing ratio of renters in the PMA compared with many parts of Georgia. According to the 2000 Census, some 24.9% of all renters in the PMA paid more than 35% of income for rent. The overall ratio has increased to over 42% based on data from the 2005-2009 American Community Survey. The data are a valuable indicator of relative change, in this case a rise in the incidence of rent overburden that would be expected in the current economic climate.

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME

	2000		2005-2009	
	Less than 10 percent	291	7.4%	145
10 to 14 percent	550	14.0%	604	10.1%
15 to 19 percent	643	16.3%	366	6.1%
20 to 24 percent	424	10.8%	902	15.1%
25 to 29 percent	369	9.4%	607	10.2%
30 to 34 percent	280	7.1%	319	5.4%
35 to 39 percent	123	3.1%	480	8.1%
40 to 49 percent	188	4.8%	611	10.3%
50 percent or more	667	17.0%	1,412	23.7%
Not computed	<u>399</u>	<u>10.1%</u>	<u>508</u>	<u>8.5%</u>
Total	3,934	100.0%	5,954	100.0%
>35%	978	24.9%	2,503	42.0%
>30%	1,657	42.1%	3,330	55.9%

SOURCES: 2000 Census, SF3

U.S. Census Bureau, 2005-2009 American Community Survey

Rent overburden was prevalent in the <\$10,000 income group, but also comprised 55.3% of all households with income of \$10,000-\$19,999 and 13.2% of households in the \$20,000 to \$34,999 income group. The average ROB rate for renter households in the target range for the subject was roughly 8.9%.

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME

Gross Rent/Income	Income Range (000)							Total
	<\$10	\$10-20	\$20-35	\$35-50	\$50-75	\$75-100	>\$100	
Less than 20 percent	2	83	222	396	491	197	93	1,484
20 to 24 percent	42	15	189	137	38	3	0	424
25 to 29 percent	23	62	181	103	0	0	0	369
30 to 34 percent	34	35	175	24	12	0	0	280
35 percent or more	503	335	128	12	0	0	0	978
Not computed	<u>187</u>	<u>76</u>	<u>78</u>	<u>28</u>	<u>20</u>	<u>0</u>	<u>10</u>	<u>399</u>
	791	606	973	700	561	200	103	3,934
Overburden Ratio	63.6%	55.3%	13.2%	1.7%	0.0%	0.0%	0.0%	24.9%

SOURCE: 2000 Census, SF3

Available data from the 2005-2009 ACS indicate that the incidence of rent overburden has increased to around 42% of all renters, which represents a 69% increase in the proportion. Data from the ACS on the distribution of overburden by income group indicates that the incidence of ROB is now greatest among households with income of \$10,000-\$19,999.

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME

Gross Rent/Income	Income Range (000)							Total	Ratio
	<\$10	\$10-20	\$20-35	\$35-50	\$50-75	\$75-100	>\$100		
Less than 20 percent	53	30	62	153	383	227	207	1,115	18.7%
20 to 24 percent	14	0	149	308	327	104	0	902	15.1%
25 to 29 percent	30	35	281	89	172	0	0	607	10.2%
30 to 34 percent	57	12	167	83	0	0	0	319	5.4%
35 percent or more	634	1,049	708	112	0	0	0	2,503	42.0%
Not computed	<u>168</u>	<u>138</u>	<u>113</u>	<u>30</u>	<u>28</u>	<u>18</u>	<u>13</u>	<u>508</u>	<u>8.5%</u>
	956	1,264	1,480	775	910	349	220	5,954	100.0%
Overburden Ratio	66.3%	83.0%	47.8%	14.5%	0.0%	0.0%	0.0%	42.0%	

SOURCE: U.S. Census Bureau, 2005-2009 American Community Survey

The ACS data indicates that around 47.8% of renters with income of \$20,000-\$34,999 are overburdened; a further 14.5% of households with income of \$35,000-\$49,999 are also overburdened. This equates to a ROB rate of 36.3% for the two income groups combined, or roughly 820 renter households.

For purposes of this analysis, it was first assumed that the ROB ratio among renters in the target range is generally equivalent to the ROB rate among renters with income of \$20,000-\$49,999. Since this range includes households above and below the target range (\$21,977-\$44,280), the 36.3% ROB rate was reduced by a factor of 25.6% to compensate for households outside the range.

Given Barrow County’s position as a bedroom community within the Atlanta metro area and with the recorded increase in the number of renter households, we would typically expect to see construction of large scale modern apartments. Up to now, apartment development within the County has been essentially non-existent, and the County is entirely devoid of modern apartments with a full range of amenities catering to life-style renters. There are many reasons for this lack of development, most notably the cost of land and very limited availability of parcels zoned for multi-family development. Further, some parts of the County lack public water and sewer service, which would be necessary for any large scale development.

This has created a void in the market place, and both life-style renters and moderate income households have defaulted to renting single-family detached houses or moving to take advantage of options offered in Gwinnett County and other parts of the metro region.

Table 16 summarizes housing stock characteristics as reported in the 2000 Census for the PMA along with available data from the 2010 Census and the 2005-2009 ACS. As noted, the majority of units in this market are single-family detached or mobile homes. As is typical of suburban markets, the number of multi-family units is relatively small. Further, no projects of size have been built since over the past 20 years.

TABLE 16
HOUSING STOCK CHARACTERISTICS
PRIMARY MARKET AREA

	<u>2010</u>			<u>2000</u>		
Total Housing Units	26,400			17,304		
Seasonal Vacancies	<u>87</u>			<u>95</u>		
Year Round Units	25,362			17,209		
Units Built before 1960	NA			2,427		
Occupied Units	23,971			16,392		
	<u>2005-2009 ACS Estimates</u>			<u>2000</u>		
Units Per Building	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	<u>Owner</u>	<u>Renter</u>
1, detached	20,032	15,181	3,551	12,711	10,382	1,569
1, attached	251	72	96	89	18	71
2	1,090	55	804	786	45	719
3 or 4	442	0	326	316	2	296
5 to 9	254	0	254	360	12	339
10 to 19	165	0	99	65	8	57
20 to 49	122	0	122	84	0	84
50 or more	15	0	15	33	10	23
Mobile home	2,991	1,449	687	2,853	1,876	843
Boat, RV, van, etc.	0	0	0	7	0	0
	Substandard Units (2005-2009 ACS)					
	<u>Owner</u>	<u>Renter</u>	<u>Total</u>			
Units Lacking Plumbing	47	53	100			
Overcrowded Units (>1.5 person/room)	<u>27</u>	<u>109</u>	<u>136</u>			
Subtotal	74	162	236			
Overcrowded Units AND						
Lacking Plumbing	<u>0</u>	<u>0</u>	<u>0</u>			
Total Substandard Units	74	162	236			

SOURCES: 2000 Census of Population
2010 Census of Population
2005-2009 American Community Survey

Table 17 exhibits building permit activity for Barrow County (inclusive all permit-issuing municipalities and the unincorporated area of the County) for the 1990 – April 2010 period. As noted, over 14,500 permits were issued for an average of 695 per year. The total number of multi-family permits was quite low (220), significantly less than the renter tenure ratio in this market. Some of the MF permits may also include condominium units.

TABLE 17
HOUSING UNITS AUTHORIZED
BARROW COUNTY
1990 - 2010

<u>YEAR</u>	<u>SINGLE- FAMILY</u>	<u>MULTI- FAMILY</u>	<u>TOTAL</u>
1990	257	0	257
1991	409	0	409
1992	429	2	431
1993	432	0	432
1994	393	4	397
1995	403	83	486
1996	495	25	520
1997	492	36	528
1998	623	22	645
1999	780	28	808
2000	855	0	855
2001	948	2	950
2002	1,330	18	1,348
2003	1,348	0	1,348
2004	1,358	0	1,358
2005	1,416	0	1,416
2006	1,115	0	1,115
2007	860	0	860
2008	283	0	283
2009	79	0	79
2010	<u>62</u>	<u>0</u>	<u>62</u>
TOTAL	14,367	220	14,587
ANNUAL AVERAGE:	684	10	695
PROPORTION	98.5%	1.5%	

SOURCE: US Census, C-40 Construction Reports

The number of permits issued in 2007 and 2008 were significantly lower than the average for prior years, and the number issued in 2009 and 2010 indicated that building activity almost ceased. Construction was on-going in Barrow County in 2009 however, as building continued in some developments that pulled permits in late 2007 and 2008.

Competitive Rental Analysis (Existing Competitive Rental Environment)

Market conditions in rental housing in the Primary Market Area, based on the survey conducted by Downing & Associates in April and May 2011, indicate several key factors, including the following:

- Overall, the Barrow County PMA rental market is representative of a county that has experienced significant character-changing growth. Spillover growth from the Atlanta area that began in the 1990's is expected to continue for the foreseeable future and most of Barrow County is now considered suburban in character. Some rural areas remain, but mainly in the northern and northeastern parts of the County. This change in character typically results in demand for more apartments than would otherwise be expected, but up to now, no one modern market rate projects have been developed and no affordable units have been added since the late 1980's. The total lack of affordable modern apartments is a recognized void in the market which Phase I and Phase II of the subject will fill.
- This analysis included a detailed survey of 9 existing apartment complexes (415 units) in Winder and Barrow County plus one modern LIHTC project (292 units) located in neighboring Gwinnett County. There are no directly comparable, like-kind projects in the PMA at the present time. Farmington Hills Phase I was approved in the 2010 competitive round, but will not enter the market until late 2012. The PMA projects and the data obtained on single-family rentals is representative of the range of product now offered in the market, and the overall sample is considered sufficiently large to evaluate the subject's position in the market. Further, the comparison with Herrington Mill places the subject in the context of a broader market and illustrates the competitive position of Farmington Hills I within the SMA.
- It is emphasized that local managers and realtors provide the individual project information voluntarily. In some cases, the managers were unwilling or unable to provide complete information, or may have inadvertently provided incorrect information. Despite these potential problems, the compilation and synthesis of the status of the comparables (and alternatives) is considered to provide the best indication of the competitive position of the subject project.
- The most comparable PMA projects are Hillcrest, Ivey Corners and Regal Apartments. Each is more than 10 years old and has far fewer amenities than would be expected at any modern LIHTC or market rate project. In this case single-family homes have become 'default' comparables as they represent the most widely available rental type. Upon completion, Farmington Hills Phase I will be a direct, like-kind comparable.

Assisted Rentals

- The assisted rentals within the PMA comprise 1 RD 515/LIHTC project (Rock Springs/48 units) and 2 RD 515 projects with 58 units. Two are located in Winder and one is located in Statham in eastern Barrow County. No project-based assistance is available among these units. All other tenants pay the RD basic rent or overage, up to the full market rent. Four tenants at Winder Woods utilize Vouchers; none are in use at Rock Springs.
- Rock Springs reported no vacancies and a waiting list of 6 applicants, which could represent a 6 to 12 month wait. Occupancy was said to be near 100% at all times, with turnover filled

from notices as soon as units were prepared for occupancy. Rock Springs is typical of RD projects completed during the late 1980's that also received a LIHTC allocation.

- There was only one vacancy among the RD 515 projects, at Statham North. Statham North has no waiting list, but unit availability is being advertised. Winder Woods has a waiting list and generally near-100% occupancy levels.
- The GA-DCA office in Athens currently administers the HUD Housing Choice Voucher program for Barrow County. Barrow County has historically had a fairly high incidence of Voucher usage, and the Regional Administrator reports 155 Vouchers currently in use in Barrow County, with no applicants on the waiting list. The waiting list is currently closed. The Voucher administrator (Glenda Wiley) stated that she believes that there is a definite need for affordable housing in Barrow County.
- The Winder Housing Authority manages 323 units of Public Housing on multiple sites in Winder, Statham and Braselton. Housing Authority Executive Director Michelle Yawn reported that occupancy levels are typically around 99%. The waiting list was re-opened in February 2011 and around 175 new applications were taken. Many tenants are long term and pay flat rents.
- The survey also included one 292-unit LIHTC project located in Gwinnett County, in Lawrenceville. Herrington Mill was completed in 2003 and is typical of the size and type developed in the more populous areas of the Atlanta metro region. Occupancy in recent years has been as low as 88%, but is now 99% based on units actually available for lease (vacant, not preleased with deposit). Current rents are \$615 (1BR), \$709 (2BR) and \$875 (3BR). After adjusting for differences in utility costs, it is apparent that rents at Farmington Hills would still be less expensive, and would represent a more affordable option for persons working in Barrow County and now living in Gwinnett.
- The overall occupancy rate among all assisted rentals surveyed was 99.9%. Among the 340 LIHTC units the occupancy rate was also 99.9%.

Market Rate

- The market rate (or conventional) inventory comprises the 6 projects (309 units) which were included in the survey, single-family detached rentals, duplexes and mobile homes. Some of the SFD and duplex units are managed by realty firms; others are owner-managed.
- A total of 10 vacancies were reported among the 5 market rate projects for which occupancy data were available, representing an overall occupancy rate of 96.5%. The highest number of vacancies was at Holly Hill in the 2BR/1Ba flats. These units are fairly large but and while upkeep appears to be generally good, the units are now approaching 30 years old, and are in need of major renovation. Tenants at Holly Hill pay a \$56 per month surcharge for water and sewer in addition to the stated rent.
- The largest apartment project in Barrow County is Hillcrest Apartments which has 102 units. The townhouse units appear in good condition, but the flats are average. Rents vary among the unit types depending on the extent of any renovation (carpet replacement, appliances, etc.) that may have been done. Hillcrest is locally owned and has an on-site manager, but cannot be termed 'professionally managed'. Hillcrest is well located with respect to services

and employment within Winder, and has high visibility. Many tenants are newcomers referred by the local Chamber of Commerce. The manager stated that occupancy has increased in the past year and she now maintains a waiting list. Some tenants were said to be former homeowners who had lost houses to foreclosure.

- Single-family detached houses and mobile homes have historically comprised the majority of the rental stock in Barrow County, and the rents being charged are an important component in the determination of average market rents. A review of advertised rentals in April and early May 2011 indicated a wide range of rents overall, but distinct differences between the rents charged for older 'rent houses' and newer units. Rents for 2BR units ranged from \$575-\$700, with a median of \$675 and an average of \$665. Rents for 3BR houses ranged from \$700-\$1800 with a median of \$995 and an average of \$1049. It should be noted that there were very few 2BR units advertised for rent.
- Rents among the market rate units were \$525-\$650 for 1BR, \$495-\$700 for 2BR and \$595-\$1,800 for 3BR. Weighted averages were \$588 (1BR), \$600 (2BR) and \$722 (3BR).
- Data from the 2005-2009 American Community Survey (ACS) indicate that the median rent in Barrow County is roughly \$802 for all rental types. Further, among units for which cash rent was being paid, the clear majority of rents are more than \$750 as shown below.

BEDROOMS BY GROSS RENT

	Studio	1BR	2BR	3BR or more	TOTAL	
With cash rent:						
Less than \$200	0	96	53	11	160	2.9%
\$200 to \$299	0	35	41	10	86	1.6%
\$300 to \$499	0	67	323	136	526	9.5%
\$500 to \$749	0	175	1,076	361	1,612	29.2%
\$750 to \$999	0	103	614	1,044	1,761	31.9%
\$1,000 or more	<u>19</u>	<u>0</u>	<u>78</u>	<u>1,281</u>	<u>1,378</u>	<u>25.0%</u>
	19	476	2,185	2,843	5,523	100.0%
No cash rent	<u>0</u>	<u>6</u>	<u>145</u>	<u>280</u>	<u>431</u>	
Total	19	482	2,330	3,123	5,954	

Source: U.S. Census Bureau, 2005-2009 American Community Survey

Projects in Development

- Aside from Farmington Hills Phase I, no other projects are in development in the PMA at the present time. Land is available that could be zoned for multi-family development, and Winder Planning Director Barry Edgar reports that one request for rezoning has been submitted.

The rezoning request was submitted by the NorSouth Company for a site on Route 11 in the northern part of Winder. The site would be developed with 64 rental apartments for seniors aged 62 or older according to discussions with the City. It is assumed that this project would also be a LIHTC submission, but given the targeting, would not be comparable or competitive with the subject.

- Two parcels in the general vicinity of the site are undeveloped but zoned for multi-family development. One parcel is roughly 1 mile west of the site on Haymon Morris Road and the other is about the same distance to the northeast at the intersection of University Parkway and Carl-Bethlehem Road. A third parcel is in eastern Barrow County near Statham. No development plans have been submitted at any time for these parcels.

Impact of Foreclosures

- The limited data available on foreclosures as published by HUD and DCA indicate that Barrow County is considered a higher risk area. HUD data at the County level for 2008 indicated some 1,196 homes were in foreclosure County-wide, or about 6.4% of the nearly 19,000 mortgages.
- An article in the Barrow County News indicated that foreclosures for the past four years were as follows:

2007	849
2008	1,434
2009	2,348
2010	<u>2,457</u>
	7,088

No information was available regarding these data, which were based on published notices. Some foreclosures may have been averted; therefore the number of actual foreclosures may be fewer.

- Only one project manager interviewed indicated that any applicants for rental apartments were former homeowners displaced by foreclosure. Only one home advertised for sale in the site vicinity had a sign indicating that the unit offered was in foreclosure.
- Given the limited data available, it is assumed that there will be little, if any, impact on the rental market as the result of foreclosures. Further, a recent study by Harvard University’s Joint Center for Housing Studies indicate that a large ratio of (former) homeowners displaced through foreclosure have become renters, resulting in lower vacancy rates and increasing rents. The authors further stated that “the economic distress caused by the recession – including the swelling ranks of low-income households – has also underscored the critical importance of an adequate supply of affordable rental housing.”⁴

⁴ America’s Rental Housing - Meeting Challenges, Building on Opportunities, Joint Center for Housing Studies of Harvard University, 2011.

Summary

- The overall vacancy rate among the 707 units in the detailed survey was 1.9%, representing 13 turnover vacancies among the 683 units for which data were available. The vacancy rate for the 391 units within the PMA was 2.8%; the LIHTC project outside the PMA reported a 0.7% vacancy rate.
- Based on the data from the survey of the Barrow County rental market, development of the proposed project is not expected to have any adverse impact on the existing rental market. Some turnover would be expected, which occurs when any new product is introduced into the market, particularly among tenants for whom the subject represents a more affordable and appropriate option. No effect on the existing RD 515/LIHTC or the other RD 515 projects would be expected.

The following map notes the location of the surveyed projects with respect to the subject site. Concentric rings are set at 2, 5 and 10 miles from the site. Summary tables follow showing details of rents and amenities offered at each project included in the survey, presented in comparison to the proposed project. Detailed descriptions and a photograph of each project included in the survey are also provided.

Primary Survey Summary

Project SUBJECT		Year		1BR	2BR	3BR	Landlord Pd. Utilities	Wait List	Program	
		Built	Total							
Farmington Hills II		TBD	72	12	36	24	T	Not	Not	LIHTC
Haymon Morris Road	Net Rent	Expected		\$489	\$525	\$620		Applicable	Applicable	50%/60%
Winder, GA	SF	2014		740	1150	1250				
	Util. Allow.			\$152	\$195	\$239				
ASSISTED										
Farmington Hills I		TBD	72	13	35	24	T	Not	Not	LIHTC
Haymon Morris Road	Net Rent	Expected		\$490	\$525	\$620		Applicable	Applicable	50%/60%
Winder, GA	SF	2012		740	1150	1250				
(678) 324-5556	Util. Allow.			\$140	\$178	\$221				
	Vacant				Not yet built					
Herrington Mill		2003	292	48	220	24	W/S/T	2	Yes	LIHTC
1564 Herrington Road	Rent			\$615	\$709	\$875		0.7%	for	60%
Lawrenceville, GA	SF			975	1175	1350			1BR & 3BR	
(770) 338-0642	Util. Allow.			\$92	\$118	\$147				
	Vacant			0	2	0				
Rock Springs		1989	48	16	32		W/S/T	0	Yes	RD 515
604 S Broad Street	Rent			\$374-\$541	\$393-\$582			0.0%		LIHTC
Winder, GA	SF			600	825					
(770) 867-8574	Util. Allow.			\$66	\$81					
	Vacant			0	0					
Statham North		1985	18	6	12		None	1	No	RD 515
379 Sunset	Rent			\$380-\$552	\$410-\$625			5.6%		
Statham, GA	SF			700	900					
(770) 307-0925	Util. Allow.			\$111	\$138					
	Vacant			1	0					
Winder Woods		1985	40	16	24		W/S/T	0	Yes	RD 515
379 Sunset	Rent			\$370-\$531	\$400-\$562			0.0%		
Winder, GA	SF			700	900					
(770) 307-0925	Util. Allow.			\$73	\$111					
	Vacant			0	0					
MARKET RATE										
Brookwood TH		1998	70		35	35	W/S/T	2	No	Market Rate
124 2nd Street	Rent	1999			\$495-\$530	\$595-\$665		2.9%		
Winder, GA	SF				1140	1400				
(706) 254-2796	Vacant				1	1				
Hillcrest Apartments		1989	102	29	72	1	W/S/T	0	Yes	Market Rate
490 Gainesville Highwa	Rent			\$525-\$650	\$625-\$700	\$670-\$750		0.0%		
Winder, GA	SF			600-700	600-1230	1230				
(770) 867-4007	Vacant			0	0	0				
Holly Hill		1983	64		64		None:	5	No	Market Rate
291 Apperson Drive	Rent				\$550/\$605		W/S/T =	7.8%		
Winder, GA	SF				929/954			\$56		
(770) 867-7933	Vacant				5		surcharge			
Ivey Corners/Lily Drive		1998	39		9	30	W/S/T	3	No	Market Rate
Springdale/Brookview/	Rent	1999			\$575	\$675	(Ivey)	7.7%		
Winder, GA	SF				1175	1250	None			
(770) 480-6983	Vacant				1	2	(Lily Drive)			
Regal Apartments		1998	24		24		W/S/T	NA	No	Market Rate
282 Apperson Drive	Rent				\$650			NA		
Winder, GA	SF				900					
(706) 743-3676	Vacant				NA					
Second Street TH		1997	10		2	8	None	0	No	Market Rate
160 2nd Street	Rent				\$700	\$750		0.0%		
Winder, GA	SF				1134	1134				
(770) 586-5272	Vacant				0	0				
Total Units			779	128	529	122				
Proportion				16.4%	67.9%	15.7%				
Completed			707	115	494	98				
With Vacancy Reported			683	115	470	98				
Vacancy by BR			13	1	9	3				
Rate			1.9%	0.9%	1.9%	3.1%				

The following graphic shows amenities at the subject compared to other projects in the PMA. A comparison with Herrington Mills, the LIHTC project located in nearby Lawrenceville is also provided to illustrate the level of amenities typically provided in LIHTC projects. As is readily apparent, the subject will offer an amenity package superior to all of the PMA market rate and assisted projects, and will be consistent with amenities offered in more active markets in Gwinnett County.

UNIT FEATURES/AMENITIES	Stove & Refrigerator	Dishwasher	Disposal	Microwave	Washer-Dryer	W-D Connections	Carpeting	Window Treatments	Internet Ready	Air Conditioning	Garage	Ceiling Fans	Patio/Balcony/Porch	Storage
Farmington Hills II	X	X	X	X		X	X	X	X		X	X		
ASSISTED RENTALS														
Farmington Hills I	X	X	X	X		X	X	X	X		X	X		
Herrington Mills	X	X	X			X	X	X	X	X	X	X	X	X
Rock Springs	X					X	X			X			X	
Statham North	X					X	X			X		S	X	
Winder Woods	X					X	X			X		S	X	
MARKET RATE RENTALS														
Brookwood TH	X	X	S			X	X	X		X		X	X	S
Hillcrest	X	X				S	X	X		X		X	S	
Holly Hill	X	S				X	X	X		X		X	X	
Ivey Corners/Lily Drive	X	X				X	X	X		X		X	X	
Regal Apartments	X					X	X	X		X			X	
Second Street TH	X	X				X	X			X				

S - In some units A - Available \$ - Fee

Farmington Hills will be the only project in the PMA to offer a swimming pool (including cabana area), clubhouse and other modern project amenities. Note that project amenities will be located on the Phase I site, but shared by Phase II.

SITE/PROJECT AMENITIES	On-Site management	Community Room/Clubhouse	Fitness Center	Laundry Facility	Computer or Business Center	Swimming Pool	Playground/Tot Lot	Tennis Courts	Picnic/Grill Area	Gazebo/Seating Area	Walking Trails	Car-care Area	Elevator	Gated Entry or Secure Entry
Farmington Hills II	X	X		X	X	X		X	X					
ASSISTED RENTALS														
Farmington Hills I	X	X		X	X	X		X	X					
Herrington Mills	X	X	X	X	X	X	X				X			X
Rock Springs	X													
Statham North	X			X										
Winder Woods	X			X										
MARKET RATE RENTALS														
Brookwood TH	X													
Hillcrest	X			X										
Holly Hill														
Ivey Corners/Lily Drive														
Regal Apartments														
Second Street TH														

Not yet built – No picture available

Farmington Hills I

Haymon Morris Road
Winder, GA
(678) 324-5556

Community Type: LIHTC
Completion Date: TBD - Expected 2012
Survey Date: NA
Contact: TBG Residential

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Utility Allowance	Vacant	AMI Restriction
BR	Bath								
1	1	13	Ga	740	\$490 - \$490	\$0.66 - \$0.66	\$140		50%/60%
2	2	35	Ga	1150	\$525 - \$525	\$0.46 - \$0.46	\$178		50%/60%
3	2	24	Ga	1250	\$620 - \$620	\$0.50 - \$0.50	\$221		50%/60%
Totals		72							NA

Vacancy Rate: NA

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balc./Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None **In Lease-up:** Not yet built **Application Fee:** NA
Project-Based Subsidy Type: None **Absorption Rate:** NA **Security Deposit:** NA
of units with subsidy: None **Turnover Rate:** NA **Reservation Fee:** NA
Housing Choice Vouchers: Will accept **Waiting List:** NA **Pet Fees:** NA

ADDITIONAL INFORMATION Construction to start in June 2011



Herrington Mill
 1564 Herrington Road
 Lawrenceville, GA
 (770) 338-0642

Community Type: LIHTC
Completion Date: 2003 Excellent condition
Survey Date: 4/27/2011
Contact: Roche Hill Telephone Interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Utility		Vacant	AMI Restriction
BR	Bath						Allowance			
1	1	48	Ga	975	\$615 - \$615	\$0.63 - \$0.63	\$92		0	60%
2	2	220	Ga	1175	\$709 - \$709	\$0.60 - \$0.60	\$118		2	60%
3	2	24	Ga	1350	\$875 - \$875	\$0.65 - \$0.65	\$147		0	60%
Totals		292							2	
									Vacancy Rate:	0.7%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balc./Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None **In Lease-up:** No **Application Fee:** \$35
Project-Based Subsidy Type: None **Absorption Rate:** NA **Security Deposit:** \$200-\$400
of units with subsidy: None **Turnover Rate:** Fairly low **Reservation Fee:** None
Housing Choice Vouchers: Accepts; # NA **Waiting List:** yes for 1R and 3BR **Pet Fees:** NA

ADDITIONAL INFORMATION: Considered typical of LIHTC projects in Lawrenceville area. Waiting list for 1BR and 3BR. Occupancy average 96% in recent months.



Rock Springs

604 S. Broad Street
Winder, GA
(770) 867-8574

Community Type: RD 515/LIHTC
Completion Date: 1989 Good condition for age and type
Survey Date: 4/28/2011
Contact: Nickie Smith Telephone Interview

Unit Mix		Units	Type	Size (Sq.Ft.)	RD Basic - Note		Net Rent/SF	Utility		Vacant	AMI Restriction
BR	Bath				Rent Range	Allowance					
1	1	16	Ga	600	\$374	\$541	\$0.62 - \$0.90	\$66	0	60%	
2	1.5	32	TH	825	\$393	\$582	\$0.48 - \$0.71	\$81	0	60%	
Totals		48							0		
									Vacancy Rate:	0.0%	

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balc./Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

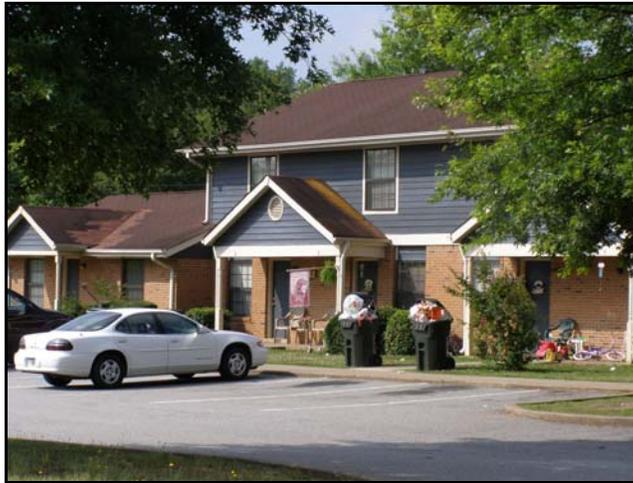
- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$15
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Same as rent
# of units with subsidy	None	Turnover Rate:	10 units/year	Reservation Fee:	None
# Housing Choice Vouchers	0 in use	Waiting List	6 applicants	Pet Fees:	NA

ADDITIONAL INFORMATION Manager has limited on-site office hours during summer; mostly by appointment. Tenants mostly from Barrow County but also have some who moved from Athens and other areas.



Statham North Village

379 Sunset
Statham, GA
(770) 307-0925

Community Type: RD 515
Completion Date: 1985 Good condition for age and type
Survey Date 4/27/2011
Contact: Bethany Knight Telephone interview

Unit Mix		Units	Type	Size (Sq.Ft.)	RD Basic - Note		Net Rent/SF		Utility	Vacant	AMI Restriction
BR	Bath				Rent Range	Allowance					
1	1	6	Ga	700	\$380 - \$552	\$0.54 - \$0.79	\$111	1	RD Limits		
2	1.5	12	TH	900	\$410 - \$625	\$0.46 - \$0.69	\$138	0	RD Limits		
Totals		18						1			
								Vacancy Rate:	5.6%		

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balc./Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	None
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$150
# of units with subsidy	None	Turnover Rate:	Higher this year	Reservation Fee:	None
# Housing Choice Vouchers	None	Waiting List	None	Pet Fees:	NA

ADDITIONAL INFORMATION Tenant base is 'very local'. Turnover in past year has been generally higher.; units in Statham harder to rent than in Winder



Winder Woods

206 2nd Street
Winder, GA
(770) 307-0925

Community Type: RD 515
Completion Date: 1985 Good condition for age and type
Survey Date: 4/27/2011
Contact: Bethany Knight Telephone interview

Unit Mix		Units	Type	Size (Sq.Ft.)	RD Basic - Note Rent Range	Net Rent/SF	Utility		Vacant	AMI Restriction
BR	Bath						Allowance			
1	1	16	Ga	700	\$370 - \$531	\$0.53 - \$0.76	\$73	0	RD Limits	
2	1.5	24	TH	900	\$400 - \$562	\$0.44 - \$0.62	\$111	0	RD Limits	
Totals		40						0		
								Vacancy Rate:	0.0%	

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balc./Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None
Project-Based Subsidy Type: None
of units with subsidy: None
Housing Choice Vouchers: 4 in use
In Lease-up: No
Absorption Rate: NA
Turnover Rate: Higher this year
Waiting List: 1 applicant
Application Fee: None
Security Deposit: \$150
Reservation Fee: None
Pet Fees: NA

ADDITIONAL INFORMATION Tenant base is 'very local'. Turnover generally low for this property.



Brookwood Townhouses

124 2nd Street
Winder, GA
(706) 254-2796

Community Type: Market Rate
Completion Date: 1998-99; Average condition for age
Survey Date: 4/27/2011
Contact: Robert Telephone interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Utility		Vacant
BR	Bath						Allowance		
2	1.5	35	GA	1140	\$495 - \$495	\$0.43 - \$0.43	None	0	
2	2		GA	1140	\$530 - \$530	\$0.46 - \$0.46	None	1	
3	1.5	35	GA	1400	\$595 - \$595	\$0.43 - \$0.43	None	0	
3	2		GA	1400	\$630 - \$630	\$0.45 - \$0.45	None	0	
3	2.5		GA	1400	\$665 - \$665	\$0.48 - \$0.48	None	1	
Totals		70						2	

Vacancy Rate: 2.9%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None
Project-Based Subsidy Type: None
of units with subsidy: None
Housing Choice Vouchers: 1 in use
In Lease-up: No
Absorption Rate: NA
Turnover Rate: 2-3 units per month
Waiting List: "Sometimes"
Application Fee: \$0
Security Deposit: \$300-\$350
Reservation Fee: None
Pet Fees: NA

ADDITIONAL INFORMATION: NOT professionally managed; bad reputation according to other project managers (drugs). Manager could not provide specific detail on unit mix other than "50-50" split between 2BR and 3BR.



Hillcrest Apartments

490 Gainesville Highway
Winder, GA
(770) 867-4007

Community Type: Market Rate
Completion Date: 1989; TH generally good condition for age; flats average
Survey Date: 5/2/2011
Contact: Norma Meeler On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Vacant
BR	Bath						
1	1	29	GA	600-700	\$525 - \$650	\$0.88 - \$0.93	0
2	1	15	GA	1000	\$625 - \$625	\$0.63 - \$0.63	0
2	1.5	40	TH	1120	\$650 - \$650	\$0.58 - \$0.58	0
2	1.5	16	TH	1230	\$700 - \$700	\$0.57 - \$0.57	0
3	1	2	TH	NA	\$670 - \$750	NA - NA	0
Totals		102					0
							Vacancy Rate: 0.0%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Wtr - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$35/\$50 couple
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Same as rent
# of units with subsidy	None	Turnover Rate:	No comment	Administration Fee:	None
# Housing Choice Vouchers	Yes; # not available	Waiting List	10 applicants	Pet Fees:	NA

ADDITIONAL INFORMATION

Considered nicest rental property in Winder; only large-scale. Not professionally managed - local 'resident manager'; locally owned. Does run specials from time to time. If applicant mentions www.rent.com has given 1/2 off on first month's rent. Traffic up from a year ago. Converted on 2BR to a BR in past year. Still reluctant to provide any information. Occupancy rate is correct - verified with follow-up calls as well as on-site interview.



Holly Hill Apartments & Townhouses

291 Apperson Drive
Winder, GA
(770) 867-7933

Community Type: Market Rate
Completion Date: 1983; flats average condition; TH good condition for age
Survey Date: 5/2/2011
Contacts: Lori Telephone interview
Window-Barrow Realty

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF	Vacant
BR	Bath				Special	Market		
2	1	46	GA	929	\$550 -	\$550	\$0.59 - \$0.59	"some"
2	1.5	18	TH	954	\$605 -	\$605	\$0.63 - \$0.63	0
Totals		64						5 ESTIMATED

Vacancy Rate: 7.8%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Water - Swr. **\$56 per month**
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$25
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Same as rent
# of units with subsidy	None	Turnover Rate:	Low in TH units	Administration Fee:	NA
# Housing Choice Vouchers	1 in use	Waiting List	No	Pet Fees:	\$150 Fee

ADDITIONAL INFORMATION TH units seldom have TO; would not give exact number of vacancies. Based on field inspection, likely no more than 5 total. No buildings obviously empty. Completely new management in past year; no longer has on-site office. Offering 1 month fee on 2BR/1Ba units



Ivey Corners & Lily Drive Apts.

Springdale Road/Brookview Terrace/Lily Drive
 Winder, GA
 (770) 480-6983

Community Type: Market Rate
Completion Date: 1997-1999; good condition
Survey Date: 5/2/2011
Contacts: Jenny Maddox

Telephone interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Vacant
BR	Bath								
Lily Drive									
2	2	9	GA & TH	1175	\$575	\$575	\$0.49	\$0.49	1
Ivey Corners									
3	2	30	TH	1250	\$675	\$675	\$0.54	\$0.54	2
Totals		39							3
									Vacancy Rate: 7.7%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Water - Svr
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$10
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$300
# of units with subsidy	None	Turnover Rate:	1 unit/month	Administration Fee:	NA
# Housing Choice Vouchers	4 in use	Waiting List	No	Pet Fees:	NA

ADDITIONAL INFORMATION Typical occupancy 95%; took over management in October 2009; former managers had neglected property. Did clean-up and raised rents by \$25 per month. Manager stated that 3BR units were in high demand for nice, well located property.



Regal Apartments

282 Apperson Drive
 Winder, GA
 (706) 743-3676

Community Type: Market Rate
Completion Date: 1998 Very good condition
Survey Date: 7/9/2010
Contacts: Name not provided Telephone interview
 Owner of record is Simon Trevor

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Vacant	
BR	Bath							
2	2.5	24	TH	900	\$650 - \$650	\$0.72 - \$0.72	NA	
Totals		24					NA	
							Vacancy Rate:	NA

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Wtr - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	None
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Same as rent
# of units with subsidy	None	Turnover Rate:	Low	Administration Fee:	NA
# Housing Choice Vouchers	NA	Waiting List	No	Pet Fees:	No pets

ADDITIONAL INFORMATION Limited information provided by manager. Stated "I will call you back when I can talk longer". No information available in 2011; contact phone number disconnected.



Second Street Townhouses

160 2nd Street
Winder, GA
(770) 586-5272

Community Type: Market Rate
Completion Date: 1997 Very good condition for age and type
Survey Date: 4/27/2011
Contacts: Scott Stringer
Apalachee Realty

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range	Net Rent/SF	Vacant	
BR	Bath							
2	1.5	2	TH	1134	\$700 - \$700	\$0.62 - \$0.62	0	
3	1.5	8	TH	1134	\$750 - \$750	\$0.66 - \$0.66	0	
Totals		10					0	
							Vacancy Rate:	0.0%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WFI Hot spot
- Game Room

LANDLORD-PD UTILITIES PREMIUMS \$

- All
- None
- Wtr - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse (Duplex)

Age Restriction	None	In Lease-up:	No	Application Fee:	\$550
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Same as rent
# of units with subsidy	None	Turnover Rate:	Fairly low	Administration Fee:	NA
# Housing Choice Vouchers	2 in use sometimes more	Waiting List	No	Pet Fees:	NA

ADDITIONAL INFORMATION Small project but with many long term tenants. All buildings are the same, hence the size on the 2BR units is the same as for the 3BR units. Tenants sometimes provided own refrigerator in past years. Number of Voucher holders varies, but usually always 25% (Voucher holders sometimes move to houses also managed by Apalachee Realty when need more space).

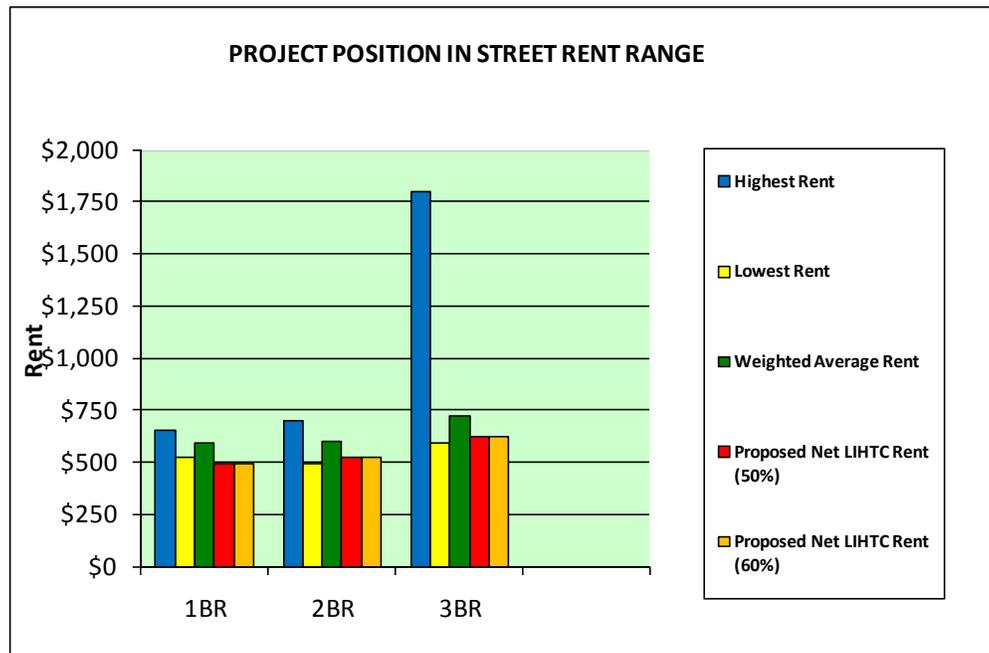
Reconciliation with Subject Property Rents

The rents for the proposed project are positioned well below the top of the LIHTC rent range.

Table 18 shows the project compared to unadjusted “street rents” in the market-rate apartment projects. This illustrates the market advantage and the affordability compared to rents now being charged in the local market. As would be expected, the proposed rents are slightly above the lowest rents being charged in the market, but it must be emphasized that lower rents are for older, less well maintained rentals with few/no amenities. None are comparable; they are simply representative of the alternatives currently available, which are not considered adequate for the market.

TABLE 18
MARKET RENT RECONCILIATION TABLE
PRIMARY MARKET AREA

<u>Market Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
Highest Rent	\$650	\$700	\$1,800
Lowest Rent	\$525	\$495	\$595
Weighted Average Rent	\$588	\$600	\$722
<u>Proposed LIHTC Net Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>
Net Rent (50% AMI units)	\$489	\$525	\$620
Net Rent (60% AMI units)	\$489	\$525	\$620



Reconciliation ratios comparing the subject with unadjusted market rents (street rents) are shown below. A comparison of the proposed gross rents with current FMR's is also provided.

<u>Market Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>			
Highest Rent	\$650	\$700	\$1,800			
Lowest Rent	\$525	\$495	\$595			
Weighted Average Rent	\$588	\$600	\$722			
<u>FMR's</u>	\$792	\$881	\$1,072			
<u>Proposed LIHTC Units</u>	<u>1BR (50%)</u>	<u>1BR (60%)</u>	<u>2BR (50%)</u>	<u>2BR (60%)</u>	<u>3BR (50%)</u>	<u>3BR (60%)</u>
Net Rent	\$489	\$489	\$525	\$525	\$620	\$620
Utility Allowance	\$152	\$152	\$195	\$195	\$239	\$239
Gross Rent	\$641	\$641	\$720	\$720	\$859	\$859
<u>Maximum LIHTC Rents (Gross)</u>	\$641	\$769	\$768	\$922	\$888	\$1,065
Reconciliation Ratios						
Net Rent: Highest Market Rent	75%	75%	75%	75%	34%	34%
Net Rent: Lowest Market Rent	93%	93%	106%	106%	104%	104%
Net Rent: Weighted Average Rent	83%	62%	88%	60%	86%	86%
Gross Rent: FMR	81%	81%	82%	82%	80%	80%
Gross Rent: LIHTC Maximum	100%	83%	94%	78%	97%	81%

The advantage afforded by the rents in the subject will make the project very marketable. Further, the gross rents are well below the current FMR's, which will allow the project to accept Vouchers without any supplemental rent.

The proposed rents are also well below the maximum allowable LIHTC rents, and all rents are positioned to be affordable to the 50% of AMI level. The utility allowances in this case are fairly high, and well above the expected actual cost of utilities given the energy efficient construction. This will make Farmington Hills even more affordable to the target group and enhance its marketability.

ABSORPTION RATE AND STABILIZATION

Given the size of the Barrow County rental market, a project of **72 units** would typically be absorbed in around six to no more than seven months, with sustained absorption of 11 units per month. The absorption period would be reduced even further if the project attracts Voucher holders, which in this market is considered likely. The time required to reach 93% occupancy (project stabilization) is roughly 6 months.

Absorption of the various unit types (BR and AMI target) in any project is simultaneous, and not linear. All units are expected to be leased within the time frame shown in the table, but actual absorption will vary from month to month.

This opinion of absorption considers the affordability of the project rents, the historic and projected growth in the number of renter-occupied households and the limited additions to the supply to meet current and projected demand. This is considered a conservative estimate, and consistent with absorption achieved by projects in similar markets in GA, VA, SC and NC in recent years which achieved sustained absorption rates of 8 to 20 units per month. The fact that there are no modern apartments with a full amenity package in the entire County to meet historical, current and projected demand further indicates that absorption will be rapid both for this initial phase which will be under construction this summer and for the units in Phase II. Projects in areas without direct competition tend to have higher absorption rates as units fill an identified void in the market.

These absorption rates, as well as continued stabilized occupancy subsequent to completion of initial rent up assume that the project will be built as proposed, under the rent structure evaluated in this study, and by the indicated professional development and management team. It further assumes an active pre-leasing program, including contact with the DCA office in Athens which administers the HUD Housing Choice Voucher program so that the Voucher administrators are aware of the project and can place the project on any resource lists that may be maintained.

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption (months)	Average Market Rent	Market Rents Band Min - Max	Proposed Rents
30% AMI	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
50% AMI	1BR	4	152	4	148	2.7%	2	\$588	\$525-\$650	\$489
	2BR	4	271	4	267	1.5%	2	\$600	\$495-\$700	\$525
	3BR	3	185	3	182	1.6%	2	\$722	\$595-\$1800	\$620
	4BR	0	52	0	52	NA	NA	NA	NA	NA
60% AMI	1BR	8	264	9	255	3.1%	4	\$588	\$525-\$650	\$489
	2BR	32	471	31	440	7.3%	6	\$600	\$495-\$700	\$525
	3BR	21	322	21	301	7.0%	5	\$722	\$595-\$1800	\$620
	4BR	0	92	0	92	NA	NA	NA	NA	NA
Market Rate	1BR	0								
	2BR	0								
	3BR	0								
	4BR	0								
TOTAL for Project	30% AMI	0	NA	NA	NA	NA	NA			
	50% AMI	11	660	11	649	1.7%	2			
	60% AMI	61	1,149	61	1,088	5.6%	6			
	Market	0	NA	NA	NA	NA	NA			
TOTAL		72	1,149	72	1,077	6.7%	6			

SUMMARY OF INTERVIEWS

This section of the report summarizes specific comments regarding the proposed LIHTC project or other matters pertinent to the evaluation of the demand for affordable rental housing.

Daunté Gibbs, Planner
Barrow County Department of Planning
Winder, GA
770-307-3034

Mr. Gibbs provided updated information on development trends in Barrow County and confirmed the location of land zoned for multi-family development. He reiterated that there are not many apartments in Barrow County and nothing is in development or planned at this time aside from Farmington Hills Phase I.

Mr. Gibbs stated that the University Parkway corridor was the prime area in the County and more higher-end commercial development is expected to complement the new Barrow Crossing shopping center. He also stated that the Apalachee High School was a preferred school within the County schools system and that this is a plus for the site area location.

The area around the Barrow Crossing Shopping Center continues to be a focus for development. Permits were recently issued for construction of a multi-screen movie theatre complex.

Barry Edgar
Planning Director
City of Winder, GA
770-867-3510

Mr. Edgar confirmed that no other rental housing is in development in Winder at this time, but that a request for rezoning has been submitted for a site off Route 11 in the northern part of Winder. The developer (NorSouth Company) has indicated that they intend to build a 64-unit rental project for seniors. No other information on the project concept was available.

Michelle Yawn, Executive Director
Housing Authority of the City of Winder
Winder, GA
770-867-7495

Ms. Yawn provided an update on occupancy trends, waiting list numbers and other matters regarding the public housing inventory. During the 2010 interview, we also discussed the potential primary market area for affordable rental housing in Barrow County, and Ms. Yawn agreed that the market was county-wide. She also stated that there was a need for units targeting LIHTC eligible households as they are not served by existing assisted options and thought the site location was very good.

Ms. Yawn stated that the Housing Authority gives preference to Barrow County residents but a few applicants are from other areas.

Glenda Wiley
Voucher Administrator
GA-DCA, Athens Regional Office
706-369-5798

Ms. Wiley provided information on Voucher utilization in Barrow County. She also stated that she believes there is a need for affordable housing within the County.

Linda Moore
Vice President
Barrow County Economic Development Council
Braselton, GA
770-867-9440

Ms. Moore provided updated information regarding economic development activities in Barrow County. She also stated that the lack of modern apartments was a problem for new persons moving into the County who wanted to rent before choosing an area to buy, and there was a definite need.

Ms. Moore stated that “while we are continuing to weather the downturn in the economy, there are bright spots of activity. Three months into the year, we have been successful in locating 4 new companies to provide 60-75 jobs initially. These companies are: Army Reserve Training Center (on a site near Statham) is constructing a 40,000 sf facility. DriveTime purchased an existing site. They are upgrading the existing structures and site to accommodate an automotive reconditioning and inspection center to feed their Metro Atlanta retail centers. Taylor Pallets has acquired a facility to manufacture, recycle, and repair wooden pallets. Both the Drive Time and Taylor Pallet operations are located near Winder. Kichler Lighting has located in a warehouse/distribution facility near Braselton.”

Contact details for managers of individual apartment projects included in detailed survey are provided on the individual project data sheets. Some comments are included in the body of the report where appropriate.

One apartment manager (Norma Meeler/Hillcrest) stated that foreclosures had not really affected occupancy in the apartments she manages, aside from seeing more applicants who were former homeowners. Mrs. Meeler stated that a foreclosure is not considered when checking credit history for potential tenants.

CONCLUSIONS AND RECOMMENDATIONS

Based on the preceding analysis, the following conclusions can be reached regarding the rental market in the defined Primary Market Area (Barrow County).

- The positive population and household growth trends and forecasts support the need and demand for additional housing units in this market. Owner-occupants comprise majority of households, but renter trends are very positive. The ratio of renters decreased between 1990 and 2000 and again between 2000 and 2010, but only because owner-occupied household growth outstripped renter growth. In terms of absolute numbers, the number of renters increased by 3.1% per year between 2000 and 2010, averaging around 146 new renters each year. The renter ratio is projected to decrease slightly over the next few years but a significant increase in absolute numbers is projected. Overall renter household growth for the 2000-2014 forecast period is projected at 2,142 households, or 3.1% per year. The short-term, three-year forecast (2011-2014) is for 508 renter households – more than sufficient demand for the subject.
- The income levels among households in the PMA indicate a continuing need for affordable units, particularly among renters. Apartment construction has not kept pace with the projected demand, and detached houses comprise the majority of the rental stock. Around 28.5% of the renter households projected to the point of market entry (2014) would fall into the LIHTC eligible range.
- The effects of the economic downturn that began in 2007 have been felt in Barrow County as well as the balance of the Atlanta metro area and Georgia as a whole. Unemployment among County residents has increased, and the number of jobs declined between 2008 and 2010. Despite the losses in the past 3 years, the overall trend for the longer term (2000-2010) is still positive, with more than 3,400 jobs added to the local economy and an increase of more than 6,200 employed residents. Barrow County is not dependent on jobs within the County to sustain growth, but rather the regional economy. The MSA has also shed jobs, but remains a broad-based, diverse economy.
- For purposes of this analysis, the effective project size is 72 units, inclusive of 11 units at the 50% of AMI and 61 units at 60% of AMI level. Based on the indicated levels of market support as detailed in this analysis, there is sufficient demand for the subject, based on the thresholds established by GA-DCA. The overall LIHTC demand for the target AMI levels at the proposed rents is 1,077 units, which equates to a **6.7% overall** capture rate. Demand at the 50% of AMI level comprises 649 units, which equates to a **1.7%** capture rate; demand at the 60% of AMI level is 1,088 units, which yields an **5.6%** capture rate. Note that demand is net of the 72 units in Phase I.
- Further segmentation for demand by bedroom mix at each AMI level yields the following capture rates:

SUMMARY: CAPTURE RATES

BEDROOMS	AMI LEVEL	GROSS DEMAND	SUPPLY	NET DEMAND	UNITS PROPOSED	CAPTURE RATE
1BR	50%	152	4	148	4	2.7%
2BR	50%	271	4	267	4	1.5%
3BR	50%	185	3	182	3	1.6%
4BR	50%	52	0	52	0	0.0%
TOTAL LIHTC		660	11	649	11	1.7%
1BR	60%	264	9	255	8	3.1%
2BR	60%	471	31	440	32	7.3%
3BR	60%	322	21	301	21	7.0%
4BR	60%	92	0	92	0	0.0%
TOTAL LIHTC		1,149	61	1,088	61	5.6%
1BR	OVERALL	264	13	251	12	4.8%
2BR	OVERALL	471	35	436	36	8.3%
3BR	OVERALL	322	24	298	24	8.1%
4BR	OVERALL	92	0	92	0	0.0%
TOTAL LIHTC		1,149	72	1,077	72	6.7%

- The overall capture rates and capture rates by BR and AMI level are within the guidelines established by GA-DCA. Overall capture rates of less than 10% indicate a very low risk for development and successful operation. Given the dynamics of this market detailed in the body of the report, the capture rates shown are considered easily achievable in the marketplace.

Other conclusions regarding the project and its position in the market include the following:

- The reconciliation of the subject's rents with rents at market rate units in the PMA indicates that the proposed rents are positioned to be affordable in the market in general and to the target LIHTC income eligible group. There are currently no LIHTC projects in this market aside from an RD 515 project developed during the late 1980's. The 72 units in Farmington Hills I will be under construction this year, and will be available to the market in late 2012 or early 2013.
- The proposed net rents at the 50% and 60% of AMI levels are below the average rents now being charged in the market for all bedroom sizes. Further, given the single rent structure, all units are affordable at the 50% of AMI target. This produces a wide affordability range for the project as a whole and for each individual bedroom size.
- The proposed gross rents are less than the FMR's for Barrow County which would allow the project to accept households with a HUD Housing Choice Voucher for those units. This acts as a further risk reduction, and may result in faster absorption.
- The amenity package at the subject would be superior to that offered at other apartment projects in the Winder/Barrow County market.

- Unit sizes are also competitive in the market, and consistent with those in LIHTC program assisted offerings in other parts of the metro area.
- The site is conveniently located to residential support services and is in the primary growth corridor within Barrow County. Further, the location is within the catchment area for Apalachee High School, which is considered very desirable among residents of Barrow County.
- The potential for long-term adverse impact on existing rentals would be generally limited given the proposed rent structure, except as previously noted. No adverse impact would be expected on units in Phase I, which is expected to be fully absorbed before completion of Phase II.
- Given the indicated levels of market support, absorption would likely require no more than 6-7 months, with stabilization in 6 months at 93% or better occupancy.
- The project's ability to achieve and maintain stabilized occupancy levels of 93% or better in this area is enhanced by the rent positioning, which ensures affordability for a broad range of LIHTC-eligible renter households. The net rents are below rents currently being achieved in the market, which suggests that absorption will proceed at a sustained rate of 11 units per month, which is typical for a new project of this type in an emerging suburban market.
- In any estimate of annual demand, it is recognized that actual occupancy depends on the availability of acceptable units, and that absorption will not be stable from year to year. Demand from an "historical" fourteen-year forecast period may be satisfied within a two year future development period, and probably within a shorter period of time.
- The positive population and household growth trends and forecasts support the need and demand for additional housing units in this market. The income levels among households in Barrow County indicate a continuing need for affordable units, particularly among renters, with no units recently built or planned to meet the identified need. Based on the data and conclusions of each section of the report, this project has excellent potential for development and operation as presently configured and is recommended to **proceed as proposed**.

MARKET ANALYST'S 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 can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

I further affirm that this report was written according to DCA's market study requirements and that the information included is accurate. Further, DCA may rely on the representation made in the market study as a true assessment of the low-income housing rental market. This document is assignable to other lenders that are parties to the DCA loan transaction.



Market Analyst/Author

June 1, 2011

Date

Connie L. Downing

Professional Experience:

- 2005 – Present Principal, Downing & Associates
Powhatan, Virginia
- 2000 – 2005: Research Director/Senior Analyst, The Waverly Research Group, Inc.
Midlothian, Virginia
- 1990 – 2000: Principal, Weir Associates
Winston-Salem, North Carolina and Leyland, Lancashire, UK
- 1986 – 1990: Vice-President of Research, Perry C. Craven Associates, Inc.
Winston-Salem, North Carolina
- 1983 – 1986: Senior Analyst, Bell & Gardner, Inc.
Winston-Salem, North Carolina
- 1981 – 1983: Housing Planner II and Appalachian Regional Commission Housing Technical
Assistance Coordinator, Northwest Piedmont Council of Governments
Winston-Salem, North Carolina
- 1980 – 1981: Executive Director, Kankakee River Basin Commission
Highland, Indiana
- 1977 – 1980: Planner II, Northwestern Indiana Regional Planning Commission
Highland, Indiana

Education:

- University of North Carolina at Greensboro, B.A. in Geography, 1973
Indiana State University, M.A. in Geography, 1981
University of North Carolina at Greensboro, M.B.A., 1986

Professional Affiliations:

- Former Member, Board of Directors, and Former Chair, Market Analysts Research Committee (MARC)
Council for Rural Housing and Development (CRHD), Washington, D.C.

Training and Seminars:

- US Department of Housing and Urban Development, Multifamily Accelerated Processing (MAP) Tune-Up II Workshop, Underwriter Training in Underwriting Disciplines, September 2007
- New York Department of Housing and Community Renewal (NY-DHCR) Market Analysis Seminar, Syracuse, 2003
- NCAHMA Annual Meeting and Continuing Education, Chicago, 2004

SUMMARY OF EXPERIENCE
A STATE OF VIRGINIA
DEPARTMENT OF MINORITY BUSINESS ENTERPRISE (DMBE)
SMALL, WOMEN and MINORITY (SWaM) BUSINESS

Downing & Associates is a real estate market research and consulting firm specializing in market analysis for multi-family housing. The principal, Connie Downing, has worked as a professional real estate market analyst since the early 1980s, and has conducted economic and market feasibility studies for private and public sector clients throughout the United States. During the 1990's, Ms. Downing also conducted training sessions on market study methodology and content under contract to the USDA Farmers Home Administration (now Rural Housing Service) in North Carolina, Virginia, Kentucky and Iowa.

The firm has extensive experience in both urban and rural markets. During the past 25 years, studies have been completed for projects in New England (Maine, Rhode Island, Massachusetts, Connecticut, Vermont), the Mid-Atlantic (New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia), Southeast (North Carolina, South Carolina, Tennessee, Kentucky, West Virginia), South (Florida, Georgia, Louisiana), Midwest (Iowa, Missouri, Ohio, Michigan, Illinois, Indiana) and the Southwest (Arizona, New Mexico, Colorado).

Market studies are conducted for conventional, affordable, and subsidized apartment developments, including:

- Low Income Housing Tax Credit projects (including bond-financed developments)
- USDA Rural Development housing (Section 515 Rural Rental Housing, Section 514/516 Farm Labor Housing and Section 538)
- Market rate apartments
- HUD programs (Section 202, Section 221(d)4, Section 232)

All studies are targeted to each client's specific needs. An in-depth analysis of each market, including findings, conclusions and recommendations are presented in a professional format. In keeping with recognized professional standards, the firm pays strict attention to state agency underwriting guidelines and market study requirements, and studies are designed to satisfy each state's specific requirements. The firm also works closely with syndicators to ensure that each study addresses their questions and underwriting criteria.

APPENDIX A – DATA SOURCES



DP-1

Profile of General Population and Housing Characteristics: 2010

2010 Demographic Profile Data

NOTE: For more information on confidentiality protection, nonsampling error, and definitions, see <http://www.census.gov/prod/cen2010/profiletd.pdf>.

GEO: Barrow County, Georgia

Subject	Number	Percent
SEX AND AGE		
Total population	69,367	100.0
Under 5 years	5,832	8.4
5 to 9 years	5,634	8.1
10 to 14 years	5,165	7.4
15 to 19 years	4,693	6.8
20 to 24 years	4,030	5.8
25 to 29 years	5,255	7.6
30 to 34 years	5,500	7.9
35 to 39 years	5,390	7.8
40 to 44 years	5,037	7.3
45 to 49 years	5,008	7.2
50 to 54 years	4,413	6.4
55 to 59 years	3,624	5.2
60 to 64 years	3,314	4.8
65 to 69 years	2,285	3.3
70 to 74 years	1,608	2.3
75 to 79 years	1,106	1.6
80 to 84 years	781	1.1
85 years and over	692	1.0
Median age (years)	33.6	(X)
16 years and over	51,725	74.6
18 years and over	49,778	71.8
21 years and over	47,319	68.2
62 years and over	8,447	12.2
65 years and over	6,472	9.3
Male population	34,208	49.3
Under 5 years	3,006	4.3
5 to 9 years	2,932	4.2
10 to 14 years	2,714	3.9
15 to 19 years	2,362	3.4
20 to 24 years	2,034	2.9
25 to 29 years	2,498	3.6
30 to 34 years	2,812	4.1
35 to 39 years	2,674	3.9
40 to 44 years	2,481	3.6
45 to 49 years	2,543	3.7
50 to 54 years	2,151	3.1
55 to 59 years	1,760	2.5
60 to 64 years	1,582	2.3
65 to 69 years	1,031	1.5
70 to 74 years	694	1.0
75 to 79 years	462	0.7
80 to 84 years	274	0.4
85 years and over	198	0.3

Subject	Number	Percent
Median age (years)	32.7	(X)
16 years and over	25,039	36.1
18 years and over	24,055	34.7
21 years and over	22,837	32.9
62 years and over	3,596	5.2
65 years and over	2,659	3.8
Female population	35,159	50.7
Under 5 years	2,826	4.1
5 to 9 years	2,702	3.9
10 to 14 years	2,451	3.5
15 to 19 years	2,331	3.4
20 to 24 years	1,996	2.9
25 to 29 years	2,757	4.0
30 to 34 years	2,688	3.9
35 to 39 years	2,716	3.9
40 to 44 years	2,556	3.7
45 to 49 years	2,465	3.6
50 to 54 years	2,262	3.3
55 to 59 years	1,864	2.7
60 to 64 years	1,732	2.5
65 to 69 years	1,254	1.8
70 to 74 years	914	1.3
75 to 79 years	644	0.9
80 to 84 years	507	0.7
85 years and over	494	0.7
Median age (years)	34.7	(X)
16 years and over	26,686	38.5
18 years and over	25,723	37.1
21 years and over	24,482	35.3
62 years and over	4,851	7.0
65 years and over	3,813	5.5
RACE		
Total population	69,367	100.0
One Race	67,759	97.7
White	54,665	78.8
Black or African American	7,889	11.4
American Indian and Alaska Native	186	0.3
Asian	2,382	3.4
Asian Indian	144	0.2
Chinese	97	0.1
Filipino	87	0.1
Japanese	15	0.0
Korean	127	0.2
Vietnamese	92	0.1
Other Asian [1]	1,820	2.6
Native Hawaiian and Other Pacific Islander	36	0.1
Native Hawaiian	11	0.0
Guamanian or Chamorro	7	0.0
Samoan	3	0.0
Other Pacific Islander [2]	15	0.0
Some Other Race	2,601	3.7
Two or More Races	1,608	2.3
White; American Indian and Alaska Native [3]	309	0.4
White; Asian [3]	196	0.3
White; Black or African American [3]	565	0.8
White; Some Other Race [3]	278	0.4
Race alone or in combination with one or more other races: [4]		
White	56,093	80.9
Black or African American	8,620	12.4
American Indian and Alaska Native	604	0.9

Subject	Number	Percent
Asian	2,687	3.9
Native Hawaiian and Other Pacific Islander	76	0.1
Some Other Race	2,980	4.3
HISPANIC OR LATINO		
Total population	69,367	100.0
Hispanic or Latino (of any race)	6,037	8.7
Mexican	3,526	5.1
Puerto Rican	571	0.8
Cuban	198	0.3
Other Hispanic or Latino [5]	1,742	2.5
Not Hispanic or Latino	63,330	91.3
HISPANIC OR LATINO AND RACE		
Total population	69,367	100.0
Hispanic or Latino	6,037	8.7
White alone	2,929	4.2
Black or African American alone	120	0.2
American Indian and Alaska Native alone	56	0.1
Asian alone	23	0.0
Native Hawaiian and Other Pacific Islander alone	8	0.0
Some Other Race alone	2,460	3.5
Two or More Races	441	0.6
Not Hispanic or Latino	63,330	91.3
White alone	51,736	74.6
Black or African American alone	7,769	11.2
American Indian and Alaska Native alone	130	0.2
Asian alone	2,359	3.4
Native Hawaiian and Other Pacific Islander alone	28	0.0
Some Other Race alone	141	0.2
Two or More Races	1,167	1.7
RELATIONSHIP		
Total population	69,367	100.0
In households	69,078	99.6
Householder	23,971	34.6
Spouse [6]	13,658	19.7
Child	22,386	32.3
Own child under 18 years	16,943	24.4
Other relatives	5,532	8.0
Under 18 years	2,282	3.3
65 years and over	734	1.1
Nonrelatives	3,531	5.1
Under 18 years	348	0.5
65 years and over	130	0.2
Unmarried partner	1,629	2.3
In group quarters	289	0.4
Institutionalized population	150	0.2
Male	38	0.1
Female	112	0.2
Noninstitutionalized population	139	0.2
Male	57	0.1
Female	82	0.1
HOUSEHOLDS BY TYPE		
Total households	23,971	100.0
Family households (families) [7]	18,214	76.0
With own children under 18 years	9,026	37.7
Husband-wife family	13,658	57.0
With own children under 18 years	6,600	27.5
Male householder, no wife present	1,353	5.6
With own children under 18 years	706	2.9
Female householder, no husband present	3,203	13.4
With own children under 18 years	1,720	7.2

Subject	Number	Percent
Nonfamily households [7]	5,757	24.0
Householder living alone	4,505	18.8
Male	2,034	8.5
65 years and over	371	1.5
Female	2,471	10.3
65 years and over	1,102	4.6
Households with individuals under 18 years	10,214	42.6
Households with individuals 65 years and over	4,734	19.7
Average household size	2.88	(X)
Average family size [7]	3.28	(X)
HOUSING OCCUPANCY		
Total housing units	26,400	100.0
Occupied housing units	23,971	90.8
Vacant housing units	2,429	9.2
For rent	667	2.5
Rented, not occupied	20	0.1
For sale only	767	2.9
Sold, not occupied	87	0.3
For seasonal, recreational, or occasional use	87	0.3
All other vacants	801	3.0
Homeowner vacancy rate (percent) [8]	4.0	(X)
Rental vacancy rate (percent) [9]	10.8	(X)
HOUSING TENURE		
Occupied housing units	23,971	100.0
Owner-occupied housing units	18,495	77.2
Population in owner-occupied housing units	52,833	(X)
Average household size of owner-occupied units	2.86	(X)
Renter-occupied housing units	5,476	22.8
Population in renter-occupied housing units	16,245	(X)
Average household size of renter-occupied units	2.97	(X)

X Not applicable.

[1] Other Asian alone, or two or more Asian categories.

[2] Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

[3] One of the four most commonly reported multiple-race combinations nationwide in Census 2000.

[4] In combination with one or more of the other races listed. The six numbers may add to more than the total population, and the six percentages may add to more than 100 percent because individuals may report more than one race.

[5] This category is composed of people whose origins are from the Dominican Republic, Spain, and Spanish-speaking Central or South American countries. It also includes general origin responses such as "Latino" or "Hispanic."

[6] "Spouse" represents spouse of the householder. It does not reflect all spouses in a household. Responses of "same-sex spouse" were edited during processing to "unmarried partner."

[7] "Family households" consist of a householder and one or more other people related to the householder by birth, marriage, or adoption. They do not include same-sex married couples even if the marriage was performed in a state issuing marriage certificates for same-sex couples. Same-sex couple households are included in the family households category if there is at least one additional person related to the householder by birth or adoption. Same-sex couple households with no relatives of the householder present are tabulated in nonfamily households. "Nonfamily households" consist of people living alone and households which do not have any members related to the householder.

[8] The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the total number of vacant units "for sale only" by the sum of owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied; and then multiplying by 100.

[9] The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the total number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied; and then multiplying by 100.

Source: U.S. Census Bureau, 2010 Census.