



**A MARKET CONDITIONS AND PROJECT  
EVALUATION SUMMARY OF**

**SAVANNAH GARDENS PHASE IV  
514 Pennsylvania Avenue  
Savannah, Chatham County, Georgia**

**Effective Date: April 17, 2012  
Report Date: April 24, 2012**

*Prepared For*

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CERTIFIED PUBLIC ACCOUNTANTS

April 24, 2012

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**Re: Market Study for Savannah Gardens Phase IV in Savannah, Georgia**

Dear Ms. Banks and Ms. Heywood,

At your request, Novogradac & Company LLP performed a market study of the rental market in the Savannah, Chatham County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Savannah Gardens Phase IV, a proposed LIHTC development consisting of 114 units. The Subject will offer unrestricted units and units restricted to households earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. We completed the market study for Phase I in 2009 and for Phase III in 2010. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy level for the market area.
- Investigating the health and conditions of the multifamily market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client. Information included in this report is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. This report was completed in accordance with DCA market study guidelines. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company, LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,



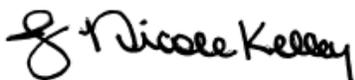
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## **ASSUMPTIONS AND LIMITING CONDITIONS**

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
9. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the

author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.

10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

19. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating systems. The consultant does not warrant the condition or adequacy of such systems.
20. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.
21. Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

TABLE OF CONTENTS

A. EXECUTIVE SUMMARY AND CONCLUSION ..... 1  
B. PROJECT DESCRIPTION ..... 11  
C. SITE EVALUATION ..... 15  
D. MARKET AREA ..... 25  
    Primary Market Area ..... 26  
E. COMMUNITY DEMOGRAPHIC DATA..... 28  
F. EMPLOYMENT TRENDS ..... 33  
G. PROJECT-SPECIFIC DEMAND ANALYSIS ..... 41  
H. COMPETITIVE RENTAL ANALYSIS ..... 67  
I. ABSORPTION AND STABILIZATION RATES.....85  
J. INTERVIEWS..... 86  
K. CONCLUSIONS AND RECOMMENDATIONS ..... 113  
L. SIGNED STATEMENT REQUIREMENTS..... 117

Addendum

## **A. EXECUTIVE SUMMARY AND CONCLUSION**

## EXECUTIVE SUMMARY AND CONCLUSIONS

### 1. Project Description:

Savannah Gardens Phase IV (the Subject) is the fourth phase of the proposed multi-phase redevelopment of Strathmore Estates, a market rate property. The complex was originally built in the 1950s with 374 units. Currently, all but 32 of the buildings have been demolished. Of the remaining buildings, seven are located on the Subject site. All seven of these buildings will be demolished in order to build the Subject.

Phase I was allocated in 2009 and offers 114 one-, two-, three-, and four-bedroom units restricted at 30, 50, and 60 percent AMI and one non-rental unit. Phase I is complete and is currently in lease up. To date, the property is 70 percent occupied and management indicated that there are applications pending on 27 of the 34 vacant units. Management anticipates that the property will be fully leased by the end of May 2012. We have included Phase I as a comparable in our analysis.

Phase II is proposed for Supportive Housing for the Elderly under the HUD Section 202 program. It will offer 39 one-bedroom units for the elderly (seniors ages 62 and older) and will be restricted to households earning 50 percent of the AMI or less. There will also be one non-rental unit. Phase II received notice of funding in July 2010 and is currently under construction. According to management, the property will begin accepting applications the week of April 23, 2012 and will open in June.

Phase III was allocated in 2010 and will offer 94 one-, two- and three-bedroom LIHTC and market rate units. All LIHTC units will target families earning 50 and 60 percent of the AMI, or less. Phase III is currently under construction and is anticipated to open in the fall of 2012.

Upon completion, the Subject (Phase IV) will consist of 114 one-, two-, and three-bedroom unrestricted units and units restricted to households earning 50 and 60 percent of the AMI, or less. All units will target families.

The following table details the proposed rents for the Subject's units. The utility allowances referenced in this table were furnished by the developer.

**PROPOSED RENTS**

Unit Type	Number of Units	Asking Rent	Allowance (1)	Gross Rent	Maximum Allowable	Market Rents
<i>50% AMI</i>						
1BR	3	\$455	\$107	\$562	\$570	\$733
2BR	13	\$555	\$125	\$680	\$685	\$816
3BR	7	\$626	\$157	\$783	\$790	\$1,083
<i>60% AMI</i>						
1BR	6	\$570	\$107	\$677	\$684	\$733
2BR	39	\$690	\$125	\$815	\$822	\$816
3BR	22	\$786	\$157	\$943	\$948	\$1,083
<i>Market Rate</i>						
1BR	3	\$675	-	\$675	N/Ap	\$733
2BR	13	\$775	-	\$775	N/Ap	\$816
3BR	7	\$875	-	\$875	N/Ap	\$1,083
<i>Manager's Unit</i>						
2BR	1	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
<b>Total</b>	<b>114</b>					

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject will offer the following amenities: refrigerator, dishwasher, stove, garbage disposal, microwaves, ceiling fans, blinds, carpeting/plank vinyl, washer/dryer connections, walk-in closets, balconies or patios, handrails, community room, exterior gathering area, laundry facility, exercise facility, computer lab/business center, recreation areas, off-street parking, on-site management, security cameras, and resident services. The Subject's amenity package will be competitive with the comparables.

**2. Site Description/Evaluation:**

Of the 32 buildings remaining of Strathmore Estates, seven are on the Subject site. Four of the 14 units in the remaining buildings are occupied but will be vacated so that the buildings can be demolished to build the Subject. The existing residents will be relocated to Phases I, II, or III by CHSA Development, Inc., the master developer, prior to Mercy Housing acquiring the property. Adjacent parcels include the larger master redevelopment site, which includes Phases I, II, and III. Phase I was completed in 2011 and is currently in lease up. The property is 70 percent occupied and is in overall excellent condition. Of the 34 vacant units, 27 have applications pending and management anticipates that the property will be fully leased by the end of May 2012. We have used Phase I as a comparable in our supply analysis. Phases II and III are currently under construction and are expected to open in 2012. Upon completion, these properties will also be in

excellent condition. Savannah High School is located 0.1 mile north of the Subject site. The high school is in good condition and the Subject's proximity to the school is considered a positive attribute. Access to and visibility of the site are considered excellent as the Subject has frontage on Pennsylvania Avenue, which is a well-trafficked neighborhood thoroughfare. Overall, the site is located within 4.0 miles of locational amenities including employment centers and is an excellent location for the Subject.

### **3. Market Area Definition:**

The PMA is defined by Bay Street/East President Street to the north, Highway 516 to the south and west, and the border with Whitmarsh Island to the east. This area includes the majority of the City of Savannah. The area was defined based on interviews with local market participants as well as property managers at comparable properties. Based upon site inspection, the Subject site is located in the heart of the Savannah area that consists of predominantly older uses. This area differs in character to the southern Savannah area, which is more suburban in nature. Many property managers indicated that a significant portion of their tenants come from the immediate Savannah area. Due to access provided by thoroughfares such as Interstate 16, Highway 21, the Southwest Bypass, and Harry Truman Parkway, several property managers indicated that residents come from throughout Chatham County. Therefore, we have adjusted for 15 percent leakage from outside of the PMA. The farthest PMA boundary is 5.26 miles from the Subject.

### **4. Community Demographic Data:**

The Subject is located in Savannah, Chatham County, GA. In 2010, the population in the PMA was 80,064 and is projected to increase to 81,712 in 2014, at an annual rate of 0.4 percent. Projected annual population growth is minimal in the PMA because the PMA encompasses well-established areas of Savannah. Urban areas, particularly those in transition like the PMA, typically experience population decline; therefore, any population growth in these areas is considered good. Similar to population trends, the number of households in the PMA in 2010 was 31,904 and is projected to increase to 32,709 in 2015, another modest annual growth rate of 0.5 percent. This growth demonstrates demand for the Subject's one, two, and three bedroom units.

The majority of households in the PMA are renter-occupied, which is a very strong indication of demand for the Subject. Among these renters there is a wide distribution of household sizes. The high number of renters and the wide distribution of households demonstrate demand for a variety of bedroom types, which the Subject will offer. Overall, demographic trends in the PMA prove to be positive indicators for the Subject.

According to RealtyTrac's March 2012 foreclosure research, there were approximately 201 properties that filed for foreclosure in Savannah; one in every 523 housing units filed for foreclosure. This is slightly better than the foreclosure rate in Chatham County, which experienced a rate of one in every 495 housing units in March 2012. Both Chatham County and Savannah experienced a lower foreclosure rate in March 2012 than Georgia, which experienced a foreclosure rate of one in every 361 housing units.

#### **5. Economic Data:**

Economics trends in the Savannah MSA exhibit the negative effects of the nation-wide recession. Total employment in the Savannah, GA MSA increased by 3.5 percent in 2007, and then declined in 2008 by 1.1 percent and fell another 4.4 percent in 2009. However, from December 2010 to December 2011 the total employment level increased 1.1 percent, which is consistent with national trends. The largest sectors in the MSA are in the accommodation/food services, healthcare/social assistance, educational services and retail trade. The accommodation/food services industry is significantly overrepresented in the PMA when compared to the MSA and US. Retail and tourism have been particularly affected by this national recession as consumers have slowed personal spending. The unemployment level as of December 2011 was 8.8 percent, slightly above the national rate of 8.3 percent. While an 8.8 percent unemployment rate is higher than what Savannah has historically experienced, as Savannah has typically experienced a lower rate than the nation as a whole, this is indicative of the larger national economic downturn and is not area specific.

#### **6. Project-Specific Affordability And Demand Analysis:**

There are 6,591 income qualified renter households in the PMA. The Subject would capture 1.6 percent of the income

qualified renter households in order to stabilize at 93 percent occupancy. It should be noted that this number is not adjusted by household size and other factors. The Subject's capture rates are summarized in the following table.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Capture Rate
1BR at 50%	\$19,269-\$24,350	3	839	20	0.4%
2BR at 50%	\$23,314-\$29,220	13	647	71	2.3%
3BR at 50%	\$26,846-\$32,850	7	479	38	1.6%
1BR at 60%	\$23,211-\$29,220	6	858	68	0.8%
2BR at 60%	\$27,943-\$32,880	39	662	191	8.3%
3BR at 60%	\$32,331-\$39,420	22	490	116	5.9%
1BR Unrestricted	\$23,143-\$38,960	3	1,186	120	0.3%
2BR Unrestricted	\$26,571-\$43,840	13	914	158	1.7%
3BR Unrestricted	\$30,000-\$52,560	7	677	45	1.1%

The Subject's overall capture rate is very low at 4.4 percent. Therefore, we believe there is ample demand for the Subject.

#### 7. Competitive Rental Analysis:

Our competitive survey includes 13 "true" comparable properties containing 1,979 units. The availability of LIHTC data is considered adequate. There are eight multi-family LIHTC properties located within the PMA. In addition to these, we have included one LIHTC comparable, Oaks at Brandlewood, which is located just outside the PMA, is in good condition, and will likely compete with the Subject. We have included two unrestricted properties located within the PMA; however, these properties are inferior to the Subject in age/condition; therefore, we have supplemented the unrestricted rent discussion with two newer unrestricted properties located just outside the PMA: Walden at Chatham Center and Springs at Chatham. Further, five of the LIHTC properties offer unrestricted units. Therefore, we consider the availability of market data to be good. Overall vacancy in the market is low at less than four percent, and overall vacancy among the LIHTC comparables is even lower at less than two percent. These vacancy rates indicate a healthy market and a need for additional rental units. The following table demonstrates the Subject's market advantage.

**SUBJECT RENT COMPARISON TO LIHTC  
AND MARKET RENTS**

Unit Type	Subject Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
<i>50% AMI</i>					
1BR	\$455	\$361	\$488	\$433	-5%
2BR	\$555	\$442	\$590	\$509	-8%
3BR	\$626	\$511	\$668	\$581	-7%
<i>60% AMI</i>					
1BR	\$570	\$434	\$573	\$541	-5%
2BR	\$690	\$523	\$690	\$644	-7%
3BR	\$786	\$564	\$785	\$732	-7%
<i>Unrestricted</i>					
1BR	\$675	\$590	\$972	\$809	20%
2BR	\$775	\$625	\$1,090	\$855	10%
3BR	\$875	\$777	\$1,293	\$980	12%

The Subject's proposed 50 and 60 percent AMI rents are above the average rents at the 50 and 60 percent AMI levels but are below the average unrestricted rents. The Subject's proposed 50 and 60 percent AMI rents are similar to the rents at Savannah Gardens Phase I, which is the first phase of the Subject's redevelopment. This property is generally similar to the Subject and the Subject should be able to achieve rents similar to this property.

Montgomery Landing is achieving the highest 50 percent AMI rents in the market and is 99 percent occupied, indicating that its rents are achievable. The Subject's proposed 50 percent AMI rents are below the current rents at Montgomery Landing. The Subject will be generally similar to this comparable in terms of age/condition and amenities but will have a slightly inferior location. Therefore, it is reasonable that the Subject's rents are slightly below the current rents at this property.

Oaks at Brandlewood is achieving the highest 60 percent AMI rents in the market. The Subject's proposed rents are generally similar to the current rents at this property. Because Oaks at Brandlewood is 99 percent occupied, it appears that its current rents are achievable. As proposed, the Subject will be slightly superior to this comparable in terms of unit size and age/condition and it will offer a generally similar amenities package. However, its location will be slightly inferior to that of Oaks at Brandlewood. Given the Subject's new construction design, large unit sizes, and competitive amenities, we believe it is reasonable

to assume that the Subject can achieve LIHTC rents similar to this property.

The Subject's market rate units will have a rent advantage of 10 to 20 percent when compared to the average unrestricted rents at the comparables.

## 8. Absorption/Stabilization

### Estimate:

We were able to obtain absorption information from several comparable properties, which are listed in the following table.

#### Absorption Rate

Comparable Property	Rent Structure	Absorption Rate	Year Built
Ashley Midtown Apartments	LIHTC/PHA/Market	56 units/month	2004
Ashley Midtown Phase II	LIHTC/PHA	12 units/month	2008
Springs At Chatham Parkway	Market	29 units/month	2007 - 2008
Sustainable Fellwood Phase I	LIHTC/PHA/ Market	18 units/month	2009
Sustainable Fellwood Phase II	LIHTC/PHA/PBRA/Market	18 units/month	2011
Savannah Gardens I	LIHTC	11 units/month	2011

As illustrated, the fastest absorption rate was reported by the oldest addition to the market, Ashley Midtown Apartments, which absorbed at a rate of 56 units per month. The newest additions to the market are Sustainable Fellwood Phase II and Savannah Gardens Phase I (the first phase of the Subject). Both properties entered the market in 2011 and added a total of 225 LIHTC, public housing, and unrestricted units to the market within a few months. Sustainable Fellwood is currently 100 percent occupied and has a waiting list. Savannah Gardens I is in lease up and is 70 percent occupied. Of the 34 vacant units, 27 have applications pending. The remaining seven units had applications pending but the applications were either denied or were withdrawn by the prospective tenants. Management estimated that the property will be fully leased by the end of May 2012. The quick absorption of these properties and the average stabilized LIHTC vacancy rate of less than two percent indicate demand for additional LIHTC units.

Sustainable Fellwood Phase II offers units that operate with an additional subsidy. Because the Subject will not offer any subsidized units, we believe it will have a slightly slower absorption pace than this comparable. Phase I of the Subject has been actively leasing units for six months, which equates to an absorption pace of 11 units per month.

Phase III of the Subject will also target families and will enter the market prior to the Subject. This development will offer 94 one-, two-, and three-bedroom LIHTC and market rate units. Given our demand calculations and the quick absorption of the last two LIHTC properties to enter the market, we believe there is sufficient demand for both Savannah Gardens Phase III and the Subject. Combined, the Subject and Phase III will add 209 LIHTC and unrestricted units to the market. Property managers at the LIHTC comparables reported a strong need for additional affordable housing in the area and estimated that the market could support more than 200 additional units. Currently, four of the nine LIHTC properties have waiting lists.

We have conservatively estimated an absorption pace of 11 units per month for the Subject's units. At this pace, the Subject will reach a stabilized occupancy of 93 percent within 10 months.

#### **9. Overall Conclusion:**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. Strengths of the Subject will include its location within 0.1 mile of the Savannah High School, its excellent visibility along Pennsylvania Avenue, its competitive amenity package, and that it is replacement housing for the demolished Strathmore Estates.

The newest family LIHTC properties to enter the market, Savannah Gardens Phase I and Sustainable Fellwood Phase II, both entered the market in 2011 and are performing well. Sustainable Fellwood Phase II is 100 percent occupied and has a short waiting list. Savannah Gardens Phase I is in lease up and is 70 percent occupied, and 27 of the 34 vacant units have applications pending. To date, this property has experienced an absorption pace of 11 units per month. The addition of the 225 units at these two properties to the market did not impact the existing LIHTC comparables as the overall stabilized LIHTC vacancy rate is strong at less than two percent and the overall vacancy rate among stabilized LIHTC and market rate comparables is also strong at less than four percent. Local property managers reported a strong need for additional LIHTC units and reported that the market could support more than 200 additional units. Further, approximately 54 percent of households in the PMA are renter households, which is significantly above the national average of 33 percent. Savannah Gardens Phase III was allocated in 2010 and will

enter the market in the fall of 2012. As our demand analysis found later in this report will indicate, there is adequate demand for both Savannah Gardens Phase III and the Subject.

### Summary Table:

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

Development Name:	Savannah Gardens IV	Total # Units:	114
Location:	514 Pennsylvania Avenue, Savannah, GA	# LIHTC Units:	90
PMA Boundary:	Bay Street/East President Street to the north, Highway 516 to the south and west, and the border with Whitmarsh Island to the east		
	Farthest Boundary Distance to Subject:		5.26 miles

#### Rental Housing Stock (found on pages 99 and 103)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	1,979	97	95.1%
Market-Rate Housing	4	836	44	94.7%
Assisted/Subsidized Housing not to include LIHTC	N/Ap	N/Ap	N/Ap	N/Ap
LIHTC	8	1,028	19	98.2%
Stabilized Comps	12	1,864	63	96.6%
Properties in Construction & Lease Up	1	115	34	70.4%

# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Average Market Rent			Highest Unadjusted Comp Rent	
					Per Unit	Per SF	Advantage	Per Unit	Per SF
3	1BR (50%)	1	860	\$455	\$433	\$0.50	-5%	\$450	\$0.60
13	2BR (50%)	2	1,031	\$555	\$509	\$0.49	-8%	\$555	\$0.58
7	3BR (50%)	2	1,225	\$626	\$581	\$0.47	-7%	\$627	\$0.55
6	1BR (60%)	1	860	\$570	\$541	\$0.63	-5%	\$606	\$0.78
39	2BR (60%)	2	1,031	\$690	\$644	\$0.62	-7%	\$731	\$0.70
22	3BR (60%)	2	1,225	\$786	\$732	\$0.60	-7%	\$840	\$0.69
3	1BR (MKT)	1	860	\$675	\$809	\$0.94	20%	\$957	\$1.08
13	2BR (MKT)	2	1,031	\$775	\$855	\$0.83	10%	\$1,075	\$0.95
7	3BR (MKT)	2	1,225	\$875	\$980	\$0.80	12%	\$1,278	\$0.94

#### Demographic Data (found on pages 29 and 58)

	2000		2010		2014	
Renter Households	15,993	50.59%	17,130	53.69%	17,619	54.14%
Income-Qualified Renter HHs (LIHTC)	4,181	26.14%	4,478	26.14%	4,606	26.14%
Income-Qualified Renter HHs (MR) (if applicable)	4,478	28.00%	4,796	28.00%	4,926	28.00%

#### Targeted Income-Qualified Renter Household Demand (found on pages 51-62)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall**
Renter Household Growth	N/Ap	364	373	515	N/Ap	631
Existing Households (Overburdened + Substandard)	N/Ap	1,496	1,531	2,116	N/Ap	2,590
Homeowner conversion (Seniors)	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
Less Comparable/Competitive Supply	N/Ap	129	375	323	N/Ap	827
<b>Net Income-qualified Renter HHs*</b>	N/Ap	1,731	1,529	2,308	N/Ap	<b>2,394</b>

#### Capture Rates (found on pages 53, 56, 59, 62)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	1.30%	4.10%	0.90%	N/Ap	4.40%

\*Does not match demand analysis as this does not take into account bedroom types, persons per household, or leakage.

\*\*Includes LIHTC and unrestricted

## **B. PROJECT DESCRIPTION**

**PROJECT DESCRIPTION**

**Project Address and Development Location:**

The Subject site is located at 514 Pennsylvania Avenue in Savannah, Chatham County, Georgia.

**Construction Type:**

The Subject will consist of nine two- and three-story walk-up garden style buildings as well as nine duplex style buildings. All buildings will have a brick and Hardi-Plank exterior.

**Occupancy Type:**

Family.

**Special Population Target:**

None.

**Number of Units by Bedroom Type and AMI Level:**

See following property profile.

**Unit Size:**

See following property profile.

**Structure Type:**

See following property profile.

**Rents and Utility Allowances:**

See following property profile.

**PROPOSED RENTS**

Unit Type	Number of Units	Asking Rent	Allowance (1)	Gross Rent	Maximum Allowable	Market Rents
<i>50% AMI</i>						
1BR	3	\$455	\$107	\$562	\$570	\$733
2BR	13	\$555	\$125	\$680	\$685	\$816
3BR	7	\$626	\$157	\$783	\$790	\$1,083
<i>60% AMI</i>						
1BR	6	\$570	\$107	\$677	\$684	\$733
2BR	39	\$690	\$125	\$815	\$822	\$816
3BR	22	\$786	\$157	\$943	\$948	\$1,083
<i>Market Rate</i>						
1BR	3	\$675	-	\$675	N/Ap	\$733
2BR	13	\$775	-	\$775	N/Ap	\$816
3BR	7	\$875	-	\$875	N/Ap	\$1,083
<i>Manager's Unit</i>						
2BR	1	N/Ap	N/Ap	N/Ap	N/Ap	N/Ap
<b>Total</b>	<b>114</b>					

Notes (1) Source of Utility Allowance provided by the Developer.

**Existing or Proposed**

**Project Based Rental Assistance:** None.

**Proposed Development Amenities:** See following property profile.

## Savannah Gardens Phase IV, Savannah, GA; Market Study

Savannah Gardens Phase IV											
<b>Comp #</b>	Subject										
<b>Effective Rent Date</b>	4/21/2012										
<b>Location</b>	514 Pennsylvania Ave Savannah, GA 31404 Chatham County										
<b>Distance</b>	1.4 miles										
<b>Units</b>	114										
<b>Type</b>	Garden										
<b>Year Built / Renovated</b>	2014										
Market											
<b>Program</b>	50%, 60%, Market, Non-Rental				<b>Leasing Pace</b>	n/a					
<b>Annual Turnover Rate</b>	N/A				<b>Change in Rent (Past Year)</b>	n/a					
<b>Units/Month Absorbed</b>	n/a				<b>Concession</b>						
<b>Section 8 Tenants</b>	N/A										
Utilities											
<b>A/C</b>	not included -- central				<b>Other Electric</b>	not included					
<b>Cooking</b>	not included -- electric				<b>Water</b>	not included					
<b>Water Heat</b>	not included -- electric				<b>Sewer</b>	not included					
<b>Heat</b>	not included -- electric				<b>Trash Collection</b>	included					
Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Garden	3	860	\$455	\$0	50%	n/a	N/A	N/A	no
1	1	Garden	6	860	\$570	\$0	60%	n/a	N/A	N/A	no
1	1	Garden	3	860	\$675	\$0	Market	n/a	N/A	N/A	N/A
2	2	Garden	13	1,031	\$555	\$0	50%	n/a	N/A	N/A	no
2	2	Garden	39	1,031	\$690	\$0	60%	n/a	N/A	N/A	no
2	2	Garden	13	1,031	\$775	\$0	Market	n/a	N/A	N/A	N/A
2	2	Garden	1	1,031	N/A	\$0	Non-Rental	n/a	N/A	N/A	N/A
3	2	Garden	7	1,225	\$626	\$0	50%	n/a	N/A	N/A	no
3	2	Garden	22	1,225	\$786	\$0	60%	n/a	N/A	N/A	no
3	2	Garden	7	1,225	\$875	\$0	Market	n/a	N/A	N/A	N/A

<b>Amenities</b>			
<b>In-Unit</b>	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Hand Rails Microwave Oven Refrigerator Walk-In Closet Washer/Dryer hookup	<b>Security</b>	Video Surveillance
<b>Property</b>	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility Central Laundry Off-Street Parking On-Site Management Recreation Areas Service Coordination	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	Park contiguous to the site operated by the city
<b>Comments</b>			
The utility allowance for the Subject's units will be \$107, \$125, and \$157 for the one-, two-, and three-bedroom units, respectively. The Subject's gross 50 percent AMI rents will be \$562 for a one-bedroom unit, \$680 for a two-bedroom unit, and \$783 for a three-bedroom unit. The gross rents for the 60 percent AMI units will be \$677 for a one-bedroom unit, \$815 for a two-bedroom unit, and \$943 for a three-bedroom unit.			

- Scope of Renovations:** Not applicable. The Subject will be newly constructed.
- Current Rents:** Not applicable. The Subject will be newly constructed.
- Current Occupancy:** Not applicable. The Subject will be newly constructed.
- Current Tenant Income:** Not applicable. The Subject will be newly constructed.
- Placed in Service Date:** Construction on the Subject will begin in October 2013 and will be completed by September 2014. Leasing will likely begin in June 2014.
- Conclusion:** The Subject will be an excellent-quality two- and three-story walk-up, garden style and duplex style apartment complex, comparable or superior to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

## **C. SITE EVALUATION**

**1. Date of Site Visit and Name of Site Inspector:**

Nicole Kelley visited the site on April 17, 2012.

**2. Physical Features of the Site:**

The following illustrates the physical features of the site.

*Frontage:*

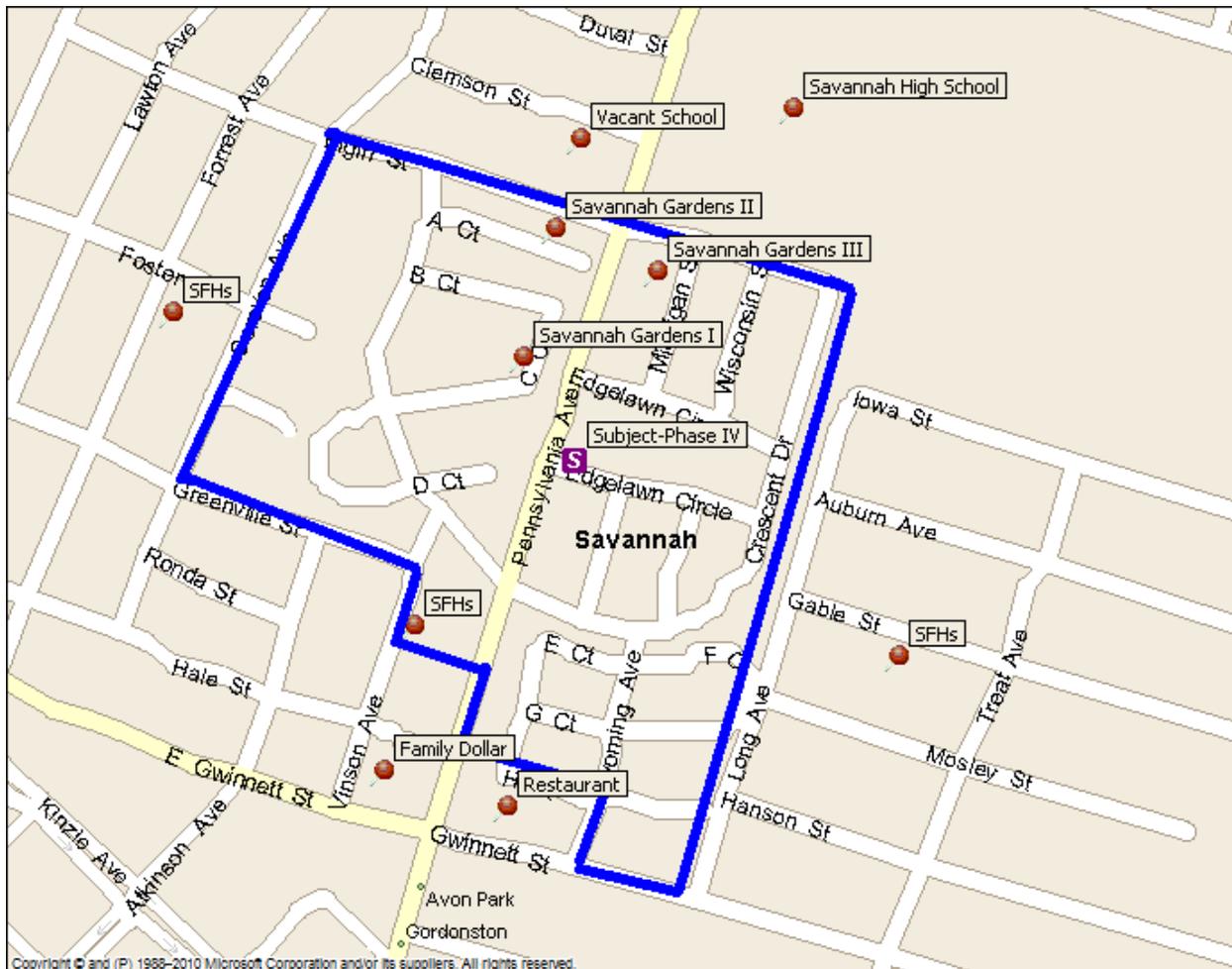
The Subject site has frontage along Pennsylvania Avenue.

*Visibility/Views:*

The Subject site is located on the southern side of Pennsylvania Avenue and has good visibility and views.

*Surrounding Uses:*

The following map and pictures illustrate the surrounding land uses.



The area enclosed in blue comprises the entire 44-plus acre site. Phase I is complete and is currently in lease up. To date, the property is 70 percent occupied, and 27 of the 34 vacant units have applications pending. Phases II and III are currently under construction and are expected to open in 2012. Phase I is in excellent condition and Phases II and III will be in excellent condition upon completion. Other uses in the neighborhood consist of single family homes,

Savannah High School, Family Dollar, and various small retail in generally poor condition. With the exception of 19 newly constructed single family homes located west of the site along Vinson Avenue, single family homes in the area are in generally poor to average condition. The newly constructed homes along Vinson Avenue are part of the Savannah Gardens Redevelopment and are in overall excellent condition. The homes target lower income individuals and are selling for approximately \$140,000. Retail in the area appeared to have an overall occupancy rate of 80 to 85 percent.

*Positive/Negative Attributes of Site:* The Subject will be located 0.1 mile south of Savannah High School, which is in good condition and will be conveniently located for families that will reside at the Subject. The site will also provide the Subject excellent visibility via Pennsylvania Avenue. Negative attributes of the site include older, vacant retail. However, at least a portion of the retail is scheduled to be demolished as part of the larger master plan and therefore is not projected to continue to be negative attributes of the site.

### **3. Physical Proximity to Locational Amenities:**

Savannah has excellent access to major interstates, Interstate 95 in particular which runs south to Miami, Florida and north to the Maine-Canada border. Savannah offers numerous public transportation options including the CAT bus system as well as the fare-free “dot” system that run through downtown Savannah. The Eastern Savannah CAT Route 10 has a bus stop directly adjacent from the Subject. There are very diverse employment options in the area as well and downtown Savannah, which is less than three miles from the Subject, acts as the major employment district in the area. The Subject site is near a grocery store and pharmacy, as well as the police department and major medical centers are only four miles away. The Subject is also located adjacent to the Savannah High School making the Subject close to most necessary amenities.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View south on Pennsylvania Avenue



View north on Pennsylvania Avenue



Savannah Gardens Phase III-north



Savannah Gardens Phase I-west



Savannah Gardens Phase II-northwest



Savannah High School-north



Vacant retail



Family Dollar



Newly constructed Single Family Homes



Older Single Family Home

**5. Proximity to Locational Amenities:**

The following table details the Subject's distance from key locational amenities.

## LOCATIONAL AMENITIES

Map Number	Name	Service	Miles From Subject
1	Frank W. Spencer Elementary School	Elementary School	1.6
2	Leiston T. Shuman Middle School	Middle School	0.4
3	Savannah High School	High School	0.1
4	Memorial Health University Medical Center	Hospital/Medical Facilities	3.9
5	Backus Children's Hospital	Children's Hospital	4
6	Kroger Gocery	Grocery	1.9
7	Rite Aid Pharmacy	Pharmacy	1.5
8	WW Law Branch Library	Library	1.9
9	Savannah Police Department Precinct 3	Police Department	2.5
10	Thunderbolt Fire Department	Fire Department	2.3
11	Union Mission Employment Center	Employment Center	3
12	CAT 10 East Savannah Route	Local transportation - bus stop	Adjacent
13	Capital Grocery	Local Market	0.2
14	Family Dollar	Retail	0.3
15	Juliette Low Park	Local Parks and Recreation	0.9

### 6. Description of Land Uses:

Savannah Gardens Phase I is located immediately west of the site. Phase I is complete and is currently in lease up. To date, the property is 70 percent occupied, and 27 of the 34 vacant units have applications pending. Management anticipates that the property will be fully leased by then end of May 2012. Phases II is located northwest of the site and Phase III is located immediately north of the site. Both Phase II and Phase III are currently under construction. Phase I is in excellent condition and Phases II and III will be in excellent condition upon completion. Other uses in the neighborhood consist of single family homes, Savannah High School, Family Dollar, and various small retail in generally poor condition. With the exception of 19 newly constructed single family homes located west of the site along Vinson Avenue, single family homes in the area are in generally poor to average condition. The newly constructed homes along Vinson Avenue are part of the Savannah Gardens Redevelopment and are in overall excellent condition. The homes target lower income individuals and are selling for approximately \$140,000. Retail in the area appeared to have an overall occupancy rate of 80 to 85 percent.

### 7. Multifamily Residential within Two Miles:

Three multifamily properties are located within two miles of the Subject. Ashley Midtown I and II are located between 1.4 and 1.6 miles from the site. These properties offer LIHTC, public housing, and market rate units and are in overall good condition. The units at these properties will

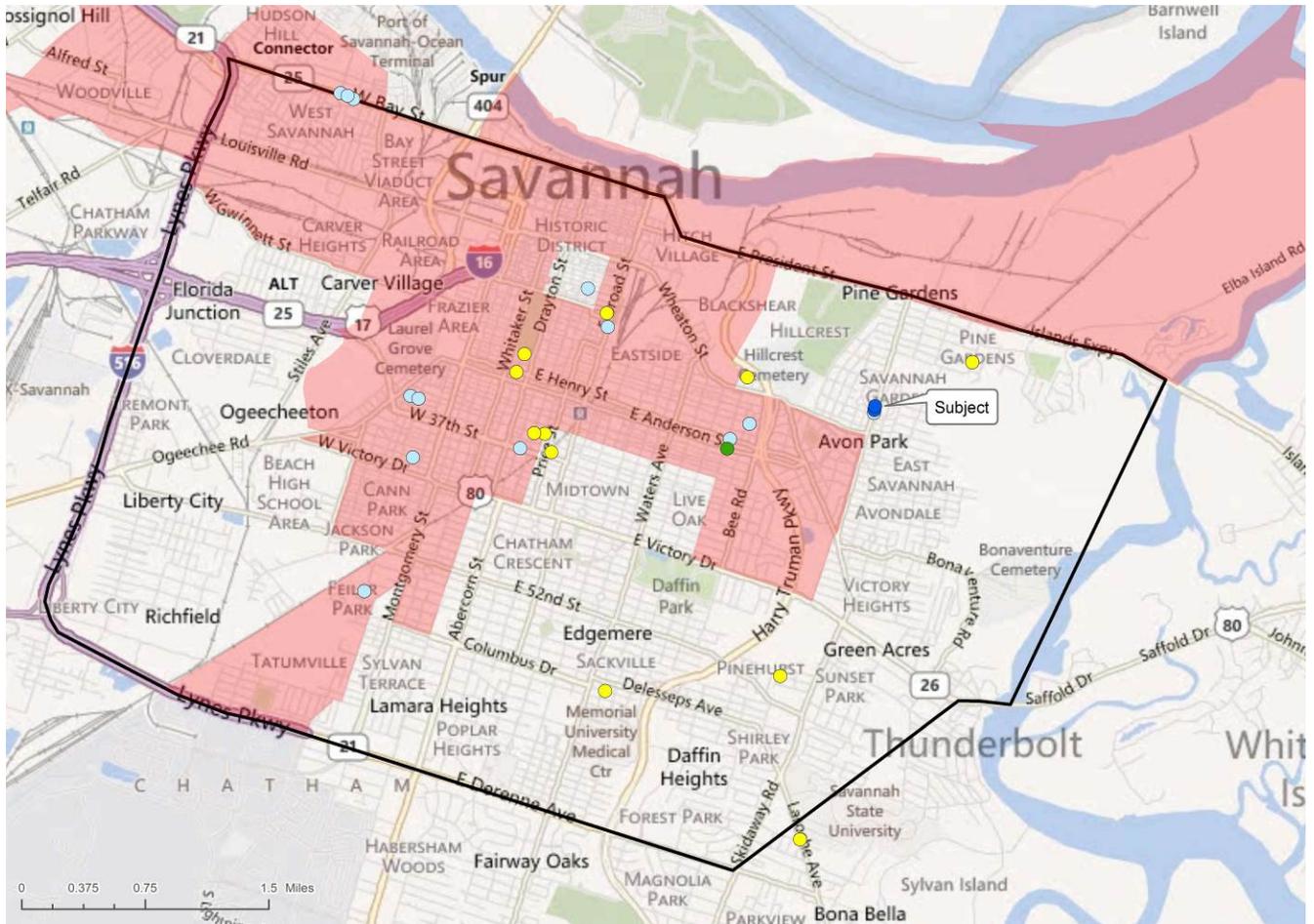
directly compete with the Subject and we have included both properties as comparables in our supply analysis. Savannah Gardens I, Phase I of the Subject, is located on the western side of Pennsylvania Avenue, less than 0.1 mile from the Subject site. This property was completed in 2011 and is in excellent condition. It will be generally similar to the proposed Subject and is currently in lease up. The property is 70 percent occupied, and 27 of the 34 vacant units have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. We have included this property as a comparable in our analysis.

**8. Existing Assisted Rental Housing**

**Property Map:**

The following map and list identifies all assisted rental housing properties in the PMA.

Property	Address	Type	Tenancy	Map Color	Included/ Excluded	Reason for Exclusion	Distance from Subject
Cars V Inc	1915 E 51st Street	Section 8	Disabled	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.0 miles
Chatham Assoc For Res Sev Inc I	1300 Richardson St	Section 8	Disabled	Yellow	Excluded	Rent subsidized; tenancy not comparable	1.0 miles
Chatham Assoc For Res Sev Inc II	1221 E 59th St	Section 8	Disabled	Yellow	Excluded	Rent subsidized; tenancy not comparable	3.4 miles
Georgia Infirmary A/ Habersham Place	410 E 35th St	Section 8	Disabled	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.6 miles
Georgia Infirmary B/ Habersham Place	512 Hamilton Ct	Section 8	Disabled	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.6 miles
Ponderosa Forest Apts	4920 Laroche Ave	Section 8	Family	Yellow	Excluded	Rent Subsidized	2.8 miles
Presidential Plaza I	2800 Capital St	Section 8	Family	Yellow	Excluded	Rent Subsidized	1.0 miles
Presidential Plaza II	2800 E Capital St	Section 8	Family	Yellow	Excluded	Rent Subsidized	1.0 miles
SNAP I, II, III	1 W Henry St	LIHTC/Section 8	Family	Yellow	Excluded	Rent Subsidized	2.5 miles
St. Johns Villa Apartments	506 Blair Street	Section 8	Elderly	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.1 miles
Thomas Francis Williams Court Apts	1900 Lincoln St	Section 8	Elderly	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.8 miles
Telfair Arms	17 E Park Ave	LIHTC/Section 8	Elderly	Yellow	Excluded	Rent subsidized; tenancy not comparable	2.7 miles
The Verandas	1414 East Anderson S	LIHTC/PHA/Market	Elderly	Green	Excluded	Tenancy not comparable	1.3 miles
Sisters Court	222 E 37th St	LIHTC	Elderly	Light Blue	Excluded	Tenancy not comparable	2.9 miles
Veranda at Midtown	1415 Henry St	Market, PBRA	Elderly	Light Blue	Excluded	Tenancy not comparable	1.2 miles
Rose of Sharon	322 East Taylor St	LIHTC	Elderly	Light Blue	Excluded	Tenancy not comparable	2.5 miles
East Huntingdon Street Housing	East Huntingdon Street	LIHTC	Family	Light Blue	Excluded	Only 14 units	2.0 miles
Sustainable Fellwood I	1300 Bay Street	LIHTC/PHA/Market	Family	Light Blue	Included	Included	4.4 miles
Sustainable Fellwood II	1301 Bay Street	LIHTC/PHA/Market	Family	Light Blue	Included	Included	4.4 miles
Sustainable Fellwood III	1302 Bay Street	LIHTC/PHA/Market	Elderly	Light Blue	Excluded	Tenancy not comparable	4.4 miles
Heritage Place	700 W 35th St	LIHTC	Family	Light Blue	Included	Included	3.4 miles
Heritage Corner & Heritage Row	824 W 35th St & 642 W 41st St	LIHTC	Family	Light Blue	Included	Included	4.2 miles
Montgomery Landing	714 W 57th St	LIHTC	Family	Light Blue	Included	Included	4.9 miles
Ashley Midtown I	1518 E Park Ave	LIHTC/PHA/Market	Family	Light Blue	Included	Included	1.3 miles
Ashley Midtown II	1519 E Park Ave	LIHTC/PHA/Market	Family	Light Blue	Included	Included	1.3 miles
Savannah Gardens I	500 Pennsylvania Ave	LIHTC	Family	Light Blue	Included	Included	0.0 miles
Savannah Gardens III	500 Pennsylvania Ave	LIHTC	Family	Blue	N/Ap	Proposed	0.0 miles
Savannah Gardens IV	500 Pennsylvania Ave	LIHTC	Family	Blue	N/Ap	Subject	N/Ap



**9. Road/Infrastructure**

**Proposed Improvements:**

We witnessed no significant road and/or infrastructure improvements in the immediate vicinity of the Subject.

**10. Access, Ingress/Egress and Visibility of site:**

The Subject site is located east of Pennsylvania Avenue just north of its intersection with Gwinnett Street. Both Pennsylvania Avenue and Gwinnett Street are moderately trafficked. Gwinnett Street provides access to downtown Savannah, which is two to three miles from the Subject site. Gwinnett Street also provides access to the Harry Truman Parkway (one mile), a major north/south thoroughfare along the eastern boundary of Savannah. Overall, access and visibility of the site are considered excellent.

**11. Environmental Concerns:**

None visible upon site inspection.

**Detrimental Influences:**

There are small vacant retail developments in generally poor condition in the Subject's neighborhood. At least a portion of these developments are scheduled for demolition. Additionally, Phase I of the Subject was completed in December 2011 and is currently 70 percent occupied, and 27 of the 34 vacancies have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. Therefore, it does not appear that the presence of these developments have impacted leasing efforts. We do not anticipate that these vacant structures, if present when the Subject enters the market, will impact its long terms success.

**12. Conclusion:**

The Subject site is located in a predominantly residential neighborhood with some retail and public uses such as Savannah High School, which is in good condition and located adjacent to the Subject site. Residential uses include single-family homes and range in condition from poor to excellent. The Subject will offer excellent visibility and curb appeal. The Subject is Phase IV of the proposed multi-phase redevelopment of Strathmore Estates, a 374-unit market rate development. The master plan for the redevelopment of the Strathmore Estates site calls for the demolition of all units. Therefore, if the master plan is completed, then all of these units will be demolished and will not have a detrimental influence on the Subject. Currently, all but 32 buildings have been demolished. While there are a few smaller, vacant retail developments in overall poor condition on the Subject's neighborhood, the presence of these developments does not appear to have

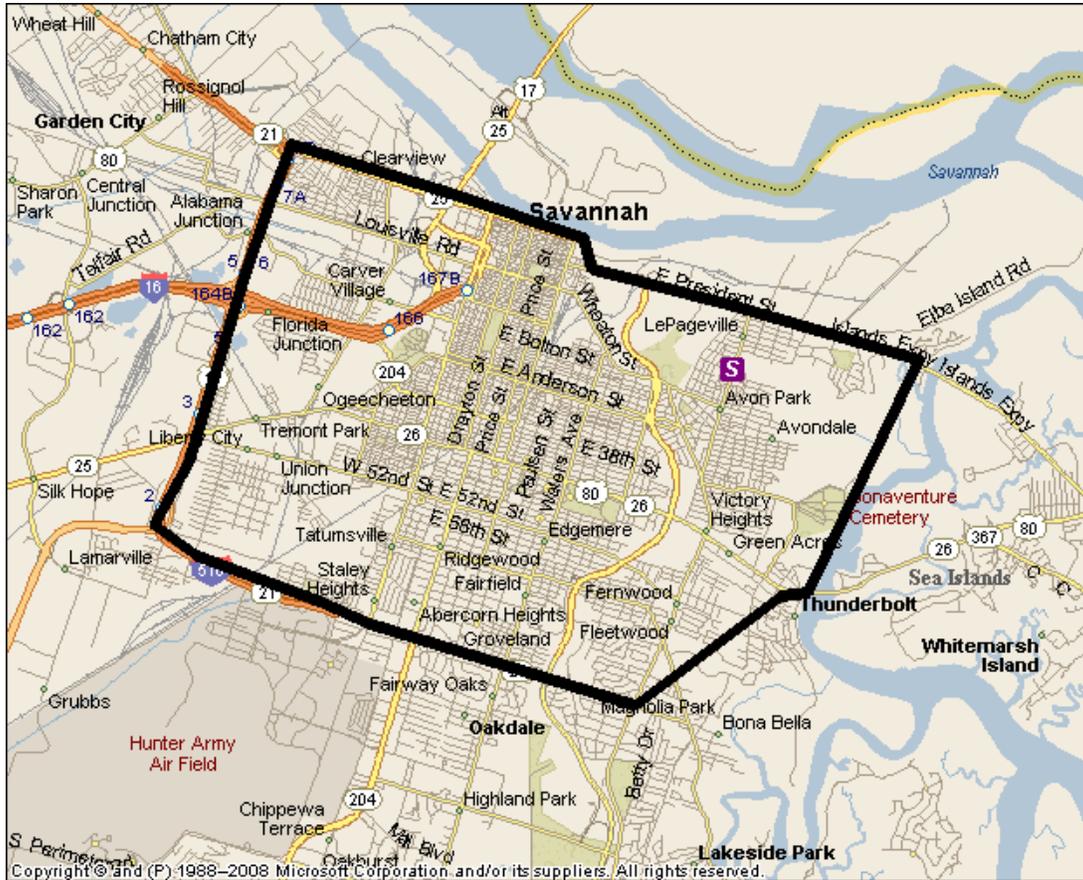
impacted the leasing ability of Phase I, which opened in December 2011 and is 70 percent occupied, and 27 of the 34 vacant units have applications pending. At least a portion of these developments are scheduled to be demolished. Overall, the community presents a good location for an affordable, multifamily development and the Subject will have a positive impact on the local neighborhood.

## **D. MARKET AREA**

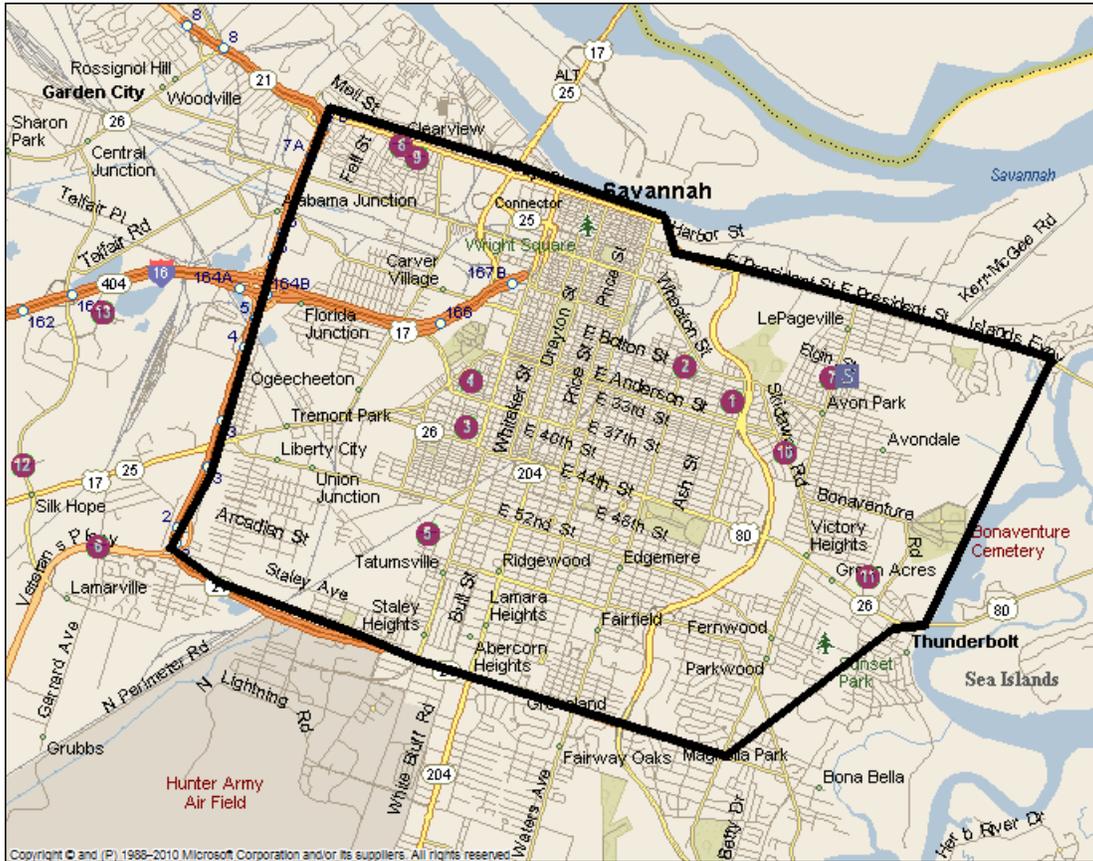
**PRIMARY MARKET AREA**

For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

**Primary Market Area Map**



Comparable Properties



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Savannah, GA MSA are areas of growth or contraction. The Savannah MSA is comprised of Bryan, Chatham, and Effingham Counties. The Secondary Market Area (SMA) is defined as the Savannah, GA MSA.

The Subject’s PMA includes the majority of the City of Savannah. The area was defined based on interviews with local market participants as well as property managers at comparable properties. Based upon site inspection, the Subject site is located in the heart of the Savannah area that consists of predominantly older. This area differs in character to the southern Savannah area, which is more suburban in nature. Many property managers indicated that a significant portion of their tenants come from the immediate Savannah area. Due to access provided by thoroughfares such as Interstate 16, Highway 21, the Southwest Bypass, and Harry Truman Parkway, several property managers indicated that residents come from throughout Chatham County. Therefore, we have adjusted for 15 percent leakage from outside of the PMA.

The boundaries of the PMA are as follows:  
 North – Bay Street/East President Street  
 South- Highway 516  
 East-Whitemarsh Island  
 West-Highway 516

## **E. COMMUNITY DEMOGRAPHIC DATA**

**COMMUNITY DEMOGRAPHIC DATA**

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and Savannah, GA MSA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and MSA.

**1. Population Trends**

The following tables illustrate (a) Total Population, (b) Population by Age Group, within population in MSA, the PMA and nationally from 2000 through 2015.

**POPULATION**

Year	PMA		Savannah, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	84,412	-	258,060	-	248,709,873	-
2000	79,448	-0.6%	293,000	1.4%	281,421,906	1.3%
2010	80,064	0.1%	346,746	1.8%	311,212,863	1.0%
Projected Mkt Entry March 2014	81,273	0.4%	365,952	1.5%	320,010,317	0.8%
2015	81,712	0.4%	372,936	1.5%	323,209,391	0.8%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

**POPULATION BY AGE IN 2010**

Age Cohort	PMA		Savannah, GA MSA		USA	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-4	5,623	7.0%	24,248	7.0%	21,296,740	6.8%
5-9	5,613	7.0%	23,597	6.8%	20,832,961	6.7%
10-14	5,181	6.5%	22,708	6.5%	20,369,284	6.5%
15-19	6,349	7.9%	24,376	7.0%	21,883,995	7.0%
20-24	7,088	8.9%	25,332	7.3%	21,459,235	6.9%
25-29	5,780	7.2%	25,595	7.4%	21,517,303	6.9%
30-34	4,936	6.2%	23,926	6.9%	19,852,007	6.4%
35-39	4,776	6.0%	23,421	6.8%	20,531,543	6.6%
40-44	4,660	5.8%	22,752	6.6%	21,232,056	6.8%
45-49	5,050	6.3%	24,543	7.1%	23,163,948	7.4%
50-54	5,197	6.5%	23,986	6.9%	22,315,436	7.2%
55-59	4,764	6.0%	21,124	6.1%	19,742,941	6.3%
60-64	4,215	5.3%	18,244	5.3%	16,544,050	5.3%
65-69	3,062	3.8%	13,351	3.9%	12,081,110	3.9%
70-74	2,289	2.9%	9,803	2.8%	9,033,665	2.9%
75-79	1,950	2.4%	7,622	2.2%	7,339,326	2.4%
80-84	1,688	2.1%	6,081	1.8%	5,947,153	1.9%
85+	1,846	2.3%	6,037	1.7%	6,070,110	2.0%
<b>Total</b>	<b>80,064</b>	<b>100.0%</b>	<b>346,746</b>	<b>100.0%</b>	<b>311,212,863</b>	<b>100.0%</b>

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

Projected annual population growth is minimal in the PMA, particularly when compared to that of the MSA and nation. This trend can be attributed to the well-developed nature of the PMA, which consists of an established urban area that is currently undergoing transition and redevelopment. Urban areas can undergo population decline due to the increased likelihood that their populations are more transient; therefore, any population growth in these areas is considered good. From 1990 through 2000 the PMA had a decreasing population of 0.6 percent annually, while the MSA and the nation had growing populations of 1.4 and 1.3 percent annually, respectively. The decade between 2000 and 2010 saw the PMA grow at 0.1 percent and the growth rate through 2015 is expected to be 0.4 percent, well below the MSA and nation with expected annual growth rates of 1.5 and 0.8 percent, respectively. The age distribution is fairly even in both the PMA and MSA. However, the PMA does demonstrate a slightly larger 15

to 24 age population when compared to other age cohorts. The presence of a younger population in the PMA is likely due to the draw of Savannah College of Art & Design (SCAD), Savannah Technical College and Savannah State University.

**2. Household Trends**

**2a. Total Number of Households, Average Household Size**

**HOUSEHOLDS**

Year	PMA		Savannah, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	32,420	-	94,940	-	91,947,410	-
2000	31,493	-0.3%	111,105	1.7%	105,480,101	1.5%
2010	31,904	0.1%	131,397	1.8%	116,761,140	1.0%
Projected Mkt Entry March 2014	32,494	0.5%	139,093	1.6%	120,133,347	0.8%
2015	32,709	0.5%	141,891	1.6%	121,359,604	0.8%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		Savannah, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
1990	2.54	-	2.64	-	2.63	-
2000	2.46	-0.3%	2.56	-0.3%	2.59	-0.1%
2010	2.43	-0.1%	2.55	-0.1%	2.59	0.0%
Projected Mkt Entry March 2014	2.42	-0.1%	2.54	0.0%	2.59	0.0%
2015	2.42	-0.1%	2.54	0.0%	2.60	0.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

The number of households decreased from 1990 to 2000 and then increased by 0.1 percent annually through 2010. Over the same period the MSA and nation grew 1.8 and 1.0 percent annually, respectively, from 2000 to 2010. The expected annual growth rate through 2015 is 0.5 percent for the PMA, which is well below the MSA at 1.6 percent annually, but only slightly below the nation with an expected annual growth rate of 0.8 percent. The average household size in the PMA, MSA and state has been declining since 1990 and are all expected to have relatively no change through 2015.

**2b. Households by Tenure**

The table below depicts household growth by tenure from 1990 through 2015.

**TENURE PATTERNS PMA**

Year	Owner-Occupied	Percentage Owner-	Renter-Occupied	Percentage Renter-
	Units	Occupied	Units	Occupied
1990	16,210	50.00%	16,210	50.00%
2000	15,560	49.41%	15,933	50.59%
2010	14,774	46.31%	17,130	53.69%
Projected Mkt Entry March 2014	14,907	45.88%	17,588	54.12%
2015	14,955	45.72%	17,754	54.28%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

As the table illustrates, the amount of renter-occupied households in the PMA was exactly 50 percent of the housing units in 1990 and has been increasing since then. In 2010, the percent of renter households stood at 53.69, and is expected to grow to 54.28 percent by 2015. This is a positive sign for the Subject.

**2c. Households by Income**

The following table depicts household income in 2010 and projected numbers for 2013 and 2015 for the PMA.

Income Cohort	HOUSEHOLD INCOME PMA							
	2010		Projected Mkt Entry March 2014		2015		Annual Change 2010 to 2015	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
\$0-9,999	6,158	19.3%	6022	18.5%	5,973	18.3%	-37	-0.6%
\$10,000-19,999	5,877	18.4%	5729	17.6%	5,675	17.3%	-40	-0.7%
\$20,000-29,999	4,837	15.2%	4787	14.7%	4,768	14.6%	-14	-0.3%
\$30,000-39,999	3,613	11.3%	3778	11.6%	3,838	11.7%	45	1.2%
\$40,000-49,999	2,740	8.6%	2729	8.4%	2,724	8.3%	-3	-0.1%
\$50,000-59,999	2,218	7.0%	2210	6.8%	2,207	6.7%	-2	-0.1%
\$60,000-74,999	2,303	7.2%	2143	6.6%	2,085	6.4%	-44	-1.9%
\$75,000-99,999	2,582	8.1%	2756	8.5%	2,820	8.6%	48	1.8%
\$100,000+	1,575	4.9%	2341	7.2%	2,620	8.0%	209	13.3%
<b>Total</b>	<b>31,904</b>	<b>100.0%</b>	<b>32,494</b>	<b>100.0%</b>	<b>32,709</b>	<b>100.0%</b>		

Source: Ribbon Demographics 2007, Novogradac & Company LLP, April 2012

As illustrated above, the household income in the PMA will see a shift towards the upper income tiers through 2015. This may increase market rents and the overall cost of living in the area, making affordable rental units more difficult to find for low-income households. This is a positive sign for the Subject as it will focus on low-income housing units.

**2d. Renter Households by Number of Persons in the Household**

The following table illustrates the number of persons per household among renter households.

## Savannah Gardens Phase IV, Savannah, GA; Market Study

**Renter Households by Number of Persons - PMA**

	2000		2010		Projected Mkt Entry March 2014		2015	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	5,937	37.3%	6,687	39.0%	6,972	39.6%	7,075	39.9%
With 2 Persons	3,842	24.1%	4,000	23.3%	3,986	22.7%	3,981	22.4%
With 3 Persons	2,466	15.5%	2,571	15.0%	2,628	14.9%	2,649	14.9%
With 4 Persons	1,686	10.6%	1,802	10.5%	1,860	10.6%	1,881	10.6%
With 5+ Persons	2,002	12.6%	2,071	12.1%	2,142	12.2%	2,168	12.2%
<b>Total Renter Households</b>	<b>15,933</b>	<b>100.0%</b>	<b>17,130</b>	<b>100.0%</b>	<b>17,588</b>	<b>100.0%</b>	<b>17,754</b>	<b>100.0%</b>

Source: Ribbon Demographics 2007, Novogradac & Company LLP, April 2012

As illustrated above, the number of households with one person is the highest portion of renter households. This number is expected to increase slightly through 2015.

### CONCLUSION

Overall, the PMA has been an area of slow growth. The population and household growth has been limited and has remained below the growth rates of the MSA and the nation. However, urban areas, particularly those in transition like the PMA, typically experience population decline; therefore, any population growth in these areas is considered good. The population in the PMA has a larger portion of people between the ages of 20 and 24 than the MSA and the nation, and the PMA is expected to have an increase, through 2015, in the number of households making over \$100,000+ annually. In addition, in 2010 the PMA had 53.69 percent of households residing in rental units and that number is expected to increase to 54.28 percent through 2015. These are all positive indicators for the Subject.

## **F. EMPLOYMENT TRENDS**

**Employment Trends**

Savannah is the seat of Chatham County, one of the most populous counties in Georgia. The Savannah MSA is comprised of Bryan, Chatham, and Effingham Counties and is the fourth largest metropolitan area in the state of Georgia. Savannah is located approximately 20 miles inland from the Atlantic Ocean and immediately south of South Carolina in the southeastern part of the state. The Subject is located east of downtown Savannah whose economy is characterized as diverse, with manufacturing, health care and social assistance, education, government, and retail trade accounting for a large percentage of the employment base. As will be demonstrated, the Savannah MSA has been moderately affected by the national recession, as several of its main industries; retail and tourism in particular, have been hit by a reduction in consumer spending.

Savannah’s location on the coast also provides for both a thriving tourism industry as well the fourth largest port in the United States. According to the Savannah Area Chamber of Commerce, the Port of Savannah is the fastest growing port in the United States. The Savannah Harbor Expansion Project will further expand the port enabling the port to accommodate larger shipping vessels. Construction on the project is scheduled to be completed by 2013. In addition to the port, both the Norfolk Southern Railroad and CSK Transportation have terminals in Savannah providing the city with both port and rail capabilities. Savannah also has excellent access to major interstates, Interstate 95 in particular which runs south to Miami, Florida and north to the Maine-Canada border.

**1. Total Jobs**

The following table illustrates the total jobs (also known as “covered employment”) in Chatham County.

<b>TOTAL JOBS IN CHATHAM COUNTY</b>		
<b>Year</b>	<b>Total Employment</b>	<b>% Change</b>
2001	108,177	-
2002	110,594	2.23%
2003	110,949	0.32%
2004	116,546	5.04%
2005	119,776	2.77%
2006	123,027	2.71%
2007	128,119	4.14%
2008	126,266	-1.45%
2009	118,900	-5.83%
2010	119,970	0.90%
2011	120,617	0.54%
2012 YTD Average*	120,592	-0.02%
Feb-11	120,147	-
Feb-12	121,402	1.04%

Source: U.S. Bureau of Labor Statistics

\*YTD as of Feb '11

Total employment in Chatham County increased from 2001 to 2007, with a sharp increase in 2004 and 2007. The total employment level then saw a decline in 2008 and 2009. Since 2010, the employment level has seen a gradual increase, with only a slight dip year-to-date in 2012. However, year-over-year data from February 2011 to February 2012 is showing a positive trend, indicating the economy in the area may be in the early stages of stabilizing.

## 2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the County as of third quarter 2011.

**2011 Q3 TOTAL JOBS BY INDUSTRY**  
Chatham County, GA

Industry	Number Employed	Percent Employed
Trade, Transportation, and Utilities	29,185	26.1%
Education and Health Services	21,167	18.9%
Leisure and Hospitality	18,740	16.8%
Professional and Business Services	15,243	13.6%
Manufacturing	12,362	11.1%
Construction	4,965	4.4%
Financial Activities	4,472	4.0%
Other Services	3,735	3.3%
Information	1,419	1.3%
Unclassified	394	0.4%
Natural Resources and Mining	106	0.1%
Public Administration*	-	-
<b>Total Employment</b>	<b>111,788</b>	<b>100.0%</b>

\*Monthly data not available

Source: U.S. Bureau of Labor Statistics

The previous table illustrates the total jobs by industry offered within the county. The largest sectors in Chatham County, according to the Bureau of Labor Statistics, are in the trade, transportation and utilities industries. It should be noted that monthly data was not available for the Public Administration industry.

2010 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Accommodation/Food Services	5,452	16.5%	9,114,767	6.7%
Health Care/Social Assistance	5,091	15.4%	18,891,157	13.9%
Retail Trade	3,834	11.6%	15,464,986	11.4%
Educational Services	3,753	11.4%	14,168,096	10.4%
Other Services (excl Publ Adm)	2,044	6.2%	6,679,783	4.9%
Construction	2,011	6.1%	8,872,843	6.5%
Public Administration	1,536	4.7%	6,916,821	5.1%
Manufacturing	1,514	4.6%	13,047,475	9.6%
Transportation/Warehousing	1,423	4.3%	5,487,029	4.0%
Admin/Support/Waste Mgmt Svcs	1,409	4.3%	5,114,479	3.8%
Prof/Scientific/Tech Services	1,333	4.0%	8,520,310	6.3%
Arts/Entertainment/Recreation	876	2.7%	2,628,374	1.9%
Wholesale Trade	737	2.2%	4,407,788	3.2%
Finance/Insurance	647	2.0%	6,883,526	5.1%
Information	567	1.7%	3,158,778	2.3%
Real Estate/Rental/Leasing	536	1.6%	2,825,263	2.1%
Utilities	158	0.5%	1,115,793	0.8%
Agric/Forestry/Fishing/Hunting	58	0.2%	1,790,318	1.3%
Mining	0	0.0%	723,991	0.5%
Mgmt of Companies/Enterprises	0	0.0%	202,384	0.1%
<b>Total Employment</b>	<b>32,979</b>	<b>100.0%</b>	<b>136,013,961</b>	<b>100.0%</b>

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

As illustrated above, the PMA is significantly overrepresented in the accommodation/food services industry. This is most likely caused by the booming tourism industry in Savannah. Savannah has an underrepresentation in the manufacturing industry, which may be surprising because two of the major employers in the region are manufacturing companies as well as the recent numerous expansions in the manufacturing industry in the region, which is demonstrated below.

### 3. Major Employers

The diversification of the Savannah economic base is indicated by the following list of the Savannah, GA MSA largest employers.

#### MAJOR EMPLOYERS

Employer	Industry	Number Employed
Savannah-Chatham County Board of Education	Education	5,000-9,999
Gulfstream Aerospace Corporation	Manufacturing	5,000-9,999
Georgia-Pacific Corporation	Manufacturing	1,000-4,999
Memorial University Medical Center	Hospital	1,000-4,999
Wal-Mart	Retail	1,000-4,999
St. Joseph's/Candler	Hospital	1,000-4,999
SSA Cooper	Marine Cargo Handling	1,000-4,999
Kroger	Retail Food	1,000-4,999
Marine Terminals Corporation	Marine Cargo Handling	1,000-4,999
Ft. Stewart/Hunter Army Airfield	Civilian Personnel on Bases	1,000-4,999
City of Savannah	Government	1,000-4,999
Savannah College of Art & Design	Education	1,000-4,999
Chatham County	Government	1,000-4,999

Source: Savannah Area Chamber of Commerce, January 2012

As illustrated, seven of the top 12 major employers in the Savannah economy are in relatively stable industries: education, healthcare and government. The Savannah MSA is very diverse as is illustrated above. Education, manufacturing and healthcare are among some of the largest employers. With Savannah being a port city, several companies involving cargo handling are also significant employers in the region.

*Expansions/Contractions*

The table below illustrates recent announcements regarding job creation over the next few years.

<b>Expansions</b>		
Company	Industry	Jobs Created
Firth Rixson	Manufacturing - Aerospace	120
Gulfstream	Manufacturing - Aerospace	800
Mitsubishi Power Systems	Manufacturing - Turbines	-
EFACEC	Manufacturing - Power Plants	200
JCB	Manufacturing - Construction Equipment	90
<b>Total</b>		<b>1,210</b>

Source: Savannah Area Chamber of Commerce, January 2012

Announced in 2011, the Savannah region has seen a number of manufacturing businesses expanding their operations. This is a good sign for the Savannah economy, as the manufacturing industry - typically one of the most affected industries during times of recessions - begins to recovery.

**Savannah, Georgia Layoffs/Closures 2010-2012\***

Effective Date	Company	City	Layoff/Closure	Estimated Number Affected
12/5/2011	Premier Warehousing Ventures ,LLC	Savannah	Closure	108
7/15/2011	Memorial Health	Savannah	Layoff	228
7/6/2011	CSC Applied Technology Group	Savannah	Layoff	444
6/3/2011	Citi Trends, Inc. (Savannah Distribution Center)	Savannah	Closure	107
7/22/2010	Cahaba Govt Benefit Administrators, LLC	Savannah	Closure	155
6/28/2010	Midcoast Aviation DBA Savannah Air Center	Savannah	Closure	359
3/8/2010	Decrane Aerospace Precision Patterns	Savannah	Closure	90
<b>Total</b>				<b>1,491</b>

Source: Georgia Department of Labor, April 2012

\* Through April 18, 2012

As illustrated in the above table, Savannah lost 1,491 jobs between 2010 and 2011. As of April 2012 there have been no reported layoffs or closures in Savannah this year. However, according to an April 2, 2012 article in the *Atlanta Business Journal*, the entire state of Georgia has experienced an increase of 8.4 percent in layoffs in the first quarter of 2012, year-over-year.

**4. Employment and Unemployment Trends**

The following table details employment and unemployment trends for the Savannah, GA MSA from 2000 to 2011 (through December).

## Savannah Gardens Phase IV, Savannah, GA; Market Study

### EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Savannah, GA MSA				USA			
	Total	% Change	Unemployment Rate	Change	Total	% Change	Unemployment Rate	Change
2000	137,955	-	3.4%	-	136,891,000	-	4.2%	-
2001	139,002	0.8%	3.4%	0.0%	136,933,000	0.0%	4.0%	-0.2%
2002	143,053	2.9%	4.0%	0.6%	136,485,000	-0.3%	4.7%	0.7%
2003	144,751	1.2%	4.1%	0.1%	137,736,000	0.9%	5.8%	1.1%
2004	153,284	5.9%	4.1%	0.0%	139,252,000	1.1%	6.0%	0.2%
2005	159,349	4.0%	4.3%	0.2%	141,730,000	1.8%	5.5%	-0.5%
2006	164,833	3.4%	3.9%	-0.4%	144,427,000	1.9%	5.1%	-0.4%
2007	170,676	3.5%	3.9%	0.0%	146,047,000	1.1%	4.6%	-0.5%
2008	168,803	-1.1%	5.5%	1.6%	145,362,000	-0.5%	4.6%	0.0%
2009	161,359	-4.4%	8.3%	2.8%	139,877,000	-3.8%	5.8%	1.2%
2010	158,664	-1.7%	9.0%	0.7%	139,064,000	-0.6%	9.3%	3.5%
2011 YTD Average*	160,322	1.0%	9.0%	0.0%	139,869,250	0.6%	9.6%	0.3%
Dec-2010	159,717	-	9.0%	-	139,159,000	-	9.6%	-
Dec-2011	161,537	1.1%	8.8%	-0.2%	140,681,000	1.1%	9.6%	0.0%

Source: U.S. Bureau of Labor Statistics, Novogradac & Company LLP, April 2012

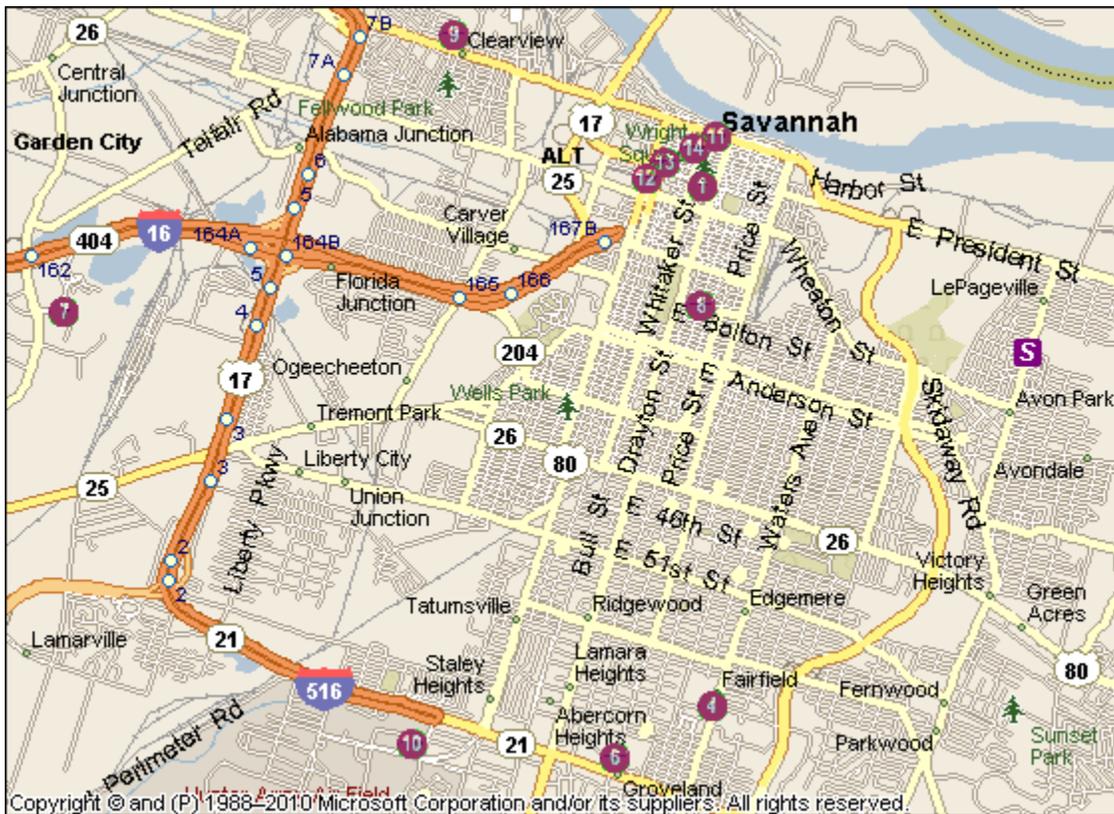
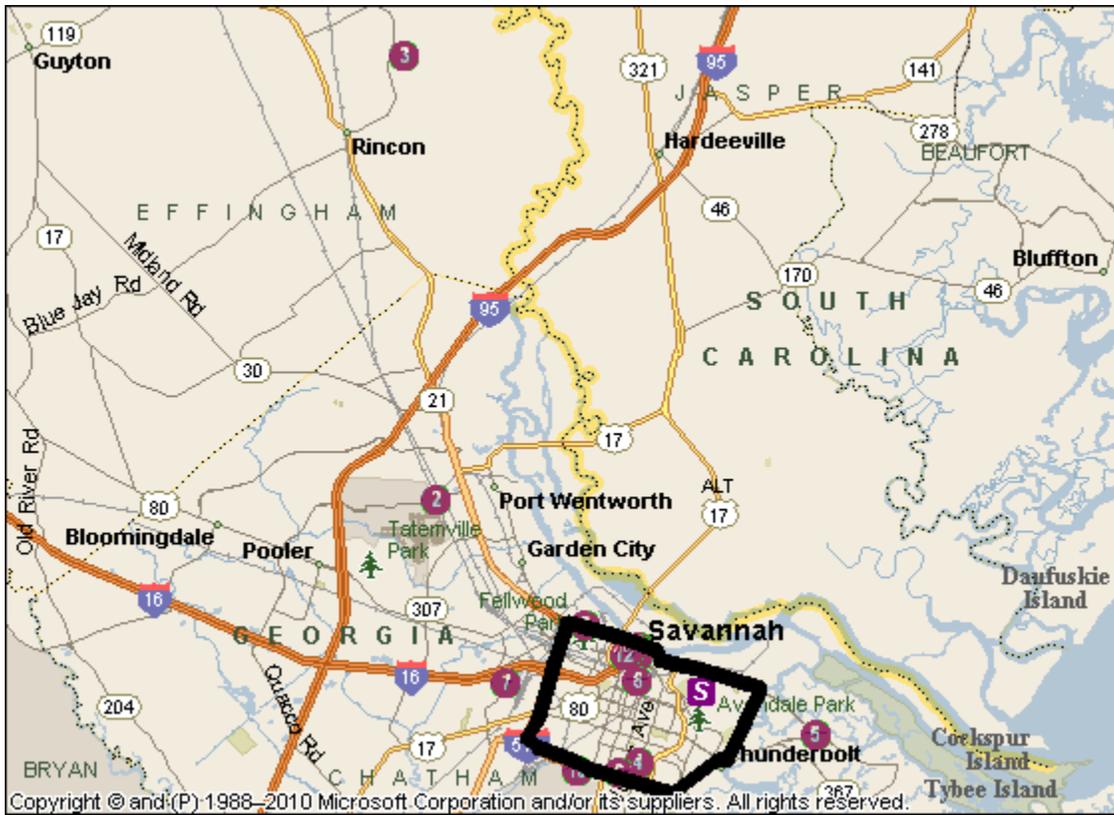
\*2011 data is through Annual

The Savannah, GA MSA experienced a higher growth rate in employment than the rest of the nation from 2000 to 2007. In 2008 the employment level began to decline, with a significant decrease in 2009, this trend is similar to that of the nation over the same time period. From December 2010 to December 2011 the employment level rose, the first time since 2007, increasing 1.1 percent; this trend was also seen nationally. The unemployment rate in the MSA remained below the national average from 2000 to 2007. 2009 saw a dramatic increase in the unemployment level, reaching 8.3 percent and increasing to 9.0 percent in 2010. This increase was similar to the nation over the same period. From December 2010 to December 2011 the unemployment rate decreased 0.2 percentage points.

### 5. Map of Site and Major Employment Concentrations

The following map and table details the largest employers in the Savannah Area.

Savannah Gardens Phase IV, Savannah, GA; Market Study



**MAJOR EMPLOYERS**

#	Employer	Industry	Number Employed
1	Savannah-Chatham County Board of Education	Education	5,000-9,999
2	Gulfstream Aerospace Corporation	Manufacturing	5,000-9,999
3	Georgia-Pacific Corporation	Manufacturing	1,000-4,999
4	Memorial University Medical Center	Hospital	1,000-4,999
5	Wal-Mart	Retail	1,000-4,999
6	St. Joseph's/Candler	Hospital	1,000-4,999
7	SSA Cooper	Marine Cargo Handling	1,000-4,999
8	Kroger	Retail Food	1,000-4,999
9	Marine Terminals Corporation	Marine Cargo Handling	1,000-4,999
10	Ft. Stewart/Hunter Army Airfield	Civilian Personnel on Bases	1,000-4,999
11	City of Savannah	Government	1,000-4,999
12	Savannah College of Art & Design	Education	1,000-4,999
13	Chatham County	Government	1,000-4,999
14	Downtown Savannah	Employment District	-

Source: Savannah Area Chamber of Commerce, January 2012

As is illustrated above, the major employer locations span across the entire Savannah region, but there is a heavy concentration in the downtown district of Savannah.

**Conclusion**

According to the Savannah Area Chamber of Commerce’s 2012 Economic Trends Forecast, Savannah’s employment is expect to rise 1.3 percent annually over the next few years as Savannah capitalizes on being a major tourist destination and a major deep-water port. The accommodation/food services industry employs the most people in the area, due to Savannah tourism industry. Other major employers are in the healthcare, education and government sectors. Manufacturing jobs in the state are expected to rise 1.5 percent, gaining 5,200 new jobs, while the state will lose 1,100 good-producing jobs, 5,200 jobs from the construction industry and will lose an additional 200 jobs from the mining and logging industry.

# **PROJECT-SPECIFIC DEMAND ANALYSIS**

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by DCA.

### **1. INCOME RESTRICTIONS**

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 35 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom).

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Information Systems, to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the DCA website. The Subject will offer unrestricted units. We have used the maximum income limit for these units at 80 percent of AMI.

### **2. AFFORDABILITY**

As discussed above, the maximum income is set by DCA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. DCA guidelines utilize 35 percent for families and 40 percent for seniors. We will use these guidelines to set the minimum income levels for the demand analysis.

### **3. DEMAND**

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated in the following tables.

#### **3A. DEMAND FROM NEW HOUSEHOLDS**

The number of new households entering the market is the first level of demand calculated. We have utilized 2014, the anticipated date of market entry, as the base year for the analysis. Therefore, 2009 household population estimates are inflated to 2014 by interpolation of the difference between 2010 estimates and 2015 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated

new households in 2014. This number takes the overall growth from 2000 to 2014 and applies it to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

### **3B. DEMAND FROM EXISTING HOUSEHOLDS**

Demand for existing households is estimated by summing three sources of potential tenants. The first source (2a.) is tenants who are rent overburdened. These are households who are paying over 35 percent for family households and 40 percent for senior households of their income in housing costs. This data is interpolated using CHAS data based on appropriate income levels.

The second source (2b.) is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source (2c.) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA.

In general, we will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject.

### **3C. SECONDARY MARKET AREA**

To accommodate for the secondary market area, the Demand from Existing Qualified Households within the primary market area will be multiplied by 115% to account for demand from the secondary market area. The PMA only includes the central portion of the city of Savannah. Due to the urban nature of the city, the location of employment centers within the city, and excellent access to the city via thoroughfares such as Interstate 16, Harry Truman Parkway, and Highway 21, tenants come from outside the PMA and outside Chatham County according to property managers.

### **3D. OTHER**

DCA does not consider household turnover to be a source of market demand.

## **4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS**

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed from 2000 to the present.

### **ADDITIONS TO SUPPLY**

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we deduct additions to supply allocated since 2010 to present and those that will be constructed through 2014 that are considered directly competitive.

**ADDITIONS TO SUPPLY SINCE 2010**

Property Name	Type	Year Built/Proposed	Competitive with Subject	Number of Units*
Sustainable Fellwood II	LIHTC, PHA, Market	2011	Yes	110
Savannah Gardens I	LIHTC	2011	Yes	114
Sustainable Fellwood III	LIHTC, PHA, Market	2012	No	100
Savannah Gardens II	LIHTC/PHA	2012	No	39
Savannah Gardens III	LIHTC/Market	2012	Yes	94

\*Does not include non-rental units

**PMA OCCUPANCY**

Per DCA’s guidelines, we have determined the average occupancy rate based on all available competitive conventional and LIHTC properties in the PMA. We have provided a combined average occupancy level for the PMA based on the total competitive units in the PMA.

PMA Occupancy

Property	Type	Tenancy	Occupancy*	Included/Excluded	Reason for Exclusion	Distance from Subject
Green Growth I	Market, HoDAG	Family	100%	Excluded	More comparable properties available	2.1 miles
Courtney Station Apartments	Market, HoDAG	Family	80%	Excluded	Management unavailable	3.1 miles
Cars V Inc	Section 8	Disabled	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.0 miles
Chatham Assoc For Res Serv Inc I	Section 8	Disabled	N/A v	Excluded	Rents subsidized; tenancy not comparable	1.0 mile
Chatham Assoc For Res Serv Inc II	Section 8	Disabled	N/A v	Excluded	Rents subsidized; tenancy not comparable	3.4 miles
Georgia Infirmary A/Habersham Place	Section 8	Disabled	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.6 miles
Georgia Infirmary B/Habersham Place	Section 8	Disabled	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.6 miles
Ponderosa Forest Apartments	Section 8	Family	N/A v	Excluded	Rents subsidized	2.8 miles
Presidential Plaza I	Section 8	Family	N/A v	Excluded	Rents subsidized	1.0 mile
Presidential Plaza II	Section 8	Family	N/A v	Excluded	Rents subsidized	1.0 mile
SNAP I, II, III	LIHTC/Section 8	Family	N/A v	Excluded	Rents subsidized	2.5 miles
St. Johns Villa Apartments	Section 8	Elderly	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.1 miles
Thomas Francis Williams Courts Apt	Section 8	Elderly	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.8 miles
Telfair Arms	LIHTC/Section 8	Elderly	N/A v	Excluded	Rents subsidized; tenancy not comparable	2.7 miles
Sisters Court	LIHTC	Elderly	94%	Excluded	Tenancy not comparable	2.9 miles
Veranda Midtown	Market/PBRA	Elderly	98%	Excluded	Tenancy not comparable	1.2 miles
Rose of Sharon	LIHTC	Elderly	98%	Excluded	Tenancy not comparable	2.5 miles
East Huntington Street Housing	LIHTC	Family	N/A v	Excluded	Only 14 units	4.4 miles
Sustainable Fellwood I	LIHTC/PHA/Market	Family	97%	Included	Included	4.6 miles
Sustainable Fellwood II	LIHTC/PHA/PBRA/Market	Family	100%	Included	Included	4.5 miles
Sustainable Fellwood III**	LIHTC/PBRA/Market	Elderly	90%	Excluded	Tenancy not comparable	4.5 miles
Heritage Place	LIHTC	Family	98%	Included	Included	5.1 miles
Heritage Corner & Heritage Row	LIHTC	Family	91%	Included	Included	4.4 miles
Montgomery Landing	LIHTC	Family	99%	Included	Included	5.0 miles
Ashley Midtown I	LIHTC/PHA/Market	Family	100%	Included	Included	1.4 miles
Ashley Midtown II	LIHTC/PHA/Market	Family	95%	Included	Included	1.6 miles
Savannah Gardens I**	LIHTC/Market	Family	94%	Included	Included	0.1 mile
Chelsea Apartments at Five Points	Market	Family	96%	Included	Included	1.2 miles
Jasmine Apartments	Market	Family	88%	Included	Included	2.1 miles
<b>Average Stabilized Properties</b>			<b>95%</b>			
<b>Average All Properties</b>			<b>95%</b>			

\*Occupancy within last 12 months

\*\*In lease up

**NET SUPPLY**

The following Competitive Analysis chart may be used to determine the Net Supply number of each bedroom and income category when considering the deduction of properties in the net supply in cases where, for instance, the property is on the edge of the PMA, is a market rate property, or otherwise only partially fulfills the need for units that will be filled by the proposed subject. All properties determined to be competitive with the proposed development will be included in the Competitive Analysis and assigned a Comparability Factor to be used in determining Net Supply in the PMA.

The total Comparability Factor will be applied to each bedroom type for all income segments to determine the number of units to be allocated to the existing property. Total market supply will be comprised of the weighted units supply from the comparable existing properties and all units new to the market area since 2010.

With regards to affordability, we believe the following percent differentials are warranted.

<b>Rent Differential</b>	<b>Adjustment Applied</b>
0-5%	1.00
6-10%	0.75
11-15%	0.50
16-20%	0.25
20%+	0.00

<b>Competitive Property Analysis</b>			
Ashley Midtown I - Comparable 1		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	Similar rents
3	Property Type	1	Slightly superior amenities
4	Quality	1	Similar condition to Subject
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Ashley Midtown II - Comparable 2		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	More affordable
3	Property Type	1	Similar amenities
4	Quality	1	Similar condition
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Heritage Corner & Heritage Row - Comparable 3		Percent	Comments
1	Location	1	Inferior location
2	Affordability	1	More affordable
3	Property Type	0.5	Inferior unit sizes
4	Quality	0.5	Inferior condition to Subject
Comparability Factor		0.25	

<b>Competitive Property Analysis</b>			
Heritage Place - Comparable 4		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	Similar rents
3	Property Type	0.5	Inferior unit sizes
4	Quality	0.5	Inferior condition to Subject
Comparability Factor		0.25	

<b>Competitive Property Analysis</b>			
Montgomery Landing - Comparable 5		Percent	Comments
1	Location	1	Slightly superior location
2	Affordability	1	More affordable
3	Property Type	1	Similar amenities
4	Quality	1	Similar condition
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Oaks at Brandlewood - Comparable 6		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	More affordable
3	Property Type	0.5	Inferior unit sizes
4	Quality	0.5	Inferior condition to Subject
Comparability Factor		0.25	

<b>Competitive Property Analysis</b>			
Savannah Gardens I – Comparable 7		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	Similar rents
3	Property Type	1	Similar amenities
4	Quality	1	Similar condition
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Sustainable Fellwood I - Comparable 8		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	More affordable
3	Property Type	1	Similar amenities
4	Quality	1	Similar condition
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Sustainable Fellwood II - Comparable 9		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	More affordable
3	Property Type	1	Similar amenities
4	Quality	1	Similar condition
Comparability Factor		1	

<b>Competitive Property Analysis</b>			
Chelsea Apartments at Five Points - Comparable 10		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	More affordable rents
3	Property Type	0.25	Inferior unit sizes and amenities
4	Quality	0.25	Inferior condition
Comparability Factor		0.063	

<b>Competitive Property Analysis</b>			
Jasmine Place - Comparable 11		Percent	Comments
1	Location	1	Similar location
2	Affordability	1	Similar rents
3	Property Type	0.25	Inferior unit sizes and amenities
4	Quality	0.25	Inferior condition
Comparability Factor		0.063	

<b>Competitive Property Analysis</b>			
Springs at Chatham Parkway - Comparable 12		Percent	Comments
1	Location	1	Superior location
2	Affordability	0.5	Less affordable
3	Property Type	1	Superior amenities
4	Quality	1	Similar condition
Comparability Factor		0.5	

\*Does not include 3BR units as the rent differential is greater than 20 percent. The comparables' rents are compared to the unrestricted units at the Subject.

<b>Competitive Property Analysis</b>			
Walden at Chatham Center - Comparable 13		Percent	Comments
1	Location	1	Superior location
2	Affordability	0.25	Less affordable*
3	Property Type	1	Superior amenities
4	Quality	1	Similar condition
Comparability Factor		0.25	

\*Does not include 3BR units as the rent differential is greater than 20 percent. The comparables' rents are compared to the unrestricted units at the Subject.

<b>Competitive Property Analysis</b>			
Savannah Gardens III - Under Construction		Percent	Comments
1	Location	1	Inferior location
2	Affordability	1	More affordable
3	Property Type	1	Inferior amenities
4	Quality	1	Inferior condition to Subject
Comparability Factor		1	

It should be noted that select rents at Springs at Chatham Parkway and Walden at Chatham Center have a rent differential greater than 20 percent when compared to the Subject's proposed unrestricted rents. Therefore, the comparability factor has not been applied to these units as they are not directly competitive with the Subject in terms of affordability.

**Competitive Property Analysis**

Property Name	Total Number of Units*	Comparability Factor	Units to be Deducted from Demand
Heritage Place	86	0.25	22
Oaks at Brandlewood	300	0.25	75
Ashley Midtown I	100	1.00	100
Heritage Corner & Heritage Row	64	0.25	16
Montgomery Landing	108	1.00	108
Ashley Midtown II	18	1.00	18
Sustainable Fellwood I	66	1.00	66
Sustainable Fellwood II	38	1.00	38
Savannah Gardens I	101	1.00	101
Chelsea Apartments at Five Points	136	0.06	9
Jasmine Place	112	0.06	7
Springs at Chatham Parkway	242	0.50	121
Walden at Chatham Center	208	0.25	52
Savannah Gardens III	94	1.00	94
<b>TOTAL</b>	<b>1,673</b>		<b>827</b>

\*Total number of comparable units by bedroom type and AMI level

The following table illustrates the total number of units removed based on existing properties as well as new properties to the market area built since 2010.

<b>Additions To Supply (Cumulative)/Existing Units</b>	<b>50%</b>	<b>60%</b>	<b>Unrestricted</b>	<b>Overall</b>
One Bedroom	20	68	120	208
Two Bedroom	71	191	158	420
Three Bedroom	38	116	45	199
<b>Total</b>	<b>129</b>	<b>375</b>	<b>323</b>	<b>827</b>

**Rehab Developments and PBRA**

For any properties that are rehab developments, the capture rates will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet.

Units that are subsidized with PBRA or whose rents are more than 20 percent lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10 percent of total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30 percent lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.

**Capture Rates**

The above calculations and derived capture rates are illustrated in the following tables.

## Savannah Gardens Phase IV, Savannah, GA; Market Study

Renter Household Income Distribution 2000 to Projected Market Entry June 2014									
Savannah Gardens IV									
PMA									
	2000		2010		Projected Mkt Entry June 2014		Percent		Growth
	#	%	#	%	#	%			
\$0-9,999	4,736	29.7%	4,643	27.1%	4,594	26.1%			-1.1%
\$10,000-19,999	3,888	24.4%	3,859	22.5%	3,831	21.7%			-0.7%
\$20,000-29,999	2,821	17.7%	2,923	17.1%	2,956	16.8%			1.1%
\$30,000-39,999	1,633	10.2%	1,886	11.0%	2,003	11.4%			5.9%
\$40,000-49,999	1,038	6.5%	1,112	6.5%	1,123	6.4%			1.0%
\$50,000-59,999	591	3.7%	862	5.0%	893	5.1%			3.5%
\$60,000-74,999	440	2.8%	658	3.8%	646	3.7%			-1.8%
\$75,000-99,999	392	2.5%	737	4.3%	841	4.8%			12.3%
\$100,000+	396	2.5%	450	2.6%	730	4.1%			38.4%
Total	15,933	100.0%	17,130	100.0%	17,619	100.0%			2.8%

Renter Household Income Distribution Projected Market Entry June 2014			
Savannah Gardens IV			
PMA			
	Projected Mkt Entry June 2014		Change 2000 to Prj Mkt Entry June 2014
	#	%	#
\$0-9,999	4,594	26.1%	440
\$10,000-19,999	3,831	21.7%	367
\$20,000-29,999	2,956	16.8%	283
\$30,000-39,999	2,003	11.4%	192
\$40,000-49,999	1,123	6.4%	107
\$50,000-59,999	893	5.1%	85
\$60,000-74,999	646	3.7%	62
\$75,000-99,999	841	4.8%	80
\$100,000+	730	4.1%	70
Total	17,619	100.0%	1,686

Tenure Prj Mkt Entry June 2014	
Renter	54.2%
Owner	45.8%
Total	100.0%

Renter Household Size for Prj Mkt Entry June 2014		
Size	Number	Percentage
1	6,991	39.7%
2	3,985	22.6%
3	2,632	14.9%
4	1,864	10.6%
5+	2,147	12.2%
Total	17,619	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1	5,937	37.3%
2	3,842	24.1%
3	2,466	15.5%
4	1,686	10.6%
5+	2,002	12.6%
Total	15,933	100.0%

# Savannah Gardens Phase IV, Savannah, GA; Market Study

## 50% AMI

**Calculation of Potential Household Demand by Income Cohort by % of AMI**

Percent of AMI Level		50%				
Minimum Income Limit		\$19,269				
Maximum Income Limit		\$32,850 5 Persons				
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	Count	Percentage				
\$0-9,999	440	26.1%		0.0%	0	
\$10,000-19,999	367	21.7%	730	7.3%	27	
\$20,000-29,999	283	16.8%	9,999	100.0%	283	
\$30,000-39,999	192	11.4%	2,850	28.5%	55	
\$40,000-49,999	107	6.4%		0.0%	0	
\$50,000-59,999	85	5.1%		0.0%	0	
\$60,000-74,999	62	3.7%		0.0%	0	
\$75,000-99,999	80	4.8%		0.0%	0	
\$100,000+	70	4.1%		0.0%	0	
	1,686	100.0%			364	
Percent of renter households within limits versus total number of renter households					21.61%	

**Calculation of New Renter Household Demand by Income Cohort by % of AMI**

Percent of AMI Level		50%				
Minimum Income Limit		\$19,269				
Maximum Income Limit		\$32,850 5 Persons				
Income Category	Total Renter Households PMA Prj Mkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket	
	Count	Percentage				
\$0-9,999	4,594	26.1%	0	0.0%	0	
\$10,000-19,999	3,831	21.7%	730	7.3%	280	
\$20,000-29,999	2,956	16.8%	9,999	100.0%	2,956	
\$30,000-39,999	2,003	11.4%	2,850	28.5%	571	
\$40,000-49,999	1,123	6.4%	0	0.0%	0	
\$50,000-59,999	893	5.1%	0	0.0%	0	
\$60,000-74,999	646	3.7%	0	0.0%	0	
\$75,000-99,999	841	4.8%	0	0.0%	0	
\$100,000+	730	4.1%	0	0.0%	0	
	17,619	100.0%			3,807	
Percent of renter households within limits versus total number of renter households					21.61%	

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Projected Mkt Entry June 2014 Median Income

Change from 2000 to Prj Mkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No	
Family	
Urban	
35%	
\$24,948	
\$35,668	
\$10,720	
43.0%	
7.2%	
7.2%	Two year adjustment 1.0000
\$32,850	
\$32,850	
5 Persons	
50%	
\$562	
\$562.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		50%
New Renter Households PMA		1,686
Percent Income Qualified		21.6%
New Renter Income Qualified Households		364

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand form Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		17,619
Income Qualified		21.6%
Income Qualified Renter Households		3,807
Percent Rent Overburdened Prj Mrkt Entry June 2014		38.1%
Rent Overburdened Households		1450

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,807
Percent Living in Substandard Housing		1.2%
Households Living in Substandard Housing		46

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		1,496
Adjustment Factor - Leakage from SMA	115%	224
Adjusted Demand from Existing Households		1721
Total New Demand		364
Total Demand (New Plus Existing Households)		2,085

By Bedroom Demand

One Person	39.7%	827
Two Persons	22.6%	472
Three Persons	14.9%	311
Four Persons	10.6%	221
Five Persons	12.2%	254
Total	100.0%	2,085

## Savannah Gardens Phase IV, Savannah, GA; Market Study

### To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	745
Of two-person households in 1BR units	20%	94
Of one-person households in 2BR units	10%	83
Of two-person households in 2BR units	80%	377
Of three-person households in 2BR units	60%	187
Of three-person households in 3BR units	40%	125
Of four-person households in 3BR units	80%	176
Of five-person households in 3BR units	70%	178
Of four-person households in 4BR units	20%	44
Of five-person households in 4BR units	30%	76
<b>Total Demand</b>		<b>2,085</b>
Check		OK

<b>Total Demand by Bedroom</b>	<b>50%</b>
1 BR	839
2 BR	647
3 BR	479
<b>Total Demand</b>	<b>1,965</b>

<b>Additions To Supply 2010 to Prj Mrkt Entry June 2014</b>	<b>50%</b>
1 BR	20
2 BR	71
3 BR	38
<b>Total</b>	<b>129</b>

<b>Net Demand</b>	<b>50%</b>
1 BR	819
2 BR	576
3 BR	441
<b>Total</b>	<b>1,836</b>

<b>Developer's Unit Mix</b>	<b>50%</b>
1 BR	3
2 BR	13
3 BR	7
<b>Total</b>	<b>23</b>

<b>Capture Rate Analysis</b>	<b>50%</b>
1 BR	0.4%
2 BR	2.3%
3 BR	1.6%
<b>Total</b>	<b>1.3%</b>

60%AMI

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%			
Minimum Income Limit			\$23,211			
Maximum Income Limit			\$39,420 5 Persons			
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	June 2014					
\$0-9,999	440	26.1%		0.0%	0	
\$10,000-19,999	367	21.7%		0.0%	0	
\$20,000-29,999	283	16.8%	6,788	67.9%	192	
\$30,000-39,999	192	11.4%	9,420	94.2%	181	
\$40,000-49,999	107	6.4%		0.0%	0	
\$50,000-59,999	85	5.1%		0.0%	0	
\$60,000-74,999	62	3.7%		0.0%	0	
\$75,000-99,999	80	4.8%		0.0%	0	
\$100,000+	70	4.1%		0.0%	0	
	1,686	100.0%			373	
Percent of renter households within limits versus total number of renter households			22.10%			

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%			
Minimum Income Limit			\$23,211			
Maximum Income Limit			\$39,420 5 Persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket	
	June 2014					
\$0-9,999	4,594	26.1%	0	0.0%	0	
\$10,000-19,999	3,831	21.7%	0	0.0%	0	
\$20,000-29,999	2,956	16.8%	6,788	67.9%	2,006	
\$30,000-39,999	2,003	11.4%	9,420	94.2%	1,887	
\$40,000-49,999	1,123	6.4%	0	0.0%	0	
\$50,000-59,999	893	5.1%	0	0.0%	0	
\$60,000-74,999	646	3.7%	0	0.0%	0	
\$75,000-99,999	841	4.8%	0	0.0%	0	
\$100,000+	730	4.1%	0	0.0%	0	
	17,619	100.0%			3,894	
Percent of renter households within limits versus total number of renter households			22.10%			

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Projected Mkt Entry June 2014 Median Income

Change from 2000 to Prj Mrkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
35%		
\$24,948		
\$35,668		
\$10,720		
43.0%		
7.2%		
7.2%	Two year adjustment	1.0000
\$39,420		
\$39,420		
5 Persons		
60%		
\$677		
\$677.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		60%
New Renter Households PMA		1,686
Percent Income Qualified		22.1%
New Renter Income Qualified Households		373

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		17,619
Income Qualified		22.1%
Income Qualified Renter Households		3,894
Percent Rent Overburdened Prj Mrkt Entry June 2014		38.1%
Rent Overburdened Households		1484

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		3,894
Percent Living in Substandard Housing		1.2%
Households Living in Substandard Housing		47

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		1,530
Adjustment Factor - Leakage from SMA	115%	230
Adjusted Demand from Existing Households		1760
Total New Demand		373
Total Demand (New Plus Existing Households)		2,133

By Bedroom Demand

One Person	39.7%	846
Two Persons	22.6%	482
Three Persons	14.9%	319
Four Persons	10.6%	226
Five Persons	12.2%	260
Total	100.0%	2,133

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	762
Of two-person households in 1BR units	20%	96
Of one-person households in 2BR units	10%	85
Of two-person households in 2BR units	80%	386
Of three-person households in 2BR units	60%	191
Of three-person households in 3BR units	40%	127
Of four-person households in 3BR units	80%	181
Of five-person households in 3BR units	70%	182
Of four-person households in 4BR units	20%	45
Of five-person households in 4BR units	30%	78

Total Demand 2,133

Check OK

Total Demand by Bedroom 60%

1 BR 858

2 BR 662

3 BR 490

Total Demand 2,010

Additions To Supply 2010 to Prj Mrkt Entry June 2014 60%

1 BR 68

2 BR 191

3 BR 116

Total 375

Net Demand 60%

1 BR 790

2 BR 471

3 BR 374

Total 1,635

Developer's Unit Mix 60%

1 BR 6

2 BR 39

3 BR 22

Total 67

Capture Rate Analysis 60%

1 BR 0.8%

2 BR 8.3%

3 BR 5.9%

Total 4.1%

Market Rate

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Market Rate			
Minimum Income Limit			\$23,143			
Maximum Income Limit			\$52,560 5 Persons			
Income Category	New Renter Households - Total Change in Households PMA 2000 to Pj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket	
	Count	Percentage			Count	Percentage
\$0-9,999	440	26.1%		0.0%	0	
\$10,000-19,999	367	21.7%		0.0%	0	
\$20,000-29,999	283	16.8%	6,856	68.6%	194	
\$30,000-39,999	192	11.4%	9,999	100.0%	192	
\$40,000-49,999	107	6.4%	9,999	100.0%	107	
\$50,000-59,999	85	5.1%	\$2,560	25.6%	22	
\$60,000-74,999	62	3.7%		0.0%	0	
\$75,000-99,999	80	4.8%		0.0%	0	
\$100,000+	70	4.1%		0.0%	0	
	1,686	100.0%				515
Percent of renter households within limits versus total number of renter households						30.55%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Market Rate			
Minimum Income Limit			\$23,143			
Maximum Income Limit			\$52,560 5 Persons			
Income Category	Total Renter Households PMA Pj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket	
	Count	Percentage			Count	Percentage
\$0-9,999	4,594	26.1%	0	0.0%	0	
\$10,000-19,999	3,831	21.7%	0	0.0%	0	
\$20,000-29,999	2,956	16.8%	6,856	68.6%	2,027	
\$30,000-39,999	2,003	11.4%	9,999	100.0%	2,003	
\$40,000-49,999	1,123	6.4%	9,999	100.0%	1,123	
\$50,000-59,999	893	5.1%	2,560	25.6%	229	
\$60,000-74,999	646	3.7%	0	0.0%	0	
\$75,000-99,999	841	4.8%	0	0.0%	0	
\$100,000+	730	4.1%	0	0.0%	0	
	17,619	100.0%				5,382
Percent of renter households within limits versus total number of renter households						30.55%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Projected Mkt Entry June 2014 Median Income

Change from 2000 to Pj Mrkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Urban		
	35%	
	\$24,948	
	\$35,668	
	\$10,720	
	43.0%	
	7.2%	
Two year adjustment		1.0000
	\$52,560	
	\$52,560	
	5 Persons	
	Market Rate	
	\$675	
	\$675.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

	Market Rate
Income Target Population	
New Renter Households PMA	1,686
Percent Income Qualified	30.5%
New Renter Income Qualified Households	515

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand from Rent Overburdened Households

	Market Rate
Income Target Population	
Total Existing Demand	17,619
Income Qualified	30.5%
Income Qualified Renter Households	5,382
Percent Rent Overburdened Prj Mrkt Entry June 2014	38.1%
Rent Overburdened Households	2051

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households	5,382
Percent Living in Substandard Housing	1.2%
Households Living in Substandard Housing	65

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

	Market Rate
Income Target Population	
Total Senior Homeowners	0
Rural Versus Urban	2.0%
Senior Demand Converting from Homeownership	0

Total Demand

Total Demand from Existing Households		2,115
Adjustment Factor - Leakage from SMA	115%	317
Adjusted Demand from Existing Households		2432
Total New Demand		515
Total Demand (New Plus Existing Households)		2,947

By Bedroom Demand

One Person	39.7%	1,169
Two Persons	22.6%	667
Three Persons	14.9%	440
Four Persons	10.6%	312
Five Persons	12.2%	359
Total	100.0%	2,947

## Savannah Gardens Phase IV, Savannah, GA; Market Study

### To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	1,052
Of two-person households in 1BR units	20%	133
Of one-person households in 2BR units	10%	117
Of two-person households in 2BR units	80%	533
Of three-person households in 2BR units	60%	264
Of three-person households in 3BR units	40%	176
Of four-person households in 3BR units	80%	249
Of five-person households in 3BR units	70%	251
Of four-person households in 4BR units	20%	62
Of five-person households in 4BR units	30%	108
<b>Total Demand</b>		<b>2,947</b>
Check		OK

Total Demand by Bedroom	Market Rate
1 BR	1,186
2 BR	914
3 BR	677
<b>Total Demand</b>	<b>2,777</b>

Additions To Supply 2010 to Prj Mrkt Entry June 2014	Market Rate
1 BR	120
2 BR	158
3 BR	45
<b>Total</b>	<b>323</b>

Net Demand	Market Rate
1 BR	1,066
2 BR	756
3 BR	632
<b>Total</b>	<b>2,454</b>

Developer's Unit Mix	Market Rate
1 BR	3
2 BR	13
3 BR	7
<b>Total</b>	<b>23</b>

Capture Rate Analysis	Market Rate
1 BR	0.3%
2 BR	1.7%
3 BR	1.1%
<b>Total</b>	<b>0.9%</b>

# Savannah Gardens Phase IV, Savannah, GA; Market Study

## Overall

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$19,269		
Maximum Income Limit			\$52,560 5 Persons		
Income Category	New Renter Households - Total Change in Households PMA 2000 to Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Count	Percentage			
\$0-9,999	440	26.1%		0.0%	0
\$10,000-19,999	367	21.7%	730	7.3%	27
\$20,000-29,999	283	16.8%	9,999	100.0%	283
\$30,000-39,999	192	11.4%	9,999	100.0%	192
\$40,000-49,999	107	6.4%	9,999	100.0%	107
\$50,000-59,999	85	5.1%	\$2,560	25.6%	22
\$60,000-74,999	62	3.7%		0.0%	0
\$75,000-99,999	80	4.8%		0.0%	0
\$100,000+	70	4.1%		0.0%	0
	1,686	100.0%			631
Percent of renter households within limits versus total number of renter households					37.41%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$19,269		
Maximum Income Limit			\$52,560 5 Persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2014		Income Brackets	Percent within Cohort	Households within Bracket
	Count	Percentage			
\$0-9,999	4,594	26.1%	0	0.0%	0
\$10,000-19,999	3,831	21.7%	730	7.3%	280
\$20,000-29,999	2,956	16.8%	9,999	100.0%	2,956
\$30,000-39,999	2,003	11.4%	9,999	100.0%	2,003
\$40,000-49,999	1,123	6.4%	9,999	100.0%	1,123
\$50,000-59,999	893	5.1%	2,560	25.6%	229
\$60,000-74,999	646	3.7%	0	0.0%	0
\$75,000-99,999	841	4.8%	0	0.0%	0
\$100,000+	730	4.1%	0	0.0%	0
	17,619	100.0%			6,591
Percent of renter households within limits versus total number of renter households					37.41%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

Projected Mkt Entry June 2014 Median Income

Change from 2000 to Prj Mrkt Entry June 2014

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No	
Family	
Urban	
35%	
\$24,948	
\$35,668	
\$10,720	
43.0%	
7.2%	
7.2%	Two year adjustment 1.0000
\$52,560	
\$52,560	
5 Persons	
Overall	
\$562	
\$562.00	

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	90%	10%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2000 to Prj Mrkt Entry June 2014

Income Target Population		Overall
New Renter Households PMA		1,686
Percent Income Qualified		37.4%
New Renter Income Qualified Households		631

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2000

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		17,619
Income Qualified		37.4%
Income Qualified Renter Households		6,591
Percent Rent Overburdened Prj Mrkt Entry June 2014		38.1%
Rent Overburdened Households		2511

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		6,591
Percent Living in Substandard Housing		1.2%
Households Living in Substandard Housing		79

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	2.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		2,590
Adjustment Factor - Leakage from SMA	115%	389
Adjusted Demand from Existing Households		2979
Total New Demand		631
Total Demand (New Plus Existing Households)		3,609

By Bedroom Demand

One Person	39.7%	1,432
Two Persons	22.6%	816
Three Persons	14.9%	539
Four Persons	10.6%	382
Five Persons	12.2%	440
Total	100.0%	3,609

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	90%	1,289
Of two-person households in 1BR units	20%	163
Of one-person households in 2BR units	10%	143
Of two-person households in 2BR units	80%	653
Of three-person households in 2BR units	60%	323
Of three-person households in 3BR units	40%	216
Of four-person households in 3BR units	80%	305
Of five-person households in 3BR units	70%	308
Of four-person households in 4BR units	20%	76
Of five-person households in 4BR units	30%	132
<b>Total Demand</b>		<b>3,609</b>
Check		OK

<b>Total Demand by Bedroom</b>	<b>Overall</b>
1 BR	1,452
2 BR	1,120
3 BR	829
<b>Total Demand</b>	<b>3,401</b>

<b>Additions To Supply 2010 to Prj Mrkt Entry June 2014</b>	<b>Overall</b>
1 BR	208
2 BR	420
3 BR	199
<b>Total</b>	<b>827</b>

<b>Net Demand</b>	<b>Overall</b>
1 BR	1,244
2 BR	700
3 BR	630
<b>Total</b>	<b>2,574</b>

<b>Developer's Unit Mix</b>	<b>Overall</b>
1 BR	12
2 BR	65
3 BR	36
<b>Total</b>	<b>113</b>

<b>Capture Rate Analysis</b>	<b>Overall</b>
1 BR	1.0%
2 BR	9.3%
3 BR	5.7%
<b>Total</b>	<b>4.4%</b>

**Conclusions**

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. The following tables summarize the demand analysis and the Subject's capture rates by unit type.

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50%	\$19,269-\$24,350	3	839	20	0.4%	10 months	\$433	\$361-\$488	\$455
2BR at 50%	\$23,314-\$29,220	13	647	71	2.3%	10 months	\$509	\$442-\$590	\$555
3BR at 50%	\$26,846-\$32,850	7	479	38	1.6%	10 months	\$581	\$511-\$668	\$626
1BR at 60%	\$23,211-\$29,220	6	858	68	0.8%	10 months	\$541	\$434-\$573	\$570
2BR at 60%	\$27,943-\$32,880	39	662	191	8.3%	10 months	\$644	\$523-\$690	\$690
3BR at 60%	\$32,331-\$39,420	22	490	116	5.9%	10 months	\$732	\$564-\$785	\$786
1BR Unrestricted	\$23,143-\$38,960	3	1,186	120	0.3%	10 months	\$809	\$590-\$972	\$675
2BR Unrestricted	\$26,571-\$43,840	13	914	158	1.7%	10 months	\$855	\$625-\$1,090	\$775
3BR Unrestricted	\$30,000-\$52,560	7	677	45	1.1%	10 months	\$980	\$777-\$1,293	\$875

**Demand and Net Demand**

	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	HH > 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	364	373	515	631
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	46	47	65	79
<b>PLUS</b>	+	+	+	+
Demand from Existing Renter Housholds - Rent Overburdened Households	1450	1484	2051	2511
<b>PLUS</b>	+	+	+	+
<b>Secondary Market Demand adjustment IF ANY Subject to 15% Limitation</b>	<b>224</b>	<b>230</b>	<b>317</b>	<b>389</b>
<b>Sub Total</b>	<b>2,085</b>	<b>2,133</b>	<b>2,947</b>	<b>3,609</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicatble)	0	0	0	0
<b>Equals Total Demand</b>	<b>2,085</b>	<b>2,133</b>	<b>2,947</b>	<b>3,609</b>
<b>Less</b>	-	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market between 2010 and the present	129	375	323	827
<b>Equals Net Demand</b>	<b>1,956</b>	<b>1,758</b>	<b>2,624</b>	<b>2,782</b>

The Subject's capture rates at the 50 percent AMI level will range from 0.4 to 2.3 percent, with an overall capture rate of 1.3 percent. The Subject's 60 percent AMI capture rates range from 0.8 to 8.3 percent, with an overall capture rate of 4.1 percent. And, the Subject's capture rates for the unrestricted units range from 0.3 to 1.7 percent, with an overall capture rate of 0.9 percent. The Subject's overall capture rate is 4.4 percent. Therefore, we believe there is ample demand for the Subject.

## **H. COMPETITIVE RENTAL ANALYSIS**

### **Survey of Comparable Projects**

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. Our competitive survey includes 13 “true” comparable properties containing 1,979 units. A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided in the addenda. A map illustrating the location of the Subject in relation to comparable properties is also provided in the addenda. The properties are further profiled in the following write-ups. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

The availability of LIHTC is considered adequate. There are eight multi-family LIHTC properties located within the PMA. In addition to these, we have included one LIHTC comparable, Oaks at Brandlewood, which is located just outside the PMA, is in good condition, and will likely compete with the Subject. We have included two unrestricted properties located within the PMA; however, these properties are inferior to the Subject in age/condition; therefore, we have supplemented the unrestricted rent discussion with two newer unrestricted properties located just outside the PMA: Walden at Chatham Center and Springs at Chatham. Further, five of the LIHTC properties offer unrestricted units. Therefore, we consider the availability of market data to be good. The market rate comparable Alhambra Apartments was included as a comparable in our market studies for Phases I and III of the Subject in 2009 and 2010. However, it has been excluded as a comparable in our current market study as management would not comment on the property’s current operations. This property is older and will be significantly inferior to the Subject in terms of age and condition. The exclusion from this property from our supply analysis will not have an impact on our overall market conclusions.

### **General Market Overview/Included/Excluded Properties**

The following table illustrates properties that are within the PMA or a similar market areas. The table highlights vacancy. Some of these properties have been included as “true comparables.”

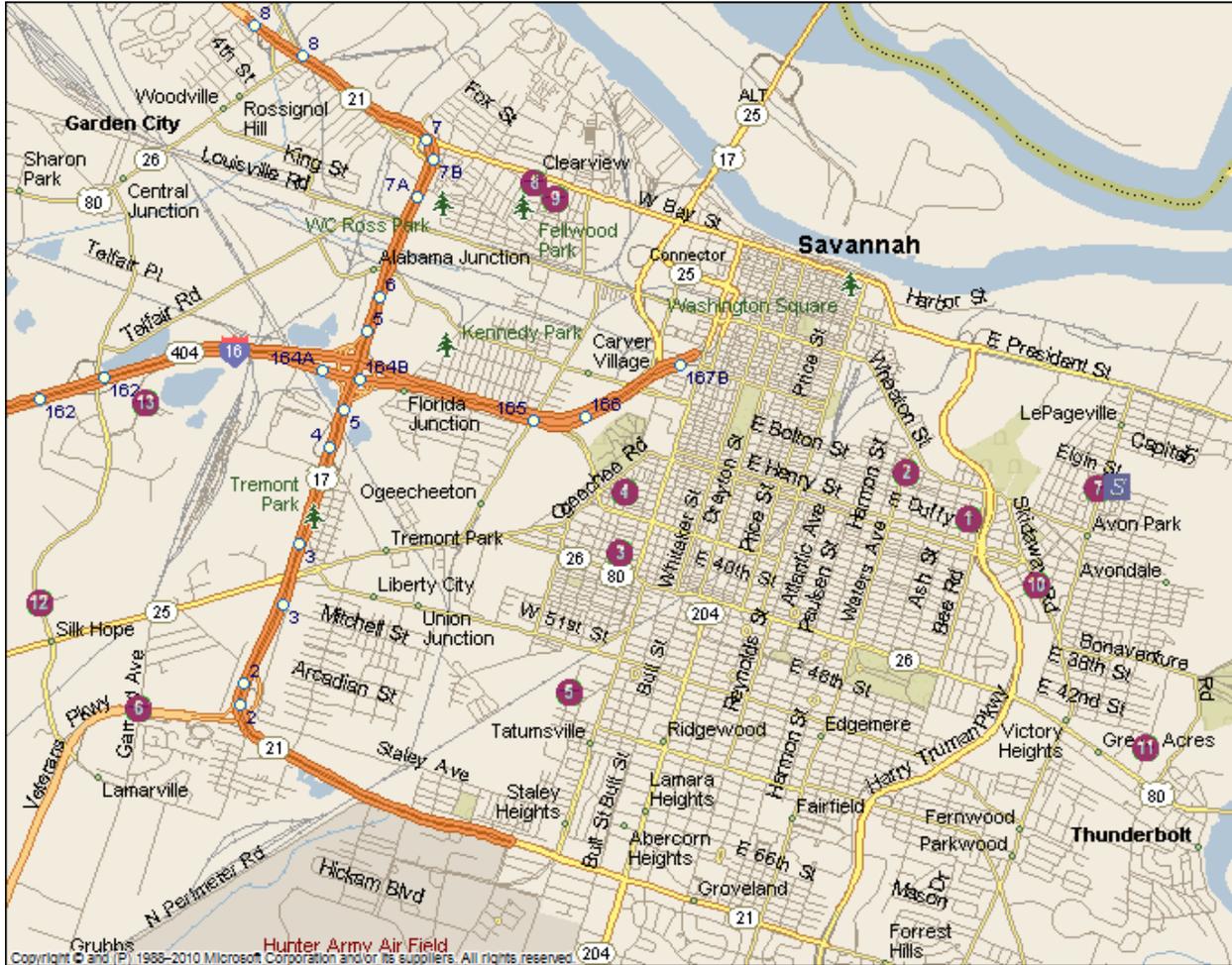
GENERAL MARKET OVERVIEW

Property	Type	Tenancy	Occupancy*	Included/Excluded	Reason for Exclusion	Distance from Subject
Green Growth 1	Market, HoDAG	Family	100%	Excluded	More comparable properties available	2.1 miles
Courtney Station Apartments	Market, HoDAG	Family	80%	Excluded	Management unavailable	3.1 miles
Cars V Inc	Section 8	Disabled	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.0 miles
Chatham Assoc For Res Sev Inc I	Section 8	Disabled	N/Av	Excluded	Rent subsidized; tenancy not comparable	1.0 miles
Chatham Assoc For Res Sev Inc II	Section 8	Disabled	N/Av	Excluded	Rent subsidized; tenancy not comparable	3.4 miles
Georgia Infirmiry A/ Habersham Place	Section 8	Disabled	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.6 miles
Georgia Infirmiry B/ Habersham Place	Section 8	Disabled	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.6 miles
Ponderosa Forest Apts	Section 8	Family	N/Av	Excluded	Rent Subsidized	2.8 miles
Presidential Plaza I	Section 8	Family	N/Av	Excluded	Rent Subsidized	1.0 miles
Presidential Plaza II	Section 8	Family	N/Av	Excluded	Rent Subsidized	1.0 miles
SNAP I, II, III	LIHTC/Section 8	Family	N/Av	Excluded	Rent Subsidized	2.5 miles
St. Johns Villa Apartments	Section 8	Elderly	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.1 miles
Thomas Francis Williams Court Apts	Section 8	Elderly	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.8 miles
Telfair Arms	LIHTC/Section 8	Elderly	N/Av	Excluded	Rent subsidized; tenancy not comparable	2.7 miles
The Verandas	LIHTC/PHA/Market	Elderly	N/Av	Excluded	Tenancy not comparable	1.3 miles
Sisters Court	LIHTC	Elderly	94%	Excluded	Tenancy not comparable	2.9 miles
Veranda at Midtown	Market, PBRA	Elderly	98%	Excluded	Tenancy not comparable	1.2 miles
Rose of Sharon	LIHTC	Elderly	98%	Excluded	Tenancy not comparable	2.5 miles
East Huntingdon Street Housing	LIHTC	Family	N/Av	Excluded	Only 14 units	2.0 miles
Sustainable Fellwood I	LIHTC/PHA/Market	Family	97%	Included	Included	4.4 miles
Sustainable Fellwood II	LIHTC/PHA/Market	Family	100%	Included	Included	4.4 miles
Sustainable Fellwood III	LIHTC/PHA/Market	Elderly	90%	Excluded	Tenancy not comparable	4.4 miles
Heritage Place	LIHTC	Family	98%	Included	Included	3.4 miles
Heritage Corner & Heritage Row	LIHTC	Family	91%	Included	Included	4.2 miles
Montgomery Landing	LIHTC	Family	99%	Included	Included	4.9 miles
Ashley Midtown I	LIHTC/PHA/Market	Family	100%	Included	Included	1.3 miles
Ashley Midtown II	LIHTC/PHA/Market	Family	95%	Included	Included	1.3 miles
Savannah Gardens I**	LIHTC	Family	70%	Included	Included	0.0 miles
Chelesea Apartments at Five Points	Market	Family	96%	Included	Included	1.2 miles
Jasmine Apartments	Market	Family	88%	Included	Included	2.1 miles
<b>Average Stabilized Properties</b>			95%			
<b>Average All Properties</b>			93%			

\*Occupancy rates within the past 12 months

\*\*In lease up

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Distance
1	Ashley Midtown Apartments	Savannah	LIHTC/Market	1.4 miles
2	Ashley Midtown Phase II	Savannah	LIHTC/PH	1.6 miles
3	Heritage Corner & Heritage Row	Savannah	LIHTC	4.4 miles
4	Heritage Place	Savannah	LIHTC	5.1 miles
5	Montgomery Landing	Savannah	LIHTC/Market	5.0 miles
6	Oaks At Brandlewood	Savannah	LIHTC/Market	7.6 miles
7	Savannah Gardens Phase I	Savannah	LIHTC	0.1 miles
8	Sustainable Fellwood I	Savannah	LIHTC/PH/Market	4.6 miles
9	Sustainable Fellwood II	Savannah	LIHTC/PBRA/PH/Market	4.5 miles
10	Chelsea Apartments At Five Points	Savannah	Market	1.2 miles
11	Jasmine Place	Savannah	Market	2.1 miles
12	Springs At Chatham Parkway	Savannah	Market	7.9 miles
13	Walden At Chatham Center	Savannah	Market	8.8 miles

1. The following tables illustrate detailed information in a comparable framework for the Subject and the comparable properties.

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate
Subject	Savannah Gardens IV 514 Pennsylvania Ave Savannah, GA 31404 Chatham County	n/a	Garden 2014	50%, 60%, Market, Non- Rental	1BR / 1BA	3	2.60%	50%	\$455	860	no		N/A	N/A
					1BR / 1BA	6	5.30%	60%	\$570	860	no	N/A	N/A	
					1BR / 1BA	3	2.60%	Market	\$675	860	n/a	N/A	N/A	
					2BR / 2BA	13	11.40%	50%	\$555	1,031	no	N/A	N/A	
					2BR / 2BA	39	34.20%	60%	\$690	1,031	no	N/A	N/A	
					2BR / 2BA	13	11.40%	Market	\$775	1,031	n/a	N/A	N/A	
					2BR / 2BA	1	0.90%	Non-Rental	N/A	1,031	n/a	N/A	N/A	
					3BR / 2BA	7	6.10%	50%	\$626	1,225	no	N/A	N/A	
					3BR / 2BA	22	19.30%	60%	\$786	1,225	no	N/A	N/A	
					3BR / 2BA	7	6.10%	Market	\$875	1,225	n/a	N/A	N/A	
										114	100%			
1	Ashley Midtown Apartment 1518 E Park Avenue Savannah, GA 31404 Chatham County	1.4 miles	Various (2 stories) 2004	30%, 50%, 60%, Market	2BR / 1BA (Garden)	7	4.20%	30%	N/A	1,269	n/a	Yes	0	0.00%
					2BR / 1BA (Garden)	6	3.60%	50%	N/A	1,276	n/a	Yes	0	0.00%
					2BR / 1BA (Garden)	13	7.70%	60%	\$675	1,269	yes	No	0	0.00%
					2BR / 1BA (Garden)	6	3.60%	Market	\$809	1,411	n/a	No	0	0.00%
					2BR / 1.5BA (Townhouse)	17	10.10%	30%	N/A	1,276	n/a	Yes	0	0.00%
					2BR / 1.5BA (Townhouse)	13	7.70%	50%	N/A	1,254	n/a	Yes	0	0.00%
					2BR / 1.5BA (Townhouse)	33	19.60%	60%	\$675	1,276	yes	No	0	0.00%
					2BR / 1.5BA (Townhouse)	17	10.10%	Market	\$809	1,146	n/a	No	0	0.00%
					3BR / 2BA (Garden)	2	1.20%	30%	N/A	1,377	n/a	Yes	0	0.00%
					3BR / 2BA (Garden)	7	4.20%	50%	N/A	1,377	n/a	Yes	0	0.00%
					3BR / 2BA (Garden)	4	2.40%	60%	\$762	1,377	yes	No	0	0.00%
					3BR / 2BA (Garden)	3	1.80%	Market	\$895	1,200	n/a	No	0	0.00%
					3BR / 2.5BA (Townhouse)	6	3.60%	30%	N/A	1,467	n/a	Yes	0	0.00%
					3BR / 2.5BA (Townhouse)	10	6.00%	50%	N/A	1,467	n/a	Yes	0	0.00%
					3BR / 2.5BA (Townhouse)	15	8.90%	60%	\$762	1,467	yes	No	0	0.00%
					3BR / 2.5BA (Townhouse)	9	5.40%	Market	\$895	1,300	n/a	No	0	0.00%
										168	100%			
2	Ashley Midtown Phase I 1110 Graydon Avenue Savannah, GA 31404 Chatham County	1.6 miles	Townhouse 2008 / n/a	@30% (Public Housing), @60%	2BR / 1BA	2	5.30%	@60%	\$661	1,214	no	No	1	50.00%
					2BR / 1.5BA	10	26.30%	@30%	N/A	1,226	n/a	Yes	0	0.00%
					2BR / 1.5BA	6	15.80%	@60%	\$661	1,238	no	No	0	0.00%
					3BR / 2BA	10	26.30%	@30%	N/A	1,407	n/a	Yes	0	0.00%
					3BR / 2BA	1	2.60%	@60%	\$752	1,340	no	No	0	0.00%
					3BR / 2BA	8	21.10%	@60%	\$752	1,400	no	No	1	12.50%
					3BR / 2BA	1	2.60%	@60%	\$752	1,482	no	No	0	0.00%
										38	100%			
3	Heritage Corner & Heritage Row 642 W 41st Street & 824 West 35th Street Savannah, GA 31415 Chatham County	4.4 miles	Garden (2 stories) 2005/2006	30%, 50%, 60%	1BR / 1BA	4	5.70%	@30%	\$175	750	no	None	N/A	N/A
					2BR / 2BA	1	1.40%	@30%	\$212	900	no	None	N/A	N/A
					2BR / 2BA	31	44.30%	@50%	\$449	900	no	None	N/A	N/A
					2BR / 2BA	17	24.30%	@60%	\$568	900	no	None	N/A	N/A
					3BR / 2BA	1	1.40%	@30%	\$240	1,050	no	None	N/A	N/A
					3BR / 2BA	12	17.10%	@50%	\$516	1,050	no	None	N/A	N/A
					3BR / 2BA	4	5.70%	@60%	\$634	1,050	no	None	N/A	N/A
										70	100%			
4	Heritage Place 700 W 35th Street Savannah, GA 31415 Chatham County	5.1 miles	Conversion 2002	50%, 60%, Non- Rental	1BR / 1BA	16	18.20%	@50%	\$361	750	no	None	0	0.00%
					1BR / 1BA	11	12.50%	@60%	\$434	750	no	None	1	9.10%
					2BR / 2BA	26	29.50%	@50%	\$442	900	no	None	0	0.00%
					2BR / 2BA	15	17.00%	@60%	\$523	900	no	None	0	0.00%
					2BR / 2BA	2	2.30%	Non-Rental	N/A	900	n/a	N/A	N/A	
					3BR / 2BA	12	13.60%	@50%	\$511	1,050	no	None	1	8.30%
					3BR / 2BA	6	6.80%	@60%	\$564	1,050	no	None	0	0.00%
										88	100%			
5	Montgomery Landing 714 W 57th St Savannah, GA 31405 Chatham County	5 miles	Garden (2 stories) 2005	30%, 50%, 60%, Market	1BR / 1BA	1	0.70%	@30%	\$248	792	yes	No	0	0.00%
					1BR / 1BA	4	2.80%	@50%	\$488	792	yes	No	0	0.00%
					1BR / 1BA	7	4.90%	@60%	\$568	792	yes	No	0	0.00%
					1BR / 1BA	4	2.80%	Market	\$615	792	n/a	No	0	0.00%
					2BR / 2BA	9	6.20%	@30%	\$302	1,062	yes	No	0	0.00%
					2BR / 2BA	16	11.10%	@50%	\$590	1,062	no	No	0	0.00%
					2BR / 2BA	12	8.30%	@60%	\$672	1,062	no	No	0	0.00%
					2BR / 2BA	11	7.60%	Market	\$725	1,062	n/a	No	0	0.00%
					3BR / 2BA	4	2.80%	@30%	\$335	1,267	yes	No	0	0.00%
					3BR / 2BA	21	14.60%	@50%	\$668	1,267	no	No	1	4.80%
					3BR / 2BA	29	20.10%	@60%	\$765	1,267	no	No	1	3.40%
					3BR / 2BA	10	6.90%	Market	\$800	1,267	no	No	0	0.00%
					4BR / 2BA	1	0.70%	@30%	\$283	1,428	yes	No	0	0.00%
					4BR / 2BA	2	1.40%	@50%	\$654	1,428	no	No	0	0.00%
4BR / 2BA	9	6.20%	@60%	\$825	1,428	no	No	0	0.00%					
4BR / 2BA	4	2.80%	Market	\$900	1,428	n/a	No	0	0.00%					
					144	100%						2	1.40%	
6	Oaks At Brandlewood 5110 Garrard Avenue Savannah, GA 31405 Chatham County	7.6 miles	Garden (3 stories) 2003	60%, Market	1BR / 1BA	N/A	N/A	60%	\$573	773	n/a	No	2	N/A
					1BR / 1BA	N/A	N/A	Market	\$677	773	n/a	No	0	N/A
					2BR / 2BA	N/A	N/A	60%	\$690	1,043	n/a	No	2	N/A
					2BR / 2BA	N/A	N/A	Market	\$811	1,043	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	60%	\$785	1,217	n/a	No	0	N/A
					3BR / 2BA	N/A	N/A	Market	\$929	1,217	n/a	No	0	N/A
					300	100%						4	1.30%	
7	Savannah Gardens Phase I 400 Pennsylvania Avenue Savannah, GA 31404 Chatham County	0.1 mile	Garden 2010	30%, 50%, 60%, Non-Rental	1BR / 1BA	1	0.90%	30%	\$230	750	yes	No	N/A	N/A
					1BR / 1BA	4	3.50%	50%	\$450	750	yes	No	N/A	N/A
					1BR / 1BA	5	4.30%	60%	\$572	750	yes	No	N/A	N/A
					2BR / 2BA	3	2.60%	30%	\$281	950	yes	No	N/A	N/A
					2BR / 2BA	27	23.50%	50%	\$555	950	yes	No	N/A	N/A
					2BR / 2BA	33	28.70%	60%	\$685	950	yes	No	N/A	N/A
					2BR / 2BA	1	0.90%	Non-Rental	N/A	950	n/a	N/A	N/A	
					3BR / 2BA	4	3.50%	30%	\$311	1,150	yes	No	N/A	N/A
					3BR / 2BA	14	12.20%	50%	\$627	1,150	yes	No	N/A	N/A
					3BR / 2BA	18	15.70%	60%	\$785	1,150	yes	No	N/A	N/A
					4BR / 2BA	1	0.90%	30%	\$327	1,350	yes	No	N/A	N/A
					4BR / 2BA	2	1.70%	50%	\$680	1,350	yes	No	N/A	N/A
					4BR / 2BA	2	1.70%	60%	\$857	1,350	yes	No	N/A	N/A
					115	100%						7	6.10%	

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max	Wait	Units Vacant	Vacancy Rate					
8	Sustainable Fellwood I 1401 Fellwood Dr Savannah, GA 31415 Chatham County	4.6 miles	Various 2009	60%, 60% (Public Housing), Market	1BR / 1BA (Garden)	15	13.60%	60%	\$550	832	no	Yes	1	6.70%					
					1BR / 1BA (Garden)	9	8.20%	60% (PBRA)	N/A	832	n/a	Yes	0	0.00%					
					1BR / 1BA (Garden)	6	5.50%	Market	\$642	832	n/a	None	0	0.00%					
					2BR / 1BA (Garden)	17	15.50%	60%	\$661	1,060	no	Yes	0	0.00%					
					2BR / 1BA (Garden)	19	17.30%	60% (PBRA)	N/A	1,060	n/a	Yes	0	0.00%					
					2BR / 1BA (Garden)	5	4.50%	Market	\$734	1,060	n/a	None	1	20.00%					
					2BR / 1.5BA (Townhouse)	5	4.50%	Market	\$734	1,060	n/a	None	0	0.00%					
					3BR / 2BA (Garden)	13	11.80%	60%	\$753	1,327	no	Yes	1	7.70%					
					3BR / 2BA (Garden)	10	9.10%	60% (PBRA)	N/A	1,327	n/a	Yes	0	0.00%					
					3BR / 2BA (Garden)	2	1.80%	Market	\$820	1,327	n/a	None	0	0.00%					
					3BR / 2.5BA (Townhouse)	3	2.70%	Market	\$820	1,327	n/a	None	0	0.00%					
					4BR / 2BA (Garden)	3	2.70%	60%	\$749	1,522	no	Yes	0	0.00%					
					4BR / 2BA (Garden)	2	1.80%	60% (PBRA)	N/A	1,522	n/a	Yes	0	0.00%					
					4BR / 2BA (Garden)	1	0.90%	Market	\$910	1,522	n/a	None	0	0.00%					
					110	100%						3	2.70%						
9	Sustainable Fellwood II 1300 W Bay St Savannah, GA 31415 Chatham County	4.5 miles	Garden (2 stories) 2011	60%, 60% (Project Based Rental Assistance - PBRA), Market, PHA (Public Housing)	1BR / 1BA	2	1.80%	60%	\$550	838	no	Yes	0	0.00%					
					1BR / 1BA	2	1.80%	60% (PBRA)	N/A	838	n/a	Yes	0	0.00%					
					1BR / 1BA	4	3.60%	Market	\$662	838	n/a	Yes	0	0.00%					
					1BR / 1BA	4	3.60%	PHA	N/A	838	n/a	Yes	0	0.00%					
					2BR / 2BA	10	9.10%	60%	\$661	1,072	no	Yes	0	0.00%					
					2BR / 2BA	15	13.60%	60% (PBRA)	N/A	1,072	n/a	Yes	0	0.00%					
					2BR / 2BA	4	3.60%	Market	\$754	1,072	n/a	Yes	0	0.00%					
					2BR / 2BA	15	13.60%	PHA	N/A	1,072	n/a	Yes	0	0.00%					
					3BR / 2BA	15	13.60%	60%	\$753	1,343	no	Yes	0	0.00%					
					3BR / 2BA	3	2.70%	Market	\$840	1,343	n/a	Yes	0	0.00%					
					3BR / 3BA	15	13.60%	60% (PBRA)	N/A	1,343	n/a	Yes	0	0.00%					
					3BR / 3BA	21	19.10%	PHA	N/A	1,343	n/a	Yes	0	0.00%					
										110	100%					0	0.00%		
					10	Chelsea Apartments At Five Points 1910 Skidaway Rd Savannah, GA 31404 Chatham County	1.2 miles	Garden (2 stories) 1947 / 1983	Market	1BR / 1BA	24	17.60%	Market	\$590	700	n/a	No	N/A	N/A
2BR / 1BA	112	82.40%	Market	\$625						850	n/a	No	N/A	N/A					
	136	100%											6	4.40%					
11	Jasmine Place 2323 Downing Ave Savannah, GA 31404 Chatham County	2.1 miles	Garden (2 stories) 1979 / 2005	Market	2BR / 1.5BA	80	71.40%	Market	\$699	844	n/a	No	13	16.20%					
					3BR / 2BA	32	28.60%	Market	\$777	1,144	n/a	Yes	0	0.00%					
						112	100%						13	11.60%					
12	Springs At Chatham Parkway 1699 Chatham Parkway Savannah, GA 31405 Chatham County	7.9 miles	Garden (2 stories) 2007-2008	Market	Studio / 1BA	N/A	N/A	Market	\$758	575	n/a	No	N/A	N/A					
					1BR / 1BA	44	12.50%	Market	\$855	741	n/a	No	N/A	N/A					
					1BR / 1BA	44	12.50%	Market	\$886	801	n/a	No	N/A	N/A					
					1BR / 1BA	22	6.20%	Market	\$946	830	n/a	No	N/A	N/A					
					1BR / 1BA	22	6.20%	Market	\$972	888	n/a	No	N/A	N/A					
					2BR / 2BA	44	12.50%	Market	\$1,006	957	n/a	No	N/A	N/A					
					2BR / 2BA	22	6.20%	Market	\$1,027	1,055	n/a	No	N/A	N/A					
					2BR / 2BA	44	12.50%	Market	\$1,016	1,090	n/a	No	N/A	N/A					
					3BR / 2BA	22	6.20%	Market	\$1,106	1,441	n/a	No	N/A	N/A					
					3BR / 2BA	22	6.20%	Market	\$1,207	1,360	n/a	No	N/A	N/A					
										352	100%					19	5.40%		
					13	Walden At Chatham Center 100 Walden Lane Savannah, GA 31406 Bryan County	8.8 miles	Garden (3 stories) 2003	Market, Non-Rental	1BR / 1BA	23	9.70%	Market	\$840	642	n/a	No	3	13.00%
										1BR / 1BA	43	18.20%	Market	\$925	797	n/a	No	2	4.70%
1BR / 1BA	8	3.40%	Market	\$955						883	n/a	No	0	0.00%					
1BR / 1BA	16	6.80%	Market	\$955						1,013	n/a	No	0	0.00%					
1BR / 1BA	1	0.40%	Non-Rental	N/A						642	n/a	No	0	0.00%					
1BR / 1BA	1	0.40%	Non-Rental	N/A						797	n/a	No	0	0.00%					
2BR / 2BA	80	33.90%	Market	\$1,090						1,131	n/a	No	1	1.30%					
2BR / 2BA	38	16.10%	Market	\$1,083						1,211	n/a	No	0	0.00%					
2BR / 2BA	2	0.80%	Non-Rental	N/A						1,131	n/a	No	0	0.00%					
3BR / 2BA	16	6.80%	Market	\$1,293						1,358	n/a	No	0	0.00%					
3BR / 2BA	8	3.40%	Market	\$1,288						1,418	n/a	No	0	0.00%					
					236	100%					6	2.50%							

**RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market.**

Effective Rent Date:	Apr-12	Units Surveyed:	1979	Weighted Occupancy:	95.10%
		Market Rate	836	Market Rate	94.70%
		Tax Credit	1143	Tax Credit	95.40%

**One Bedroom One Bath**

**Two Bedrooms Two Bath**

**Three Bedrooms Two Bath**

RENT	One Bedroom One Bath		Two Bedrooms Two Bath		Three Bedrooms Two Bath		
	Property	Average	Property	Average	Property	Average	
	Springs At Chatham Parkway	\$972	Walden At Chatham Center	\$1,090	Walden At Chatham Center	\$1,293	
	Walden At Chatham Center	\$955	Walden At Chatham Center	\$1,083	Walden At Chatham Center	\$1,288	
	Walden At Chatham Center	\$955	Springs At Chatham Parkway	\$1,027	Springs At Chatham Parkway	\$1,207	
	Springs At Chatham Parkway	\$946	Springs At Chatham Parkway	\$1,016	Springs At Chatham Parkway	\$1,106	
	Walden At Chatham Center	\$925	Springs At Chatham Parkway	\$1,006	Oaks At Brandlewood * (M)	\$929	
	Springs At Chatham Parkway	\$886	Oaks At Brandlewood * (M)	\$811	Ashley Midtown Apartments * (M)	\$895	
	Springs At Chatham Parkway	\$855	Ashley Midtown Apartments * (1.5BA M)	\$809	<b>Savannah Gardens Phase IV * (M)</b>	<b>\$875</b>	
	Walden At Chatham Center	\$840	<b>Savannah Gardens Phase IV * (M)</b>	<b>\$775</b>	Sustainable Fellwood II * (M)	\$840	
	Oaks At Brandlewood * (M)	\$677	Sustainable Fellwood II * (M)	\$754	Sustainable Fellwood I * (M)	\$820	
	<b>Savannah Gardens Phase IV * (M)</b>	<b>\$675</b>	Sustainable Fellwood I * (1.5BA M)	\$734	Montgomery Landing * (M)	\$800	
	Sustainable Fellwood II * (M)	\$662	Montgomery Landing * (M)	\$725	<b>Savannah Gardens Phase IV * (60%)</b>	<b>\$786</b>	
	Sustainable Fellwood I * (M)	\$642	Jasmine Place (1.5BA)	\$699	Oaks At Brandlewood * (60%)	\$785	
	Montgomery Landing * (M)	\$615	Oaks At Brandlewood * (60%)	\$690	Savannah Gardens Phase I * (60%)	\$785	
	Chelsea Apartments At Five Points	\$590	<b>Savannah Gardens Phase IV * (60%)</b>	<b>\$690</b>	Jasmine Place	\$777	
	Oaks At Brandlewood * (60%)	\$573	Savannah Gardens Phase I * (60%)	\$685	Montgomery Landing * (60%)	\$765	
	Savannah Gardens Phase I * (60%)	\$572	Ashley Midtown Apartments * (1.5BA 60%)	\$675	Ashley Midtown Apartments * (60%)	\$762	
	<b>Savannah Gardens Phase IV * (60%)</b>	<b>\$570</b>	Montgomery Landing * (60%)	\$672	Sustainable Fellwood I * (60%)	\$753	
	Montgomery Landing * (60%)	\$568	Ashley Midtown Phase II * (1.5BA 60%)	\$661	Sustainable Fellwood II * (60%)	\$753	
	Sustainable Fellwood I * (60%)	\$550	Sustainable Fellwood II * (60%)	\$661	Ashley Midtown Phase II * (60%)	\$752	
	Sustainable Fellwood II * (60%)	\$550	Chelsea Apartments At Five Points (1BA)	\$625	Ashley Midtown Phase II * (60%)	\$752	
	Montgomery Landing * (50%)	\$488	Montgomery Landing * (50%)	\$590	Ashley Midtown Phase II * (60%)	\$752	
	<b>Savannah Gardens Phase IV * (50%)</b>	<b>\$455</b>	Heritage Corner & Heritage Row * (60%)	\$568	Montgomery Landing * (50%)	\$668	
	Savannah Gardens Phase I * (50%)	\$450	Savannah Gardens Phase I * (50%)	\$555	Heritage Corner & Heritage Row * (60%)	\$634	
	Heritage Place * (60%)	\$434	<b>Savannah Gardens Phase IV * (50%)</b>	<b>\$555</b>	Savannah Gardens Phase I * (50%)	\$627	
	Heritage Place * (50%)	\$361	Heritage Place * (60%)	\$523	<b>Savannah Gardens Phase IV * (50%)</b>	<b>\$626</b>	
	Montgomery Landing * (30%)	\$248	Heritage Corner & Heritage Row * (50%)	\$449	Heritage Place * (60%)	\$564	
	Savannah Gardens Phase I * (30%)	\$230	Heritage Place * (50%)	\$442	Heritage Corner & Heritage Row * (50%)	\$516	
	Heritage Corner & Heritage Row * (30%)	\$175	Montgomery Landing * (30%)	\$302	Heritage Place * (50%)	\$511	
			Savannah Gardens Phase I * (30%)	\$281	Montgomery Landing * (30%)	\$335	
			Heritage Corner & Heritage Row * (30%)	\$212	Savannah Gardens Phase I * (30%)	\$311	
					Heritage Corner & Heritage Row * (30%)	\$240	
SQUARE FOOTAGE	Walden At Chatham Center	1,013	Ashley Midtown Apartments * (1.5BA 60%)	1,276	Ashley Midtown Phase II * (60%)	1,482	
	Springs At Chatham Parkway	888	Ashley Midtown Phase II * (1.5BA 60%)	1,238	Springs At Chatham Parkway	1,441	
	Walden At Chatham Center	883	Walden At Chatham Center	1,211	Walden At Chatham Center	1,418	
	<b>Savannah Gardens Phase IV * (50%)</b>	<b>860</b>	Ashley Midtown Apartments * (1.5BA M)	1,146	Ashley Midtown Phase II * (60%)	1,400	
	<b>Savannah Gardens Phase IV * (60%)</b>	<b>860</b>	Walden At Chatham Center	1,131	Ashley Midtown Apartments * (60%)	1,377	
	<b>Savannah Gardens Phase IV * (M)</b>	<b>860</b>	Springs At Chatham Parkway	1,090	Springs At Chatham Parkway	1,360	
	Sustainable Fellwood II * (60%)	838	Sustainable Fellwood II * (60%)	1,072	Walden At Chatham Center	1,358	
	Sustainable Fellwood II * (M)	838	Sustainable Fellwood II * (M)	1,072	Sustainable Fellwood II * (60%)	1,343	
	Sustainable Fellwood I * (60%)	832	Montgomery Landing * (30%)	1,062	Sustainable Fellwood II * (M)	1,343	
	Sustainable Fellwood I * (M)	832	Montgomery Landing * (50%)	1,062	Ashley Midtown Phase II * (60%)	1,340	
	Springs At Chatham Parkway	830	Montgomery Landing * (60%)	1,062	Sustainable Fellwood I * (60%)	1,327	
	Springs At Chatham Parkway	801	Montgomery Landing * (M)	1,062	Sustainable Fellwood I * (M)	1,327	
	Walden At Chatham Center	797	Sustainable Fellwood I * (1.5BA M)	1,060	Montgomery Landing * (30%)	1,267	
	Montgomery Landing * (30%)	792	Springs At Chatham Parkway	1,055	Montgomery Landing * (50%)	1,267	
	Montgomery Landing * (50%)	792	Oaks At Brandlewood * (60%)	1,043	Montgomery Landing * (60%)	1,267	
	Montgomery Landing * (60%)	792	Oaks At Brandlewood * (M)	1,043	Montgomery Landing * (M)	1,267	
	Montgomery Landing * (M)	792	<b>Savannah Gardens Phase IV * (50%)</b>	<b>1,031</b>	<b>Savannah Gardens Phase IV * (50%)</b>	<b>1,225</b>	
	Oaks At Brandlewood * (60%)	773	<b>Savannah Gardens Phase IV * (60%)</b>	<b>1,031</b>	<b>Savannah Gardens Phase IV * (60%)</b>	<b>1,225</b>	
	Oaks At Brandlewood * (M)	773	<b>Savannah Gardens Phase IV * (M)</b>	<b>1,031</b>	<b>Savannah Gardens Phase IV * (M)</b>	<b>1,225</b>	
	Heritage Corner & Heritage Row * (30%)	750	Springs At Chatham Parkway	957	Oaks At Brandlewood * (60%)	1,217	
	Heritage Place * (50%)	750	Savannah Gardens Phase I * (30%)	950	Oaks At Brandlewood * (M)	1,217	
	Heritage Place * (60%)	750	Savannah Gardens Phase I * (50%)	950	Ashley Midtown Apartments * (M)	1,200	
	Savannah Gardens Phase I * (30%)	750	Savannah Gardens Phase I * (60%)	950	Savannah Gardens Phase I * (30%)	1,150	
	Savannah Gardens Phase I * (50%)	750	Heritage Corner & Heritage Row * (30%)	900	Savannah Gardens Phase I * (50%)	1,150	
	Savannah Gardens Phase I * (60%)	750	Heritage Corner & Heritage Row * (50%)	900	Savannah Gardens Phase I * (60%)	1,150	
	Springs At Chatham Parkway	741	Heritage Corner & Heritage Row * (60%)	900	Jasmine Place	1,144	
	Chelsea Apartments At Five Points	700	Heritage Place * (50%)	900	Heritage Corner & Heritage Row * (30%)	1,050	
	Walden At Chatham Center	642	Heritage Place * (60%)	900	Heritage Corner & Heritage Row * (50%)	1,050	
			Chelsea Apartments At Five Points (1BA)	850	Heritage Corner & Heritage Row * (60%)	1,050	
			Jasmine Place (1.5BA)	844	Heritage Place * (50%)	1,050	
					Heritage Place * (60%)	1,050	
	RENT PER SQUARE FOOT	Walden At Chatham Center	\$1.31	Springs At Chatham Parkway	\$1.05	Walden At Chatham Center	\$0.95
		Walden At Chatham Center	\$1.16	Springs At Chatham Parkway	\$0.97	Walden At Chatham Center	\$0.91
Springs At Chatham Parkway		\$1.15	Walden At Chatham Center	\$0.96	Springs At Chatham Parkway	\$0.89	
Springs At Chatham Parkway		\$1.14	Springs At Chatham Parkway	\$0.93	Springs At Chatham Parkway	\$0.77	
Springs At Chatham Parkway		\$1.11	Walden At Chatham Center	\$0.89	Oaks At Brandlewood * (M)	\$0.76	
Springs At Chatham Parkway		\$1.09	Jasmine Place (1.5BA)	\$0.83	Ashley Midtown Apartments * (M)	\$0.75	
Walden At Chatham Center		\$1.08	Oaks At Brandlewood * (M)	\$0.78	<b>Savannah Gardens Phase IV * (M)</b>	<b>\$0.71</b>	
Walden At Chatham Center		\$0.94	<b>Savannah Gardens Phase IV * (M)</b>	<b>\$0.75</b>	Savannah Gardens Phase I * (60%)	\$0.68	
Oaks At Brandlewood * (M)		\$0.88	Chelsea Apartments At Five Points (1BA)	\$0.74	Jasmine Place	\$0.68	
Chelsea Apartments At Five Points		\$0.84	Savannah Gardens Phase I * (60%)	\$0.72	Oaks At Brandlewood * (60%)	\$0.65	
Sustainable Fellwood II * (M)		\$0.79	Ashley Midtown Apartments * (1.5BA M)	\$0.71	<b>Savannah Gardens Phase IV * (60%)</b>	<b>\$0.64</b>	
<b>Savannah Gardens Phase IV * (M)</b>		<b>\$0.78</b>	Sustainable Fellwood II * (M)	\$0.70	Montgomery Landing * (M)	\$0.63	
Montgomery Landing * (M)		\$0.78	Sustainable Fellwood I * (1.5BA M)	\$0.69	Sustainable Fellwood II * (M)	\$0.63	
Sustainable Fellwood I * (M)		\$0.77	Montgomery Landing * (M)	\$0.68	Sustainable Fellwood I * (M)	\$0.62	
Savannah Gardens Phase I * (60%)		\$0.76	<b>Savannah Gardens Phase IV * (60%)</b>	<b>\$0.67</b>	Heritage Corner & Heritage Row * (60%)	\$0.60	
Oaks At Brandlewood * (60%)		\$0.74	Oaks At Brandlewood * (60%)	\$0.66	Montgomery Landing * (60%)	\$0.60	
Montgomery Landing * (60%)		\$0.72	Montgomery Landing * (60%)	\$0.63	Sustainable Fellwood I * (60%)	\$0.57	
<b>Savannah Gardens Phase IV * (60%)</b>		<b>\$0.66</b>	Heritage Corner & Heritage Row * (60%)	\$0.63	Ashley Midtown Phase II * (60%)	\$0.56	
Sustainable Fellwood I * (60%)		\$0.66	Sustainable Fellwood II * (60%)	\$0.62	Sustainable Fellwood II * (60%)	\$0.56	
Sustainable Fellwood II * (60%)		\$0.66	Savannah Gardens Phase I * (50%)	\$0.58	Ashley Midtown Apartments * (60%)	\$0.55	
Montgomery Landing * (50%)		\$0.62	Heritage Place * (60%)	\$0.58	Savannah Gardens Phase I * (50%)	\$0.55	
Savannah Gardens Phase I * (50%)		\$0.60	Montgomery Landing * (50%)	\$0.56	Ashley Midtown Phase II * (60%)	\$0.54	
Heritage Place * (60%)		\$0.58	<b>Savannah Gardens Phase IV * (50%)</b>	<b>\$0.54</b>	Heritage Place * (60%)	\$0.54	
<b>Savannah Gardens Phase IV * (50%)</b>		<b>\$0.53</b>	Ashley Midtown Phase II * (1.5BA 60%)	\$0.53	Montgomery Landing * (50%)	\$0.53	
Heritage Place * (50%)		\$0.48	Ashley Midtown Apartments * (1.5BA 60%)	\$0.53	<b>Savannah Gardens Phase IV * (50%)</b>	<b>\$0.51</b>	
Montgomery Landing * (30%)		\$0.31	Heritage Corner & Heritage Row * (50%)	\$0.50	Ashley Midtown Phase II * (60%)	\$0.51	
Savannah Gardens Phase I * (30%)		\$0.31	Heritage Place * (50%)	\$0.49	Heritage Corner & Heritage Row * (50%)	\$0.49	
Heritage Corner & Heritage Row * (30%)		\$0.23	Savannah Gardens Phase I * (30%)	\$0.30	Heritage Place * (50%)	\$0.49	
			Montgomery Landing * (30%)	\$0.28	Savannah Gardens Phase I * (30%)	\$0.27	
			Heritage Corner & Heritage Row * (30%)	\$0.24	Montgomery Landing * (30%)	\$0.26	
					Heritage Corner & Heritage Row * (30%)	\$0.23	

# PROPERTY PROFILE REPORT

## Ashley Midtown Apartments

**Effective Rent Date** 4/12/2012

**Location** 1518 E Park Avenue  
Savannah, GA 31404  
Chatham County

**Distance** 1.4 miles

**Units** 168

**Vacant Units** 0

**Vacancy Rate** 0.0%

**Type** Various (2 stories)

**Year Built/Renovated** 2004 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** N/A

**Major Competitors** Alhambra Apartments, Chelsea, Bradley Pointe

**Tenant Characteristics** Mostly families; not many seniors

**Contact Name** Somy

**Phone** (912) 233-3075



### Market Information

**Program** 30% . 50%, 60%, Market

**Annual Turnover Rate** 21%

**Units/Month Absorbed** 56

**HCV Tenants** 0%

**Leasing Pace** Varies; see notes

**Annual Chg. in Rent** See notes

**Concession** None

### Utilities

**A/C** not included -- central

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** included

**Sewer** included

**Trash Collection** included

## Ashley Midtown Apartments, continued

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden	7	1,269	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
2	1	Garden	6	1,276	N/A	\$0	@50% (Public Housing)	Yes	0	0.0%	N/A	None
2	1	Garden	13	1,269	\$716	\$0	@60%	No	0	0.0%	yes	None
2	1	Garden	6	1,411	\$850	\$0	Market	No	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	17	1,276	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	13	1,254	N/A	\$0	@50% (Public Housing)	Yes	0	0.0%	N/A	None
2	1.5	Townhouse (2 stories)	33	1,276	\$716	\$0	@60%	No	0	0.0%	yes	None
2	1.5	Townhouse (2 stories)	17	1,146	\$850	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden	2	1,377	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
3	2	Garden	7	1,377	N/A	\$0	@50% (Public Housing)	Yes	0	0.0%	N/A	None
3	2	Garden	4	1,377	\$817	\$0	@60%	No	0	0.0%	yes	None
3	2	Garden	3	1,200	\$950	\$0	Market	No	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	6	1,467	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	10	1,467	N/A	\$0	@50% (Public Housing)	Yes	0	0.0%	N/A	None
3	2.5	Townhouse (2 stories)	15	1,467	\$817	\$0	@60%	No	0	0.0%	yes	None
3	2.5	Townhouse (2 stories)	9	1,300	\$950	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	N/A	\$0	N/A	-\$41	N/A	2BR / 1BA	N/A	\$0	N/A	-\$41	N/A
2BR / 1.5BA	N/A	\$0	N/A	-\$41	N/A	2BR / 1.5BA	N/A	\$0	N/A	-\$41	N/A
3BR / 2BA	N/A	\$0	N/A	-\$55	N/A	3BR / 2BA	N/A	\$0	N/A	-\$55	N/A
3BR / 2.5BA	N/A	\$0	N/A	-\$55	N/A	3BR / 2.5BA	N/A	\$0	N/A	-\$55	N/A
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$716	\$0	\$716	-\$41	\$675	2BR / 1BA	\$850	\$0	\$850	-\$41	\$809
2BR / 1.5BA	\$716	\$0	\$716	-\$41	\$675	2BR / 1.5BA	\$850	\$0	\$850	-\$41	\$809
3BR / 2BA	\$817	\$0	\$817	-\$55	\$762	3BR / 2BA	\$950	\$0	\$950	-\$55	\$895
3BR / 2.5BA	\$817	\$0	\$817	-\$55	\$762	3BR / 2.5BA	\$950	\$0	\$950	-\$55	\$895

## Ashley Midtown Apartments, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Dishwasher  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Garbage Disposal  
Refrigerator  
Washer/Dryer

**Security**

In-Unit Alarm  
Video Surveillance

**Services**

None

**Property**

Clubhouse/Meeting  
Exercise Facility  
On-Site Management  
Swimming Pool

Courtyard  
Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

Management is the same at phases I and II. The property does not accept housing choice vouchers. The contact stated that there is currently a waiting list being generated by their attorney; the waiting list is only for the public housing units. The contact also noted that sometimes they can fill units immediately, while other times it may take several months to fill a unit at the 60 percent restriction. The contact also stated that the rents typically increase every July, however they could not comment on how much they went up last year or how much they plan to increase this year.

# Ashley Midtown Apartments, continued

## Trend Report

### Vacancy Rates

4Q09	1Q10	2Q10	2Q12
6.0%	5.4%	5.4%	0.0%

### Trend: @30%

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	N/A	\$0	N/A	N/A
2010	2	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	N/A	\$0	N/A	N/A
2010	2	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	N/A	\$0	N/A	N/A
2010	2	16.7%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	N/A	\$0	N/A	N/A
2010	2	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

### Trend: @50%

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$593	\$0	\$593	\$552
2010	2	0.0%	\$593	\$0	\$593	\$552
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$593	\$0	\$593	\$552
2010	2	0.0%	\$593	\$0	\$593	\$552
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$618	\$0	\$618	\$563
2010	2	10.0%	\$618	\$0	\$618	\$563
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$618	\$0	\$618	\$563
2010	2	0.0%	\$615	\$0	\$615	\$560
2012	2	0.0%	N/A	\$0	N/A	N/A

# Ashley Midtown Apartments, continued

## Trend: @60%

### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$738	\$0	\$738	\$697
2010	1	N/A	\$738	\$0	\$738	\$697
2010	2	9.1%	\$738	\$0	\$738	\$697
2012	2	0.0%	\$716	\$0	\$716	\$675

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	7.7%	\$738	\$0	\$738	\$697
2010	1	46.2%	\$738	\$0	\$738	\$697
2010	2	0.0%	\$738	\$0	\$738	\$697
2012	2	0.0%	\$716	\$0	\$716	\$675

### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$850	\$0	\$850	\$795
2010	1	0.0%	\$850	\$0	\$850	\$795
2010	2	6.7%	\$850	\$0	\$850	\$795
2012	2	0.0%	\$817	\$0	\$817	\$762

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	25.0%	\$850	\$0	\$850	\$795
2010	1	0.0%	\$850	\$0	\$850	\$795
2010	2	0.0%	\$850	\$0	\$850	\$795
2012	2	0.0%	\$817	\$0	\$817	\$762

## Trend: Market

### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$775	\$0	\$775	\$734
2010	1	N/A	\$775	\$0	\$775	\$734
2010	2	5.9%	\$775	\$0	\$775	\$734
2012	2	0.0%	\$850	\$0	\$850	\$809

### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$775	\$0	\$775	\$734
2010	1	33.3%	\$775	\$0	\$775	\$734
2010	2	33.3%	\$775	\$0	\$775	\$734
2012	2	0.0%	\$850	\$0	\$850	\$809

### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$875	\$0	\$875	\$820
2010	1	N/A	\$875	\$0	\$875	\$820
2010	2	0.0%	\$875	\$0	\$875	\$820
2012	2	0.0%	\$950	\$0	\$950	\$895

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$875	\$0	\$875	\$820
2010	1	33.3%	\$875	\$0	\$875	\$820
2010	2	0.0%	\$875	\$0	\$875	\$820
2012	2	0.0%	\$950	\$0	\$950	\$895

## Trend: Comments

- 4Q09** Occupancy decreased from 96 to 94 percent from August to November 2009. The concession for market rate units is no longer offered but effective rents have decreased. The contact reported that the opening of Sustainable Fellwood has not affected occupancy or rents at the property. Among the major competitors listed are Oaks at Brandlewood and Sustainable Fellwood.
- 1Q10** The contact reported that there are nine vacant units: six two-bedroom units at 60 percent AMI, two two-bedroom units at market, and one three bedroom unit at market. There is a long waiting list started in 2007 that is in the process of being updated.
- 2Q10** The contact reported that tenants in public housing units pay between \$98 and \$200 per month. The contact stressed the need for more affordable housing in the lower AMI rent levels. The contact does not accept housing choice vouchers.
- 2Q12** Management is the same at phases I and II. The property does not accept housing choice vouchers. The contact stated that there is currently a waiting list being generated by their attorney; the waiting list is only for the public housing units. The contact also noted that sometimes they can fill units immediately, while other times it may take several months to fill a unit at the 60 percent restriction. The contact also stated that the rents typically increase every July, however they could not comment on how much they went up last year or how much they plan to increase this year.

# PROPERTY PROFILE REPORT

## Ashley Midtown Phase II

**Effective Rent Date** 4/12/2012  
**Location** 1110 Graydon Avenue  
 Savannah, GA 31404  
 Chatham County  
**Distance** 1.6 miles  
**Units** 38  
**Vacant Units** 2  
**Vacancy Rate** 5.3%  
**Type** Townhouse  
**Year Built/Renovated** 2008 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Sister property: Ashley Midtown I  
**Tenant Characteristics** N/A  
**Contact Name** Somy  
**Phone** 912-236-4628



### Market Information

**Program** @30% (Public Housing), @60%  
**Annual Turnover Rate** 21%  
**Units/Month Absorbed** 11-13  
**HCV Tenants** 0%  
**Leasing Pace** Varies; see notes  
**Annual Chg. in Rent** See notes  
**Concession** None

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** included  
**Sewer** included  
**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Townhouse	2	1,214	\$702	\$0	@60%	No	1	50.0%	no	None
2	1.5	Townhouse	10	1,226	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
2	1.5	Townhouse	6	1,238	\$702	\$0	@60%	No	0	0.0%	no	None
3	2	Townhouse	10	1,407	N/A	\$0	@30% (Public Housing)	Yes	0	0.0%	N/A	None
3	2	Townhouse	1	1,340	\$807	\$0	@60%	No	0	0.0%	no	None
3	2	Townhouse	8	1,400	\$807	\$0	@60%	No	1	12.5%	no	None
3	2	Townhouse	1	1,482	\$807	\$0	@60%	No	0	0.0%	no	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1.5BA	N/A	\$0	N/A	-\$41	N/A	2BR / 1BA	\$702	\$0	\$702	-\$41	\$661
3BR / 2BA	N/A	\$0	N/A	-\$55	N/A	2BR / 1.5BA	\$702	\$0	\$702	-\$41	\$661
						3BR / 2BA	\$807	\$0	\$807	-\$55	\$752

## Ashley Midtown Phase II, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Dishwasher  
Garbage Disposal  
Oven  
Washer/Dryer

Blinds  
Central A/C  
Ceiling Fan  
Microwave  
Refrigerator

**Security**

None

**Services**

None

**Property**

Business Center/Computer Lab  
Off-Street Parking  
Picnic Area  
Service Coordination

Clubhouse/Meeting  
On-Site Management  
Playground

**Premium**

None

**Other**

None

### Comments

Management is the same at phases I and II. The property does not accept housing choice vouchers. The contact stated that there is currently a waiting list being generated by their attorney; the waiting list is only for the public housing units. The contact also noted that sometimes they can fill units immediately, while other times it may take several months to fill a unit at the 60 percent restriction. The contact also stated that the rents typically increase every July, however they could not comment on how much they went up last year or how much they plan to increase this year.

# Ashley Midtown Phase II, continued

## Trend Report

### Vacancy Rates

4Q09	1Q10	2Q10	2Q12
2.6%	7.9%	5.3%	5.3%

### Trend: @30%

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$319	\$0	\$319	\$278
2010	2	0.0%	\$319	\$0	\$319	\$278
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	N/A	\$0	N/A	N/A
2010	1	0.0%	\$366	\$0	\$366	\$311
2010	2	0.0%	\$366	\$0	\$366	\$311
2012	2	0.0%	N/A	\$0	N/A	N/A

### Trend: @60%

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$738	\$0	\$738	\$697
2010	1	0.0%	\$680	\$0	\$680	\$639
2010	2	0.0%	\$680	\$0	\$680	\$639
2012	2	0.0%	\$702	\$0	\$702	\$661

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	50.0%	\$738	\$0	\$738	\$697
2010	1	50.0%	\$680	\$0	\$680	\$639
2010	2	0.0%	\$680	\$0	\$680	\$639
2012	2	50.0%	\$702	\$0	\$702	\$661

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	0.0%	\$850	\$0	\$850	\$795
2010	1	20.0%	\$780	\$0	\$780	\$725
2010	2	20.0%	\$780	\$0	\$780	\$725
2012	2	10.0%	\$807	\$0	\$807	\$752

## Trend: Comments

4Q09	Management is the same at phases I and II. The contact reported that the opening of Sustainable Fellwood I has not affected occupancy or rents at the property. The property typically remains 100 percent occupied with a waiting list. Rents at phase II are the same as those at phase I.
1Q10	Management is the same at phases I and II. The contact indicated there were 50 percent AMI rents for two- and three-bedroom units, but did not indicate how many units were at this level.
2Q10	Management is the same at phases I and II. The property does not accept housing choice vouchers.
2Q12	Management is the same at phases I and II. The property does not accept housing choice vouchers. The contact stated that there is currently a waiting list being generated by their attorney; the waiting list is only for the public housing units. The contact also noted that sometimes they can fill units immediately, while other times it may take several months to fill a unit at the 60 percent restriction. The contact also stated that the rents typically increase every July, however they could not comment on how much they went up last year or how much they plan to increase this year.

# PROPERTY PROFILE REPORT

## Heritage Corner & Heritage Row

**Effective Rent Date** 4/17/2012

**Location** 642 W 41st Street & 824 West 35th Street  
Savannah, GA 31415  
Chatham County

**Distance** 4.4 miles

**Units** 70

**Vacant Units** 6

**Vacancy Rate** 8.6%

**Type** Garden (2 stories)

**Year Built/Renovated** 2005/2006 / N/A

**Marketing Began** N/A

**Leasing Began** N/A

**Last Unit Leased** 5/02/2006

**Major Competitors** The Oaks at Brandlewood

**Tenant Characteristics** Most tenants are from Chatham County. Tenants consist primarily of single mothers and families.

**Contact Name** Alexis

**Phone** (912) 234-8420



### Market Information

**Program** @30%, @50%, @60%

**Annual Turnover Rate** 14%

**Units/Month Absorbed** N/A

**HCV Tenants** 30%

**Leasing Pace** Within two weeks

**Annual Chg. in Rent** None

**Concession** One month free rent

### Utilities

**A/C** not included -- central

**Cooking** not included -- electric

**Water Heat** not included -- electric

**Heat** not included -- electric

**Other Electric** not included

**Water** not included

**Sewer** not included

**Trash Collection** not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	4	750	\$175	\$15	@30%	None	N/A	N/A	no	None
2	2	Garden (2 stories)	1	900	\$215	\$18	@30%	None	N/A	N/A	no	None
2	2	Garden (2 stories)	31	900	\$474	\$40	@50%	None	N/A	N/A	no	None
2	2	Garden (2 stories)	17	900	\$603	\$50	@60%	None	N/A	N/A	no	None
3	2	Garden (2 stories)	1	1,050	\$245	\$20	@30%	None	N/A	N/A	no	None
3	2	Garden (2 stories)	12	1,050	\$547	\$46	@50%	None	N/A	N/A	no	None
3	2	Garden (2 stories)	4	1,050	\$675	\$56	@60%	None	N/A	N/A	no	None

## Heritage Corner & Heritage Row, continued

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$175	\$15	\$160	\$15	\$175	2BR / 2BA	\$474	\$40	\$434	\$15	\$449
2BR / 2BA	\$215	\$18	\$197	\$15	\$212	3BR / 2BA	\$547	\$46	\$501	\$15	\$516
3BR / 2BA	\$245	\$20	\$225	\$15	\$240						
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent						
2BR / 2BA	\$603	\$50	\$553	\$15	\$568						
3BR / 2BA	\$675	\$56	\$619	\$15	\$634						

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Coat Closet  
 Ceiling Fan  
 Hand Rails  
 Oven  
 Vaulted Ceilings  
 Washer/Dryer

Blinds  
 Central A/C  
 Dishwasher  
 Garbage Disposal  
 Microwave  
 Refrigerator  
 Walk-In Closet  
 Washer/Dryer hookup

#### Security

Patrol

#### Services

Adult Education  
 Afterschool Program

#### Property

Clubhouse/Meeting  
 Central Laundry  
 Picnic Area  
 Recreation Areas

Courtyard  
 Off-Street Parking  
 Playground  
 Service Coordination

#### Premium

None

#### Other

None

### Comments

Heritage Corner & Heritage Place and Heritage Row share the same management. The contact indicated that demand has been mixed, as they have only two vacancies becoming available at Heritage Place, while Heritage Corner & Row have six vacancies. The contact stated that the six vacancies were in the two-bedroom units, but could not verify for exactly which units. The contact noted that they have not changed rents in approximately two years.

# Heritage Corner & Heritage Row, continued

## Trend Report

### Vacancy Rates

1Q10	2Q10	3Q10	2Q12
12.9%	18.6%	8.6%	8.6%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$175	\$0	\$175	\$190
2010	2	N/A	\$175	\$15	\$160	\$175
2010	3	N/A	\$175	\$15	\$160	\$175
2012	2	N/A	\$175	\$15	\$160	\$175

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$215	\$0	\$215	\$230
2010	2	N/A	\$215	\$18	\$197	\$212
2010	3	N/A	\$215	\$18	\$197	\$212
2012	2	N/A	\$215	\$18	\$197	\$212

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$245	\$0	\$245	\$260
2010	2	N/A	\$245	\$20	\$225	\$240
2010	3	N/A	\$245	\$20	\$225	\$240
2012	2	N/A	\$245	\$20	\$225	\$240

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$603	\$0	\$603	\$618
2010	2	N/A	\$603	\$50	\$553	\$568
2010	3	N/A	\$603	\$50	\$553	\$568
2012	2	N/A	\$603	\$50	\$553	\$568

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$675	\$0	\$675	\$690
2010	2	N/A	\$675	\$56	\$619	\$634
2010	3	N/A	\$675	\$56	\$619	\$634
2012	2	N/A	\$675	\$56	\$619	\$634

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$474	\$0	\$474	\$489
2010	2	N/A	\$474	\$40	\$434	\$449
2010	3	N/A	\$474	\$40	\$434	\$449
2012	2	N/A	\$474	\$40	\$434	\$449

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$547	\$0	\$547	\$562
2010	2	N/A	\$547	\$46	\$501	\$516
2010	3	N/A	\$547	\$46	\$501	\$516
2012	2	N/A	\$547	\$46	\$501	\$516

## Heritage Corner & Heritage Row, continued

### Trend: Comments

- 1Q10** The contact did not know the unit mix of the vacant units. The contact did not know the annual turnover rate or the number of tenants using housing choice vouchers, but previous interviews estimated 10 percent of tenants used housing choice vouchers, and estimated a 25 percent annual turnover rate.
- 2Q10** The contact did not know the unit mix of the vacant units. The contact did not know the annual turnover rate or the number of tenants using housing choice vouchers, but previous interviews estimated 10 percent of tenants used housing choice vouchers, and estimated a 25 percent annual turnover rate. The contact reported that some tenants moved to buy homes and other moved for financial reasons. The contact considered the current occupancy rate decent.
- 3Q10** Heritage Corner & Heritage Row and Heritage Place share the same management. Management attributed the increase in vacancy to a change in management in December 2009, at which time existing tenants were evaluated and several were evicted due to prolonged nonpayment. Management estimated that approximately six households total from both comparables moved to Sustainable Fellwood Phase I. However, management indicated that there is demand for additional LIHTC housing in the area and that tenant re-evaluations was the primary cause for the increase in vacancy. Both properties are currently 94 percent leased and management projects physical occupancy will increase to 94 percent by the close of July 2010.
- 2Q12** Heritage Corner & Heritage Place and Heritage Row share the same management. The contact indicated that demand has been mixed, as they have only two vacancies becoming available at Heritage Place, while Heritage Corner & Row have six vacancies. The contact stated that the six vacancies were in the two-bedroom units, but could not verify for exactly which units. The contact noted that they have not changed rents in approximately two years.

# PROPERTY PROFILE REPORT

## Heritage Place

**Effective Rent Date** 4/17/2012  
**Location** 700 W 35th Street  
 Savannah, GA 31415  
 Chatham County  
**Distance** 5.1 miles  
**Units** 88  
**Vacant Units** 2  
**Vacancy Rate** 2.3%  
**Type** Conversion  
**Year Built/Renovated** 2002 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** The Oaks at Brandlewood  
**Tenant Characteristics** Immediate neighborhood mostly, otherwise from Savannah  
**Contact Name** Alexis  
**Phone** (912) 234-8420



### Market Information

**Program** @50%, @60%, Non-Rental  
**Annual Turnover Rate** 14%  
**Units/Month Absorbed** N/A  
**HCV Tenants** 30%  
**Leasing Pace** Within two weeks  
**Annual Chg. in Rent** None  
**Concession** First month's rent free

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** included  
**Sewer** included  
**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Conversion	16	750	\$430	\$36	@50%	None	0	0.0%	no	None
1	1	Conversion	11	750	\$510	\$43	@60%	None	1	9.1%	no	None
2	2	Conversion	26	900	\$527	\$44	@50%	None	0	0.0%	no	None
2	2	Conversion	15	900	\$615	\$51	@60%	None	0	0.0%	no	None
2	2	Conversion	2	900	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None
3	2	Conversion	12	1,050	\$617	\$51	@50%	None	1	8.3%	no	None
3	2	Conversion	6	1,050	\$675	\$56	@60%	None	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$430	\$36	\$394	-\$33	\$361	1BR / 1BA	\$510	\$43	\$467	-\$33	\$434
2BR / 2BA	\$527	\$44	\$483	-\$41	\$442	2BR / 2BA	\$615	\$51	\$564	-\$41	\$523
3BR / 2BA	\$617	\$51	\$566	-\$55	\$511	3BR / 2BA	\$675	\$56	\$619	-\$55	\$564

Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	N/A	\$0	N/A	-\$41	N/A

## Heritage Place, continued

### Amenities

#### In-Unit

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Oven  
Walk-In Closet

Carpeting  
Coat Closet  
Ceiling Fan  
Hand Rails  
Refrigerator  
Washer/Dryer hookup

#### Security

Intercom (Buzzer)  
Limited Access  
Patrol  
Perimeter Fencing  
Video Surveillance

#### Services

Adult Education  
Afterschool Program

#### Property

Business Center/Computer Lab  
Courtyard  
Central Laundry  
On-Site Management  
Playground

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking  
Picnic Area  
Service Coordination

#### Premium

None

#### Other

None

### Comments

Heritage Place and Heritage Corner & Heritage Place share the same management. The contact indicated that demand has been mixed, as they have only two vacancies becoming available at Heritage Place, while Heritage Corner & Row have six vacancies. The contact noted that they have not changed rents in approximately two years.

# Heritage Place, continued

## Trend Report

### Vacancy Rates

1Q10	2Q10	3Q10	2Q12
19.3%	25.0%	9.1%	2.3%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$430	\$0	\$430	\$397
2010	2	N/A	\$430	\$36	\$394	\$361
2010	3	N/A	\$430	\$36	\$394	\$361
2012	2	0.0%	\$430	\$36	\$394	\$361

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$527	\$0	\$527	\$486
2010	2	N/A	\$527	\$44	\$483	\$442
2010	3	N/A	\$527	\$44	\$483	\$442
2012	2	0.0%	\$527	\$44	\$483	\$442

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$617	\$0	\$617	\$562
2010	2	N/A	\$617	\$51	\$566	\$511
2010	3	N/A	\$617	\$51	\$566	\$511
2012	2	8.3%	\$617	\$51	\$566	\$511

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$510	\$0	\$510	\$477
2010	2	N/A	\$510	\$43	\$467	\$434
2010	3	N/A	\$510	\$43	\$467	\$434
2012	2	9.1%	\$510	\$43	\$467	\$434

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$615	\$0	\$615	\$574
2010	2	N/A	\$615	\$51	\$564	\$523
2010	3	N/A	\$615	\$51	\$564	\$523
2012	2	0.0%	\$615	\$51	\$564	\$523

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$675	\$0	\$675	\$620
2010	2	N/A	\$675	\$56	\$619	\$564
2010	3	N/A	\$675	\$56	\$619	\$564
2012	2	0.0%	\$675	\$56	\$619	\$564

### Trend: Non-Rental

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	N/A	\$0	N/A	N/A
2010	2	N/A	N/A	\$0	N/A	N/A
2010	3	N/A	N/A	\$0	N/A	N/A
2012	2	N/A	N/A	\$0	N/A	N/A

### Trend: Comments

- 1Q10** The contact indicated that the low occupancy is due to many tenants moving out to become homeowners. The contact did not know the annual turnover rate or number of housing choice voucher tenants, but our last interview reported 25 percent and 10 percent, respectively.
- 2Q10** The contact indicated that the low occupancy is due to many tenants moving out to become homeowners. The contact did not know the number of housing choice voucher tenants, but our last interview reported 10 percent.
- 3Q10** Heritage Corner & Heritage Row and Heritage Place share the same management. Management attributed the increase in vacancy to a change in management in December 2009, at which time existing tenants were evaluated and several were evicted due to prolonged nonpayment. Management estimated that approximately six households total from both comparables moved to Sustainable Fellwood Phase I. However, management indicated that there is demand for additional LIHTC housing in the area and that tenant re-evaluations was the primary cause for the increase in vacancy. Both properties are currently 94 percent leased and management projects physical occupancy will increase to 94 percent by the close of July 2010.
- 2Q12** Heritage Place and Heritage Corner & Heritage Place share the same management. The contact indicated that demand has been mixed, as they have only two vacancies becoming available at Heritage Place, while Heritage Corner & Row have six vacancies. The contact noted that they have not changed rents in approximately two years.

# PROPERTY PROFILE REPORT

## Montgomery Landing

**Effective Rent Date** 4/11/2012  
**Location** 714 W 57th St  
Savannah, GA 31405  
Chatham County  
**Distance** 5 miles  
**Units** 144  
**Vacant Units** 2  
**Vacancy Rate** 1.4%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 2005 / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Ashley Midtown, Oaks at Brandlewood, Live Oaks  
**Tenant Characteristics** Mixed tenancy; 2% seniors  
**Contact Name** Danielle  
**Phone** (912) 495-0655



### Market Information

**Program** @30%, @50%, @60%, Market  
**Annual Turnover Rate** 10%  
**Units/Month Absorbed** 20  
**HCV Tenants** N/A  
**Leasing Pace** Within one week  
**Annual Chg. in Rent** Various; no change up to a 22 percent  
**Concession** None

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** not included  
**Sewer** not included  
**Trash Collection** included

## Montgomery Landing, continued

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	1	792	\$248	\$0	@30%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	4	792	\$488	\$0	@50%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	7	792	\$568	\$0	@60%	No	0	0.0%	yes	None
1	1	Garden (2 stories)	4	792	\$615	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	9	1,062	\$302	\$0	@30%	No	0	0.0%	yes	None
2	2	Garden (2 stories)	16	1,062	\$590	\$0	@50%	No	0	0.0%	no	None
2	2	Garden (2 stories)	12	1,062	\$672	\$0	@60%	No	0	0.0%	no	None
2	2	Garden (2 stories)	11	1,062	\$725	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (2 stories)	4	1,267	\$335	\$0	@30%	No	0	0.0%	yes	None
3	2	Garden (2 stories)	21	1,267	\$668	\$0	@50%	No	1	4.8%	no	None
3	2	Garden (2 stories)	29	1,267	\$765	\$0	@60%	No	1	3.4%	no	None
3	2	Garden (2 stories)	10	1,267	\$800	\$0	Market	No	0	0.0%	no	None
4	2	Garden (2 stories)	1	1,428	\$283	\$0	@30%	No	0	0.0%	yes	None
4	2	Garden (2 stories)	2	1,428	\$654	\$0	@50%	No	0	0.0%	no	None
4	2	Garden (2 stories)	9	1,428	\$825	\$0	@60%	No	0	0.0%	no	None
4	2	Garden (2 stories)	4	1,428	\$900	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$248	\$0	\$248	\$0	\$248	<b>1BR / 1BA</b>	\$488	\$0	\$488	\$0	\$488
<b>2BR / 2BA</b>	\$302	\$0	\$302	\$0	\$302	<b>2BR / 2BA</b>	\$590	\$0	\$590	\$0	\$590
<b>3BR / 2BA</b>	\$335	\$0	\$335	\$0	\$335	<b>3BR / 2BA</b>	\$668	\$0	\$668	\$0	\$668
<b>4BR / 2BA</b>	\$283	\$0	\$283	\$0	\$283	<b>4BR / 2BA</b>	\$654	\$0	\$654	\$0	\$654
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$568	\$0	\$568	\$0	\$568	<b>1BR / 1BA</b>	\$615	\$0	\$615	\$0	\$615
<b>2BR / 2BA</b>	\$672	\$0	\$672	\$0	\$672	<b>2BR / 2BA</b>	\$725	\$0	\$725	\$0	\$725
<b>3BR / 2BA</b>	\$765	\$0	\$765	\$0	\$765	<b>3BR / 2BA</b>	\$800	\$0	\$800	\$0	\$800
<b>4BR / 2BA</b>	\$825	\$0	\$825	\$0	\$825	<b>4BR / 2BA</b>	\$900	\$0	\$900	\$0	\$900

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Oven  
Washer/Dryer hookup

Blinds  
Central A/C  
Garbage Disposal  
Refrigerator

#### Security

Limited Access  
Patrol

#### Services

None

#### Property

Clubhouse/Meeting  
Elevators  
Central Laundry  
On-Site Management  
Swimming Pool

Courtyard  
Exercise Facility  
Off-Street Parking  
Playground

#### Premium

None

#### Other

None

## Montgomery Landing, continued

### Comments

Contact stated that there is a strong demand in the area, and the area could probably use more rental units, LIHTC and market, as they have a low turnover rate, but typically lots of traffic.

# Montgomery Landing, continued

## Trend Report

### Vacancy Rates

1Q10	2Q10	4Q11	2Q12
1.4%	0.7%	1.4%	1.4%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$205	\$0	\$205	\$205
2010	2	N/A	\$205	\$0	\$205	\$205
2011	4	0.0%	\$213	\$0	\$213	\$213
2012	2	0.0%	\$248	\$0	\$248	\$248

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$240	\$0	\$240	\$240
2010	2	N/A	\$240	\$0	\$240	\$240
2011	4	0.0%	\$246	\$0	\$246	\$246
2012	2	0.0%	\$302	\$0	\$302	\$302

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$265	\$0	\$265	\$265
2010	2	N/A	\$265	\$0	\$265	\$265
2011	4	0.0%	\$273	\$0	\$273	\$273
2012	2	0.0%	\$335	\$0	\$335	\$335

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$275	\$0	\$275	\$275
2010	2	N/A	\$275	\$0	\$275	\$275
2011	4	0.0%	\$276	\$0	\$276	\$276
2012	2	0.0%	\$283	\$0	\$283	\$283

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$425	\$0	\$425	\$425
2010	2	N/A	\$425	\$0	\$425	\$425
2011	4	0.0%	\$450	\$0	\$450	\$450
2012	2	0.0%	\$488	\$0	\$488	\$488

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$500	\$0	\$500	\$500
2010	2	N/A	\$500	\$0	\$500	\$500
2011	4	0.0%	\$530	\$0	\$530	\$530
2012	2	0.0%	\$590	\$0	\$590	\$590

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$575	\$0	\$575	\$575
2010	2	N/A	\$575	\$0	\$575	\$575
2011	4	0.0%	\$601	\$0	\$601	\$601
2012	2	4.8%	\$668	\$0	\$668	\$668

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$615	\$0	\$615	\$615
2010	2	N/A	\$615	\$0	\$615	\$615
2011	4	0.0%	\$642	\$0	\$642	\$642
2012	2	0.0%	\$654	\$0	\$654	\$654

# Montgomery Landing, continued

## Trend: @60%

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$530	\$0	\$530	\$530
2010	2	N/A	\$530	\$0	\$530	\$530
2011	4	0.0%	\$568	\$0	\$568	\$568
2012	2	0.0%	\$568	\$0	\$568	\$568

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$635	\$0	\$635	\$635
2010	2	N/A	\$635	\$0	\$635	\$635
2011	4	8.3%	\$672	\$0	\$672	\$672
2012	2	0.0%	\$672	\$0	\$672	\$672

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$715	\$0	\$715	\$715
2010	2	N/A	\$715	\$0	\$715	\$715
2011	4	3.4%	\$765	\$0	\$765	\$765
2012	2	3.4%	\$765	\$0	\$765	\$765

### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$775	\$0	\$775	\$775
2010	2	N/A	\$775	\$0	\$775	\$775
2011	4	0.0%	\$825	\$0	\$825	\$825
2012	2	0.0%	\$825	\$0	\$825	\$825

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$590	\$0	\$590	\$590
2010	2	0.0%	\$590	\$0	\$590	\$590
2011	4	0.0%	\$515	\$0	\$515	\$515
2012	2	0.0%	\$615	\$0	\$615	\$615

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$700	\$0	\$700	\$700
2010	2	0.0%	\$700	\$0	\$700	\$700
2011	4	0.0%	\$725	\$0	\$725	\$725
2012	2	0.0%	\$725	\$0	\$725	\$725

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$745	\$0	\$745	\$745
2010	2	0.0%	\$745	\$0	\$745	\$745
2011	4	0.0%	\$745	\$0	\$745	\$745
2012	2	0.0%	\$800	\$0	\$800	\$800

### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$815	\$0	\$815	\$815
2010	2	0.0%	\$815	\$0	\$815	\$815
2011	4	0.0%	\$900	\$0	\$900	\$900
2012	2	0.0%	\$900	\$0	\$900	\$900

## Trend: Comments

1Q10 N/A

2Q10 The contact reported there are approximately 50 households on the waiting list for 30 and 50 percent AMI units in each bedroom type.

4Q11 Management stated that there is a wait list for LIHTC units; however, they were not able to provide the number of households.

2Q12 Contact stated that there is a strong demand in the area, and the area could probably use more rental units, LIHTC and market, as they have a low turnover rate, but typically lots of traffic.

# PROPERTY PROFILE REPORT

## Oaks At Brandlewood

<b>Effective Rent Date</b>	4/11/2012
<b>Location</b>	5110 Garrard Avenue Savannah, GA 31405 Chatham County
<b>Distance</b>	7.6 miles
<b>Units</b>	300
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	1.3%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Bradley Pointe, Montgomery Landing, Heritage Place
<b>Tenant Characteristics</b>	Families, 10% seniors, students, wide mix from all over
<b>Contact Name</b>	Beverly
<b>Phone</b>	912.232.9400



### Market Information

<b>Program</b>	@60%, Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	Could not report
<b>HCV Tenants</b>	35%
<b>Leasing Pace</b>	Within 10-14 days
<b>Annual Chg. in Rent</b>	See notes
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	773	\$606	\$0	@60%	No	2	N/A	N/A	None
1	1	Garden (3 stories)	N/A	773	\$710	\$0	Market	No	0	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,043	\$731	\$0	@60%	No	2	N/A	N/A	None
2	2	Garden (3 stories)	N/A	1,043	\$852	\$0	Market	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,217	\$840	\$0	@60%	No	0	N/A	N/A	None
3	2	Garden (3 stories)	N/A	1,217	\$984	\$0	Market	No	0	N/A	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$606	\$0	\$606	-\$33	\$573	1BR / 1BA	\$710	\$0	\$710	-\$33	\$677
2BR / 2BA	\$731	\$0	\$731	-\$41	\$690	2BR / 2BA	\$852	\$0	\$852	-\$41	\$811
3BR / 2BA	\$840	\$0	\$840	-\$55	\$785	3BR / 2BA	\$984	\$0	\$984	-\$55	\$929

## Oaks At Brandlewood, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Coat Closet  
Exterior Storage  
Garbage Disposal  
Oven  
Walk-In Closet

Blinds  
Central A/C  
Dishwasher  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

In-Unit Alarm  
Patrol

#### Services

None

#### Property

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Playground

Exercise Facility  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

None

### Comments

Contact stated that the rents decreased in the LIHTC units, while the rents increased for the market rate units. The contact also noted that four vacancies is normal for this time of year.

# Oaks At Brandlewood, continued

## Trend Report

### Vacancy Rates

1Q10	2Q10	1Q11	2Q12
4.0%	10.0%	4.0%	1.3%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$574	\$0	\$574	\$541
2010	2	N/A	\$592	\$0	\$592	\$559
2011	1	N/A	\$615	\$0	\$615	\$582
2012	2	N/A	\$606	\$0	\$606	\$573

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$692	\$0	\$692	\$651
2010	2	N/A	\$692	\$0	\$692	\$651
2011	1	N/A	\$741	\$0	\$741	\$700
2012	2	N/A	\$731	\$0	\$731	\$690

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$797	\$0	\$797	\$742
2010	2	N/A	\$797	\$0	\$797	\$742
2011	1	N/A	\$852	\$0	\$852	\$797
2012	2	N/A	\$840	\$0	\$840	\$785

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$710	\$0	\$710	\$677
2010	2	N/A	\$710	\$0	\$710	\$677
2011	1	N/A	\$710	\$0	\$710	\$677
2012	2	N/A	\$710	\$0	\$710	\$677

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$800	\$0	\$800	\$759
2010	2	N/A	\$800	\$0	\$800	\$759
2011	1	N/A	\$775	\$0	\$775	\$734
2012	2	N/A	\$852	\$0	\$852	\$811

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	N/A	\$925	\$0	\$925	\$870
2010	2	N/A	\$925	\$0	\$925	\$870
2011	1	N/A	\$885	\$0	\$885	\$830
2012	2	N/A	\$984	\$0	\$984	\$929

## Trend: Comments

- 1Q10** The contact reported that there is a three month waiting list for three bedroom units. All units now include an alarm in the rent. The contact reported that the vacancy was four percent, but could not give the unit mix breakdown of the vacant units.
- 2Q10** The contact reported that some tenants come from Garden City, Richmond Hill, and Hardeeville, but that the people who come from Garden City and Hardeeville want to move closer to Savannah. Management indicated that tenants would not move from Garden City or Hardeeville to Richmond Hill. There are two people on the waiting list. The property is currently building a computer/business center, which should be completed in the next two weeks.
- 1Q11** The occupancy is a result of a few evictions. The property manager at Oaks at Brandlewood indicated there was demand for two and three bedroom units in the market, and that up to 100 units would absorb within one year. The property manager could not indicate the property's unit mix or vacancy by unit mix. The waiting list would be longer for the two bedroom units, but most tenants are looking for immediate availability.
- 2Q12** Contact stated that the rents decreased in the LIHTC units, while the rents increased for the market rate units. The contact also noted that four vacancies is normal for this time of year.

# PROPERTY PROFILE REPORT

## Savannah Gardens Phase I

**Effective Rent Date** 4/16/2012  
**Location** Pennsylvania Ave & West Crescent Ave  
 Savannah, GA 31404  
 Chatham County  
**Distance** 0.1 miles  
**Units** 115  
**Vacant Units** 34  
**Vacancy Rate** 29.6%  
**Type** Garden  
**Year Built/Renovated** 2010 / N/A  
**Marketing Began** 8/01/2011  
**Leasing Began** 10/01/2011  
**Last Unit Leased** N/A  
**Major Competitors** N/A  
**Tenant Characteristics** N/A  
**Contact Name** Denise  
**Phone** 913-335-4838



### Market Information

**Program** @30%, @50%, @60%, Non-Rental  
**Annual Turnover Rate** N/A  
**Units/Month Absorbed** 11  
**HCV Tenants** 10%  
**Leasing Pace** N/A  
**Annual Chg. in Rent** N/A  
**Concession** None

### Utilities

**A/C** not included -- central  
**Cooking** not included -- electric  
**Water Heat** not included -- electric  
**Heat** not included -- electric  
**Other Electric** not included  
**Water** not included  
**Sewer** not included  
**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	1	750	\$230	\$0	@30%	No	N/A	N/A	yes	None
1	1	Garden	4	750	\$450	\$0	@50%	No	N/A	N/A	yes	None
1	1	Garden	5	750	\$572	\$0	@60%	No	N/A	N/A	yes	None
2	2	Garden	3	950	\$281	\$0	@30%	No	N/A	N/A	yes	None
2	2	Garden	27	950	\$555	\$0	@50%	No	N/A	N/A	yes	None
2	2	Garden	33	950	\$685	\$0	@60%	No	N/A	N/A	yes	None
2	2	Garden	1	950	N/A	\$0	Non-Rental	N/A	N/A	N/A	N/A	None
3	2	Garden	4	1,150	\$311	\$0	@30%	No	N/A	N/A	yes	None
3	2	Garden	14	1,150	\$627	\$0	@50%	No	N/A	N/A	yes	None
3	2	Garden	18	1,150	\$785	\$0	@60%	No	N/A	N/A	yes	None
4	2	Garden	1	1,350	\$327	\$0	@30%	No	N/A	N/A	yes	None
4	2	Garden	2	1,350	\$680	\$0	@50%	No	N/A	N/A	yes	None
4	2	Garden	2	1,350	\$857	\$0	@60%	No	N/A	N/A	yes	None

## Savannah Gardens Phase I, continued

### Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$230	\$0	\$230	\$0	\$230	1BR / 1BA	\$450	\$0	\$450	\$0	\$450
2BR / 2BA	\$281	\$0	\$281	\$0	\$281	2BR / 2BA	\$555	\$0	\$555	\$0	\$555
3BR / 2BA	\$311	\$0	\$311	\$0	\$311	3BR / 2BA	\$627	\$0	\$627	\$0	\$627
4BR / 2BA	\$327	\$0	\$327	\$0	\$327	4BR / 2BA	\$680	\$0	\$680	\$0	\$680
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$572	\$0	\$572	\$0	\$572	2BR / 2BA	N/A	\$0	N/A	\$0	N/A
2BR / 2BA	\$685	\$0	\$685	\$0	\$685						
3BR / 2BA	\$785	\$0	\$785	\$0	\$785						
4BR / 2BA	\$857	\$0	\$857	\$0	\$857						

### Amenities

#### In-Unit

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Microwave  
Refrigerator  
Washer/Dryer hookup

Carpeting  
Coat Closet  
Ceiling Fan  
Hand Rails  
Oven  
Walk-In Closet

#### Security

None

#### Services

None

#### Property

Business Center/Computer Lab  
Exercise Facility  
Off-Street Parking  
Picnic Area  
Service Coordination

Clubhouse/Meeting  
Central Laundry  
On-Site Management  
Playground

#### Premium

None

#### Other

Arts & Crafts/Activity Center

### Comments

The property manager stated that there has been a strong demand for their units. The property began marketing in August 2011. Former tenants of Strathmore Estates who were eligible for relocation moved in in October; however, leasing to the general public did not begin until November 2011. To date, the property is 70 percent occupied and 27 of the 34 vacancies have applications pending. Management anticipates that the property will be fully leased by the end of May 2012.

# Savannah Gardens Phase I, continued

## Trend Report

### Vacancy Rates

2Q09	4Q09	2Q12
N/A	N/A	29.6%

### Trend: @30%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$234	\$0	\$234	\$234
2009	4	N/A	\$234	\$0	\$234	\$234
2012	2	N/A	\$230	\$0	\$230	\$230

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$286	\$0	\$286	\$286
2009	4	N/A	\$286	\$0	\$286	\$286
2012	2	N/A	\$281	\$0	\$281	\$281

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$321	\$0	\$321	\$321
2009	4	N/A	\$321	\$0	\$321	\$321
2012	2	N/A	\$311	\$0	\$311	\$311

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$341	\$0	\$341	\$341
2009	4	N/A	\$341	\$0	\$341	\$341
2012	2	N/A	\$327	\$0	\$327	\$327

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$566	\$0	\$566	\$566
2009	4	N/A	\$566	\$0	\$566	\$566
2012	2	N/A	\$572	\$0	\$572	\$572

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$684	\$0	\$684	\$684
2009	4	N/A	\$684	\$0	\$684	\$684
2012	2	N/A	\$685	\$0	\$685	\$685

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$781	\$0	\$781	\$781
2009	4	N/A	\$781	\$0	\$781	\$781
2012	2	N/A	\$785	\$0	\$785	\$785

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$854	\$0	\$854	\$854
2009	4	N/A	\$854	\$0	\$854	\$854
2012	2	N/A	\$857	\$0	\$857	\$857

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$456	\$0	\$456	\$456
2009	4	N/A	\$456	\$0	\$456	\$456
2012	2	N/A	\$450	\$0	\$450	\$450

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$551	\$0	\$551	\$551
2009	4	N/A	\$551	\$0	\$551	\$551
2012	2	N/A	\$555	\$0	\$555	\$555

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$627	\$0	\$627	\$627
2009	4	N/A	\$627	\$0	\$627	\$627
2012	2	N/A	\$627	\$0	\$627	\$627

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$683	\$0	\$683	\$683
2009	4	N/A	\$683	\$0	\$683	\$683
2012	2	N/A	\$680	\$0	\$680	\$680

### Trend: Non-Rental

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	N/A	\$0	N/A	N/A
2009	4	N/A	N/A	\$0	N/A	N/A
2012	2	N/A	N/A	\$0	N/A	N/A

## Savannah Gardens Phase I, continued

### Trend: Comments

- 2Q09** The Subject is the first phase of the proposed redevelopment of the existing Strathmore Estates, a 374 unit market rate development. Portions of Strathmore Estates (west of Pennsylvania Avenue, north of West Crescent Avenue) will be demolished and the Subject will be newly constructed in its place as replacement housing. Units slated for demolition are currently vacant and boarded in anticipation of the Subject's development. The Subject will consist of 13 two- and three-story walk-up garden-style buildings and will include 2,800 square feet of office and community space. The Subject will be a Certified EarthCraft Multifamily project as well as part of an EarthCraft Community. The overall site plan for the redevelopment includes a public park.
- 4Q09** The property is the first phase of the proposed redevelopment of the existing Strathmore Estates, a 374-unit market rate development. Portions of Strathmore Estates (west of Pennsylvania Avenue, north of West Crescent Avenue) will be demolished and the property will be newly constructed in its place as replacement housing. Units slated for demolition are currently vacant and boarded in anticipation of the Subject development. The Subject will consist of 13 two- and three-story walk-up garden-style buildings and will include 2,800 square feet of office and community space. The Subject will be a Certified EarthCraft Multifamily project as well as part of an EarthCraft Community. The overall site plan for the redevelopment includes a public park.
- 2Q12** The property manager stated that there has been a strong demand for their units. The property began marketing in August 2011. Former tenants of Strathmore Estates who were eligible for relocation moved in in October; however, leasing to the general public did not begin until November 2011. To date, the property is 70 percent occupied and 27 of the 34 vacancies have applications pending. Management anticipates that the property will be fully leased by the end of May 2012.

# PROPERTY PROFILE REPORT

## Sustainable Fellwood I

<b>Effective Rent Date</b>	4/17/2012
<b>Location</b>	1401 Fellwood Dr Savannah, GA 31415 Chatham County
<b>Distance</b>	4.6 miles
<b>Units</b>	110
<b>Vacant Units</b>	3
<b>Vacancy Rate</b>	2.7%
<b>Type</b>	Various
<b>Year Built/Renovated</b>	2009 / N/A
<b>Marketing Began</b>	2/01/2009
<b>Leasing Began</b>	5/31/2009
<b>Last Unit Leased</b>	11/25/2009
<b>Major Competitors</b>	Ashley Midtown, Montgomery Lndg, Live Oak, Bradley
<b>Tenant Characteristics</b>	Tenants employed in schools, hotels, restaurants
<b>Contact Name</b>	Renee
<b>Phone</b>	(912) 544-0190



### Market Information

<b>Program</b>	@60%, @60% (Public Housing), Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	18
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	2 weeks
<b>Annual Chg. in Rent</b>	3-4% increase on MR
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	15	832	\$583	\$0	@60%	Yes	1	6.7%	no	None
1	1	Garden	9	832	N/A	\$0	@60% (Public Housing)	Yes	0	0.0%	N/A	None
1	1	Garden	6	832	\$675	\$0	Market	None	0	0.0%	N/A	None
2	1	Garden	17	1,060	\$702	\$0	@60%	Yes	0	0.0%	no	None
2	1	Garden	19	1,060	N/A	\$0	@60% (Public Housing)	Yes	0	0.0%	N/A	None
2	1	Garden	5	1,060	\$775	\$0	Market	None	1	20.0%	N/A	None
2	1.5	Townhouse	5	1,060	\$775	\$0	Market	None	0	0.0%	N/A	None
3	2	Garden	13	1,327	\$808	\$0	@60%	Yes	1	7.7%	no	None
3	2	Garden	10	1,327	N/A	\$0	@60% (Public Housing)	Yes	0	0.0%	N/A	None
3	2	Garden	2	1,327	\$875	\$0	Market	None	0	0.0%	N/A	None
3	2.5	Townhouse	3	1,327	\$875	\$0	Market	None	0	0.0%	N/A	None
4	2	Garden	3	1,522	\$814	\$0	@60%	Yes	0	0.0%	no	None
4	2	Garden	2	1,522	N/A	\$0	@60% (Public Housing)	Yes	0	0.0%	N/A	None
4	2	Garden	1	1,522	\$975	\$0	Market	None	0	0.0%	N/A	None

## Sustainable Fellwood I, continued

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$583	\$0	\$583	-\$33	\$550	1BR / 1BA	\$675	\$0	\$675	-\$33	\$642
2BR / 1BA	\$702	\$0	\$702	-\$41	\$661	2BR / 1BA	\$775	\$0	\$775	-\$41	\$734
3BR / 2BA	\$808	\$0	\$808	-\$55	\$753	2BR / 1.5BA	\$775	\$0	\$775	-\$41	\$734
4BR / 2BA	\$814	\$0	\$814	-\$65	\$749	3BR / 2BA	\$875	\$0	\$875	-\$55	\$820
						3BR / 2.5BA	\$875	\$0	\$875	-\$55	\$820
						4BR / 2BA	\$975	\$0	\$975	-\$65	\$910

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Blinds  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

#### Security

Patrol

#### Services

Afterschool Program  
Computer Tutoring

#### Property

Business Center/Computer Lab  
Courtyard  
Neighborhood Network  
On-Site Management  
Playground  
Volleyball Court

Clubhouse/Meeting  
Central Laundry  
Off-Street Parking  
Picnic Area  
Recreation Areas  
Wi-Fi

#### Premium

None

#### Other

Planned activities, game

### Comments

There are six floating PBRA units: two one bedroom units, two two-bedroom units, and two three-bedroom units. There are over 100 households on the waiting list for the PBRA units. Phases I and II share a waiting list for LIHTC units. Currently, there are 12 households waiting for a one-bedroom unit, eight households waiting for a two-bedroom unit, and two households waiting for a three-bedroom unit. Taking out public housing and section 8 vouchers, there are 94 households paying the full LIHTC or market rents.

# Sustainable Fellwood I, continued

## Trend Report

### Vacancy Rates

1Q10	2Q10	4Q11	2Q12
1.8%	1.8%	0.0%	2.7%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$583	\$0	\$583	\$550
2010	2	0.0%	\$583	\$0	\$583	\$550
2011	4	0.0%	\$583	\$0	\$583	\$550
2012	2	4.2%	\$583	\$0	\$583	\$550

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	2.8%	\$707	\$0	\$707	\$666
2010	2	2.8%	\$707	\$0	\$707	\$666
2011	4	0.0%	\$707	\$0	\$707	\$666
2012	2	0.0%	\$702	\$0	\$702	\$661

#### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$808	\$0	\$808	\$753
2010	2	4.3%	\$808	\$0	\$808	\$753
2011	4	0.0%	\$808	\$0	\$808	\$753
2012	2	4.3%	\$808	\$0	\$808	\$753

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$814	\$0	\$814	\$749
2010	2	0.0%	\$814	\$0	\$814	\$749
2011	4	0.0%	\$814	\$0	\$814	\$749
2012	2	0.0%	\$814	\$0	\$814	\$749

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$675	\$0	\$675	\$642
2010	2	0.0%	\$675	\$0	\$675	\$642
2011	4	0.0%	\$695	\$0	\$695	\$662
2012	2	0.0%	\$675	\$0	\$675	\$642

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$775	\$0	\$775	\$734
2010	2	0.0%	\$775	\$0	\$775	\$734
2011	4	0.0%	\$795	\$0	\$795	\$754
2012	2	0.0%	\$775	\$0	\$775	\$734

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$775	\$0	\$775	\$734
2010	2	0.0%	\$775	\$0	\$775	\$734
2011	4	0.0%	\$795	\$0	\$795	\$754
2012	2	20.0%	\$775	\$0	\$775	\$734

#### 3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
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#### 3BR / 2.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	33.3%	\$875	\$0	\$875	\$820
2010	2	0.0%	\$875	\$0	\$875	\$820
2011	4	0.0%	\$895	\$0	\$895	\$840
2012	2	0.0%	\$875	\$0	\$875	\$820

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$875	\$0	\$875	\$820
2010	2	0.0%	\$875	\$0	\$875	\$820
2011	4	0.0%	\$895	\$0	\$895	\$840
2012	2	0.0%	\$875	\$0	\$875	\$820

#### 4BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	1	0.0%	\$925	\$0	\$925	\$860
2010	2	0.0%	\$925	\$0	\$925	\$860
2011	4	0.0%	\$925	\$0	\$925	\$860
2012	2	0.0%	\$975	\$0	\$975	\$910

### Trend: Comments

- 1Q10** The contact indicated that two units are preleased. The contact did not know how many tenants use housing choice vouchers, but the last interview reported eight percent.
- 2Q10** There are six floating PBRA units: two one bedroom units, two two-bedroom units, and two three-bedroom units; the rents for these units are \$720, \$797, \$1073, respectively. The contact indicated that tenants are paying between \$0 and 155 per month for these PBRA units. There are 115 people on the waiting list for public housing, but the waiting list has been closed since May 2009. There is also a waiting list for tax credit units, but the contact could not report how many are on this list. Taking out public housing, section 8 vouchers, and PBRA units, there are 49 households paying the full LIHTC or market rents.
- 4Q11** There are six floating PBRA units: two one bedroom units, two two-bedroom units, and two three-bedroom units. There is a 20 household wait list for LIHTC units and over 100 people on the waiting list for public housing. Taking out public housing and section 8 vouchers, there are 94 households paying the full LIHTC or market rents.
- 2Q12** There are six floating PBRA units: two one bedroom units, two two-bedroom units, and two three-bedroom units. There are over 100 households on the waiting list for the PBRA units. Phases I and II share a waiting list for LIHTC units. Currently, there are 12 households waiting for a one-bedroom unit, eight households waiting for a two-bedroom unit, and two households waiting for a three-bedroom unit. Taking out public housing and section 8 vouchers, there are 94 households paying the full LIHTC or market rents.

# PROPERTY PROFILE REPORT

## Sustainable Fellwood II

<b>Effective Rent Date</b>	4/17/2012
<b>Location</b>	1300 W Bay St Savannah, GA 31415 Chatham County
<b>Distance</b>	4.5 miles
<b>Units</b>	110
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2011 / N/A
<b>Marketing Began</b>	7/01/2011
<b>Leasing Began</b>	7/01/2011
<b>Last Unit Leased</b>	12/31/2011
<b>Major Competitors</b>	Ashley Midtown I, II, Montgomery Landing
<b>Tenant Characteristics</b>	Tenants employed in schools, hotels, restaurants
<b>Contact Name</b>	N/A
<b>Phone</b>	N/A



### Market Information

<b>Program</b>	@60%, @60% (Project Based Rental)
<b>Annual Turnover Rate</b>	N/A
<b>Units/Month Absorbed</b>	18
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	N/A
<b>Concession</b>	none

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	included

## Sustainable Fellwood II, continued

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	2	838	\$583	\$0	@60%	Yes	0	0.0%	no	None
1	1	Garden (2 stories)	2	838	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
1	1	Garden (2 stories)	4	838	\$695	\$0	Market	Yes	0	0.0%	N/A	None
1	1	Garden (2 stories)	4	838	N/A	\$0	PHA (Public Housing)	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	10	1,072	\$702	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	15	1,072	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	4	1,072	\$795	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (2 stories)	15	1,072	N/A	\$0	PHA (Public Housing)	Yes	0	0.0%	N/A	None
3	2	Garden (2 stories)	15	1,343	\$808	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (2 stories)	3	1,343	\$895	\$0	Market	Yes	0	0.0%	N/A	None
3	3	Garden (2 stories)	15	1,343	N/A	\$0	@60% (Project Based Rental Assistance - PBRA)	Yes	0	0.0%	N/A	None
3	3	Garden (2 stories)	21	1,343	N/A	\$0	PHA (Public Housing)	Yes	0	0.0%	N/A	None

### Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$583	\$0	\$583	-\$33	\$550	1BR / 1BA	\$695	\$0	\$695	-\$33	\$662
2BR / 2BA	\$702	\$0	\$702	-\$41	\$661	2BR / 2BA	\$795	\$0	\$795	-\$41	\$754
3BR / 2BA	\$808	\$0	\$808	-\$55	\$753	3BR / 2BA	\$895	\$0	\$895	-\$55	\$840
3BR / 3BA	N/A	\$0	N/A	-\$55	N/A						

PHA	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	N/A	\$0	N/A	-\$33	N/A
2BR / 2BA	N/A	\$0	N/A	-\$41	N/A
3BR / 3BA	N/A	\$0	N/A	-\$55	N/A

## Sustainable Fellwood II, continued

### Amenities

#### In-Unit

Balcony/Patio  
Cable/Satellite/Internet  
Central A/C  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

Blinds  
Carpeting  
Coat Closet  
Ceiling Fan  
Oven  
Walk-In Closet

#### Security

Patrol

#### Services

None

#### Property

Business Center/Computer Lab  
Courtyard  
Neighborhood Network  
On-Site Management  
Volleyball Court

Clubhouse/Meeting  
Central Laundry  
Off-Street Parking  
Playground  
Wi-Fi

#### Premium

None

#### Other

Community garden, gazebo

### Comments

Management reported that the property opened in July 2011 and was fully leased by December 2011. Management indicated that the local market is strong and that there is demand for additional LIHTC and PBRA units in the local market. Phase II shares a waiting list with phase I. Currently, there are 12 households waiting for a one-bedroom LIHTC unit, eight households waiting for a two-bedroom LIHTC unit, and two households waiting for a three-bedroom LIHTC unit. There are over 100 households waiting for the PBRA units.

# Sustainable Fellwood II, continued

## Trend Report

### Vacancy Rates

3Q09	1Q10	2Q12
N/A	N/A	0.0%

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$546 - \$638	\$0	\$546 - \$638	\$513 - \$605
2010	1	N/A	\$546 - \$638	\$0	\$546 - \$638	\$513 - \$605
2012	2	0.0%	\$583	\$0	\$583	\$550

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$658 - \$710	\$0	\$658 - \$710	\$617 - \$669
2010	1	N/A	\$658 - \$710	\$0	\$658 - \$710	\$617 - \$669
2012	2	0.0%	\$702	\$0	\$702	\$661

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$753	\$0	\$753	\$698
2010	1	N/A	\$753	\$0	\$753	\$698
2012	2	0.0%	\$808	\$0	\$808	\$753

#### 3BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$942	\$0	\$942	\$887
2010	1	N/A	\$942	\$0	\$942	\$887
2012	2	0.0%	N/A	\$0	N/A	N/A

### Trend: PHA

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$303	\$0	\$303	\$270
2010	1	N/A	\$303	\$0	\$303	\$270
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$303	\$0	\$303	\$262
2010	1	N/A	\$303	\$0	\$303	\$262
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 3BR / 3BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$303	\$0	\$303	\$248
2010	1	N/A	\$303	\$0	\$303	\$248
2012	2	0.0%	N/A	\$0	N/A	N/A

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$650	\$0	\$650	\$617
2010	1	N/A	\$650	\$0	\$650	\$617
2012	2	0.0%	\$695	\$0	\$695	\$662

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$750	\$0	\$750	\$709
2010	1	N/A	\$750	\$0	\$750	\$709
2012	2	0.0%	\$795	\$0	\$795	\$754

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$850	\$0	\$850	\$795
2010	1	N/A	\$850	\$0	\$850	\$795
2012	2	0.0%	\$895	\$0	\$895	\$840

### Trend: Comments

- 3Q09** The Subject is part of larger redevelopment project located in western Savannah. This is the former site of Savannah's first public housing project ? Fellwood Homes. The entire redevelopment area consists of a 27-acre site. The overall redevelopment plan includes 220 mixed-use/mixed-income housing units (Phase I and Phase II), 100 senior housing units (Phase III), 13 single family homeowner units, and potential commercial space. Phase I of the Subject recently completed construction in May 2009 and is in the lease-up process.
- 1Q10** Construction has not begun yet.
- 2Q12** Management reported that the property opened in July 2011 and was fully leased by December 2011. Management indicated that the local market is strong and that there is demand for additional LIHTC and PBRA units in the local market. Phase II shares a waiting list with phase I. Currently, there are 12 households waiting for a one-bedroom LIHTC unit, eight households waiting for a two-bedroom LIHTC unit, and two households waiting for a three-bedroom LIHTC unit. There are over 100 households waiting for the PBRA units.

# PROPERTY PROFILE REPORT

## Chelsea Apartments At Five Points

<b>Effective Rent Date</b>	4/13/2012
<b>Location</b>	1910 Skidaway Rd Savannah, GA 31404 Chatham County
<b>Distance</b>	1.2 miles
<b>Units</b>	136
<b>Vacant Units</b>	6
<b>Vacancy Rate</b>	4.4%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1947 / 1983
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Kingstown, Alhambra
<b>Tenant Characteristics</b>	20% seniors, families from Savannah 31404,31401 area codes
<b>Contact Name</b>	Dawson
<b>Phone</b>	(912) 232-6640



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	45%
<b>Leasing Pace</b>	Varies; within 30 days
<b>Annual Chg. in Rent</b>	An increase of approximately three
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- gas
<b>Heat</b>	not included -- gas
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	24	700	\$590	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (2 stories)	112	850	\$625	\$0	Market	No	N/A	N/A	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$590	\$0	\$590	\$0	\$590
2BR / 1BA	\$625	\$0	\$625	\$0	\$625

### Amenities

In-Unit	Security	Services
Blinds Central A/C Oven	Video Surveillance	None
Carpet/Hardwood Dishwasher Refrigerator		
Property	Premium	Other
Central Laundry On-Site Management Swimming Pool	None	None
Off-Street Parking Picnic Area		

## **Chelsea Apartments At Five Points, continued**

### **Comments**

The contact could not verify which unit types were vacant, but said that they were between 95 and 96 percent occupied. The contact also noted that these new levels of high occupancy have become the new normal for them.

## Chelsea Apartments At Five Points, continued

### Trend Report

#### Vacancy Rates

1Q09	4Q09	2Q10	2Q12
16.2%	11.0%	9.6%	4.4%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	8.3%	\$579	\$0	\$579	\$579
2009	4	4.2%	\$579	\$0	\$579	\$579
2010	2	0.0%	\$589	\$0	\$589	\$589
2012	2	N/A	\$590	\$0	\$590	\$590

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	1	17.9%	\$669	\$40	\$629	\$629
2009	4	12.5%	\$619	\$0	\$619	\$619
2010	2	11.6%	\$649	\$30	\$619	\$619
2012	2	N/A	\$625	\$0	\$625	\$625

### Trend: Comments

- 1Q09** Management stated that the rental market is soft due to saturation of market rate developments. They noted that affordable housing would be welcomed to the area because many local residents are unable to meet the income requirements at market rate properties.
- 4Q09** The contact refused to comment on market characteristics. Despite the high two-bedroom vacancy rate, management is not offering a concession but two-bedroom rents have decreased by seven percent since March 2009. The property has historically maintained a high two-bedroom vacancy rate as the two-bedroom units comprise the majority of the property. Occupancy increased from 84 percent to 89 percent from March 2009 to November 2009.
- 2Q10** The contact could not report annual turnover or number of tenants with housing choice vouchers. The last interview reported that 45 percent of the tenant used housing choice vouchers.
- 2Q12** The contact could not verify which unit types were vacant, but said that they were between 95 and 96 percent occupied. The contact also noted that these new levels of high occupancy have become the new normal for them.

# PROPERTY PROFILE REPORT

## Jasmine Place

**Effective Rent Date** 4/16/2012  
**Location** 2323 Downing Ave  
 Savannah, GA 31404  
 Chatham County  
**Distance** 2.1 miles  
**Units** 112  
**Vacant Units** 13  
**Vacancy Rate** 11.6%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 1979 / 2005  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** Island Tree, River Crossing  
**Tenant Characteristics** N/A  
**Contact Name** Michelle  
**Phone** (912) 352-7152



### Market Information

**Program** Market  
**Annual Turnover Rate** N/A  
**Units/Month Absorbed** N/A  
**HCV Tenants** 3%  
**Leasing Pace** Varies; pre-leased units to up to 30  
**Annual Chg. in Rent** N/A  
**Concession** See notes

### Utilities

**A/C** not included -- central  
**Cooking** not included -- gas  
**Water Heat** not included -- gas  
**Heat** not included -- gas  
**Other Electric** not included  
**Water** not included  
**Sewer** not included  
**Trash Collection** included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Garden (2 stories)	80	844	\$790	\$91	Market	No	13	16.2%	N/A	None
3	2	Garden (2 stories)	32	1,144	\$875	\$98	Market	Yes	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1.5BA	\$790	\$91	\$699	\$0	\$699
3BR / 2BA	\$875	\$98	\$777	\$0	\$777

### Amenities

#### In-Unit

Blinds  
 Central A/C  
 Ceiling Fan  
 Oven  
 Walk-In Closet

Carpeting  
 Dishwasher  
 Garbage Disposal  
 Refrigerator  
 Washer/Dryer hookup

#### Security

Limited Access  
 Perimeter Fencing

#### Services

None

#### Property

Clubhouse/Meeting  
 Central Laundry  
 On-Site Management  
 Swimming Pool

Exercise Facility  
 Off-Street Parking  
 Picnic Area

#### Premium

None

#### Other

None

## Jasmine Place, continued

### Comments

The contact indicated that the 13th month is free when signing a 12-month lease. In addition, through the month of the April, they are offering \$300 off the first months rent. Both concessions are shown in the rent grid. The contact stated that 13 vacancies is good for them, as the economy drastically slowed demand in their area the past few years, noting that demand was beginning to increase again with the improvement of the economy and the spring/summer season approaching.

**Trend Report**

**Vacancy Rates**

2Q09	4Q09	2Q10	2Q12
11.6%	23.2%	17.0%	11.6%

**Trend: Market**

**2BR / 1.5BA**

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$780	\$65	\$715	\$715
2009	4	N/A	\$710	\$0	\$710	\$710
2010	2	23.7%	\$780	\$105	\$675	\$675
2012	2	16.2%	\$790	\$91	\$699	\$699

**3BR / 2BA**

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	2	N/A	\$855	\$71	\$784	\$784
2009	4	N/A	\$855	\$0	\$855	\$855
2010	2	0.0%	\$855	\$0	\$855	\$855
2012	2	0.0%	\$875	\$98	\$777	\$777

**Trend: Comments**

**2Q09** Rents and occupancy have increased since the last interview in October 2008 but management currently offers a concession, which has been offered for several months. Taking into account the current concession, rents have increased by 1.3 and 1.4 percent for the two- and three-bedroom units. The contact could not report the property's turnover rate or vacancy by unit type. The property's website is [www.jasmineplace.com](http://www.jasmineplace.com).

**4Q09** The contact reported that there are no concessions but the units now offer washer/dryers included in the rent. The property's occupancy rate decreased from 88 percent in April 2009 to 77 percent currently. The contact attributed the increase in vacancy to layoffs and some military transfers. The property has historically maintained a high vacancy rate, which has likely been exacerbated by the state of the economy.

**2Q10** The contact reported that management has been offering a concession on the two-bedroom units since mid-June and will likely continue the concession through the first week in July. Demand appears to be higher for the three-bedroom units as none of these are vacant. The contact could not comment on typical occupancy rates for the property or on turnover but according to previous interviews, occupancy has improved since December 2009 at which point the property was 77 percent occupied. Management does not accept Housing Choice Vouchers.

**2Q12** The contact indicated that the 13th month is free when signing a 12-month lease. In addition, through the month of the April, they are offering \$300 off the first months rent. Both concessions are shown in the rent grid. The contact stated that 13 vacancies is good for them, as the economy drastically slowed demand in their area the past few years, noting that demand was beginning to increase again with the improvement of the economy and the spring/summer season approaching.

# PROPERTY PROFILE REPORT

## Springs At Chatham Parkway

<b>Effective Rent Date</b>	4/11/2012
<b>Location</b>	1699 Chatham Parkway Savannah, GA 31405 Chatham County
<b>Distance</b>	7.9 miles
<b>Units</b>	352
<b>Vacant Units</b>	19
<b>Vacancy Rate</b>	5.4%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2007-2008 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Tenants from Savannah and Chatham Co.; Residents range from students to retired
<b>Contact Name</b>	Kim
<b>Phone</b>	912-236-3771



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	29%
<b>Units/Month Absorbed</b>	29
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	N/A
<b>Annual Chg. in Rent</b>	An increase of various amounts
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
0	1	Garden (2 stories)	N/A	575	\$743	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	44	741	\$840	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	44	801	\$871	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	22	830	\$931	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (2 stories)	22	888	\$957	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	44	957	\$991	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	22	1,055	\$1,012	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	44	1,090	\$1,001	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	22	1,441	\$1,091	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (2 stories)	22	1,360	\$1,192	\$0	Market	No	N/A	N/A	N/A	None

## Springs At Chatham Parkway, continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
Studio / 1BA	\$743	\$0	\$743	\$15	\$758
1BR / 1BA	\$840 - \$957	\$0	\$840 - \$957	\$15	\$855 - \$972
2BR / 2BA	\$991 - \$1,012	\$0	\$991 - \$1,012	\$15	\$1,006 - \$1,027
3BR / 2BA	\$1,091 - \$1,192	\$0	\$1,091 - \$1,192	\$15	\$1,106 - \$1,207

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Dishwasher  
 Garbage Disposal  
 Oven  
 Washer/Dryer hookup

Blinds  
 Central A/C  
 Exterior Storage  
 Microwave  
 Refrigerator

#### Security

Limited Access  
 Perimeter Fencing

#### Services

None

#### Property

Business Center/Computer Lab  
 Clubhouse/Meeting  
 Garage  
 Off-Street Parking  
 Picnic Area  
 Wi-Fi

Car Wash  
 Exercise Facility  
 Central Laundry  
 On-Site Management  
 Swimming Pool

#### Premium

None

#### Other

Outdoor auditorium

### Comments

Contact did not know the vacancies per unit type, but stated that they are 94.6 percent occupied, which is normal for them. They recently decreased the rents for the garages, which are now \$50 for the one-car garage and \$85 for the two-car garage.

# Springs At Chatham Parkway, continued

## Trend Report

### Vacancy Rates

4Q09	1Q10	2Q10	2Q12
15.2%	23.0%	15.2%	5.4%

## Trend: Market

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$785 - \$835	\$65 - \$70	\$720 - \$765	\$735 - \$780
2010	1	N/A	\$795 - \$825	\$133 - \$138	\$662 - \$687	\$677 - \$702
2010	2	N/A	\$831 - \$864	\$139 - \$144	\$692 - \$720	\$707 - \$735
2012	2	N/A	\$840 - \$957	\$0	\$840 - \$957	\$855 - \$972

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$895 - \$935	\$75 - \$78	\$820 - \$857	\$835 - \$872
2010	1	N/A	\$890 - \$925	\$148 - \$154	\$742 - \$771	\$757 - \$786
2010	2	N/A	\$1,005 - \$1,055	\$168 - \$176	\$837 - \$879	\$852 - \$894
2012	2	N/A	\$991 - \$1,012	\$0	\$991 - \$1,012	\$1,006 - \$1,027

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$1,000 - \$1,110	\$0	\$1,000 - \$1,110	\$1,015 - \$1,125
2010	1	N/A	\$1,155 - \$1,300	\$193 - \$217	\$962 - \$1,083	\$977 - \$1,098
2010	2	N/A	\$1,267 - \$1,400	\$211 - \$233	\$1,056 - \$1,167	\$1,071 - \$1,182
2012	2	N/A	\$1,091 - \$1,192	\$0	\$1,091 - \$1,192	\$1,106 - \$1,207

### Studio / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	4	N/A	\$670	\$56	\$614	\$629
2010	1	11.4%	\$670	\$112	\$558	\$573
2010	2	N/A	\$671	\$112	\$559	\$574
2012	2	N/A	\$743	\$0	\$743	\$758

## Trend: Comments

- 4Q09** Rents for all units except the smallest one-bedroom units have decreased. Because rents change based on availability some of the larger one-bedrooms offer slightly lower rents than smaller sizes. The small three-bedroom unit offers a higher rent as the unit includes an attached two-car garage. The property was 95 percent occupied as of the last interview in July 2009 and the contact indicated that occupancy has lowered drastically because of a deployment that has occurred since mid-October 2009. Leasing pace since the deployment has ranged from one to four leases per week.
- 1Q10** The contact could not give a unit breakdown for all the vacant units, but did indicate the property was 77 percent occupied. The contact reported that the vacancy increased significantly in November 2009 when there was a large military deployment. The property is 25 percent occupied by the military. The contact reported that the larger one bedroom (830 square feet) does not have a dining area. There are six people on the waiting list for the summer months.
- 2Q10** Management could not give a unit breakdown for all the vacant units, but did indicate the property was 84.94 percent occupied and 89.77 percent leased. The contact reported that the market was improving, and that the recent concession had really helped the property's traffic. Management had been reluctant to lower prices, and offer more flexible leasing terms like its competitors as many tenants had recently transferred. There are seven households on the waiting list. The property had several garages, but could not indicate how many garages, and that these garages were approximately 75 percent leased. Prices for the garages range from \$75 for one-car garages, to \$100 for two-car garages. The property does not accept housing choice vouchers.
- 2Q12** Contact did not know the vacancies per unit type, but stated that they are 94.6 percent occupied, which is normal for them. They recently decreased the rents for the garages, which are now \$50 for the one-car garage and \$85 for the two-car garage.

# PROPERTY PROFILE REPORT

## Walden At Chatham Center

<b>Effective Rent Date</b>	4/11/2012
<b>Location</b>	100 Walden Lane Savannah, GA 31406 Bryan County
<b>Distance</b>	8.8 miles
<b>Units</b>	236
<b>Vacant Units</b>	6
<b>Vacancy Rate</b>	2.5%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Springs at Chatham, Fenwick, Avala, Savannah Qtrs
<b>Tenant Characteristics</b>	Mixed tenancy from GA and N. Carolina. 12% are military families, also some students from SCAD
<b>Contact Name</b>	Susan
<b>Phone</b>	912-238-8596



### Market Information

<b>Program</b>	Market, Non-Rental
<b>Annual Turnover Rate</b>	35%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	With seven days, sometimes up to 10
<b>Annual Chg. in Rent</b>	Increased rents anywhere from 5-15
<b>Concession</b>	See notes

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	23	642	\$825	\$0	Market	No	3	13.0%	N/A	None
1	1	Garden (3 stories)	43	797	\$910	\$0	Market	No	2	4.7%	N/A	None
1	1	Garden (3 stories)	8	883	\$940	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	16	1,013	\$940	\$0	Market	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	1	642	N/A	\$0	Non-Rental	No	0	0.0%	N/A	None
1	1	Garden (3 stories)	1	797	N/A	\$0	Non-Rental	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	80	1,131	\$1,075	\$0	Market	No	1	1.3%	N/A	None
2	2	Garden (3 stories)	38	1,211	\$1,068	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	2	1,131	N/A	\$0	Non-Rental	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	16	1,358	\$1,278	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	8	1,418	\$1,273	\$0	Market	No	0	0.0%	N/A	None

## Walden At Chatham Center, continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Non-Rental	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$825 - \$940	\$0	\$825 - \$940	\$15	\$840 - \$955	<b>1BR / 1BA</b>	N/A	\$0	N/A	\$15	N/A
<b>2BR / 2BA</b>	\$1,068 - \$1,075	\$0	\$1,068 - \$1,075	\$15	\$1,083 - \$1,090	<b>2BR / 2BA</b>	N/A	\$0	N/A	\$15	N/A
<b>3BR / 2BA</b>	\$1,273 - \$1,278	\$0	\$1,273 - \$1,278	\$15	\$1,288 - \$1,293						

### Amenities

#### In-Unit

Balcony/Patio  
 Carpeting  
 Dishwasher  
 Garbage Disposal  
 Refrigerator  
 Washer/Dryer hookup

Blinds  
 Central A/C  
 Ceiling Fan  
 Oven  
 Walk-In Closet

#### Security

Patrol

#### Services

None

#### Property

Business Center/Computer Lab  
 Clubhouse/Meeting  
 Garage  
 Off-Street Parking  
 Picnic Area  
 Swimming Pool

Car Wash  
 Exercise Facility  
 Central Laundry  
 On-Site Management  
 Playground

#### Premium

None

#### Other

Dog park, putting green

### Comments

The contact reported that the property leases two sizes of garages for \$75 per month and \$125 per month. The exterior storage units rent for \$60 per month. Contact stated that they do not currently have a waiting list, but will start one in August/September since they have quite a few tenants who are students at SCAD. The special for students is \$100 (or half) off of the move-in fee. The contact also stated that there are no official concessions at the moment, but there are a variety of discounts on specific vacant units. The contact also noted that having only six vacancies is normal for them.

# Walden At Chatham Center, continued

## Trend Report

### Vacancy Rates

3Q09	1Q10	2Q10	2Q12
7.2%	1.7%	3.8%	2.5%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$780 - \$935	\$0	\$780 - \$935	\$795 - \$950
2010	1	2.2%	\$725 - \$925	\$0	\$725 - \$925	\$740 - \$940
2010	2	N/A	\$735 - \$925	\$0	\$735 - \$925	\$750 - \$940
2012	2	5.6%	\$825 - \$940	\$0	\$825 - \$940	\$840 - \$955

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$965 - \$985	\$0	\$965 - \$985	\$980 - \$1,000
2010	1	0.0%	\$895 - \$925	\$0	\$895 - \$925	\$910 - \$940
2010	2	N/A	\$925 - \$955	\$0	\$925 - \$955	\$940 - \$970
2012	2	0.8%	\$1,068 - \$1,075	\$0	\$1,068 - \$1,075	\$1,083 - \$1,090

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2009	3	N/A	\$1,150 - \$1,165	\$0	\$1,150 - \$1,165	\$1,165 - \$1,180
2010	1	8.3%	\$1,095 - \$1,150	\$0	\$1,095 - \$1,150	\$1,110 - \$1,165
2010	2	N/A	\$1,170 - \$1,185	\$0	\$1,170 - \$1,185	\$1,185 - \$1,200
2012	2	0.0%	\$1,273 - \$1,278	\$0	\$1,273 - \$1,278	\$1,288 - \$1,293

### Trend: Non-Rental

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	N/A	\$0	N/A	N/A
2012	2	0.0%	N/A	\$0	N/A	N/A

### Trend: Comments

- 3Q09** The rents listed are averages as rents vary by floor level with an overall price difference of \$40 between the first and third floors. The third floors offer cheaper rents, which is why the larger two- and three-bedroom floorplans are cheaper than the smaller floorplans. The property is 92 percent occupied and 96 percent leased. The contact reported that the recession has not particularly affected the property but competition with new supply in Pooler has affected the property.
- 1Q10** There are six people on the waiting list.
- 2Q10** There are six people on the waiting list. The contact could not report turnover or leasing pace, but our previous interview indicated an annual turnover rate of 51 percent, and a 1-3 week leasing pace. The property does not accept housing choice vouchers. The contact reported that the property leases two sizes of garages for \$75 per month and \$125 per month; all are currently 100 percent leased. The exterior storage units rent for \$60 per month, and are 100 percent leased. One of the two bedroom non-rental units is a hospitality suite that the property rents out for \$90 per night. The other non-rental units are model units.
- 2Q12** The contact reported that the property leases two sizes of garages for \$75 per month and \$125 per month. The exterior storage units rent for \$60 per month. Contact stated that they do not currently have a waiting list, but will start one in August/September since they have quite a few tenants who are students at SCAD. The special for students is \$100 (or half) off of the move-in fee. The contact also stated that there are no official concessions at the moment, but there are a variety of discounts on specific vacant units. The contact also noted that having only six vacancies is normal for them.

**2. The following information is provided as required by DCA:**

**Housing Choice Vouchers**

**TENANTS WITH VOUCHERS**

Comparable Property	Type	Housing Choice Voucher Tenants
Ashley Midtown Apartments	LIHTC/Market	0%
Ashley Midtown Phase II	LIHTC/PH	0%
Heritage Corner & Heritage Row	LIHTC	30%
Heritage Place	LIHTC	30%
Montgomery Landing	LIHTC/Market	N/A
Oaks At Brandlewood	LIHTC/Market	35%
Savannah Gardens Phase I	LIHTC	10%
Sustainable Fellwood I	LIHTC/PH/Market	10%
Sustainable Fellwood II	LIHTC/PBRA/PH/Market	10%
Chelsea Apartments At Five Points	Market	45%
Jasmine Place	Market	3%
Springs At Chatham Parkway	Market	0%
Walden At Chatham Center	Market	0%
<b>Average</b>		<b>14%</b>

Ashley Midtown Phase I and Phase II do not accept Housing Choice Vouchers (HCVs) as Phase II offers public housing subsidy. As unrestricted properties, management at Jasmine Place, Springs at Chatham Parkway, and Walden at Chatham Center do not accept vouchers. The remaining comparables have HCV rates ranging from 10 to 45 percent, with Chelsea Apartments at Five Points maintaining the highest rate. The LIHTC comparables maintain HCV rates ranging from 10 to 35 percent, which is considered moderate. Savannah Gardens I, Phase I of the Subject, reported a voucher tenancy of 10 percent. We anticipate that the Subject will have a voucher tenancy similar to Phase I.

**Lease Up History**

We were able to obtain absorption information from several comparable properties, which are listed in the following table.

**Absorption Rate**

Comparable Property	Rent Structure	Absorption Rate	Year Built
Ashley Midtown Apartments	LIHTC/PHA/Market	56 units/month	2004
Ashley Midtown Phase II	LIHTC/PHA	12 units/month	2008
Springs At Chatham Parkway	Market	29 units/month	2007 - 2008
Sustainable Fellwood Phase I	LIHTC/PHA/ Market	18 units/month	2009
Sustainable Fellwood Phase II	LIHTC/PHA/PBRA/Market	18 units/month	2011
Savannah Gardens I	LIHTC	11 units/month	2011

As illustrated, the fastest absorption rate was reported by the oldest addition the market, Ashley Midtown Apartments, which absorbed at a rate of 56 units per month. The newest additions to the market are Sustainable Fellwood Phase II and Savannah Gardens Phase I (the first phase of the Subject). Both properties entered the market in 2011 and added a total of 225 LIHTC, public

housing, and unrestricted units to the market within a few months. Sustainable Fellwood is currently 100 percent occupied and has a waiting list. Savannah Gardens I is in lease up and is 70 percent occupied. Of the 34 vacant units, 27 have applications pending. The remaining seven units had applications pending but the applications were either denied or were withdrawn by the prospective tenants. Management estimated that the property will be fully leased by the end of May 2012. The quick absorption of these properties and the average stabilized LIHTC vacancy rate of less than two percent indicate demand for additional LIHTC units.

Sustainable Fellwood Phase II offers units that operate with an additional subsidy. Because the Subject will not offer any subsidized units, we believe it will have a slightly slower absorption pace than this comparable. Phase I of the Subject has been actively leasing units for six months, which equates to an absorption pace of 11 units per month.

Phase III of the Subject will also target families and will enter the market prior to the Subject. This development will offer 94 one-, two-, and three-bedroom LIHTC and market rate units. Given our demand calculations and the quick absorption of the last two LIHTC properties to enter the market, we believe there is sufficient demand for both Savannah Gardens Phase III and the Subject. Combined, the Subject and Phase III will add 209 LIHTC and unrestricted units to the market. Property managers at the LIHTC comparables reported a strong need for additional affordable housing in the area and estimated that the market could support more than 200 additional units. Currently, four of the nine LIHTC properties have waiting lists.

We have conservatively estimated an absorption pace of 11 units per month for the Subject's units. At this pace, the Subject will reach a stabilized occupancy of 93 percent within 10 months.

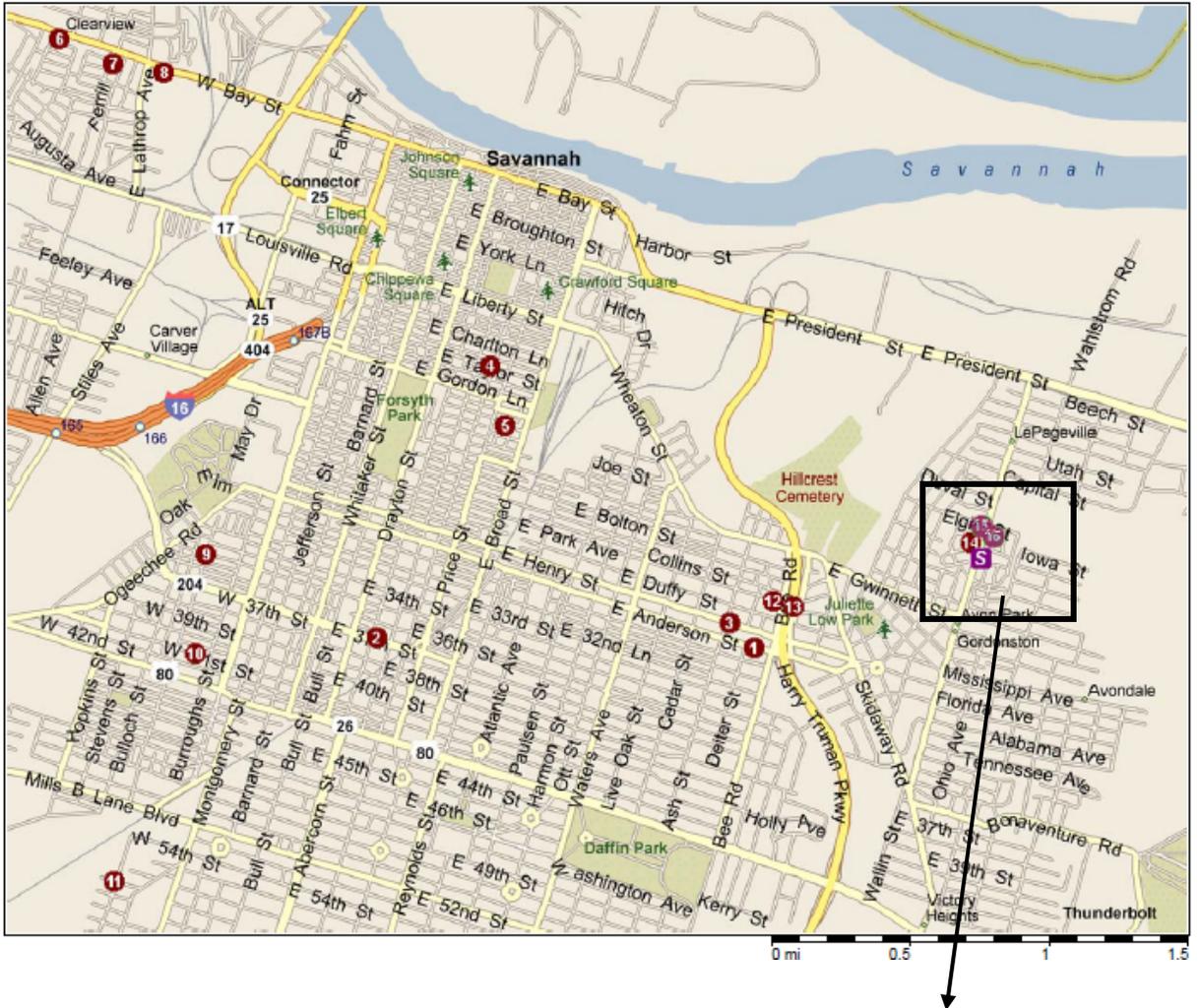
### **Phased Developments**

Savannah Gardens Phase IV (Subject) is the fourth phase of the proposed multi-phase redevelopment of the existing Strathmore Estates, a 374-unit market rate development. The complex was originally built in the 1950s with 374 units to the east and west of Pennsylvania Avenue at Crescent Avenue. Currently, all but 32 buildings have been demolished, seven of which are on the Subject site. All seven of these buildings will be demolished in order to build the Subject. Phase I of Savannah Gardens was allocated in 2009 and was completed in 2011. The development is currently in lease up and is 70 percent occupied. To date, 27 of the 34 units have applications pending and management anticipates that the Subject will be fully leased by the end of May 2012. Phase II of the Subject will target senior households 62 and older and received allocation under the HUD Section 202 program in July 2010. This phase will offer 39 one-bedroom units and is still under construction with a scheduled market entry date of June 2012. Phase III of the Subject received LIHTC allocation in 2010 and is also under construction. This phase will target families and will offer 94 one-, two-, and three-bedroom LIHTC and market rate units. The development is scheduled to open in the fall of 2012.

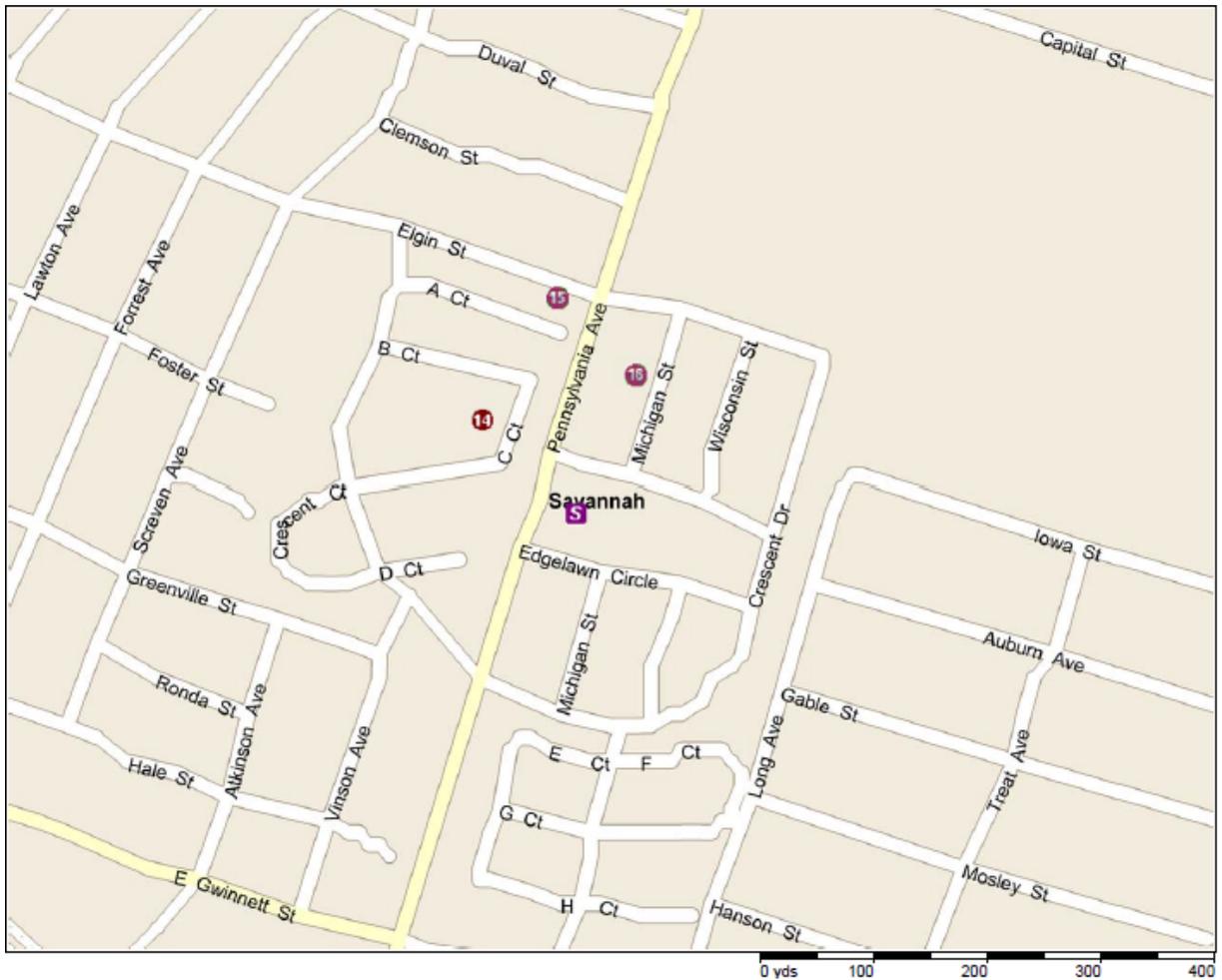
### **Rural Areas**

The Subject is located in Savannah, GA, which is not a rural area.

3. COMPETITIVE PROJECT MAP



## Savannah Gardens Phase IV, Savannah, GA; Market Study



### COMPETITIVE PROJECT MAP

Map #	Property	Type	Tenancy	Included/Excluded	Reason for Exclusion
1	The Verandas	LIHTC/PHA/Market	Elderly	Excluded	Tenancy not comparable
2	Sisters Court	LIHTC	Elderly	Excluded	Tenancy not comparable
3	HAS Senior	LIHTC	Elderly	Excluded	Tenancy not comparable
4	Rose of Sharon	LIHTC	Elderly	Excluded	Tenancy not comparable
5	East Huntingdon Street Housing	LIHTC	Family	Excluded	Only 14 units
6	Sustainable Fellwood I	LIHTC/PHA/Market	Family	Included	Included
7	Sustainable Fellwood II	LIHTC/PHA/Market	Family	Excluded	Proposed
8	Sustainable Fellwood III	LIHTC/PHA/Market	Elderly	Excluded	Proposed
9	Heritage Place	LIHTC	Family	Included	Included
10	Heritage Corner & Heritage Row	LIHTC	Family	Included	Included
11	Montgomery Landing	LIHTC	Family	Included	Included
12	Ashley Midtown I	LIHTC/PHA/Market	Family	Included	Included
13	Ashley Midtown II	LIHTC/PHA/Market	Family	Included	Included
14	Savannah Gardens I	LIHTC	Family	Included	Proposed
15	Savannah Gardens II	HUD 202	Senior	Excluded	Tenancy not comparable
16	Savannah Gardens III	LIHTC/Market	Family	Excluded	Under construction

**4. Amenities**

A detailed description of amenities included in both the Subject and the comparable properties can be found in the amenity matrix below. The matrix has been color coded. Those properties that offer an amenity that the Subject does not offer are shaded in grey, while those properties that do not offer an amenity that the Subject does offer are shaded in blue. Thus, the inferior properties can be identified by the blue and the superior properties can be identified by the red.

# Savannah Gardens Phase IV, Savannah, GA; Market Study

## UNIT MATRIX REPORT

Comp #	Savannah Gardens IV Subject	Ashley Midtown Apartments 1	Ashley Midtown Phase II 2	Heritage Corner & Heritage Row 3	Heritage Place 4	Montgomery Landing 5	Oaks At Brandeewood 6	Savannah Gardens Phase I 7
<b>Property Information</b>								
Property Type	Garden	Various (2 stories)	Townhouse	Garden (2 stories)	Conversion	Garden (2 stories)	Garden (3 stories)	Garden
Year Built / Renovated	2014	2004	2008	2005/2006	2002	2005	2003	2010
Market (Conv./Subsidy Type)	50%, 60%, Market, Non-Rental	30%, 50%, 60%, Market	30% (Public Housing), 60%	30%, 50%, 60%	50%, 60%, Non-Rental	30%, 50%, 60%, Market	60%, Market	30%, 50%, 60%, Non-Rental
<b>Utility Adjustments</b>								
Cooking	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no
Water	no	yes	yes	no	yes	no	yes	no
Sewer	no	yes	yes	no	yes	no	yes	no
Trash Collection	yes	yes	yes	no	yes	yes	yes	yes
<b>In-Unit Amenities</b>								
Balcony/Patio	yes	yes	yes	yes	no	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	no	no	no	no	no
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	no	no	yes	yes	no	yes	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	no	yes	no
Ceiling Fan	yes	no	yes	yes	yes	no	yes	yes
Garbage Disposal	yes	yes	yes	yes	yes	yes	yes	yes
Hand Rails	yes	no	no	yes	yes	no	no	yes
Microwave	yes	no	yes	yes	no	no	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	yes	no	no	no	no
Walk-In Closet	yes	yes	no	yes	yes	no	yes	yes
Washer/Dryer	no	yes	yes	yes	no	no	no	no
Washer/Dryer hookup	yes	no	no	yes	yes	yes	yes	yes
<b>Property Amenities</b>								
Business Center/Computer Lab	yes	no	yes	no	yes	no	no	yes
Car Wash	no	no	no	no	no	no	no	no
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	yes
Courtyard	no	yes	no	yes	yes	yes	no	no
Elevators	no	no	no	no	no	yes	no	no
Exercise Facility	yes	yes	no	no	yes	yes	yes	yes
Garage	no	no	no	no	no	no	no	no
Central Laundry	yes	no	no	yes	yes	yes	yes	yes
Neighborhood Network	no	no	no	no	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	no	yes	yes	yes	yes
Picnic Area	no	no	yes	yes	yes	no	yes	yes
Playground	no	yes	yes	yes	yes	yes	yes	yes
Recreation Areas	yes	no	no	yes	no	no	no	no
Service Coordination	yes	no	yes	yes	yes	no	no	yes
Swimming Pool	no	yes	no	no	no	yes	yes	no
Volleyball Court	no	no	no	no	no	no	no	no
Wi-Fi	no	no	no	no	no	no	no	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Services</b>								
Adult Education	no	no	no	yes	yes	no	no	no
Afterschool Program	no	no	no	yes	yes	no	no	no
Computer Tutoring	no	no	no	no	no	no	no	no
<b>Security</b>								
In-Unit Alarm	no	yes	no	no	no	no	yes	no
Intercom (Buzzer)	no	no	no	no	yes	no	no	no
Limited Access	no	no	no	no	yes	yes	no	no
Patrol	no	no	no	no	yes	yes	yes	no
Perimeter Fencing	no	no	no	no	yes	no	no	no
Video Surveillance	yes	yes	no	no	yes	no	no	no
<b>Premium Amenities</b>								
<b>Other Amenities</b>								
Other	Park contiguous to site operated by the city							Arts & Crafts/Activity Center

# Savannah Gardens Phase IV, Savannah, GA; Market Study

## UNIT MATRIX REPORT

	Savannah Gardens IV	Sustainable Fellwood I	Sustainable Fellwood II	Chelsea Apartments At Five Points	Jasmine Place	Springs At Chatham Parkway	Walden At Chatham Center
Comp#	Subject	8	9	10	11	12	13
<b>Property Information</b>							
Property Type	Garden	Various	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (2 stories)	Garden (3 stories)
Year Built / Renovated	2014	2009	2011	1947 / 1983	1979 / 2005	2007-2008	2003
Market (Conv./Subsidy Type)	50%, 60%, Market, Non-Rental	60%, 60% (Public Housing), Market	60%, 60% (PBRA), Market, PHA (Public Housing)	Market	Market	Market	Market, Non- Rental
<b>Utility Adjustments</b>							
Cooking	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no
Water	no	yes	yes	no	no	no	no
Sewer	no	yes	yes	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	no	no
<b>In-Unit Amenities</b>							
Balcony/Patio	yes	yes	yes	no	no	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes
Carpet/Hardwood	no	no	no	yes	no	no	no
Carpeting	yes	yes	yes	no	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes
Coat Closet	yes	yes	yes	no	no	no	no
Dishwasher	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	no	no	no	no	yes	no
Ceiling Fan	yes	yes	yes	no	yes	no	yes
Garbage Disposal	yes	yes	yes	no	yes	yes	yes
Hand Rails	yes	no	no	no	no	no	no
Microwave	yes	no	no	no	no	yes	no
Oven	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	no
Walk-In Closet	yes	yes	yes	no	yes	no	yes
Washer/Dryer	no	no	no	no	no	no	no
Washer/Dryer hookup	yes	yes	yes	no	yes	yes	yes
<b>Property Amenities</b>							
Business Center/Computer Lab	yes	yes	yes	no	no	yes	yes
Car Wash	no	no	no	no	no	yes	yes
Clubhouse/Meeting Room/Community Room	yes	yes	yes	no	yes	yes	yes
Courtyard	no	yes	yes	no	no	no	no
Elevators	no	no	no	no	no	no	no
Exercise Facility	yes	no	no	no	yes	yes	yes
Garage	no	no	no	no	no	yes	yes
Central Laundry	yes	yes	yes	yes	yes	yes	yes
Neighborhood Network	no	yes	yes	no	no	no	no
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes
Picnic Area	no	yes	no	yes	yes	yes	yes
Playground	no	yes	yes	no	no	no	yes
Recreation Areas	yes	yes	no	no	no	no	no
Service Coordination	yes	no	no	no	no	no	no
Swimming Pool	no	no	no	yes	yes	yes	yes
Volleyball Court	no	yes	yes	no	no	no	no
Wi-Fi	no	yes	yes	no	no	yes	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$50.00	\$125.00
<b>Services</b>							
Adult Education	no	no	no	no	no	no	no
Afterschool Program	no	yes	no	no	no	no	no
Computer Tutoring	no	yes	no	no	no	no	no
<b>Security</b>							
In-Unit Alarm	no	no	no	no	no	no	no
Intercom (Buzzer)	no	no	no	no	no	no	no
Limited Access	no	no	no	no	yes	yes	no
Patrol	no	yes	yes	no	no	no	yes
Perimeter Fencing	no	no	no	no	yes	yes	no
Video Surveillance	yes	no	no	yes	no	no	no
<b>Premium Amenities</b>							
<b>Other Amenities</b>							
Other	Park contiguous to site operated by the city	Planned activities, game room, walking trail	Community garden, gazebo	n/a	n/a	Outdoor auditorium	Dog park, putting green

The Subject will be competitive or superior to the comparable properties. Ashley Midtown Phases I and II will have slightly superior in-unit amenities as these properties offer washer/dryers. While the Subject will not offer a swimming pool, the Subject will offer a business center/computer lab, which several of the comparables do not offer.

5. The Subject will target family households. Therefore, per DCA’s guidelines, senior properties were not included.

**6. Vacancy**

The following table illustrates the vacancy rates in the market.

**OVERALL VACANCY**

Property Name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Ashley Midtown Apartments	LIHTC/Market	168	0	0.00%
Ashley Midtown Phase II	LIHTC/PH	38	2	5.30%
Heritage Corner & Heritage Row	LIHTC	70	6	8.60%
Heritage Place	LIHTC	88	2	2.30%
Montgomery Landing	LIHTC/Market	144	2	1.40%
Oaks At Brandlewood	LIHTC/Market	300	4	1.30%
Savannah Gardens Phase I*	LIHTC	115	34	30.00%
Sustainable Fellwood I	LIHTC/PH/Market	110	3	2.70%
Sustainable Fellwood II	LIHTC/PBRA/PH/Market	110	0	0.00%
Chelsea Apartments At Five Points	Market	136	6	4.40%
Jasmine Place	Market	112	13	11.60%
Springs At Chatham Parkway	Market	352	19	5.40%
Walden At Chatham Center	Market	236	6	2.50%
<b>Total-Stabilized LIHTC Properties</b>	-	<b>1,028</b>	<b>19</b>	<b>1.85%</b>
<b>Total-Stabilized Market Rate Properties</b>	-	<b>836</b>	<b>44</b>	<b>5.26%</b>
<b>Total-All Stabilized Properties</b>	-	<b>1,864</b>	<b>63</b>	<b>3.38%</b>
<b>Total All Properties</b>	-	<b>1,979</b>	<b>97</b>	<b>4.90%</b>

\*Still in initial lease up period

Savannah Gardens I, Phase I of the Subject, opened in 2011 and is still in the initial lease up period. Currently there are 34 vacant units at this property, 27 of which have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. Sustainable Fellwood Phase II also opened in 2011 and is 100 percent occupied with a short waiting list. The quick absorption of these properties indicates demand for LIHTC housing in the Subject’s PMA. Of the stabilized LIHTC properties, only one comparable has a vacancy rate above 5.3 percent. Heritage Corner and Heritage Row share the same management company. According to prior interviews, these properties have historically underperformed the market with vacancy rates ranging from 8.6 percent to 18.6 percent from 2010 to 2012. Therefore, issues at these properties appear to be property specific and are not indicative of a softening market. The overall LIHTC vacancy rate among the stabilized comparables is low at 1.9 percent, indicating a healthy market. Additionally, the strong performance and lease up of the two newest LIHTC comparables, Sustainable Fellwood II and Savannah Gardens I, indicate a need for additional LIHTC units in the market.

Among the market rate properties, Jasmine Place has the highest vacancy rate at 11.6 percent. The remaining comparables all reported vacancy rates between 2.5 and 5.4 percent, which are considered healthy. Jasmine Place is in fair overall condition and in need of renovation. The inferior condition of the property combined with its lack of amenities and small unit sizes (141 to 233 square feet smaller than units at the Subject) are all possible contributing factors to the high vacancy rate at the property. Overall, we believe the Subject will maintain a vacancy rate of five percent or less as it will be in excellent condition as new construction and will be replacement housing for Strathmore Estates.

## **7. Properties Under Construction and Proposed**

There are two properties that are under construction in the Subject's PMA.

**Savannah Gardens Phase II** was allocated as a HUD Section 202 (elderly) development in 2010. The property is the second phase in the redevelopment of Strathmore Estates, of which the Subject is the fourth phase.

1. The property is located at the intersection of Pennsylvania Avenue and Elgin Street.
2. CHSA Development is the master developer for the Savannah Gardens redevelopment. The property shares the same sponsor as the Subject: Mercy Housing.
3. The property will offer 39 units.
4. All 39 units will be one-bedroom units.
5. All units will operate with a HUD Section 202 subsidy and all tenants will pay 30 percent of their income towards rent.
6. Management estimated that the property will be complete in June 2012.
7. The development will target seniors 62 and older and its units will not directly compete with the Subject's units.

**Savannah Gardens Phase III** was allocated in 2010. The property is the third phase in the redevelopment of Strathmore Homes, of which the Subject is the fourth phase.

1. The property is located at approximately 500 Pennsylvania Avenue (directly north of the Subject site).
2. CHSA Development is the master developer for the Savannah Gardens redevelopment. The property shares the same sponsor as the Subject: Mercy Housing.
3. The property will offer 94 rental units.
4. The property will offer one-, two-, and three-bedroom units.
5. The property will offer 89 units restricted to households earning 50 and 60 percent of the AMI, or less and five unrestricted market rate units.
6. Management estimated that the property will be complete in the fall of 2012.

## **8. Rental Advantage**

The following table illustrates the Subject's similarity to the comparable properties. We inform the reader that other users of this document may underwrite the LIHTC rents to a different standard than contained in this report

## Savannah Gardens Phase IV, Savannah, GA; Market Study

Similarity Matrix

#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Ashley Midtown Apartments	LIHTC/Market	Similar	Slightly Superior	Similar	Slightly Inferior	Similar	0
2	Ashley Midtown Phase II	LIHTC/PH	Similar	Slightly Superior	Similar	Similar	Superior	15
3	Heritage Corner & Heritage Row	LIHTC	Similar	Slightly Superior	Similar	Inferior	Inferior	-15
4	Heritage Place	LIHTC	Similar	Similar	Similar	Inferior	Inferior	-20
5	Montgomery Landing	LIHTC/Market	Similar	Similar	Slightly Superior	Similar	Similar	5
6	Oaks At Brandlewood	LIHTC/Market	Similar	Similar	Slightly Superior	Slightly Inferior	Slightly Inferior	-5
7	Savannah Gardens Phase I	LIHTC	Similar	Similar	Similar	Similar	Similar	0
8	Sustainable Fellwood I	LIHTC/PH/Market	Similar	Similar	Similar	Similar	Similar	0
9	Sustainable Fellwood II	LIHTC/PBRA/PH/Market	Similar	Similar	Similar	Similar	Similar	0
10	Chelsea Apartments At Five Points	Market	Inferior	Inferior	Similar	Inferior	Inferior	-40
11	Jasmine Place	Market	Inferior	Similar	Similar	Inferior	Similar	-30
12	Springs At Chatham Parkway	Market	Superior	Similar	Slightly Superior	Similar	Similar	15
13	Walden At Chatham Center	Market	Superior	Similar	Slightly Superior	Slightly Inferior	Similar	10

\*Inferior=-10, slightly inferior=-5, similar=0, slightly superior=5, superior=10.

The rental rates at the LIHTC properties are compared to the Subject's proposed 50 and 60 percent AMI rents in the following table.

**LIHTC Rent Comparison - @50%**

Property Name	1BR	2BR	3BR
Savannah Gardens Phase IV (Subject)	\$455	\$555	\$626
<b>LIHTC Maximum (Net)</b>	<b>\$463</b>	<b>\$560</b>	<b>\$633</b>
Savannah Gardens Phase I	\$450	\$555	\$627
Montgomery Landing	\$488	\$590	\$668
Heritage Place	\$361	\$442	\$511
Heritage Corner & Heritage Row	N/Ap	\$449	\$516
Ashley Midtown Apartments	N/Ap	N/Ap	N/Ap
<b>Average (excluding Subject)</b>	<b>\$433</b>	<b>\$509</b>	<b>\$581</b>

**LIHTC Rent Comparison - @60%**

Property Name	1BR	2BR	3BR
Savannah Gardens Phase IV (Subject)	\$570	\$690	\$786
<b>LIHTC Maximum (Net)</b>	<b>\$577</b>	<b>\$697</b>	<b>\$791</b>
Savannah Gardens Phase I	\$572	\$685	\$785
Oaks At Brandlewood	\$573	\$690	\$785
Montgomery Landing	\$568	\$672	\$765
Ashley Midtown Apartments	N/Ap	\$675	\$762
Sustainable Fellwood I	\$550	\$661	\$753
Sustainable Fellwood II	\$550	\$661	\$753
Ashley Midtown Phase II	N/Ap	\$661	\$752
Heritage Corner & Heritage Row	N/Ap	\$568	\$634
Heritage Place	\$434	\$523	\$564
<b>Average (excluding Subject)</b>	<b>\$541</b>	<b>\$648</b>	<b>\$735</b>

Of the comparables, the Subject will be most similar to Savannah Gardens Phase I, which is the

first phase of the Subject. This comparable began leasing units in August 2011 and is currently 70 percent occupied. Of the 34 vacant units, 27 have applications pending. Management anticipates that the development will be fully leased by the end of May 2012. The quick absorption of the units at this comparable indicate that its rents are achievable. The Subject's proposed 50 and 60 percent AMI rents are similar to the rents at Savannah Gardens Phase I. The Subject will be similar to Phase I in terms of age/condition, amenities, unit size, and location. Therefore, it is reasonable to assume that it can achieve rents similar to this property. Sustainable Fellwood II was built in 2011 and is one of the newest LIHTC properties in the market. This property does not offer 50 percent AMI units; however, its 60 percent AMI rents are \$20 to \$33 below the Subject's proposed rents. Sustainable Fellwood II is 100 percent occupied with a short waiting list. The strong occupancy and waiting list suggest that this property could achieve higher rents. Oaks at Brandlewood is achieving the highest 60 percent AMI rents in the market. Its rents are generally similar to the Subject's proposed rents. This property will be generally similar to the Subject in terms of amenities but it will be slightly inferior in terms of age/condition and unit size. This property offers a slightly superior location when compared to the Subject. Because Oaks at Brandlewood is 99 percent occupied, it appears that its 60 percent AMI rents are achievable. Overall, we believe that the Subject's proposed 50 and 60 percent AMI rents are achievable when compared to the comparables, and when compared to Savannah Gardens Phase I in particular.

**Analysis of "Market Rents"**

Per DCA's market study guidelines, "average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not "Achievable unrestricted market rent." In an urban market with many tax credit comps, the average market rent might be the weighted average of those tax credit comps. In cases where there are few tax credit comps, but many market rate comps with similar unit designs and amenity packages, then the average market rent might be the weighted average of those market rate comps. In a small rural market there may be neither tax credit comps nor market rate comps with similar positioning as the subject. In a case like that the average market rent would be a weighted average of whatever rents were present in the market."

When comparing the Subject's rents to the average market rent, we have not included rents at lower AMI levels given that this artificially lowers the average market rent as those rents are constricted. Including rents at lower AMI levels does reflect an accurate average rent for rents at higher income levels. For example, if the Subject offers 50 and 60 percent AMI rents and there is a distinct difference at comparable properties between rents at the two AMI levels, we have not included the 50 percent AMI rents in the average market rent for the 60 percent AMI comparison.

The overall average and the maximum and minimum adjusted rents for the market properties surveyed are illustrated in the table below in comparison with net rents for the Subject.

**SUBJECT RENT COMPARISON TO LIHTC  
AND MARKET RENTS**

Unit Type	Subject Rent	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
<i>50% AMI</i>					
1BR	\$455	\$361	\$488	\$433	-5%
2BR	\$555	\$442	\$590	\$509	-8%
3BR	\$626	\$511	\$668	\$581	-7%
<i>60% AMI</i>					
1BR	\$570	\$434	\$573	\$541	-5%
2BR	\$690	\$523	\$690	\$644	-7%
3BR	\$786	\$564	\$785	\$732	-7%
<i>Unrestricted</i>					
1BR	\$675	\$590	\$972	\$809	20%
2BR	\$775	\$625	\$1,090	\$855	10%
3BR	\$875	\$777	\$1,293	\$980	12%

The Subject’s proposed 50 and 60 percent AMI rents are above the average rents at the 50 and 60 percent AMI levels but are below the average unrestricted rents. The Subject’s proposed 50 and 60 percent AMI rents are similar to the rents at Savannah Gardens Phase I, which is the first phase of the Subject’s redevelopment. This property is generally similar to the Subject and the Subject should be able to achieve rents similar to this property.

Montgomery Landing is achieving the highest 50 percent AMI rents in the market and is 99 percent occupied, indicating that its rents are achievable. The Subject’s proposed 50 percent AMI rents are below the current rents at Montgomery Landing. The Subject will be generally similar to this comparable in terms of age/condition and amenities but will have a slightly inferior location. Therefore, it is reasonable that the Subject’s rents are slightly below the current rents at this property.

Oaks at Brandlewood is achieving the highest 60 percent AMI rents in the market. The Subject’s proposed rents are generally similar to the current rents at this property. Because Oaks at Brandlewood is 99 percent occupied, it appears that its current rents are achievable. As proposed, the Subject will be slightly superior to this comparable in terms of unit size and age/condition and it will offer a generally similar amenities package. However, its location will be slightly inferior to that of Oaks at Brandlewood. Given the Subject’s new construction design, large unit sizes, and competitive amenities, we believe it is reasonable to assume that the Subject can achieve LIHTC rents similar to this property.

The Subject’s market rate units will have a rent advantage of 10 to 20 percent when compared to the average unrestricted rents at the comparables.

**9. LIHTC Competition – Recent Allocations within Two Miles**

According to information on Georgia Department of Community Affairs LIHTC allocation lists, there has been one family LIHTC property allocated within two miles of the Subject in the past two years: Savannah Gardens Phase III. As previously discussed Savannah Gardens Phase III is the third phase of the master redevelopment of Strathmore Estates, of which the Subject will be the fourth phase. Savannah Gardens Phase III was allocated in 2010 and will offer 94 one-, two-,

## Savannah Gardens Phase IV, Savannah, GA; Market Study

and three-bedroom rental units. These units will consist of LIHTC units targeting tenants earning 50 and 60 percent of the AMI, or less, as well as unrestricted market rate units. This property is currently under construction and will be complete in the fall of 2012. Because these units will directly compete with the Subject, we have removed them from our demand analysis.

### 10. Rental Trends in the PMA

The following table is a summary of the tenure patterns of the housing stock in the PMA.

#### TENURE PATTERNS PMA

Year	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
1990	16,210	50.00%	16,210	50.00%
2000	15,560	49.41%	15,933	50.59%
2010	14,774	46.31%	17,130	53.69%
Projected Mkt Entry				
March 2013	14,871	45.99%	17,463	54.01%
2015	14,955	45.72%	17,754	54.28%

Source: ESRI Demographics 2010, Novogradac & Company LLP, April 2012

Renter-occupied units dominate the housing market in the PMA. Nationally, approximately two-thirds of households are homeowners and one-third are renters. This is a positive indicator for the Subject, as the percentage renter-occupied units are expected to continue to increase through 2015.

#### *Historical Vacancy*

The following table illustrates the historical vacancy at the comparable properties when available.

#### Historical Vacancy

Comparable Property	Type	Total Units	3QTR 2009	4QTR 2009	1QTR 2010	2QTR 2010	2QTR 2012
Ashley Midtown Apartments	LIHTC/Marekt	168	4.80%	6.00%	5.40%	5.40%	0.00%
Ashley Midtown Phase II	LIHTC/PH	38	0.00%	2.60%	7.90%	5.30%	5.30%
Heritage Corner & Heritage Row	LIHTC	70	5.70%	14.30%	12.90%	18.60%	8.60%
Heritage Place	LIHTC	88	6.80%	9.10%	19.30%	25.00%	2.30%
Montgomery Landing	LIHTC/Market	144	0.00%	2.10%	1.40%	0.70%	1.40%
Oaks At Brandlewood	LIHTC/Market	300	4.60%	9.30%	4.00%	10.00%	1.30%
Savannah Gardens Phase I	LIHTC	115	N/A	N/A	N/A	N/A	29.6%*
Sustainable Fellwood I	LIHTC/PH/Market	110	47.3%*	0.00%	1.80%	1.80%	2.70%
Sustainable Fellwood II	LIHTC/PBRA/Market	110	N/A	N/A	N/A	N/A	0.00%
Chelsea Apartments At Five Points	Market	136	N/A	11.00%	N/A	9.60%	4.40%
Jasmine Place	Market	112	N/A	23.20%	N/A	17.00%	11.60%
Springs At Chatham Parkway	Market	352	5.10%	15.20%	23.00%	15.20%	5.40%
Walden At Chatham Center	Market	236	7.20%	N/A	1.70%	3.80%	2.50%
<b>Total Stabilized Properties</b>						<b>10.20%</b>	<b>3.38%</b>
<b>Total All Properties</b>		<b>1,979</b>	-	-	-	<b>10.20%</b>	<b>4.90%</b>

\*Property In Lease Up.

As the previous table demonstrates, select properties have had historical vacancy issues including Heritage Corner & Heritage Row, Heritage Place, Chelsea Apartments at Five Points, Jasmine Place, and Springs at Chatham Parkway. With the exception of Springs at Chatham

Parkway, these comparables will be in significantly inferior age/condition than the Subject. The Subject will be similar to Ashley Midtown II, Montgomery Landing, Savannah Gardens I, and Sustainable Fellwood I and II, which have and have had lower vacancy rates.

*Change in Rental Rates*

The following table illustrates rental rate increases/decreases at the comparable properties over the past year.

**RENT GROWTH**

Comparable Property	Rent Structure	Rent Growth
Ashley Midtown Apartments	LIHTC/Market	Increase
Ashley Midtown Phase II	LIHTC/PH	Increase
Heritage Corner & Heritage Row	LIHTC	None
Heritage Place	LIHTC	None
Montgomery Landing	LIHTC/Market	Increase
Oaks At Brandlewood	LIHTC/Market	Increase
Savannah Gardens Phase I	LIHTC	None
Sustainable Fellwood I	LIHTC/PH/Market	Increase of 3-4% on market rate units
Sustainable Fellwood II	LIHTC/PBRA/PH/Market	None
Chelsea Apartments At Five Points	Market	Increase of 10%
Jasmine Place	Market	None
Springs At Chatham Parkway	Market	Increase
Walden At Chatham Center	Market	Increase of 5-15%

Eight of the 13 comparables reported rental increases over the past year. The Subject’s rents are set slightly below the maximum allowable 50 and 60 percent AMI levels and are similar to the current rents at Savannah Gardens Phase I. This property opened in 2011 and is currently in lease up. Given the strong demand for LIHTC units in the local market, we believe that it is possible that the Subject will experience small rental increases up to the maximum 50 and 60 percent AMI limits following stabilization.

**11. Impact of Foreclosed, Abandoned and Vacant Structures**

According to RealtyTrac’s March 2012 foreclosure research, there were approximately 201 properties that filed for foreclosure in Savannah; one in every 523 housing units filed for foreclosure. This is slightly better than the foreclosure rate in Chatham County, which experienced a rate of one in every 495 housing units in March 2012. Both Chatham County and Savannah experienced a lower foreclosure rate in March 2012 than Georgia, which experienced a foreclosure rate of one in every 361 housing units. Our field work indicates that there are a few abandoned structures, both commercial and residential, in the Subject’s immediate neighborhood. At least some of these structures have been scheduled for demolition by the city. Therefore, they will not have a long term impact on the Subject. Savannah Gardens I opened in 2011 and is currently in lease up. To date, the property is 70 percent occupied and 27 of the 34 vacancies have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. Therefore, it does not appear that the vacant structures in the Subject’s neighborhood have negatively impacted leasing at this property, and we do not anticipate that they will have a negative impact on the Subject if they are still present when it enters the market.

**12. Primary Housing Void**

The Subject will be replacement housing for the units that were demolished at Strathmore Estates. Phase I of the Subject was completed in 2011 and is currently in lease up. The property is 70 percent occupied and management indicated 27 of the 34 units have applications pending. Management anticipates that the development will be fully leased by the end of May 2012. The quick absorption of this property indicates a need for additional affordable rental units. Phase II of the Subject was allocated with HUD Section 202 funding and will provide subsidized housing to households 62 and older. Therefore, its units will not directly compete with the Subject. This property is expected to enter the market in June 2012. Phase III of the Subject was allocated in 2010 and is currently under construction. This property will target families and will offer 94 one-, two-, and three-bedroom units at 50 and 60 percent AMI as well as market rate units. The low LIHTC vacancy rate of less than two percent and the presence of waiting lists at four of the nine comparable properties indicate a housing void in the local market. We believe that the Subject will help to fill this void and we believe there is sufficient demand in the market for both Savannah Gardens Phase III and the Subject.

**13. Affect of Subject on Other Affordable Units in Market**

The Subject is the fourth phase of the redevelopment of Strathmore Estates. The 374 units at Strathmore Estates will be demolished in order to build the Savannah Gardens redevelopment, of which the Subject is the fourth phase. Two family LIHTC properties entered the market in 2011: Savannah Gardens Phase I (the first phase of the Subject) and Sustainable Fellwood II. Sustainable Fellwood is currently 100 percent occupied and has a short waiting list while Savannah Gardens I is in lease up and is 70 percent occupied. Management reported that 27 of the 34 units have applications pending and management anticipates that the property will be fully leased by the end of May 2012. Even after these two properties entered the market and added 224 LIHTC, Public Housing, PBRA, and market rate units, the overall stabilized vacancy rate has remained strong at less than four percent and the stabilized LIHTC vacancy rate is even stronger at less than two percent.

Phase III of the Subject was allocated in 2010 and is currently under construction. This property will add 94 LIHTC and market rate rental units to the market and is expected to open in the fall of 2012. Given the low average vacancy rate and the waiting lists at four of the nine LIHTC comparables, we believe that there is sufficient demand for both Savannah Gardens Phase III and the Subject (Phase IV). Additionally, we do not believe that the Subject will impact the existing LIHTC comparables. The LIHTC properties were not impacted with the addition of Savannah Gardens I and Sustainable Fellwood II to the market, as evidenced by the low vacancy rates in the market. Similarly, we do not believe that the addition of the Subject will impact Savannah Gardens III or the existing LIHTC comparables. The Subject will be replacement housing for demolished units and local property managers indicated that there is demand for more than 200 additional rental units in the market, both restricted and unrestricted.

**Conclusions**

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. Strengths of the Subject will include its location within 0.1 mile of the Savannah High School, its excellent visibility along Pennsylvania Avenue,

its competitive amenity package, and that it is replacement housing for the demolished Strathmore Estates.

The newest family LIHTC properties to enter the market, Savannah Gardens Phase I and Sustainable Fellwood Phase II, both entered the market in 2011 and are performing well. Sustainable Fellwood Phase II is 100 percent occupied and has a short waiting list. Savannah Gardens Phase I is in lease up and is 70 percent occupied and management reported that 27 of the 34 vacant units have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. To date, this property has experienced an absorption pace of 11 units per month. The addition of the 225 units at these two properties to the market did not impact the existing LIHTC comparables as the overall LIHTC vacancy rate is strong at less than two percent and the overall vacancy rate among LIHTC and market rate comparables is also strong at less than four percent. Local property managers reported a strong need for additional LIHTC units and reported that the market could support more than 200 additional units. Further, approximately 54 percent of households in the PMA are renter households, which is significantly above the national average of 33 percent. Savannah Gardens Phase III was allocated in 2010 and will enter the market in the fall of 2012. As our demand analysis found later in this report will indicate, there is adequate demand for both Savannah Gardens Phase III and the Subject.

## **I. ABSORPTION & STABILIZATION RATES**

**Stabilization/Absorption Rate**

We were able to obtain absorption information from several comparable properties, which are listed in the following table.

<b>Absorption Rate</b>			
<b>Comparable Property</b>	<b>Rent Structure</b>	<b>Absorption Rate</b>	<b>Year Built</b>
Ashley Midtown Apartments	LIHTC/PHA/Market	56 units/month	2004
Ashley Midtown Phase II	LIHTC/PHA	12 units/month	2008
Springs At Chatham Parkway	Market	29 units/month	2007 - 2008
Sustainable Fellwood Phase I	LIHTC/PHA/ Market	18 units/month	2009
Sustainable Fellwood Phase II	LIHTC/PHA/PBRA/Market	18 units/month	2011
Savannah Gardens I	LIHTC	11 units/month	2011

As illustrated, the fastest absorption rate was reported by the oldest addition the market, Ashley Midtown Apartments, which absorbed at a rate of 56 units per month. The newest additions to the market are Sustainable Fellwood Phase II and Savannah Gardens Phase I (the first phase of the Subject). Both properties entered the market in 2011 and added a total of 225 LIHTC, public housing, and unrestricted units to the market within a few months. Sustainable Fellwood is currently 100 percent occupied and has a waiting list. Savannah Gardens I is in lease up and is 70 percent occupied. Of the 34 vacant units, 27 have applications pending. The remaining seven units had applications pending but the applications were either denied or were withdrawn by the perspective tenants. Management estimated that the property will be fully leased by the end of May 2012. The quick absorption of these properties and the average stabilized LIHTC vacancy rate of less than two percent indicate demand for additional LIHTC units.

Sustainable Fellwood Phase II offers units that operate with an additional subsidy. Because the Subject will not offer any subsidized units, we believe it will have a slightly slower absorption pace than this comparable. Phase I of the Subject has been actively leasing units for six months, which equates to an absorption pace of 11 units per month.

Phase III of the Subject will also target families and will enter the market prior to the Subject. This development will offer 94 one-, two-, and three-bedroom LIHTC and market rate units. Given our demand calculations and the quick absorption of the last two LIHTC properties to enter the market, we believe there is sufficient demand for both Savannah Gardens Phase III and the Subject. Combined, the Subject and Phase III will add 209 LIHTC and unrestricted units to the market. Property managers at the LIHTC comparables reported a strong need for additional affordable housing in the area and estimated that the market could support more than 200 additional units. Currently, four of the nine LIHTC properties have waiting lists.

We have conservatively estimated an absorption pace of 11 units per month for the Subject's units. At this pace, the Subject will reach a stabilized occupancy of 93 percent within 10 months.

## **J. INTERVIEWS**

### **Housing Authority of Savannah**

According to Tammy Altizer, Management Analyst at the Housing Authority of Savannah, there are currently 2,406 vouchers being utilized out of the available 3,104. The waiting list has been closed since 2006, however the housing authority is accepting applications for seniors ages 62 and over for its elderly property, Rose of Sharon. Ms. Altizer also noted that the waiting list is expected to re-open in 2012.

### **Planning**

We spoke with a contact from the City of Savannah Department of Development Services, in regards to any recently completed, under construction or proposed multi-family projects in the Subjects immediate neighborhood. The contact was not aware of any proposed, under construction or recently completed developments in the Subject's area. Our field work indicates that there are several newly renovated single family homes for sale south of the Subject site. These homes are listed for sale by Keller Williams Realty. According to an agent, pricing for these homes is approximately \$140,000.

### **Chamber of Commerce**

Mr. Bill Hubbard, President and CEO of the Savannah Area Chamber of Commerce, was unavailable during the weeks of preparing this report, however, we were directed to use the January 2012 published copy of the *Savannah 2012 Economic Trends* for additional information regarding the current economic conditions in and around Savannah.

**Additional interviews can be found in the comments section of the property profiles.**

## **K. CONCLUSIONS AND RECOMMENDATIONS**

**CONCLUSIONS**

- The Subject is located in Savannah, Chatham County, GA. The population in the PMA is projected to grow at an annual rate of 0.4 percent between 2010 and 2015. Projected annual population growth is minimal in the PMA because the PMA encompasses well-established areas of Savannah. Urban areas, particularly those in transition like the PMA, typically experience population decline; therefore, any population growth in these areas is considered good. Similar to population trends, the number of households in the PMA is also projected to grow at a moderate annual growth rate of 0.5 percent through 2015. This growth demonstrates demand for the Subject's one, two, and three bedroom units.

The majority of households in the PMA are renter-occupied, which is a very strong indication of demand for the Subject. Among these renters there is a wide distribution of household sizes. The high number of renters and the wide distribution of households demonstrate demand for a variety of bedroom types, which the Subject will offer. Overall, demographic trends in the PMA prove to be positive indicators for the Subject.

- Economic trends in the Savannah MSA exhibit the negative effects of the nation-wide recession. Total employment in the Savannah, GA MSA increased by 3.5 percent in 2007, and then declined in 2008 by 1.1 percent and fell another 4.4 percent in 2009. However, from December 2010 to December 2011 the total employment level increased 1.1 percent, which is consistent with national trends. The largest sectors in the MSA are in the accommodation/food services, healthcare/social assistance, educational services and retail trade. The accommodation/food services industry is significantly overrepresented in the PMA when compared to the MSA and US. Retail and tourism have been particularly affected by this national recession as consumers have slowed personal spending. The unemployment level as of December 2011 was 8.8 percent, slightly above the national rate of 8.3 percent. While an 8.8 percent unemployment rate is higher than what Savannah has historically experienced, as Savannah has typically experienced a lower rate than the nation as a whole, this is indicative of the larger national economic downturn and is not area specific.
- In addition to the demographic data at the Subject, data from comparable properties regarding rents and rent increases was also strong. According to property managers, rents at tax credit properties have remained stable or increased over the past twelve months. These tax credit properties have not been at the maximum allowable rents, but this does demonstrate that there is potential for rent growth at the Subject.
- The Subject's capture rates at the 50 percent AMI level will range from 0.4 to 2.3 percent, with an overall capture rate of 1.3 percent. The Subject's 60 percent AMI capture rates range from 0.8 to 8.3 percent, with an overall capture rate of 4.1 percent. And, the Subject's capture rates for the unrestricted units range from 0.3 to 1.7 percent, with an overall capture rate of 0.9 percent. The Subject's overall capture rate is 4.4 percent. Therefore, we believe there is ample demand for the Subject.
- We were able to obtain absorption information from several comparable properties, which are listed in the following table.

**Absorption Rate**

<b>Comparable Property</b>	<b>Rent Structure</b>	<b>Absorption Rate</b>	<b>Year Built</b>
Ashley Midtown Apartments	LIHTC/PHA/Market	56 units/month	2004
Ashley Midtown Phase II	LIHTC/PHA	12 units/month	2008
Springs At Chatham Parkway	Market	29 units/month	2007 - 2008
Sustainable Fellwood Phase I	LIHTC/PHA/ Market	18 units/month	2009
Sustainable Fellwood Phase II	LIHTC/PHA/PBRA/Market	18 units/month	2011
Savannah Gardens I	LIHTC	11 units/month	2011

As illustrated, the fastest absorption rate was reported by the oldest addition the market, Ashley Midtown Apartments, which absorbed at a rate of 56 units per month. The newest additions to the market are Sustainable Fellwood Phase II and Savannah Gardens Phase I (the first phase of the Subject). Both properties entered the market in 2011 and added a total of 225 LIHTC, public housing, and unrestricted units to the market within a few months. Sustainable Fellwood is currently 100 percent occupied and has a waiting list. Savannah Gardens I is in lease up and is 70 percent occupied. Of the 34 vacant units, 27 have applications pending. The remaining seven units had applications pending but the applications were either denied or were withdrawn by the perspective tenants. Management estimated that the property will be fully leased by the end of May 2012. The quick absorption of these properties and the average stabilized LIHTC vacancy rate of less than two percent indicate demand for additional LIHTC units.

Sustainable Fellwood Phase II offers units that operate with an additional subsidy. Because the Subject will not offer any subsidized units, we believe it will have a slightly slower absorption pace than this comparable. Phase I of the Subject has been actively leasing units for six months, which equates to an absorption pace of 11 units per month.

Phase III of the Subject will also target families and will enter the market prior to the Subject. This development will offer 94 one-, two-, and three-bedroom LIHTC and market rate units. Given our demand calculations and the quick absorption of the last two LIHTC properties to enter the market, we believe there is sufficient demand for both Savannah Gardens Phase III and the Subject. Combined, the Subject and Phase III will add 209 LIHTC and unrestricted units to the market. Property managers at the LIHTC comparables reported a strong need for additional affordable housing in the area and estimated that the market could support more than 200 additional units. Currently, four of the nine LIHTC properties have waiting lists.

We have conservatively estimated an absorption pace of 11 units per month for the Subject's units. At this pace, the Subject will reach a stabilized occupancy of 93 percent within 10 months.

- Savannah Gardens I, Phase I of the Subject, opened in 2011 and is still in the initial lease up period. Currently, the property is 70 percent occupied and 27 of the 34 vacant units have applications pending. Management anticipates that the property will be fully leased by the end of May 2012. Sustainable Fellwood Phase II also opened in 2011 and is 100 percent occupied with a short waiting list. The quick absorption of these properties indicates demand for LIHTC housing in the Subject's PMA. Of the stabilized LIHTC

properties, only one comparable has a vacancy rate above 5.3 percent. Heritage Corner and Heritage Row share the same management company. According to prior interviews, these properties have historically underperformed the market with vacancy rates ranging from 8.6 percent to 18.6 percent from 2010 to 2012. Therefore, issues at these properties appear to be property specific and are not indicative of a softening market. The overall LIHTC vacancy rate among the stabilized comparables is low at 1.9 percent, indicating a healthy market. Additionally, the strong performance and lease up of the two newest LIHTC comparables, Sustainable Fellwood II and Savannah Gardens I, indicate a need for additional LIHTC units in the market.

Among the market rate properties, Jasmine Place has the highest vacancy rate at 11.6 percent. The remaining comparables all reported vacancy rates between 2.5 and 5.4 percent, which are considered healthy. Jasmine Place is in fair overall condition and in need of renovation. The inferior condition of the property combined with its lack of amenities and small unit sizes (141 to 233 square feet smaller than units at the Subject) are all possible contributing factors to the high vacancy rate at the property. Overall, we believe the Subject will maintain a vacancy rate of five percent or less as it will be in excellent condition as new construction and will be replacement housing for Strathmore Estates.

Based upon our market research, demographic calculations and analysis, we believe there is adequate demand for the Subject property. Strengths of the Subject will include its location within 0.1 mile of the Savannah High School, its excellent visibility along Pennsylvania Avenue, its competitive amenity package, and that it is replacement housing for the demolished Strathmore Estates.

The newest family LIHTC properties to enter the market, Savannah Gardens Phase I and Sustainable Fellwood Phase II, both entered the market in 2011 and are performing well. Sustainable Fellwood Phase II is 100 percent occupied and has a short waiting list. Savannah Gardens Phase I is in lease up and is 70 percent occupied, and 27 of the 34 vacancies have applications pending. To date, this property has experienced an absorption pace of 11 units per month. The addition of the 225 units at these two properties to the market did not impact the existing LIHTC comparables as the overall LIHTC vacancy rate is strong at less than two percent and the overall vacancy rate among LIHTC and market rate comparables is also strong at less than four percent. Local property managers reported a strong need for additional LIHTC units and reported that the market could support more than 200 additional units. Further, approximately 54 percent of households in the PMA are renter households, which is significantly above the national average of 33 percent. Savannah Gardens Phase III was allocated in 2010 and will enter the market in the fall of 2012. As our demand analysis found later in this report will indicate, there is adequate demand for both Savannah Gardens Phase III and the Subject.

## **Recommendations**

- We recommend the Subject as proposed.

## **L. SIGNED STATEMENT REQUIREMENTS**

I affirm that I (or one of the persons signing below) 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.



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP

4-24-2012

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Date



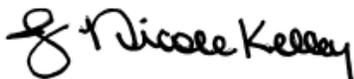
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Michalena M. Sukenik  
Principal  
Novogradac & Company LLP

4-24-2012

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Date



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J. Nicole Kelley  
Real Estate Analyst  
Novogradac & Company LLP

4-24-2012

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Date

## **M. MARKET STUDY REPRESENTATION**

Novogradac & Company LLP states that DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.



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H. Blair Kincer, MAI  
Partner  
Novogradac & Company LLP

4-24-2012

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Date



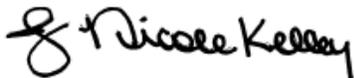
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Michalena M. Sukenik  
Principal  
Novogradac & Company LLP

4-24-2012

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Date



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J. Nicole Kelley  
Real Estate Analyst  
Novogradac & Company LLP

4-24-2012

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Date

## **N. QUALIFICATIONS**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## H. BLAIR KINCER, MAI, CRE

### I. Education

Duquesne University, Pittsburgh, Pennsylvania  
Masters in Business Administration  
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia  
Bachelor of Science in Business Administration  
Graduated Magna Cum Laude

### II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)  
Member, The Counselors of Real Estate (CRE)  
Member, National Council of Affordable Housing Market Analysts (NCAHMA)  
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona  
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut  
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado  
Certified General Real Estate Appraiser, No. 4206 – State of Kentucky  
Certified General Real Estate Appraiser, No. 1326 – State of Maryland  
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi  
Certified General Real Estate Appraiser, No. 46000039124 – State of New York  
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina  
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania  
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina  
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee  
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia  
Certified General Real Estate Appraiser, No. 1101008 – State of Washington  
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia

### III. Professional Experience

*Partner*, Novogradac & Company LLP  
*Vice President*, Capital Realty Advisors, Inc.  
*Vice President - Acquisitions*, The Community Partners Development Group, LLC  
*Commercial Loan Officer/Work-Out Specialist*, First Federal Savings Bank of Western MD  
*Manager* - Real Estate Valuation Services, Ernst & Young LLP  
*Senior Associate*, Joseph J. Blake and Associates, Inc.  
*Senior Appraiser*, Chevy Chase, F.S.B.  
*Senior Consultant*, Pannell Kerr Forster

#### **IV. Professional Training**

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since.

#### **V. Real Estate Assignments – Examples**

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.
- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.

**H. Blair Kincer**

**Qualifications**

**Page 3**

- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **MICHALENA M. SUKENIK**

### **I. Education**

Union College, Schenectady, New York  
Bachelor of Arts in Cultural Anthropology  
Union College Study Abroad, St. Lucy, Barbados

### **II. Professional Experience**

Principal, Novogradac & Company LLP (Start date: September 2002 - present)  
Dallas / Fort Worth and Atlanta Research Manager, CoStar Group, Inc.  
Senior Research Analyst / Newswire Editor, CoStar Group, Inc.

### **III. Professional Training and Continuing Education**

Member, National Council of Affordable Housing Market Analysts (NCAHMA)  
Attended HUD Community Development Block Grant (CDBG) 30<sup>th</sup> Anniversary Conference, September 13-14, 2004, Washington, DC  
Successfully completed "Introduction to Commercial Real Estate Analysis" and "Financial Analysis for Commercial Real Estate Investment"

### **IV. Real Estate Assignments**

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Assisted in preparing an approved HUD Consolidated Plan for the City of Gainesville, GA; which included a housing and homeless needs assessment, market analysis, non-housing needs analysis, and a strategic plan, which conformed to 24CFR Part 91, Consolidated Plan Regulations for the ensuing five-year period (2004-2009).
- Assisted in preparing a comprehensive senior housing study in Seattle, Washington for the Seattle Housing Authority. This study evaluated the Seattle Housing Authority's affordable senior housing project for their position within the entire city's senior housing market. The research involved analysis of the senior population by neighborhood, income, household size, racial composition, and tenure.
- Conducted market studies for senior projects in Alabama, Alaska, Arizona, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nevada, New Jersey, New York, North Carolina, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Washington, and Wisconsin.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS NICOLE KELLEY**

## **I. Education**

Auburn University, Auburn, Alabama  
Bachelor of Science in Business Administration  
Auburn University, Auburn, Alabama  
Mater of Business Administration

## **II. Professional Experience**

Analyst, Novogradac & Company LLP (Start Date: May 2006 – Present)  
Intern, Bullock Mannelly Partners  
Graduate Assistant, Auburn University College of Business

## **III. Research Assignments**

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Assisted with market studies of proposed new construction and existing Low-Income Housing Tax Credit (LIHTC) properties. Market analysis includes preliminary property screenings, market analysis, comparable rent surveys, and demand analysis.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit properties.
- Assisted in the preparation of Rent Comparability Studies according to HUD guidelines.