



RealPropertyResearchGroup

Market Feasibility Analysis

Lafayette Senior Village I Senior Apartments

Fayetteville, Fayette County, Georgia

Prepared for:

Beverly J. Searles Foundation

Project #12-3431

Site Inspection: May 18, 2012

Effective Date: June 3, 2012





TABLE OF CONTENTS

EXECUTIVE SUMMARY 6

1. INTRODUCTION 12

A. Overview of Subject 12

B. Purpose of Report 12

C. Format of Report 12

D. Client, Intended User, and Intended Use 12

E. Applicable Requirements 12

F. Scope of Work 12

G. Report Limitations 13

2. PROJECT DESCRIPTION 14

A. Project Overview 14

B. Project Type and Target Market 14

C. Building Types and Placement 14

D. Detailed Project Description 14

 1. Project Description 14

 2. Other Proposed Uses 16

 3. Pertinent Information on Zoning and Government Review 16

 4. Proposed Timing of Development 16

3. SITE AND NEIGHBORHOOD ANALYSIS 17

A. Site Analysis 17

 1. Site Location 17

 2. Existing Uses 17

 3. Size, Shape, and Topography 17

 4. General Description of Land Uses Surrounding the Subject Site 17

 5. Specific Identification of Land Uses Surrounding the Subject Site 17

B. Residential Support Network 20

 1. Key Facilities and Services Near the Subject Site 20

 2. Essential Services 21

 3. Commercial Goods and Services 21

C. Neighborhood Analysis 23

 1. General Description of Neighborhood 23

 2. Neighborhood Investment and Planning Activities 23

 3. Public Safety 23

 4. Market Area Multifamily Residential Developments 24

D. Site Visibility and Accessibility 26

 1. Visibility 26

 2. Vehicular Access 26

 3. Availability of Public and Inter Regional Transit 26

 4. Pedestrian Access 26

 5. Accessibility Improvements under Construction and Planned 26

 6. Environmental Concerns 27

E. Site Conclusions 27

4. MARKET AREA 28

A. Introduction 28

B. Delineation of Market Area 28

5. DEMOGRAPHIC ANALYSIS 30

A. Introduction and Methodology 30

B. Trends in Population and Households 30

 1. Recent Past Trends 30



2.	Projected Trends	30
3.	Building Permit Trends	32
C.	Senior Household Trends.....	33
1.	Recent Past Trends.....	33
2.	Projected Trends	33
D.	Demographic Characteristics	34
1.	Age Distribution and Household Type	34
2.	Renter Household Characteristics.....	36
3.	Income Characteristics	38
6.	ECONOMIC CONTENT	41
A.	Introduction	41
B.	Labor Force, Resident Employment, and Unemployment.....	41
1.	Trends in County Labor Force and Resident Employment.....	41
2.	Trends in County Unemployment Rate	41
C.	Commutation Patterns	41
D.	At-Place Employment	43
1.	Trends in Total At-Place Employment.....	43
2.	At-Place Employment by Industry Sector.....	43
3.	Major Employers.....	46
4.	Wages.....	49
5.	Conclusion	50
7.	AFFORDABILITY /DEMAND ANALYSIS.....	51
1.	Methodology.....	51
2.	Affordability Analysis	52
B.	Derivation of DCA Demand.....	54
1.	Senior Demand Methodology	54
2.	Senior DCA Demand Analysis.....	55
3.	Conclusions on Demand.....	55
8.	COMPETITIVE HOUSING ANALYSIS	57
A.	Introduction and Sources of Information	57
B.	Overview of Market Area Housing Stock.....	57
C.	Impact of Foreclosed, Abandoned, or Vacant Single/Multifamily Homes	57
D.	Survey of Rental Communities	63
1.	Introduction to the Rental Housing Survey.....	63
2.	Competitive General Occupancy Rental Analysis.....	65
3.	Location.....	65
4.	Age of Communities.....	65
5.	Structure Type.....	65
6.	Size of Communities.....	65
7.	Vacancy Rates	67
8.	Rent Concessions	67
9.	Absorption History	67
E.	Analysis of Rental Pricing and Product	67
1.	Payment of Utility Costs.....	67
2.	Unit Features.....	68
3.	Parking	68
4.	Community Amenities.....	68
5.	Distribution of Units by Bedroom Type.....	69
6.	Effective Rents	69
F.	Deep Subsidy Units and Vouchers in the Market Area.....	72
G.	Proposed and Under Construction Rental Communities.....	74
H.	Absorption Estimate	74



I.	Interviews	74
9.	FINDINGS AND CONCLUSIONS.....	75
A.	Key Findings	75
1.	Site and Neighborhood Analysis	75
2.	Economic Context	75
3.	Population and Household Trends.....	76
4.	Demographic Analysis	76
5.	Competitive Housing Analysis.....	76
B.	Target Markets	77
C.	Product Evaluation	77
D.	Price Position	78
E.	Final Conclusions and Recommendations	80
10.	APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS	81
11.	APPENDIX 2 ANALYST CERTIFICATIONS	83
12.	APPENDIX 3 ANALYST RESUMES	84
13.	APPENDIX 4 NCAHMA CHECKLIST	86
14.	APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES	89



TABLES, FIGURES AND MAPS

Table 1 Lafayette Senior Village I Project Summary	15
Table 2 Key Facilities and Services	21
Table 3 2009, 2010 Crime Statistics, Fayette County	24
Table 4 LIHTC and Subsidized Rental Communities.....	24
Table 5 Population and Household Projections.....	31
Table 6 Building Permits by Structure Type, Fayette County	32
Table 7 Senior Household Projections, Villages of Lafayette Market Area	33
Table 8 2012 Age Distribution	34
Table 9 2010 Households by Household Type.....	35
Table 10 Households by Tenure.....	36
Table 11 Households by Tenure and Age of Householder	37
Table 12 2012 Household Income	38
Table 13 Household Income for Householders 55 and Older, 2012 and 2017	39
Table 14 2012 Income by Tenure, Households 55 and Older.....	40
Table 15 Annual Labor Force and Unemployment Rates	42
Table 16 Commutation Data.....	43
Table 17 Major Employers, Fayette County	48
Table 18 Business Closings/ Layoffs 2010 to 2012 (Q1)	48
Table 19 Business Additions/Opening 2011 to 2012 (Q1)	48
Table 20 Average Annual Pay and Annualized Wage Data—Total and by Sector, Fayette County.....	49
Table 21 2014 Senior Income Distribution by Tenure	51
Table 22 Project Specific LIHTC Rent Limits, Atlanta-Sandy Spring-Marietta, GA MSA.....	52
Table 23 Affordability Analysis for Lafayette Senior Village I	53
Table 24 Substandard, Cost Burdened and Senior Homeowner Conversion	54
Table 25 DCA Demand Estimates by Income Level	56
Table 26 DCA Demand by Floor Plan	56
Table 27 Dwelling Units by Structure and Tenure	58
Table 28 Dwelling Units by Year Built and Tenure.....	59
Table 29 Value of Owner Occupied Housing Stock.....	60
Table 30 Market Rate Service Enriched Senior Communities, Existing and Planned	63
Table 31 Lafayette Senior Village I -- General Occupancy Communities Summary.....	67
Table 32 Features of Rental Communities.....	68
Table 33 Amenities of Rental Communities	69
Table 34 Unit Distribution, Size, and Pricing.....	70
Table 35 DCA Average Market Rents.....	71
Table 36 Subsidized Rental Communities, Primary Market Area	72
Figure 1 Satellite Image of Subject Site	18
Figure 2 Views of Subject Site.....	19
Figure 3 Views of Surrounding Land Uses	20
Figure 4 At-Place Employment	44
Figure 5 Total Employment and Employment Change by Sector 2001 to 2011 (Q3)	45
Figure 6 Total Employment and Employment Change by Sector 2007 to 2011 (Q3).....	46
Figure 7 Foreclosure Rate, April 2012.....	61
Figure 8 Recent Foreclosure Activity, Lafayette Senior Village I's ZIP CODE: 30214	62
Figure 9 Price Position of Lafayette Senior Village I	79
Map 1 Location of Key Facilities and Services	22
Map 2 LIHTC and Subsidized Rental Communities	25
Map 3 Primary Market Area	29
Map 4 Major Employers	47



Map 5 Senior Communities--Fayette & Clayton Counties, GA	64
Map 6 Surveyed General Occupancy Rental Communities	66
Map 7 Subsidized Rental Communities in the Market Area	73



EXECUTIVE SUMMARY

The Beverly J. Searles Foundation has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for Lafayette Senior Village I, a senior-oriented multi-family rental community proposed in Fayetteville, Fayette County, Georgia. Funded in part by Low Income Housing Tax Credits allocated by the Georgia Department of Community Affairs (DCA), Lafayette Senior Village I will be an elderly community restricted to households with householders age 55 and older.

Project Description:

- Lafayette Senior Village I will consist of 35 one-bedroom and 49-two bedroom units, most of which will benefit from Low Income Housing Tax Credits and be reserved for senior (55+) renter households.
- The unit mix will consist of 14 units targeting households at or below 50 percent AMI and 60 targeting households at or below 60 percent AMI. Ten units will not have income restrictions and will be offered at market rents.
- Lafayette Senior Village I will be located within the Villages of Lafayette Park, a mixed-use development, on West Lanier Avenue (GA 54) on the western edge of Fayetteville in Fayette County, Georgia.
- A detailed summary of the proposed development including the rent and unit configuration is shown in the table below. The rents shown will include the cost of all utilities.

Unit Type	AMI Level	Units	# Bed	# Bath	Sq Ft	Rent	Rent/Sq Ft
LIHTC	50%	6	1	1	664	\$640	\$0.96
LIHTC	60%	25	1	1	664	\$740	\$1.11
Market Rate	N/A	4	1	1	664	\$925	\$1.39
1 Bedroom Total/Avg.		35			664	\$744	\$1.12
LIHTC	50%	4	2	1	864	\$730	\$0.84
LIHTC	50%	4	2	2	950	\$770	\$0.81
LIHTC	60%	17	2	1	864	\$830	\$0.96
LIHTC	60%	18	2	2	950	\$870	\$0.92
Market Rate	N/A	3	2	1	864	\$1,050	\$1.22
Market Rate	N/A	3	2	2	950	\$1,110	\$1.17
2 Bedroom Total/Avg.		49			908	\$862	\$0.95
Total/Avg.		84			806	\$813	\$1.01

Rents include all standard utility costs.

- Lafayette Senior Village I will offer an extensive mix of amenities, focused on those appealing to elderly households including day rooms, TV lounge, library, computer room, chapel and dining area. Support services will be provided by the Beverly J. Searles Foundation and include activities and meals as well as optional services catering to the needs of individuals such as housekeeping and home healthcare.
- The newly constructed units at the subject property will offer fully equipped kitchens with energy efficient appliances. Flooring will be a carpet and vinyl. In addition, all units will include ceiling fans and washer-dryer hook-ups. The proposed unit features at Lafayette Senior Village I will be competitive with or superior to the existing rental communities in the market area and will be well received by the target market.

**Overall Conclusion:**

- Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Lafayette Senior Village I will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent. The product to be constructed will offer a superior features and amenities package and the units will be well received by the target market. We do not expect the construction of Lafayette Senior Village I to negatively impact existing LIHTC communities in the primary market area or the region.

Site Description / Evaluation:

- The site for the proposed Lafayette Senior Village I is highly visible and accessible, located on West Lanier Avenue, on the western edge of Fayetteville and within approximately two miles of the new west bypass. This community will be accessible from an entrance on Lafayette Avenue, a quiet two-lane entrance to the Villages of Lafayette Park subdivision. As part of a larger 11.59-acre site, the subject will be situated on a 3.4-acre section, the first phase of a larger senior community.
- Current land uses within the immediate area include a mix of single-family attached homes, small office structures and a few small businesses. Beyond the immediate land uses, the area includes churches, three public schools, the Villages Amphitheater, Fayetteville's downtown district and undeveloped land. Surrounding development is relatively new and well maintained.
- Community services, neighborhood shopping centers, medical services, and convenience and comparison shopping opportunities are located within four miles.
- Fayette County does not have a fixed route public transit. However, senior citizens have transportation available through a non-profit to take them to doctor's appointments, grocery shopping, etc.
- Overall, the site and surrounding land uses are compatible with the proposed senior community. No negative land uses were identified at the time of the site visit that would negatively impact the proposed development's viability in the marketplace.

Market Area Definition:

- The primary market area includes eastern Fayette County and southwest Clayton County and includes the municipalities of Fayetteville, Riverdale, Jonesboro and Lovejoy. Peachtree City was excluded as it tends to be self contained and more affluent than its surroundings. The subject is located in Fayetteville which is centrally located in Fayette County. Retail, healthcare, and service amenities are all located in Fayetteville.
- The boundaries of the primary market area and their approximate distance from the subject site are State Highway 138/Fulton to the north (6.9 miles), U.S. Highway 41 to the east (7.7 miles), Rising Star Road to the south (8.4 miles), and Ebenezer Road to the west (5.4 miles).

Community Demographic Data:

- The household base of the Villages of Lafayette Market Area grew by 2.1 percent (857 households) per year between 2000 and 2010. Nielsen estimates that the market area will gain 752 households (1.6 percent) annually over the next five years.



- Between 2000 and 2012, households with a householder age 55+ increased by 8,304 households (88.4 percent). The senior age cohort with the largest increase in absolute terms was the 55-61 cohort, with an average annual increase of 296 households, or 6.1 percent.
- Over the next five years, the primary market area's senior household base is expected to increase by 24.0 percent (4.4 percent annually) among households with a householder age 55 and older. The cohort with the largest growth, both in absolute and percentage terms will be the age 65 to 74 cohort, with an annual increase of 383 householders or 6.6 percent.
- Approximately 13.3 percent of senior households (55+) rent their homes in the market area. The 2,353 senior households that rent represent roughly one out of five of the total renter occupied households in the market area.
- Due to higher concentrations of middle income households in the market area, the market area is more affluent than the Bi-County area, reporting a 2012 median income of \$61,472, approximately 14 percent higher than that of the larger area. Nonetheless, the market area income lags that of the Atlanta-Sandy Springs-Marietta, GA HUD Metro FMR median of \$69,300.
- Senior income is only a little lower than that of the general household base with a median 2012 income of \$56,636 for households 55 and older. The 2012 median income for senior renter householders age 55 and older in the market area is \$36,757, and there is strong representation for all income levels up to \$75,000.
- Although the number of foreclosure properties in Lafayette Senior Village I's immediate vicinity is slightly elevated relative to the state and the nation, we do not believe foreclosed homes will impact the subject property's ability to lease its units. The project will address low and moderate income households most of which are not currently homeowners. If they were homeowners, they are likely long time homeowners and did not get tangled in the overheated for sale market in the early part of the decade.

Economic Data:

- Amid the national recession, Fayette County's unemployment rate jumped from 3.9 percent in 2007 to a 20-year high of 8.3 in 2009, still well below that of the State of Georgia and of the nation.
- Between 1990 and 2006, the county labor force grew by over 20,000 workers or approximately 60 percent. After a drop in 2008, the labor force has stabilized and even experienced moderate growth in 2009, 2010 and 2011 reaching 52,392 workers by the end of 2011.
- Fayette County's at-place employment more than doubled with the addition of nearly 25,000 jobs between 1991 and 2007. After losing more than 3,000 jobs in 2009, the job base stabilized and has held steady with over 36,000 jobs in each of the past three years.
- At-place employment in Fayette County is concentrated in the trade-transportation-utilities sector, representing over one quarter of all jobs. There is also significant representation in the government, education-health and leisure-hospitality sectors.
- Given that the majority of prospective senior renters for Lafayette Senior Village I are at or near retirement age, the downturn in the local economy will have a lesser impact on the demand for senior oriented rental units compared to those offered at general occupancy



communities. Furthermore, the solid moderate income senior household base means that seniors will be looking for a range of options with few available beyond the subject.

Project Specific Affordability and Demand Analysis:

- As proposed, the subject property will contain 74 income-restricted units reserved for senior households 55+ and 10 market rate units. Fourteen units will be reserved for senior renters earning at or below 50 percent of the AMI; 60 units will be reserved for senior renters earning at or below 60 percent of the AMI; and the remaining 10 will be reserved for senior renters without income restrictions.
- Based on the proposed unit mix (and assuming unrestricted senior renters will earn up to 80 percent AMI), 4,921 senior (55+) households are income qualified for the proposed units. Among senior renter households, 1,051 are income qualified.
- The proposed 50 percent units will target senior households with income from \$19,200 to \$27,750. The proposed 60 percent units will target senior households with income from \$22,200 to \$33,300. The market rate units will require a minimum income of \$27,750 in order to afford the rents, and we artificially capped this with a maximum rent of \$44,400, equivalent to 80 percent AMI, to conservatively estimate capture rates reflecting the most likely audience for this product.
- Based on DCA methodology, the overall demand capture is 18.7 percent for the 74 LIHTC units and 12.6 percent for the project as a whole. Capture rates for one-bedroom tax-credit units range from 4.7 percent to 18.6 percent. Capture rates for two-bedroom tax-credit units range from 8.0 percent to 18.8 percent. Capture rates for the 10 market rate units are quite low. As Lafayette Senior Village will be the only independent senior community in the market area, the demand is likely to be very high.

DCA Demand Summary

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Sup-ply	Net Demand	Capt. Rate	Absorp.	Avg Mkt Rent	Market Rents Band	Proposed Rents (Gross)	Proposed Rents (Net Adj)
50% Units	\$19,200 - \$27,750											
One Bedroom Units	\$19,200 - \$24,300	6	7.4%	129	0	129	4.7%	1 month	\$644	\$478-\$711	\$640	\$535
Two Bedroom Units	\$24,300 - \$27,750	8	5.8%	100	0	100	8.0%	1-2 months	\$747	\$448-\$810	\$730-\$770	\$600-\$640
60% Units	\$22,200 - \$33,300											
One Bedroom Units	\$22,200 - \$27,125	25	7.7%	135	0	135	18.6%	3 months	\$644	\$478-\$711	\$740	635
Two Bedroom Units	\$27,125 - \$33,300	35	10.7%	186	0	186	18.8%	4 months	\$747	\$448-\$810	\$830-\$870	\$700-\$740
80% Units	\$27,750 - \$44,400											
One Bedroom Units	\$27,750 - \$38,880	4	17.7%	308	0	308	1.3%	1 month	\$644	\$478-\$711	\$925	820
Two Bedroom Units	\$38,880 - \$44,400	6	7.4%	128	0	128	4.7%	1-2 months	\$747	\$448-\$810	\$1050-\$1110	\$920-\$980
Project Total												
50% Units	\$19,200 - \$27,750	14	13.2%	229	0	229	6.1%	1-2 months				
60% Units	\$22,200 - \$33,300	60	18.4%	320	0	320	18.7%	6-7 months				
LIHTC Total	\$19,200-\$33,300	74	22.7%	396	0	396	18.7%	7-8 month				
Market (80% AMI)	\$27,750 - \$44,400	10	25.1%	436	0	436	2.3%	1-2 months				
Project Total	\$19,200-\$44,400	84	38.0%	665	0	665	12.6%	8 months				

Competitive Rental Analysis:

- There are no senior housing properties in the market area that have been financed by Low Income Housing Tax Credits (LIHTC). The market area includes two subsidized general occupancy housing (Section 236) communities, Rexmill Square and Riverwood in Jonewsboro; both communities have a waitlist.
- Combined, the 14 properties surveyed offer 2,875 units. For the communities reporting occupancy, a total of 99 units of 2,090 units were vacant at the time of our survey, reflecting a vacancy rate of 4.7 percent. No new communities are leasing up at this time.



- There is one general occupancy tax credit project in the market area—Alexander Falls in Riverdale, Georgia in the Clayton County section of the market area. Six of Alexander Falls’ 294 units were vacant, for a vacancy rate of 2.0 percent.
- The average one-bedroom effective rent among surveyed communities is \$583 for 765 square feet, amounting to an average rent per square foot of \$0.76. Based on the average market rent of \$644, for the most comparable units, the 50 percent rents will have a market advantage of 16.9 percent and the 60 percent rents will have a market advantage of 1.4 percent.
- The average two-bedroom effective rent among surveyed communities is \$682 for 1,029 square feet, amounting to an average rent per square foot of \$0.66. Based on the average market rent of \$747, for the most comparable units, the 50 percent rents will have a market advantage of 17.0 percent and the 60 percent rents will have a market advantage of 3.6 percent.
- The market rate one-bedroom and two-bedroom units will be offered at a rent above the top of the existing market, an appropriate position as Lafayette Senior Village will offer a full complement of features, amenities and services for a senior population whereas all existing competitors offer a general occupancy product.

Absorption/Stabilization Estimate:

- We believe that given the attractive product to be constructed, projected senior household growth and affordability/demand estimates, we estimate Lafayette Senior Village I will lease units at a pace of 10 units per month. The subject property will reach a stabilized occupancy of 93 percent within an approximate eight month time period.
- The addition of the 84 units at Lafayette Senior Village I is not expected to negatively impact the performance of the existing communities in the region given current occupancy rates, senior growth estimates, and achievable capture rates. Furthermore, Lafayette Senior Village will be the only LIHTC community targeting senior households.

SUMMARY TABLE:

Development Name:	Lafayette Senior Village	Total # Units:	84
Location:	440 West Lanier Avenue, Fayetteville, GA	# LIHTC Units:	74
PMA Boundary:	North: Fulton County / State Highway 138; East: U.S. Highway 41; South: Rising Star Road;		
West: Ebenezer Road	Farthest Boundary Distance to Subject:		8.4 miles

RENTAL HOUSING STOCK – (found on pages 63-74)

Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	14	2,875	99	95.3%
Market-Rate Housing	13	2,581	93	94.8%
Assisted/Subsidized Housing not to include LIHTC	0	0	0	N/A
LIHTC	1	294	6	98.0%
Stabilized Comps	14	2,875	99	95.3%
Properties in construction & lease up	0	0	N/A	N/A

Subject Development					Average Market Rent				Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent (Gross)	Proposed Tenant Rent (Net Adj.)	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1	1	664	\$640	\$535	\$644	\$0.77	16.9%	\$686	\$0.79
25	1	1	664	\$740	\$635	\$644	\$0.77	1.4%	\$686	\$0.79
4	1	1	664	\$925	\$820	\$644	\$0.77	-27.3%	\$686	\$0.79
4	2	1	864	\$730	\$600	\$747	\$0.69	19.7%	\$804	\$0.70
17	2	1	864	\$830	\$700	\$747	\$0.69	6.3%	\$804	\$0.70
3	2	1	864	\$1,050	\$920	\$747	\$0.69	-23.2%	\$804	\$0.70
4	2	2	950	\$770	\$640	\$747	\$0.69	14.3%	\$804	\$0.70
18	2	2	950	\$870	\$740	\$747	\$0.69	-0.9%	\$804	\$0.70
3	2	2	950	\$1,110	\$980	\$747	\$0.69	-31.2%	\$804	\$0.70

DEMOGRAPHIC DATA (found on pages 36, 53)

	2000		2012		2014	
Renter Households	805	8.6%	2,353	13.3%	2,746	14.2%
Income-Qualified Renter HHs (LIHTC)	184	22.9%	540	22.9%	626	22.7%
Income-Qualified Renter HHs (MR)	203	25.2%	593	25.2%	689	25.1%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 55-56)

Type of Demand	50%	60%	Market-rate	LIHTC	Other: __	Overall
Renter Household Growth	55	77	105	95		160
Existing Households (Overburd + Substand)	120	168	229	208		349
Homeowner Conversion (Seniors)	28	39	53	48		81
Secondary Market Demand (15%)	26	37	50	45		76
Less Comparable/Competitive Supply	0	0	0	0		0
Net Income-qualified Renter HHs	229	320	436	396		665

CAPTURE RATES (found on page 56)

Targeted Population	50%	60%	Market-rate	LIHTC	Other: __	Overall
Capture Rate	6.1%	18.7%	2.3%	18.7%		12.6%

1. INTRODUCTION

A. Overview of Subject

The subject of this report is Lafayette Senior Village I, a Housing for Older Persons (HFOP) multi-family rental community proposed in Fayetteville, Fayette County, Georgia. Lafayette Senior Village I will offer housing designed for older persons and, as such, will be restricted to households with householders age 55 and older.

B. Purpose of Report

The purpose of this study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. RPRG expects this study to be submitted to the Georgia Department of Community Affairs (DCA) for tax credits.

C. Format of Report

The report format is comprehensive and conforms to A DCA's 2012 Market Study Requirements. The market study also considered the National Council of Affordable Housing Market Analysts' (NCAHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is the Beverly J. Searles Foundation. Along with the Client, the Intended Users are the Georgia Department of Community Affairs, and other lenders that are parties to the DCA loan transaction.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2012 Market Study Requirements
- The National Council of the Affordable Housing Market Analyst's (NCAHMA) Model Content Standards and Market Study Checklist.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 4 for a detailed list of NCAHMA requirements and the corresponding pages of requirements within the report.
- Tad Scepaniak (Principal), conducted visits to the subject site, neighborhood, and market area on May 18, 2012.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Brian Wismer (Director of Economic Development, Fayetteville), Phil Mallon (Fayette County Public Works, engineering) and Matt Forshee (CEO of Fayette County Development Authority).



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.
- Derivation of Achievable Market Rent and Achievable Restricted Rent- DCA requires its own “market rent” calculation and the inclusion of a separate NCAHMA estimates of market and achievable restricted rent would be confusing to the reader. It should be noted that the DCA market rent and market advantage calculations are unadjusted. For the purposes of this analysis, the appropriateness of the proposed rents was evaluated without a derivation of NCAHMA market and achievable restricted rents.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

2. PROJECT DESCRIPTION

A. Project Overview

Upon completion, Lafayette Senior Village I will include 84 newly constructed rental units contained within one mid-rise building. The unit mix will consist of 42 percent one-bedroom units (35 units) and 58 percent two-bedroom units (48 units). The affordable units will target households at or below 50 percent AMI (14 units) and 60 percent AMI (60 units). Ten additional units will be market rate units and unrestricted by income.

B. Project Type and Target Market

Lafayette Senior Village I will target low income senior renters age 55 and older, including single person households and couples.

C. Building Types and Placement

Lafayette Senior Village I's 84 units, along with its extensive community amenities, will be contained within one three-story mid-rise building with a brick and HardiPlank siding exterior. Surface parking will be available in adjacent lots to the subject building.

D. Detailed Project Description

1. Project Description

- Thirty-five units at Lafayette Senior Village I will contain one bedroom and one bath and will offer 664 square feet of living space. The remaining units will have two bedrooms; 25 will contain two bathrooms and offer 950 square feet and 24 will contain one bathroom and offer 864 square feet (Table 1).
- The proposed one-bedroom rent is \$640 for units targeting households at 50 percent AMI and \$770 for units targeting households at 60 percent AMI. The proposed rent for the one-bedroom market rate units is \$924.
- The proposed two-bedroom rents are \$730 (one bath) and \$770 (two baths) for units targeting households at 50 percent AMI and \$880 (one bath) and \$925 (two baths) for units targeting households at 60 percent AMI. The proposed rents for the two-bedroom market rate units are \$1,056 for units with one bathroom and \$1,110 for units with two bathrooms.
- All utilities are included in the rent.
- The description of the subject property is based in part on by information provided by the developer. This information was dated May 21, 2012 and is considered to be an accurate representation of the property to be completed.

The following **unit features** are planned:

- Kitchens with a refrigerator, stove/oven, dishwasher, disposal, and microwave.
- Washer/dryer hook-ups.
- Wall-to-wall carpeting and vinyl floors.
- Central air conditioning.
- Ceiling fans.



Table 1 Lafayette Senior Village I Project Summary

Lafayette Senior Village I						
330 West Lanier Avenue, Fayetteville, GA 30269						
Unit Mix/Rents						
Bed	Bath	Income Target	Size (sqft)	Quantity	Rent	Utility
1	1	50%	664	6	\$640	\$0
1	1	60%	664	25	\$740	\$0
1	1	Mkt/Unrestr	664	4	\$925	\$0
2	1	50%	864	4	\$730	\$0
2	2	50%	950	4	\$770	\$0
2	1	60%	864	17	\$830	\$0
2	2	60%	950	18	\$870	\$0
2	1	Mkt/Unrestr	864	3	\$1,050	\$0
2	2	Mkt/Unrestr	950	3	\$1,110	\$0
Project Information				Additional Information		
Number of Residential Buildings		One		Construction Start Date		March 2013
Building Type		Mid-Rise		Date of First Move-In		June 1, 2014
Number of Stories		Three		Construction Finish Date		May 31, 2014
Construction Type		New Const.		Parking Type		Surface
Design Characteristics (exterior)		Hardi-plank		Parking Cost		\$0
Community Amenities	Dayrooms, game room, TV lounge, library, computer center, exercise room, chapel/meditation room, dining area and private dining room; social and support services			Kitchen Amenities		
				Dishwasher		Yes
				Disposal		Yes
				Microwave		Yes
				Range		Yes
Refrigerator		Yes				
Unit Features	HVAC Systems, Energy Star appliances, Washer/Dryer connections, Ceiling Fans, Wall-to-Wall Carpet and Vinyl Flooring			Utilities Included		
				Water/Sewer		Owner
				Trash		Owner
				Heat		Owner
				Heat Source		Elec
				Hot/Water		Owner
				Electricity		Owner
Other:		N/A				



The following **community amenities** are planned:

- Central elevators.
- Day room.
- Dining area and private dining room.
- Meditation room/chapel.
- Game room.
- Television lounge.
- Library.
- Exercise room.
- Computer center.
- Social and support services by the Beverly J. Searles Foundation.

2. Other Proposed Uses

None.

3. Pertinent Information on Zoning and Government Review

None identified.

4. Proposed Timing of Development

The Beverly J. Searles Foundation projects construction on Lafayette Senior Village I to be completed by May 31, 2014. The estimated place in service date will be immediately following the end of construction.

3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The site for the proposed Lafayette Senior Village I is 440 West Lanier Avenue (State Highway 54) in The City of Fayetteville, Fayette County, Georgia (Figure 1). It will be situated within the Villages of Lafayette Park, an existing mixed-use development to the west of downtown Fayetteville.

2. Existing Uses

The site is currently a section of the Villages of Lafayette Park that has not been improved with any structures (Figure 2).

3. Size, Shape, and Topography

The site is a 3.36-acre densely wooded lot with generally flat topography. This is a section of a larger 11.59-acre site that is zoned and entitled for a total of 192 senior living units when built out. Subsequent sections will be developed in phases over the coming years with a variety of senior living options.

4. General Description of Land Uses Surrounding the Subject Site

The subject is located in the Villages of Lafayette Park, a development with a mix of adjacent uses including housing, schools, churches, recreational and commercial uses. Residences in and near the subdivision are generally low density, including single family homes and for-sale townhomes.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site, starting from the north and proceeding in a clockwise direction, are as follows (Figure 3):

- **North:** Villages of Lafayette Park Subdivision (single-family detached homes).
- **East:** Lafayette Avenue / Wooded land.
- **South:** Retail center, professional offices and church across West Lanier Avenue.
- **West:** Single-family detached homes.



Figure 2 Views of Subject Site



View of subject site facing north from W. Lanier Ave.



View of subject site on right facing south on Lafayette Ave.



View of W. Lanier Ave. facing east with subject on left.



View of W. Lanier Ave. facing west with subject in foreground on right.



Lafayette Ave. at entrance to Village at Lafayette Park, view east from subject site .

Figure 3 Views of Surrounding Land Uses



Entrance to office park south across W. Lanier Ave.



Office park south of site across W. Lanier Ave..



Professional offices south of W. Lanier Ave.



Single-family home north of site.



Commercial Park to west of site.

B. Residential Support Network

1. Key Facilities and Services Near the Subject Site

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 1.

Table 2 Key Facilities and Services

Establishment	Type	Address	Distance/ miles
Fayette Medical Clinic	Doctor/Medical	101 Yorktown Dr.	0.6
Fayette County Library	Library	1821 Heritage Park Way	0.7
Fayetteville Police Department	Police	105 Johnson Ave.	0.8
Fayetteville Fire Department	Fire	95 Johnson Ave.	0.8
CVS	Pharmacy	480 Glynn St. N	1.0
Rite Aid	Pharmacy	975 Highway 54 W	1.0
Kroger	Grocery	805 Glynn St. S	1.3
Fayette Life Enrichment Center	Senior Center	4 Center Dr.	1.3
Ingles	Grocery	135 Highway 92 S	1.6
Banks Crossing	Retail	Georgia 85 & Banks Rd.	1.9
Piedmont Fayette County Hospital	Hospital	1255 Highway 54 W	2.2
Wal Mart (Fayette Pavilion Ctr)	General Retail	125 Pavilion Pky.	2.5
Target (Fayette Pavilion Ctr)	General Retail	107 Pavilion Pky.	2.5

Compiled by Real Property Research Group, Inc.

2. Essential Services

Health Care

The closest hospital to the proposed site is Piedmont-Fayette Hospital, a 157 bed medical center located 2.2 miles to the west. Piedmont-Fayette Hospital offers a wide variety of medical treatment options and services including 24 hour emergency care, surgical services, Diabetes care, Obstetrics/Gynecology, Pediatrics, laboratory services, diagnostic/imaging, Oncology, Cardiology, and intensive care. The hospital also contains a rehabilitation / fitness center and sleep center.

In addition to this major medical center, several outpatient facilities are located within one to two miles of the site. The closest are the Fayetteville Medical Clinic and Piedmont Outpatient Center at Yorktown located on Yorktown Drive, just over one-half mile from the subject site.

Senior Services

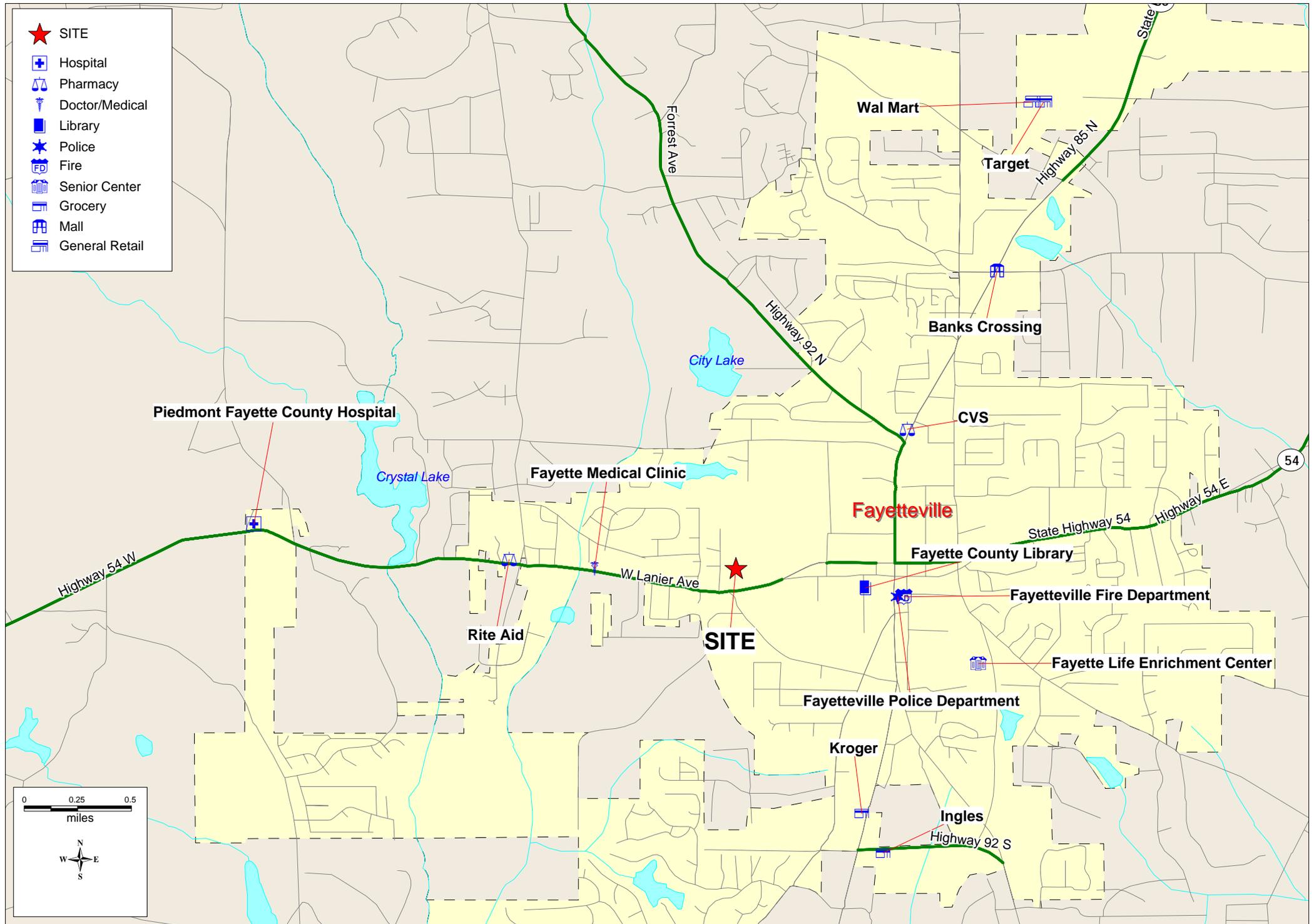
Lafayette Senior Village I will be located just over one mile from the Fayette Life Enrichment Center, a multi-faceted senior services facility offering a wide variety of programs, classes, activities, and trips. Open to adult citizens age 50 and older, the Fayette Life Enrichment Center's social services include Meals on Wheels, adult day deferral, information and assistance, transportation, in-home / personal care, home repair, and case management. In addition, the center is home to the Ultimate Café which provides healthily chef prepared meals at a reasonable price to all members.

3. Commercial Goods and Services

Convenience Goods

The term "convenience goods" refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

-  SITE
-  Hospital
-  Pharmacy
-  Doctor/Medical
-  Library
-  Police
-  Fire
-  Senior Center
-  Grocery
-  Mall
-  General Retail



Map 1
Neighborhood Amenities
Fayette County, GA



The subject property is located within one to two miles of several retailers, most of which are located along State Highway 85 (Glynn Street) in and around downtown Fayetteville. This area contains a multitude of retailers, restaurants, and commercial services including the closest major-chain grocery store, Ingles (1.6 miles), and pharmacy, CVS (1.0 mile).

Shoppers Goods

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers’ goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

Of particular note is the Fayette Pavilion Shopping Center, a “big box” center, which contains several national retail chains such as Target, Wal-Mart, Toys R Us, Lane Bryant, Dick’s Sporting Goods, Home Depot, Old Navy, Publix, Belk, HH Gregg, Petsmart, TJ Maxx, and Marshalls, as well as the Cinemark Tinseltown Movie Theater.

C. Neighborhood Analysis

1. General Description of Neighborhood

The City of Fayetteville is a relatively affluent suburban community located in northeast Fayette County, 25 miles south of downtown Atlanta, 18 miles south of Hartsfield-Jackson Airport and ten miles northeast of the planned community of Peachtree City. Since its incorporation in 1823, Fayetteville has served as the county seat and is linked to Peachtree City as well as the more rural portions of the county through a series of State Highways.

2. Neighborhood Investment and Planning Activities

Over the past decade, both Fayetteville and Fayette County have experienced significant growth and contain several newly developed neighborhoods and commercial shopping districts. According to our research, including field observations at the time of the site visit, one small retail building recently opened in the subject site’s immediate area.

3. Public Safety

Between 2009 and 2010, crime reported in Fayette County dropped from 1,804 to 1,621 total incidents (Table 3). Based on the population of Fayette County, this translates to a rate of 16.89 incidents per 1,000 persons in 2009 and 15.21 incidents per 1,000 persons in 2010. Almost all crime was property crime, including burglary, larceny and motor vehicle theft, which accounted for 96 percent of incidents in 2009 and 95 percent in 2010. Based on this data and field observations, we do not expect crime or the perception of crime to negatively impact the subject property’s marketability.

Table 3 2009, 2010 Crime Statistics, Fayette County

Crimes Reported in Fayette County, Georgia				
Crime	2009		2010	
	Number	Rate*	Number	Rate*
Total	1,804	16.89	1,621	15.21
Murder	1	0.01	1	0.01
Rape	7	0.07	11	0.10
Robbery	20	0.19	24	0.23
Aggravated Assault	42	0.39	48	0.45
Burglary	298	2.79	313	2.94
Larceny-Theft	1,278	11.97	1,085	10.18
Motor Vehicle Thefts	158	1.48	139	1.30

*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

4. Market Area Multifamily Residential Developments

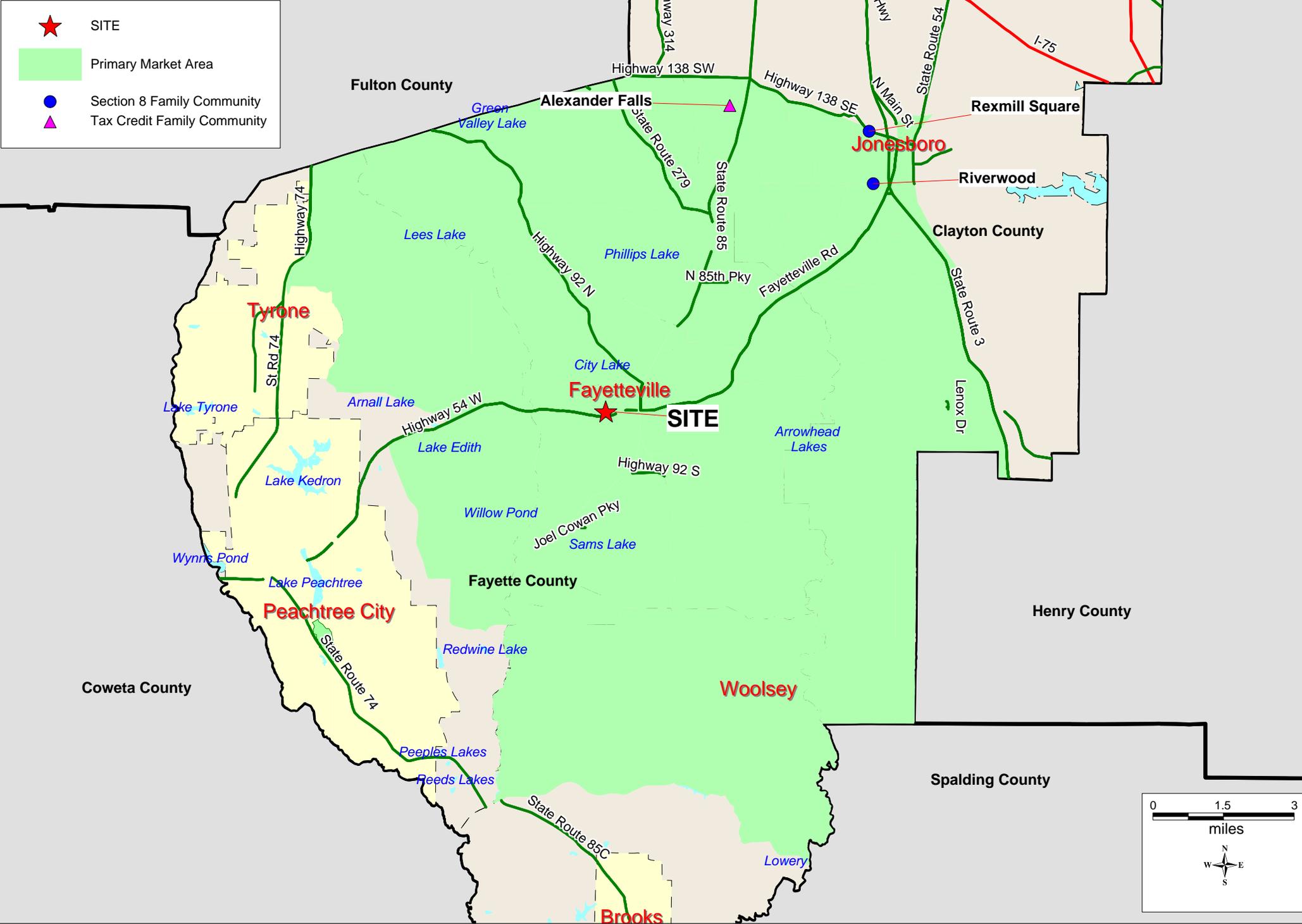
Multifamily residential developments in the market area include only general occupancy, market rate properties. The one tax credit community is general occupancy and includes a mixture of 60 percent AMI units and market rate units. The two deep subsidy communities are not age-restricted either. All three of these properties are to the north outside of the Fayette County section of the market area

All LIHTC and deeply subsidized senior rental communities identified in the Villages of Lafayette Market Area were surveyed and included in this report. A list of all LIHTC and deeply subsidized communities in the market area is provided in Table 4. Map 2 shows the location of these communities.

Table 4 LIHTC and Subsidized Rental Communities

Property	Subsidy	Type	Address	City	Distance
Rexmill Square	Section 8	Family	636 North Ave.	Jonesboro	8.2 miles
Riverwood	Section 8	Family	681 Flint River Rd.	Jonesboro	7.5 miles
Alexander Falls	Tax Credit	Family	950 Lake Ridge Pkwy.	Riverdale	7 miles

-  SITE
-  Primary Market Area
-  Section 8 Family Community
-  Tax Credit Family Community



Map 2
Subsidized Communities
Primary Market Area

D. Site Visibility and Accessibility

1. Visibility

The subject property will have excellent visibility from its frontage on West Lanier Avenue (State Highway 54) and Lafayette Avenue. Lafayette Senior Village I will also benefit from its proximity to the recently constructed Village of Lafayette Park Subdivision and the downtown Fayetteville square.

2. Vehicular Access

Lafayette Senior Village I will be accessible from an entrance on Lafayette Avenue, a two-lane, lightly traveled, entrance road to the Villages of Lafayette Park Subdivision. Lafayette Avenue, facilitated by a traffic light, connects to West Lanier Avenue (State Highway 54) immediately south of the subject site. Based on the West Lanier Avenue location, residents of the subject property will have convenient access to State Highways 85 and 92, and Interstates 75 and 85 all within ten miles.

3. Availability of Public and Inter Regional Transit

Fayette County does not have a fixed route public transportation system and is not connected to the other regional transportation services serving the Greater Atlanta area. The closest connection to a commuter bus route is over the border in Clayton County. Commuters can park at the Clayton county Justice Center Park and Ride lot and take the Xpress Route 441 into Downtown Atlanta.

Fayette Senior Services is a provider of flexible transportation for Fayette county residents age 60+ and disabled adults needing transportation. This nonprofit organization offers both Voucher Transportation services as well as non-emergency medical transportation. Voucher Service is available Monday through Friday 9:00 a.m. to 4:00 p.m. with pre-purchased vouchers.

Hartsfield-Jackson Atlanta International Airport, approximately 18 miles north of the subject, ranked as the world's busiest airport in 2011 accommodating 92 million passengers.

4. Pedestrian Access

Lanier Avenue and Lafayette Avenue do not have sidewalks. In this area, sidewalks are limited to some of the residential subdivisions. According to the Georgia DOT, there is a transportation enhancement project in the works constructing sidewalks in downtown Fayetteville.

5. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed the Georgia DOT website for planned road improvements and talked to Phil Mallon with Fayette County Public Works Department. Observations made during the site visit contributed to the process. Through this research, RPRG identified one large scale project underway that would have a direct impact on this market as it connects to GA 54 on the west side of Fayetteville. The **West Fayetteville Bypass**, planned in three segments, will serve as a bypass around Fayetteville leading north toward I-85, the Hartsfield-Jackson Airport and the other interstates serving Greater Atlanta. It will also connect the area located to the west on GA 54, the western suburbs of Fayetteville and the hospital, with points north and south. The first phase of this project, near GA 54 and the hospital, was completed in 2011 and the northern segment is under construction. The third phase, connecting GA 54 to points south, is a long term plan without a construction date. Two other confirmed projects in the Fayetteville area are planned for the east side of Fayetteville: an **East**



Fayetteville Bypass, a new road, and the **widening of GA 54** to the east of McDonough Road to the Clayton County line, facilitating commuter traffic between Fayetteville and Jonesboro.

Other road projects in Fayette County are contingent on the passage of a Regional Transportation Referendum scheduled for the summer of 2012.

Transit and Other Improvements under Construction and/or Planned

While there is a Regional Transportation Referendum scheduled during July 2012 to expand public transportation in the Greater Atlanta area, the only Fayette county projects proposed that would result from this vote would be road improvements.

6. Environmental Concerns

No visible environmental or miscellaneous site concerns were identified.

E. Site Conclusions

Overall, the proposed site for Lafayette Senior Village I is surrounded by well-maintained residential subdivisions and small scale contemporary retail and office uses. The Lafayette Senior Village I site is compatible with existing land uses and is within driving distance of neighborhood amenities including shopping, healthcare facilities, and senior services. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development. The site's location will not result in a significant competitive advantage or disadvantage for the project.



4. MARKET AREA

A. Introduction

The primary market area for the proposed Lafayette Senior Village I is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Villages of Lafayette Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The primary market area includes Census tracts in eastern Fayette County and southwest Clayton County encompassing several municipalities including Fayetteville, Riverdale, Jonesboro, and Lovejoy. The subject is located in Fayetteville which is located in the northeast section of Fayette County and is the county seat.

Based on the limited affordable senior rental housing available in and around the primary market area, the subject property should be able to draw tenants from throughout this primary market area and likely from beyond. Due to the geographic distance from the subject site, areas in western Fayette County and northern Clayton County were excluded to avoid overestimating demand. In addition, the master-planned community of Peachtree City was also excluded as it is markedly more affluent and generally attracts an audience looking for a lifestyle community.

The boundaries of the primary market area and their approximate distance from the subject site are:

- **North:** State Highway 138 / Fulton County 6.9 miles
- **East:** U.S. Highway 41 7.7 miles
- **South:** Rising Star Road 8.4 miles
- **West:** Ebenezer Road 5.4 miles

This market area is depicted in Map 3 and the 2010 Census tracts that comprise the market area are listed on the edge of the map. For the purposes of this analysis, the primary market area is referred to as the Villages of Lafayette Market Area throughout this report.

As appropriate for this analysis, this primary market area is compared to the Bi-County Area, composed of all of Fayette County and Clayton County combined.



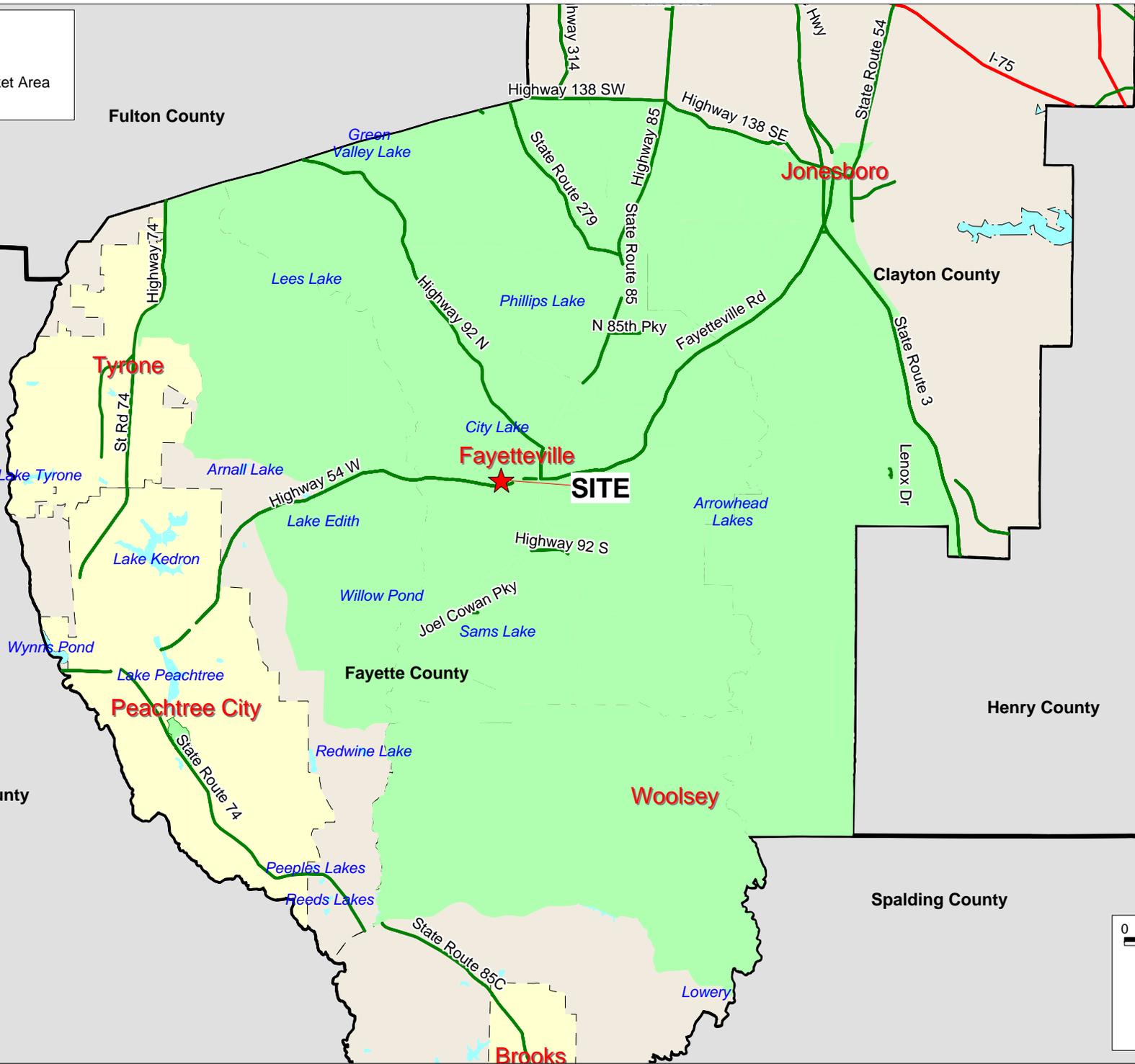
SITE



Primary Market Area

Name10

- 1401.01
- 1401.02
- 1402.04
- 1403.05
- 1404.03
- 1404.04
- 1404.05
- 1404.06
- 1404.07
- 1404.08
- 1405.01
- 405.14
- 405.15
- 405.16
- 405.18
- 405.25
- 405.26
- 406.08
- 406.12
- 406.19
- 406.20
- 406.21
- 406.22



Map 3
Primary Market Area
Fayette & Clayton Counties, GA

5. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the primary market area using U.S. Census data and data from Nielsen, a national data vendor which prepares small area estimates and projections of population and households as well as building permit trend information collected from the HUD State of the Cities Data Systems (SOCDS) database. Table 5 presents a series of panels that summarize these Census data, estimates, and projections.

B. Trends in Population and Households

1. Recent Past Trends

The Villages of Lafayette Market Area is a high growth area within the combined Fayette and Clayton Counties, with nearly double the population and household growth rates of the counties over the past decade. Between 2000 and 2010 Census counts, the population of the Villages of Lafayette Market Area increased by 24.0 percent, from 106,380 to 131,894 persons (Table 5). This equates to an average annual increase of 2.2 percent or 2,551 people. During the same time period, the number of households in the market area increased by 23.4 percent, from 36,588 to 45,156 households, an annual increase of 2.1 percent or 857 households.

The Bi-County Area's population and households experienced moderate growth during this period. The Bi-County Area's population grew by 11.7 percent over the decade, or an average annual rate of 1.1 percent. At the same time, the number of households in this secondary market area increased by 13.2 percent, or an annual rate of 1.2 percent. By 2010, there were 128,800 households residing in the Bi-County Area, representing an increase of 15,033 households over this ten year period.

2. Projected Trends

The market is expected to continue growing, albeit at a slightly reduced rate. Applying Nielsen's projections to Census 2010 data, RPRG estimates that the Villages of Lafayette Market Area's population increased by 4,141 people and 1,424 households between 2010 and 2012. RPRG projects that the market area's population will increase by 10,931 people between 2012 and 2017, bringing the total population to 146,966 people in 2017. This represents an annual increase of 1.6 percent or 2,186 persons. The number of households is projected to increase at a similar rate over the next five years, gaining 1.6 percent or 752 households per annum and resulting in a total of 50,339 households in 2017.

In the Bi-County Area, population and household growth rates are projected to hold relatively steady over the next five years and continue to trail those of the market area. The SMA's population is expected to increase by 1.3 percent annually while its household base will increase by 1.1 percent per year.

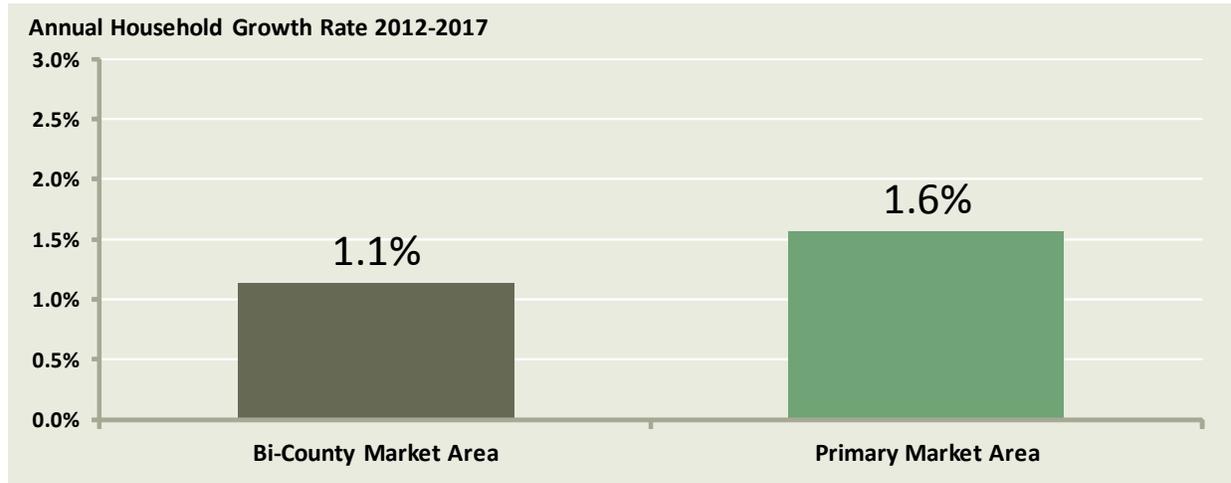


Table 5 Population and Household Projections

Bi-County Market Area					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2012	2017	#	%	#	%	#	%	#	%	#	%	#	%	
Population	327,780	365,991	375,207	399,277	38,211	11.7%	3,821	1.1%	9,216	2.5%	4,608	1.3%	24,069	6.4%	4,814	1.3%
Group Quarters	3,836	4,594	4,757	5,191												
Households	113,767	128,800	131,751	139,428	15,033	13.2%	1,503	1.2%	2,951	2.3%	1,476	1.1%	7,677	5.8%	1,535	1.1%
Average HH Size	2.85	2.81	2.81	2.83												

Primary Market Area					Change 2000 to 2010				Change 2010 to 2012				Change 2012 to 2017			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2012	2017	#	%	#	%	#	%	#	%	#	%	#	%	
Population	106,380	131,894	136,035	146,966	25,514	24.0%	2,551	2.2%	4,141	3.1%	2,071	1.6%	10,931	8.0%	2,186	1.6%
Group Quarters	393	2,248	2,291	2,402												
Households	36,588	45,156	46,580	50,339	8,568	23.4%	857	2.1%	1,424	3.2%	712	1.6%	3,760	8.1%	752	1.6%
Average HH Size	2.90	2.87	2.87	2.87												

Note: Annual change is compounded rate.
 Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG





3. Building Permit Trends

RPRG examines building permit trends to help determine if the housing supply is meeting demand, as measured by new households. Building permit data indicates that housing growth was far from consistent over the past decade. County permit activity peaked in 2001 with 1,001 units permitted and sunk to fewer than 150 units in 2008 and subsequent years (Table 6). Over the last decade, however, an average of 597 new housing units was authorized annually in Fayette County. This trails the market area household growth discussed in the previous section which indicated that the market area alone added roughly 750 households per year during this decade.

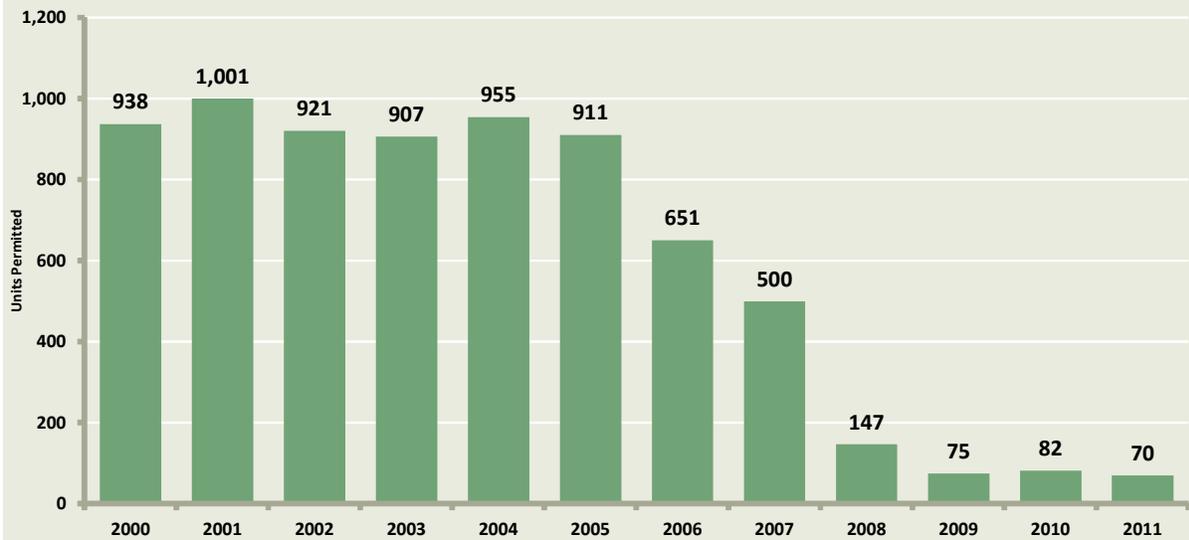
From 2000 to 2011, nearly all residential permits issued in Fayette County have been for single-family homes (96 percent). Multi-family development (5+ units) accounted for only 245 units for the entire period, translating to three percent of the total.

Table 6 Building Permits by Structure Type, Fayette County

Fayette County														
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2000-2011	Annual
Single Family	938	916	915	907	948	906	651	355	142	75	82	70	6,905	575
Two Family	0	0	6	0	2	0	0	0	0	0	0	0	8	1
3 - 4 Family	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5 or more Family	0	85	0	0	5	5	0	145	5	0	0	0	245	20
Total	938	1,001	921	907	955	911	651	500	147	75	82	70	7,158	597

Source: U.S. Census Bureau, C-40 Building Permit Reports.

**Total Housing Units Permitted
2000 - 2011**





C. Senior Household Trends

1. Recent Past Trends

Table 7 details the age distribution and growth of the older adult (age 55 and older) household base by age cohort in the Villages of Lafayette Market Area as of the 2000 Census as well as the current year (2012) estimates and future (2017) projections.

The data show that older adult households in the market area are increasing at an accelerated rate relative to total household growth. In the year 2000, the market area had 9,392 householders age 55 and older. This group increased by 88.4 percent to 17,696 householders in 2012, translating to an annual growth rate of 5.4 percent. The senior age cohort with the largest increase in absolute terms was the 55-61 cohort, with an average annual increase of 296 households, or 6.1 percent.

2. Projected Trends

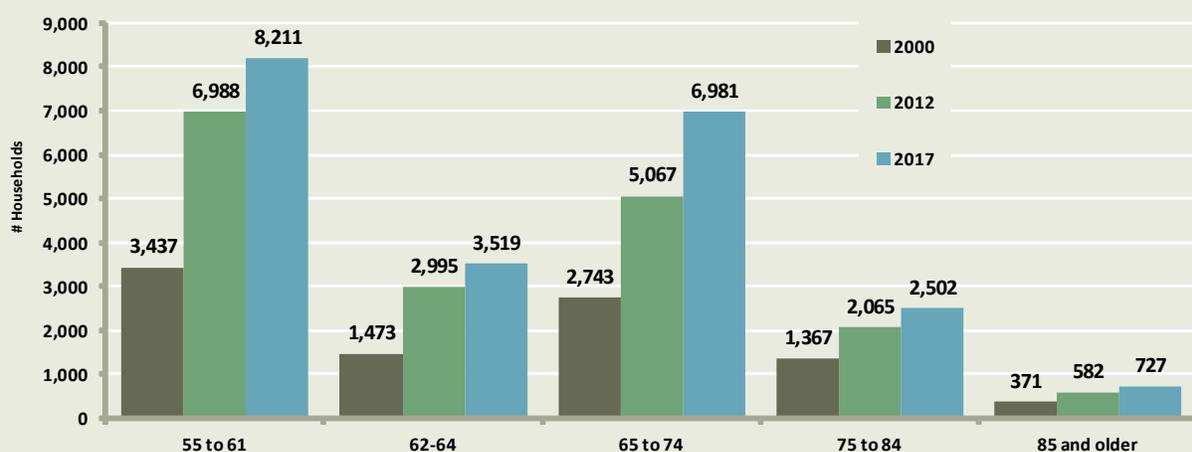
While older adult household growth in the market is expected to slow over the next five years, projected growth rates indicate vigorous growth. Through 2017, the older adult household base (age 55+) is projected to expand at an annual rate of 4.4 percent or 849 householders. This would bring the total number of householders age 55 and older in the market area to 21,940. The cohort with the largest growth, both in absolute and percentage terms will be the age 65 to 74 cohort, with an annual increase of 383 householders or 6.6 percent.

Table 7 Senior Household Projections, Villages of Lafayette Market Area

Primary Market Area	Change 2000 to 2012						Change 2012 to 2017							
	2000		2012		2017		Total		Annual		Total		Annual	
	Age of Household	#	%	#	%	#	%	#	%	#	%	#	%	
55 to 61	3,437	36.6%	6,988	39.5%	8,211	37.4%	3,550	103.3%	296	6.1%	1,223	17.5%	245	3.3%
62-64	1,473	15.7%	2,995	16.9%	3,519	16.0%	1,522	103.3%	127	6.1%	524	17.5%	105	3.3%
65 to 74	2,743	29.2%	5,067	28.6%	6,981	31.8%	2,324	84.7%	194	5.2%	1,914	37.8%	383	6.6%
75 to 84	1,367	14.6%	2,065	11.7%	2,502	11.4%	698	51.1%	58	3.5%	437	21.2%	87	3.9%
85 and older	371	4.0%	582	3.3%	727	3.3%	210	56.6%	18	3.8%	145	25.0%	29	4.6%
Householders 55+	9,392	100.0%	17,696	100.0%	21,940	100.0%	8,304	88.4%	692	5.4%	4,244	24.0%	849	4.4%

Source: 2000 Census of Population and Housing; The Nielsen Company, RPRG Estimates

2000-2017 Older Adult Household by Age





D. Demographic Characteristics

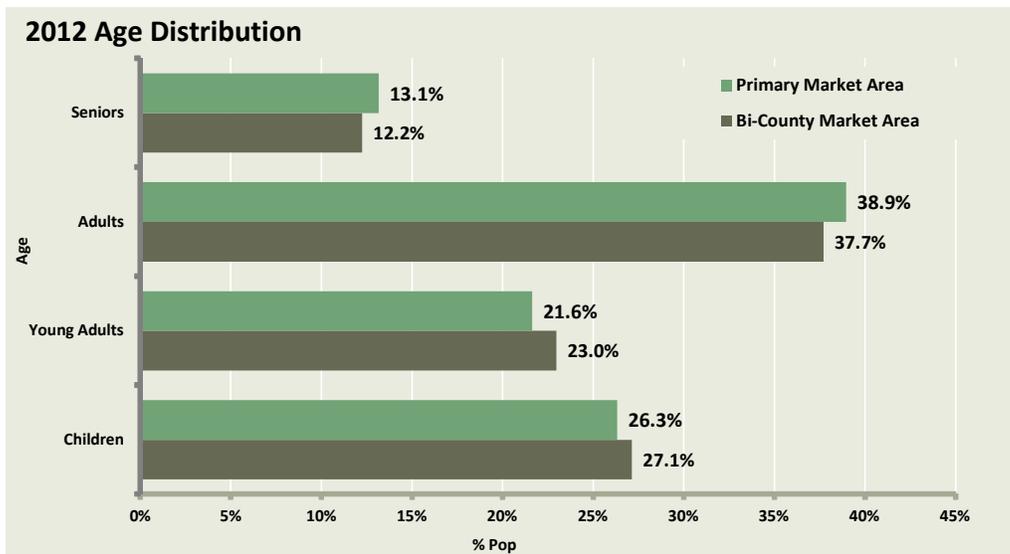
1. Age Distribution and Household Type

Based on Nielsen Company estimates, the population of the Villages of Lafayette Market Area is older than that of the Bi-County Area overall with median ages of 35 and 33, respectively (Table 8). While age distributions do not vary dramatically for the two areas, the market area has somewhat higher percentages of mid- and late-career and older adults and the Bi-County area has somewhat higher proportions of children and young adults. Adults age 35 to 61 accounts for 38.9 percent of the market area population and 37.7 percent of the Bi-County population. Seniors age 62 and older account for 13.1 percent of the population in the Villages of Lafayette Market Area compared to 12.2 percent in the Bi-County Area.

Table 8 2012 Age Distribution

	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Children	101,777	27.1%	35,788	26.3%
Under 5 years	27,685	7.4%	9,369	6.9%
5-9 years	27,049	7.2%	9,406	6.9%
10-14 years	28,441	7.6%	10,090	7.4%
15-17 years	18,601	5.0%	6,923	5.1%
Young Adults	86,117	23.0%	29,404	21.6%
18-20 years	15,878	4.2%	5,761	4.2%
21-24 years	20,285	5.4%	7,205	5.3%
25-34 years	49,954	13.3%	16,439	12.1%
Adults	141,415	37.7%	52,960	38.9%
35-44 years	55,034	14.7%	19,343	14.2%
45-54 years	56,602	15.1%	21,616	15.9%
55-61 years	29,779	7.9%	12,001	8.8%
Seniors	45,899	12.2%	17,884	13.1%
62-64 years	12,762	3.4%	5,143	3.8%
65-74 years	20,474	5.5%	8,039	5.9%
75-84 years	9,348	2.5%	3,542	2.6%
85 and older	3,315	0.9%	1,159	0.9%
TOTAL	375,207	100.0%	136,035	100.0%
Median Age	33		35	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



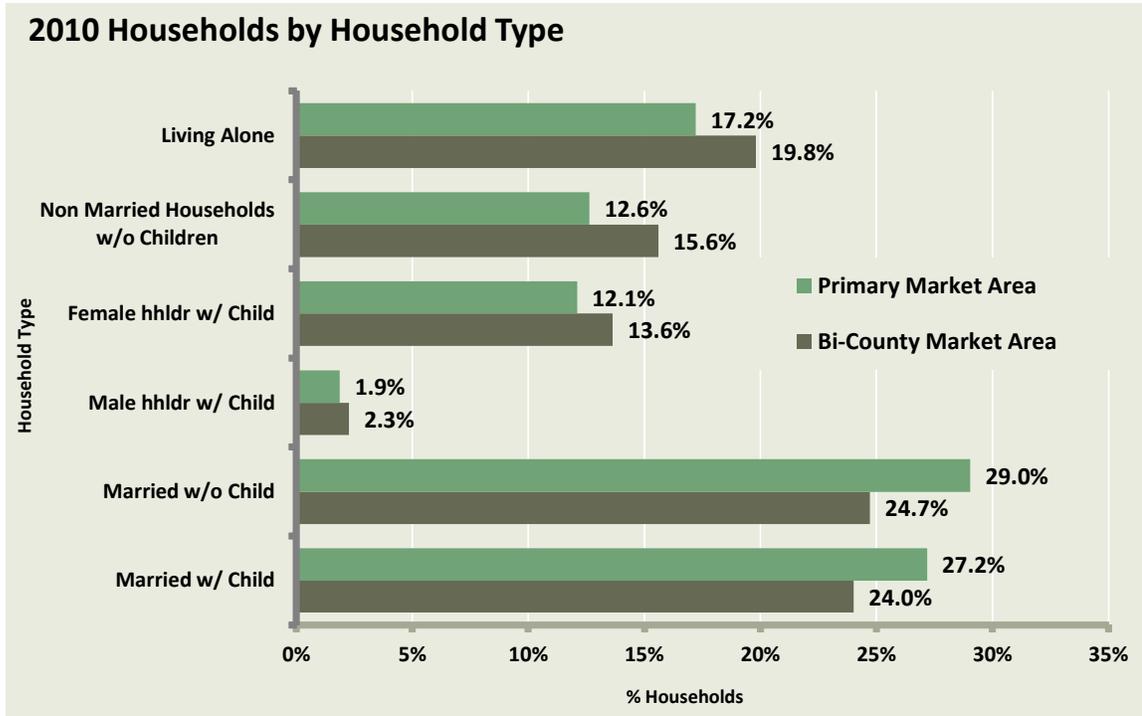


Typical for a suburban area, married households, both with and without children, are dominant in both areas, but these households are more pronounced in the market. Married households represent 56.2 percent of market area households and 48.7 percent of Bi-County households (Table 9). In the market area, not only is there a stronger rate of marriage, but of the married households, more than half do not have children, a household type that frequently includes older adult households. Consistent with the higher level of young adults in the secondary market, the secondary market has higher proportions of non-married households and living alone households. In the market area, less than one in five households consists of a householder living alone (17.2 percent).

Table 9 2010 Households by Household Type

	Bi-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Married w/ Child	30,927	24.0%	12,268	27.2%
Married w/o Child	31,828	24.7%	13,110	29.0%
Male hhldr w/ Child	2,913	2.3%	843	1.9%
Female hhldr w/ Child	17,548	13.6%	5,460	12.1%
Non Married Households w/o Children	20,080	15.6%	5,704	12.6%
Living Alone	25,503	19.8%	7,772	17.2%
Total	128,800	100.0%	45,156	100.0%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.





2. Renter Household Characteristics

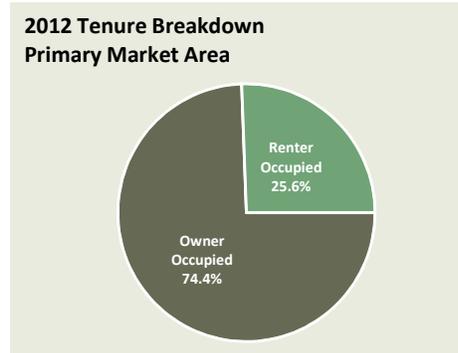
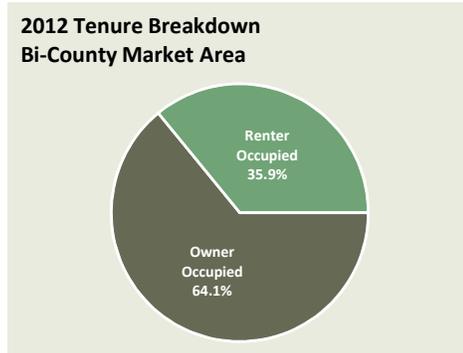
Home ownership is prevalent in the market area, with approximately three-quarters of all households owning their own home as of 2012, but a marked increase in renter households is evident. In 2012, RPRG estimates 25.6 percent of all market area households rent their home, up from 23.9 percent from the 2010 Census and 17.1 percent in the 2000 Census (Table 10). In the Bi-County area, in contrast, well over one-third of households rent their home in 2012 but the increase in rentership since 2000 has been gradual.

Among householders age 55 and older, the renter percentages in both geographies are lower than for all households. The 2012 renter percentages for households with householders 55+ as estimated by Nielsen are 13.3 percent in the market area and 19.5 percent in the Bi-County Area. As a proportion of total renter households, seniors rent 2,353 of the total 11,929 renter occupied units, representing roughly one out of five renter households.

Table 10 Households by Tenure

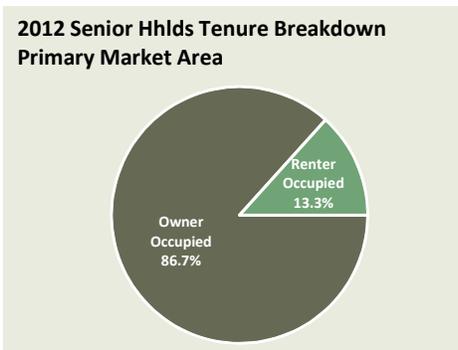
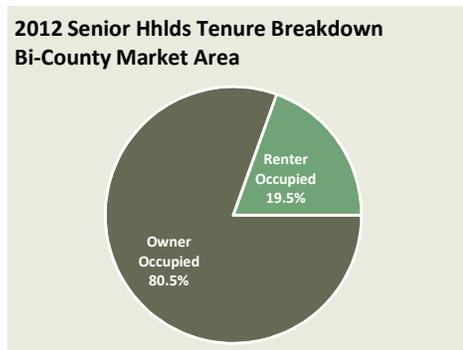
All Households	Bi-County Market Area		Primary Market Area	
2012 Households	Number	Percent	Number	Percent
Owner Occupied	84,418	64.1%	34,650	74.4%
Renter Occupied	47,333	35.9%	11,929	25.6%
Total Occupied	131,751	100.0%	46,580	100.0%
Total Vacant	21,111		6,033	
TOTAL UNITS	152,862		52,613	

Source: U.S. Census of Population and Housing, 2010; RPRG



Senior Households 55+	Bi-County Market Area		Primary Market Area	
2012 Households	Number	Percent	Number	Percent
Owner Occupied	36,991	80.5%	15,343	86.7%
Renter Occupied	8,953	19.5%	2,353	13.3%
Total Occupied	45,944	100.0%	17,696	100.0%

Source: U.S. Census of Population and Housing, 2010; RPRG





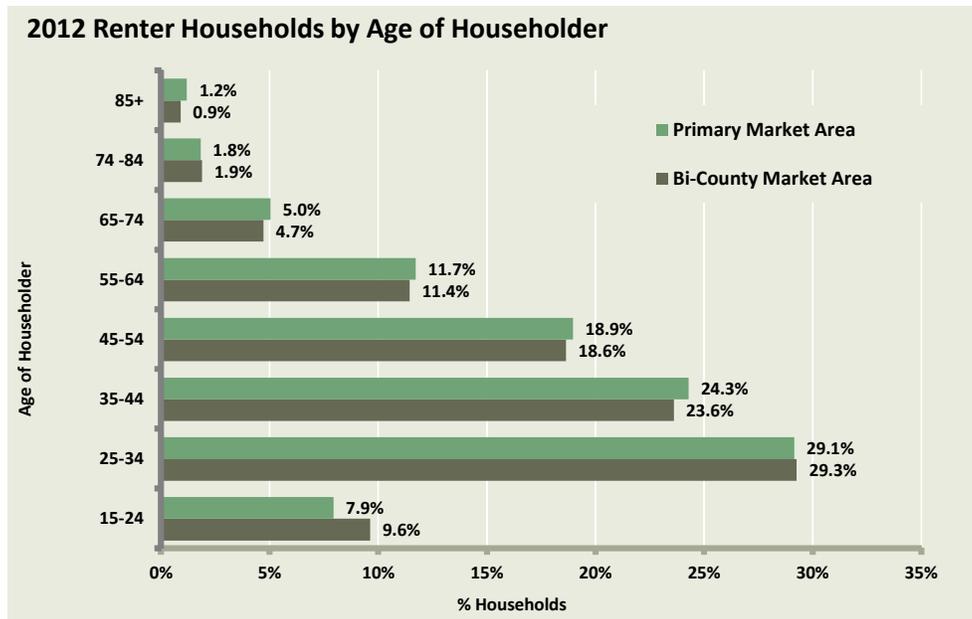
Young working age households form the core of the market area’s renters, as 53.4 percent of the renter occupied households are between the ages of 25 and 44 (Table 11) and another 18.9 percent are age 45-54 years. Older adults age 55+ comprise 19.7 percent of all renters in the market area compared to 18.9 percent in the Bi-County Area. Owner householders are decidedly older than renters in both the market area and Bi-County. Approximately half of the owner households in the Villages of Lafayette Market Area and in the Bi-County Area are age 45 to 64 and another 13 percent are 65 to 74.

Table 11 Households by Tenure and Age of Householder

Owner Households	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	712	0.8%	391	1.1%
25-34 years	7,760	9.2%	3,401	9.8%
35-44 years	16,827	19.9%	6,592	19.0%
45-54 years	22,127	26.2%	8,923	25.8%
55-64 years	20,142	23.9%	8,586	24.8%
65-74 years	11,013	13.0%	4,467	12.9%
75 to 84 years	4,740	5.6%	1,849	5.3%
85+ years	1,096	1.3%	441	1.3%
Total	84,418	100%	34,650	100%

Renter Households	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	4,551	9.6%	946	7.9%
25-34 years	13,845	29.3%	3,475	29.1%
35-44 years	11,167	23.6%	2,895	24.3%
45-54 years	8,817	18.6%	2,260	18.9%
55-64 years	5,414	11.4%	1,396	11.7%
65-74 years	2,227	4.7%	600	5.0%
75 to 84 years	888	1.9%	216	1.8%
85+ years	423	0.9%	141	1.2%
Total	47,333	100%	11,929	100%

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.





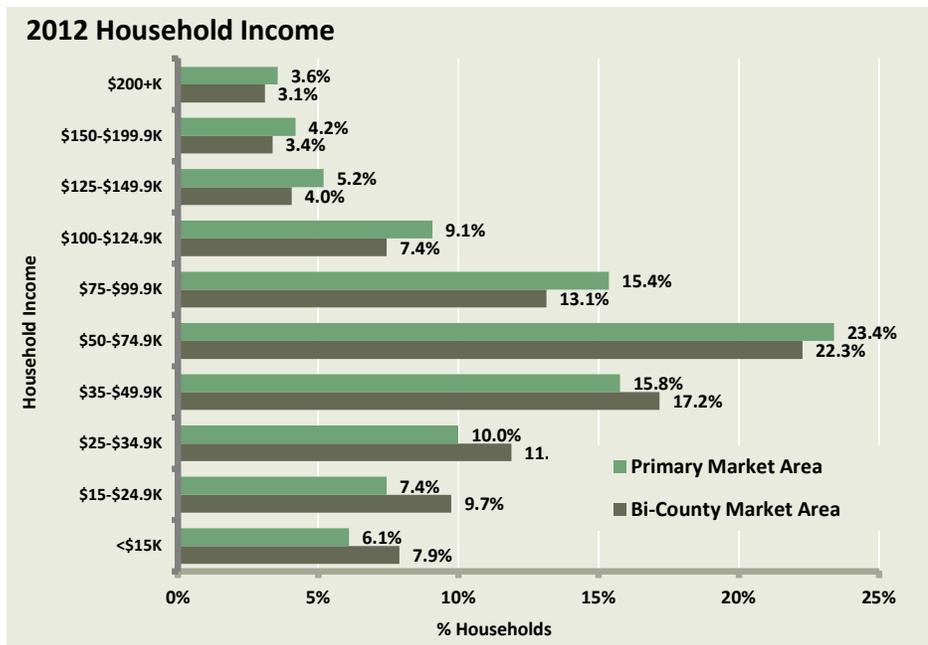
3. Income Characteristics

The market area is more affluent than the Bi-County area, with higher concentrations of middle and upper income households. Based on estimates supplied by Nielsen, RPRG estimates that the 2012 median household income in the Villages of Lafayette Market Area is \$61,472, which is \$7,736 or 14 percent higher than the \$53,736 median income in the Bi-County Area (Table 12). The market area has higher percentages of households falling into all income cohorts \$50,000 and over. In contrast, the Bi-County area has higher concentrations of lower income households. Approximately 14 percent of market area households earn less than \$25,000 while 18 percent of Bi-County households have income this low. While the market area is more affluent than its immediate surroundings, it is less affluent than the Atlanta area for which HUD reports a 2012 Median Household Income of \$69,300 (for the Atlanta-Sandy Springs-Marietta, GA Metro FMR Area).

Table 12 2012 Household Income

		Bi-County Market Area		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$15,000	10,395	7.9%	2,837	6.1%
	\$15,000 - \$24,999	12,832	9.7%	3,461	7.4%
	\$25,000 - \$34,999	15,650	11.9%	4,653	10.0%
	\$35,000 - \$49,999	22,616	17.2%	7,339	15.8%
	\$50,000 - \$74,999	29,329	22.3%	10,894	23.4%
	\$75,000 - \$99,999	17,294	13.1%	7,154	15.4%
	\$100,000 - \$124,999	9,802	7.4%	4,222	9.1%
	\$125,000 - \$149,999	5,334	4.0%	2,416	5.2%
	\$150,000 - \$199,999	4,429	3.4%	1,948	4.2%
	\$200,000 over	4,071	3.1%	1,655	3.6%
Total		131,751	100.0%	46,580	100.0%
Median Income		\$53,736		\$61,472	

Source: The Nielsen Company; 2006-2010 American Community Survey; Estimates, Real Property Research Group, Inc.



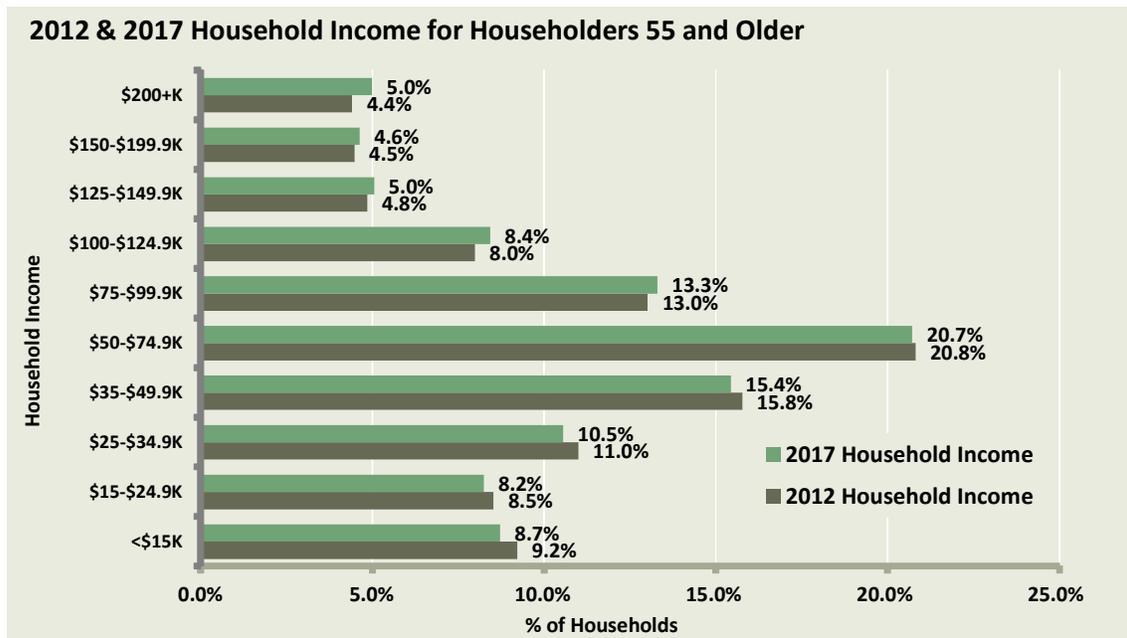


While household income for older adults (55+) trails total household income in the market area, the difference is not dramatic. Senior households with householders 55 and older have a 2012 estimated median income of \$56,636, approximately 92 percent of the median income for all households (Table 13). In fact, the senior income in the market area exceeds the median income for all households in the Bi-County area. Nonetheless, approximately 18 percent of older adult households 55+ earn less than \$25,000 and 27 percent earn between \$25,000 and \$50,000. By 2017, the median income of seniors in the market is expected to increase to \$58,546.

Table 13 Household Income for Householders 55 and Older, 2012 and 2017

		2012 Household Income		2017 Household Income	
		Number	Percent	Number	Percent
less than	\$15,000	1,630	9.2%	1,911	8.7%
	\$15,000 \$24,999	1,508	8.5%	1,806	8.2%
	\$25,000 \$34,999	1,944	11.0%	2,314	10.5%
	\$35,000 \$49,999	2,788	15.8%	3,385	15.4%
	\$50,000 \$74,999	3,681	20.8%	4,543	20.7%
	\$75,000 \$99,999	2,302	13.0%	2,916	13.3%
	\$100,000 \$124,999	1,412	8.0%	1,848	8.4%
	\$125,000 \$149,999	858	4.8%	1,106	5.0%
	\$150,000 \$199,999	792	4.5%	1,014	4.6%
	\$200,000 over	780	4.4%	1,094	5.0%
Total		17,696	100.0%	21,940	100.0%
Median Income		\$56,636		\$58,546	

Source: The Nielsen Company; Estimates, Real Property Research Group, Inc.



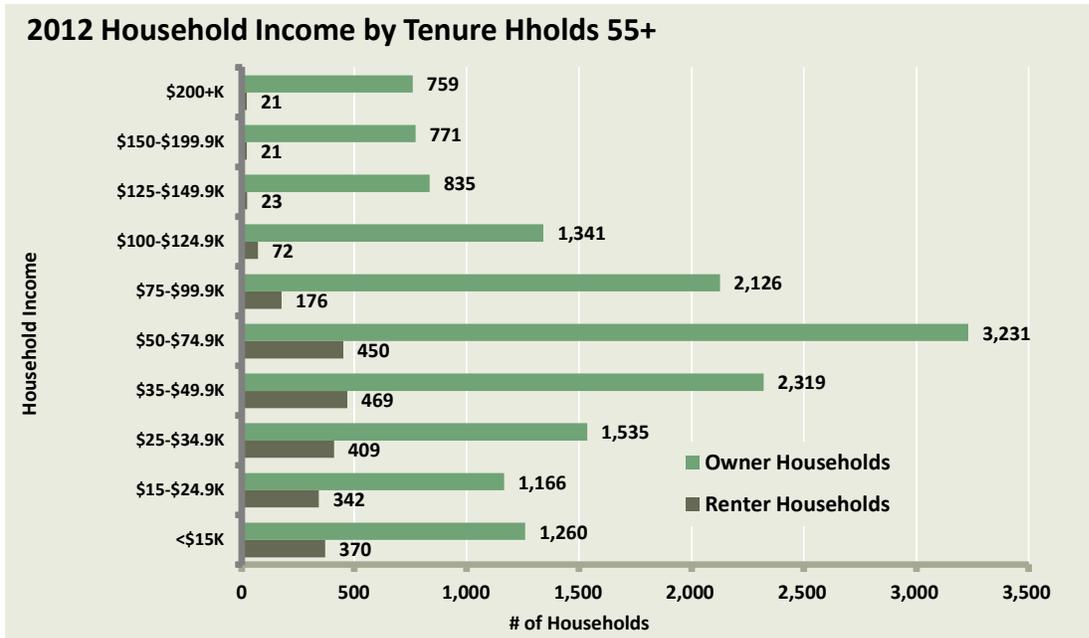


While senior renter households tend toward moderate income, there is strong representation in the market area at all income levels up to \$75,000. Based on the U.S. Census Bureau’s American Community Survey (ACS) data, breakdown of tenure and household estimates, the 2012 median income for senior renter householders age 55 and older in the market area is \$36,757 (Table 14). Approximately 17 percent of senior renter households have income between \$25,000 and \$35,000, the income range targeted by the dominant 60 percent AMI units in the proposed subject rental community. Nearly 40 percent of senior renter households have income between \$35,000 and \$75,000, indicating an audience for the market rate units, and 15 percent have income between \$15,000 and \$25,000, indicating an audience for the 50 percent AMI units, as well. In contrast, senior owner households have a 2012 estimated median income of \$60,766.

Table 14 2012 Income by Tenure, Households 55 and Older

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	370	15.7%	1,260	8.2%
	\$15,000	342	14.5%	1,166	7.6%
	\$25,000	409	17.4%	1,535	10.0%
	\$35,000	469	19.9%	2,319	15.1%
	\$50,000	450	19.1%	3,231	21.1%
	\$75,000	176	7.5%	2,126	13.9%
	\$100,000	72	3.0%	1,341	8.7%
	\$125,000	23	1.0%	835	5.4%
	\$150,000	21	0.9%	771	5.0%
	\$200,000	21	0.9%	759	4.9%
	over				
Total		2,353	100.0%	15,343	100.0%
Median Income		\$36,757		\$60,766	

Source: The Nielsen Company; US Census Bureau, 2006-2010 American Community Survey; Estimates, Real Property Research Group, Inc.





6. ECONOMIC CONTENT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Fayette County, the jurisdiction in which Lafayette Senior Village I is located. For purposes of comparison, economic trends in the State of Georgia and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Fayette County's labor force grew at a steady pace throughout the 1990s and, after leveling off in the early part of the 2000s, experienced additional growth from 2003 to 2006. Between 1990 and 2006, the county labor force grew by over 20,000 workers or approximately 60 percent. After peaking at 53,803 workers in 2006, the impact of the national recession led to declines in each year from 2007 to 2009 (Table 15). Since 2009, however, the labor force has experienced moderate growth, reaching 52,392 workers by the end of 2011.

2. Trends in County Unemployment Rate

Fayette County has historically enjoyed low unemployment rates, only experiencing significant unemployment during the recent economic downturn. After reaching a high of only 4.1 percent in 1992, during the decade's period of recession, the county's unemployment rate dropped steadily until 1999 when it sunk to 1.7 percent. Throughout the 2000s it mostly remained under 4.0 percent but began to rise in 2008, exceeding 8.0 percent in 2009, 2010 and 2011. Throughout the 1990s, Fayette County's unemployment rate was well below that of the state of Georgia and that of the nation. While it has continued to track lower, there has been less of a differential in recent years.

The data and graph in the lower section of Table 15 track monthly unemployment rates between May 2010 and February 2012 for Fayette County, the State of Georgia, and the United States; these rates are not seasonally adjusted. Over this period, the Fayette County unemployment rate ranged from a high of 8.6 percent in June 2011 to a low of 7.6 percent in November 2011.

C. Commutation Patterns

According to 2006-2010 American Community Survey (ACS) data, more than half of the workers living in the market area (51.6 percent) spent 30 or more minutes commuting to work, likely working in and around Atlanta. Another 30.8 percent of workers residing in Lafayette Senior Village I market spent between 15 and 29 minutes commuting to work, most likely representing workers traveling to neighboring counties, and only 13.6 percent of primary market area worker worked nearby, commuting less than 15 minutes (Table 16). A little over one-third (36.1 percent) of workers residing in the market area worked in Fayette County, compared to 61.9 percent working in another county.

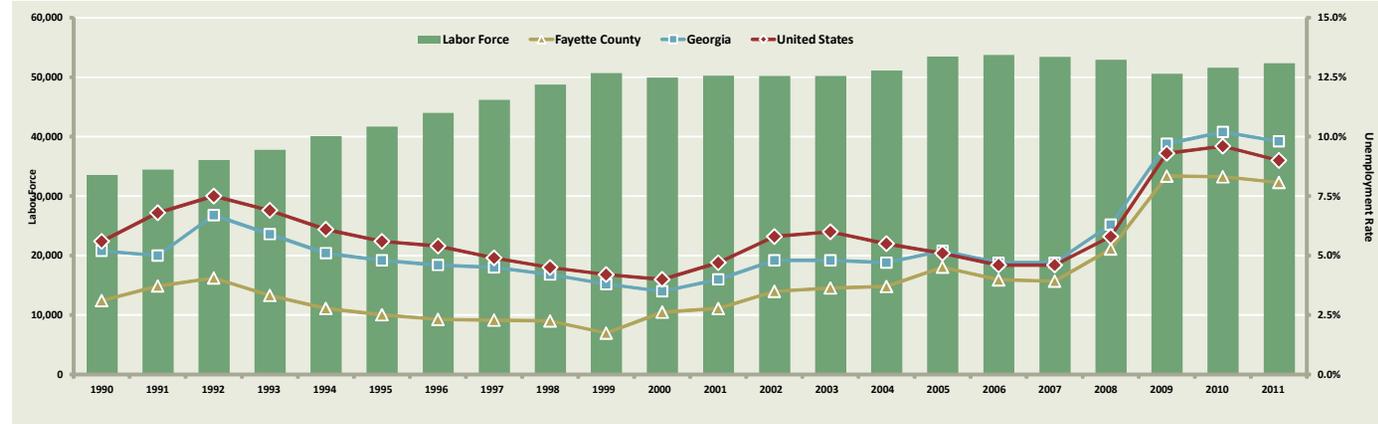


Table 15 Annual Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Labor Force	33,576	34,530	36,147	37,830	40,121	41,733	44,062	46,240	48,818	50,723	49,985	50,312	50,229	50,250	51,188	53,527	53,803	53,494	52,998	50,638	51,666	52,392
Employment	32,533	33,246	34,680	36,572	39,007	40,685	43,041	45,184	47,720	49,842	48,676	48,917	48,472	48,423	49,294	51,114	51,662	51,395	50,203	46,415	47,372	48,162
Unemployment	1,043	1,284	1,467	1,258	1,114	1,048	1,021	1,056	1,098	881	1,309	1,395	1,757	1,827	1,894	2,413	2,141	2,099	2,795	4,223	4,294	4,230
Unemployment Rate																						
Fayette County	3.1%	3.7%	4.1%	3.3%	2.8%	2.5%	2.3%	2.3%	2.2%	1.7%	2.6%	2.8%	3.5%	3.6%	3.7%	4.5%	4.0%	3.9%	5.3%	8.3%	8.3%	8.1%
Georgia	5.2%	5.0%	6.7%	5.9%	5.1%	4.8%	4.6%	4.5%	4.2%	3.8%	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.7%	6.3%	9.7%	10.2%	9.8%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.0%

Source: U.S. Department of Labor, Bureau of Labor Statistics



Monthly Unemployment Rates - Not Seasonally Adjusted

Unemployment Rate	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12
Labor Force	51,578	51,593	51,631	51,636	51,398	51,561	52,038	52,337	51,827	51,904	52,072	52,095	52,278	52,321	52,463	52,413	52,664	52,700	52,805	53,161	53,016	53,289
Employment	47,479	47,286	47,446	47,346	47,331	47,408	47,704	47,956	47,420	47,691	48,042	48,087	48,278	47,835	48,113	48,039	48,229	48,438	48,817	48,958	48,727	48,949
Unemployment	4,099	4,307	4,185	4,290	4,067	4,153	4,334	4,381	4,407	4,213	4,030	4,008	4,486	4,350	4,374	4,435	4,262	3,988	4,203	4,289	4,340	
Unemployment Rate																						
Fayette County	7.9%	8.3%	8.1%	8.3%	7.9%	8.1%	8.3%	8.4%	8.5%	8.1%	7.7%	7.7%	8.6%	8.3%	8.3%	8.4%	8.1%	7.6%	7.9%	8.1%	8.1%	
Georgia	9.8%	10.3%	10.4%	10.4%	10.2%	10.1%	10.2%	10.1%	10.4%	10.1%	9.7%	9.4%	9.6%	10.3%	10.3%	10.1%	9.9%	9.6%	9.1%	9.2%	9.4%	9.2%
United States	9.3%	9.6%	9.7%	9.5%	9.2%	9.0%	9.3%	9.1%	9.8%	9.5%	9.2%	8.7%	8.7%	9.3%	9.3%	9.1%	8.8%	8.5%	8.2%	8.3%	8.8%	8.7%

Source: U.S. Department of Labor, Bureau of Labor Statistics

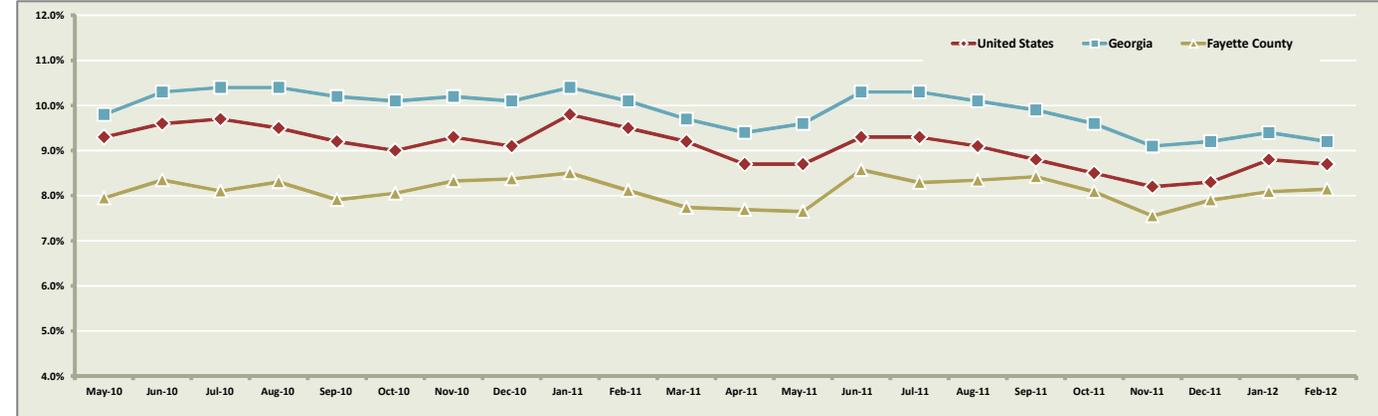


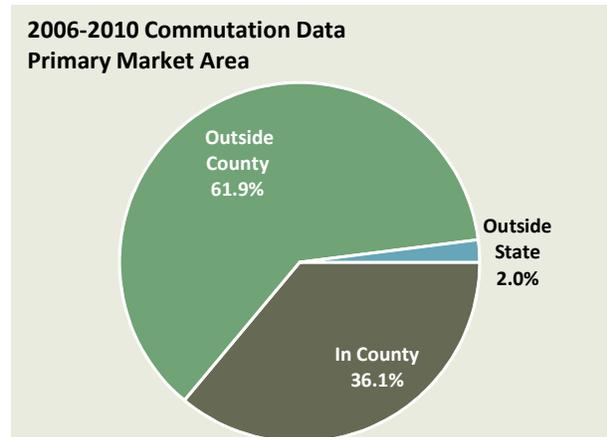
Table 16 Commutation Data

Travel Time to Work		
Workers 16 years and over	Number	Percent
Did not work at home:	55,902	95.9%
Less than 5 minutes	606	1.0%
5 to 9 minutes	3,028	5.2%
10 to 14 minutes	4,276	7.3%
15 to 19 minutes	5,759	9.9%
20 to 24 minutes	7,908	13.6%
25 to 29 minutes	4,262	7.3%
30 to 34 minutes	9,377	16.1%
35 to 39 minutes	2,886	5.0%
40 to 44 minutes	3,407	5.8%
45 to 59 minutes	6,981	12.0%
60 to 89 minutes	5,507	9.5%
90 or more minutes	1,905	3.3%
Worked at home	2,366	4.1%
Total	58,268	

Source: American Community Survey, 2006-2010.

Place of Work		
Workers 16 years and over	Number	Percent
Worked in state of residence:	57,100	98.0%
Worked in county of residence	21,009	36.1%
Worked outside county of residence	36,091	61.9%
Worked outside state of residence	1,168	2.0%
Total	58,268	100.0%

Source: American Community Survey, 2006-2010.



2006-2010 Commutation Data Primary Market Area

D. At-Place Employment

1. Trends in Total At-Place Employment

After a slight decline in 1991, Fayette County's at-place employment more than doubled with the addition of nearly 25,000 jobs between 1991 and 2007 (Figure 4). While the county sustained a sharp job loss between 2008 and 2009 in conjunction with the economic downturn, at-place employment has held relatively steady from 2009 through the third quarter of 2011 when it 36,345 jobs were reported.

2. At-Place Employment by Industry Sector

Trade-transportation-utilities is the largest employment sector in Fayette County, accounting for 28.6 percent of jobs through the third quarter of 2011 (Figure 5). By comparison, this sector accounts for just 19.1 percent of jobs nationally. Education-health and government also contain a significant percentage of employment within the county at 15.0 percent and 14.5 percent, respectively, but the county lags the nation in government employment. Leisure-hospitality is also an important sector in the county, and, at 12.2 percent of employment, surpasses its representation in the nation at large. In the professional-business sector, Fayette County lags the nation with this sector representing only 8.5 percent of employment.

Between 2001 and the third quarter of 2011, seven of eleven industry sectors experienced annual growth in Fayette County. On a percentage basis, the sector with the largest annual increase was



Figure 4 At-Place Employment

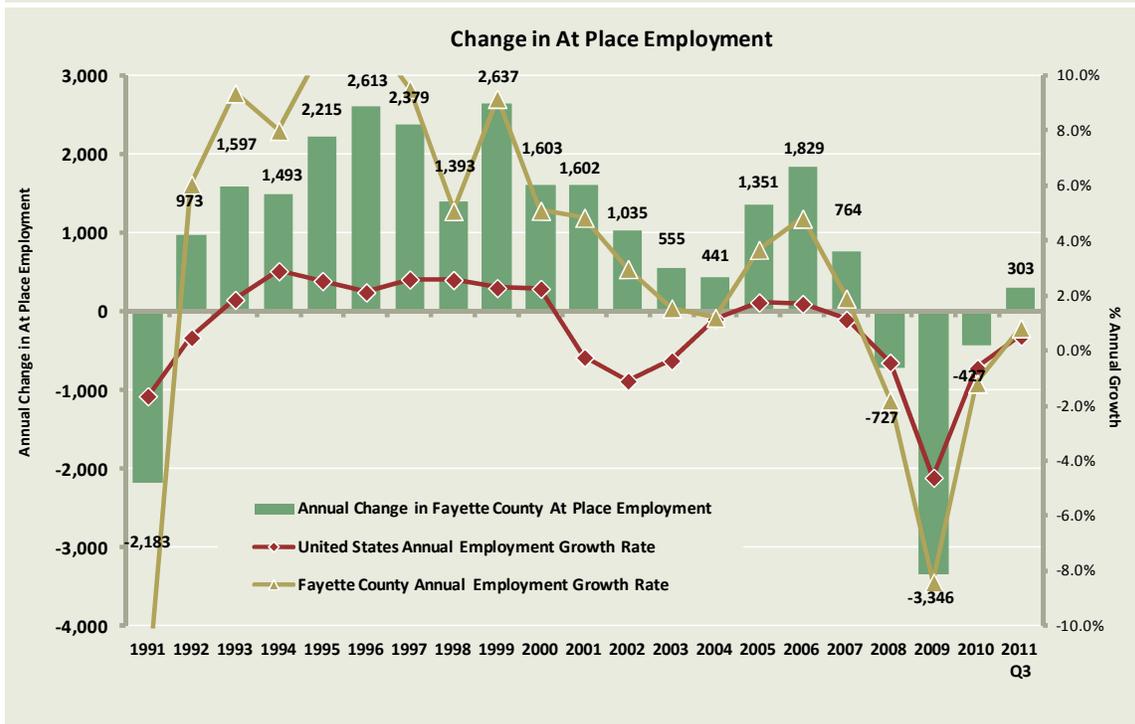
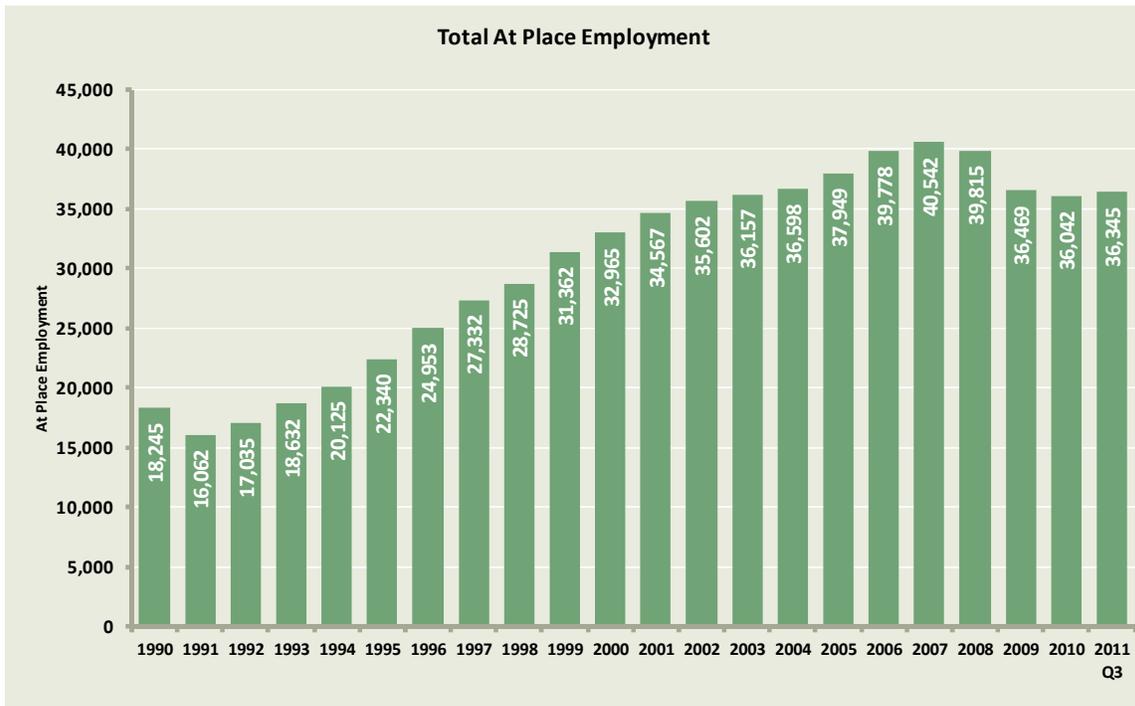
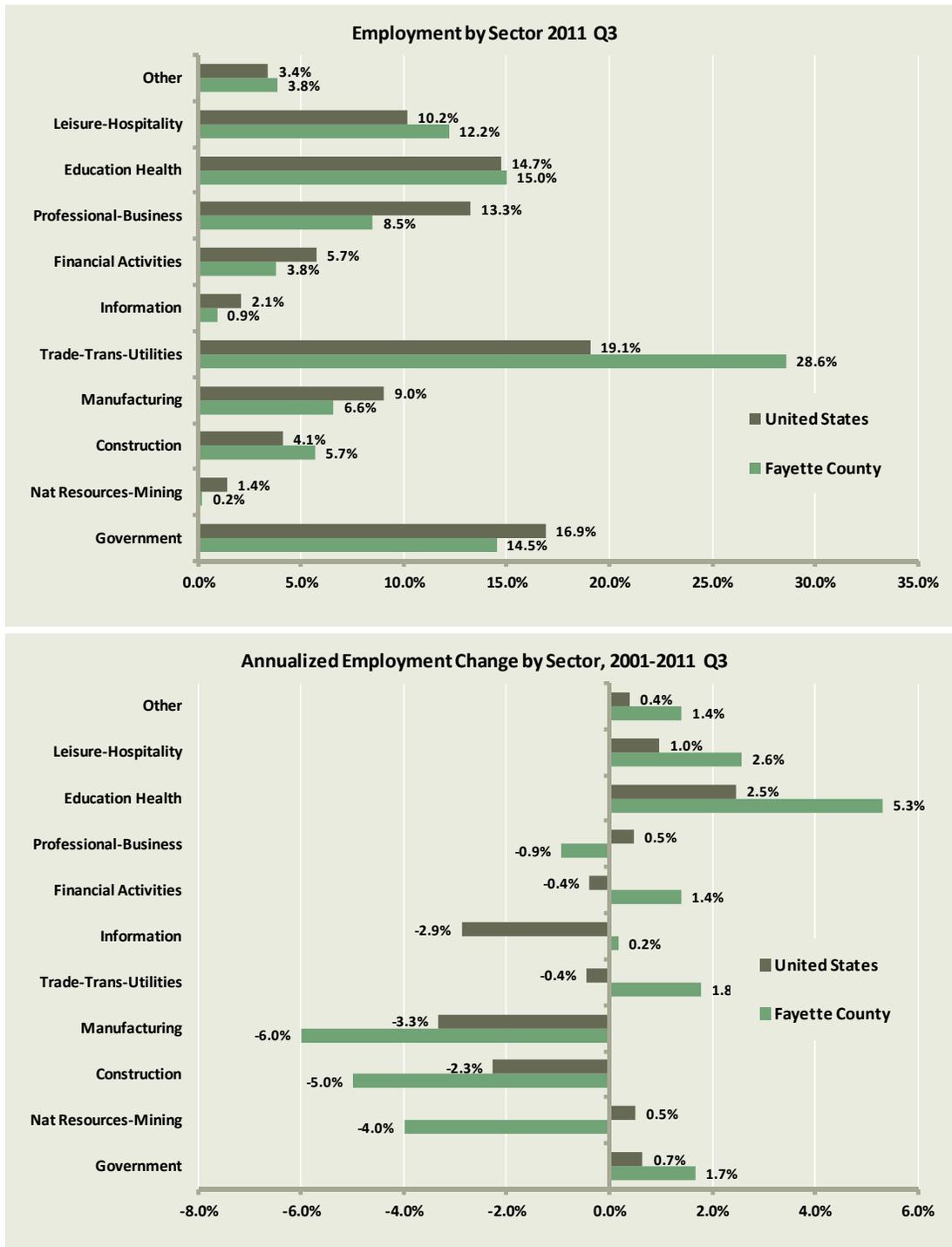




Figure 5 Total Employment and Employment Change by Sector 2001 to 2011 (Q3)

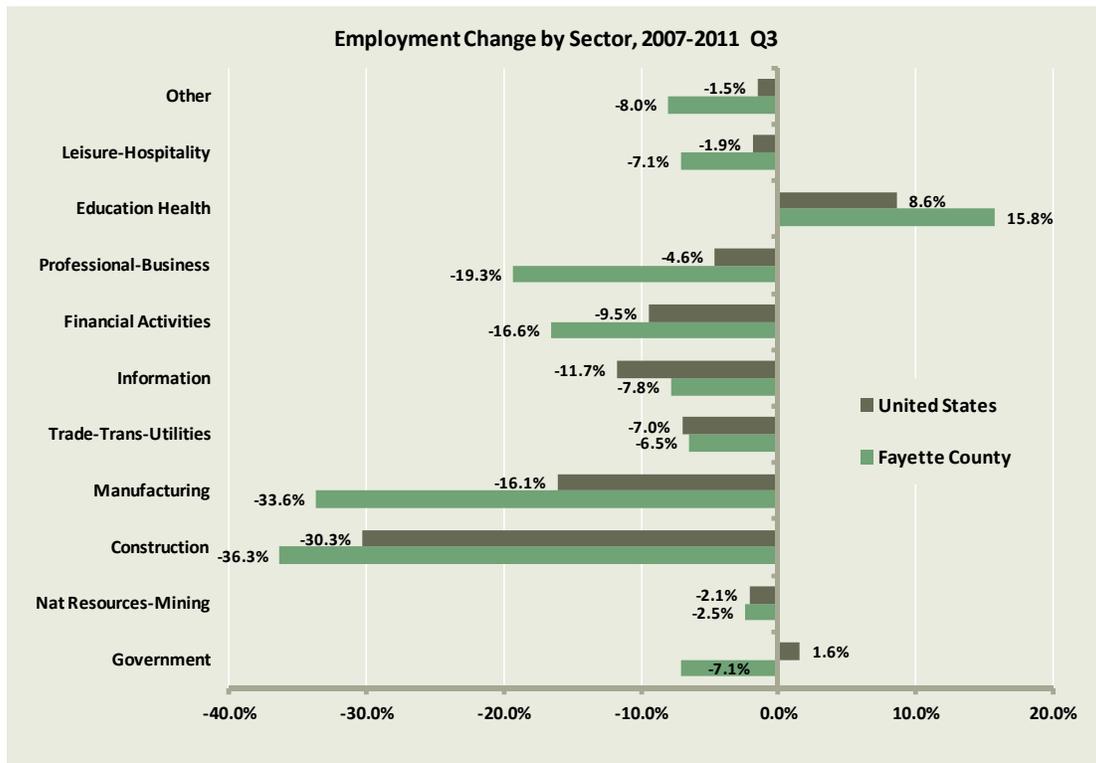


education-health at 5.3 percent. Annualized growth in the trade-transportation-utilities, government, and leisure-hospitality sectors also had a significant impact on Fayette County’s economy as each of these sectors accounts for a sizable proportion of total employment. Among sectors suffering annualized losses, declines of 6.0 percent in manufacturing and 5.0 percent in construction are the most noteworthy.



To analyze the recent job losses more closely, Figure 6 details the change in at-place employment by sector between 2007 and the third quarter of 2011. During this approximate four year period, ten of eleven employment sectors reported a net loss in jobs. While three of the county’s key sectors faced loss, education-health grew by 15.8 percent, far in excess of the nation’s expansion of 8.6 percent for this sector. The county’s dominant sector, trade-transportation-utilities shrunk by 6.5 percent, slightly less than its decline in the nation.

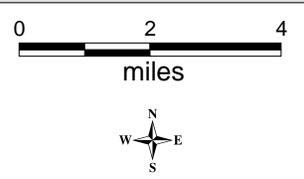
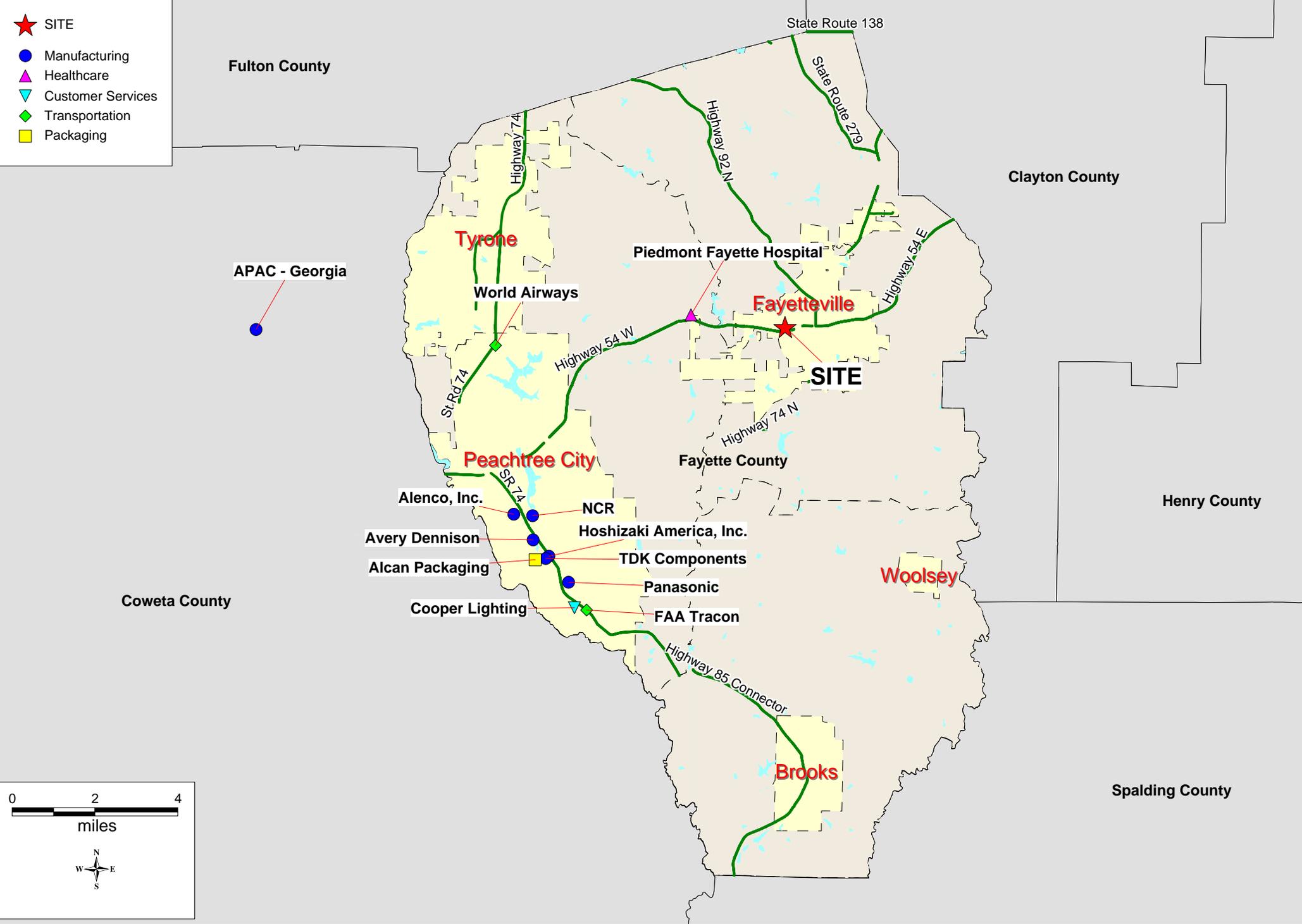
Figure 6 Total Employment and Employment Change by Sector 2007 to 2011 (Q3)



3. Major Employers

Several major employers are located within ten miles of the subject site, many of which are concentrated along State Highway 74 in the southern portion of Peachtree City (Map 4). The largest employer, Piedmont Fayette Hospital, is located less than three miles west of the subject site and is likely to play an even more significant role in the area’s economy as the Western Bypass is likely to play an even more significant role in the area’s economy as the Western Bypass is completed and streamlines access to this facility from the north and from the south. Six of the twelve largest private employers in Fayette County are manufacturers (Table 17). In addition to these private organizations, the subject property is also located in close proximity to several public schools, numerous retail outlets, and a variety of specialty service providers.

- ★ SITE
- Manufacturing
- ▲ Healthcare
- ▼ Customer Services
- ◆ Transportation
- Packaging



Map 4
Major Employers
Fayette County, GA

Table 17 Major Employers, Fayette County

Rank	Name	Industry	Employment
1	Piedmont Fayette Hospital	Healthcare	1,400
2	NCR	Manufacturing	1,200
3	Cooper Lighting	Customer Services	600
4	Hoshizaki America, Inc.	Manufacturing	330
5	Panasonic	Manufacturing	300
6	World Airways	Transportation	255
7	FAA Tracon	Transportation	190
8	Amcor Tobacco	Tobacco Packaging	174
9	Avery Dennison	Manufacturing	167
10	TDK Components	Manufacturing	130
11	Cooper Wiring	Electrical Products	130
12	SANY America	Manufacturing	126

Source: Fayette County Development Authority

Recent contractions among employers near the subject property as listed in the Georgia Department of Labor's Business Closing and Layoffs List are provided in Table 18 below.

Table 18 Business Closings/ Layoffs 2010 to 2012 (Q1)

Company Name	City	County	# Employees Affected	Date
JIT Services LLC	Peachtree City	Fayette	4	5/20/2010
Best Buy	Fayetteville	Fayette	58	4/16/2012
Atlanta Journal Constitution	Fayetteville	Fayette	70	1/10/2012

Source: Georgia Department of Labor Business Closings and Layoff List

In terms of major expansions within the county, SANY America recently completed the first phase of construction on its new 420,000 square foot assembly plant in Peachtree City. The concrete-pumping machine manufacturer announced that they would add 200 new engineering positions, but they have made little movement toward meeting that goal yet due to market conditions and internal restructuring. UES is planning to hire approximately 25 new positions in 2013 as part of a \$60 million expansion currently underway. In addition, Fayette County Development Authority (FCDA) indicated that there are a number of companies looking at small growth and hiring actions over the coming year, anywhere from two to 25 new employees, but are moving cautiously due to market concerns. Based on information available from FCDA, recent additions or expansions among employers in the county are provided on Table 19.

Table 19 Business Additions/Opening 2011 to 2012 (Q1)

Company Name	City	County	Additional Jobs	Date
Sany America	Peachtree City	Fayette	200	TBD
UES	Peachtree City	Fayette	25	2013

Source: Georgia Department of Labor Business Closings and Layoff List



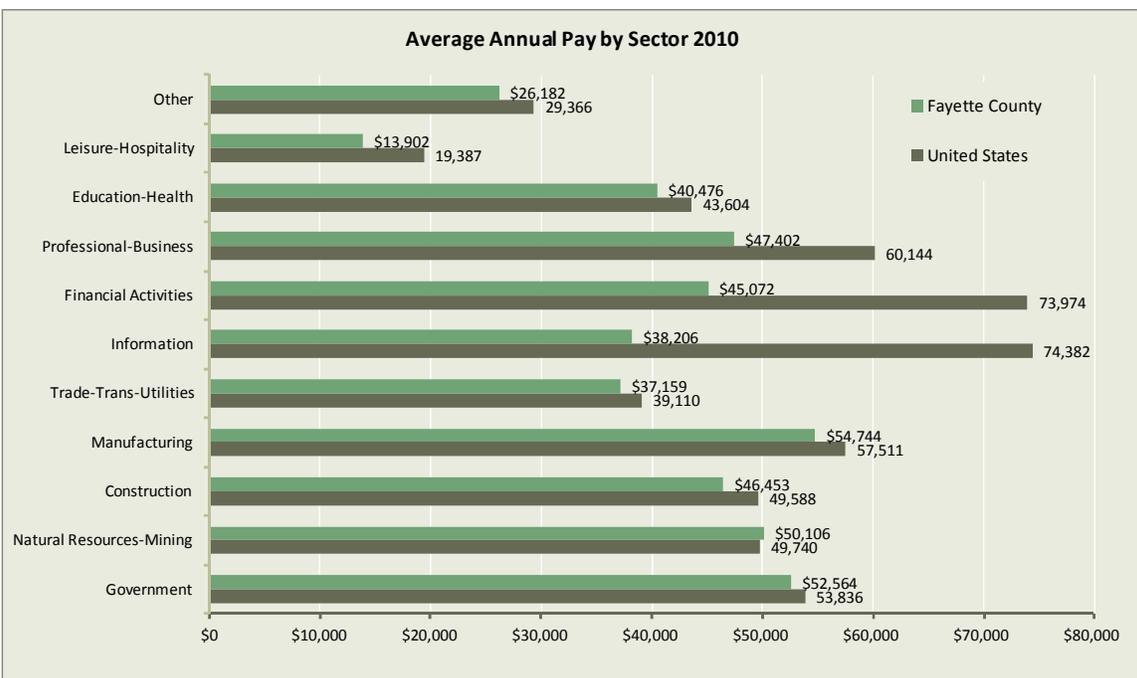
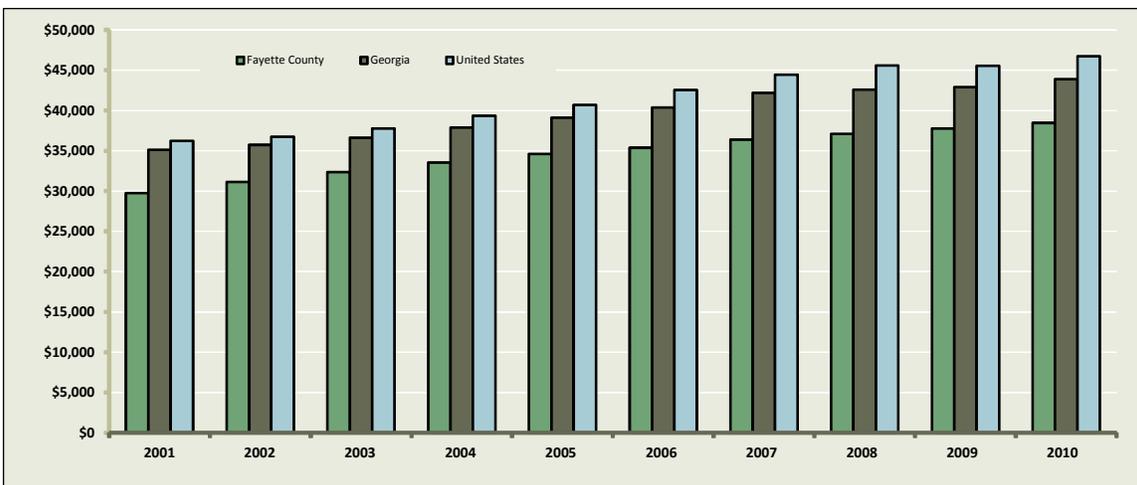
4. Wages

The average annual wage in 2010 for the Fayette County was \$38,461 or approximately 88 percent of the Georgia average of \$43,899 (Table 20). The state’s average lags the national average by nearly \$3,000. Fayette County’s average annual wage in 2010 represents an increase of \$8,717 or 29.3 percent since 2001.

The average wage in Fayette County is lower than the national average for every economic sector that is well represented in the county. The highest paying sector in Fayette County that plays a large role is the government sector, and trade-transit-utilities and education-health wages trail this.

Table 20 Average Annual Pay and Annualized Wage Data—Total and by Sector, Fayette County

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Fayette County	\$29,744	\$31,147	\$32,351	\$33,545	\$34,614	\$35,368	\$36,406	\$37,120	\$37,785	\$38,461
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902	\$43,899
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,559	\$46,742





5. Conclusion

The combination of job contractions and low wages in key employment sectors in Fayette County support a strong need for affordable housing in spite of unemployment rates below those of the state and the nation. The need for senior housing will also be driven by the demographics of the existing population, a demographic profile which indicates strong growth in the senior population. Given the target market and product to be constructed, we believe local economics will facilitate the leasing of new senior units.

7. AFFORDABILITY /DEMAND ANALYSIS

1. Methodology

The Affordability analysis tests the percent of income-qualified senior households in the market area that the subject community would need to capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at total income and renter income among Villages of Lafayette Market Area senior householders for the target year. Given the construction schedule, the project will be completed in 2014.

RPRG calculated a 2014 income distribution for total senior households and senior renter households based on the relationship between owner and renter household incomes by income cohort from the 2010 Census, as well as projected income growth since the Census. For the purposes of this analysis, the minimum age for household qualification is set at 55 (Table 21).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household’s ‘gross rent burden’. For this analysis, RPRG employs a 40 percent gross rent burden. This rent burden percentage is a widely accepted standard for underwriting a senior-oriented rental community in other regions of the country and is specified by DCA.

Fourteen units at the subject will be restricted to households earning up to 50 percent AMGI and 60 units will be restricted to households earning up to 60 percent AMGI per LIHTC requirements. Therefore, we apply these maximum income limits based on 2012 income limits for the Atlanta-Sandy Springs-Marietta, GA MSA as computed by HUD for use in the Low-Income Housing Tax Credit program (Table 22). The remaining 10 units will be market rate units and not have income restrictions. To be conservative in estimating the audience for these market rate units, we have artificially applied an 80 percent AMI income limit, a typical practice for a mixed income market study. Maximum income limits for two bedroom units are based on 2 persons per households based on DCA requirements.

Table 21 2014 Senior Income Distribution by Tenure

		Total Households		Renter Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$15,000	1,740	9.0%	427	15.6%
	\$15,000	1,624	8.4%	399	14.5%
	\$25,000	2,088	10.8%	476	17.3%
	\$35,000	3,019	15.6%	549	20.0%
	\$50,000	4,011	20.8%	531	19.3%
	\$75,000	2,535	13.1%	210	7.6%
	\$100,000	1,575	8.2%	86	3.1%
	\$125,000	951	4.9%	27	1.0%
	\$150,000	876	4.5%	25	0.9%
	\$200,000	895	4.6%	16	0.6%
	over				
Total		19,314	100.0%	2,746	100.0%
Median Income		\$57,395		\$36,948	

Source: 2006-2010 ACS, Projections Real Property Research Group, Inc.

Table 22 Project Specific LIHTC Rent Limits, Atlanta-Sandy Spring-Marietta, GA MSA

Unit Type	Units	# Bed	Net Rent	Utility Allow	Gross Rent	Maximum Allowable Rent	Max Income	Min Income
LIHTC--50% AMI	6	1	\$640	\$0	\$640	\$651	\$26,025	\$19,200
LIHTC--60% AMI	25	1	\$740	\$0	\$740	\$781	\$31,230	\$22,200
LIHTC--50% AMI	8	2	\$730/\$770	\$0	\$730/\$770	\$780	\$27,750	\$22,500
LIHTC--60% AMI	35	2	\$830/\$870	\$0	\$830/\$870	\$936	\$33,300	\$25,517
All utilities included in rent.								

2. Affordability Analysis

The steps in the affordability analysis (Table 23) are as follows:

- The overall shelter cost for a 50 percent AMI one bedroom unit at the proposed rent would be \$640 (\$640 net rent plus \$0 utility allowance as all utilities are included in the rent).
- By applying a 40 percent rent burden to this gross rent, we determined that the minimum income limit to afford one bedroom unit is \$19,200. The projected number of market area senior households (55+) earning at least this amount in 2014 is 16,892.
- The maximum income limit for a one bedroom unit at 50 percent AMI is \$26,025 based on the two maximum allowable persons per unit. According to the interpolated income distribution for 2014, the market area will have 15,636 senior households (55+) with incomes above this maximum income in 2014.
- Subtracting the 15,736 senior households (55+) with incomes above the maximum income limit from the 16,892 senior households (55+) that could afford to rent this unit, RPRG computes that an estimated 1,156 households in the market area are within the target income segment for the one bedroom units at 50 percent AMI.
- The capture rate for the 6 one-bedroom units at 50 percent AMI is 0.5 percent for all senior households (55+).
- Using the same methodology, we determined that 280 senior renter households (55+) with incomes between the minimum income required and maximum income allowed will reside in the market in 2014. The community will need to capture 2.1 percent of these senior renter households to lease up the six units in this floor plan.
- Capture rates are also calculated for other floor plans (using an average rent for each unit type), each AMI level, and for the project overall. The renter capture rates by income level are 3.9 percent for 50 percent units and 11.8 percent for the 60 percent units.
- To lease the ten market rate units, utilizing the same methodology and artificially capping income at 80 percent AMI, we calculate that it would be necessary to capture 1.5 percent of all income qualified renter households.
- Overall for the 74 LIHTC units, capture rates are 2.8 percent for all income qualified senior households and 11.8 percent for renter income qualified senior households. For all 84 units, including the market units capped at 80 percent AMI for this calculation, the subject must capture 1.7 percent of all income qualified senior households or 8.0 percent of income



Table 23 Affordability Analysis for Lafayette Senior Village I

	One Bedroom Units			Two Bedroom Units		
	Minimum	Maximum		Minimum	Maximum	
50% Units	Number of Units			Number of Units		
	6			8		
	Net Rent			Net Rent		
	\$640			\$750		
	Gross Rent			Gross Rent		
	\$640			\$750		
	% Income Spent for Shelter			% Income Spent for Shelter		
	40%			40%		
	Income Range			Income Range		
	\$19,200 \$26,025			\$22,500 \$27,750		
Range of Qualified Hslds			Range of Qualified Hslds			
16,892 15,736			16,356 15,376			
# Qualified Households			# Qualified Households			
1,156			980			
Unit Total HH Capture Rate			Unit Total HH Capture Rate			
0.5%			0.8%			
Range of Qualified Renters			Range of Qualified Renters			
2,152 1,872			2,020 1,789			
# Qualified Renter Households			# Qualified Renter Households			
280			231			
Unit Renter HH Capture Rate			Unit Renter HH Capture Rate			
2.1%			3.5%			
60% Units	Number of Units			Number of Units		
	25			35		
	Net Rent			Net Rent		
	\$740			\$851		
	Gross Rent			Gross Rent		
	\$740			\$851		
	% Income Spent for Shelter			% Income Spent for Shelter		
	40%			40%		
	Income Range			Income Range		
	\$22,200 \$31,230			\$25,517 \$33,300		
Range of Qualified Hslds			Range of Qualified Hslds			
16,405 14,649			15,842 14,217			
# Qualified Households			# Qualified Households			
1,755			1,625			
Unit Total HH Capture Rate			Unit Total HH Capture Rate			
1.4%			2.2%			
Range of Qualified Renters			Range of Qualified Renters			
2,032 1,624			1,896 1,525			
# Qualified Renter Households			# Qualified Renter Households			
408			370			
Unit Renter HH Capture Rate			Unit Renter HH Capture Rate			
6.1%			9.5%			
80% Units	Number of Units			Number of Units		
	4			6		
	Net Rent			Net Rent		
	\$925			\$1,080		
	Gross Rent			Gross Rent		
	\$925			\$1,080		
	% Income for Shelter			% Income for Shelter		
	40%			40%		
	Income Range			Income Range		
	\$27,750 \$41,640			\$32,400 \$44,400		
Range of Qualified Hslds			Range of Qualified Hslds			
15,376 12,526			14,405 11,970			
# Qualified Households			# Qualified Households			
2,850			2,435			
Unit Total HH Capture Rate			Unit Total HH Capture Rate			
0.1%			0.2%			
Range of Qualified Renters			Range of Qualified Renters			
1,789 1,201			1,568 1,100			
# Qualified Renter Households			# Qualified Renter Households			
588			468			
Unit Renter HH Capture Rate			Unit Renter HH Capture Rate			
0.7%			1.3%			

	# of Units	All Households =19,314			
		Income HHS	Band of Qualified Hhlds	# Qualified HHS	Capture Rate
50% Units	14	\$19,200 16,892	\$27,750 15,376	1,516	0.9%
60% Units	60	\$22,200 16,405	\$33,300 14,217	2,188	2.7%
LIHTC Units	74	\$19,200 16,892	\$33,300 14,217	2,675	2.8%
80% Units	10	\$27,750 15,376	\$44,400 11,970	3,405	0.3%
Total Units	84	\$19,200 16,892	\$44,400 11,970	4,921	1.7%

	# of Units	Renter Households =2,746			
		Income HHS	Band of Qualified Hhlds	# Qualified HHS	Capture Rate
50% Units	14	\$19,200 16,892	\$27,750 15,376	1,516	0.9%
60% Units	60	\$22,200 16,405	\$33,300 14,217	2,188	2.7%
LIHTC Units	74	\$19,200 16,892	\$33,300 14,217	2,675	2.8%
80% Units	10	\$27,750 15,376	\$44,400 11,970	3,405	0.3%
Total Units	84	\$19,200 16,892	\$44,400 11,970	4,921	1.7%

Source: Estimates, Real Property Research Group, Inc.

qualified senior renter households. RPRG believes that there are sufficient income-qualified senior renter households in the market area for the subject to reach and maintain a stabilized occupancy rate upon entrance into the rental market. The capture rates are reasonable, suggesting there is adequate income-qualified demand to support the subject property.

B. Derivation of DCA Demand

1. Senior Demand Methodology

The Georgia Department of Community Affairs' demand methodology for elderly LIHTC communities is based on householders age 55 and older and consists of four components:

- The first component of demand is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2010 and 2014.
- The second component is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2006-2010 American Community Survey (ACS) data, the percentage of renter occupied households in the primary market area that are "substandard" is 4.2 percent (Table 24).
- The third component of demand is cost burdened renters, which is defined as those renter households age 55+ paying more than 40 percent of household income for housing costs. According to Census data, 38.1 percent of primary market area renter households age 55+ are categorized as cost burdened.
- The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2004, 2.1 percent of elderly households move each year in the Atlanta MSA. Of those moving within the past twelve months, 61.9 percent moved from owned to rental housing. Given the lack of local information, this source is considered to be the most current and accurate.

Table 24 Substandard, Cost Burdened and Senior Homeowner Conversion

Homeownership to Rental Housing Conversion		
Atlanta MSA		
Senior Households 65 and over	<i>Number</i>	<i>Percent</i>
Total Households	195,800	
Total Owner Households	162,800	83.1%
Total Renter Households	33,000	16.9%
Tenure of Previous Residence - Renter Occupied Units	<i>Number</i>	<i>Percent</i>
Total Moved from Home, Apartment, Manufactured/Mobile Home	4,200	
Owner Occupied	2,600	61.9%
Renter Occupied	1,500	35.7%
% of Senior Households Moving Within the Past Year		2.1%
% of Senior Movers Converting from Homeowners to Renters		61.9%
% of Senior Households Converting from Homeowners to Renters		1.3%

Source: American Housing Survey, 2004



2. Senior DCA Demand Analysis

The steps in the derivation of DCA demand for senior rental housing are detailed in Table 25.

- Demand from the primary market area is increased by 15 percent to account for secondary market area demand. This estimate is based on the attractive design of the subject property and the propensity of seniors to move from beyond market area boundaries for affordable rental housing opportunities. Given the proposed product type, this estimate of secondary demand is likely conservative for Lafayette Senior Village I.
- DCA considers units that have been constructed or renovated since 2010 to have an impact on the future demand for new development. For this reason, the directly comparable units constructed within the past two year and those planned within the primary market area are subtracted from the estimate of demand. There are no projects that fit this description.
- Lafayette Senior Village I's capture rate for all 74 LIHTC units is 18.7 percent. Capture rates by income level are 6.1 percent for 50 percent units and 18.7 percent for 60 percent units.
- Capture rates by floor plan were also calculated for the units (Table 26). Capture rates for one bedroom units range from 4.7 percent to 18.6 percent. Capture rates for two-bedroom units range from 8.0 percent to 18.8 percent.
- Capture rates for the 10 market rate units are lower than for all the tax credit units, even with an artificial income limit of 80 percent AMI, likely a result of there being few of these units in the mix.

3. Conclusions on Demand

All of the capture rates are below DCA's mandated threshold of 30 percent. Although the two bedroom units targeting households at 60 percent have the highest capture rate, at 18.8 percent it is well below the 30 percent threshold. Furthermore, as the only independent senior community in the market area with affordable rents, the demand for Lafayette Senior Village is likely to be very high. As such, sufficient demand exists to support the 84 proposed units at the subject property.



Table 25 DCA Demand Estimates by Income Level

	Income Target	50% Units	60% Units	80% Units	LIHTC Total	Project Total
	Minimum Income Limit	\$19,200	\$22,200	\$27,750	\$19,200	\$19,200
	Maximum Income Limit	\$27,750	\$33,300	\$44,400	\$33,300	\$44,400
(A) Renter Income Qualification Percentage		13.2%	18.4%	25.1%	22.8%	38.3%
Demand from New Renter Households - <i>Calculation (C-B)*F*A</i>		55	77	105	95	160
PLUS						
Demand from Existing Renter HHs (Substandard) - <i>Calculation B*D*F*A</i>		12	17	23	21	35
PLUS						
Demand from Existing Renter HHs (Overburdened) - <i>Calculation B*E*F*A</i>		108	151	206	187	314
PLUS						
Secondary Market Demand Adjustment (15%)*		26	37	50	45	76
SUBTOTAL		201	282	383	348	584
PLUS						
Demand Elderly Homeowner Conversion*		28	39	53	48	81
TOTAL DEMAND		229	320	436	396	665
LESS						
Comparable Units Built or Planned Since 2010		0	0	0	0	0
Net Demand		229	320	436	396	665
Proposed Units		14	60	10	74	84
Capture Rate		6.1%	18.7%	2.3%	18.7%	12.6%

* Limited to 15% of Total Demand

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2010 Households	16,181
C). 2014 Households	19,314
D). Substandard Housing (% of Rental Stock)	4.2%
E). Rent Overburdened (% of Senior Renter HHlds at >40%)	38.1%
F). Renter Percentage (% of all 2012 HHlds)	13.3%
G). Elderly Homeowner Turnover	1.3%

Table 26 DCA Demand by Floor Plan

50% Units	One Bedroom Units	Two Bedroom Units
<i>Minimum Income Limit</i>	\$19,200	\$22,500
<i>Maximum Income Limit</i>	\$26,025	\$27,750
Renter Income Qualification Percentage		
Total Income Qualified Renter Demand	129	100
Vacant and Comparable Units	0	0
Net Demand	129	100
Proposed Units	6	8
Capture Rate	4.7%	8.0%

60% Units	One Bedroom Units	Two Bedroom Units
<i>Minimum Income Limit</i>	\$22,200	\$25,517
<i>Maximum Income Limit</i>	\$31,230	\$33,300
Renter Income Qualification Percentage		
Total Income Qualified Renter Demand	135	186
Vacant and Comparable Units	0	0
Net Demand	135	186
Proposed Units	25	35
Capture Rate	18.6%	18.8%



8. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Villages of Lafayette Market Area. The rental survey of competitive projects was conducted in May and June 2012. We also examined American Community Survey data to provide the most updated information on the characteristics of the housing stock.

B. Overview of Market Area Housing Stock

Based on the 2006-2010 ACS survey, both Villages of Lafayette Market Area and the Tri-County area have a high number of rental in single family detached homes as well as multifamily structures. Single family detached homes accounted for 44.4 percent of the market area rental stock and 31.6 percent of the Bi-County area stock. Multi-family structures (i.e., buildings with five or more units) accounted for 32.0 percent of all rental units in the market area, compared to 49.5 percent in the secondary market (Table 27). In contrast, roughly nine out of ten owner units in both areas are single family detached units with only small proportions of single family attached structures and mobile homes.

The housing stock in both areas tends toward contemporary and market area stock is newer than that of the Bi-County area. Market area rental units have a median year built of 1990, and the Bi-County has a median year built of 1984 (Table 28). This trend is also true for owner occupied units, as the market area's median year built is 1991 compared to a median year built 1987 for the Bi-County Area. In the market area, 28.8 percent of rental units were built since 2000.

According to the Nielsen Company, the median value among owner-occupied housing units in the Villages of Lafayette Market Area as of 2010 is \$154,291, which is 10.1 percent higher than Bi-County Area wide median of \$140,143 (Table 29). Nielsen estimates home values based upon values from the 2010 Census and homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

C. Impact of Foreclosed, Abandoned, or Vacant Single/Multifamily Homes

To understand the state of foreclosure in the community around the subject site, we tapped data available through RealtyTrac, a website aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories, among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner's grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for zip code 30214 in which the subject is located and the broader areas of Fayetteville, Fayette County, Georgia, and the United States for comparison purposes.



Table 27 Dwelling Units by Structure and Tenure

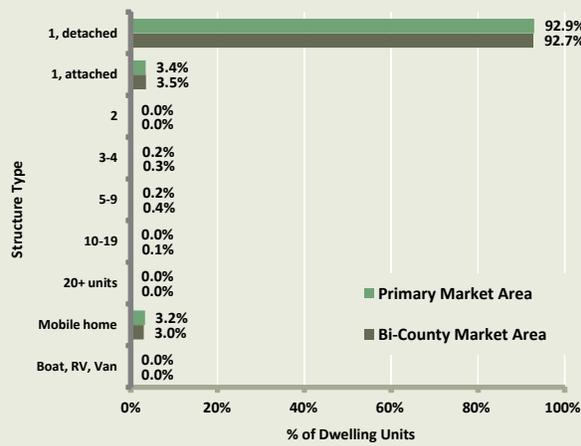
Owner Occupied	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	76,907	92.7%	31,486	92.9%
1, attached	2,879	3.5%	1,159	3.4%
2	8	0.0%	0	0.0%
3-4	274	0.3%	69	0.2%
5-9	298	0.4%	83	0.2%
10-19	81	0.1%	0	0.0%
20+ units	11	0.0%	0	0.0%
Mobile home	2,463	3.0%	1,091	3.2%
Boat, RV, Van	0	0.0%	0	0.0%
TOTAL	82,921	100.0%	33,888	100.0%

Source: American Community Survey, 2006-2010.

Renter Occupied	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	13,070	31.6%	4,458	44.4%
1, attached	1,626	3.9%	514	5.1%
2	1,191	2.9%	363	3.6%
3-4	3,537	8.6%	715	7.1%
5-9	9,323	22.6%	1,282	12.8%
10-19	6,746	16.3%	997	9.9%
20+ units	4,364	10.6%	933	9.3%
Mobile home	1,430	3.5%	771	7.7%
Boat, RV, Van	21	0.1%	7	0.1%
TOTAL	41,308	100.0%	10,040	100.0%

Source: American Community Survey, 2006-2010.

**2006-10 Dwelling Units by Units in Structure
Owner Occupied Units**



**2006-10 Dwelling Units by Units in Structure
Renter Occupied Units**

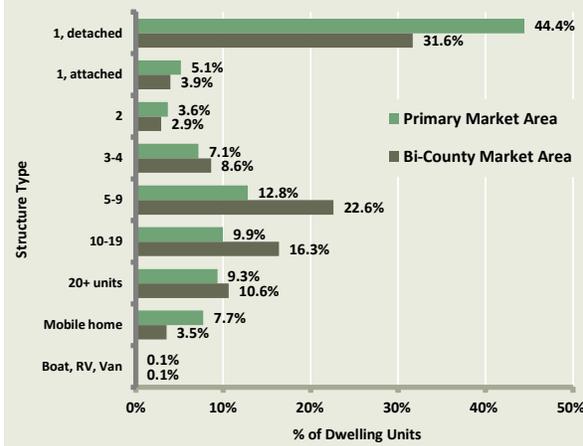




Table 28 Dwelling Units by Year Built and Tenure

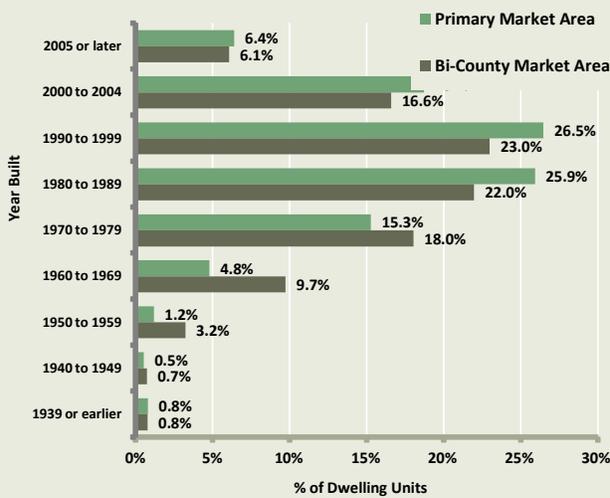
Owner Occupied	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
2005 or later	5,021	6.1%	2,167	6.4%
2000 to 2004	13,736	16.6%	6,334	18.7%
1990 to 1999	19,043	23.0%	8,966	26.5%
1980 to 1989	18,206	22.0%	8,777	25.9%
1970 to 1979	14,942	18.0%	5,172	15.3%
1960 to 1969	8,060	9.7%	1,624	4.8%
1950 to 1959	2,673	3.2%	402	1.2%
1940 to 1949	600	0.7%	177	0.5%
1939 or earlier	640	0.8%	269	0.8%
TOTAL	82,921	100.0%	33,888	100.0%
MEDIAN YEAR BUILT	1987		1991	

Source: American Community Survey, 2006-2010.

Renter Occupied	Bi-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
2005 or later	1,999	4.8%	756	7.5%
2000 to 2004	6,237	15.1%	2,134	21.3%
1990 to 1999	7,639	18.5%	2,175	21.7%
1980 to 1989	8,929	21.6%	2,382	23.7%
1970 to 1979	8,767	21.2%	1,733	17.3%
1960 to 1969	4,615	11.2%	473	4.7%
1950 to 1959	1,865	4.5%	199	2.0%
1940 to 1949	629	1.5%	33	0.3%
1939 or earlier	628	1.5%	155	1.5%
TOTAL	41,308	100.0%	10,040	100.0%
MEDIAN YEAR BUILT	1984		1990	

Source: American Community Survey, 2006-2010.

**2006-2010 Dwelling Units by Year Built
Owner Occupied Units**



**2006-2010 Dwelling Units by Year Built
Renter Occupied Units**

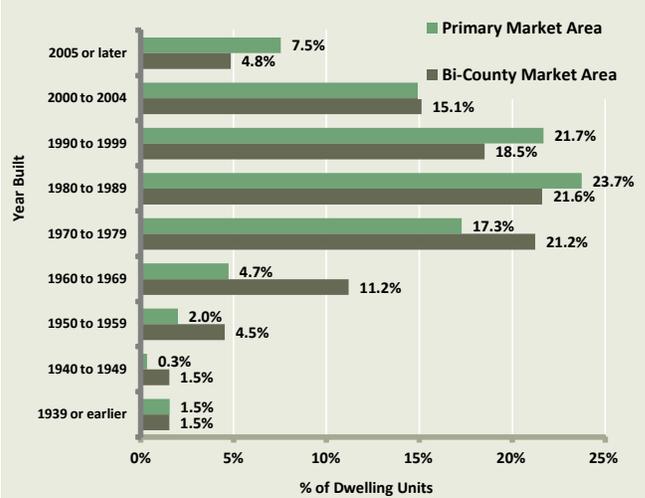
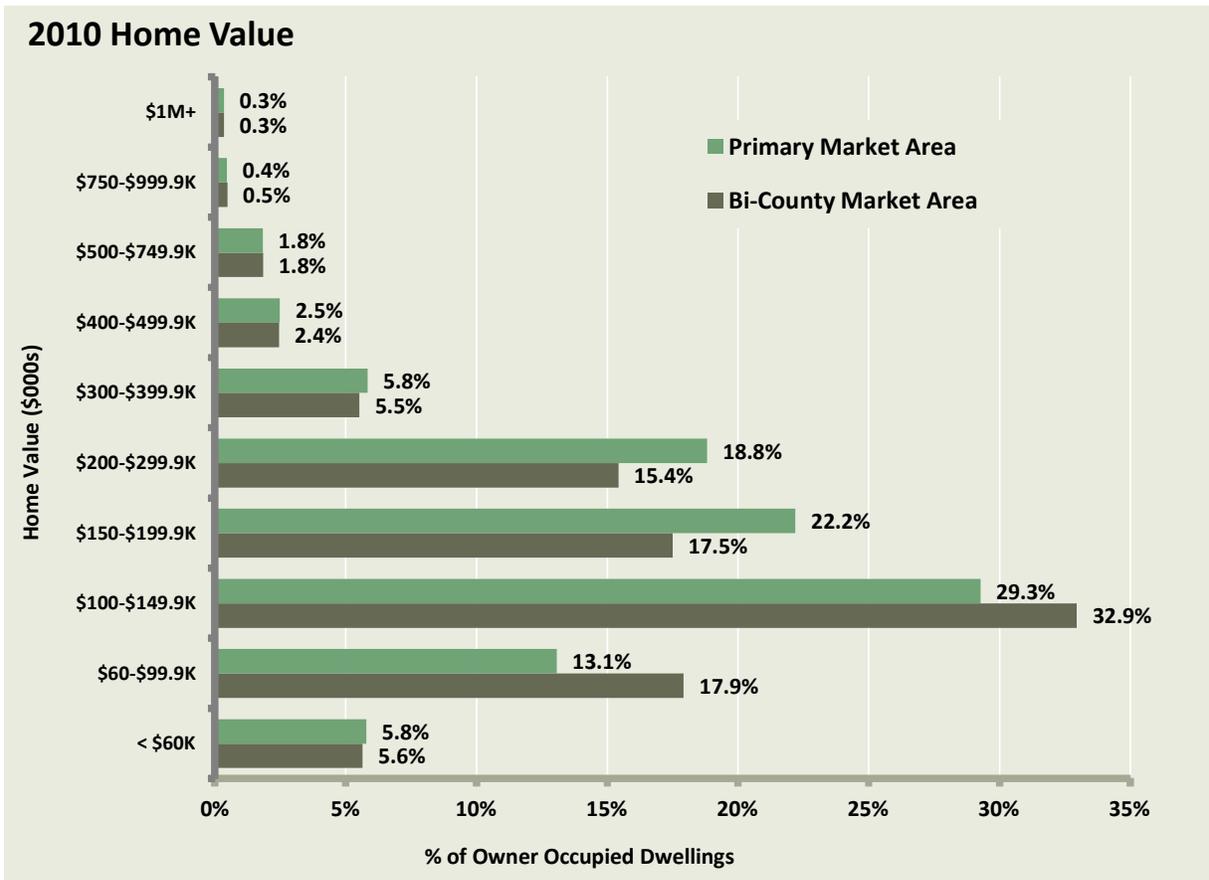




Table 29 Value of Owner Occupied Housing Stock

		Bi-County Market Area		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$60,000	4,990	5.6%	2,122	5.8%
	\$60,000 - \$99,999	15,860	17.9%	4,797	13.1%
	\$100,000 - \$149,999	29,168	32.9%	10,748	29.3%
	\$150,000 - \$199,999	15,486	17.5%	8,150	22.2%
	\$200,000 - \$299,999	13,652	15.4%	6,909	18.8%
	\$300,000 - \$399,999	4,885	5.5%	2,140	5.8%
	\$400,000 - \$499,999	2,157	2.4%	909	2.5%
	\$500,000 - \$749,999	1,626	1.8%	670	1.8%
	\$750,000 - \$999,999	415	0.5%	165	0.4%
	\$1,000,000 over	297	0.3%	123	0.3%
Total		88,536	100.0%	36,733	100.0%
Median Value		\$140,143		\$154,291	

Source: The Nielsen Company





Our RealtyTrac search revealed 0.30percent of housing units were in foreclosure within the subject property’s ZIP code (30214) in April 2012; the most recent month data was available. During the same time period, Fayetteville, Fayette County, Georgia, and the nation reported monthly foreclosure rates of 0.29 percent, 0.27 percent, 0.25 percent, and 0.14 percent, respectively. Comparatively, the monthly foreclosure rate in the market area was slightly higher than that of Fayetteville, Fayette County and the State of Georgia and significantly higher than the national average (Figure 7). From May 2011 to April 2012, the number of foreclosure properties in the subject’s ZIP code ranged from a low of 31 units each in May and June of 2011 to a high of 49 in November (Figure 8).

Although the number of foreclosure properties in Lafayette Senior Village l’s immediate vicinity is slightly high, we do not believe foreclosed homes will impact the subject property’s ability to lease its units. The project will address low income households who likely are not currently homeowners. If they were homeowners, they likely had not recently become homeowners and did not get tangled in the overheated for sale market in the early part of the decade. Furthermore, they are likely at retirement age and will be less likely to have experienced layoffs.

Figure 7 Foreclosure Rate, April 2012

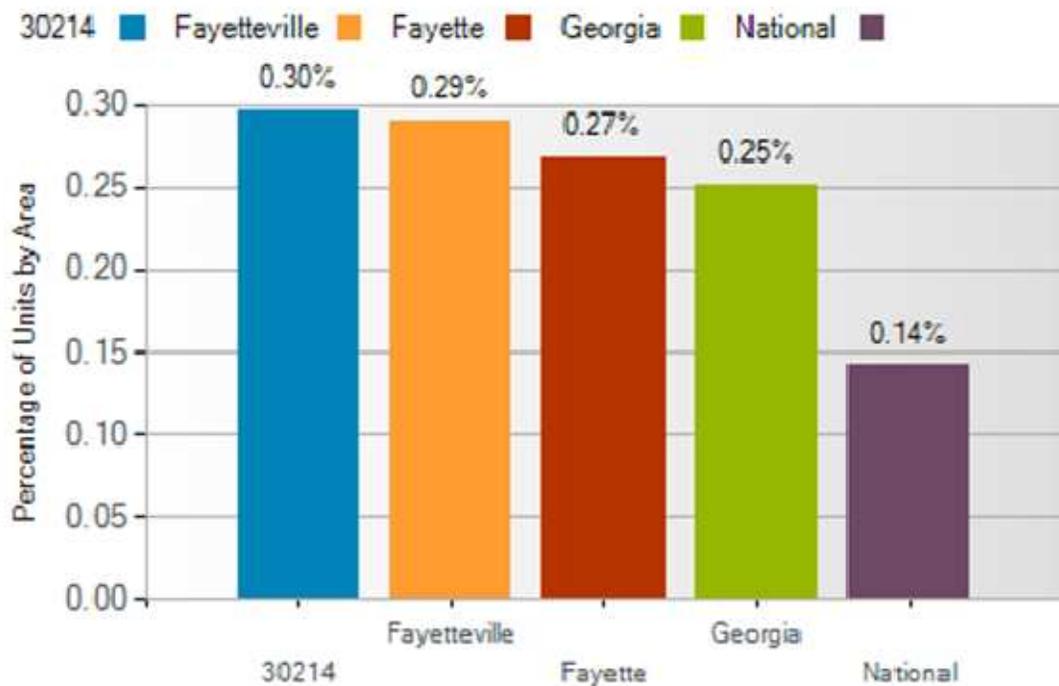




Figure 8 Recent Foreclosure Activity, Lafayette Senior Village I's ZIP CODE: 30214





D. Survey of Rental Communities

1. Introduction to the Rental Housing Survey

For the purposes of this analysis, RPRG identified a variety of senior rental housing options within the primary market area; however, all of these communities were market rate, service-enriched facilities which include independent and/or assisted living components. As such, these communities are not considered comparable to the proposed development due to the substantial differences in rents, amenities, target market, and overall community design. Basic information for each service enriched community is provided in Table 30 and the location shown on Map 5. In order to provide a more in-depth analysis in the absence of any in-market senior rental product, RPRG also surveyed the senior LIHTC rental community Valley Hill located just outside the primary market area (approximately one mile). A description of this property, along with rent, vacancy, and unit mix information is provided below. A community profile is also included in Appendix 5 Market Area Rental Community Profiles.

Table 30 Market Rate Service Enriched Senior Communities, Existing and Planned.

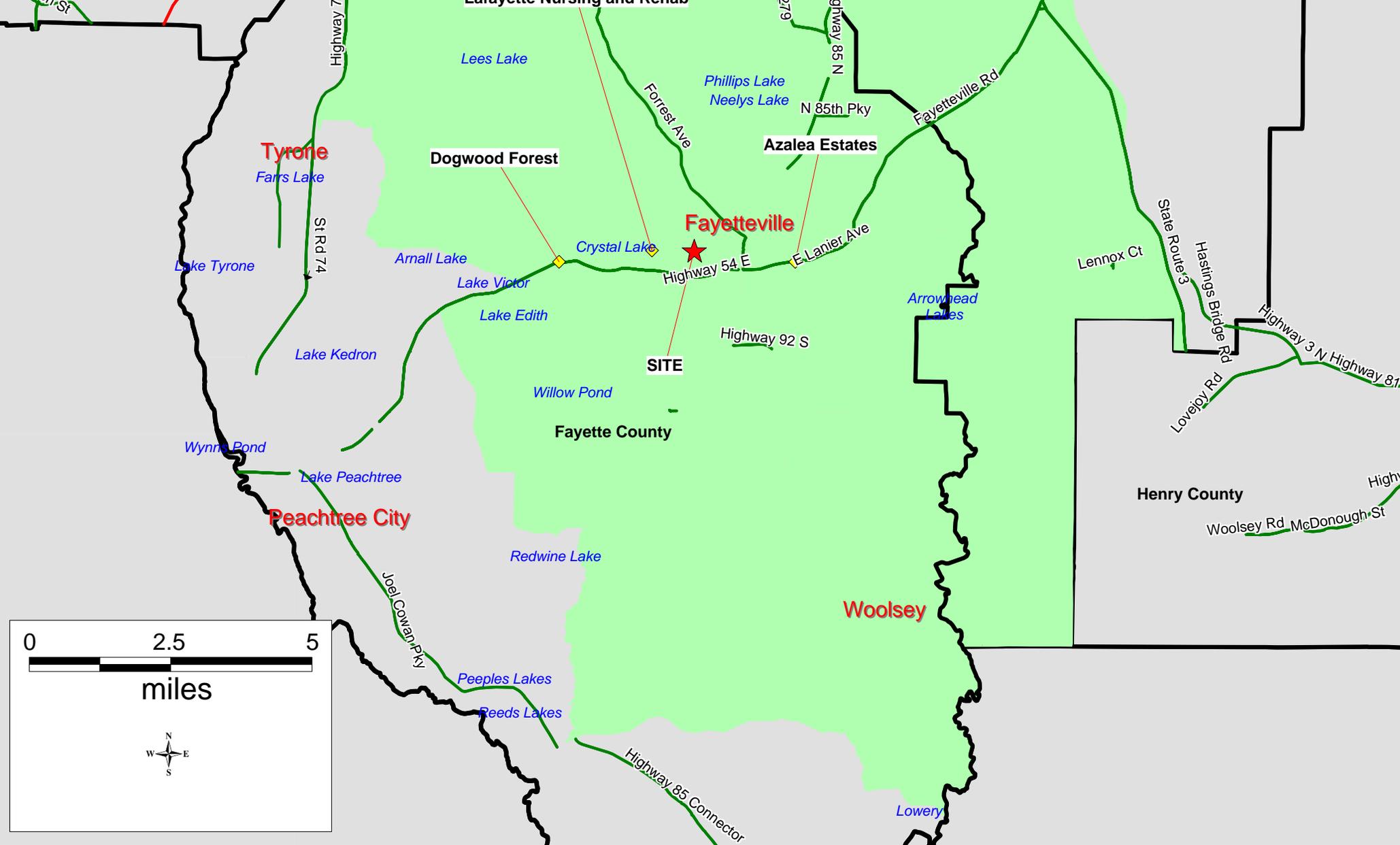
Community	City	Address	Type
Lafayette Nursing and Rehab C	Fayetteville	110 Brandywine Blvd	Asst. Living/Rehab
Azalea Estates	Fayetteville	105 Autumn Glen Circle	Assisted Living
Dogwood Forest	Fayetteville	1294 Highway 54 W.	Asst. Living/Memory Care
*Hope Assisted Living--Planne	Fayetteville	Brandywine Blvd.	Asst. Living/Memory Care

Source: Field Survey, Real Property Research Group, Inc. May 2012.

*** Hope Assisted Living was recently approved by Fayetteville Planning Commision and will have 64 bed**

Valley Hill Senior: Valley Hill Senior is an LIHTC rental community located in northern Riverdale (outside of the PMA) and is restricted to households with householders age 62 and older. Constructed in 2002, the community contains 72 total units which target senior renter households earning at or below 50 percent and 60 percent of the AMI. The property also contains a small market rate component which is not subject to maximum income requirements. Floor plans offered at Valley Hill include one- and two-bedroom units with 672 and 860 square feet of living space, respectively. All of the units are contained within single-story quadra-plex buildings. At the time of our survey, four units were reported vacant for a vacancy rate of 5.2 percent. The property is currently charging rents of \$620 for all one bedroom units and \$730 for all two bedroom units regardless of income targeting. No specials are currently being offered.

-  SITE
-  Primary Market Area
-  Assisted Living Senior Communities



0 2.5 5
miles



Map 5
Senior Communities
Fayette & Clayton Counties, GA



2. Competitive General Occupancy Rental Analysis

As part of this analysis, Real Property Research Group, Inc. surveyed 14 general occupancy rental communities in the primary market area, one of which contains LIHTC units. Although not directly comparable to the senior oriented units planned at Lafayette Senior Village I, these communities provide an indication of the overall rental market. Furthermore, given the limited senior rental stock, these general occupancy rental communities may serve as a housing option for low to moderate income senior renter households living in the primary market area. As such, all fourteen general occupancy rental communities are considered comparable for the purposes of this analysis. A profile sheet of each community is attached as at the end of this report as Appendix 5. The location of each community is shown on Map 6.

3. Location

Map 6 shows the locations of the surveyed competitive communities in relation to the subject site. The communities tend to be clustered on the east side of Fayetteville, in the GA 54 corridor, and in Riverdale in Clayton County, along the GA 85 corridor, as well as in Jonesboro. The single LIHTC community is located in Riverdale.

4. Age of Communities

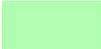
The multi-family rental stock in the primary market area contains properties built/rehabilitated from 1971 to 2011 with an average year built of 1991. Two of the communities were built since 2000, including Alexander Falls, and three have made renovations since this time (Table 31). Swanbrook Manor, a single story community in Fayetteville, recently finished major renovations, and Sutter Lake in Riverdale is currently renovating units.

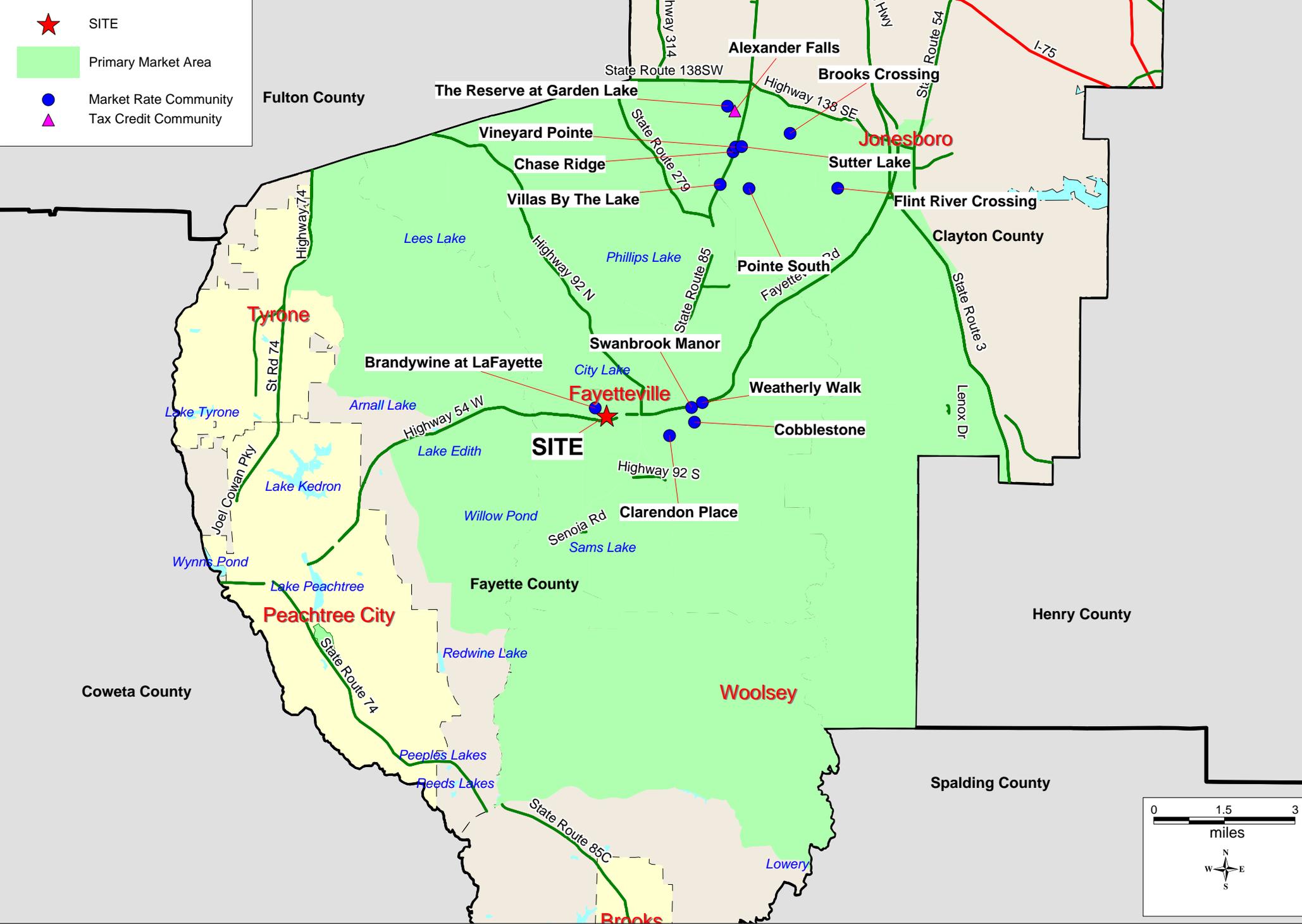
5. Structure Type

All of the surveyed general occupancy communities offer garden-style units ranging from two to four stories in height, townhomes, or a combination of the two styles. The surveyed rental stock also includes a wide range of building characteristics which are generally proportionate to the age and price point of the community. For instance, newer and larger communities generally feature more attractive exterior features including dormers and gables, varied roof lines, stone and/or brick accents, and extensive landscaping. Lafayette Senior Village will be the only community to include an elevator.

6. Size of Communities

The 14 communities account for a total of 2,875 units and range in size from 92 units (Swanbrook Manor) to 424 units (Sutter Lake). The average community size is approximately 205 units.

-  SITE
-  Primary Market Area
-  Market Rate Community
-  Tax Credit Community



0 1.5 3
miles

N
W E
S

Map 6
Surveyed General Occupancy Communities
Primary Market Area

Table 31 Lafayette Senior Village I -- General Occupancy Communities Summary

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1 Br Rent (1)	Avg 2 Br Rent (1)	Incentive
1	Cobblestone	1991	2002	Garden	248	0	0.0%	\$649	\$804	2 BR \$200 off first month
2	Brandywine at LaFayette	1989		Garden	113	2	1.8%	\$665	\$780	None
3	Villas by the Lake	2003		Garden	256	8	3.1%	\$686	\$780	None
4	Clarendon Place	1998		Garden/TH	108	14	13.0%	\$655	\$758	Rents quoted are specials
5	Swanbrook Manor	1988	2011	Garden	92	2	2.2%	\$605	\$752	\$300 off first month on 1 BR only
6	Vineyard Pointe			Garden	108	17	15.7%	\$549	\$727	\$250 off June rent
7	Weatherly Walk	1988		Garden	194	5	2.6%	\$607	\$725	\$399 first month
8	The Reserve @ Garden Lake	1990		Garden/TH	278	21	7.6%	\$487	\$675	
9	Pointe South	1998		Garden/TH	160	11	6.9%			Townhouses \$650 monthly
10	Chase Ridge	1985		Garden	176	5	2.8%	\$525	\$613	\$299 first month or second month free
11	Alexander Falls **	2000		Garden	294	6	2.0%	\$552	\$604	Reduced rent
12	Sutter Lake	1988	2012	Garden	424	10	2.4%	\$487	\$589	\$199 first month plus reduced deposit
13	Brooks Crossing	1990		Garden	224	N/A	N/A	\$514	\$572	14 days of free rent
14	Flint River Crossing	1971		Garden/TH	200	N/A	N/A	\$448	\$448	None
Total/Average		1991			2,875			\$582	\$679	
Reported Total/Average					2,090	99	4.7%			

** LIHTC Communities

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. May 2012.

7. Vacancy Rates

Of the 2,090 rental units for which occupancy information was available, 99 were reported vacant, yielding a 4.7 percent vacancy rate. Four of the communities reported vacancy rates above the benchmark five percent, and two of these reported extensive vacancies—Clarendon Place with 14 units vacant (13 percent) and Vineyard Pointe with 17 units vacant (15.7 percent). The single LIHTC community reported six units vacant (2.0 percent). Except for Clarendon Place, the communities closest to the subject reported low vacancy rates.

8. Rent Concessions

Of the 14 communities, ten are currently offering an incentive or a reduced rent. The most generous incentive is an offer of \$199 rent for the first month at Sutter Lake, but the incentives tend to be modest, offering a \$200 to \$300 off of a single month's rent.

9. Absorption History

No communities have been built in the market area within the past nine years.

E. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

The most common utility policy in the market is for the landlord to pay for only trash and the tenant to pay for all other utilities (cooking, heat, hot water, electricity, water and sewer), accounting for ten of the communities surveyed (Table 32). In one community, even trash collection is charged to the tenant, but in two communities, the landlord covers water/sewer/trash.



2. Unit Features

All individual unit kitchens at the surveyed communities are equipped with stoves, refrigerators and dishwashers. Washer/dryer hookups are standard as well. Built-in microwaves are a standard unit feature at only four communities (Table 32).

3. Parking

All communities include free surface parking as their standard parking option.

4. Community Amenities

The most common community amenities offered among the primary market area’s rental stock include a swimming pool (10 properties), tennis courts (9 properties), clubhouse / community room (8 properties), playground (8 properties), and fitness center (6 properties) (Table 33). The proposed recreational amenities at Lafayette Senior Village I will be extensive and include amenities appealing to the target senior population such as library, game room, chapel, computer room and dining room. These planned amenities will be more appealing to the prospective tenant base in the PMA than common family oriented amenities of a swimming pool, playground, and/or tennis courts.

Table 32 Features of Rental Communities

Community	Heat Type	Utilities Included in Rent						Dish washer	Micro wave	Parking	In-Unit Laundry	Storage
		Heat	Hot Water	Cooking	Electric	Water	Trash					
Brooks Crossing	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	Standard - In Building
Villas by the Lake	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Standard	Standard	Surface Parking	Hook Ups	
Pointe South	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Alexander Falls**	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Surface Parking	Hook Ups	Standard - In Building
Chase Ridge	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Vineyard Pointe	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	Standard - In Unit
The Reserve @ Garden Lake	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	Select Units
Sutter Lake	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Surface Parking	Hook Ups	
Flint River Crossing	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Weatherly Walk	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	Standard - In Unit
Cobblestone	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Swanbrook Manor	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Brandywine at LaFayette	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Surface Parking	Hook Ups	
Clarendon Place	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Surface Parking	Hook Ups	

Source: Field Survey, Real Property Research Group, Inc. May 2012.



Table 33 Amenities of Rental Communities

Community	Club-house	Fitness Room	Pool	Sauna	Play-ground	Tennis Court	Business/Computer Center	Gated Entry
Brooks Crossing	☒	☐	☒	☐	☒	☐	☐	☐
Villas by the Lake	☒	☒	☐	☐	☐	☒	☐	☒
Pointe South	☒	☐	☒	☐	☒	☒	☐	☐
Alexander Falls**	☒	☒	☒	☐	☒	☒	☐	☐
Chase Ridge	☐	☐	☒	☐	☐	☒	☐	☐
Vineyard Pointe	☐	☐	☐	☐	☒	☐	☐	☐
The Reserve @ Garden Lake	☒	☐	☒	☐	☒	☒	☒	☐
Sutter Lake	☐	☒	☒	☒	☐	☒	☐	☒
Flint River Crossing	☐	☐	☒	☐	☒	☐	☐	☐
Weatherly Walk	☒	☒	☒	☐	☒	☒	☒	☐
Cobblestone	☒	☒	☒	☐	☒	☒	☒	☐
Swanbrook Manor	☐	☐	☐	☐	☐	☐	☐	☐
Brandywine at LaFayette	☒	☒	☒	☐	☐	☒	☐	☐
Clarendon Place	☐	☐	☐	☐	☐	☐	☐	☐

Source: Field Survey, Real Property Research Group, Inc. May 2012.

5. Distribution of Units by Bedroom Type

Two-bedroom units are the most common, representing over half of all units, and are offered at all but a single community. Twelve communities offer one-bedroom units and only six communities offer three-bedroom units (Table 34). The overall unit distribution for the communities reporting unit mix consists of 27 percent one-bedrooms, 52 percent two-bedrooms, and 21 percent three-bedrooms.

6. Effective Rents

Unit rents presented in Table 34 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents to control for current rental incentives (in this case there were no incentives). The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where all water, sewer and trash utility expenses are included in monthly rents at all communities.

- Overall, one bedroom units have net rents from \$478 (Sutter Lake) to \$711 (Villas by the Lake) and average \$583. In size, these one-bedrooms run from 576 to 908 square feet, for an average of 765 square feet priced at an average of \$0.76 per square feet.
- Units offering two bedrooms range from \$448 (Flint River Crossing) to \$810 (Villas by the Lake) and average \$682. These two-bedroom units range in size from 864 to 1,160 square feet for an average size of 1,029 square feet and price of \$0.66 per square foot.



Table 34 Unit Distribution, Size, and Pricing

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
SUBJECT SITE-Avg Size and Rent	50% AMI	14	6	\$535	664	\$0.81	8	\$620	908	\$0.68				
	60% AMI	60	25	\$635	664	\$0.96	35	\$720	908	\$0.79				
	Market Rate	10	4	\$820	664	\$1.23	6	\$950	908	\$1.05				
Villas by the Lake	Garden	256	49	\$711	871	\$0.82	207	\$810	1,160	\$0.70				
Cobblestone	Garden	248		\$664	908	\$0.73		\$807	1,152	\$0.70	\$920	1,390	\$0.66	
Brandywine at LaFayette	Garden	113	57	\$680	720	\$0.94	56	\$800	1,050	\$0.76				
Clarendon Place	Garden/TH	108	36	\$670	908	\$0.74	72	\$778	1,117	\$0.70				
Swanbrook Manor	Garden	92	83	\$580	576	\$1.01	9	\$752	864	\$0.87				
Vineyard Pointe	Garden	108		\$543	576	\$0.94		\$726	864	\$0.84				
Weatherly Walk	Garden	194		\$605	749	\$0.81		\$718	1,005	\$0.71	\$890	1,247	\$0.71	
The Reserve @ Garden Lake	Garden/TH	278		\$502	719	\$0.70		\$695	1,101	\$0.63	\$824	1,347	\$0.61	
Alexander Falls	Garden	70	28	\$582	801	\$0.73	42	\$678	1,002	\$0.68				
Pointe South	Garden/TH	160									160	\$678	1,197	\$0.57
Alexander Falls 60% **	Garden	224	56	\$559	801	\$0.70	168	\$610	1,002	\$0.61				
Chase Ridge	Garden	176		\$496	830	\$0.60		\$582	1,150	\$0.51				
Sutter Lake	Garden	424		\$478	765	\$0.62		\$577	1,020	\$0.57				
Brooks Crossing	Garden	224	24	\$508	725	\$0.70	96	\$569	1,008	\$0.56	104	\$676	1,163	\$0.58
Flint River Crossing	Garden/TH	200						\$448	907	\$0.49		\$595	1,080	\$0.55
Total/Average		2,875		\$583	765	\$0.76		\$682	1,029	\$0.66		\$764	1,237	\$0.62
Unit Distribution		1,247	333				650				264			
% of Total		43.4%	26.7%				52.1%				21.2%			

** LIHTC Communities

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2012.



- Three bedroom units range from \$595 (Flint River Crossing) to \$920 (Cobblestone) and average \$764. The three bedroom units range in size from 1,080 to 1,390 square feet and average 1,237 square feet and \$0.62 per square foot.

Average Market Rent was calculated as per the DCA market study guidelines, based on the rents of the most comparable existing competitive communities (Table 35). The “average market rent” is \$644 among comparable one-bedroom unit and \$747 among comparable two-bedroom units. The proposed one-bedroom units will have market advantages of 16.9 percent for the 50 percent units and 1.4 percent for the 60 percent units. The two-bedroom units will have market advantages of 17 percent for the 50 percent units and 3.6 percent for the 60 percent units (See Summary Table Below). The one-bedroom and two-bedroom market rate units will be priced at the top of the market and not have a rent advantage.

Based on the appeal of new construction, extensive amenities, and the overall appeal of the senior campus to be designed, the proposed tax credit rents at Lafayette Senior Village I are reasonable and appropriate. While the market rate rents will be offered at a premium relative to the existing market leaders, we believe that the senior features and amenities will justify this premium as there are no other independent senior communities in the market area.

Table 35 DCA Average Market Rents

Community	Type	Total	One Bedroom Units				Two Bedroom Units			
		Units	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
SUBJECT SITE-Avg Size and Rent	50% AMI	14	6	\$535	664	\$0.81	8	\$620	908	\$0.68
	60% AMI	60	25	\$635	664	\$0.96	35	\$720	908	\$0.79
	Market Rate	10	4	\$820	664	\$1.23	6	\$950	908	\$1.05
Villas by the Lake	Garden	256	49	\$711	871	\$0.82	207	\$810	1,160	\$0.70
Cobblestone	Garden	248		\$664	908	\$0.73		\$807	1,152	\$0.70
Brandywine at LaFayette	Garden	113	57	\$680	720	\$0.94	56	\$800	1,050	\$0.76
Clarendon Place	Garden/TH	108	36	\$670	908	\$0.74	72	\$778	1,117	\$0.70
Alexander Falls	Garden	70	28	\$582	801	\$0.73	42	\$678	1,002	\$0.68
Alexander Falls 60% **	Garden	224	56	\$559	801	\$0.70	168	\$610	1,002	\$0.61
Total/Average		1,019		\$644	835	\$0.77		\$747	1,081	\$0.69
Unit Distribution		771	226					545		
% of Total		75.7%	29.3%					70.7%		

** LIHTC Communities

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2012.

Summary	One Bedroom			Two Bedroom		
	Rent	Advantage (\$)	Advantage (%)	Rent	Advantage (\$)	Advantage (%)
Average Market Rent	\$644			\$747		
Subject Property - 50% AMI	\$535	\$109	16.9%	\$620	\$127	17.0%
Subject Property - 60% AMI	\$635	\$9	1.4%	\$720	\$27	3.6%
Subject Property - Market	\$820	(\$176)	-27.3%	\$950	(\$203)	-27.2%



F. Deep Subsidy Units and Vouchers in the Market Area

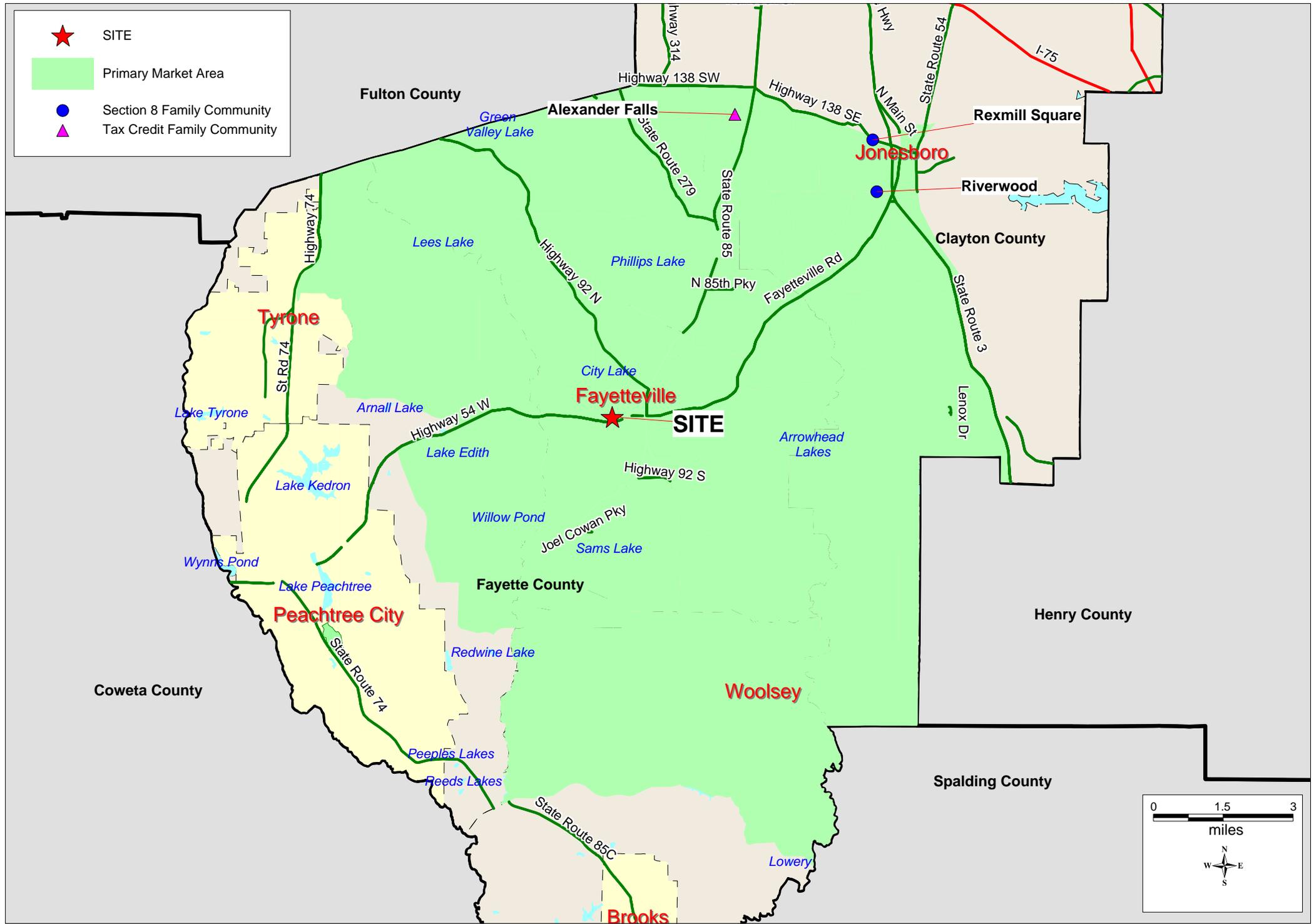
Three subsidized housing communities exist in the primary market area, all of which are general occupancy / family oriented properties shown in Table 36 below and on Map 7. Only one of these family properties was funded through the Low Income Housing Tax Credit Program (LIHTC) and surveyed for this report.

The Georgia Department of Community Affairs (DCA) is the only institution identified within the PMA which offers subsidized housing assistance. While DCA does not operate any public housing units, it manages 56 Housing Choice Vouchers in Fayette County. DCA’s current waiting list for vouchers ranges from six months to two years depending upon the number of bedrooms needed.

Table 36 Subsidized Rental Communities, Primary Market Area

Community	Subsidy	Address	City	Dist.
Rexmill Square	Section 8-Fam	636 North Ave.	Jonesboro	8.2 miles
Riverwood	Section 8-Fam	681 Flint River Rd	Jonesboro	7.5 miles
Alexander Falls	Tax Credit-Fam	950 Lake Ridge Pkwy.	Riverdale	7 miles

-  SITE
-  Primary Market Area
-  Section 8 Family Community
-  Tax Credit Family Community



Map 7
Subsidized Communities
Primary Market Area

0 1.5 3
 miles





G. Proposed and Under Construction Rental Communities

According to DCA's list of LIHTC allocations and officials with the planning and zoning departments for each municipality/county inside the primary market area, no age restricted LIHTC rental communities are planned or under construction in the primary market area. No market rate senior communities are in the planning pipeline either, and the only senior housing in the planning process is the Hope Assisted Living community, noted in a previous section. Conversations with county and municipal staff found no multifamily communities without age restrictions in the development pipeline in the market area.

We are aware of one senior LIHTC community that is planned in an adjacent market to the subject property. **Hearthside at Peachtree City** was awarded tax credits in 2011 to build 96 senior units. The vast majority of the units (80) will have two bedrooms and the remainder will have one bedroom (16). Sixty-five units will target households at up to 60 percent AMI; 17 will target households at up to 50 percent AMI; and 14 units will not be restricted. A project of Norsouth, this community is expected to break ground during the Summer of 2012. Given the relative affluence of Peachtree City and its reputation as a self contained community, we do not believe this product will compete with the proposed community.

H. Absorption Estimate

In lieu of lease up history at comparable communities, absorption rate projections are also based on growth of the household base, the number of income-qualified households, and the marketability of the proposed site, and product.

- There are no LIHTC senior communities in the market area.
- The vacancy rate among the two LIHTC general occupancy communities in the market area is low. Alexander Falls has six units vacant, an improvement over a survey last year when they were experiencing difficulties not related to the market.
- Annual senior household growth in the market area is projected at 849 households between 2012 and 2017.
- Capture rates based on renter affordability and NCHFA demand methodology are all well within acceptable levels.
- An estimated 1,051 senior renter households are income qualified for the LIHTC and market rate units at Lafayette Senior Village.

We do not anticipate any negative factors that would prevent Lafayette Senior Village I from leasing its 84 units in a timely manner. Given the very high senior household growth in the market area, and the spread of units among two LIHTC income levels and two bedroom types, plus a small number of units not restricted by income, we estimate Lafayette Senior Village I will lease units at a minimum pace of 10 units per month. The subject property will reach a stabilized occupancy of 93 percent within an approximate eight month time period.

I. Interviews

Information gathered through field and phone interviews and email contact was used throughout the various sections of this report. The interviewees included property managers; Brian Wismer Director of Planning and Economic Development with the City of Fayetteville; Fayette County planning staff; Matt Forshee with the Fayette County Development Authority; Janice Truhan, City Clerk in Jonesboro; and Camilla Moore, Director of Planning and Zoning in Riverdale.

9. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the Villages of Lafayette Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The subject site is a suitable location for affordable senior rental housing as it is compatible with surrounding land uses and has access to amenities, services, and healthcare.

- The site for the proposed Lafayette Senior Village I is highly visible and accessible, located on West Lanier Avenue, on the western edge of Fayetteville and within approximately two miles of the new west bypass.
- Residential uses within the immediate area include a mix of single-family attached homes, small office structures and a few small businesses.
- Community services, neighborhood shopping centers, medical services, and convenience and comparison shopping opportunities are located within four miles.
- Fayette County does not have a fixed route public transit. However, senior citizens have transportation available through a non-profit to take them to doctor's appointments, grocery shopping, etc.
- No negative land uses were identified at the time of the site visit that would negatively impact the proposed development's viability in the marketplace.

2. Economic Context

After tremendous economic growth over the past two decades, Fayette County experienced job loss and heightened unemployment due to the impact of the recent national recession. However, the local economy has begun to show signs of stability.

- Amid the national recession, Fayette County's unemployment rate jumped from 3.9 percent in 2007 to a 20-year high of 8.3 in 2009, still well below that of the State of Georgia and of the nation.
- Between 1990 and 2006, the county labor force grew by over 20,000 workers or approximately 60 percent. After a drop in 2008, the labor force has stabilized and even experienced moderate growth in 2009, 2010 and 2011 reaching 52,392 workers by the end of 2011.
- Fayette County's at-place employment more than doubled with the addition of nearly 25,000 jobs between 1991 and 2007. After losing more than 3,000 jobs in 2009, the job base stabilized and has held steady with over 36,000 jobs in each of the past three years.
- At-place employment in Fayette County is concentrated in the trade-transportation-utilities sector, representing over one quarter of all jobs. There is also significant representation in the government, education-health and leisure-hospitality sectors.



3. Population and Household Trends

The Villages of Lafayette Market Area is a high growth section of the larger Bi-County Area, growing at a vigorous pace over the past decade, a trend expected to continue. The growth rate among senior householders has been especially strong and will continue to outpace that of the general population over the next five years.

- The household base of the Villages of Lafayette Market Area grew by 2.1 percent (857 households) per year between 2000 and 2010. Nielsen estimates that the market area will gain 752 households (1.6 percent) annually over the next five years.
- Between 2000 and 2012, households with a householder age 55+ increased by 8,304 households (88.4 percent). The senior age cohort with the largest increase in absolute terms was the 55-61 cohort, with an average annual increase of 296 households, or 6.1 percent.
- Over the next five years, the primary market area's senior household base is expected to increase by 24.0 percent (4.4 percent annually) among households with a householder age 55 and older. The cohort with the largest growth, both in absolute and percentage terms will be the age 65 to 74 cohort, with an annual increase of 383 householders or 6.6 percent.

4. Demographic Analysis

- Based on Nielsen Company estimates, the population of the Villages of Lafayette Market Area is slightly older than that of the Bi-County Area overall with median ages of 35 and 33, respectively. Seniors age 62 and older account for 13.1 percent of the population in the Villages of Lafayette Market Area compared to 12.2 percent in the Bi-County Area.
- Marriage rates are especially high in the market area, with well over half (56.2 percent) of households consisting of married couples with or without children, compared to the Bi-County area where less than half of all households are married households. Approximately 17.2 percent of households consist of a householder living alone in the market area, a household type traditionally dominated by senior households.
- Approximately 13.3 percent of senior households (55+) rent their homes in the market area. The 2,353 senior households that rent represent roughly one out of five of the total renter occupied households in the market area.
- Due to higher concentrations of middle income households in the market area, the market area is more affluent than the Bi-County area, reporting a 2012 median income of \$61,472, approximately 14 percent higher than that of the larger area. Nonetheless, the market area income lags that of the Atlanta-Sandy Springs-Marietta, GA HUD Metro FMR median of \$69,300.
- The 2012 median income for senior renter householders age 55 and older in the market area is \$36,757, and there is strong representation for all income levels up to \$75,000.

5. Competitive Housing Analysis

There are no senior housing properties in the market area that have been financed by Low Income Housing Tax Credits (LIHTC). RPRG surveyed 14 general occupancy rental communities in the primary market area. These general occupancy rental communities are considered the most comparable to the proposed subject.



- While there are no tax credit senior housing properties in the market area, the market area includes two subsidized senior housing (Section 236) communities, Rexmill Square and Riverwood, as well as a LIHTC family community, Alexander Falls. The senior subsidized communities both have waiting lists, and the LIHTC family community has six vacant units, representing a 2.0 percent vacancy rate.
- Combined, the 14 general occupancy properties surveyed offer 2,875 units. Of the 2,090 units for which vacancy information is available, a total of 99 units, or 4.7 percent, are vacant.
- The average one-bedroom effective rent among surveyed communities is \$583 for 765 square feet, amounting to an average rent per square foot of \$0.76. One bedroom rents range from \$478 to \$711.
- The average two-bedroom effective rent among surveyed communities is \$682 for 1,029 square feet, amounting to an average rent per square foot of \$0.66. Two-bedroom rents range from \$448 to \$810.
- The general occupancy communities located near the subject site in Fayetteville are positioned in the upper half of the competitive set. The tax credit community of Alexander Falls is positioned in the bottom half of the competitive set, but several communities offer units with lower rents.

B. Target Markets

Lafayette Senior Village I will offer one and two bedroom units which will appeal to both single person senior households and couples. Sixty of the units will be restricted to senior households earning at or below 60 percent of the AMGI; 14 units will be restricted to senior households earning at or below 50 percent of the AMCI; and 10 units will be available without income restrictions.

C. Product Evaluation

Considered in the context of the competitive environment, the relative position of Lafayette Senior Village I Senior Residences is as follows:

- **Unit Distribution:** The unit mix at the subject consists of 35 one-bedroom units (42 percent) and 49 two-bedroom units (58 percent). In the competitive general occupancy market, two-bedroom units are dominant as well. While one-bedroom units tend to dominate the senior offering in affordable communities elsewhere, a unit mix with a large proportion of two-bedroom floorplans, such as that of the subject, tends to be very desirable for an affordable senior rental community.
- **Unit Size:** Lafayette Senior Village I will offer one-bedroom floor plans of 664 square feet and two-bedroom floor plans averaging 908 square feet, both smaller than the average of all two bedroom units among surveyed rental communities in the market area. It appears that some of the general occupancy competitive communities offer generously sized units. However, given the contemporary senior product to be constructed, the unit sizes to be offered at the subject property are reasonable and appropriate.
- **Unit Features:** The newly constructed units at the subject property will offer fully equipped kitchens with energy efficient appliances. Flooring will be a carpet and vinyl. In addition, all units will include ceiling fans and washer-dryer hook-ups. The proposed unit features at Lafayette Senior Village I will be competitive with or superior to the existing rental



communities in the market area. Given the modest finishes in the competitive market, an up to date product like Lafayette Senior Village will be well received by the target market.

- **Community Amenities:** Lafayette Senior Village I will offer amenities comparable to other communities in the area including an exercise room, community room, computer center and other activity rooms. Furthermore, Lafayette Village will also offer amenities targeted to elderly households including an elevator-served structure and a range programming.
- **Marketability:** Lafayette Senior Village I will offer an attractive product and will be superior to existing rental communities in the market area in terms of amenities. In addition, the subject property will meet the need for senior rental housing affordable to lower income senior households in the market area.

D. Price Position

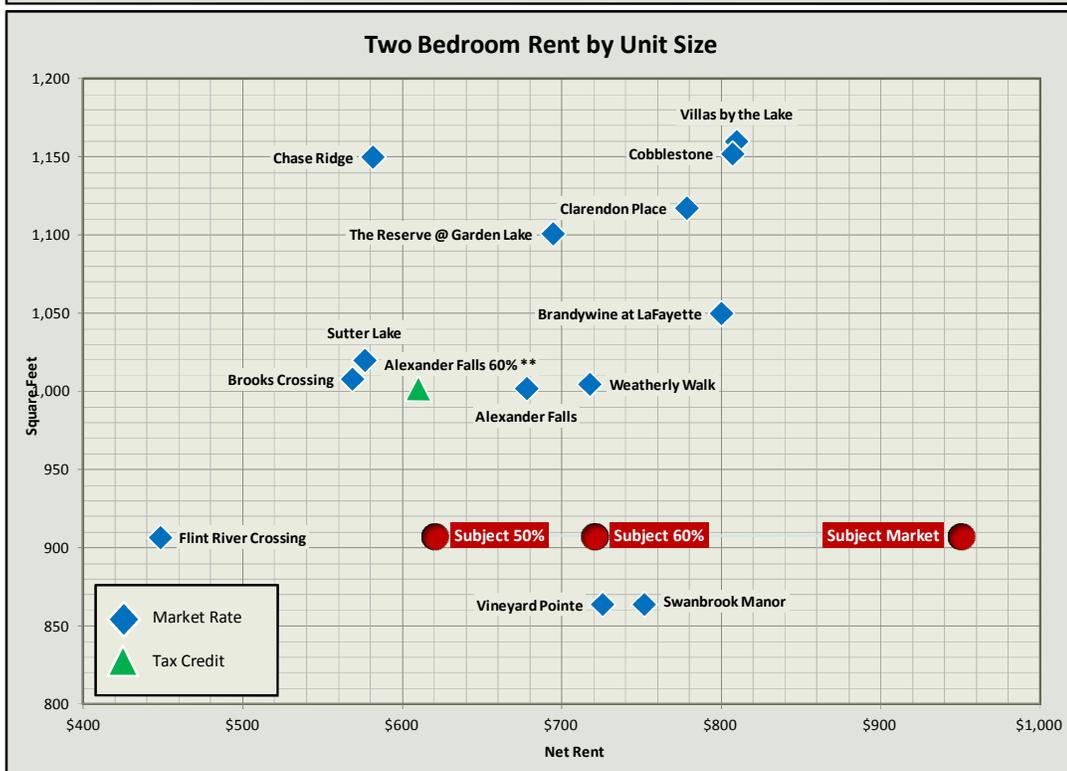
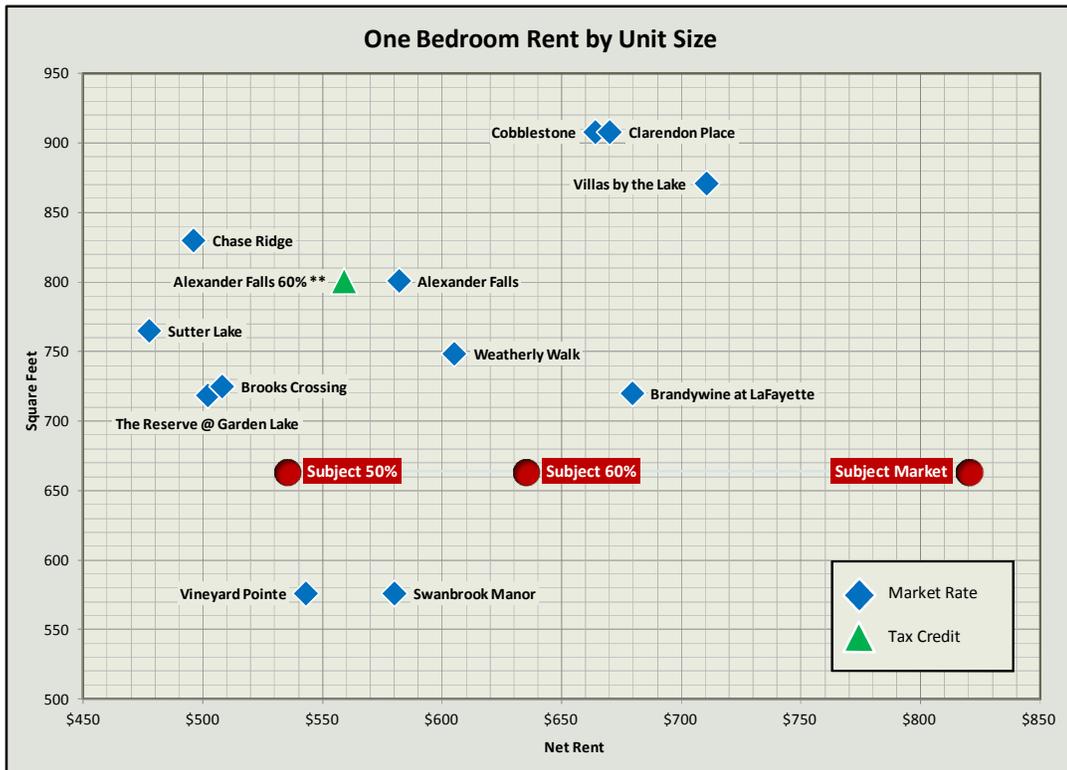
The subject's units will target senior households ranging from 50 to 60 percent AMI and include a small number of units not restricted by income. As shown in Figure 9, the 50 percent one bedroom rents will be positioned amongst the lower half of the market rent range, and the 60 percent is in the upper half but well below the market leaders. The market rate rents proposed for the subject one-bedroom units will position these units at the top of the market. With a net rent price differential of \$109 above the current rent leader, Villas by the Lake, this is not a major concern as this will be the only independent community offering senior features and there are only four of these one-bedroom market rate units.

Similarly, the subject's two-bedroom 50 percent units at the proposed rents positions these units in the lower half of the competitive set while the 60 percent units are positioned well below the market leaders. The rents at the three market rate two bedroom units also occupies a position at the top of the existing competitive set, this time with a price differential of \$140.

While the proposed rents for Lafayette Senior Village exceed those of the only existing tax credit community, the general occupancy Alexander Falls, there is evidence that Alexander Falls has lowered rents to deal with issues unrelated to the market.



Figure 9 Price Position of Lafayette Senior Village I





E. Final Conclusions and Recommendations

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Lafayette Senior Village I will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent. The product to be constructed will offer extensive features and amenities. The proposed community will be the only affordable independent living community in the market area to offer features and amenities geared to older adult households, and we would expect that the units will be well received by the target market.

We do not expect the construction of Lafayette Senior Village I to negatively impact the existing single LIHTC community in the primary market area or others in the region as they are geared toward general occupancy households.

We hope you find this analysis helpful in your decision making process.

A handwritten signature in black ink, appearing to read 'Elissa Golin'.

Elissa Golin
Analyst

A handwritten signature in black ink, appearing to read 'Tad Scepianiak'.

Tad Scepianiak
Principal



10. APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



11. APPENDIX 2 ANALYST CERTIFICATIONS

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can (cannot) 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.

A handwritten signature in black ink, appearing to read 'Tad Scepianiak', is written over a horizontal line.

June 2012

Tad Scepianiak

Date

Principal

Real Property Research Group, Inc.

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



12. APPENDIX 3 ANALYST RESUMES

TAD SCEPANIAK

Principal

Mr. Scepaniak directs our Atlanta office. He has eleven years of experience in the field of residential rental market research. Before joining the firm, Tad was president of a national firm, where he was involved extensively in the Low Income Tax Credit program throughout the entire United States. Mr. Scepaniak has completed work in approximately 25 states and Puerto Rico. He also has experience conducting studies under the HUD 221(d)(4) program, market rate rental properties, and senior housing developments. Along with work for developer clients, Tad has led our research efforts for the North Carolina, Iowa, South Carolina, and Georgia Housing Finance agencies. Mr. Scepaniak is also responsible for development and implementation of many of the firm's automated analytic systems.

Tad is a member of the National Council of Affordable Housing Market Analysts' (NCAHMA) Standards Committee and has been involved in the development of the organization's Standard Definitions, Recommended Market Study Content, and various white papers regarding market areas, derivation of market rents, selection of comparable properties, substandard housing, demand methodology, and senior housing.

A. Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepaniak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepaniak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Student Housing: Tad has conducted market analyses of student housing solutions for small to mid-size universities. The analysis includes current rental market conditions, available on-campus housing options, student attitudes, and financial viability of proposed developments. Completed campus studies include Southern Polytechnic University, North Georgia State College and University, and Abraham Baldwin Agricultural College.

B. Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



ELISSA GOLIN
Analyst

Elissa Golin has broad experience in providing market feasibility analyses for residential real estate. In recent years she has worked for RPRG, providing residential builders and developers with product recommendations based on an analysis of the competitive environment and demographic trends. She has also concentrated in the area of affordable housing, conducting feasibility studies to conform to the state requirements for Low Income Housing Tax Credit applications. In this capacity, she has covered the gamut of rental housing, including senior and handicapped communities as well as those for the general population, in both urban and suburban settings.

Ms. Golin began working in the area of residential market research with Market Smart, evaluating proposed sites, gathering data on the current competitive environment and determining the extent of pipeline activity in and around the market area.

Previously, Ms. Golin worked as an analyst for Migliara/Kaplan Associates, providing market research for the pharmaceutical and medical diagnostic industries. In this capacity, she was active in all stages of quantitative and qualitative research, including interviewing, developing surveys, gathering data and analyzing data.

Prior to receiving her Masters in Business Administration, Ms. Golin worked for the Lexington (KY) Philharmonic in the capacity of Assistant Manager and Marketing Director.

Areas of Concentration:

- For-sale residential products: Ms. Golin has conducted market research studies for a variety of residential developments throughout the Mid-Atlantic region for both multifamily and single family communities.
- Senior and handicapped housing: Ms. Golin has conducted feasibility studies for these tax credit rental communities typically in conjunction with Low Income Housing Tax Credit applications. These studies take into consideration the unique needs and demographics of the senior and handicapped populations.
- Affordable family housing: Ms. Golin has conducted feasibility studies as well for general tax credit rental communities.

Education:

Masters in Business Administration, University of Maryland, College Park
Bachelor of Science in Music and Arts Administration, Indiana University, Bloomington



13. APPENDIX 4 NCAHMA CHECKLIST

Introduction: Members of the National Council of Affordable Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	14,15
3.	Utilities (and utility sources) included in rent	14,15
4.	Project design description	14,15
5.	Unit and project amenities; parking	14,15
6.	Public programs included	14
7.	Target population description	14
8.	Date of construction/preliminary completion	16
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	N/A
Location and Market Area		
11.	Market area/secondary market area description	28
12.	Concise description of the site and adjacent parcels	17
13.	Description of site characteristics	17
14.	Site photos/maps	18 - 20
15.	Map of community services	18
16.	Visibility and accessibility evaluation	24
17.	Crime information	23
Employment and Economy		
18.	Employment by industry	45
19.	Historical unemployment rate	42
20.	Area major employers	46
21.	Five-year employment growth	44



22.	Typical wages by occupation	26 - 49
23.	Discussion of commuting patterns of area workers	41
Demographic Characteristics		
24.	Population and household estimates and projections	30
25.	Area building permits	31
26.	Distribution of income	38
27.	Households by tenure	35
Competitive Environment		
28.	Comparable property profiles	89
29.	Map of comparable properties	51, 59
30.	Comparable property photos	89
31.	Existing rental housing evaluation	63 - 70
32.	Comparable property discussion	63 - 70
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	67
34.	Comparison of subject property to comparable properties	77
35.	Availability of Housing Choice Vouchers	71
36.	Identification of waiting lists	67
37.	Description of overall rental market including share of market-rate and affordable properties	63
38.	List of existing LIHTC properties	24, 89
39.	Discussion of future changes in housing stock	
40.	Discussion of availability and cost of other affordable housing options, including homeownership	57
41.	Tax credit and other planned or under construction rental communities in market area	74
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	54 - 55
43.	Calculation and analysis of Penetration Rate	N/A
44.	uation of proposed rent levels	78
45.	Derivation of Achievable Market Rent and Market Advantage	70
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	74
48.	Market strengths and weaknesses impacting project	77
49.	Recommendation and/or modification to project description	77, if applicable
50.	Discussion of subject property's impact on existing housing	77
51.	Absorption projection with issues impacting performance	74



52.	Discussion of risks or other mitigating circumstances impacting project	57, if applicable
53.	Interviews with area housing stakeholders	71
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	12
56.	Certifications	86
57.	Statement of qualifications	84
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	N/A



14. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Establishment	Address	City	State	Phone Number	Contact	Condition
Valley Hill	430 Valley Hill Rd.	Riverdale	GA	770-210-0912	Property Manager	Above Average
Alexander Falls	950 Lake Ridge Pkwy.	Riverdale	GA	770-997-1972	Property Manager	Above Average
Brandywine at LaFayette	160 Belle Dr.	Fayetteville	GA	770-460-1989	Property Manager	Average
Brooks Crossing	8050 Taylor Rd.	Riverdale	GA	770-473-7323	Property Manager	Average
Chase Ridge	100 Chase Ridge Dr.	Riverdale	GA	770-471-3664	Property Manager	Average
Clarendon Place	201 Clarendon Pl.	Fayetteville	GA	770-461-0816	Property Manager	Average
Cobblestone	2400 Cobblestone Blvd.	Fayetteville	GA	770-719-9477	Property Manager	Average
Flint River Crossing	240 Flint River Rd.	Jonesboro	GA	770-471-6395	Property Manager	Below Average
Pointe South	772 Point South Pkwy.	Jonesboro	GA	770-478-8686	Property Manager	Below Average
Sutter Lake	8104 Webb Rd.	Jonesboro	GA	770-478-9463	Property Manager	Average
Swanbrook Manor	755 Lanier Ave. E	Fayetteville	GA	770-460-0879	Property Manager	Below Average
The Reserve at Garden Lake	1000 Lake Ridge Pkwy.	Riverdale	GA	770-907-7000	Property Manager	Above Average
Villas By The Lake	8720 Highway 85	Jonesboro	GA	770-477-1718	Property Manager	Above Average
Vineyard Pointe	8213 Highway 85	Riverdale	GA	770-478-5908	Property Manager	Average
Weatherly Walk	100 Knight Way	Fayetteville	GA	770-460-1491	Property Manager	Average

Valley Hill

Senior Community Profile

430 Valley Hill Rd. SW
Riverdale, GA

CommunityType: LIHTC - Elderly
Structure Type: 1-Story 3-4 Family

72 Units 5.6% Vacant (4 units vacant) as of 6/3/2012

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	91.7%	\$620	672	\$0.92	<input checked="" type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndy: <input type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	8.3%	\$730	860	\$0.85	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Central A/C; Patio/Balcony; Grabbar; Emergency Response	
Select Units: --	
Optional(\$): --	
Security: --	
Parking: Free Surface Parking	

Comments

Gazebo, Picnic Area

Property Manager: Flaherty & Collins

Owner: --

Floorplans (Published Rents as of 6/3/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	4	\$620	672	\$0.92	LIHTC/ 50%	6/3/12	5.6%	\$620	\$730	--
Garden	--	1	1	48	\$620	672	\$0.92	LIHTC/ 60%	6/16/11	11.1%	\$620	\$725	--
Garden	--	1	1	14	\$620	672	\$0.92	Market					
Garden	--	2	1	1	\$730	860	\$0.85	LIHTC/ 50%					
Garden	--	2	1	3	\$730	860	\$0.85	LIHTC/ 60%					
Garden	--	2	1	2	\$730	860	\$0.85	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Valley Hill

GA063-015734

© 2012 Real Property Research Group, Inc.

(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

Alexander Falls

Multifamily Community Profile

950 Lake Ridge Parkway
Riverdale, GA

CommunityType: LIHTC - General
Structure Type: 3-Story Garden

294 Units 2.0% Vacant (6 units vacant) as of 6/3/2012

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	28.6%	\$567	801	\$0.71	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	71.4%	\$624	1,002	\$0.62	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Unit Alarms
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	Signature
Owner:	--

Comments

After school and camp programs
Tax credit & conventional properties nearby have similar rents
Higher vacancies in June 2011 may have been influenced by violent crime in April 2011

Amenity Fee: \$ 0

Floorplans (Published Rents as of 6/3/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	56	\$544	801	\$.68	LIHTC/ 60%	6/3/12	2.0%	\$567	\$624	--
Garden	--	1	1	28	\$567	801	\$.71	Market	6/16/11	9.9%	\$631	\$690	--
Garden	--	2	2	168	\$590	1,002	\$.59	LIHTC/ 60%	6/1/11	11.6%	\$598	\$680	--
Garden	--	2	2	42	\$658	1,002	\$.66	Market	6/6/08	5.1%	\$700	\$803	--

Adjustments to Rent

Incentives:

Reduced rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brandywine at LaFayette

Multifamily Community Profile

160 Belle Dr.
Fayetteville, GA

Community Type: Market Rate - General

Structure Type: 2-Story Garden

113 Units 1.8% Vacant (2 units vacant) as of 5/30/2012

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.4%	\$680	720	\$0.94	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	49.6%	\$800	1,050	\$0.76	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hooks); Central A/C; Patio/Balcony	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/30/2012) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$

Garden	--	1	1	57	\$665	720	\$.92	Market	5/30/12	1.8%	\$680	\$800	--
Garden	--	2	2	56	\$780	1,050	\$.74	Market	5/5/11	5.3%	\$675	\$808	--
									5/26/10	5.3%	\$685	\$800	--

Adjustments to Rent

Incentives:	
None	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Brooks Crossing

Multifamily Community Profile

8050 Taylor Road
Riverdale, GA 30274

CommunityType: Market Rate - General
Structure Type: 2-Story Garden

224 Units Occupancy data not currently available

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	10.7%	\$508	725	\$0.70	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	42.9%	\$569	1,008	\$0.56	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	46.4%	\$676	1,163	\$0.58	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

May 2012: "Some" 3 BR available but agent didn't release exact number

Floorplans (Published Rents as of 5/30/2012) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$514	725	\$.71	Market	5/30/12	--	\$508	\$569	\$676
Garden	--	2	2	64	\$579	1,043	\$.56	Market	6/1/11	8.0%	\$540	\$611	\$675
Garden	--	2	1	32	\$559	938	\$.60	Market	6/6/08	8.9%	\$564	\$654	\$759
Garden	--	3	2	104	\$679	1,163	\$.58	Market	5/28/04	13.8%	\$472	\$545	\$629

Adjustments to Rent

Incentives:

14 days of free rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Chase Ridge

Multifamily Community Profile

100 Chase Ridge Drive
Riverdale, GA 30296

Community Type: Market Rate - General

Structure Type: 3-Story Garden

176 Units 2.8% Vacant (5 units vacant) as of 5/30/2012

Opened in 1985



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$496	830	\$0.60	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$582	1,150	\$0.51	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet / Ceramic	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/30/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$525	830	\$.63	Market	5/30/12	2.8%	\$496	\$582	--
Garden	--	2	2	--	\$613	1,150	\$.53	Market	6/1/11	2.8%	\$565	\$619	--
									7/28/03	9.1%	--	--	--

Adjustments to Rent

Incentives:
\$299 first month or second month free

Utilities in Rent: Heat Fuel: Natural Gas
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Clarendon Place

Multifamily Community Profile

201 Clarendon Pl.
Fayetteville, GA

Community Type: Market Rate - General
Structure Type: 2-Story Garden/TH

108 Units 13.0% Vacant (14 units vacant) as of 5/30/2012

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	33.3%	\$670	908	\$0.74	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	66.7%	\$778	1,117	\$0.70	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Cable TV	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Cable included

Floorplans (Published Rents as of 5/30/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	36	\$655	908	\$.72	Market	5/30/12	13.0%	\$670	\$778	--
Garden	--	2	2	60	\$755	1,152	\$.66	Market	5/5/11	13.0%	\$653	\$766	--
Townhouse	--	2	1.5	12	\$775	944	\$.82	Market	5/26/10	4.6%	\$653	\$766	--

Adjustments to Rent

Incentives:

Rents quoted are specials

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Clarendon Place

GA113-014231

Cobblestone

Multifamily Community Profile

2400 Cobblestone Blvd.
Fayetteville, GA

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

248 Units 0.0% Vacant (0 units vacant) as of 5/30/2012

Last Major Rehab in 2002 Opened in 1991



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$664	908	\$0.73	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$807	1,152	\$0.70	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$920	1,390	\$0.66	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Cable TV	
Select Units:	--
Optional(\$):	--
Security:	Unit Alarms
Parking 1:	Free Surface Parking Fee: --
Parking 2:	Detached Garage Fee: \$75
Property Manager:	--
Owner:	--

Comments

Phase I built in 1991 and phase II built in 2002

Floorplans (Published Rents as of 5/30/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$649	908	\$0.71	Market	5/30/12	0.0%	\$664	\$807	\$920
Garden	--	2	2	--	\$804	1,152	\$0.70	Market	5/5/11	8.9%	\$674	\$779	\$910
Garden	--	3	2	--	\$895	1,390	\$0.64	Market	5/26/10	2.4%	\$793	\$898	\$1,090

Adjustments to Rent	
Incentives: 2 BR \$200 off first month	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Cobblestone

GA113-014228

Flint River Crossing

Multifamily Community Profile

240 Flint River Road
Jonesboro, GA 30238

Community Type: Market Rate - General

Structure Type: 2-Story Garden/TH

200 Units

Occupancy data not currently available

Opened in 1971



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$448	907	\$0.49	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$595	1,080	\$0.55	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: --	Owner: --

Comments

May 2012: Management "not sure" of vacancy

Floorplans (Published Rents as of 5/30/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	--	\$425	880	\$.48	Market	5/30/12	--	--	\$448	\$595
Garden	--	2	1	--	\$425	880	\$.48	Market	6/1/11	27.0%	--	\$448	\$565
Townhouse	--	2	1.5	--	\$495	960	\$.52	Market	7/28/03	7.5%	--	\$616	\$712
Garden	--	3	2	--	\$595	1,080	\$.55	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Pointe South

Multifamily Community Profile

772 Point South Parkway
Jonesboro, GA

Community Type: Market Rate - General

Structure Type: 3-Story Garden/TH

160 Units 6.9% Vacant (11 units vacant) as of 5/30/2012

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	--	--	--	--	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	100.0%	\$678	1,197	\$0.57	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

Amenity Fee: \$ 0

Floorplans (Published Rents as of 5/30/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	3	2	8	\$715	1,108	\$.65	Market	5/30/12	6.9%	--	--	\$678
Townhouse	--	3	2	152	\$715	1,202	\$.59	Market	6/1/11	15.0%	--	--	\$740
									6/6/08	11.9%	--	--	\$719
									6/9/04	13.8%	--	--	\$681
Adjustments to Rent													
Incentives: Townhouses \$650 monthly													
Utilities in Rent: Heat Fuel: Natural Gas													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Sutter Lake

Multifamily Community Profile

8104 Webb Road
Jonesboro, GA

CommunityType: Market Rate - General
Structure Type: Garden

424 Units 2.4% Vacant (10 units vacant) as of 5/30/2012

Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	\$478	765	\$0.62	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$577	1,020	\$0.57	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Carpet	
Select Units: Fireplace	
Optional(\$): --	
Security: Unit Alarms; Gated Entry; Patrol; Intercom	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

May 2012 vacancy: management "not sure, but about 10" available
Ongoing renovations including upgraded fixtures and new countertops

Floorplans (Published Rents as of 5/30/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
derby / Garden	--	1	1	--	\$469	680	\$.69	Market	5/30/12	2.4%	\$478	\$577	--
belmont / Garden	Sunroom	1	1	--	\$505	850	\$.59	Market	6/1/11*	42.9%	\$498	\$627	--
triple crown / Garden	--	2	2	--	\$619	1,100	\$.56	Market	7/28/03	8.3%	\$667	\$779	--
preakness / Garden	--	2	1	--	\$559	940	\$.59	Market	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:
\$199 first month plus reduced deposit

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Swanbrook Manor

Multifamily Community Profile

755 Lanier Ave. E
Fayetteville, GA

CommunityType: Market Rate - General

Structure Type: Garden

92 Units 2.2% Vacant (2 units vacant) as of 5/30/2012

Last Major Rehab in 2011 Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities			
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:	Comm Rm:	Basketball:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One	90.2%	\$580	576	\$1.01	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Two	9.8%	\$752	864	\$0.87	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

May 2012: Vacancy was mystery shopped.

May 2011: Just finished major renovation. No reason for high vacancy - Mgmt said no one displaced for renovation

Floorplans (Published Rents as of 5/30/2012) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	83	\$605	576	\$1.05	Market	5/30/12	2.2%	\$580	\$752	--
Garden	--	2	1	6	\$745	864	\$0.86	Market	5/5/11	27.2%	\$550	\$750	--
Garden	--	2	2	3	\$765	864	\$0.89	Market	5/26/10	8.7%	\$553	\$750	--

Historic Vacancy & Eff. Rent (1)

Date	%Vac	1BR \$	2BR \$	3BR \$
5/30/12	2.2%	\$580	\$752	--
5/5/11	27.2%	\$550	\$750	--
5/26/10	8.7%	\$553	\$750	--

Adjustments to Rent

Incentives:
\$300 off first month on 1 BR only

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

© 2012 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

The Reserve @ Garden Lake

Multifamily Community Profile

1000 Lake Ridge Parkway
River, GA 30296

Community Type: Market Rate - General

Structure Type: Garden/TH

278 Units 7.6% Vacant (21 units vacant) as of 5/30/2012

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$502	719	\$0.70	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$695	1,101	\$0.63	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$824	1,347	\$0.61	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Carpet	
Select Units: Fireplace; Storage	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: --	
Owner: --	

Comments

Flat fee for W/S/T: 1 BR \$35, 2 BR \$45 and 3 BR \$55

Floorplans (Published Rents as of 5/30/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$475	685	\$.69	Market	5/30/12	7.6%	\$502	\$695	\$824
Garden	--	1	1	--	\$499	752	\$.66	Market	6/1/11	9.7%	\$527	\$695	\$763
Garden	--	2	2	--	\$650	1,036	\$.63	Market	7/28/03	7.9%	\$623	\$766	\$939
Garden	--	2	2	--	\$699	1,166	\$.60	Market					
Garden	--	3	2	--	\$799	1,345	\$.59	Market					
Garden	--	3	2	--	\$799	1,348	\$.59	Market					

Adjustments to Rent

Incentives:

\$29 move in: admin & app fees plus rest of May free

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Villas by the Lake

Multifamily Community Profile

8720 Highway 85
Jonesboro, GA

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

256 Units 3.1% Vacant (8 units vacant) as of 5/30/2012

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	19.1%	\$711	871	\$0.82	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	80.9%	\$810	1,160	\$0.70	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

Amenity Fee: \$ 0

Floorplans (Published Rents as of 5/30/2012) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	49	\$686	871	\$0.79	Market	5/30/12	3.1%	\$711	\$810	--
Garden	--	2	2	207	\$780	1,160	\$0.67	Market	6/1/11	5.5%	\$688	\$875	--
									6/6/08	9.4%	\$744	\$804	--
									5/28/04	1.2%	\$697	\$802	--

* Indicates initial lease-up.

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Vineyard Pointe

Multifamily Community Profile

8213 Highway 85
Riverdale, GA 30274

CommunityType: Market Rate - General
Structure Type: 1-Story Garden

108 Units 15.7% Vacant (17 units vacant) as of 5/30/2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	\$543	576	\$0.94	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$726	864	\$0.84	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Storage (In Unit); Carpet	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/30/2012) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$549	576	\$0.95	Market	5/30/12	15.7%	\$543	\$726	--
Garden	--	2	1	--	\$714	864	\$0.83	Market	6/1/11	15.7%	\$464	\$664	--
Garden	--	2	2	--	\$739	864	\$0.86	Market	7/28/03	5.6%	\$514	\$699	--

--	--	--	--	--	--	--	--	--	--

Adjustments to Rent

Incentives:
\$250 off June rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Weatherly Walk

Multifamily Community Profile

100 Knight Way
Fayetteville, GA

Community Type: Market Rate - General

Structure Type: Garden

194 Units 2.6% Vacant (5 units vacant) as of 5/30/2012

Opened in 1988



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$605	749	\$0.81	Comm Rm: <input type="checkbox"/>	Basketball: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$718	1,005	\$0.71	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$890	1,247	\$0.71	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hooks); Central A/C; Patio/Balcony; Storage (In Unit)	
Select Units: Fireplace	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

Comments

For 1 BR and 3 BR units, low side of rent is with patio, high side with sunroom.

Floorplans (Published Rents as of 5/30/2012) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	--	--	--	--	--	--	--	5/30/12	2.6%	\$605	\$718	\$890
Garden	--	1	1	--	\$607	749	\$0.81	Market	5/5/11	18.6%	\$584	\$694	\$851
Garden	--	2	2	--	\$750	1,078	\$0.70	Market	5/26/10	13.9%	\$615	\$704	\$895
Garden	--	2	1	--	\$699	932	\$0.75	Market					
Garden	--	3	2	--	\$907	1,247	\$0.73	Market					

Adjustments to Rent

Incentives:

\$399 first month

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash: