



Valbridge
PROPERTY ADVISORS

Market Study

Willowbrook Meadows Apartments
845 Willowbrook Drive
Hinesville, Liberty County, Georgia 31313

Report Date: May 28, 2014



FOR
Marian Development Group
Ms. Kimberly Stephenson

1122 Rogers Street
Louisville, KY 40204

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Valbridge Job No.:14-0704

May 28, 2014

Ms. Kimberly Stephenson
Marian Development Group
1122 Rogers Street
Louisville, KY 40204

RE: Market Study
Willowbrook Meadows Apartments
845 Willowbrook Drive
Hinesville, Liberty County, Georgia 31313

Dear Ms. Stephenson:

In accordance with your request, we have prepared a market study of the above referenced property. The purpose of the market study is to analyze the subject's market area by (a) characterizing the subject's market place; (b) identifying the supply and demand forces within the marketplace; and (c) projecting the absorption period for the subject's residential units as proposed based on competing properties within the subject's market place. The intended use of this market study is for submission to the Georgia Department of Community Affairs (DCA) for low income housing tax credits (LIHTC). Submitted herein is the report, which includes the factual data and methodologies utilized to arrive at the conclusion.

The market study is intended to meet the minimum standards of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute, and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. It is also in compliance with the National Council of Housing Market Analysis (NCHMA) reporting requirements and DCA's 2014 Market Study guidelines.

The appraiser's Certification and Assumptions and Limiting Conditions follow the analysis section and are considered an integral part of the report.

Respectfully submitted,
Valbridge Property Advisors | Allgeier Company



Ryan Cloern
Certified General Real Property Appraiser
Georgia Temporary License # 2014-296
Issuance Date: May 16, 2014



Jonathan S. Beery
Certified General Real Property Appraiser
Georgia License Applied For

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Executive Summary

Subject Property Description

The subject of this market study is the proposed new construction of a 48-unit low income housing tax credit (LIHTC) project that will be named Willowbrook Meadows Apartments. The complex will be located at 845 Willowbrook Drive in Hinesville, Liberty County, Georgia and feature one, two, and three-bedroom units. The property will be family-oriented and all units will be restricted to the 50% and 60% AMI levels.

Neighborhood / Site

The subject neighborhood is considered to be a middle income, working class area with all necessary commercial amenities. The subject is centrally located within Hinesville and has good access to schools, medical care, and retail conveniences. Fort Stewart has a large economic impact on the Hinesville market as military personnel often leave post for shopping, entertainment, and other needs. Overall, Hinesville is considered to be a good location for additional subsidized multifamily development based on the demographics in the area.

The subject site consists of 2.87 acres and is surrounded by residential uses and vacant land. Commercial amenities are nearby.

Improvement Description

The subject property as proposed will consist of four two-story buildings totaling 48 units as well as a single-story clubhouse, which will house the leasing office and maintenance shop. The floor plans provided by the developer for the subject are well designed and functional. The subject will be in excellent condition upon completion of construction and is anticipated to have good curb appeal that will conform to the existing surrounding uses.

Market Area

The subject's boundaries for the PMA are considered to be I-95 to the east, SR 57 / US 25 to the south and west, and the southern boundary of Fort Stewart to the north. Fort Stewart has not been included in the primary market area.

Current Supply

The subject development as proposed will only be the third family-oriented LIHTC development in the PMA. There is one existing elderly-designated property and another proposed. The subject will be in similar or superior condition compared to all of the existing comps and has a good unit mix that caters to family households. The subject's amenity package and utility structure is comparable to the existing product. However, initial achievable restricted rents at the subject are anticipated to be below those at the competing properties. Overall, the subject development as proposed compares favorably to the existing LIHTC supply and is anticipated to be well received.

Income and Rent Analysis

The minimum and maximum incomes, restricted rents, market rents, and achievable restricted rents of the subject, as proposed, are summarized in the following table.

INCOME AND RENT SUMMARY

Unit Type	Total Restricted Units	AMI Rent Level	AMI Income Level	Estimated Household Size (# Persons)	Maximum Gross Rent	Utility Allowance	Current Maximum Net		Market Rent	Achievable Restricted Rent	
							Restricted Rent	Minimum Income			
1BR - 50%	8	50% AMI	50% AMI	1-2	\$468	\$121	\$347	\$16,217	\$20,000	\$725	\$352
1BR - 60%	1	60% AMI	60% AMI	1-2	\$562	\$121	\$441	\$19,474	\$24,000	\$725	\$447
2BR - 60%	27	60% AMI	60% AMI	2-3	\$675	\$157	\$518	\$23,383	\$27,000	\$860	\$525
3BR - 60%	12	60% AMI	60% AMI	3-5	\$780	\$190	\$590	\$27,017	\$32,400	\$925	\$598
Total	48			1-5				\$16,217	\$32,400		

Economic / Demographic Data

The Hinesville-Fort Stewart MSA is the retail, educational, medical, and employment hub for this portion of Georgia, in addition to being the home of Fort Stewart, the largest military base in the eastern United States. The economic impact of Fort Stewart tops \$5.2 billion and clearly has a large influence on the overall economic wellbeing of the region. Despite the expected negative effects of sequestration, Fort Stewart is anticipated to be a vital component in the military for years to come and subsequently provides a stabilizing force in a fickle economy. Overall, real estate values in the region are anticipated to increase in conjunction with an improving (albeit slowly) national economy.

The renter households in the PMA that have qualifying income are estimated to increase by 69 households per year through 2018. Approximately 97.7% of renter households in the PMA have one to five persons.

Demand

Generally, in an economically stable market, a capture rate of up to 20% is considered typical and highly feasible, and 20% to 30% is achievable, but above that level is generally considered marginal. In a rapidly growing market, or a small market with limited competition, higher (in some cases significantly higher) capture rates are achievable. The total capture rate for the PMA is 4.6%, which indicates excellent demand for the subject's units.

Strengths and Weaknesses/ Conclusions and Recommendations

The subject will be new construction and in excellent condition in a market with minimal competition from other LIHTC properties. The subject's initial achievable restricted rents are significantly below market rents and rents at the directly competing LIHTC developments. Furthermore, occupancy rates at the exiting tax credit developments are high and most have extensive waiting lists.

Demand for the subject units will come from household growth, and households in rent overburden and substandard housing. The capture rate calculations indicate excellent demand for the subject development. Absorption is estimated at six months, and could be conservative should the developer aggressively market the development prior to receiving its first certificate of occupancy.

The subject's primary strengths are its new condition and its low rents compared to the direct competition. We are unaware of any weaknesses that will negatively impact the development when compared to the direct competition. Thus, no modifications are recommended at this time. The subject development is not anticipated to adversely impact any existing apartment developments in the PMA due to the strong demand in the market for additional affordable housing.

SUMMARY TABLE:	
Development Name:	Willowbrook Meadows Apartments Total # Units: 48
Location:	845 Willowbrook Drive, Hinesville, GA # LIHTC Units: 48
PMA Boundary:	The subject's boundaries for the PMA are considered to be I-95 to the east, SR 57 / US 25 to the south and west, and the southern boundary of Fort Stewart to the north. Fort Stewart has not been included in the primary market area.
	Farthest Boundary Distance to Subject: 23 miles

RENTAL HOUSING STOCK – (found on pages 29-47)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing				
Market-Rate Housing	6	505	28	94.4%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC	3	157	1	99.2%
Stabilized Comps				
Properties in construction & lease up	1	42	NA	NA

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1	1	815	\$352	\$725	\$.89	51.50%	\$885	\$.96
1	1	1	815	\$447	\$725	\$.89	38.36%	\$885	\$.96
27	2	2	1040	\$525	\$860	\$.83	38.96%	\$1065	\$.90
12	3	2	1250	\$598	\$925	\$.74	35.36%	\$1200	\$.82

DEMOGRAPHIC DATA (found on page 53)						
	2010		2015		2018	
Renter Households						
Income-Qualified Renter HHs (LIHTC)	2,899		3,243		3,449	
Income-Qualified Renter HHs (MR)	-		-		-	

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 59)						
Type of Demand	50%	60%	Market Rate			Overall
Renter Household Growth	9	53				67
Existing Households (Overburd + Substand)	142	809				1023
Total Primary Market Demand	151	862				1090
Less Comparable/Competitive Supply	3	39				42
Adjusted Income-qualified Renter HHs	148	823				1048

CAPTURE RATES (found on page 59)						
Targeted Population	50%	60%	Market Rate			Overall
Capture Rate	5.4	4.9%				4.6%

Introduction

Purpose and Intended Use and User of the Market Study

The subject of this market study is the proposed new construction of a 48-unit low income housing tax credit (LIHTC) project that will be named Willowbrook Meadows Apartments. The complex will be located in Hinesville, Liberty County, Georgia and feature one, two, and three-bedroom units. The property will be family oriented.

The purpose of the market study is to analyze the subject's market areas by (a) characterizing the subject's marketplace; (b) identifying the supply and demand forces within the marketplace; and (c) based on both projected and historical demand within the subject's marketplace and the availability of both existing and proposed competing inventory, estimate the absorption period for the subject as proposed. The intended use of the market study is to demonstrate the level of demand for the project as proposed and to provide a basis for a tax credit award. The intended users are Georgia Department of Community Affairs and assignees as well as Marian Development Group.

Market Value Defined

Market value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.
2. Both parties are well informed or well advised, and acting in what they consider their best interests.
3. A reasonable time is allowed for exposure in the open market.
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto.
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(Office of the Comptroller of the Currency under 12 CFR, Part 34, Subpart C - Appraisals, 34.42 Definitions (f).)

Effective Date of Market Study

The effective date of the market study is May 20, 2014, the date of the site inspection.

Real Property Interest Appraised

The scope of this assignment includes a conclusion of market rent for the subject property. It is therefore considered an appraisal as a rent value is developed. The real property interest appraised is that of the fee simple estate. Fee simple is defined as,

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. *(Dictionary of Real Estate Appraisal, 5th Edition).*

Personalty

The ranges and refrigerators that will be installed in the units are not built-in units and are therefore considered personalty. However, the apartments cannot operate without appliances and they are therefore included in the market rent. Personalty also includes office furniture and equipment.

Highest and Best Use

Considering the legal, physical and financial characteristics of the subject site, the proposed improvements and the market in which the property will operate, the concluded highest and best use of the site as vacant is multifamily housing supported by subsidies and of the property as improved is the proposed use.

Scope of Work

The report includes all pertinent sections required for conformance with the Uniform Standards of Professional Appraisal Practice. The scope of the assignment encompasses the following:

Inspection of the property
Economic analysis of the area and especially the neighborhood influences
Analysis of the site
Study of maps and public records
Interviews with persons familiar with the subject market
Comparative analysis of market data
Demographic sources include:
 Nielsen Demographics (Formerly Claritas)
 2010 Census Data
American Community Survey (ACS)

The general assumptions and limiting conditions contained in the report are considered an integral part of the report.

Extraordinary Assumptions

Information provided by the developer was relied upon in determining the size and physical characteristics of the improvements. If the improvements are constructed in a manner different than presented in the description of improvements of this report, the conclusions herein may be invalid.

Hypothetical Conditions

None

Competency Provision

The Appraisal Standards Board adopted the Uniform Standards of Professional Appraisal Practice (USPAP) January 30, 1989. USPAP requires that prior to accepting an assignment or entering into an arrangement to perform any assignment, an appraiser must properly identify the problem to be addressed, and have knowledge and experience to complete the assignment competently or alternatively:

- disclose the lack of knowledge and/or experience to the client before accepting the assignment;
- take all steps necessary or appropriate to complete the assignment competently; and
- describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

We are aware of no areas in which our appraisal expertise is deficient for the purposes of completing this assignment. Please refer to the qualifications as found within this report.

Description of the Project and Tax Credit Agreement

The developer of this project is applying for low-income housing tax credits from the Georgia Department of Community Affairs (DCA), the agency that facilitates the Federal LIHTC program in Georgia, for a ten-year tax credit allocation for 48-units. In return for the credits, the subject project will be restricted to occupancy only by low-income tenants for a period of a minimum of 30 years. The tax credit application indicates eight units will be restricted to the 50% AMI rent and income level while 40 units will be restricted to the 60% AMI level. The property will consist of one, two, and three-bedroom units and will be family-oriented. Eight units (50% AMI 1BR) will be set aside for Integrative Housing, which will target military veterans.

In order to keep rent affordable, achievable restricted rent, which is below both market rent and rent at the competing LIHTC developments, is used in the development of minimum income. Therefore, the subject's one-bedroom 50% AMI rent of \$352 per month upon completion of construction plus tenant paid utilities of \$121 per month was utilized to determine the minimum income level. The minimum annual income for the subject's tenants will be \$16,217 (\$352 per month + \$121 tenant paid utilities x 12 months per year / 35%).

The maximum household income for a family of five, the maximum household size most likely to occupy the subject's three-bedroom units will be restricted to \$32,400 at the 60% AMI level. Therefore, the subject's tenants will have household income between \$16,217 and \$32,400.

ASSUMED HOUSEHOLD SIZE AND MINIMUM AND MAXIMUM INCOME

Unit Type	Total Restricted Units	AMI Rent Level	AMI Income Level	Estimated Household Size (# Persons)	Maximum Gross Rent	Utility Allowance	Current Maximum Net		Maximum Income	Market Rent	Achievable Restricted Rent
							Restricted Rent	Minimum Income			
1BR - 50%	8	50% AMI	50% AMI	1-2	\$468	\$121	\$347	\$16,217	\$20,000	\$725	\$352
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3BR - 60%	12	60% AMI	60% AMI	3-5	\$780	\$190	\$590	\$27,017	\$32,400	\$925	\$598
Total	48			1-5				\$16,217	\$32,400		

Identification and History of Property

The subject property is located at 845 Willowbrook Drive in Hinesville, Liberty County, Georgia. The Liberty County Assessor identifies the subject property as being a 2.87 acre portion of a larger tract identified as PIN# 045C020. The owner of record is Brutus LLC, which has owned the property since December 14, 2012 as recorded in deed book 1753 / page 581. Paul B. Krebs Jr. was the previous owner and had held title since January 8, 1988. This was a non arms-length transaction.

The subject property is currently under contract for \$350,000 from the current owner to Willowbrook Meadows, LLLP.

Area Analysis

In an area analysis, supply and demand forces of the economic area in question are examined to determine their general effect on current and future land uses and property values. The supply and demand forces are best classified as social, economic, government, and environmental. Social and economic forces include employment conditions, prevailing wage levels, the community's economic base, and other work force and income driven influences. Government forces involve municipal services, building codes and zoning regulations, and fiscal policy. Environmental forces, which are both natural and manmade, include access and transportation systems, climatic restrictions, and natural barriers.

The subject property is located in the city of Hinesville, within the Hinesville – Fort Stewart MSA, which includes Liberty and Long Counties in Georgia. Hinesville is the county seat of Liberty County, the financial, medical and governmental center of the MSA, and influences the economic conditions in the surrounding areas. Hinesville is located 30 miles southwest of Savannah, GA, 100 miles north of Jacksonville, FL, and 210 miles southeast of Atlanta, GA.

REGIONAL MAP



Transportation

Interstate 95, which spans from Florida to Maine along the eastern portion of the US, bisects Liberty County. Hinesville is located approximately 13 miles west of I-95. Interstate 16 travels east / west from Savannah to Atlanta and is approximately 25 miles north of Hinesville. Other major transportation routes in the region include US 84 and US 25. The nearest commercial airport is the Savannah / Hilton Head International Airport (SAV) located 30 miles northeast of Hinesville in the northern portion of Savannah. The airport services five major commercial airlines and averages over 250 flights per day. In addition, SAV serves as the world

headquarters for Gulfstream Aerospace, one of the largest business aircraft manufacturers in the world. Port of Savannah, which is the US's fastest growing container port, is located less than 45 miles east of Liberty County. In 2013, the port transported over 27 million tons of cargo that reached nearly 45% of the US population. The port is considered a major asset to manufactures in the region. Overall, transportation in the region is considered to be good.

Healthcare

Liberty Regional Medical Center is a critical access facility located in Hinesville with approximately 70,000 square feet and 25 beds. The hospital serves over 20,000 patients per year offering a variety of services including emergency care, obstetrics, pediatrics, and family medicine. St. Joseph's / Candler is a nationally accredited hospital located in Savannah. It is the region's largest healthcare provider offering specialized care in cardiovascular, neurological, oncology, and orthopedic services in addition to a variety of other services.

Education

As the table below indicates, Liberty County has a higher percentage of high school graduates than the MSA and the state.

EDUCATIONAL ATTAINMENT

	Liberty County	Hinesville-Fort Stewart MSA	Georgia
Less Than High School	10.70%	12.77%	15.84%
High School Graduate	35.18%	36.18%	29.23%
Some College	26.84%	26.57%	20.89%
Associate's Degree	11.05%	9.67%	6.70%
Bachelor's Degree	11.10%	10.39%	17.55%
Advanced Degree	5.12%	4.41%	9.78%
Total % of High School Graduates	89.30%	87.23%	84.16%

Source: Nielsen

The Liberty County School System features 13 schools and serves over 10,000 students. Higher education is provided by Armstrong Atlantic State University at the Liberty Center and Savannah Technical College.

Fort Stewart Military Base

Fort Stewart is located in Hinesville, GA and is the largest Army installation east of the Mississippi River with over 280,000 acres. The base is headquarters to the 3rd Infantry Division and has an estimated 16,000 soldiers. In addition, Hunter Army Airfield, located just southwest of Savannah, GA, approximately 25 miles east of Hinesville, is a subordinate installation of Fort Stewart and has an estimated 4,000 soldiers. Combined, the two military installations total over 20,000 soldiers and have an estimated population of 55,000 including families.

Fort Stewart, in combination with Hunter Army Airfield, is considered to be one of the Army's premier training and deployment installations in the US. Due to Fort Stewart's sheer size, tank, artillery, helicopter gunnery, and small arms ranges can operate simultaneously year round. Hunter Army Airfield features an 11,375 foot runway that allows troops and heavy cargo to be deployed globally in a timely and efficient manner.

The economic impact of Fort Stewart and Hunter Army Airfield is substantial. Based on 2012 figures (the most recent available), the installation injects over \$5.2 billion annually to the region. Payroll alone accounts for \$1.5 billion. Over 70% of soldiers and civilian employees live in Liberty and Chatham Counties, and thus provide a large economic base for retailers and other service providers in the area.

In June 2013, the Department of Defense (DoD) announced that the Army was going to reduce and reorganize active forces by 80,000 as required by the Budget Control Act of 2011. The DoD as a result, will be disbanding the 2nd Brigade, which is stationed at Fort Stewart. Typically a brigade consists of approximately 3,750 soldiers. However, the Army plans to relocate a battalion of 600 to 800 troops to each of the remaining brigades on base. Thus, the net loss equates to approximately 2,000 soldiers, effective January 2015. Depending on future budgetary constraints, the DoD may be forced to further reduce troops in the coming years.

The loss of the 2nd Brigade will likely have an impact on the region. However, Fort Stewart is a multifunctional base with many responsibilities and a strategic location, which should help blunt any further reductions in military personnel. Nevertheless, sequestration is a fluid process and Liberty County, like many other regions around the county that are highly dependent on local military bases, is accustomed to dealing with the ebbs and flows of the military and its transient nature.

Employment Data

As the table below indicates, the economic base (for civilian employment) for all three locales is oriented towards office and administrative support, followed by sales and related occupations. The table below shows employment by industry for Liberty County, the Hinesville-Fort Stewart MSA, and Georgia.

EMPLOYMENT BY INDUSTRY

Civilian Employed Population 16+ by Industry	Liberty County		Hinesville-Fort Stewart MSA		Georgia		
	No. Employed	% of Total	No. Employed	% of Total	No. Employed	% of Total	
Management, Including Farmers & Farm Managers	1,500	6.16%	1,727	5.61%	467,169	10.20%	
Business & Financial Operations	904	3.71%	915	2.97%	217,544	4.75%	
Computer & Mathematical	357	1.47%	357	1.16%	116,788	2.55%	
Architecture & Engineering	263	1.08%	419	1.36%	68,155	1.49%	
Life, Physical, & Social Science	127	0.52%	177	0.58%	29,953	0.65%	
Community & Social Services	285	1.17%	322	1.05%	70,135	1.53%	
Legal	144	0.59%	159	0.52%	44,125	0.96%	
Education, Training, & Library	1,486	6.10%	2,025	6.58%	294,444	6.43%	
Arts, Design, Entertainment, Sports, & Media	124	0.51%	124	0.40%	74,796	1.63%	
Healthcare Practitioners & Technical	1,130	4.64%	1,347	4.38%	231,738	5.06%	
Healthcare Support	548	2.25%	639	2.08%	84,495	1.84%	
Protective Service	1,014	4.17%	1,235	4.01%	105,504	2.30%	
Food Preparation & Serving Related	1,841	7.56%	2,172	7.06%	248,349	5.42%	
Building & Grounds Cleaning, & Maintenance	890	3.66%	1,097	3.56%	179,430	3.92%	
Service: Personal Care & Service	765	3.14%	936	3.04%	136,827	2.99%	
Sales & Related Occupations	2,667	10.96%	3,313	10.76%	546,594	11.93%	
Office & Administrative Support	4,003	16.44%	4,722	15.34%	622,953	13.60%	
Farming, Fishing, & Forestry	0	0.00%	0	0.00%	25,686	0.56%	
Construction & Extraction	1,046	4.30%	1,665	5.41%	250,437	5.47%	
Installation, Maintenance, & Repair	1,780	7.31%	2,750	8.94%	169,918	3.71%	
Production	1,251	5.14%	1,692	5.50%	278,087	6.07%	
Transportation & Material Moving	2,218	9.11%	2,984	9.70%	317,248	6.93%	
Source: Nielsen	Total	24,343	100.00%	30,777	100.00%	4,580,375	100.00%

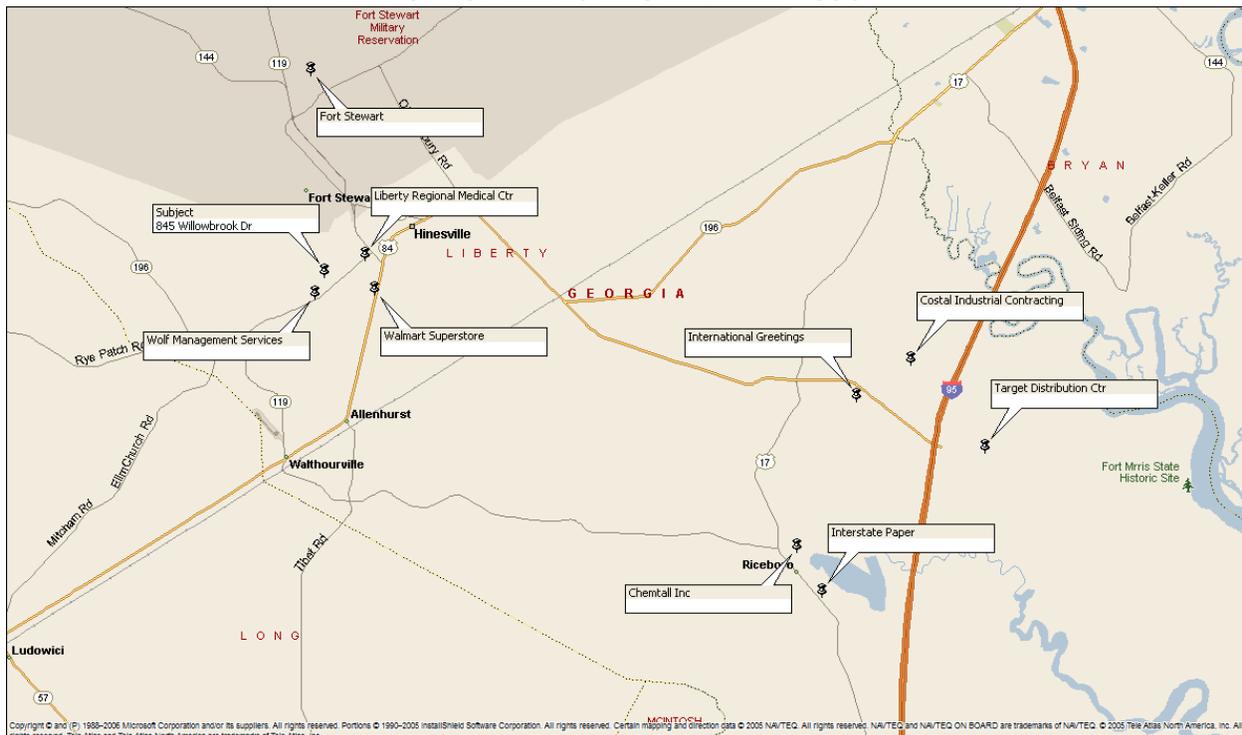
The top ten Liberty County employers are listed in the following table. As shown, Fort Stewart is the largest employer in the area with over 10,000 employees. This figure includes only civilians and other contractors and does not include military personnel. Most of the other top employers are manufacturers ranging from chemicals to gift products. Given the close proximity to major interstates and a large port, the relatively large number of manufacturers in the region is not surprising.

TOP TEN EMPLOYERS

No.	Employer	Employees	Product
1	Fort Stewart	10,000+	Military
2	Chemtall Inc	500-999	Chemical Manufacturer
3	Target Distribution	500-999	Retail Distribution
4	Walmart Superstore	500-999	Retailer
5	Ineterstate Paper	250-499	Wood Products Manufacturer
6	International Greetings	250-499	Gift Products
7	Wolf Management Service	250-499	Food Service Operators
8	Liberty Regional Medical Ctr	100-249	Medical Care
9	Costal Industrial Contracting	100-249	Industrial Contractors
10	Hugo Boss	100-249	Clothing Distributor

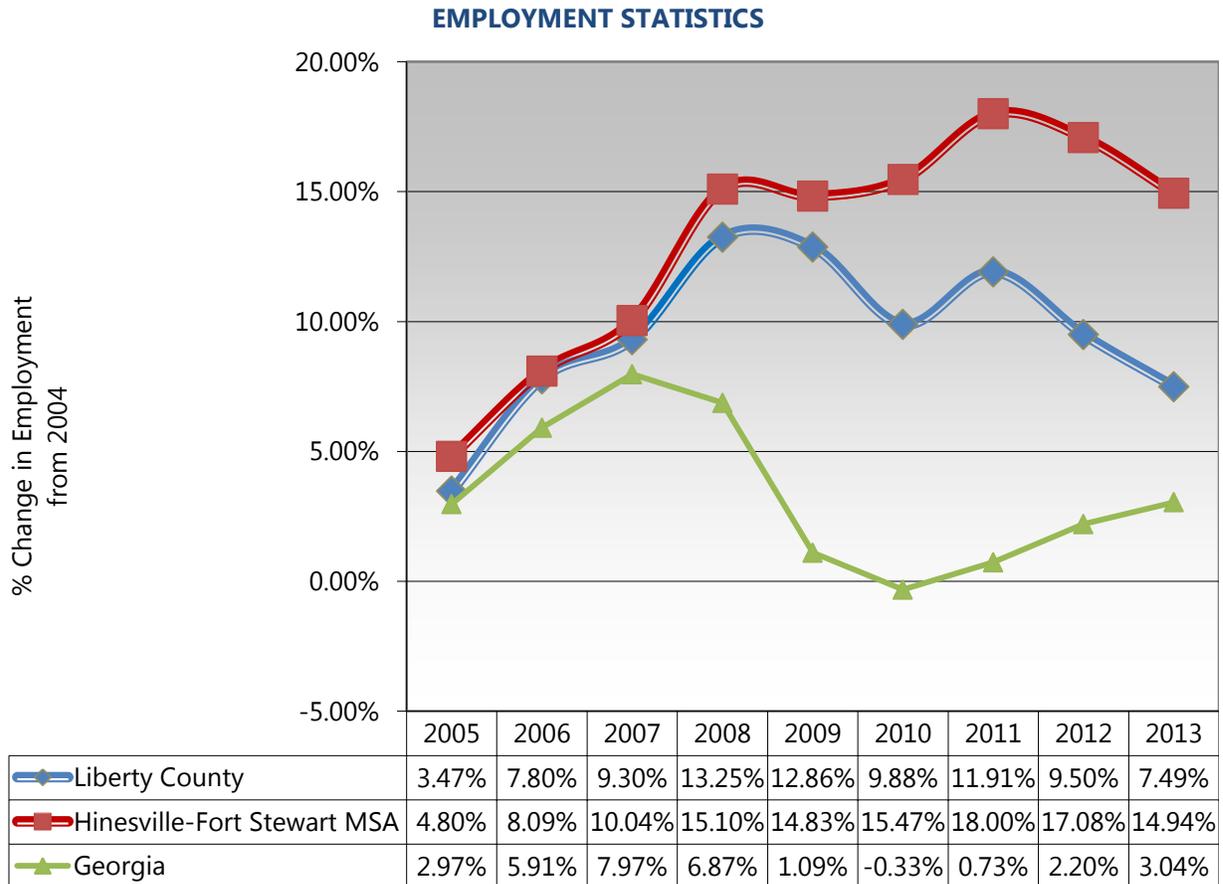
Source: Georgia Dept. of Labor

MAP OF TOP EMPLOYERS IN LIBERTY COUNTY



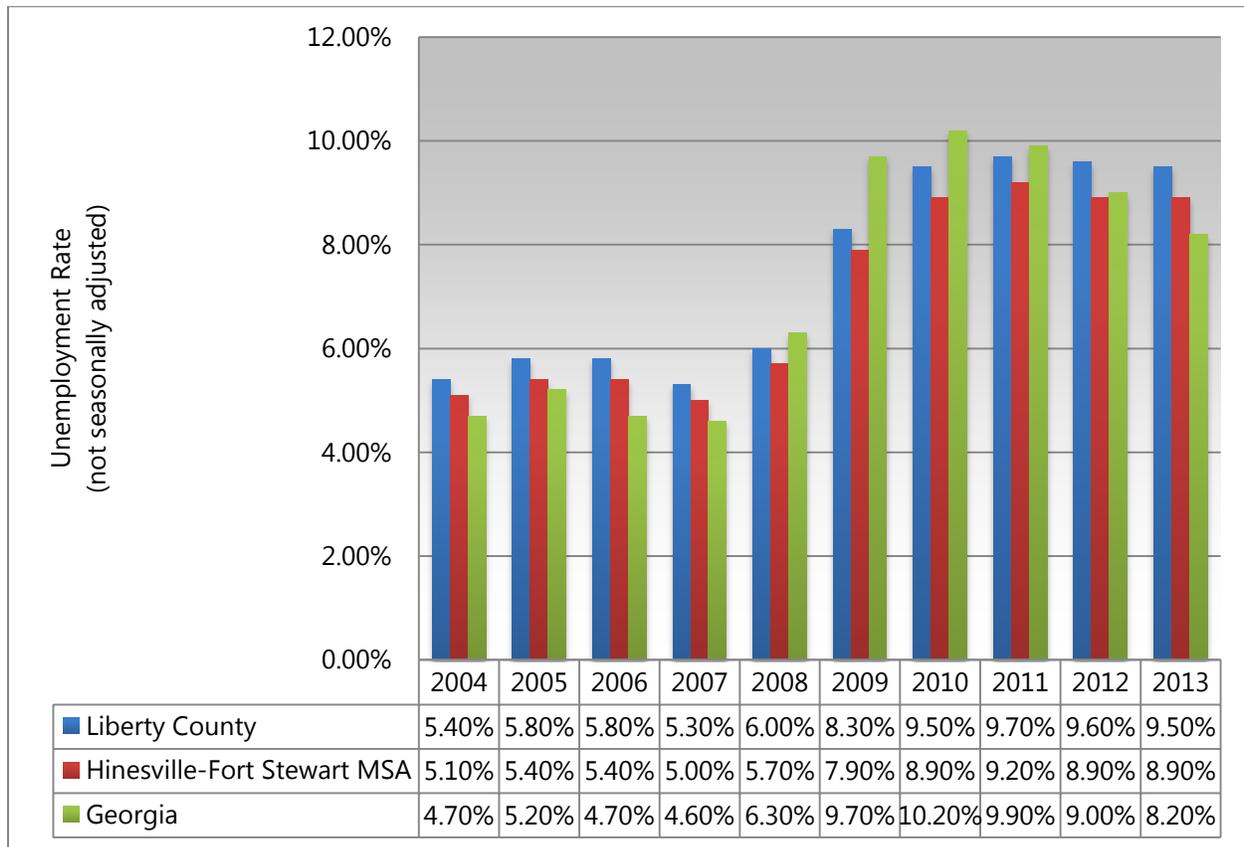
The following chart tracks percentage change in employment since 2004 for Liberty County, the Hinesville-Fort Stewart MSA, and Georgia. As shown, employment growth rates have increased since 2004 in all three locales. Employment decreased significantly in 2009 for the state in conjunction with the national recession, while only minor decreases were experienced in Liberty County and the MSA. The

minimal decreases are likely the result of the large military presence, which was largely unaffected during that time frame. However, since sequestration began in 2011, employment in Liberty County and the MSA has decreased and is having an adverse impact on the local economy.



Unemployment rates have been declining in all three locales since they peaked 2011. However, the unemployment rates have not dropped significantly at the local level where the unemployment rates are 9.50% and 8.90% respectively for Liberty County and the MSA. In comparison, Georgia has an unemployment rate of 8.20% while the national unemployment rate is 6.3%.

CIVILIAN UNEMPLOYMENT RATES



The high unemployment rates locally are likely attributable to a combination of factors including the relatively large number of manufacturers in the region, which have been hard hit in recent years as well as a large number of people entering the workforce for the first time (i.e. military soldiers who have left the army and college graduates).

Income

The table below includes the median household income for the Liberty County, the Hinesville-Fort Stewart MSA, and the state of Georgia. As shown, median household income increased significantly since 2000 for the county and the MSA and that increase is anticipated to continue through 2018. Please note that the decrease in median income from 2013 to 2018 in the state is believed to be based on recessionary trends and is exaggerated.

MEDIAN HOUSEHOLD INCOME

Area	2000	2013	Annual % Change	2018	Annual % Change
Liberty County	\$33,718	\$43,219	2.17%	\$47,701	2.07%
Hinesville-Fort Stewart	\$33,271	\$42,392	2.11%	\$46,741	2.05%
Georgia	\$43,201	\$45,069	0.33%	\$43,996	-0.48%

Source: Nielsen

Population

Population in the region is anticipated to increase between 1.88% and 2.01% annually compared to .96% annually in the state from 2013 to 2018. The large population increases may be attributable to the number of troops that are stationed at Fort Stewart and decide to stay in the region after their service is complete.

POPULATION ESTIMATES AND PROJECTIONS

Area	2000	2010	Annual % Change	2013	Annual % Change	2018	Annual % Change
Liberty County	61,609	63,453	0.30%	67,801	2.28%	74,188	1.88%
Hinesville-Fort Stewart	71,912	77,917	0.84%	83,749	2.49%	92,179	2.01%
Georgia	8,186,491	9,687,653	1.83%	9,963,606	0.95%	10,443,810	0.96%

Source: Nielsen

Summary

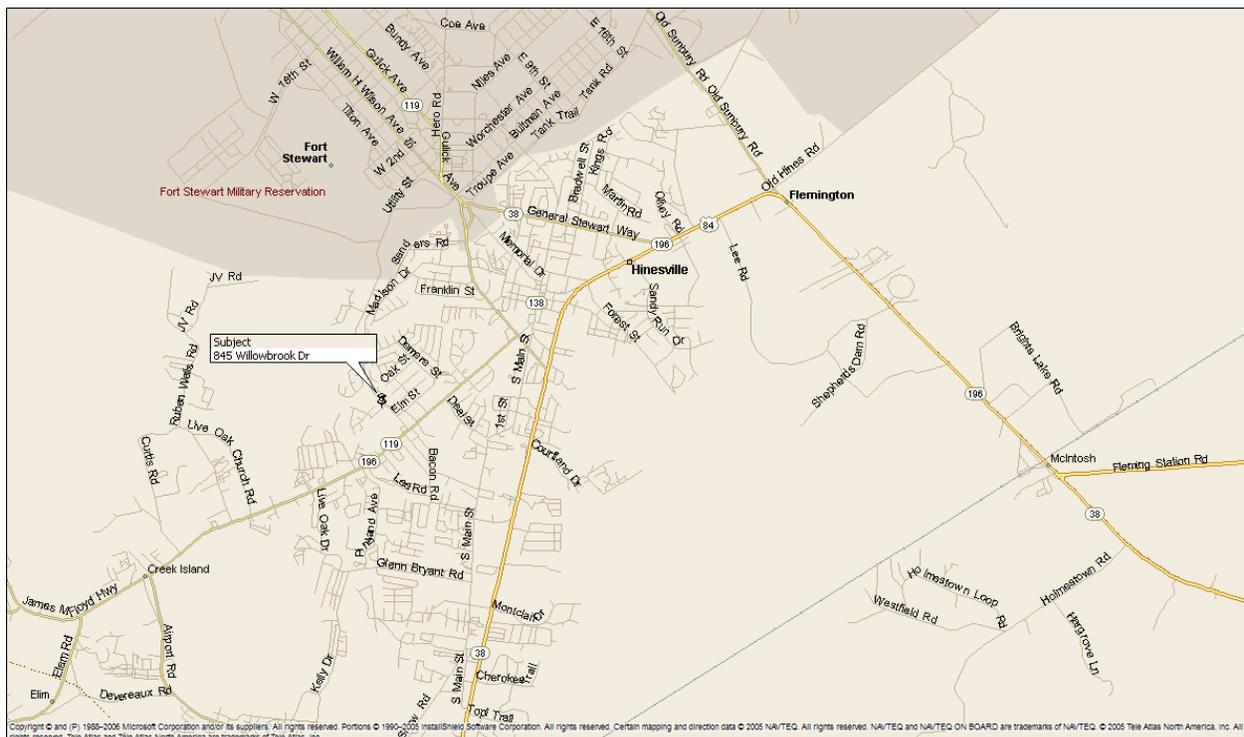
The Hinesville-Fort Stewart MSA is the retail, educational, medical, and employment hub for this portion of Georgia, in addition to being the home of Fort Stewart, the largest military base in the eastern United States. The economic impact of Fort Stewart tops \$5.2 billion and clearly has a large influence on the overall economic wellbeing of the region. Despite the expected negative effects of sequestration, Fort Stewart is anticipated to be a vital component in the military for years to come and subsequently provides a stabilizing force in a fickle economy. Overall, real estate values in the region are anticipated to increase in conjunction with an improving (albeit slowly) national economy.

Neighborhood Analysis

In the context of appraisal practice, a neighborhood is defined as "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises."¹ Neighborhoods generally have boundaries, either physical or perceived, within which the forces of value (social, economic, governmental, and environmental) have influence to similar degrees on the property therein. In the appraisal process, these neighborhood boundaries are established in order to define the geographic area of analysis.

The subject development is located in the western portion of Hinesville. For the purposes of this analysis, the neighborhood is defined as the City of Hinesville. Please note that certain residential and commercial uses within Fort Stewart have not been analyzed as they are not available to the general public. The map below locates the subject within the neighborhood.

NEIGHBORHOOD MAP



Access

Primary access to Hinesville is from US 17, which connects the city to Savannah and I-95, and US 84, which also connects the Hinesville to I-95. Additional thoroughfares within the city include SR 119 and SR 196. US 25 is located west of Hinesville and provides north / south access. Overall, access within the city is considered average by regional standards.

¹ Ibid, p. 193.

Demographics

As shown in the table below, population and households are anticipated to increase in Hinesville and Liberty County at nearly double the rate as the state. Median household income is just below that of the state in 2013, but is anticipated to increase 1.82% and 2.14% respectively. As noted previously, the decrease in median household income for the state from 2013 to 2018 is based on recessionary trending models and is likely exaggerated. Hinesville has a higher renter percentage compared to the state, which is due to the presence of Fort Stewart. Median home values are significantly below those of the state. Overall, Hinesville is considered to be a mostly middle income, working class area.

NEIGHBORHOOD DEMOGRAPHICS

	Hinesville	Liberty County	Georgia
2013 Estimated Population	34,866	67,801	9,963,606
2018 Projected Population	38,039	74,188	10,443,810
Annual Percent Change	1.82%	1.88%	0.96%
2013 Estimated Households	13,103	24,026	3,694,439
2018 Projected Households	14,470	26,598	3,881,035
Annual Percent Change	2.09%	2.14%	1.01%
2013 Median Household Income	\$44,160	\$43,219	\$45,069
2018 Median Household Income	\$48,174	\$47,701	\$43,996
Annual Percent Change	1.82%	2.07%	-0.48%
2013 Renter Percentage	45.97%	45.99%	34.53%
2013 Median Home Value	\$115,257	\$119,063	\$144,676
Source: Nielsen			

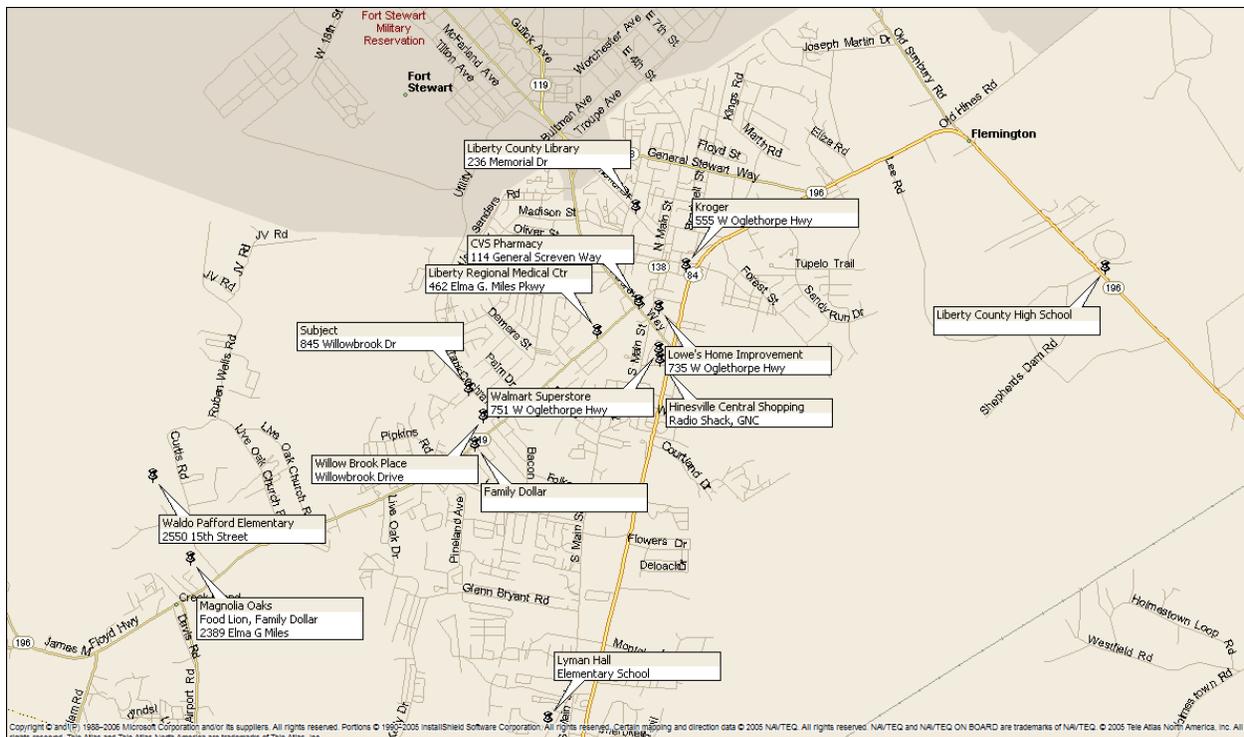
Commercial

Commercial uses consist of local “mom and pop” stores to regional and national chains and are located throughout Hinesville, but are primarily concentrated along major thoroughfares such as West Oglethorpe Highway (US 84) and Elma G. Miles Parkway (SR 196). The largest concentration of retailers is located along West Oglethorpe between Veteran’s Parkway and General Screven Way. Walmart Superstore, Lowe’s Home Improvement, Kroger, and various other retailers are located in this commercial node. Retailers along Elma G. Parkway nearest the subject include fast food restaurants, used car dealerships, and mostly local or regional retailers. Magnolia Oaks is a new strip center that is located approximately two miles west of the subject on Elma G. Miles Pkwy and is anchored by a Food Lion. The table below identifies several of the most prominent commercial amenities followed by a map.

DISTANCE TO COMMERCIAL AMENITIES

Amenity	Name	Distance (miles)
Medical Care	Liberty Regional Medical Ctr	1.25
Grocery	Kroger	1.40
Retail	Walmart Superstore	1.30
Retail	Lowe's Home Improvement	1.30
Retail	Hinesville Central Shopping Ctr	1.30
Retail	Willow Brook Place	0.25
Education	Lyman Hall Elementary School	2.25
Education	Liberty County High School	4.30
Pharmacy	CVS	0.90
Library	Liberty County Library	1.60
Retail	Family Dollar	0.30
Retail	Magnolia Oaks	2.00
Education	Waldo Pafford Elementary	2.10
Education	Bradwell Institute	1.25

MAP OF AMENITIES



Residential

The neighborhood has a variety of residential uses ranging from single-family homes to mobile homes and multifamily development. Based on Nielsen data, 59.27% of the residential dwellings are single-family detached homes followed by multifamily dwellings at over 22%. Mobile homes also have a significant presence, making up nearly 12.5% of all residential dwellings. As noted above, the median home value is \$115,257 in Hinesville, which is well below that of the state at \$144,676. The vast majority of the residential dwellings have been built since 1970 with a median year built of 1990. The Willowbrook subdivision is located immediately north of the subject property and consists mostly of single-story homes ranging from 1,200 to 1,500 square feet that are in average condition. Overall, most single-family dwellings in Hinesville are one to two-story homes that are well maintained and considered to be in average to good condition.

Multifamily development consists of both market rate and subsidized development and is scattered throughout Hinesville. The Pines at Willowbrook is a tax credit development with market rates units and is located immediately south of the subject property. The Pines at Willowbrook was built in 2003 and is in very good condition. Additional tax credit and market rate apartment development will be discussed in detail later in this report.

Crime

The subject property is located in the 31313 zip code. Relative to the state of Georgia, the subject's immediate neighborhood shows a below average total crime rate. However, relative to the national average, both the subject and the state are above the national average.

CRIME STATISTICS

Crime Data	31313	State of Georgia	National
Total Crime Risk	102	109	100
Personal Crime Risk	96	91	100
Property Crime Risk	95	113	100

Source: Homefair.com

Building Permits

The table below shows the number of building permits issued in Liberty County from 2009 through 2013. As shown, the vast majority of the building permits issued over the last five years were for single-family residences.

BUILDING PERMITS

Building Permits	2009		2010		2011		2012		2013	
	Buildings	Units								
Single Family	135	135	111	111	201	201	219	219	130	130
Two Family	0	0	0	0	0	0	0	0	0	0
Three & Four Family	0	0	0	0	0	0	0	0	0	0
Five or More Family	14	252	0	0	0	0	0	0	0	0
Total	149	387	111	111	201	201	219	219	130	130

Source: U.S. Census Bureau

Summary

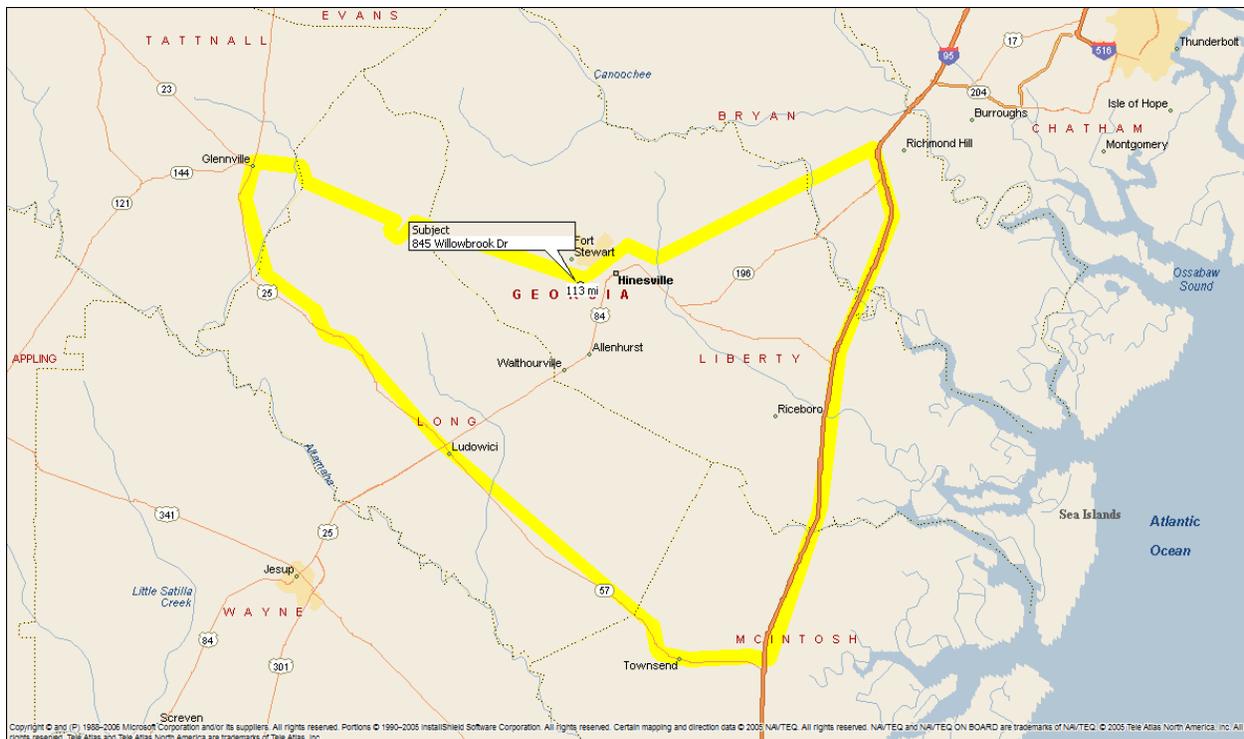
The subject neighborhood is considered to be a middle income, working class area with all necessary commercial amenities. The subject is centrally located within Hinesville and has good access to schools, medical care, and retail conveniences. As detailed in the Area Analysis, Fort Stewart has a large economic impact on the Hinesville market as military personnel often leave post for shopping, entertainment, and other needs. Overall, Hinesville is considered to be a good location for additional subsidized multifamily development based on the demographics in the area.

Market Area Boundaries

Market areas are defined by a combination of factors such as physical features, demographic and socioeconomic characteristics of the residents or tenants, the condition of the improvements, and land use trends. Market area boundaries are extended far enough to encompass all of the influences that will affect a property's value. As previously mentioned, the subject is located in Hinesville, Georgia.

The subject is located in the western portion of Hinesville, which is in the central portion of Liberty County. However, Fort Stewart occupies the northern half of the county while the far southern portion of the county is sparsely populated. Based on conversations with property managers and developers, most tenants are from the Hinesville area. However, it is not uncommon for tenants to be from outside cities / towns including Walthourville, Ludowici, and Glennville. Though military personnel from Fort Stewart may be potential tenants at the subject development, Fort Stewart has not been included in the primary market area (PMA) due to transient nature of military personnel. As such, the subject's boundaries for the PMA are considered to be I-95 to the east, SR 57 / US 25 to the south and west, and the southern boundary of Fort Stewart to the north. The nearest PMA boundary is less than a mile north of the subject (Fort Stewart) and the furthest boundary point is the far southern portion of the PMA, which is approximately 23 miles from the subject. Though potential tenants may come from areas outside of these defined boundaries, it is our opinion that the vast majority will come from within. A map of the PMA follows.

PRIMARY MARKET AREA



Site Description

The subject property is located at 845 Willowbrook Drive in Hinesville, GA. Details of the site are below. An aerial view is shown after the description followed by a survey provided by the developer. Photographs of the site have also been included. Please note that the site is heavily wooded and that observations and comments are based on our physical inspection from the street.

Shape-	Mostly rectangular.
Land Area-	According to a survey provided by the developer, the subject site consists of 2.88 acres.
Directional Uses -	North: Willowbrook subdivision South: Pines at Willowbrook Apartment Complex East: Vacant land West: Willowbrook subdivision
Streets and Access-	Primary access is provided by Willowbrook Drive. Secondary access is provided by Elma G Miles Pkwy, Weeping Willow Drive, and Pacific Place. Overall access and visibility are considered to be average.
Soil-	No soil test results have been furnished, and it is assumed soil conditions are adequate to support the proposed structures. No warranty is implied.
Topography -	Level and at street grade.
Flood Zone -	According to Federal Emergency Management Agency flood insurance rate Map # 13179C0228E (dated May 5, 2014), the subject is located in Flood Zone X, which is outside of the 1% chance floodplain.
Zoning -	The subject property is zoned R-A-1, multifamily dwelling district, and allows for various forms of residential uses including single and multifamily development.
Utilities-	Electric, gas, sewer, water, telephone, internet and cable.
Easements	No easements were observed that would have a detrimental effect on property values. However, no warranty is implied.
Site Improvements -	See Description of Improvement section.

Based on the subject's physical characteristics and the surrounding land uses, the subject site is suited for multifamily development.

AERIAL VIEW





View of the subject site looking south



View of the subject site looking west



View of the subject site looking north



View of the subject site from Willowbrook Dr



Immediate neighborhood view looking south



Immediate neighborhood view looking north



Immediate neighborhood view looking east

Improvements Description

The subject property as proposed will consist of four two-story buildings totaling 48 units as well as a single-story clubhouse, which will house the leasing office and maintenance shop. The unit mix and size are detailed in the following table. Floor plans follow.

UNIT BREAKDOWN

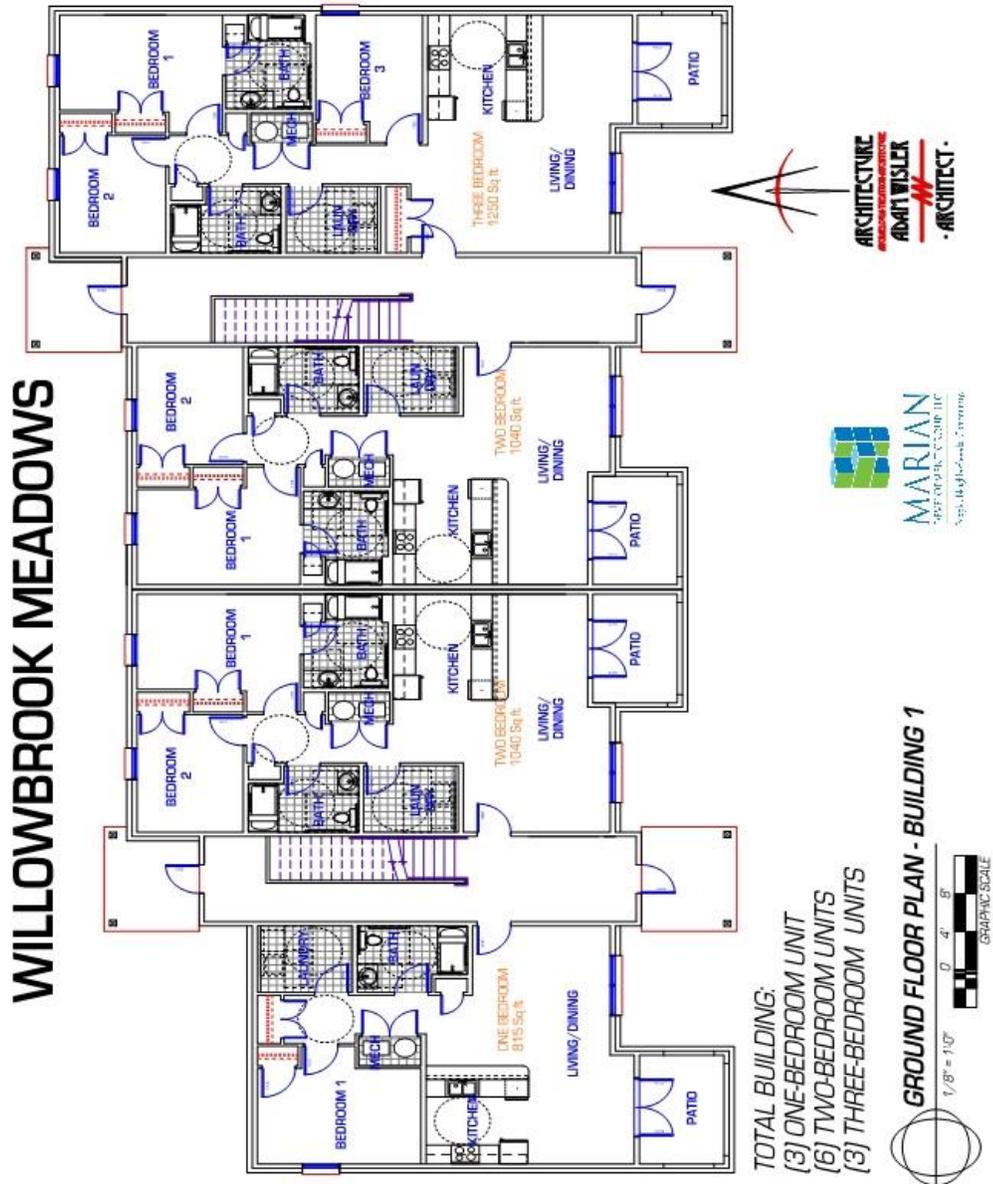
Bedroom	Bathroom	Unit Size	# of Units	NRA
1	1	815	9	7,335
2	2	1,040	27	28,080
3	2	1,250	12	15,000
Total			48	50,415

The following is a description of the proposed improvements based on information provided by the developer.

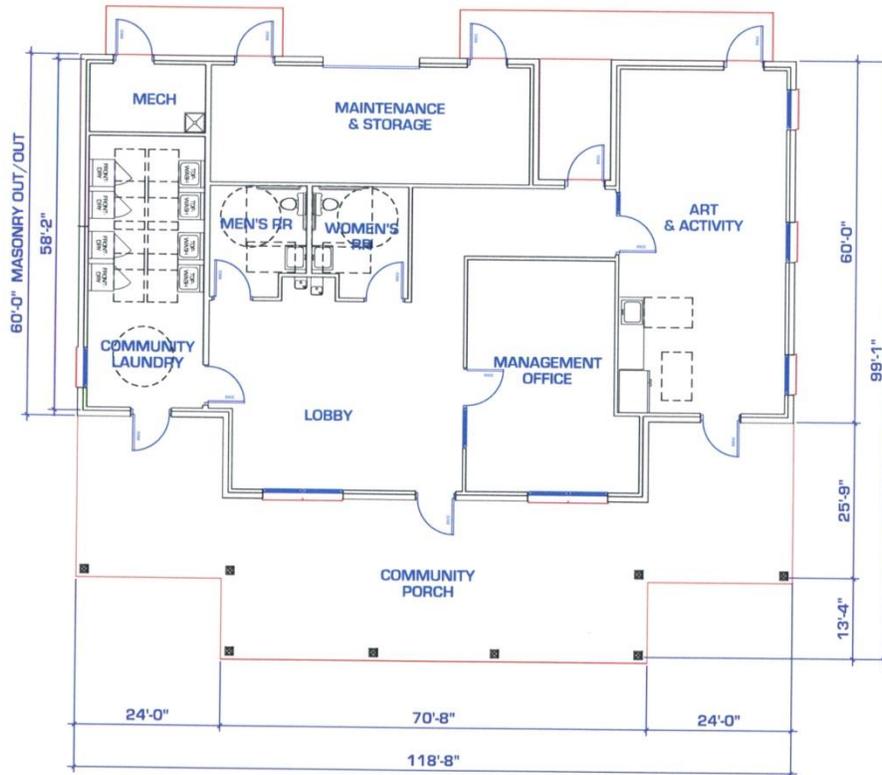
- Structural - Concrete slab on grade. Wood frame construction with brick veneer and vinyl siding.
- Roof Structure / Cover - Wood truss systems with asphalt shingles over wood decking.
- Window and Door Units - Apartment entry doors will be hollow core metal. The interior doors will be hollow core wood. Windows will be vinyl clad double pane with screens.
- Floors / Walls / Ceilings - Painted drywall ceilings and interior walls. Flooring will be carpet and vinyl tile.
- Kitchens / Baths - The kitchens will be equipped with wood cabinets, laminate countertops, electric range, refrigerator, dishwasher, and microwave, and double bowl stainless steel sink. The bathrooms will have fiberglass shower/tub inserts and vanities.
- HVAC - Each unit will feature electric forced air heat and central air conditioning.
- Plumbing & Electrical - All plumbing and electrical is assumed to meet local and national code. Each unit will have individual electric hot water heater.
- Miscellaneous - The complex will feature a clubhouse / management leasing office with a laundry facility and maintenance shop. Each unit will have washer / dryer hookups as well as a patio / balcony. Common amenities will include a commercial grade playground, arts and crafts room, and large gazebo. Off street parking will be provided for all residents.

The floor plans provided by the developer for the subject are well designed and functional. The subject will be in excellent condition upon completion of construction and is anticipated to have good curb appeal that will conform to the existing surrounding uses. The subject property is estimated to have an economic life of 50 years.

FLOOR PLANS



CLUBHOUSE FLOOR PLAN



RESIDENTIAL BUILDING ELEVATIONS



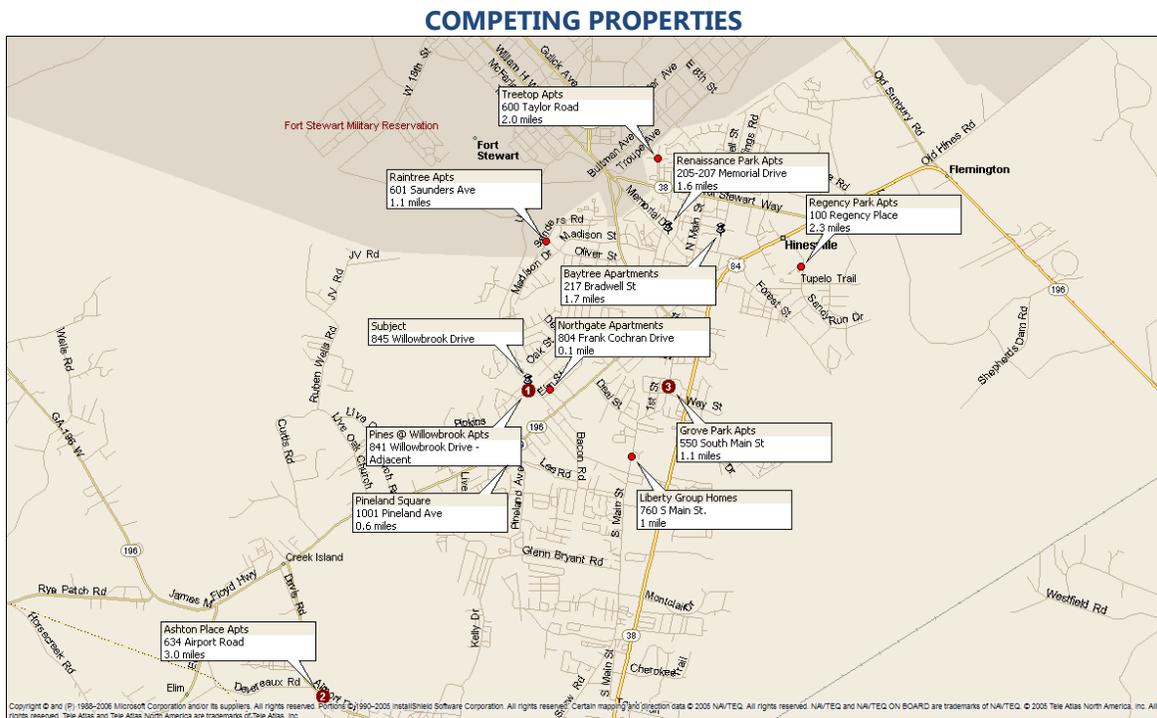
Available and Projected Supply

The purpose of this section is to identify both existing and potential competition for the subject property.

Existing Comparable Properties

The developer is applying for low income housing tax credits for a proposed 48 unit, family-oriented apartment complex featuring one, two, and three-bedroom units.

The market was researched including conversations with property managers and information available on various state and federal websites. As such, we've identified numerous subsidized apartment complexes. However, there are only two family-oriented and one elderly-designated tax credit developments located in the subject's PMA. As the subject development will compete most directly with these three developments, each has been identified on the map below with a comp sheet following. Other subsidized developments have been identified on the map below. However, these include Section 8 and public housing, which are not considered to be directly competitive with the subject as they have rental assistance. There are no Rural Development complexes in the subject's PMA.



Projected Supply

We researched the tax credit award lists for 2012 through 2013 and are aware of one development that received low income housing tax credits in Liberty County. Renaissance Park Apartments received tax credits in 2013 for a 42-unit, elderly-designated development that will be located on Memorial Drive in Hinesville, GA. The property will feature one and two-bedroom units and will have rents that are restricted to the 50% and 60% AMI levels. The estimated placed in service date is June 2015. Due to the project's elderly designation, it is considered to be indirect competition to the subject. However, per DCA regulations, these units have been included in the capture rate analysis discussed later in this report.


Rent Comparable 3

Tax Credit

 Grove Apartments
 550 South Main Street
 Hinesville, GA

 Contact: Sheri
 Phone: 912-877-6017
 Date of Interview: May 13, 2014

Unit Type	Unit Size	Rental Rates	Rent S.F	Total Units	Unit Amenities	Site Amenities	Utilities	LL	T
1BR / 1BA	600	\$380	\$.63	27	Range	X Laundry Facility	Heat		X
2BR / 1BA	800	\$420	\$.53	18	Refrigerator	X Free Parking	X Cooking		X
					Dishwasher	X Paid Parking	AC		X
		Total		45	Disposal	X Extra Storage	Electricity		X
					Microwave	Clubhouse/Meeting Rm.	X Hot Water		X
					Washer/Dryer	Swimming Pool	Water/Sewer		X
					W/D Hook-ups	X Fitness Center	Trash Removal		X
					Patio/Balcony	Business Center			
					Window Coverings	X Playground	Type of Heat		
					Central Air	X Security	Electric		X
					Electric Wall Units	Basketball Court	Gas		
					Window Units	Grilling Area	X		

Building Description: This property was built in 1996 and is in average condition.

Occupancy: 100%. Manager noted that the development has 37 households on the waiting list.

Comments: No rent specials at this time. The property is elderly-designated and will compete indirectly with the subject development. The manager was unable to give the exact square footage. As such, the unit size shown above is estimated. The manager could not confirm the applicable AMI levels at the property.

Supply Summary

The subject development as proposed will only be the third family-oriented LIHTC development in the PMA. There is one existing elderly-designated property and another proposed. The subject will be in similar or superior condition compared to all of the existing comps and has a good unit mix that caters to family households. The subject's amenity package and utility structure is comparable to the existing product. However, initial achievable restricted rents at the subject are anticipated to be below those at the competing properties. Overall, the subject development as proposed compares favorably to the existing LIHTC supply and is anticipated to be well received.

Projected Rent

The purpose of this section is to estimate the restricted rent and market rent for the subject as proposed based on the data and analyses presented in the previous sections of the report. As previously discussed, the units will be restricted to the 50% and 60% AMI rent and income restrictions.

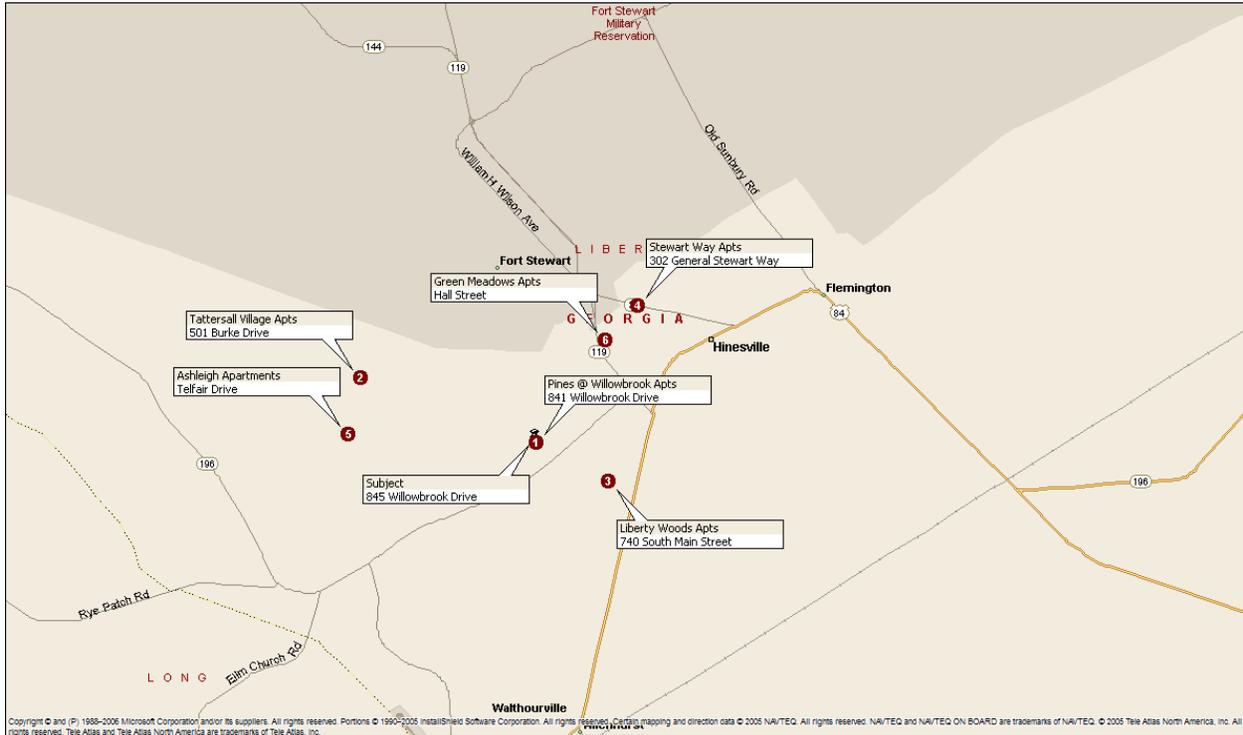
The table below summarizes the LIHTC maximum gross rents (effective 12/2013) for the subject's unit types. Tenant paid utilities (effective 7/2104) are then deducted from the gross rents to determine the maximum net rents. The rent and income limits and the utility allowance schedule for Liberty County, which is utilized in the market rent analysis are included in the Addenda.

MAXIMUM ALLOWABLE RENTS

	1BR - 50%	1BR - 60%	2BR - 60%	3BR - 60%
Maximum Gross Rent	\$468	\$562	\$675	\$780
Heat	\$23	\$23	\$30	\$36
Range	\$9	\$9	\$12	\$14
Other Electric	\$26	\$26	\$34	\$41
Air Conditioning	\$35	\$35	\$45	\$55
Hot Water	\$28	\$28	\$36	\$44
Water and Sewer	\$0	\$0	\$0	\$0
Trash Removal	\$0	\$0	\$0	\$0
Total Utilities	\$121	\$121	\$157	\$190
Net Rent	\$347	\$441	\$518	\$590

In order to test the feasibility of achievable restricted rent, market rent in the subject's market area must be established. Numerous market rate apartment properties were identified and surveyed. Six were considered to be most comparable to the subject as proposed based on physical and locational characteristics and were utilized in the estimation of market rent. Please note that several developments, which were considered to be comparable to the subject, declined to participate in our survey. Thus, they were not used in this analysis.

MARKET RENT COMPARABLES MAP




Subject

Family-Oriented LIHTC

 Willowbrook Meadows Apartments
 845 Willowbrook Drive
 Hinesville, GA

 Contact: Kimberly Stephenson
 Phone: 502-297-8130
 Date of Interview: May 2013

Number Bedrooms	Number Baths	Unit Size Sq. Ft.	Rental Rates	Rent per Sq. Ft.	Total Units	Unit Amenities	Site Amenities	Utilities	LL-Y T-N
1	1	815			9	Range/Refrig Y/Y	Free Parking	Y	Heat N/Elect
2	2	1040			27	Disposal N	Extra Storage	N	Cooling N/Elect
3	2	1250			12	Micro/Dish N/Y	Security	Y	Cooking N/Elect
						W/D,HU,L,N	Hookups	Y	Clubhouse, MR
						Patio/Balc	Y	3	Amenities
						Window Cov	Y	X	Playground
						A/C	Central	X	Arts & Crafts Rm
					Total 48	Special Features	N	N	Business Center
						Elevator	N	N	Elderly Facility

Building Description:

The subject property will be built in 2014 / 2015 and will be in excellent condition upon completion of construction. The property will also have a gazebo as an additional amenity.



Rent Comparable 1

LIHTC / Market Rate

The Pines at Willowbrook Apartments
 841 Willowbrook Drive
 Hinesville, GA

Contact: Cynthia
 Phone: 912-877-2162
 Date of Interview: May 13, 20124

Number Bedrooms	Number Baths	Unit Size Sq. Ft.	Rental Rates	Rent per Sq. Ft.	Total Units	Unit Amenities		Site Amenities		Utilities	LL-Y T-N
1	1	723	\$650	\$0.90		Range/Refrig	Y/Y	Free Parking	Y	Heat	N/Elect
2	1	923	\$780	\$0.85		Disposal	Y	Extra Storage	N	Cooling	N/Elect
2'	2	960	\$820	\$0.85		Micro/Dish	N/Y	Security	N	Cooking	N/Elect
3	2	1150	\$900	\$0.78		W/D,HU,L,N	Hookups	Clubhouse, MR	Y	Hot Water	N/Gas
						Patio/Balc	Y	Amenities	2	Other Electric	N/Elect
						Window Cov	Y	Playground	X	Water/ Sewer	Y
						A/C	Central	Fitness Ctr	X	Trash/ Recycling	Y
					Total	Special Features	N	Business Center	N	Cable	N
						Elevator	N	Elderly Facility	N		

Building Description: This development was built in 2003 and is in very good condition.

Occupancy: Overall occupancy is 98%. The manager was unable to split out the occupancy between the LIHTC units and the market rate units.

Comments: This property has 64 tax credit and 16 market rate units. It is located immediately south of the subject site. The rents above are for the market rate units only.



Rent Comparable 2

Market Rate

Tattersall Village Apartments
 501 Burke Road
 Hinesville, GA

Contact: Autumn
 Phone: 912-320-4788
 Date of Interview: May 13, 2014

Number Bedrooms	Number Baths	Unit Size Sq. Ft.	Rental Rates	Rent per Sq. Ft.	Total Units	Unit Amenities		Site Amenities		Utilities	LL-Y T-N
1	1	803	\$885	\$1.10		Range/Refrig	Y/Y	Free Parking	Y	Heat	N/Elect
2	2	1180	\$1,065	\$0.90		Disposal	Y	Extra Storage	Y	Cooling	N/Elect
3	2	1461	\$1,200	\$0.82		Micro/Dish	Y/Y	Security	N	Cooking	N/Elect
						W/D,HU,L,N	W/D	Clubhouse, MR	Y	Hot Water	N/Elect
						Patio/Balc	Y	Amenities	4	Other Electric	N/Elect
						Window Cov	Y	Playground	X	Water/ Sewer	N
						A/C	Central	Fitness Ctr	X	Trash/ Recycling	N
					Total	Special Features	N	Business Center	Y	Cable	N
						Elevator	N	Elderly Facility	N		

Building Description: This complex was built in 2010 and is in excellent condition.

Occupancy: 95%.

Additional Comments: Rents vary based on floor level and view. No rent specials at this time. This complex has multiple floor plans. Only those most similar to the subject have been included above. Water, sewer, and trash removal is billed from the landlord back to the tenants and is based on usage and not the size of the unit or unit type. Management noted that the average water, sewer, and trash expense was \$46 per month for all three unit types.



Rent Comparable 3

Market Rate

Liberty Woods Apartments
 740 S Main Street
 Hinesville, GA

Contact: Kayla
 Phone: 912-368-8401
 Date of Interview: May 13, 2014

Number	Number	Unit Size	Rental	Rent per	Total	Unit		Site		Utilities	LL-Y
Bedrooms	Baths	Sq. Ft.	Rates	Sq. Ft.	Units	Amenities		Amenities			T-N
1	1	650	\$625	\$0.96		Range/Refrig	Y/Y	Free Parking	Y	Heat	N/Elect
2	1	850	\$700	\$0.82		Disposal	Y	Extra Storage	N	Cooling	N/Elect
3	1.5	1000	\$750	\$0.75		Micro/Dish	N/N	Security	N	Cooking	N/Elect
						W/D,HU,L,N	Hookups	Clubhouse, MR	N	Hot Water	N/Elect
						Patio/Balc	Y	Amenities	0	Other Electric	N/Elect
						Window Cov	Y	Playground		Water/ Sewer	N
						A/C	Central	Fitness Ctr		Trash/ Recycling	Y
					Total	Special Features	N	Business Center	N	Cable	N
						Elevator	N	Elderly Facility	N		

Building Description: This complex was built in 1980 and is in inferior condition compared to the subject upon completion.

Occupancy: 88%. The manager indicated that she has not been at the property for very long and could not say if the current occupancy rate was typical.

Additional Comments: No rent specials at this time. The manager was unsure of the square footage for each unit. As such, the unit size shown above is estimated.



Rent Comparable 4

Market Rate

Stewart Way Apartments
 302 W General Stewart Way
 Hinesville, GA

Contact: Sharron
 Phone: 912-368-3777
 Date of Interview: May 13, 2014

Number	Number	Unit Size	Rental	Rent per	Total	Unit		Site		Utilities	LL-Y
Bedrooms	Baths	Sq. Ft.	Rates	Sq. Ft.	Units	Amenities		Amenities			T-N
Studio	1	288	\$570	\$1.98		Range/Refrig	Y/Y	Free Parking	Y	Heat	N/Elect
1	1	576	\$680	\$1.18		Disposal	Y	Extra Storage	Y	Cooling	N/Elect
2	1	864	\$799	\$0.92		Micro/Dish	N/Y	Security	N	Cooking	N/Elect
2'	2	864	\$808	\$0.94		W/D,HU,L,N	Hookups	Clubhouse, MR	N	Hot Water	N/Elect
						Patio/Balc	Y	Amenities	0	Other Electric	N/Elect
						Window Cov	Y	Playground		Water/ Sewer	N
						A/C	Wall	Fitness Ctr		Trash/ Recycling	N
					Total	Special Features	N	Business Center	N	Cable	N
						Elevator	N	Elderly Facility	N		

Building Description: This complex was built in the 1980s and is in inferior condition compared to the subject as proposed.

Occupancy: 95.8%. Manager noted this occupancy rate is typical.

Additional Comments: The rents at the property range based on if the units have been renovated. The rents used in the analysis are for those units that have been renovated and include new kitchen appliances and other fixtures. The complex is offering \$150 off the first month's rent. The complex operates on a RUB system whereby the tenant pays for water, sewer, and trash. Tenants are charged \$28 per month for a 1BR unit and \$35 for a 2BR unit.


Rent Comparable 5

Market Rate

 Ashleigh Apartments
 Telfair Road
 Hinesville, GA

 Contact: Virginia
 Phone: 912-368-3433
 Date of Interview: May 21, 2014

Number Bedrooms	Number Baths	Unit Size Sq. Ft.	Rental Rates	Rent per Sq. Ft.	Total Units	Unit Amenities	Site Amenities	Utilities	LL-Y T-N
1	1	700	\$695	\$0.99		Range/Refrig Y/Y	Free Parking Y	Heat	N/Elect
2	2	900	\$795	\$0.88		Disposal Y	Extra Storage N	Cooling	N/Elect
						Micro/Dish N/Y	Security N	Cooking	N/Elect
						W/D,HU,L,N	Hookups	Clubhouse, MR	Hot Water N/Elect
						Patio/Balc Y	Amenities 0	Other Electric	N/Elect
						Window Cov Y	Playground	Water/ Sewer	N
						A/C Central	Fitness Ctr	Trash/ Recycling	Y
					Total 14	Special Features N	Business Center N	Cable	N
						Elevator N	Elderly Facility N		

Building Description: This complex was built in 2009 and is in excellent condition.

Occupancy: 86%.

Additional Comments: The manager was unsure of the exact square footage. Thus, the unit size shown above is estimated.



Rent Comparable 6

Market Rate

Green Meadows Apartments
 Hall Street
 Hinesville, GA

Contact: Valerie Lewis
 Phone: 912-408-7777
 Date of Interview: May 21, 2014

Number Bedrooms	Number Baths	Unit Size Sq. Ft.	Rental Rates	Rent per Sq. Ft.	Total Units	Unit Amenities	Site Amenities	Utilities	LL-Y T-N
3	1.5	840	\$700	\$0.83	14	Range/Refrig	Free Parking	Heat	N/Elect
						Disposal	Extra Storage	Cooling	N/Elect
						Micro/Dish	Security	Cooking	N/Elect
						W/D,HU,L,N	Clubhouse, MR	Hot Water	N/Elect
						Patio/Balc	Amenities	Other Electric	N/Elect
						Window Cov	Playground	Water/ Sewer	N
						A/C	Fitness Ctr	Trash/ Recycling	Y
					Total 14	Special Features	Business Center	Cable	N
						Elevator	Elderly Facility		N

Building Description: This complex was built in the 1980s and is in inferior condition compared to the subject.

Occupancy: The manager noted that the complex has one vacant unit, but was unable to give the total number of units. However, there appear to be 12 units based on our visual inspection. Thus, the occupancy rate is 92%.

Additional Comments: This complex consists of all 3BR units. No rent specials at this time.

ONE-BEDROOM ANALYSIS

	<i>Subject</i>		<i>Comp 1</i>		<i>Comp 2</i>		<i>Comp 3</i>		<i>Comp 4</i>		<i>Comp 5</i>	
	Willowbrook Meadows 845 Willowbrook Drive Hinesville / Liberty	Data on Subject	Pines at Willowbrook 841 Willowbrook Dr Hinesville / Liberty		Tattersal Village 501 Burke Drive Hinesville / Liberty		Liberty Woods Apts 740 S. Main Street Hinesville / Liberty		Stewart Way Apartments 302 W General Stewart W Hinesville / Liberty		Ashleigh Apts Telfair Dr Hinesville / Liberty	
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$650		\$885		\$625		\$680		\$695	
2	Date Last Leased (mo/yr)		May-14		May-14		May-14		May-14		May-14	
3	Rent Concessions		No		No		No		Yes	(\$13)	No	
4	Occupancy for Unit Type		98%		95%		88%		96%		86%	
5	Effective Rent & Rent/sq. ft		\$650	0.90	\$885	1.10	\$625	0.96	\$667	1.16	\$695	0.99
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>												
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WF / 2	WF / 2		WF / 3		WF / 2		WF / 1		WF / 3	
7	Year Built/ Renovated	2014/2015	2003		2010		1980		1980s		2009	
8	Condition /Street Appeal	Excellent	Inferior	\$5	Similar		Inferior	\$25	Inferior	\$15	Similar	
9	Neighborhood	Average	Similar		Similar		Similar		Similar		Similar	
10	Same Market? Miles to Subj		Y / .01 miles		Y / 2 miles		Y / 1 miles		Y / 1.8 miles		Y / 2 miles	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1	1		1		1		1		1	
12	# Baths	1	1		1		1		1		1	
13	Unit Interior Sq. Ft.	815	723	\$24	803	\$3	650	\$42	576	\$61	700	\$29
14	Balcony/ Patio	Y	Y		Y		Y		Y		Y	
15	AC: Central/ Wall/ Window	Central	Central		Central		Central		Wall	\$10	Central	
16	Range/ refrigerator	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
17	Microwave/ Dishwasher	N/Y	N/Y		Y/Y	(\$5)	N/N	\$10	N/Y		N/Y	
18	Washer/dryer/Hookups/L	Hookups	Hookups		W/D	(\$10)	Hookups		Hookups		Hookups	
19	Floor Coverings	C/V	C/V		C/V		C/V		C/V		C/V	
20	Window Coverings	Y	Y		Y		Y		Y		Y	
21	Cable/ Satellite/Internet	N	N		N		N		N		N	
22	Special Features	N	N		N		N		N		N	
23	Elevator	N	N		N		N		N		N	
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	Y	Y		Y		Y		Y		Y	
25	Extra Storage	N	N		Y	(\$5)	N		Y	(\$5)	N	
26	Security	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27	Clubhouse/ Meeting Rooms	Y	Y		Y		N	\$5	N	\$5	N	\$5
28	Amenities (Pool, Rec. Area)	3	2	\$5	4	(\$5)	0	\$15	0	\$15	0	\$15
29	Business Ctr / Nhbhd Netwk	N	N		Y	(\$5)	N		N		N	
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	N	N		N		N		N		N	
32	Senior Facility	N	N		N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
34	Cooling (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
35	Cooking (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
36	Hot Water (in rent?/ type)	N/Elect	N/Gas	(\$9)	N/Elect		N/Elect		N/Elect		N/Elect	
37	Other Electric	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
38	Cold Water/ Sewer	Y	Y		N	\$46	N	\$41	N	\$28	N	\$41
39	Trash /Recycling	Y	Y		N		Y		N		Y	
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		4	0	2	5	6	0	6	1	4	0
41	Sum Adjustments B to D		\$39	\$0	\$8	(\$30)	\$102	\$0	\$111	(\$5)	\$54	\$0
42	Sum Utility Adjustments		\$0	(\$9)	\$46	\$0	\$41	\$0	\$28	\$0	\$41	\$0
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	<i>Net/ Gross Adjmts B to E</i>		\$30	\$48	\$24	\$84	\$143	\$143	\$134	\$144	\$95	\$95
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)		\$680		\$999		\$768		\$801		\$790	
45	Adj Rent/Last rent			105%		103%		123%		120%		114%
46	Estimated Market Rent	\$725	\$0.89	Estimated Market Rent/ Sq. Ft								

TWO-BEDROOM ANALYSIS

	<i>Subject</i>		<i>Comp 1</i>		<i>Comp 2</i>		<i>Comp 3</i>		<i>Comp 4</i>		<i>Comp 5</i>	
	Willowbrook Meadows 845 Willowbrook Drive Hinesville / Liberty	Data on Subject	Pines at Willowbrook 841 Willowbrook Dr Hinesville / Liberty		Tattersal Village 501 Burke Drive Hinesville / Liberty		Liberty Woods Apts 740 S. Main Street Hinesville / Liberty		Stewart Way Apartments 302 W General Stewart W Hinesville / Liberty		Ashleigh Apts Telfair Dr Hinesville / Liberty	
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$820		\$1,065		\$700		\$808		\$795	
2	Date Last Leased (mo/yr)		May-14		May-14		May-14		May-14		May-14	
3	Rent Concessions		No		No		No		Yes	(\$13)	No	
4	Occupancy for Unit Type		98%		95%		88%		96%		86%	
5	Effective Rent & Rent/sq. ft		\$820	0.85	\$1,065	0.90	\$700	0.82	\$795	0.92	\$795	0.88
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>												
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WF / 2	WF / 2		WF / 3		WF / 2		WF / 1		WF / 3	
7	Year Built/ Renovated	2014/2015	2003		2010		1980		1980s		2009	
8	Condition / Street Appeal	Excellent	Inferior	\$5	Similar		Inferior	\$25	Inferior	\$15	Similar	
9	Neighborhood	Average	Similar		Similar		Similar		Similar		Similar	
10	Same Market? Miles to Subj		Y / .01 miles		Y / 2 miles		Y / 1 miles		Y / 1.8 miles		Y / 2 miles	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2	2'		2		2		2'		2	
12	# Baths	2	2		2		1	\$15	2		2	
13	Unit Interior Sq. Ft.	1040	960	\$18	1180	(\$31)	850	\$42	864	\$39	900	\$31
14	Balcony/ Patio	Y	Y		Y		Y		Y		Y	
15	AC: Central/ Wall/ Window	Central	Central		Central		Central		Wall	\$10	Central	
16	Range/ refrigerator	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
17	Microwave/ Dishwasher	N/Y	N/Y		Y/Y	(\$5)	N/N	\$10	N/Y		N/Y	
18	Washer/dryer/Hookups/L	Hookups	Hookups		W/D	(\$10)	Hookups		Hookups		Hookups	
19	Floor Coverings	C/V	C/V		C/V		C/V		C/V		C/V	
20	Window Coverings	Y	Y		Y		Y		Y		Y	
21	Cable/ Satellite/Internet	N	N		N		N		N		N	
22	Special Features	N	N		N		N		N		N	
23	Elevator	N	N		N		N		N		N	
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	Y	Y		Y		Y		Y		Y	
25	Extra Storage	N	N		Y	(\$5)	N		Y	(\$5)	N	
26	Security	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27	Clubhouse/ Meeting Rooms	Y	Y		Y		N	\$5	N	\$5	N	\$5
28	Amenities (Pool, Rec. Area)	3	2	\$5	4	(\$5)	0	\$15	0	\$15	0	\$15
29	Business Ctr / Nhd Netwk	N	N		Y	(\$5)	N		N		N	
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	N	N		N		N		N		N	
32	Senior Facility	N	N		N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
34	Cooling (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
35	Cooking (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
36	Hot Water (in rent?/ type)	N/Elect	N/Gas	(\$12)	N/Elect		N/Elect		N/Elect		N/Elect	
37	Other Electric	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
38	Cold Water/ Sewer	Y	Y		N	\$46	N	\$51	N	\$35	N	\$51
39	Trash /Recycling	Y	Y		N		Y		N		Y	
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		4	0	1	6	7	0	6	1	4	0
41	Sum Adjustments B to D		\$33	\$0	\$5	(\$61)	\$117	\$0	\$89	(\$5)	\$56	\$0
42	Sum Utility Adjustments		\$0	(\$12)	\$46	\$0	\$51	\$0	\$35	\$0	\$51	\$0
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E		\$21	\$45	(\$10)	\$112	\$168	\$168	\$119	\$129	\$107	\$107
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)		\$841		\$1,055		\$868		\$914		\$902	
45	Adj Rent/Last rent			103%		99%		124%		115%		113%
46	Estimated Market Rent	\$860	\$0.83	Estimated Market Rent/ Sq. Ft								

THREE-BEDROOM ANALYSIS

	<i>Subject</i>		<i>Comp 1</i>		<i>Comp 2</i>		<i>Comp 3</i>		<i>Comp 6</i>		<i>Comp 5</i>	
	Willowbrook Meadows 845 Willowbrook Drive Hinesville / Liberty	Data on Subject	Pines at Willowbrook 841 Willowbrook Dr Hinesville / Liberty		Tattersal Village 501 Burke Drive Hinesville / Liberty		Liberty Woods Apts 740 S. Main Street Hinesville / Liberty		Green Meadows Apts Hall Street Hinesville / Liberty		Ashleigh Apts Telfair Dr Hinesville / Liberty	
A.	Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?		\$900		\$1,200		\$750		\$700		\$795	
2	Date Last Leased (mo/yr)		May-14		May-14		May-14		May-14		May-14	
3	Rent Concessions		No		No		No		No	\$0	No	
4	Occupancy for Unit Type		98%		95%		88%		92%		86%	
5	Effective Rent & Rent/sq. ft		\$900	0.78	\$1,200	0.82	\$750	0.75	\$700	0.83	\$795	0.88
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>												
B.	Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WF / 2	WF / 2		WF / 3		WF / 2		WF / 2		WF / 3	
7	Year Built/ Renovated	2014/2015	2003		2010		1980		1980s		2009	
8	Condition / Street Appeal	Excellent	Inferior	\$5	Similar		Inferior	\$25	Inferior	\$25	Similar	
9	Neighborhood	Average	Similar		Similar		Similar		Inferior	\$15	Similar	
10	Same Market? Miles to Subj		Y / .01 miles		Y / 2 miles		Y / 1 miles		Y / 1.4 miles		Y / 2 miles	
C.	Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	3		3		3		3		2	\$50
12	# Baths	2	2		2		1.5	\$10	1.5	\$10	2	
13	Unit Interior Sq. Ft.	1250	1150	\$20	1461	(\$43)	1000	\$51	840	\$83	900	\$71
14	Balcony/ Patio	Y	Y		Y		Y		Y		Y	
15	AC: Central/ Wall/ Window	Central	Central		Central		Central		Central		Central	
16	Range/ refrigerator	Y/Y	Y/Y		Y/Y		Y/Y		Y/Y		Y/Y	
17	Microwave/ Dishwasher	N/Y	N/Y		Y/Y	(\$5)	N/N	\$10	N/N	\$10	N/Y	
18	Washer/dryer/Hookups/L	Hookups	Hookups		W/D	(\$10)	Hookups		Hookups		Hookups	
19	Floor Coverings	C/V	C/V		C/V		C/V		C/V		C/V	
20	Window Coverings	Y	Y		Y		Y		N	\$5	Y	
21	Cable/ Satellite/Internet	N	N		N		N		N		N	
22	Special Features	N	N		N		N		N		N	
23	Elevator	N	N		N		N		N		N	
D.	Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	Y	Y		Y		Y		Y		Y	
25	Extra Storage	N	N		Y	(\$5)	N		N		N	
26	Security	Y	N	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27	Clubhouse/ Meeting Rooms	Y	Y		Y		N	\$5	N	\$5	N	\$5
28	Amenities (Pool, Rec. Area)	3	2	\$5	4	(\$5)	0	\$15	0	\$15	0	\$15
29	Business Ctr / Nhd Netwk	N	N		Y	(\$5)	N		N		N	
30	Service Coordination	N	N		N		N		N		N	
31	Non-shelter Services	N	N		N		N		N		N	
32	Senior Facility	N	N		N		N		N		N	
E.	Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
34	Cooling (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
35	Cooking (in rent?/ type)	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
36	Hot Water (in rent?/ type)	N/Elect	N/Gas	(\$15)	N/Elect		N/Elect		N/Elect		N/Elect	
37	Other Electric	N/Elect	N/Elect		N/Elect		N/Elect		N/Elect		N/Elect	
38	Cold Water/ Sewer	Y	Y		N	\$46	N	\$62	N	\$62	N	\$62
39	Trash /Recycling	Y	Y		N		Y		Y		Y	
F.	Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D		4	0	1	6	7	0	9	0	5	0
41	Sum Adjustments B to D		\$35	\$0	\$5	(\$73)	\$121	\$0	\$173	\$0	\$146	\$0
42	Sum Utility Adjustments		\$0	(\$15)	\$46	\$0	\$62	\$0	\$62	\$0	\$62	\$0
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	<i>Net/ Gross Adjmts B to E</i>		\$20	\$50	(\$22)	\$124	\$183	\$183	\$235	\$235	\$208	\$208
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)		\$920		\$1,178		\$933		\$935		\$1,003	
45	Adj Rent/Last rent			102%		98%		124%		134%		126%
46	Estimated Market Rent	\$925	\$0.74	Estimated Market Rent/ Sq. Ft								

Market Rent Adjustments

The subject will be new construction and will be in excellent condition. Comps 1, 3, 4, and 6 are in inferior condition compared to the subject and received adjustments of \$5 to \$25. In the three-bedroom analyses, one two-bedroom comp was utilized. A \$50 bedroom adjustment was made to the two-bedroom comp based on market derived data. The subject and the comps have different amenity packages. Adjustments ranging from -\$5 to \$15 were made. Utility adjustments were made according to the utility allowance schedule for Liberty County.

Market Rent Reconciliation

Comp 1 has both LIHTC and market rate units and is located immediately south of the subject property. It was built in 2003 and is physically very comparable to the subject as proposed. Comp 2 was built in 2010 and is in excellent condition. However, the property has a superior amenity package relative to the subject as proposed. Comps 3, 4, and 6 are older properties built in the 1980s and are in inferior condition compared to the subject. Comp 5 was built in 2009 and is very comparable to the subject property physically.

After analyzing the comparables, Comps 1 and 5 are considered most comparable based on combination of age and condition, unit size, and amenity package. Giving slightly greater weight to Comp 1 due to its adjacent location and similar utility structure, the estimated market rents for the one, two and three-bedroom units are \$725, \$860, and \$925 per month, respectively.

Rent Summary

The estimated date of completion of the subject development is September 20, 2015, approximately 16 months from the date of this report. Based on conversations with market participants, there has been upward pressure on rents in the market, which is expected to continue. As such, a 1% inflation rate to the estimated date of completion has been added to the net restricted rents and market rents shown in the rent summary table below.

RENT SUMMARY

	1BR - 50%	1 BR Market Rent	1BR - 60%	1 BR Market Rent	2BR - 60%	2 BR Market Rent	3BR - 60%	3 BR Market Rent
Current Rent	\$347	\$725	\$441	\$725	\$518	\$860	\$590	\$925
Rent Upon Completion	\$352	\$735	\$447	\$735	\$525	\$871	\$598	\$937

Net restricted rent is substantially below market rent for each unit type at each AMI level. When compared to the rents at the existing LIHTC developments, the net restricted rents shown above are below those currently being achieved at the competing developments. Management for Pines at Willowbrook and Ashton Place both indicated that their complex hires an independent third party to survey tenants for average utility costs. The survey results typically show average tenant paid utility costs that are well below those indicated in the utility allowance chart provided by DCA for Liberty County. Thus, the net restricted rent increases. Neither complex was able to provide the utility survey for their respective development. As the subject development is proposed and does not have historical utility cost data, the net restricted rent is considered to be the achievable restricted rent.

ACHIEVABLE RESTRICTED RENT

	1BR - 50%	1BR - 60%	2BR - 60%	3BR - 60%
Achievable Rent	\$352	\$447	\$525	\$598

As shown below, the achievable restricted rents for each unit type at each AMI level have a significant market rent advantage.

MARKET RENT ADVANTAGE

Unit Type	Achievable Rent Upon Completion	Market Rent Upon Completion	Market Rent Advantage
1BR - 50%	\$352	\$725	51.50%
1BR - 60%	\$447	\$725	38.36%
2BR - 60%	\$525	\$860	38.96%
3BR - 60%	\$598	\$925	35.36%

Rental Assistance

The subject development will not have any rental assistance. The DCA administers the Section 8 program for Liberty County. Numerous unsuccessful attempts were made to obtain the number of Section 8 vouchers currently in circulation in Liberty County. However, the waiting list is currently closed.

Rental Vacancy

The weighted average occupancy rate of the three existing tax credit developments is 99.2%. Managers for two of the three developments noted extensive waiting lists of up to two years. The weighted average occupancy rate of the market rate developments is 94.4%. Considering the strong demand for additional quality affordable housing in the market, the vacancy and collection loss is estimated at 5% (3% vacancy and 2% collection loss).

Demographic Profile of Market Area

The tables in the Demographic Profile of Market Area provide current population figures and projections for the subject's primary market area. The 2013 population estimate and 2018 population projections are based on projected growth rates as estimated by Nielsen and applied to the actual 2010 Census data and American Community Survey (ACS). The data is delineated by the primary market area and the secondary market area previously described.

Population and Income

The following table provides historic, current, and projected trends. As shown, population in the PMA increased 2.22% annually from 2010 to 2013. Population is projected to increase from 2013 to 2018 at a rate of 1.84% annually.

The number of households in the PMA increased 2.63% annually from 2010 to 2013, with the number of households projected to increase 2.05% annually from 2013 to 2018.

Median household income is projected to increase 2.05% annually in the PMA from 2013 to 2018. As illustrated, average household size in the PMA is decreasing, while the median age is increasing.

TOTAL POPULATION ESTIMATES AND PROJECTIONS

Population	2000	2010	Annual % Change	2013	Annual % Change	2018	Annual % Change
PMA	55,622	64,522	1.60%	68,828	2.22%	75,172	1.84%
Households							
PMA	19,098	23,494	2.30%	25,349	2.63%	27,948	2.05%
Median Household Income							
PMA	\$34,141	-	-	\$42,745	1.94%	\$46,926	1.96%
Average Household Size							
PMA	2.85	-	-	2.68	-	2.66	-
Median Age							
PMA	27.99	-	-	32.02	-	33.19	-

Source: Nielsen

Population by Age Estimates and Projections

As shown in the table below, the population in the subject's PMA is projected to increase from 28,532 to 29,958 or 1,426 persons by 2018. Though some tenants will be drawn from Age 55+ population, the majority of the subject's tenants will be in the 25-54 age group. This age group represents 41.46% of the total population in 2013 in the PMA, and is projected to decrease to 39.85% of the total population in 2018.

POPULATION BY AGE

Age Group	Primary Market Area			
	2013	2013	2018	2018
0-4	9.20%	6,332	9.19%	6,911
5-9	7.60%	5,233	7.38%	5,546
10-14	7.51%	5,168	7.39%	5,557
15-24	15.10%	10,394	14.06%	10,572
25-34	15.09%	10,386	14.61%	10,982
35-44	12.86%	8,848	13.06%	9,817
45-54	13.51%	9,298	12.18%	9,159
55-64	10.47%	7,206	11.58%	8,708
65-74	5.67%	3,905	6.91%	5,191
75-84	2.27%	1,562	2.83%	2,130
85+	0.72%	497	0.80%	598
Total	100.0%	68,828	100.0%	75,172
Age 25 to 54	41.46%	28,532	39.85%	29,958
Total		68,828		75,172

Source: Nielsen

Housing Tenure

In the PMA, renters constitute 37.11% of all housing units compared to 49.91% for owner occupied.

HOUSING TENURE

2010 Tenure Occupied Housing	PMA	
	# of Persons	% of Pop
Total	27,455	100.00%
Vacant	3,565	12.98%
Occupied	23,890	87.02%
Owner-Occupied	13,702	49.91%
Renter-Occupied	10,188	37.11%

Source: Nielsen

Tenure by Age of Householder

As the table below indicates, of the total number of owner-occupied units in the PMA, approximately 82.83% are headed by non-seniors. Furthermore, approximately 97.26% of renter-occupied units in the PMA are headed by non-seniors.

TENURE BY AGE OF HOUSEHOLDER

2010 Tenure by Age of Householder		PMA	
Total		23,890	
		# of Persons	% of Pop
Owner-Occupied Housing Units		13,702	
Age 15 to 24		273	1.99%
Age 25 to 34		1,667	12.17%
Age 35 to 44		3,044	22.22%
Age 45 to 54		3,786	27.63%
Age 55 to 59		1,476	10.77%
Age 60 to 64		1,103	8.05%
Age 65 to 74		1,659	12.11%
Age 75 to 84		511	3.73%
Age 85 and Over		183	1.34%
# Owners Headed by Non-Seniors		11,349	82.83%
# Owners Headed by Seniors (65+)		2,353	17.17%
Renter-Occupied Housing Units		10,188	
Age 15 to 24		2,363	23.19%
Age 25 to 34		3,192	31.33%
Age 35 to 44		2,134	20.95%
Age 45 to 54		1,494	14.66%
Age 55 to 59		404	3.97%
Age 60 to 64		322	3.16%
Age 65 to 74		155	1.52%
Age 75 to 84		55	0.54%
Age 85 and Over		69	0.68%
# Renters Headed by Non-Seniors		9,909	97.26%
# Renters Headed by Seniors (65+)		279	2.74%

Source: Nielsen

Transportation Type and Travel Time

The tables below reflect the type of transportation used and travel time to work for residents in the PMA. As the tables indicate, workers who drove alone to work greatly outnumber any other method of workers' transportation. Furthermore, the travel time to work for most working residents in the PMA is less than 30 minutes.

TRANSPORTATION TO WORK

2013 Estimated Workers Age 16 & Over by Transportation to Work	PMA	
	# of Persons	% of Pop
Total Persons	30,346	
Drove Alone	24,863	81.93%
Car Pooled	3,362	11.08%
Public Transportation	107	0.35%
Walked	415	1.37%
Bicycle	86	0.28%
Other Means	1,146	3.78%
Worked at Home	367	1.21%

Source: Nielsen

TRAVEL TIME TO WORK

2013 Estimated Workers Age 16 & Over by Travel Time to Work	PMA	
	# of Persons	% of Pop
Total Persons	29,953	
Less Than 15 Minutes	10,008	33.41%
15 to 29 Minutes	10,567	35.28%
30 to 44 Minutes	4,248	14.18%
45 to 59 Minutes	2,568	8.57%
60 or More Minutes	2,563	8.56%

Source: Nielsen

Estimates and Projections of Renter Households with Qualifying Incomes

Since qualifying income is based on a percentage of Area Median Income (AMI), as median incomes increase from 2010 through 2018, incomes used for tenant qualification will increase at the same rate. To calculate the estimated number of income-qualifying households there will be in 2018, the 2010 households that have qualifying income are calculated as a percentage of the total households. This same ratio is then applied to the total projected households for 2018. The implicit assumption in this calculation is that the same percentage of households will have qualifying income in 2018 as 2010.

It was established earlier in this report that occupancy in all of the subject's units will be limited to households with income no higher than the 50% and 60% AMI levels. The minimum qualifying income for tenants was previously established.

As seen in the table below, when using both the qualifying income and renter status, the total number of qualifying households is projected to increase in the PMA from 2,899 in 2010 to 3,449 in 2018 or a gain of 550 households. One year's gain increases the number of tenure and income qualified households by 69. Based on the subject's estimated completion date of September 2015, there will be 3,243 income-qualified households upon completion. It should be noted that some numbers may not total due to rounding.

ESTIMATES AND PROJECTIONS OF RENTER HOUSEHOLDS WITH QUALIFYING INCOMES - PMA

		Primary Market Area		Primary Market Area		Primary Market Area		Primary Market Area		Primary Market Area		Primary Market Area	
	Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds	% Inc Eligible	Income Qualified Renter Hshlds
Unit Category		1BR - 50%		1BR - 60%		2BR - 60%		3BR - 60%		60% Total		Total	
AMI Rent Restriction		50% AMI		60% AMI									
AMI Income Restriction		50% AMI		60% AMI									
Minimum Income		\$16,217		\$19,474		\$23,383		\$27,017		\$19,474		\$16,217	
Maximum Income		\$20,000		\$24,000		\$27,000		\$32,400		\$32,400		\$32,400	
Less than \$5,000	667	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
\$5,000 to \$9,999	703	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
\$10,000 to \$14,999	808	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
\$15,000 to \$19,999	929	75.6%	703	10.5%	98	0.0%	0	0.0%	0	10.5%	98	75.6%	703
\$20,000 to \$24,999	917	0.0%	0	80.0%	734	32.3%	296	0.0%	0	100.0%	917	100.0%	917
\$25,000 to \$34,999	1,729	0.0%	0	0.0%	0	20.0%	346	53.8%	931	74.0%	1279	74.0%	1279
\$35,000 to \$49,999	1,739	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
\$50,000 to \$74,999	1,763	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0
Inc Qual Renter Hshlds in 2010		703		831		642		931		2,294		2,899	
Total Households in 2010		23,494		23,494		23,494		23,494		23,494		23,494	
Inc Qual Renter Hshlds as % of Total Hshlds in 2010		3.0%		3.5%		2.7%		4.0%		9.8%		12.3%	
2018 Total Projected Hshlds		27,948		27,948		27,948		27,948		27,948		27,948	
2018 Proj Inc Qual Renter Hshlds		836		989		764		1,107		2,729		3,449	
Eight Years Growth		133		158		122		176		435		550	
One Years Growth		17		20		15		22		54		69	
Inc Qual Renter Hshlds Upon Comp Source: Nielsen		786		930		718		1,041		2,566		3,243	

Households by Number of Persons

The following table presents renter household data for the PMA. As the table indicates, 42.6% of households in the PMA were renters. The table also indicates 97.7% of total renter households in the PMA are 1 to 5 person households. These figures are used in the total capture rate calculations.

HOUSEHOLDS BY NUMBER OF PERSONS

	PMA	
	Households 2010	Percent of Total
Total Occupied Households	23,890	100.0%
Total Owner Households	13,702	57.4%
Total Renter Households	10,188	42.6%
1 Person Owner Households	2,974	21.7%
2 Person Owner Households	4,459	32.5%
3 Person Owner Households	2,690	19.6%
4 Person Owner Households	1,993	14.5%
5 Person Owner Households	984	7.2%
6 Person Owner Households	451	3.3%
7 or More Person Owner Households	151	1.1%
Total Owner Households	13,702	100.0%
1 Person Renter Households	2,796	27.4%
2 Person Renter Households	2,903	28.5%
3 Person Renter Households	2,377	23.3%
4 Person Renter Households	1,340	13.2%
5 Person Renter Households	535	5.3%
6 Person Renter Households	86	0.8%
7 or More Person Renter Households	151	1.5%
Total Renter Households	10,188	100.0%
Total 1 to 2 Person Renter HH	5,699	55.9%
Total 2 to 3 Person Renter HH	6,620	51.8%
Total 3 to 5 Person Renter HH	1,961	41.7%
Total 1 to 5 Person Renter HH	9,951	97.7%

Source: Nielsen

Summary

The renter households in the PMA that have qualifying income are estimated to increase by 69 households per year through 2018. Approximately 97.7% of renter households in the PMA have one to five persons.

Projected Market Demand

The purpose of this section is to estimate the demand for the subject property. The primary information source for this analysis is demographic and trend analyses taken from Nielsen.

Demand for the subject improvements is estimated by identifying the specific characteristics attributable to likely tenants of the project and then estimating the number of persons exhibiting these characteristics within the market area. As mentioned previously, occupancy in all of the subject's units will be limited to households with income no higher than 50% and 60% of AMI.

Income Qualified Renter Households

In the Demographic Section of this report, a growth estimate of income qualified renter households was calculated. The respective one-year growth estimates for each unit size under each AMI level in the PMA are used in the capture rate calculations.

Household Size

The subject will include one, two, and three-bedroom units. The percentages shown in the Demographic section of this report for each household size will be utilized in the capture rate calculations. For the project as a whole, households with 1 to 5 members are utilized.

Capture Rate Calculations

The capture rate calculations, which are based on the percentages derived in the discussions above, are summarized in the following table.

CAPTURE RATE CALCULATIONS - PMA

PMA	1BR - 50%	1BR - 60%	2BR - 60%	3BR - 60%	60% Total	Total
Rent Level	50% AMI	60% AMI	60% AMI	60% AMI	60% AMI	
Income Level	50% AMI	60% AMI	60% AMI	60% AMI	60% AMI	
Number of Household Members Assumed	1-2	1-2	2-3	3-5	1-5	1-5
Minimum Income	\$16,217	\$19,474	\$23,383	\$27,017	\$19,474	\$16,217
Maximum Income	\$20,000	\$24,000	\$27,000	\$32,400	\$32,400	\$32,400
Proposed Units	8	1	27	12	40	48
Proj Annual Hsld Growth - Income Qualified Renter Hslds	17	20	15	22	54	69
Estimated Percentage of Renter Hshlds based on Size	55.9%	55.9%	51.8%	41.7%	97.7%	97.7%
Potential Demand From Household Growth:	9	11	8	9	53	67
Total Income Qualified Renter Hslds @ Completion	786	930	718	1,041	2,566	3,243
Estimated Percentage of Renter Hshlds based on Size	55.9%	55.9%	51.8%	41.7%	97.7%	97.7%
Potential Demand From Qualified Hslds @ Completion:	440	520	372	434	2,506	3,167
Total Housing Demand @ Stabilization	449	531	380	444	2,559	3,234
Directly Competing Units Under Construction and Proposed	3	13	18	8	39	42
Demand Remaining After Competing Proposed Units	446	518	362	436	2,520	3,192
Proposed Subject Units	8	1	27	12	40	48
Capture Rate	1.8%	0.2%	7.5%	2.8%	1.6%	1.5%

Discussion of Capture Rate

In general terms, and given the methodology utilized, most proposed housing projects requiring a capture-rate of 10% or less are considered likely to succeed so long as no unusual externalities are present. As shown, the total capture rate for the subject units in the PMA is 1.5%, indicating excellent demand for the subject development as proposed.

Penetration Rate

Based on the calculations below, there is excellent demand for the subject's units.

PENETRATION RATE

PMA Penetration Rate	
All Competing Units in Market Area + Subject	247
Income and Tenure Qualified Hshlds	3,243
Penetration Rate	7.6%

Capture Rate Using DCA Required Methodology

The 2014 DCA Market Study Regulations require a capture rate calculation that limits the demand pool to the household growth of income qualified tenants, and a "reasonable percentage" of households in rent overburden and living in substandard housing, within the age and income groups targeted by the subject. It is our understanding that the purpose of this methodology is to identify projects that have sufficient demand to absorb the proposed units, without adversely impacting existing subsidized properties. The required methodology and related assumptions serve this purpose, but they may, or may not, be realistic relative to market performance. Therefore, a capture rate calculation has been performed using the DCA methodology that is separate and apart from the previous capture rate calculations.

Rent Overburden

Rent overburden is defined by DCA as renter households that are paying more than 35% of household income for housing costs. The table below provides the percentage of total renter households in the PMA based on 2000 Census. These percentages are applied to the total income and size qualified renters previously calculated to derive demand from rent overburdened households.

It is noted that this analysis likely understates (perhaps grossly) demand from this segment. This analysis assumes that all income levels of renter households experience the same percentage of rent overburden, when it is far more likely that a much higher percentage lies in the low-income brackets. However, the census data is not sufficiently detailed to derive a more accurate estimate of demand and this conservative approach is considered preferable to including all rent overburdened households, which would likely overstate demand.

RENTER HOUSEHOLDS IN RENT OVERBURDEN

Rent Overburden	PMA
Renter Households in Rent Overburden	3,140
As Percentage of Total Renter Households	30.8%
Source: Nielsen	

Substandard Housing

Rental homes lacking plumbing, kitchen facilities, or heating fuel, or built prior to 1939 are classified as “substandard housing”. The table below quantifies each of these conditions for the primary and target market areas.

SUBSTANDARD RENTAL UNITS

Substandard Housing	% Total	
	PMA	Rental Units
Lacking complete plumbing facilities	85	0.83%
Lacking complete kitchen facilities	60	0.59%
With no house heating fuel	51	0.50%
Built prior to 1939	150	1.47%

Source: Nielsen

Unfortunately, the census data does not report these categories as mutually exclusive conditions, nor does it report them by age or household income. Therefore, for purposes of this analysis, we have utilized the units built prior to 1939 only as the indicator of substandard housing, and calculated its percentage as a percentage of renter households. This percentage is then applied to the total income and size qualified renter households to derive demand from substandard housing.

Please note that turnover of existing households would typically be included in the capture rate analysis. However, per DCA guidelines, no turnover has been included.

The DCA Total Housing Demand is calculated by adding the net demand from household growth, to the net demand from rent overburden and substandard housing. The remainder of the DCA capture rate calculation is the same as the previous capture rate methodology.

Discussion of DCA Capture Rate

Generally, in an economically stable market, a capture rate of up to 20% is considered typical and highly feasible, and 20% to 30% is achievable, but above that level is generally considered marginal. In a rapidly growing market, or a small market with limited competition, higher (in some cases significantly higher) capture rates are achievable. The total capture rate for the PMA is 4.6%, which indicates excellent demand for the subject development. The capture rate for the two-bedroom units is at the high end of the range at 24.5%. However, based on conversations with managers at all three existing tax credit properties, each noted that there is a strong demand for additional affordable housing, but particularly two-bedroom units.

It should be noted that eight one-bedroom units will be set aside for Integrative Housing, which will target military veterans. The developer anticipates working with a local veteran's organization which will serve as a feeder system for these units.

DCA CAPTURE RATE – PMA

PMA						
Bedroom Size	1BR - 50%	1BR - 60%	2BR - 60%	3BR - 60%	60% Total	Total
AMI Rent Level	50% AMI	60% AMI	60% AMI	60% AMI	60% AMI	
AMI Income Level	50% AMI	60% AMI	60% AMI	60% AMI	60% AMI	
Number of Household Members	1-2	1-2	2-3	3-5	1-5	1-5
Minimum Income	\$16,217	\$19,474	\$23,383	\$27,017	\$19,474	\$16,217
Maximum Income	\$20,000	\$24,000	\$27,000	\$32,400	\$32,400	\$32,400
Proposed Units	8	1	27	12	40	48
Proj Yrly Hshld Growth - Inc Qual Renters	17	20	15	22	54	69
Estimated Percentage of Hshlds based on Size	55.9%	55.9%	51.8%	41.7%	97.7%	97.7%
Net Demand from Household Growth	9	11	8	9	53	67
Total Income Qualified Renter Hshlds @ Completion	786	930	718	1,041	2,566	3,243
Estimated Percentage of Qualified Hshlds based on Size	55.9%	55.9%	51.8%	41.7%	97.7%	97.7%
Rent Overburdened as % of Total Renter Hshlds	30.8%	30.8%	30.8%	30.8%	30.8%	30.8%
Demand from Income, Hshld Size, Rent Overburdened	136	160	115	134	772	976
Total Income Qualified Renter Hshlds @ Completion	786	930	718	1,041	2,566	3,243
Estimated Percentage of Hshlds based on Size	55.9%	55.9%	51.8%	41.7%	97.7%	97.7%
Substandard Housing as % of Total Renter Hshlds	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%
Demand from Income, Hshld Size, Substandard Housing	6	8	5	6	37	47
DCA Total Housing Demand at Stabilization	151	179	128	150	862	1,090
Competing Units under Construction and Proposed	3	13	18	8	39	42
Demand After Competing Proposed Units	148	166	110	142	823	1,048
Proposed Subject Units	8	1	27	12	40	48
Capture Rate	5.4%	0.6%	24.5%	8.5%	4.9%	4.6%

Estimated Absorption Period

We are not aware of any tax credit projects located in the primary market area that have come on line recently on which to measure absorption. However, the manager for Tattersall Village Apartments (Comp 2) noted that their development came online in 2010 and that absorption to stabilized occupancy was reached within one to two months of completion of construction. It should be noted that units were leased as they received their certificate of occupancy.

The subject will be new construction in a market area with minimal directly competition from other family-oriented LIHTC properties. The subject as proposed will be in superior or similar condition compared to the existing product and have initial rents that are well below those at the directly competing properties. As shown in the empirical analysis in this report, demand is excellent for the subject's units. Furthermore, eight one-bedroom units will be set aside for Integrative Housing, which will target military veterans. The developer anticipates working with a local veteran's organization, which will serve as a feeder system for these units.

To reach the 97% estimated stabilized occupancy, 47 units must be leased. Based on the above factors, a six month lease up period is estimated, or approximately eight units per month. This estimate is considered reasonable based on the high occupancy rates at the competing properties, two of which reported extensive waiting lists.

Strengths & Weaknesses/ Conclusions and Recommendations

The subject will be new construction and in excellent condition in a market with minimal competition from other LIHTC properties. The subject's initial achievable restricted rents are significantly below market rents and rents at the directly competing LIHTC developments. Furthermore, occupancy rates at the exiting tax credit developments are high and most have extensive waiting lists.

Demand for the subject units will come from household growth, and households in rent overburden and substandard housing. The capture rate calculations indicate excellent demand for the subject development. Absorption is estimated at six months, and could be conservative should the developer aggressively market the development prior to receiving its first certificate of occupancy.

The subject's primary strengths are its new condition and its low rents compared to the direct competition. We are unaware of any weaknesses that will negatively impact the development when compared to the direct competition. Thus, no modifications are recommended at this time. The subject development is not anticipated to adversely impact any existing apartment developments in the PMA due to the strong demand in the market for additional affordable housing. The subject will fill a void that currently exists in the market for additional quality affordable housing.

General Assumptions & Limiting Conditions

This appraisal is subject to the following limiting conditions:

1. The legal description – if furnished us – is assumed to be correct.
2. No responsibility is assumed for legal matters, questions of survey or title, soil or subsoil conditions, engineering, availability or capacity of utilities, or other similar technical matters. The appraisal does not constitute a survey of the property appraised. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear, under responsible ownership and competent management unless otherwise noted.
3. Unless otherwise noted, the appraisal will value the property as though free of contamination. Valbridge Property Advisors | Allgeier Company will conduct no hazardous materials or contamination inspection of any kind. It is recommended that the client hire an expert if the presence of hazardous materials or contamination poses any concern.
4. The stamps and/or consideration placed on deeds used to indicate sales are in correct relationship to the actual dollar amount of the transaction.
5. Unless otherwise noted, it is assumed there are no encroachments, zoning violations or restrictions existing in the subject property.
6. The appraiser is not required to give testimony or attendance in court by reason of this appraisal, unless previous arrangements have been made.
7. Unless expressly specified in the engagement letter, the fee for this appraisal does not include the attendance or giving of testimony by Appraiser at any court, regulatory, or other proceedings, or any conferences or other work in preparation for such proceeding. If any partner or employee of Valbridge Property Advisors | Allgeier Company is asked or required to appear and/or testify at any deposition, trial, or other proceeding about the preparation, conclusions or any other aspect of this assignment, client shall compensate Appraiser for the time spent by the partner or employee in appearing and/or testifying and in preparing to testify according to the Appraiser's then current hourly rate plus reimbursement of expenses.
8. The values for land and/or improvements, as contained in this report, are constituent parts of the total value reported and neither is (or are) to be used in making a summation appraisal of a combination of values created by another appraiser. Either is invalidated if so used.
9. The dates of value to which the opinions expressed in this report apply are set forth in this report. We assume no responsibility for economic or physical factors occurring at some point at a later date, which may affect the opinions stated herein. The forecasts, projections, or operating estimates contained herein are based on current market conditions and anticipated short-term supply and demand factors and are subject to change with future conditions.

10. The sketches, maps, plats and exhibits in this report are included to assist the reader in visualizing the property. The appraiser has made no survey of the property and assumed no responsibility in connection with such matters.
11. The information, estimates and opinions which were obtained from sources outside of this office, are considered reliable. However, no liability for them can be assumed by the appraiser.
12. Possession of this report, or a copy thereof, does not carry with it the right of publication. Neither all, nor any part of the content of the report, or copy thereof (including conclusions as to property value, the identity of the appraisers, professional designations, reference to any professional appraisal organization or the firm with which the appraisers are connected), shall be disseminated to the public through advertising, public relations, news, sales, or other media without prior written consent and approval.
13. No claim is intended to be expressed for matters of expertise which would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers. We claim no expertise in areas such as, but not limited to, legal, survey, structural, environmental, pest control, mechanical, etc.
14. This appraisal was prepared for the sole and exclusive use of the client for the function outlined herein. Any party who is not the client or intended user identified in the appraisal or engagement letter is not entitled to rely upon the contents of the appraisal without express written consent of Valbridge Property Advisors | Allgeier Company and Client.
15. Distribution of this report is at the sole discretion of the client, but no third-parties not listed as an intended user on the face of the appraisal or the engagement letter may rely upon the contents of the appraisal. In no event shall client give a third-party a partial copy of the appraisal report. We will make no distribution of the report without the specific direction of the client.
16. This appraisal shall be used only for the function outlined herein, unless expressly authorized by Valbridge Property Advisors | Allgeier Company.
17. This appraisal shall be considered in its entirety. No part thereof shall be used separately or out of context.
18. Unless otherwise noted in the body of this report, this appraisal assumes that the subject property does not fall within the areas where mandatory flood insurance is effective. Unless otherwise noted, we have not completed nor have we contracted to have completed an investigation to identify and/or quantify the presence of non-tidal wetland conditions on the subject property. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

19. If the appraisal is for mortgage loan purposes 1) we assume satisfactory completion of improvements if construction is not complete, 2) no consideration has been given for rent loss during rent-up unless noted in the body of this report, and 3) occupancy at levels consistent with our "Income & Expense Projection" are anticipated.
20. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering which may be required to discover them.
21. Our inspection included an observation of the land and improvements thereon only. It was not possible to observe conditions beneath the soil or hidden structural components within the improvements. We inspected the buildings involved, and reported damage (if any) by termites, dry rot, wet rot, or other infestations as a matter of information, and no guarantee of the amount or degree of damage (if any) is implied. Condition of heating, cooling, ventilation, electrical and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements unless otherwise stated.
22. This appraisal does not guarantee compliance with building code and life safety code requirements of the local jurisdiction. It is assumed that all required licenses, consents, certificates of occupancy or other legislative or administrative authority from any local, state or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value conclusion contained in this report is based unless specifically stated to the contrary.
23. When possible, we have relied upon building measurements provided by the client, owner, or associated agents of these parties. In the absence of a detailed rent roll, reliable public records, or "as-built" plans provided to us, we have relied upon our own measurements of the subject improvements. We follow typical appraisal industry methods; however, we recognize that some factors may limit our ability to obtain accurate measurements including, but not limited to, property access on the day of inspection, basements, fenced/gated areas, grade elevations, greenery/shrubbery, uneven surfaces, multiple story structures, obtuse or acute wall angles, immobile obstructions, etc. Professional building area measurements of the quality, level of detail, or accuracy of professional measurement services are beyond the scope of this appraisal assignment.
24. We have attempted to reconcile sources of data discovered or provided during the appraisal process, including assessment department data. Ultimately, the measurements that are deemed by us to be the most accurate and/or reliable are used within this report. While the measurements and any accompanying sketches are considered to be reasonably accurate and reliable, we cannot guarantee their accuracy. Should the client desire a greater level of measuring detail, they are urged to retain the measurement services of a qualified professional (space planner, architect or building engineer). We reserve the right to use an alternative source of building size and amend the analysis, narrative and concluded values (at additional cost) should this alternative measurement source reflect or reveal substantial differences with the measurements used within the report.

25. In the absence of being provided with a detailed land survey, we have used assessment department data to ascertain the physical dimensions and acreage of the property. Should a survey prove this information to be inaccurate, we reserve the right to amend this appraisal (at additional cost) if substantial differences are discovered.
26. If only preliminary plans and specifications were available for use in the preparation of this appraisal, then this appraisal is subject to a review of the final plans and specifications when available (at additional cost) and we reserve the right to amend this appraisal if substantial differences are discovered.
27. Unless otherwise stated in this report, the value conclusion is predicated on the assumption that the property is free of contamination, environmental impairment or hazardous materials. Unless otherwise stated, the existence of hazardous material was not observed by the appraiser and the appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required for discovery. The client is urged to retain an expert in this field, if desired.
28. The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey of the property to determine if it is in conformity with the various requirements of the ADA. It is possible that a compliance survey of the property, together with an analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this could have a negative effect on the value of the property. Since we have no direct evidence relating to this issue, we did not consider possible noncompliance with the requirements of ADA in developing an opinion of value.
29. This appraisal applies to the land and building improvements only. The value of trade fixtures, furnishings, and other equipment, or subsurface rights (minerals, gas, and oil) were not considered in this appraisal unless specifically stated to the contrary.
30. No changes in any federal, state or local laws, regulations or codes (including, without limitation, the Internal Revenue Code) are anticipated, unless specifically stated to the contrary.
31. Any income and expense estimates contained in the appraisal report are used only for the purpose of estimating value and do not constitute prediction of future operating results. Furthermore, it is inevitable that some assumptions will not materialize and that unanticipated events may occur that will likely affect actual performance.
32. Any estimate of insurable value, if included within the scope of work and presented herein, is based upon figures developed consistent with industry practices. However, actual local and regional construction costs may vary significantly from our estimate and individual insurance policies and underwriters have varied specifications, exclusions, and noninsurable items. As such, we strongly recommend that the Client obtain estimates from professionals experienced in establishing insurance coverage. This analysis should not be relied upon to determine insurance coverage and we make no warranties regarding the accuracy of this estimate.

33. The data gathered in the course of this assignment (except data furnished by the Client) shall remain the property of the Appraiser. The appraiser will not violate the confidential nature of the appraiser-client relationship by improperly disclosing any confidential information furnished to the appraiser. Notwithstanding the foregoing, the Appraiser is authorized by the client to disclose all or any portion of the appraisal and related appraisal data to appropriate representatives of the Appraisal Instituted is such disclose is required to enable the appraiser to comply with the Bylaws and Regulations of such Institute now or hereafter in effect.
34. You and Valbridge Property Advisors | Allgeier Company both agree that any dispute over matters in excess of \$5,000 will be submitted for resolution by arbitration. This includes fee disputes and any claim of malpractice. The arbitrator shall be mutually selected. If Valbridge Property Advisors | Allgeier Company and the client cannot agree on the arbitrator, the presiding head of the Local County Mediation & Arbitration panel shall select the arbitrator. Such arbitration shall be binding and final. In agreeing to arbitration, we both acknowledge that, by agreeing to binding arbitration, each of us is giving up the right to have the dispute decided in a court of law before a judge or jury.
35. Valbridge Property Advisors | Allgeier Company shall have no obligation, liability, or accountability to any third party. Any party who is not the "client" or intended user identified on the face of the appraisal or in the engagement letter is not entitled to rely upon the contents of the appraisal without the express written consent of Valbridge Property Advisors | Allgeier Company. "Client" shall not include partners, affiliates, or relatives of the party named in the engagement letter. Client shall hold Valbridge Property Advisors | Allgeier Company and its employees harmless in the event of any lawsuit brought by any third party, lender, partner, or part-owner in any form of ownership or any other party as a result of this assignment.
36. The Valbridge Property Advisors office responsible for the preparation of this report is independently owned and operated by Allgeier Company. Neither Valbridge Property Advisors, Inc. (the parent company), nor any of its affiliates (VPAFS, LLC) has been engaged to provide this report. Valbridge Property Advisors, Inc. (the parent company), does not provide valuation services, and has taken no part in the preparation of this report.
37. This report and any associated work files may be subject to evaluation by Valbridge Property Advisors, Inc., or its affiliates, for quality control purposes.
38. Acceptance and/or use of this appraisal report constitutes acceptance of the foregoing general assumptions and limiting conditions.

Certification

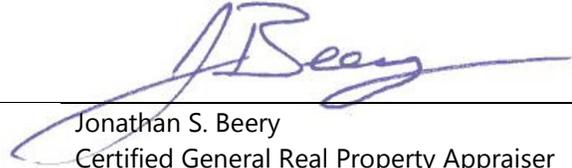
We certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
4. We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of the appraisal within the three-year period immediately preceding acceptance of this assignment.
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
7. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
8. Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
9. Ryan Cloern has personally inspected the subject property. The report was reviewed by Jonathan S. Beery who did not make a personal inspection of the subject property.
10. No one provided significant real property appraisal assistance to the person/people signing this certification.
11. The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
12. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

13. As of the date of this report, Jonathan S. Beery has completed the Standards and Ethics Education Requirement for Candidate for Designation of the Appraisal Institute.



Ryan Cloern
Certified General Real Property Appraiser
Georgia Temporary License # 2014-296
Issuance Date: May 16, 2014



Jonathan S. Beery
Certified General Real Property Appraiser
Georgia License Applied For

NCHMA Certification

This market study has been prepared by Valbridge Property Advisors / Allgeier Company, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects*, and *Model Content Standards for the Content of Market Studies for Affordable Housing Projects*. These Standards are designed to enhance the quality of market studies and to make them easier to understand and use. These Standards are voluntary only, and the National Council of Housing Market Analysts assumes no legal responsibility regarding their use.

Valbridge Property Advisors / Allgeier Company is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Valbridge Property Advisors / Allgeier Company is an independent market analyst. No principal or employee of Valbridge Property Advisors / Allgeier Company has any financial interest whatsoever in the development for which this analysis has been undertaken.



Jonathan S. Beery
Certified General Real Property Appraiser
Georgia Temporary License Applied For



Formerly known as
National Council of Affordable
Housing Market Analysts

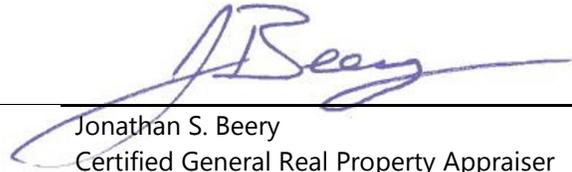
Georgia Department of Community Affairs Cert.

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. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

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



Ryan Cloern
Certified General Real Property Appraiser
Georgia Temporary License # 2014-296
Issuance Date: May 16, 2014



Jonathan S. Beery
Certified General Real Property Appraiser
Georgia Temporary License Applied For

Qualifications

Qualifications of Ryan Cloern

Senior Appraiser

Valbridge Property Advisors | Allgeier Company

State Certifications

State of Kentucky
State of Indiana

Education

Bachelor of Science
Business Administration
Xavier University

Contact Details

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Appraisal Institute & Related Courses:

Basic Income Capitalization
Apartment Appraisal: Concepts and Applications
General Applications
Real Estate Finance Statistics and Valuation Modeling
Effective Appraisal Writing

Greater Louisville Association of Realtors Courses

Basics of Appraisal
Real Estate Analysis
Cost Income Approach
Sales Comparison Approach
USPAP

HUD Rent Comparability Study Training Class

Experience:

Senior Appraiser

Valbridge Property Advisors | Allgeier Company (2013 - present)
Allgeier Company (2004 - 2012)

Appraisal/valuation and consulting assignments specializing in multifamily tax credit market studies and appraisals, HUD Mark-to-Market program, HUD Multifamily Accelerated Program (MAP) 221(d)(4) and 223(f) projects. Also have appraisal experience in residential condominiums, retail buildings and shopping centers, industrial buildings, various forms of senior housing, and vacant land.



Georgia Real Estate Appraisers Board
Suite 1000, International Tower
229 Peachtree Street, N.E.
Atlanta, Georgia 30303-1605
Telephone: 404-656-3916 / Fax: 404-656-6650

TEMPORARY PRACTICE PERMIT #

2014-296

Issued to: RYAN CLOERN

Issuance Date: MAY, 16 2014

Property Description:

PROPOSED WILLOWBROOK OF COMMUNITY APRARMENTS
HINESVILLE, GA

In accordance with Section 43-39A-9 of the Georgia Real Estate Appraisers Act, this permit is valid for a period of six (6) months from the issuance date, with an automatic six (6) month extension. This permit is only valid for appraisal work to be performed on the Georgia property designated on this document.

Qualifications of Jonathan S. Beery

Senior Managing Director

Valbridge Property Advisors | Allgeier Company

State Certifications

State of Kentucky
State of Indiana
State of Ohio
State of Tennessee

Education

Bachelor of Arts
University of Kentucky

Contact Details

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Professional Associations:

Candidate for Designation, Appraisal Institute
Sales Associate: Kentucky Real Estate Commission
Member: Greater Louisville Association of Realtors
Member: National Association of Realtors

Appraisal Institute & Related Courses:

Principles of Real Estate Appraisal and Single Family Appraisal
Procedures of Real Estate Appraisal and Single Family Appraisal
Standards of Professional Practice (USPAP)
Small Residential Income Property Valuation
Business Practices and Ethics
Rent Comparability Study for HUD Project-Based Section 8 Contract
Renewals
Evaluating Commercial Construction
Basic Income Capitalization
Apartment Appraisal
General Applications
Subdivision Valuation
General Market Analysis and Highest & Best Use
Advanced Sales Comparison & Cost Approach
Advanced Applications
Report Writing & Valuation Analysis
MAP Appraising
Advanced Income Capitalization
Uniform Appraisal Standards for Federal Land Acquisitions
(Yellow Book)

Experience:

Senior Managing Director

Valbridge Property Advisors | Allgeier Company (2013 - present)
Allgeier Company (2004 - 2012)

Appraisal/valuation and consulting assignments include: apartment and condominium complexes; retail buildings and shopping centers; office buildings; industrial buildings; single-family residential; and vacant industrial, commercial and residential land. Assignments also include net lease properties, Section 8 based complexes, LIHTC market studies and appraisals, and HUD MAP valuations and market studies.

Addenda

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Novogradac & Company LLP Rent & Income Limit Calculator

LIHTC Income Limits for 2014
 (Based on 2014 MTSP Income Limits)

	Charts	60.00%	50.00%	140.00%
1 Person		21,000	17,500	29,400
2 Person		24,000	20,000	33,600
3 Person		27,000	22,500	37,800
4 Person		30,000	25,000	42,000
5 Person		32,400	27,000	45,360
6 Person		34,800	29,000	48,720
7 Person		37,200	31,000	52,080
8 Person		39,600	33,000	55,440
9 Person		42,000	35,000	58,800
10 Person		44,400	37,000	62,160
11 Person		46,800	39,000	65,520
12 Person		49,200	41,000	68,880

LIHTC Rent Limits for 2014
 (Based on 2014 MTSP/VLI Income Limits)

Bedrooms (People)	Charts	60.00%	50.00%	FMR	HOME Low Rent	HOME High Rent
1 Bedroom (1.5)		562	468	598	0	0
2 Bedrooms (3.0)		675	562	747	0	0
3 Bedrooms (4.5)		780	650	1,054	0	0

<http://www.novoco.com/tenant/rentincome/calculator/z4.jsp>

2/4

Georgia Department of Community Affairs
 Office of Housing Finance

UTILITY ALLOWANCES
 Effective 7/1/2014

SOUTHERN REGION

Unit Type	Use	Appliance Type	0 BR	1 BR	2 BR	3 BR	4 BR
MULTI-FAMILY	Heating	Natural Gas	12	17	22	27	34
		Electric	17	23	30	36	46
		Propane	35	48	60	73	95
		78%+ AFUE Gas	6	7	10	12	15
		Electric Heat Pump	2	2	2	3	3
		Electric Aquatherm	12	16	21	25	32
		Gas Aquatherm	9	12	16	19	24
		Cooking	Natural Gas	5	7	9	11
	Electric		7	9	12	14	18
	Propane		16	19	25	32	38
	Hot Water	Natural Gas	14	19	24	29	36
		Electric	20	28	36	44	57
		Propane	38	51	67	79	101
	Air Cond.	Electric	25	35	45	55	70
Lights/Refr.	Electric	19	26	34	41	52	
Sewer		19	25	31	37	44	
Water		12	16	20	25	32	
Trash Collection		14	14	14	14	14	
SINGLE FAMILY	Heating	Natural Gas	14	19	25	30	37
		Electric	18	26	33	40	51
		Propane	38	54	67	82	105
		78%+ AFUE Gas	9	12	15	17	22
		Electric Heat Pump	4	6	6	7	10
		Electric Aquatherm	13	18	23	28	36
		Gas Aquatherm	10	14	17	21	26
	Cooking	Natural Gas	5	7	9	11	14
		Electric	7	9	12	14	18
		Propane	16	19	25	32	38
	Hot Water	Natural Gas	14	19	24	29	36
		Electric	20	28	36	44	57
		Propane	38	51	67	79	101
	Air Cond.	Electric	28	39	50	61	77
	Lights/Refr.	Electric	21	29	37	46	58
	Sewer		19	26	31	37	44
	Water		12	16	21	25	32
	Trash Collection		14	14	14	14	14

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
One Bedroom Units	\$16,217-\$20,000	8	50.0%	151	3	148	5.4%	6 months	\$725		\$352
Two Bedroom Units											
Three Bedroom Units											
Total 50%	\$16,217-\$20,000	8	50.0%	151	3	148	5.4%				
One Bedroom Units	\$19,474-\$24,000	1	60.0%	179	13	166	0.6%	6 months	\$725		\$447
Two Bedroom Units	\$23,383-\$27,000	27	60.0%	128	18	110	24.5%	6 months	\$860		\$525
Three Bedroom Units	\$27,017-\$32,400	12	60.0%	150	8	142	8.5%	6 months	\$925		\$598
Total 60%	\$19,474-\$32,400	40	60.0%	862	35	827	4.8%				
One Bedroom Units											
Two Bedroom Units											
Three Bedroom Units											
No Data Units											
One Bedroom Units											
Two Bedroom Units											
Three Bedroom Units											
No Data Units											
Project Total	\$16,217-\$32,400	48	50%-60%	1,090	42	1048	4.6%	6 months			

	HH at 50% AMI	HH @ 60% AMI	Total
Demand from New Hshlds (income qualified renters)	9	53	67
+			
Demand from Existing Renter Hshlds (substandard housing)	136	772	976
+			
Demand from Existing Renter Hshlds (rent overburdened hshlds)	6	37	47
Subtotal	151	862	1090
Demand from Turnover	0	0	0
Total Demand	151	862	1090
-			
Supply	3	39	42
Net Demand	148	823	1048

NCAHMA Market Study Checklist

The following components have been addressed in this market study. The page number of each component is noted below. Each component is fully discussed on that page or pages. In cases where the item is not relevant, the author has indicated "NA" 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.

	Page(s)	
1	Executive Summary	1-2
2	Concise description of the site and adjacent parcels	21
3	Project summary	7
4	Precise statement of key conclusions	1-2
5	Recommendations and/or modification to project discussion	1-2
6	Market strengths and weaknesses impacting project	1-2
7	Lease-up projection with issues impacting performance	60
8	Project description with exact number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	7 -
9	Utilities (and utility sources) included in rent and paid by landlord or tenant	36
10	Project design description	26-28
11	Unit and project amenities; parking	26-28
12	Public programs included	47
13	Date of construction/preliminary completion	46
14	Reference to review/status of project plans	26-28
15	Target population description	7
16	Market area/secondary market area description	20
17	Description of site characteristics	21-24
18	Site photos/maps	21-24
19	Map of community services	0
20	Visibility and accessibility evaluation	21-24
21	Crime information	17
22	Population and household counts	48
23	Households by tenure	49
24	Distribution of income	-
25	Employment by industry	10
26	Area major employers	11
27	Historical unemployment rate	13
28	Five-year employment growth	12
29	Typical wages by occupation	-
30	Discussion of commuting patterns of area workers	51
31	Existing rental housing discussion	29-47
32	Area building permits	18
33	Comparable property discussion	29-47
34	Comparable property profiles	29-47
35	Area vacancy rates, including rates for Tax Credit and government-subsidized	29-47
36	Comparable property photos	29-47
37	Identification of waiting lists	29-47
38	Narrative of subject property compared to comparable properties	33
39	Discussion of other affordable housing options including homeownership	29-47
40	Discussion of subject property on existing housing	33
41	Map of comparable properties	29, 35
42	Description of overall rental market including share of market-rate and affordable properties	29-47
43	List of existing and proposed LIHTC properties	29
44	Interviews with area housing stakeholders	29-47
45	Availability of Housing Choice Vouchers	47
46	Income levels required to live at subject site	7
47	Market rent and programmatic rent for subject	46
48	Capture rate for property	59
49	Penetration rate for area properties	57
50	Absorption rate discussion	60
51	Discussion of future changes in housing population	48
52	Discussion of risks or other mitigating circumstances impacting project projection	1-2
53	Preparation date of report	FC
54	Date of field work	Scope
55	Certification	67-70
56	Statement of qualifications	71
57	Sources of data	Scope
58	Utility allowance schedule	Addenda

Information on Valbridge Property Advisors

Valbridge covers the U.S. from coast to coast, and is one of the Top 3 national commercial real estate valuation and advisory services firms based on:

- Total number of MAIs (163 on staff)
- Total number of office locations (60 across the U.S.)
- Total number of staff (600+ strong)

Valbridge is owned by our local office leaders. Every Valbridge office is led by a senior managing director who holds the MAI designation of the Appraisal Institute.

Valbridge services all property types, including:

- Office
- Industrial
- Retail
- Apartments/multifamily/senior living
- Lodging/hospitality/recreational
- Land
- Special-purpose properties

Valbridge welcomes single-property assignments as well as portfolio, multi-market and other bulk-property engagements. Specialty services include:

- Portfolio valuation
- REO/foreclosure evaluation
- Real estate market and feasibility analysis
- Property and lease comparables, including lease review
- Due diligence
- Property tax assessment and appeal-support services
- Valuations and analysis of property under eminent domain proceedings
- Valuations of property for financial reporting, including goodwill impairment, impairment or disposal of long-lived assets, fair value and leasehold valuations
- Valuation of property for insurance, estate planning and trusteeship, including fractional interest valuation for gifting and IRS purposes
- Cost segregation studies
- Litigation support, including expert witness testimony
- Business and partnership valuation and advisory services, including partial interests

Independent Valuation for a Variable World

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