



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

**GROVE SENIOR VILLAGE
Indian Creek Road and Apache Avenue
Locust Grove, Henry County, Georgia 30248**

Effective Date: May 2, 2015

Report Date: June 8, 2015

Prepared For

**Mr. Max Elbe
Principal
Peachtree Housing Communities
80 West Wieuca Road NE
Suite 204
Atlanta, GA 30342**

Prepared By

**Novogradac & Company LLP
2325 Lakeview Parkway
Suite 450
Alpharetta, Georgia 30009
678.867.2333**

June 8, 2015

Mr. Max Elbe
Principal
Peachtree Housing Communities
80 West Wieuca Road NE
Atlanta, GA 30342

Re: Market Study for Grove Senior Village in Locust Grove, Georgia

Dear Mr. Elbe:

At your request, Novogradac & Company LLP performed a market study of the family rental market in the Locust Grove, Henry County, Georgia area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project, the (Subject). The purpose of this market study is to assess the viability of the construction of Grove Senior Village, a proposed Housing for Older Persons (HFOP) development consisting of 56 units. Units will be restricted to senior households ages 55 and older earning 50 and 60 percent of the AMI, or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the Georgia Department of Community Affairs (DCA), including the following:

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

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

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

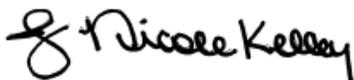
Respectfully submitted,



H. Blair Kincer, MAI, CRE
LEED Certified Associate
Partner
Novogradac & Company LLP



Edward R. Mitchell
Manager
Novogradac & Company LLP



J. Nicole Kelley
Real Estate Analyst
Novogradac & Company LLP

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the consultant has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the consultant assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All information contained in the report, which others furnished, was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
4. The report was made assuming responsible ownership and capable management of the property. The analyses and projections are based on the basic assumption that the apartment complex will be managed and staffed by competent personnel and that the property will be professionally advertised and aggressively promoted
5. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
6. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
7. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the consultant did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
8. A consulting analysis market study for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
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10. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
11. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
12. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
13. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
14. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which conclusions contained in this report is based.
15. On all proposed developments, Subject to satisfactory completion, repairs, or alterations, the consulting report is contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time with good quality materials.
16. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not Subject to flood plain or utility restrictions or moratoriums except as reported to the consultant and contained in this report.
17. The party for whom this report is prepared has reported to the consultant there are no original existing condition or development plans that would Subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
18. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.

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

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Addendum

A. EXECUTIVE SUMMARY AND CONCLUSION

EXECUTIVE SUMMARY AND CONCLUSIONS

1. Project Description:

Grove Senior Village is a proposed LIHTC development that will be located at the intersection of Indian Creek Road and Apache Avenue in Locust Grove, Henry County, Georgia. The proposed development will be age restricted to senior households 55 and older and will consist of one, elevator serviced lowrise building. The following table illustrates the unit mix including bedrooms/bathrooms, square footage, income targeting, rents, and utility allowance.

PROPOSED RENTS

Unit Type	Number of Units	Sqft	Asking Rent	Utility Allowance (1)	Gross Rent	LIHTC Maximum Allowable Gross Rent*	HUD Fair Market Rents
<i>50% AMI</i>							
1BR	5	750	\$435	\$161	\$596	\$604	\$756
2BR	7	950	\$520	\$205	\$725	\$725	\$896
<i>60% AMI</i>							
1BR	19	750	\$485	\$161	\$646	\$725	\$756
2BR	25	950	\$520	\$205	\$725	\$870	\$896
Total	56						

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

*Per GA DCA 2015 guidelines, the market analyst must use the maximum rents and income limits from the same year as the utility allowance. The GA DCA utility allowance is effective as of 7/2014 and therefore we have used the maximum rents and income limits for 2014.

The Subject will offer the following amenities: blinds, carpeting, central air conditioning, dishwashers, garbage disposals, oven/range, microwaves, refrigerators, handrails, pull cords, washer/dryer connections, a business center/computer lab, a clubhouse/community room, elevators, a central laundry facility, off-street parking, on-site management, a covered picnic area, community gardens, limited access entry, and an exercise facility. The Subject’s community amenities will be competitive with the existing properties in the market.

2. Site Description/Evaluation:

The Subject’s immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC

property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This property is in excellent condition and is currently 100 percent occupied and has a two year waiting list. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42, approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

3. Market Area Definition:

The Subject site is located in Locust Grove, Henry County, Georgia. The PMA boundaries are defined as the Henry/Dekalb County line to the north, Georgia 155, Keys Ferry Road and Georgia 36 East to the east, Highway 16 West to the south, and Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west. The furthest PMA boundary from the Subject site is approximately 21 miles.

4. Community Demographic Data:

Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2019 and will do so at a slightly faster pace. Senior population growth in the PMA is expected to continue to outpace growth in both the MSA and the nation through 2019. The number of senior households in the PMA also increased through 2015 and this number is expected to grow significantly through 2019. Senior household growth in the PMA is projected at 4.2 percent through 2019, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the

PMA bode well for the Subject. Approximately 21 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2019. The Subject's units will target tenants within this age demographic. Our analysis also indicates that approximately 33 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is consistent with the national average and the number of senior renters will increase slightly from 2015 to 2019. Overall, the demographic trends are a positive indicator for the Subject's units.

5. Economic Data:

The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past three years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is a not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 7.1 percent. While the current unemployment rate in the MSA is above the national average of 6.2 percent, the steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.4 percentage points from December 2013 to December 2014. While the MSA has not fully recovered from the recent national recession, total employment and unemployment trends are encouraging and indicate that the local economy is improving. Additionally, total jobs numbers within Henry County are positive and have passed their pre-recession peak.

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

Our demand analysis indicates that there are 534 income qualified senior renter households in the PMA. The following table indicates the capture rates for the Subject’s units.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income Limits	Units Proposed	Total Demand	Additions to Supply	Net Demand	Capture Rate
1BR at 50% AMI	\$18,120-\$25,800	5	46	0	46	11.0%
2BR at 50% AMI	\$21,750-\$25,800	7	92	0	92	7.6%
Overall 50% AMI	\$18,120-\$25,800	12	138	0	138	8.7%
1BR at 60% AMI	\$20,970-\$30,960	19	61	0	61	31.0%
2BR at 60% AMI	\$25,710-\$30,960	25	124	0	124	20.2%
Overall 60% AMI	\$20,970-\$30,960	44	185	0	185	23.8%
1BR Overall	\$18,120-\$30,960	24	72	0	72	33.4%
2BR Overall	\$21,750-\$25,800	32	145	0	145	22.0%
Project Overall	\$18,120-\$30,960	56	217	0	217	25.8%

All capture rates are within DCA threshold requirements and indicate demand for the Subject. Overall, we recommend the Subject as proposed.

7. Competitive Rental Analysis:

To evaluate the competitive position of the proposed Subject, 1,147 units in seven rental properties were surveyed in depth. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities; tenant profiles; and market trends in general. The availability of senior LIHTC data in the PMA is considered good. There are three LIHTC properties targeting seniors in the PMA and one senior LIHTC property (Hampton Court) which is located just west of the PMA in Hampton. The newest senior property in the PMA, Shoal Creek Manor, is located 0.9 miles from the Subject site in Locust Grove and entered the market in 2011. We have also included three market rate comparables in our analysis. One of these comparables is located in Locust Grove while the other two properties are located in McDonough. All three properties are within the PMA boundaries. Additionally, the senior LIHTC property Grier Senior Manor, which is located in McDonough, offers market rate units. Overall, we believe the comparable data is sufficient upon which to base our conclusions.

Although there are two family LIHTC properties located within the PMA, we have not included these properties as

comparables. Property managers at Ashley Woods and Sable Chase I and II indicated that these properties do not have a significant senior tenancy and would not directly compete with a LIHTC property targeting seniors 55 and older. Additionally, there is sufficient senior data within the PMA and these properties represent direct competition for the proposed Subject. Ashley Woods has a current occupancy of 95.3 percent while Sable Chase I and II has an occupancy of 96.5. Neither property is currently maintaining a waiting list.

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

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

Subject Comparison To "Market Rents"

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR 50% AMI	\$435	\$488	\$991	\$733	69%
2 BR 50% AMI	\$520	\$465	\$1,138	\$770	48%
1 BR 60% AMI	\$485	\$506	\$991	\$772	59%
2 BR 60% AMI	\$520	\$465	\$1,138	\$825	59%

As illustrated, the Subject’s proposed one-bedroom 50 and 60 percent AMI rents are below the minimum observed rents while the proposed two-bedroom 50 and 60 percent AMI rents are within the observed range and well below the average rents. The Subject’s proposed rents have significant rent advantages of 48 to 69 percent and will offer value in the market. Overall, the Subject’s proposed rents are considered reasonable when compared to the comparables and we believe that the Subject will be successful as proposed.

8. Absorption/Stabilization

Estimate:

Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

9. Overall Conclusion:

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC properties located in the Subject's PMA. Of these, two are 100 percent occupied and all three have waiting lists. There is also one senior LIHTC property located just west of the PMA in Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is currently 100 percent occupied with a waiting list of over 100 households. Average senior LIHTC vacancy is very low at 1.0 percent, indicating a supply constrained market. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 48 to 69 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

Summary Table:

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

Development Name:	Grove Senior Village	Total # Units: 56
Location:	Indian Creek Road and Apache Avenue	# LIHTC Units: 56
	Locust Grove, Henry County, Georgia	
PMA Boundary:	Henry/Dekalb County line to the north, Highway 16 West to the south, GA 155, Keys Ferry Rd, and GA 136 East to the east, Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west	
	Farthest Boundary Distance to Subject:	<u>21.0 miles</u>

Rental Housing Stock (found on page 85)

Type*	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	1,147	56	95.1%
Market-Rate Housing	4	868	56	93.5%
<i>Assisted/Subsidized Housing not to include LIHTC</i>	0	0	0	N/Ap
LIHTC	4	292	0	100.0%
Stabilized Comps	7	1,147	56	95.1%
Properties in Construction & Lease Up	0	0	0	N/Ap

*Some properties offer both LIHTC and market rate units

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
5	1BR at 50% AMI	1	750	\$435	\$733	\$0.98	69%	\$970	\$0.78
7	2BR at 50% AMI	1	950	\$520	\$770	\$0.55	48%	\$1,125	\$0.86
19	1BR at 60% AMI	1	750	\$485	\$772	\$1.03	59%	\$970	\$0.78
25	2BR at 60% AMI	1	950	\$520	\$825	\$0.87	59%	\$1,125	\$0.86

Demographic Data (found on pages 29 & 51)

	2010		2015		2017	
Renter Households	2,544	14.00%	2,739	13.70%	3,080	14.00%
Income-Qualified Renter HHs (LIHTC)	440	17.30%	877	17.30%	533	17.30%

Targeted Income-Qualified Renter Household Demand (found on pages 45, 48, 51)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall*
Renter Household Growth	N/Ap	59	79	N/Ap	N/Ap	93
Existing Households (Overburdened + Substandard)	N/Ap	113	151	N/Ap	N/Ap	178
Homeowner conversion (Seniors)	N/Ap	3	5	N/Ap	N/Ap	5
Total Primary Market Demand	N/Ap	175	235	N/Ap	N/Ap	276
Less Comparable/Competitive Supply	N/Ap	0	0	N/Ap	N/Ap	0
Adjusted Income-qualified Renter HHs**	N/Ap	175	235	N/Ap	N/Ap	276

Capture Rates (found on pages 46, 49, 52)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate:	N/Ap	8.70%	23.80%	N/Ap	N/Ap	25.80%

*Includes LIHTC and unrestricted (when applicable)

B. PROJECT DESCRIPTION

PROJECT DESCRIPTION

Project Address and Development Location:	The Subject site is located at the intersection of Indian Creek Road and Apache Avenue in Locust Grove, Henry County, Georgia.
Construction Type:	The Subject will be a newly constructed development consisting of one, lowrise, elevator serviced building.
Occupancy Type:	The Subject will target households 55 and older.
Special Population Target:	None.
Number of Units by Bedroom Type and AMI Level:	See following property profile.
Unit Size:	See following property profile.
Structure Type:	See following property profile.
Rents and Utility Allowances:	See following property profile.
Existing or Proposed Project Based Rental Assistance:	None of the Subject's units will operate with an additional subsidy.
Proposed Development Amenities:	See following property profile.

Grove Senior Village, Locust Grove, GA; Market Study

Grove Senior Village	
Comp#	Subject
Effective Rent Date	5/13/2015
Location	Indian Creek Rd & Apache Ave Locust Grove, GA 30248 Henry County County (verified)
Units	56
Type	Lowrise (age-restricted)
Year Built / Renovated	2017



Market			
Program	50%, 60%	Leasing Pace	n/a
Annual Turnover Rate	N/A	Change in Rent (Past Year)	n/a
Units/Month Absorbed	n/a	Concession	
Section 8 Tenants	N/A		

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

Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise	5	750	\$435	\$0	50%	-	N/A	N/A	no
1	1	Lowrise	19	750	\$485	\$0	60%	-	N/A	N/A	no
2	1	Lowrise	7	950	\$520	\$0	50%	-	N/A	N/A	no
2	1	Lowrise	25	950	\$520	\$0	60%	-	N/A	N/A	no

Amenities			
In-Unit	Blinds Carpeting Central A/C Dishwasher Garbage Disposal Hand Rails Microwave Oven Pull Cords Refrigerator Washer/Dryer hookup	Security	Limited Access
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Elevators Exercise Facility Central Laundry Off-Street Parking On-Site Management Picnic Area	Premium	none
Services	none	Other	Community garden

Comments

The proposed development will target seniors 55 and older. Utility allowances for the property are \$161 and \$205 for a one- and two-bedroom unit, respectively.

Scope of Renovations:	The Subject will be new construction.
Current Rents:	N/Ap.
Current Occupancy:	N/Ap.
Current Tenant Income:	N/Ap.
Placed in Service Date:	The Subject will be placed in service in June 2017.
Conclusion:	Upon completion, the Subject will be an excellent quality brick and vinyl siding, lowrise, elevator serviced building and will be comparable to the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

C. SITE EVALUATION

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

Nicole Kelley visited the site on May 2, 2015.

2. Physical Features of the Site:

The following illustrates the physical features of the site.

Frontage:

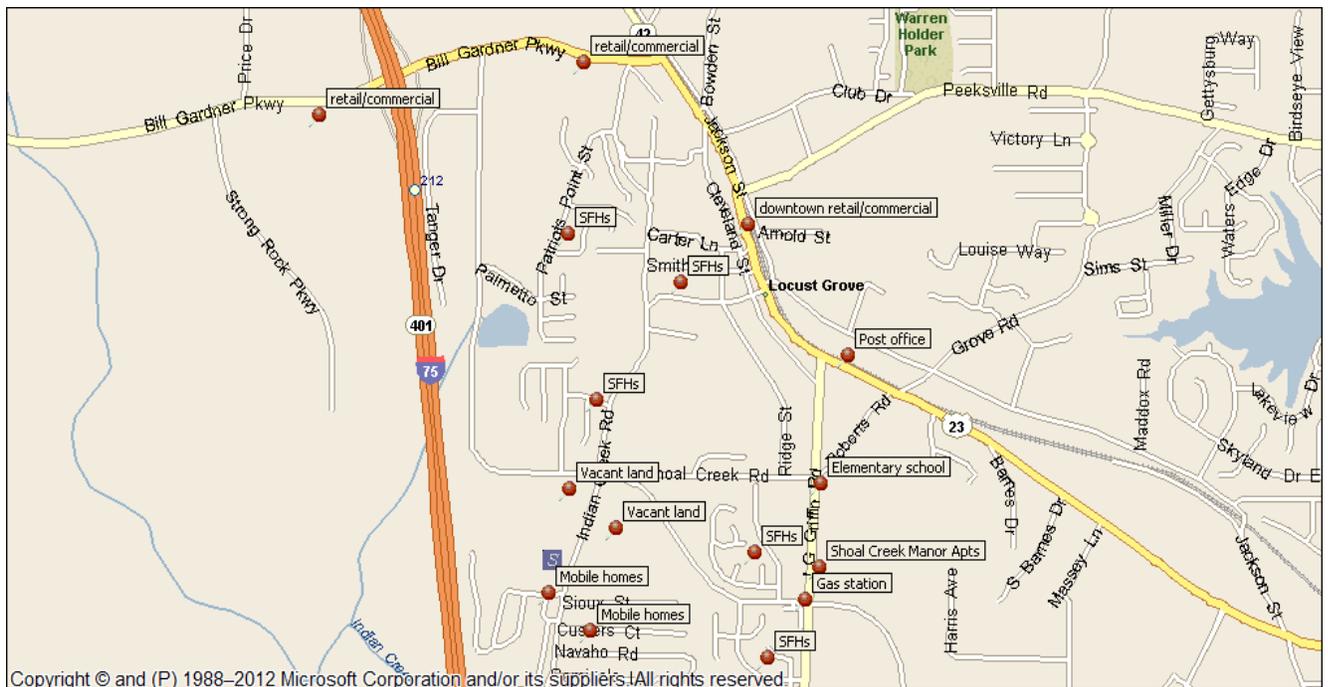
The Subject site has frontage along Indian Creek Road and Apache Avenue.

Visibility/Views:

The Subject site is located on the western side of Indian Creek Road, just north of its intersection with Apache Avenue. Views from the Subject site are mostly of vacant, undeveloped land and single family homes and mobile homes in average to good condition. Overall, visibility and views from the site considered good.

Surrounding Uses:

The following map and pictures illustrate the surrounding land uses.



The Subject's immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This

property is in excellent condition and is currently 100 percent occupied and has a waiting list of two years. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42, approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

Positive/Negative Attributes of Site: The Subject has good access to area retail and commercial development, which is located within 1.5 miles of the site. The Subject also has excellent access to Interstate 75, which traverses north and south and provides access to Atlanta to the north and Macon to the south. Interstate 75 is accessed via Bill Gardner Parkway, approximately 1.5 miles north of the Subject site.

3. Physical Proximity to Locational Amenities:

The Subject site is located approximately 1.5 miles from Interstate 75. Interstate 75 traverses north and south and provides access to Atlanta to the north and Macon to the south. The Subject site is also located within five miles of the majority of locational amenities. There is no fixed route transit system in Henry County.

4. Pictures of Site and Adjacent Uses:



Subject site



Subject site



View north on Indian Creek Road



View south on Indian Creek Road



Mobile home south



Single family home north



Vacant land north



Single family home east



Gas station/convenience store east



Retail northeast on Highway 42



Retail along Bill Gardner Parkway

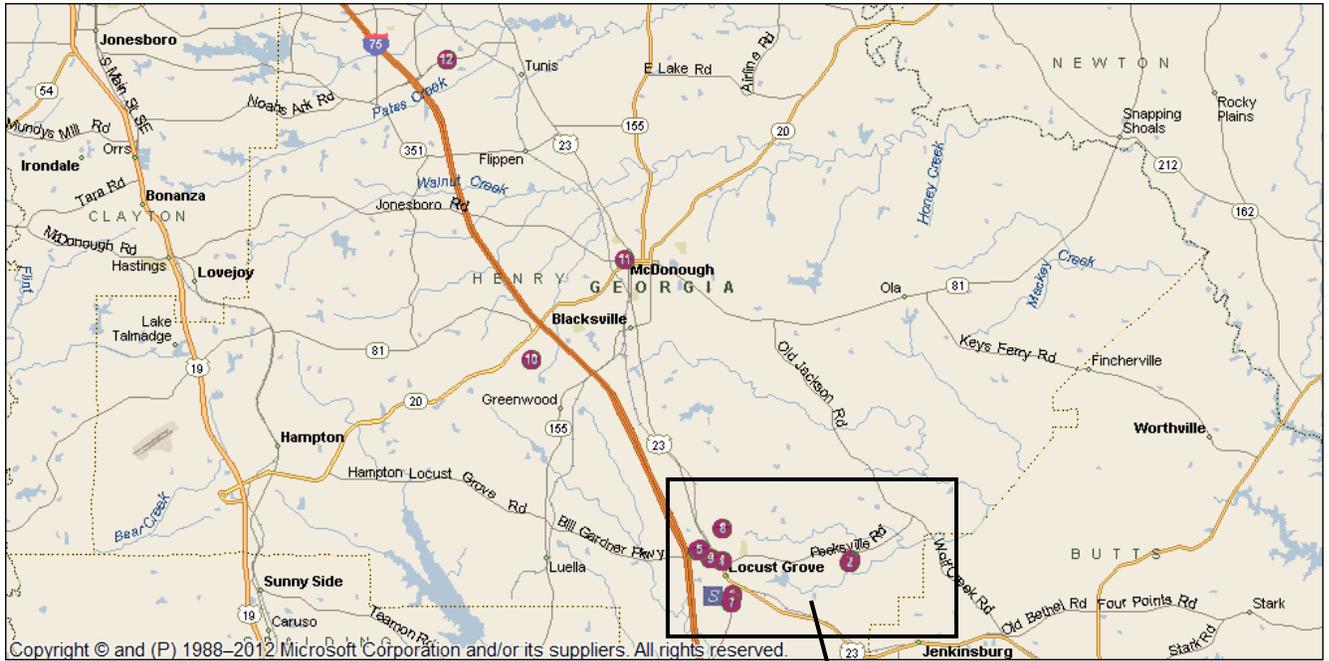


Retail along Bill Gardner Parkway

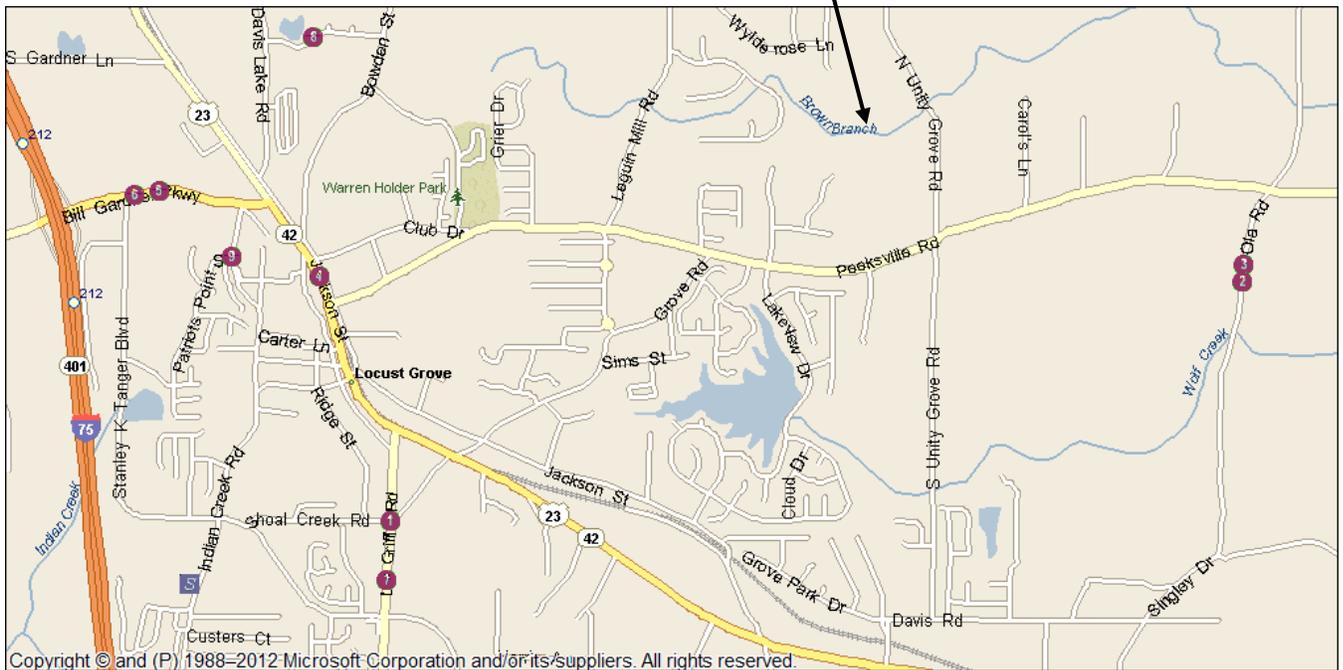
5. Proximity to Locational Amenities:

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

Grove Senior Village, Locust Grove, GA; Market Study



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Map#	Service/Amenity	Distance from Subject
1	Locust Grove Elementary School	0.8 miles
2	Locust Grove Middle School	4.6 miles
3	Locust Grove High School	4.5 miles
4	Eagles Landing Pharmacy	1.3 miles
5	Ingles Supermarket	2.0 miles
6	Correct Medical-Urgent Care	2.0 miles
7	Locust Grove Public Library	1.0 miles
8	Locust Grove Senior Center	2.4 miles
9	Locust Grove Police Department	1.1 miles
10	McDonough Fire Department	9.6 miles
11	Employment Center-McDonough	8.7 miles
12	Employment Center-Stockbridge	15.5 miles

6. Description of Land Uses:

The Subject’s immediate neighborhood consists mainly of vacant, undeveloped land and residential development in average to good condition. Residential development in the area consists mainly of single family homes and several mobile home parks. There is however one multifamily property within one mile of the Subject. The senior LIHTC property Shoal Creek Manor entered the market in 2011 and is located 0.9 miles from the Subject site. This property is in excellent condition and is currently 100 percent occupied and has a waiting list of two years. We have included this property as a comparable in our analysis and it will be discussed in further detail in the supply section of our report. The closest retail/commercial concentration to the Subject is located along Highway 42, approximately 1.0 mile northeast of the Subject site. Retail/commercial development in this area consists mainly of small, local businesses that are in generally good condition. Overall occupancy appeared to be approximately 90 percent. The largest concentration of retail/commercial development in the area is located approximately 1.5 miles north of the Subject site along Bill Gardner Parkway. This area consists of several shopping centers that include major national retailers such as Wal-Mart, McDonalds, and Ingles. Retail and commercial development in this area appeared to be 90 to 95 percent occupied. Overall, we believe that the Subject site is well suited for multifamily housing and the Subject will have good access to locational amenities.

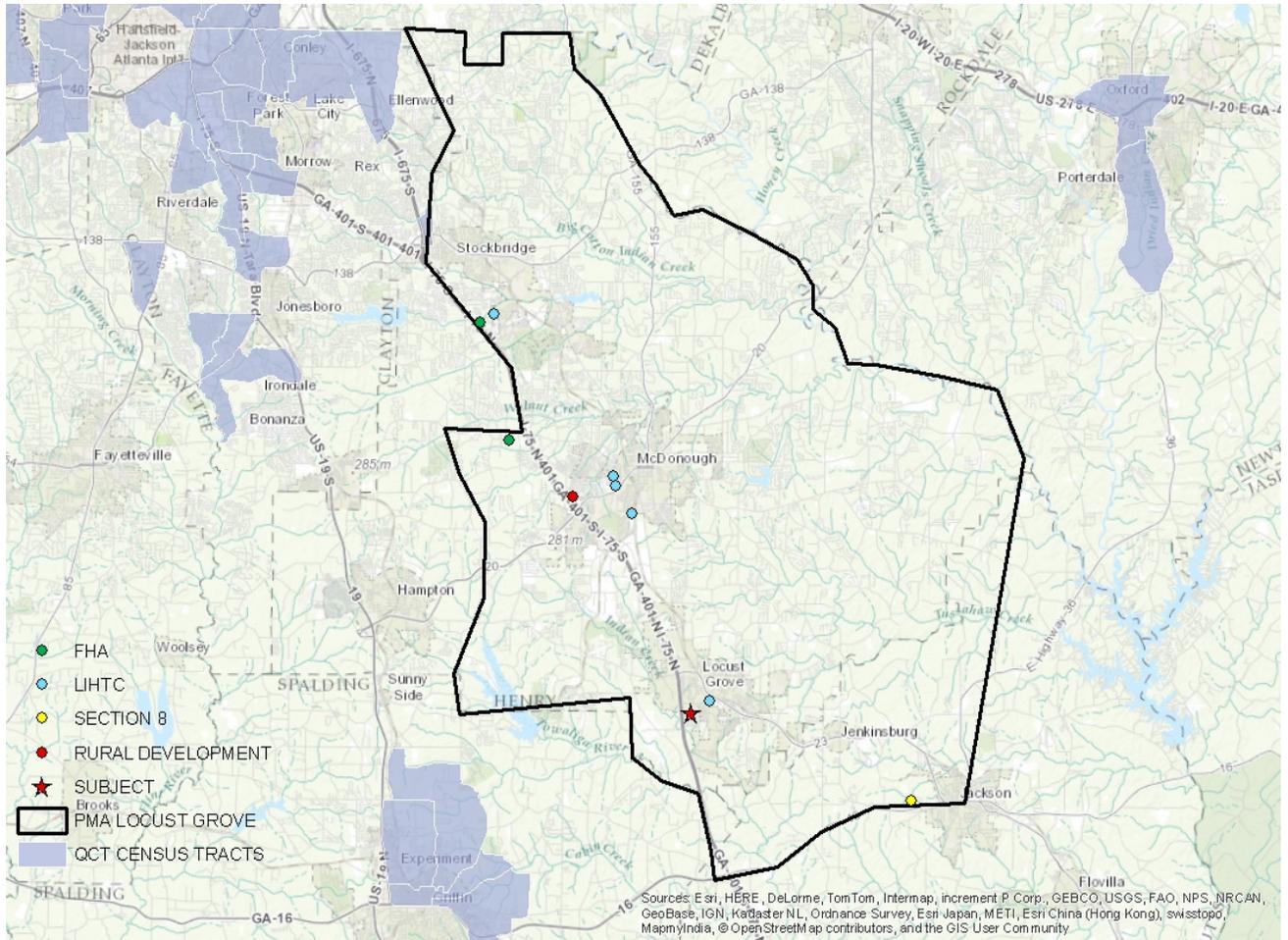
7. Existing Assisted Rental Housing

Property Map:

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

Name	Type	Tenancy	Map Color	Mileage	Included/Excluded	Reason for Exclusion
Grier Senior Manor	LIHTC	Senior		7.7 miles	Included	-
Heritage at McDonough	LIHTC	Senior		10.0 miles	Included	-
Shoal Creek Manor	LIHTC	Senior		0.9 miles	Included	
Ashley Woods	LIHTC	Family		15.7 miles	Excluded	Does not have a significant senior tenancy; more comparable properties
Sable Chase I and II	LIHTC	Family		10.2 miles	Excluded	Does not have a significant senior tenancy; more comparable properties
Brookshire Apartments	Rural Development	Family		9.2 miles	Excluded	Rent subsidized
Magnolia Grove	Section 8	Senior		11.4 miles	Excluded	Rent subsidized
North Park Apartments	FHA	Family		15.7 miles	Excluded	Inferior; could not reach management
Mandalay Villas	FHA	Family		12.5 miles	Excluded	Closer, more comparable propertie available
Grove Senior Village	LIHTC	Senior		-	-	Subject

Grove Senior Village, Locust Grove, GA; Market Study



Locust Grove, GA



8. Road/Infrastructure

Proposed Improvements:

We did not witness any road/infrastructure improvements during our field work.

9. Access, Ingress/Egress and Visibility of site:

The Subject site is located at the intersection of Indian Creek Road and Apache Avenue. Both roadways are lightly trafficked and contain residential development as well as vacant, undeveloped land. Overall, the Subject site will have good visibility from both roadways.

10. Environmental Concerns:

None visible upon site inspection.

11. Conclusion:

The Subject site is located at the intersection of Indian Creek Road and Apache Avenue. Both roadways contain residential development as well as vacant, undeveloped land. Residential uses consist mainly of single family homes and mobile homes ranging from average to good condition. The senior LIHTC property Shoal Creek Manor is located approximately 0.9 miles from the Subject site. This property entered the market in 2011 and is 100 percent occupied and has an approximate waiting list of two years. The strong performance of this property suggests that the neighborhood is well suited for multifamily housing.

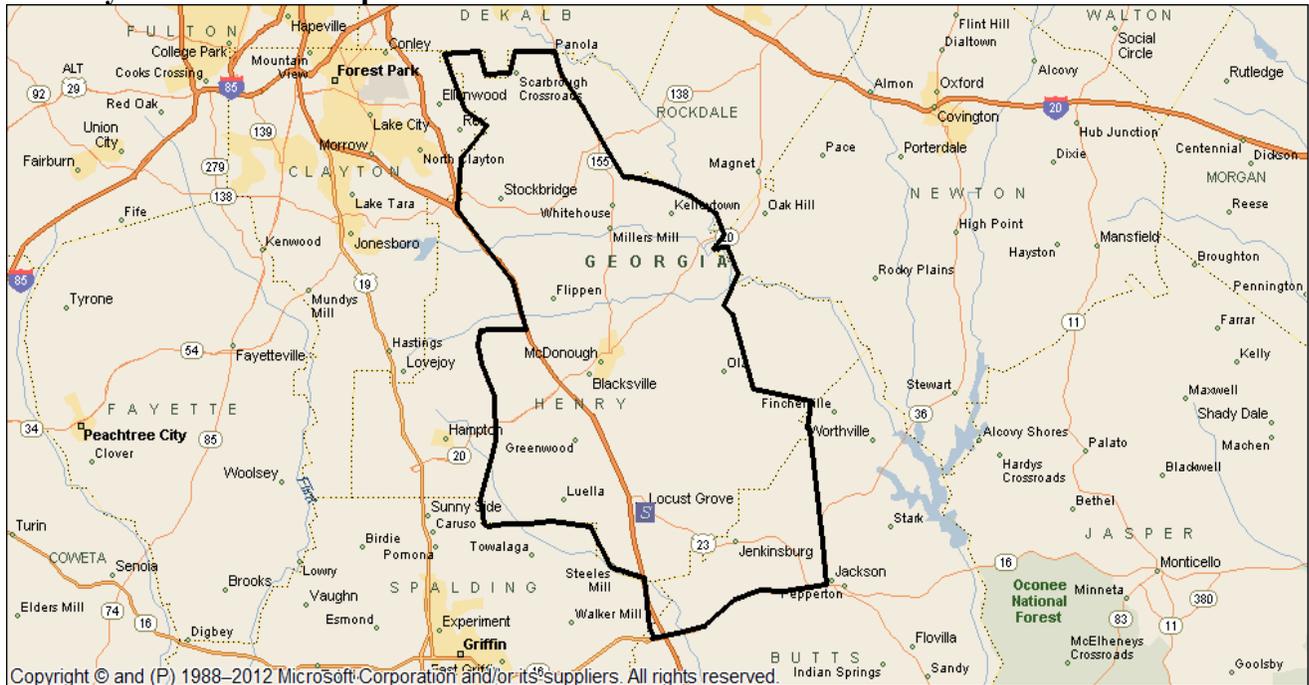
The Subject site has good access to retail/commercial development, which is located along Highway 42 and Bill Gardner Parkway, approximately 1.0 to 1.5 miles from the site. Retail in the area is in generally good condition and is approximately 90 to 95 percent occupied. Overall, the community presents a good location for an affordable, multifamily development and the Subject will have a positive impact on the local neighborhood.

D. MARKET AREA

PRIMARY MARKET AREA

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

Primary Market Area Map



The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied, to determine if the Primary Market Area (PMA) and the Marietta MSA are areas of growth or contraction.

The boundaries of the PMA are as follows:

North – Henry/DeKalb County line

South- Highway 16 West

East-GA 155, Keys Ferry Road, and GA 36 East

West-Interstate 75, Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton line

The Subject site is located in Locust Grove, Henry County, Georgia. The PMA boundaries are defined as the Henry/DeKalb County line to the north, Georgia 155, Keys Ferry Road and Georgia 36 East to the east, Highway 16 West to the south, and Interstate 75, the Henry/Spalding County line, Rocky Creek Road, South Mount Carmel Road, Jonesboro Road, and the Henry/Clayton County line to the west. This area includes a majority of Henry County as well as the northern portion of Butts County, including the town of Jenkinsburg. The area was defined

based on interviews with the local housing authority, property managers at comparable properties, and the Subject's property manager. Many property managers indicated that a significant portion of their tenants come from out of state. Of those residents coming from within Georgia most are coming from the Stockbridge/McDonough areas with some traveling from south Atlanta. Per Georgia DCA guidelines, we have not accounted for leakage from outside the PMA boundaries.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

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

1. Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 2010 through 2019.

TOTAL POPULATION

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	102,621	-	4,263,438	-	281,421,906	-
2010	166,016	6.2%	5,286,728	2.4%	308,745,538	1.0%
2015	170,951	0.6%	5,467,379	0.7%	314,467,933	0.4%
Projected Mkt Entry June 2017	174,893	1.2%	5,622,315	1.5%	319,918,857	0.9%
2019	179,178	1.0%	5,790,724	1.2%	325,843,774	0.7%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

TOTAL SENIOR POPULATION (55+)

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	15,515	-	646,403	-	59,266,437	-
2010	30,843	9.9%	1,028,311	5.9%	76,750,713	3.0%
2015	36,087	3.2%	1,190,600	3.0%	83,352,075	1.6%
Projected Mkt Entry June 2017	39,314	4.7%	1,287,673	4.3%	88,357,137	3.1%
2019	42,821	3.7%	1,393,188	3.4%	93,797,421	2.5%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

POPULATION BY AGE GROUP

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry June 2017	2019
0-4	8,343	11,210	11,184	11,506	11,857
5-9	8,718	13,289	11,844	11,922	12,006
10-14	8,393	14,632	13,568	13,174	12,745
15-19	6,915	13,727	12,992	12,672	12,324
20-24	5,524	9,133	12,092	11,706	11,286
25-29	7,549	9,232	10,904	12,429	14,087
30-34	9,287	10,923	10,363	11,457	12,646
35-39	10,202	13,477	11,366	11,517	11,681
40-44	8,848	14,156	13,718	12,767	11,734
45-49	7,211	13,984	13,607	13,377	13,126
50-54	6,117	11,410	13,227	13,054	12,865
55-59	4,619	9,092	10,683	11,413	12,207
60-64	3,272	7,441	8,400	9,118	9,899
65-69	2,635	5,269	6,588	7,128	7,715
70-74	1,959	3,563	4,376	5,016	5,711
75-79	1,495	2,548	2,776	3,159	3,575
80-84	846	1,655	1,824	1,923	2,030
85+	689	1,275	1,440	1,557	1,684
Total	102,622	166,016	170,952	174,894	179,178

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

NUMBER OF ELDERLY AND NON-ELDERLY

Year	PMA			Atlanta-Sandy Springs-Roswell, GA MSA		
	Total Population	Non-Elderly	Elderly (55+)	Total Population	Non-Elderly	Elderly (55+)
2000	102,622	87,107	15,515	4,263,438	3,617,035	646,403
2010	166,016	135,173	30,843	5,286,728	4,258,417	1,028,311
2015	170,952	134,865	36,087	5,467,379	4,276,779	1,190,600
Projected Mkt Entry June 2017	174,894	135,580	39,314	5,622,315	4,334,642	1,287,673
2019	179,178	136,357	42,821	5,790,724	4,397,536	1,393,188

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

Total population in the PMA increased significantly through 2010 and has continued to increase through 2015, albeit at a slower pace. The population is expected to grow at a rate of 1.0 percent through 2019, a pace slightly below the MSA but slightly above the national average. Senior population growth in the PMA was strong through 2010 at 9.9 percent. Growth in the PMA significantly outpaced growth in the MSA and the nation. Although senior population growth has slowed somewhat, it is still slightly above senior growth in the MSA and well above the national average. This strong population growth in the senior age cohorts bodes well for the Subject's units.

The largest age cohort in the PMA is the 10 to 14 age group, followed by the 40 to 44 and 45 to 49 age groups. These age groups represent 24 percent of the population in the PMA. Approximately 21 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2019. The Subject's units will target tenants within this age demographic. Overall, these demographic trends are positive indicators for the Subject, which will provide low income housing to elderly households.

2. Household Trends

2a. Total Number of Households, Average Household Size

TOTAL NUMBER OF HOUSEHOLDS 55+

Year	PMA		Atlanta-Sandy Springs-Roswell, GA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	8,984	-	396,452	-	36,970,817	-
2010	18,233	10.3%	612,737	5.5%	45,892,687	2.4%
2015	19,954	1.8%	684,282	2.2%	50,249,306	1.8%
Projected Mkt Entry	21,968	5.3%	751,204	5.1%	53,282,019	3.1%
2019	24,157	4.2%	823,945	4.1%	56,578,447	2.5%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

AVERAGE HOUSEHOLD SIZE

Year	PMA		Atlanta-Sandy Springs-Roswell, GA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.86	-	2.67	-	2.58	-
2010	2.87	0.0%	2.68	0.0%	2.58	0.0%
2015	2.87	0.0%	2.68	0.0%	2.58	0.0%
Projected Mkt Entry June 2017	2.87	0.0%	2.68	0.0%	2.57	0.0%
2019	2.87	0.0%	2.68	0.0%	2.57	0.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

Total number of households in the PMA increased significantly through 2010 and has continued to increase through 2015, but at a slower pace. The total number of households in the PMA is expected to grow at a rate of 1.0 percent through 2019, a pace slightly below the MSA but slightly above the nation. Like total households, senior households in the PMA increased through 2015 and the number of senior households in the PMA is expected to grow significantly through 2019. Senior household growth in the PMA is projected at 4.2 percent through 2019, similar to growth in the MSA and well above the national average of 2.5 percent.

The average household size in the PMA is 2.87 persons, slightly larger than the average household size in both the MSA and the nation. This average household size is expected to remain stable through 2019. As a senior development, the Subject will target households of one to two persons.

2b. Households by Tenure

The table below depicts household growth by tenure from 2000 through 2019.

PMA TENURE PATTERNS OF SENIORS 55+

Year	Owner-Occupied		Renter-Occupied	
	Units	Percentage Owner-Occupied	Units	Percentage Renter-Occupied
2000	8,012	89.2%	972	10.8%
2010	15,689	86.0%	2,544	14.0%
2015	17,215	86.3%	2,739	13.7%
Projected Mkt Entry				
June 2017	18,887	86.00%	3,080	14.00%
2019	20,705	85.7%	3,452	14.3%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

As illustrated, the majority of senior households in the PMA are renter households. However, the percentage of senior renter households in the PMA is expected to increase slightly from 2015 to market entry and is expected to continue increasing through 2019. Nationally, approximately 13 percent of senior households are renters. The percentage of senior renters in the PMA is similar to the national average.

2c. Households by Income

The following table depicts household income in 2010, 2015 and 2019 for the PMA.

HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA

Income Cohort	2010		2015		Projected Mkt Entry June 2017		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,070	5.9%	1,721	8.6%	1,980	9.0%	2,262	9.4%
\$10,000-19,999	2,010	11.0%	2,586	13.0%	2,907	13.2%	3,256	13.5%
\$20,000-29,999	1,757	9.6%	2,190	11.0%	2,503	11.4%	2,844	11.8%
\$30,000-39,999	1,669	9.2%	2,220	11.1%	2,506	11.4%	2,817	11.7%
\$40,000-49,999	1,768	9.7%	2,127	10.7%	2,436	11.1%	2,772	11.5%
\$50,000-59,999	1,631	8.9%	1,899	9.5%	2,047	9.3%	2,207	9.1%
\$60,000-74,999	2,357	12.9%	2,132	10.7%	2,307	10.5%	2,498	10.3%
\$75,000-99,999	2,414	13.2%	2,389	12.0%	2,559	11.6%	2,744	11.4%
\$100,000-124,999	1,632	9.0%	1,333	6.7%	1,348	6.1%	1,364	5.6%
\$125,000-149,999	814	4.5%	555	2.8%	561	2.6%	568	2.4%
\$150,000-199,999	699	3.8%	542	2.7%	544	2.5%	546	2.3%
\$200,000+	411	2.3%	259	1.3%	268	1.2%	278	1.2%
Total	18,233	100.0%	19,954	100.0%	21,968	100.0%	24,157	100.0%

Source: Ribbon Demographics 2015, Novogradac & Company LLP, May 2015

As indicated, approximately 33 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of senior renters in the lowest income cohorts indicates a strong need for additional low income senior rental units.

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

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

RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

	2010		2015		Projected Mkt Entry June		2019	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	3,618	26.1%	4,192	26.7%	4,337	26.9%	4,495	27.1%
With 2 Persons	3,289	23.7%	3,708	23.6%	3,797	23.5%	3,894	23.5%
With 3 Persons	2,706	19.5%	3,066	19.5%	3,147	19.5%	3,235	19.5%
With 4 Persons	2,150	15.5%	2,370	15.1%	2,410	14.9%	2,454	14.8%
With 5+ Persons	2,115	15.2%	2,383	15.2%	2,441	15.1%	2,505	15.1%
Total Renter	13,879	100.0%	15,719	100.0%	16,133	100.0%	16,582	100.0%

Source: Ribbon Demographics 2015, Novogradac & Company LLP, May 2015

The household size with the largest percentage of households is one person households, followed by two person households. In general, households with one and two people are expected to remain stable. The Subject will be an age-restricted development with one and two-bedroom floor plans, so this large percentage of one and two person senior households bodes well for the proposed Subject.

CONCLUSION

Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2019 and will do so at a slightly faster pace. Senior population growth in the PMA is expected to continue to outpace growth in both the MSA and the nation through 2019. The number of senior households in the PMA also increased through 2015 and this number is expected to grow significantly through 2019. Senior household growth in the PMA is projected at 4.2 percent through 2019, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the PMA bode well for the Subject. Approximately 21 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2019. The Subject’s units will target tenants within this age demographic. Our analysis also indicates that approximately 33 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is consistent with the national average and the number of senior renters will increase slightly from 2015 to 2019. Overall, the demographic trends are a positive indicator for the Subject’s units.

F. EMPLOYMENT TRENDS

Employment Trends

Henry County is located approximately 20 miles from downtown Atlanta, which is easily accessed via Interstate 75. The four key industries in Henry County are manufacturing, healthcare, logistics, and professional services. Within the manufacturing industry, Henry County has experienced niche specific employment growth in medical manufacturing and plastics and rubber manufacturing. Over the past decade, more than 300 jobs have been added to Henry County in these two manufacturing sectors. However, it should be noted that while manufacturing plays an important role in Henry County, the PMA is not heavily dependent on this industry, which could explain why the PMA’s economy has fared better than the county’s economy as a whole. Large corporations such as The Home Depot, John Deere, Whirlpool, and Toys R Us have identified Henry County as a prime location for their distribution and warehousing operations, further adding to the importance of the logistics industry within the county. While the MSA has still not fully recovered from the national recession, increasing total employment trends and decreasing unemployment rates are a positive sign for the local economy. Additionally, our analysis indicates that total jobs in the county are currently above their pre-recession peak.

1. Total Jobs

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

Total Jobs in Henry County, Georgia		
Year	Total Employment	% Change
2005	81,968	-
2006	86,702	5.46%
2007	92,707	6.48%
2008	95,032	2.45%
2009	88,044	-7.94%
2010	90,021	2.20%
2011	92,032	2.19%
2012	93,025	1.07%
2013	96,838	3.94%
2014	94,865	-2.08%
2014 YTD Average	97,193	2.40%
Mar-14	95,957	-
Mar-15	96,890	0.96%

Source: U.S. Bureau of Labor Statistics

YTD as of December 2015

Total employment in Henry County decreased in 2009 as a result of the national recession. However, total employment increased from 2010 to 2013. Most recently, total employment in the county decreased by 2.08 percent in 2014. Despite this decrease, year over year comparisons indicate a total employment increase of 0.96 percent from March 2014 to March 2015. As of March 2015, total employment still stands above its pre-recession peak, a positive sign for the local economy.

2. Total Jobs by Industry

The following table illustrates the total jobs by employment sectors within the county as of March 2015.

**March 2015 Covered Employment
Henry County, Georgia**

	Number	Percent
Total, all industries	42,356	-
Goods-producing	4,293	-
Natural resources and mining	106	0.25%
Construction	1,551	3.66%
Manufacturing	2,636	6.22%
Service-providing	38,063	-
Trade, transportation, and utilities	14,839	35.03%
Information	455	1.07%
Financial activities	1,734	4.09%
Professional and business services	5,928	14.00%
Education and health services	6,738	15.91%
Leisure and hospitality	6,944	16.39%
Other services	1,238	2.92%
Unclassified	187	0.44%

Source: Bureau of Labor Statistics, 2015

Trade, transportation, and utilities is the largest industry in Henry County, representing 35 percent of total employment. Several of the major employers in Henry County are in these sectors. While trade and transportation can be somewhat volatile in times of economic downturn, the utilities industry is considered relatively stable. Overall, the local economy is considered healthy.

2015 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Agric/Forestry/Fishing/Hunting	202	0.3%	1,800,354	1.3%
Mining	154	0.2%	868,282	0.6%
Construction	5,321	7.8%	8,291,595	5.8%
Manufacturing	4,369	6.4%	15,162,651	10.6%
Wholesale Trade	2,684	4.0%	3,628,118	2.5%
Retail Trade	8,218	12.1%	16,592,605	11.6%
Transportation/Warehousing	9,615	14.2%	5,898,791	4.1%
Utilities	865	1.3%	1,107,105	0.8%
Information	1,320	1.9%	2,577,845	1.8%
Finance/Insurance	2,780	4.1%	6,884,133	4.8%
Real Estate/Rental/Leasing	1,546	2.3%	2,627,562	1.8%
Prof/Scientific/Tech Services	3,503	5.2%	9,808,289	6.8%
Mgmt of Companies/Enterprises	176	0.3%	97,762	0.1%
Admin/Support/Waste Mgmt Svcs	2,486	3.7%	6,316,579	4.4%
Educational Services	6,133	9.0%	12,979,314	9.1%
Health Care/Social Assistance	6,412	9.5%	20,080,547	14.0%
Arts/Entertainment/Recreation	764	1.1%	3,151,821	2.2%
Accommodation/Food Services	3,343	4.9%	10,849,114	7.6%
Other Services (excl Publ Adm)	3,401	5.0%	7,850,739	5.5%
Public Administration	4,512	6.7%	6,713,073	4.7%
Total Employment	67,804	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, May 2015

As indicated, the largest industries in the PMA are transportation/warehousing and retail trade. Combined, these two industries account for 26 percent of employment within the PMA. Although the Henry County Economic Development Department identifies manufacturing as one of the largest industries in Henry County, there are significantly fewer individuals employed in this industry within the PMA boundaries when compared to the national average. Other industries underrepresented in the PMA when compared to the nation include healthcare/social assistance and accommodation/food services. Conversely, industries overrepresented include transportation/warehousing and public administration.

3. Major Employers

The following table illustrates the major employers within Henry County.

Major Employers-Henry County

#	Employer	Sector	Employees
1	Henry County Schools	Education	6,000
2	Henry County Government	Public Administration	1,566
3	Piedmont Henry Hospital	Healthcare	1,281
4	Federal Aviation Administration	Transportation	800
5	PHV Corp	Retail	660
6	Georgia Power Customer Care Center	Utilities	625
7	Southern States, LLC	Manufacturing	458
8	Carter's Inc	Retail	357
9	Home Depot Direct Fulfillment Center	Transportation/Logistics	350
10	Ken's Foods	Manufacturing	323

Source: Henry County Economic Development, May 2015.

Eight different industries are represented among the top 10 employers in Henry County, indicating a diverse economy. The three largest employers in the county are in the education, public administration, and healthcare industries, all three of which are considered relatively stable in times of economic downturn. Overall, the local economy appears to be diverse and is not overly dependent on any one industry. The broad employment base in Henry County is likely contributing to the steady total employment gains and unemployment rate decreases in the MSA.

Expansions/Contractions

The following table lists business closures and layoffs within Henry County for the past three years, according to Georgia Department of Labor’s Worker Adjustment and Retraining Notification (WARN) filings.

Layoffs - Henry County			
Employer	City	Jobs Affected	Effective Date
Smead Manufacturing Company	Locust Grove	150	4/21/2015
Briggs and Stratton Co.	McDonough	400	3/1/2015
Ryder	McDonough	106	10/7/2013

As illustrated in the previous table, there was a total of 656 jobs affected by WARN filings in the past three years in the Henry County. The largest layoff occurred at Briggs and Stratton Co., totaling 400 jobs at its McDonough, GA factory in 2014. The layoff was a result of market conditions at the time, and the company’s inability to run the plant at full capacity.

4. Employment and Unemployment Trends

The following table details employment and unemployment trends for Henry County from 2004 to 2014 (through December).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	2,379,513	-	4.7%	-	139,252,000	-	5.5%	-
2005	2,456,221	3.2%	5.3%	0.5%	141,730,000	1.8%	5.1%	-0.4%
2006	2,535,341	3.2%	4.7%	-0.6%	144,427,000	1.9%	4.6%	-0.5%
2007	2,604,115	2.7%	4.5%	-0.1%	146,047,000	1.1%	4.6%	0.0%
2008	2,578,276	-1.0%	6.2%	1.7%	145,362,000	-0.5%	5.8%	1.2%
2009	2,434,371	-5.6%	9.8%	3.6%	139,877,000	-3.8%	9.3%	3.5%
2010	2,400,160	-1.4%	10.1%	0.3%	139,064,000	-0.6%	9.6%	0.3%
2011	2,429,675	1.2%	9.8%	-0.3%	139,869,000	0.6%	8.9%	-0.7%
2012	2,477,843	2.0%	8.8%	-1.0%	142,469,000	1.9%	8.1%	-0.8%
2013	2,510,965	1.3%	7.9%	-0.9%	143,929,000	1.0%	7.0%	-1.1%
2014 YTD Average*	2,542,625	2.6%	7.1%	-1.7%	146,305,333	2.7%	6.2%	-1.9%
Dec-2013	2,543,811	-	6.8%	-	144,423,000	-	6.5%	-
Dec-2014	2,553,201	0.4%	6.4%	-0.4%	147,190,000	1.9%	5.4%	-1.1%

Source: U.S. Bureau of Labor Statistics May 2015

*2014 data is through Dec

Total employment in the MSA experienced decreases from 2008 to 2010, a direct result of the national recession. However, total employment has increased each year since 2011, indicating that the local economy is working to recover from the national recession. Current total employment numbers are still below pre-recession levels. The MSA also experienced significant increases in the unemployment rate in 2008 and 2009 and a slight increase in 2010. Again, these increases are a direct result of the national recession. Since 2010, the unemployment rate has decreased from a high of 10.1 percent to its current level of 7.1 percent. While the current unemployment rate in the MSA is above the national average of 6.2 percent, the steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.4 percentage points from December 2013 to December 2014. While the MSA has not fully recovered from the recent national recession, total employment and unemployment trends are encouraging and indicate that the local economy is improving.

5. Map of Site and Major Employment Concentrations

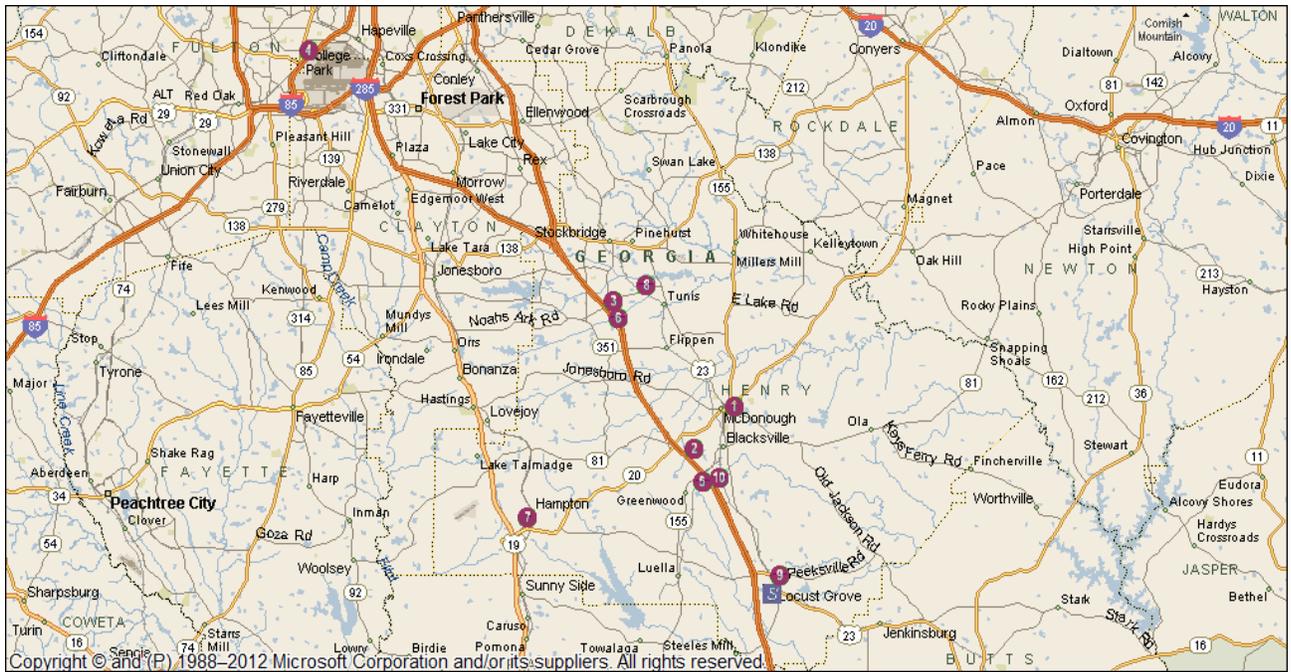
The following map and table details the largest employers in Henry County.

Major Employers-Henry County

#	Employer	Sector	Employees
1	Henry County Schools	Education	6,000
2	Henry County Government	Public Administration	1,566
3	Piedmont Henry Hospital	Healthcare	1,281
4	Federal Aviation Administration	Transportation	800
5	PHV Corp	Retail	660
6	Georgia Power Customer Care Center	Utilities	625
7	Southern States, LLC	Manufacturing	458
8	Carter's Inc	Retail	357
9	Home Depot Direct Fulfillment Center	Transportation/Logistics	350
10	Ken's Foods	Manufacturing	323

Source: Henry County Economic Development, May 2015.

Grove Senior Manor, Locust Grove, GA; Market Study



Conclusion

The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past three years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 7.1 percent. While the current unemployment rate in the MSA is above the national average of 6.2 percent, the steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.4 percentage points from December 2013 to December 2014. While the MSA has not fully recovered from the recent national recession, total employment and unemployment trends are encouraging and indicate that the local economy is improving. Additionally, total jobs numbers within Henry County are positive and have passed their pre-recession peak.

PROJECT-SPECIFIC DEMAND ANALYSIS

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

1. INCOME RESTRICTIONS

LIHTC rents are based upon a percentage of the Area Median Gross Income (“AMI”), adjusted for household size and utilities. The Georgia Department of Community Affairs (“DCA”) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to DCA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). However, very few senior households have more than two persons. Therefore, we have used a maximum household size of two persons in our analysis.

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

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

2. AFFORDABILITY

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

3. DEMAND

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

3A. DEMAND FROM NEW HOUSEHOLDS

The number of new households entering the market is the first level of demand calculated. We have utilized 2017, the anticipated date of market entry, as the base year for the analysis. Therefore, 2015 household population estimates are inflated to 2017 by interpolation of the difference between 2015 estimates and 2017 projections. This change in households is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1. This is calculated as an annual demand number. In other words, this calculates the anticipated new households in 2017. This number takes the overall growth from 2015 to 2017 and applies it

to its respective income cohorts by percentage. This number does not reflect lower income households losing population, as this may be a result of simple dollar value inflation.

3B. DEMAND FROM EXISTING HOUSEHOLDS

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

The second source (2b.) is households living in substandard housing. We will utilize this data to determine the number of current residents that are income eligible, renter tenure, overburdened and/or living in substandard housing and likely to consider the Subject. The third source (2c.) is those seniors likely to move from their own homes into rental housing. This source is only appropriate when evaluating senior properties and is determined by interviews with property managers in the PMA. It should be noted that we have lowered the demand from seniors who convert to homeownership to be at or below 2.0 percent.

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

3C. SECONDARY MARKET AREA

Per the 2015 GA DCA Qualified Allocation Plan (QAP) and Market Study Manual, GA DCA does not consider demand from outside the Primary Market Area (PMA), including the Secondary Market Area (SMA). Therefore, we have not accounted for leakage from outside the PMA boundaries in our demand analysis.

3D. OTHER

DCA does not consider household turnover to be a source of market demand. Therefore, we have not accounted for household turnover in our demand analysis.

4. NET DEMAND, CAPTURE RATES AND STABILIZATION CALCULATIONS

The following pages will outline the overall demand components added together (3(a), 3(b) and 3(c)) less the supply of competitive developments awarded and/or constructed or placed in service from 2013 to the present.

ADDITIONS TO SUPPLY

Additions to supply will lower the number of potential qualified households. Pursuant to our understanding of DCA guidelines, we have deducted the following units from the demand analysis.

- Comparable/competitive LIHTC and bond units (vacant or occupied) that have been funded, are under construction, or placed in service in 2013 and 2014.
- Vacancies in projects placed in service prior to 2013 that have not reached stabilized occupancy (i.e. at least 90 percent occupied).
- Comparable/competitive conventional or market rate units that are proposed, are under construction, or have entered the market from 2013 to present. As the following

discussion will demonstrate, competitive market rate units are those with rent levels that are comparable to the proposed rents at the Subject.

Per GA DCA guidelines, competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed for the Subject development.

There are no competitive units in the PMA that were awarded LIHTC, constructed or placed in service in 2013 or 2014. Therefore, we have not deducted any units from our demand analysis. While the LIHTC property Hampton Court was placed in service in 2014, it is located outside the Subject’s PMA. Therefore, the units at this property have not been deducted from our demand analysis.

PMA OCCUPANCY

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

PMA OCCUPANCY

Property Name	Rent Structure	Tenancy	Total Units	Occupied Units	Occupancy Rate
Grier Senior Manor	LIHTC/Market	Senior	64	61	95.30%
Heritage At McDonough	LIHTC	Senior	105	105	100.00%
Shoal Creek Manor	LIHTC	Senior	66	66	100.00%
Amber Chase Apartments	Market	Family	352	320	90.90%
Eagle's Brooke	Market	Family	248	242	97.60%
The Crossing At McDonough	Market	Family	252	237	94.00%
Total Senior Occupancy			235	232	98.70%
Total			1,087	1,031	94.90%

Rehab Developments and PBRA

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

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

Capture Rates

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

Grove Senior Village, Locust Grove, GA; Market Study

Renter Household Income Distribution 2015 to Projected Market Entry June 2017					
Grove Senior Village					
PMA					
	2015		Projected Mkt Entry June 2017		Percent Growth
	#	%	#	%	
\$0-9,999	293	11.5%	523	17.0%	44.0%
\$10,000-19,999	390	15.3%	526	17.1%	25.8%
\$20,000-29,999	306	12.0%	392	12.7%	21.9%
\$30,000-39,999	211	8.3%	317	10.3%	33.5%
\$40,000-49,999	393	15.4%	467	15.2%	16.0%
\$50,000-59,999	209	8.2%	249	8.1%	16.3%
\$60,000-74,999	254	10.0%	218	7.1%	-16.7%
\$75,000-99,999	193	7.6%	181	5.9%	-6.2%
\$100,000-124,999	99	3.9%	70	2.3%	-40.6%
\$125,000-149,999	83	3.3%	53	1.7%	-57.5%
\$150,000-199,999	73	2.9%	59	1.9%	-25.0%
\$200,000+	40	1.6%	25	0.8%	-62.8%
Total	2,544	100.0%	3,080	100.0%	17.4%

Renter Household Income Distribution Projected Market Entry June 2017				
Grove Senior Village				
	PMA			Change 2015 to Prj Mrkt Entry June 2017
	Projected Mkt Entry June 2017		#	
	#	%		
\$0-9,999	523	17.0%	91	
\$10,000-19,999	526	17.1%	92	
\$20,000-29,999	392	12.7%	68	
\$30,000-39,999	317	10.3%	55	
\$40,000-49,999	467	15.2%	81	
\$50,000-59,999	249	8.1%	43	
\$60,000-74,999	218	7.1%	38	
\$75,000-99,999	181	5.9%	32	
\$100,000-124,999	70	2.3%	12	
\$125,000-149,999	53	1.7%	9	
\$150,000-199,999	59	1.9%	10	
\$200,000+	25	0.8%	4	
Total	3,080	100.0%	537	

Tenure Prj Mrkt Entry June 2017	
Renter	14.0%
Owner	86.0%
Total	100.0%

Renter Household Size for Prj Mrkt Entry June 2017		
Size	Number	Percentage
1 Person	1,415	51.7%
2 Person	741	27.0%
3 Person	305	11.1%
4 Person	70	2.5%
5+ Person	209	7.6%
Total	2,739	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	1,613	27.4%
2 Person	1,583	26.9%
3 Person	1,156	19.7%
4 Person	832	14.1%
5+ Person	699	11.9%
Total	5,882	100.0%

50% AMI

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

Percent of AMI Level			50%			
Minimum Income Limit			\$17,880			
Maximum Income Limit			\$25,800 2 persons			
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2017		Renter Households			
	Income Brackets	Percent within Cohort	Percent within Cohort	within Bracket		
\$0-9,999	91.11	17.0%		0.0%	0	
\$10,000-19,999	91.73	17.1%	2,119	21.2%	19	
\$20,000-29,999	68.35	12.7%	5,800	58.0%	40	
\$30,000-39,999	55.19	10.3%		0.0%	0	
\$40,000-49,999	81.42	15.2%		0.0%	0	
\$50,000-59,999	43.42	8.1%		0.0%	0	
\$60,000-74,999	37.97	7.1%		0.0%	0	
\$75,000-99,999	31.60	5.9%		0.0%	0	
\$100,000-124,999	12.26	2.3%		0.0%	0	
\$125,000-149,999	9.18	1.7%		0.0%	0	
\$150,000-199,999	10.23	1.9%		0.0%	0	
\$200,000+	4.33	0.8%		0.0%	0	
	537	100.0%			59	
Percent of renter households within limits versus total number of renter households					11.01%	

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

Percent of AMI Level			50%			
Minimum Income Limit			\$17,880			
Maximum Income Limit			\$25,800 2 persons			
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2017		Households within			
	Income Brackets	Percent within Cohort	Percent within Cohort	within Bracket		
\$0-9,999	523	17.0%		0.0%	0	
\$10,000-19,999	526	17.1%	\$2,119	21.2%	112	
\$20,000-29,999	392	12.7%	\$5,800	58.0%	228	
\$30,000-39,999	317	10.3%		0.0%	0	
\$40,000-49,999	467	15.2%		0.0%	0	
\$50,000-59,999	249	8.1%		0.0%	0	
\$60,000-74,999	218	7.1%		0.0%	0	
\$75,000-99,999	181	5.9%		0.0%	0	
\$100,000-124,999	70	2.3%		0.0%	0	
\$125,000-149,999	53	1.7%		0.0%	0	
\$150,000-199,999	59	1.9%		0.0%	0	
\$200,000+	25	0.8%		0.0%	0	
	3,080	100.0%			339	
Percent of renter households within limits versus total number of renter households					11.01%	

Does the Project Benefit from Rent Subsidy? (Y/N) _____
 Type of Housing (Family vs Senior) _____
 Location of Subject (Rural versus Urban) _____
 Percent of Income for Housing _____ 40%
 2000 Median Income _____ \$55,682
 2015 Median Income _____ \$61,669
 Change from 2015 to Prj Mrkt Entry June 2017 _____ \$5,987
 Total Percent Change _____ 10.8%
 Average Annual Change _____ 1.8%
 Inflation Rate _____ 1.8% Two year adjustment _____ 1.0000
 Maximum Allowable Income _____ \$25,800
 Maximum Allowable Income Inflation Adjusted _____ \$25,800
 Maximum Number of Occupants _____ 2 persons
 Rent Income Categories _____ 50%
 Initial Gross Rent for Smallest Unit _____ \$596
 Initial Gross Rent for Smallest Unit Inflation Adjusted _____ \$596.00

No		
Senior		
Rural		
40%		
\$55,682		
\$61,669		
\$5,987		
10.8%		
1.8%		
1.8%	Two year adjustment	1.0000
\$25,800		
\$25,800		
2 persons		
50%		
\$596		
\$596.00		

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

Grove Senior Village, Locust Grove, GA; Market Study

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry June 2017

Income Target Population		50%
New Renter Households PMA		537
Percent Income Qualified		11.0%
New Renter Income Qualified Households		59

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		3,080
Income Qualified		11.0%
Income Qualified Renter Households		339
Percent Rent Overburdened Prj Mrkt Entry June 2017		33.0%
Rent Overburdened Households		112

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		339
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		18887
Rural Versus Urban	0.0%	
Senior Demand Converting from Homeownership		3

Total Demand

Total Demand from Existing Households		116
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		116
Total New Demand		59
Total Demand (New Plus Existing Households)		175

Demand from Seniors Who Convert from Homeownership		3
Percent of Total Demand From Homeownership Conversion		1.7%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

One Person	51.7%	90
Two Persons	27.0%	47
Three Persons	11.1%	19
Four Persons	2.5%	4
Five Persons	7.6%	13
Total	100.0%	175

Grove Senior Village, Locust Grove, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	40%	36
Of two-person households in 1BR units	20%	9
Of one-person households in 2BR units	60%	54
Of two-person households in 2BR units	80%	38
Of three-person households in 2BR units	60%	12
Of three-person households in 3BR units	40%	8
Of four-person households in 3BR units	80%	4
Of five-person households in 3BR units	70%	9
Of four-person households in 4BR units	20%	1
Of five-person households in 4BR units	30%	4
Total Demand		175
Check		OK

Total Demand by Bedroom	50%
1 BR	46
2 BR	92
Total Demand	138

Additions To Supply 2015 to Prj Mrkt Entry June 2017	50%
1 BR	0
2 BR	0
Total	0

Net Demand	50%
1 BR	46
2 BR	92
Total	138

Net Demand	50%
1 BR	46
2 BR	92
Total	138

Developer's Unit Mix	50%
1 BR	5
2 BR	7
Total	12

Capture Rate Analysis	50%
1 BR	11.0%
2 BR	7.6%
Total	8.7%

60%AMI

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

Percent of AMI Level			60%		
Minimum Income Limit			\$19,380		
Maximum Income Limit			\$30,960 2 persons		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry June 2017		Renter Households within Bracket		
	Income Brackets	Percent within Cohort	Income Brackets	Percent within Cohort	within Bracket
\$0-9,999	91.11	17.0%		0.0%	0
\$10,000-19,999	91.73	17.1%	619	6.2%	6
\$20,000-29,999	68.35	12.7%	9,999	100.0%	68
\$30,000-39,999	55.19	10.3%	960	9.6%	5
\$40,000-49,999	81.42	15.2%		0.0%	0
\$50,000-59,999	43.42	8.1%		0.0%	0
\$60,000-74,999	37.97	7.1%		0.0%	0
\$75,000-99,999	31.60	5.9%		0.0%	0
\$100,000-124,999	12.26	2.3%		0.0%	0
\$125,000-149,999	9.18	1.7%		0.0%	0
\$150,000-199,999	10.23	1.9%		0.0%	0
\$200,000+	4.33	0.8%		0.0%	0
	537	100.0%			79
Percent of renter households within limits versus total number of renter households					14.78%

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

Percent of AMI Level			60%		
Minimum Income Limit			\$19,380		
Maximum Income Limit			\$30,960 2 persons		
Income Category	Total Renter Households PMA Prj Mrkt Entry June 2017		Households within Bracket		
	Income Brackets	Percent within Cohort	Income Brackets	Percent within Cohort	within Bracket
\$0-9,999	523	17.0%		0.0%	0
\$10,000-19,999	526	17.1%	\$619	6.2%	33
\$20,000-29,999	392	12.7%	\$9,999	100.0%	392
\$30,000-39,999	317	10.3%	\$960	9.6%	30
\$40,000-49,999	467	15.2%		0.0%	0
\$50,000-59,999	249	8.1%		0.0%	0
\$60,000-74,999	218	7.1%		0.0%	0
\$75,000-99,999	181	5.9%		0.0%	0
\$100,000-124,999	70	2.3%		0.0%	0
\$125,000-149,999	53	1.7%		0.0%	0
\$150,000-199,999	59	1.9%		0.0%	0
\$200,000+	25	0.8%		0.0%	0
	3,080	100.0%			455
Percent of renter households within limits versus total number of renter households					14.78%

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

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2015 Median Income

Change from 2015 to Prj Mrkt Entry July 2015

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Senior		
Rural		
40%		
\$55,682		
\$61,669		
\$5,987		
10.8%		
1.8%		
1.8%	Two year adjustment	1.0000
\$30,960		
\$30,960		
2 persons		
60%		
\$646		
\$646.00		

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

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry June 2017

Income Target Population	60%
New Renter Households PMA	537
Percent Income Qualified	14.8%
New Renter Income Qualified Households	79

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population	60%
Total Existing Demand	3,080
Income Qualified	14.8%
Income Qualified Renter Households	455
Percent Rent Overburdened Prj Mrkt Entry June 2017	33.0%
Rent Overburdened Households	150

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

Demand from Living in Substandard Housing

Income Qualified Renter Households	455
Percent Living in Substandard Housing	0.3%
Households Living in Substandard Housing	1

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

Senior Households Converting from Homeownership

Income Target Population	60%
Total Senior Homeowners	18887
Rural Versus Urban	0.0%
Senior Demand Converting from Homeownership	5

Total Demand

Total Demand from Existing Households		156
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		156
Total New Demand		79
Total Demand (New Plus Existing Households)		235

Demand from Seniors Who Convert from Homeownership	5
Percent of Total Demand From Homeownership Conversion	1.9%
Is this Demand Over 2 percent of Total Demand?	No

By Bedroom Demand

One Person	51.7%	121
Two Persons	27.0%	64
Three Persons	11.1%	26
Four Persons	2.5%	6
Five Persons	7.6%	18
Total	100.0%	235

Grove Senior Village, Locust Grove, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	40%	49
Of two-person households in 1BR units	20%	13
Of one-person households in 2BR units	60%	73
Of two-person households in 2BR units	80%	51
Of three-person households in 2BR units	60%	16
Of three-person households in 3BR units	40%	10
Of four-person households in 3BR units	80%	5
Of five-person households in 3BR units	70%	13
Of four-person households in 4BR units	20%	1
Of five-person households in 4BR units	30%	5
Total Demand		235
Check		OK

Total Demand by Bedroom	60%
1 BR	61
2 BR	124
Total Demand	185

Additions To Supply 2015 to Prj Mrkt Entry June 2017	60%
1 BR	0
2 BR	0
Total	0

Net Demand	60%
1 BR	61
2 BR	124
Total	185

Developer's Unit Mix	60%
1 BR	19
2 BR	25
Total	44

Capture Rate Analysis	60%
1 BR	31.0%
2 BR	20.2%
Total	23.8%

Grove Senior Village, Locust Grove, GA; Market Study

Overall

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$17,880		
Maximum Income Limit			\$30,960 2 persons		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mkt Entry June 2017		Income Brackets	Percent within Cohort	Renter Households within Bracket
	Count	Percentage			
\$0-9,999	91.11	17.0%		0.0%	0
\$10,000-19,999	91.73	17.1%	2,119	21.2%	19
\$20,000-29,999	68.35	12.7%	9,999	100.0%	68
\$30,000-39,999	55.19	10.3%	960	9.6%	5
\$40,000-49,999	81.42	15.2%		0.0%	0
\$50,000-59,999	43.42	8.1%		0.0%	0
\$60,000-74,999	37.97	7.1%		0.0%	0
\$75,000-99,999	31.60	5.9%		0.0%	0
\$100,000-124,999	12.26	2.3%		0.0%	0
\$125,000-149,999	9.18	1.7%		0.0%	0
\$150,000-199,999	10.23	1.9%		0.0%	0
\$200,000+	4.33	0.8%		0.0%	0
	537	100.0%			93
Percent of renter households within limits versus total number of renter households					17.34%

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

Percent of AMI Level			Overall		
Minimum Income Limit			\$17,880		
Maximum Income Limit			\$30,960 2 persons		
Income Category	Total Renter Households PMA Prj Mkt Entry June 2017		Income Brackets	Percent within Cohort	Households within Bracket
	Count	Percentage			
\$0-9,999	523	17.0%		0.0%	0
\$10,000-19,999	526	17.1%	\$2,119	21.2%	112
\$20,000-29,999	392	12.7%	\$9,999	100.0%	392
\$30,000-39,999	317	10.3%	\$960	9.6%	30
\$40,000-49,999	467	15.2%		0.0%	0
\$50,000-59,999	249	8.1%		0.0%	0
\$60,000-74,999	218	7.1%		0.0%	0
\$75,000-99,999	181	5.9%		0.0%	0
\$100,000-124,999	70	2.3%		0.0%	0
\$125,000-149,999	53	1.7%		0.0%	0
\$150,000-199,999	59	1.9%		0.0%	0
\$200,000+	25	0.8%		0.0%	0
	3,080	100.0%			534
Percent of renter households within limits versus total number of renter households					17.34%

Does the Project Benefit from Rent Subsidy? (Y/N) _____
 Type of Housing (Family vs Senior) _____
 Location of Subject (Rural versus Urban) _____
 Percent of Income for Housing _____
 2000 Median Income \$55,682
 2015 Median Income \$61,669
 Change from 2015 to Prj Mkt Entry June 2017 \$5,987
 Total Percent Change 10.8%
 Average Annual Change 1.8%
 Inflation Rate 1.8% Two year adjustment 1.0000
 Maximum Allowable Income \$30,960
 Maximum Allowable Income Inflation Adjusted \$30,960
 Maximum Number of Occupants 2 persons
 Rent Income Categories Overall
 Initial Gross Rent for Smallest Unit \$596
 Initial Gross Rent for Smallest Unit Inflation Adjusted \$596.00

No
Senior
Rural
40%
\$55,682
\$61,669
\$5,987
10.8%
1.8%
1.8%
Two year adjustment
1.0000
\$30,960
\$30,960
2 persons
Overall
\$596
\$596.00

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

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry June 2017

Income Target Population		Overall
New Renter Households PMA		537
Percent Income Qualified		17.3%
New Renter Income Qualified Households		93

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		3,080
Income Qualified		17.3%
Income Qualified Renter Households		534
Percent Rent Overburdened Prj Mrkt Entry June 2017		33.0%
Rent Overburdened Households		176

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		534
Percent Living in Substandard Housing		0.3%
Households Living in Substandard Housing		2

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		18,887
Rural Versus Urban	0.0%	
Senior Demand Converting from Homeownership		5

Total Demand

Total Demand from Existing Households		183
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		183
Total New Demand		93
Total Demand (New Plus Existing Households)		276

Demand from Seniors Who Convert from Homeownership		5
Percent of Total Demand From Homeownership Conversion		1.9%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	51.7%	143
Two Persons	27.0%	75
Three Persons	11.1%	31
Four Persons	2.5%	7
Five Persons	7.6%	21
Total	100.0%	276

Grove Senior Village, Locust Grove, GA; Market Study

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	40%	57
Of two-person households in 1BR units	20%	15
Of one-person households in 2BR units	60%	86
Of two-person households in 2BR units	80%	60
Of three-person households in 2BR units	60%	18
Of three-person households in 3BR units	40%	12
Of four-person households in 3BR units	80%	6
Of five-person households in 3BR units	70%	15
Of four-person households in 4BR units	20%	1
Of five-person households in 4BR units	30%	6
Total Demand		276
Check		OK

Total Demand by Bedroom	Overall
1 BR	72
2 BR	145
Total Demand	217

Additions To Supply 2015 to Prj Mrkt Entry June 2017	Overall
1 BR	0
2 BR	0
Total	0

Net Demand	Overall
1 BR	72
2 BR	145
Total	217

Developer's Unit Mix	Overall
1 BR	24
2 BR	32
Total	56

Capture Rate Analysis	Overall
1 BR	33.4%
2 BR	22.0%
Total	25.8%

Conclusions

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- The number of households in the PMA is expected to increase 5.3 percent between 2015 and 2017.
- This demand analysis does not measure the PMA's or Subject's ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. We believe this to be moderate and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

CAPTURE RATE ANALYSIS CHART

Unit Size	Income Limits	Units Proposed	Total Demand	Additions to Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min-Max	Proposed Rents
1BR at 50% AMI	\$17,880-\$25,800	5	46	0	46	11.0%	3 months	\$733	\$488-\$991	\$435
2BR at 50% AMI	\$21,750-\$25,800	7	92	0	92	7.6%	3 months	\$770	\$465-\$1,138	\$520
Overall 50% AMI	\$18,120-\$25,800	12	138	0	138	8.7%	3 months	-	-	-
1BR at 60% AMI	\$19,380-\$30,960	19	61	0	61	31.0%	3 months	\$772	\$506-\$991	\$485
2BR at 60% AMI	\$21,750-\$30,960	25	124	0	124	20.2%	3 months	\$825	\$465-\$1,138	\$520
Overall 60% AMI	\$19,380-\$30,960	44	185	0	185	23.8%	3 months	-	-	-
1BR Overall	\$17,880-\$30,960	24	72	0	72	33.4%	3 months	-	-	-
2BR Overall	\$21,750-\$25,800	32	145	0	145	22.0%	3 months	-	-	-
Project Overall	\$17,880-\$30,960	56	217	0	217	25.8%	3 months	-	-	-

Demand and Net Demand

	HH at 50% AMI (\$17,880-\$25,800)	HH at 60% AMI (\$19,380-\$30,960)	All Tax Credit Households
Demand from New Households (age and income appropriate)	59	79	93
PLUS	+	+	+
Demand from Existing Renter Households - Substandard Housing	1	1	2
PLUS	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	112	150	176
PLUS	+	+	+
Sub Total	172	231	271
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	3	5	5
Equals Total Demand	175	235	276
Less	-	-	-
Supply of comparable LIHTC or Market Rate housing units built and/or planned in the projected market	0	0	0
Equals Net Demand	175	235	276

As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 7.6 to 11.0 percent, with an overall capture rate of 8.7 percent. The Subject's 60 percent AMI capture rates range from 20.2 to 31.0 percent, with an overall capture rate of 23.8 percent. The overall capture rate for the project's 50 and 60 percent units is 25.8 percent. All capture rates are below Georgia DCA threshold requirements for rural areas and we believe there is adequate demand for the Subject's units.

H. COMPETITIVE RENTAL ANALYSIS

Survey of Comparable Projects

To evaluate the competitive position of the proposed Subject, 1,147 units in seven rental properties were surveyed in depth. Property managers were interviewed for information on unit mix, sizes, and absorption rates, unit features and project amenities; tenant profiles; and market trends in general. The availability of senior LIHTC data in the PMA is considered good. There are three LIHTC properties targeting seniors in the PMA and one senior LIHTC property (Hampton Court) which is located just west of the PMA in Hampton. The newest senior property in the PMA, Shoal Creek Manor, is located 0.9 miles from the Subject site in Locust Grove and entered the market in 2011. We have also included three market rate comparables in our analysis. One of these comparables is located in Locust Grove while the other two properties are located in McDonough. All three properties are within the PMA boundaries. Additionally, the senior LIHTC property Grier Manor, which is located in McDonough, offers market rate units. Overall, we believe the comparable data is sufficient upon which to base our conclusions.

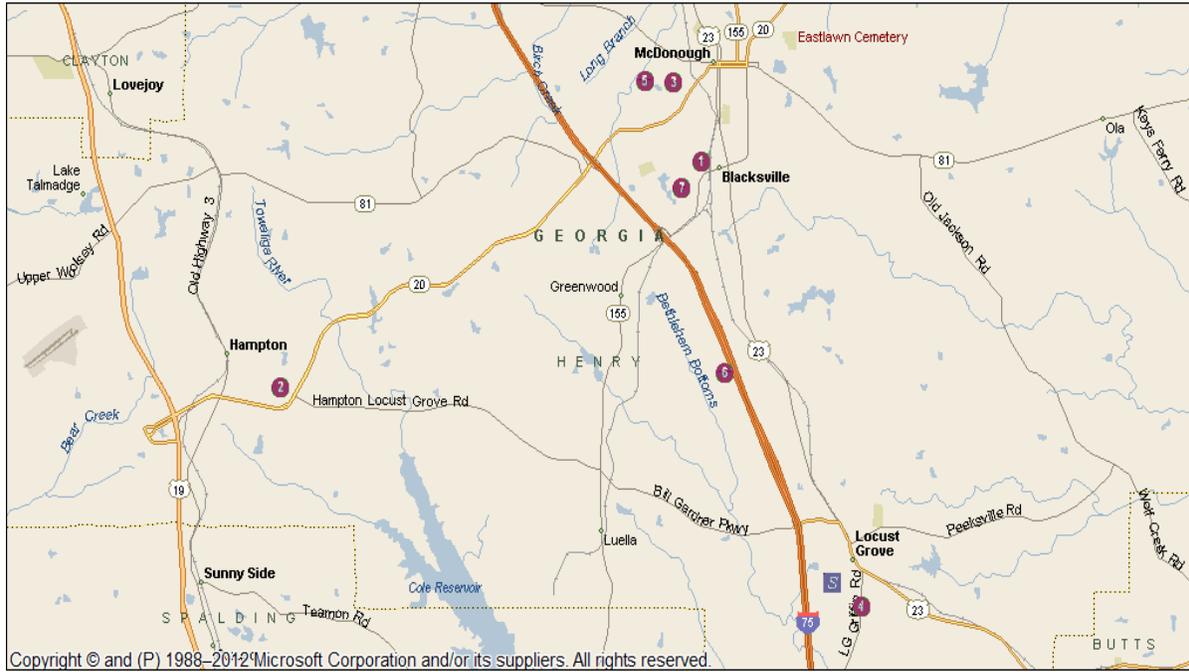
Although there are two family LIHTC properties located within the PMA, we have not included these properties as comparables. Property managers at Ashley Woods and Sable Chase I and II indicated that these properties do not have a significant senior tenancy and would not directly compete with a LIHTC property targeting seniors 55 and older. Additionally, there is sufficient senior data within the PMA and these properties represent direct competition for the proposed Subject. Ashley Woods has a current occupancy of 95.3 percent while Sable Chase I and II has an occupancy of 96.5. Neither property is currently maintaining a waiting list.

Excluded Properties

The following table illustrates properties within the PMA that have been excluded from our analysis along with their reason for exclusion.

Property	Location	Type	Tenancy	Reason for Exclusion
Landmark Apartments	Locust Grove	Market	Family	Unable to contact management
Ashley Woods	Stockbridge	LIHTC	Family	Does not have a significant senior tenancy; more comparable properties
Sable Chase I and II	Stockbridge	LIHTC	Family	Does not have a significant senior tenancy; more comparable properties
Brookshire Apartments	McDonough	Rural Development	Family	Rent subsidized
North Park Apartments	Stockbridge	FHA	Family	Inferior; could not reach management
Mandalay Villas	McDonough	FHA	Family	Closer, more comparable propertie available
Magnolia Grove	Jackson	Section 8	Senior	Rent subsidized

Comparable Rental Property Map



COMPARABLE PROPERTIES

#	Property Name	City	Type	Tenancy	Distance
1	Grier Senior Manor	McDonough	LIHTC/Market	Senior	7.7 miles
2	Hampton Court	Hampton	LIHTC	Senior	10.3 miles
3	Heritage At McDonough	McDonough	LIHTC	Senior	10.0 miles
4	Shoal Creek Manor	Locust Grove	LIHTC	Senior	0.9 miles
5	Amber Chase Apartments	McDonough	Market	Family	9.4 miles
6	Eagle's Brooke	Locust Grove	Market	Family	5.4 miles
7	The Crossing At McDonough	McDonough	Market	Family	7.9 miles

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

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate			
Subject	Proposed Senior Development Indian Creek Rd & Apache Avenue Locust Grove, GA 30248 Henry County County	n/a	Various (age-restricted) 2017	50%, 60%	1BR / 1BA (Lowrise)	5	8.93%	50%	\$435	750	no		N/A	N/A			
					1BR / 1BA (Lowrise)	19	33.93%		\$485	750	no		N/A	N/A			
					2BR / 1BA (Lowrise)	7	12.50%		\$520	950	no		N/A	N/A			
					2BR / 1BA (Lowrise)	25	44.64%		\$520	950	no		N/A	N/A			
						56	100%										
1	Grier Senior Manor 391 Old Griffin Rd Mcdonough, GA 30253 Henry County	7.7 miles	Lowrise (age-restricted) (2 stories) 2005	30%, 50%, 60%, Market	1BR / 1BA	3	4.70%	30%	\$284	657	no	Yes	N/A	N/A			
					1BR / 1BA	16	25.00%	50%	\$488	657	no	Yes	N/A	N/A			
					1BR / 1BA	5	7.80%	60%	\$506	657	no	Yes	N/A	N/A			
					1BR / 1BA	8	12.50%	Market	\$675	657	n/a	No	N/A	N/A			
					2BR / 2BA	3	4.70%	30%	\$333	900	no	Yes	N/A	N/A			
					2BR / 2BA	16	25.00%	50%	\$633	900	no	Yes	N/A	N/A			
					2BR / 2BA	5	7.80%	60%	\$695	900	no	Yes	N/A	N/A			
					2BR / 2BA	8	12.50%	Market	\$745	900	n/a	No	N/A	N/A			
						64	100%										
																	3
2	Hampton Court 100 South Hampton Rd Hampton, GA 30228 Henry County	10.3 miles	Garden (age-restricted) (2 stories) 2014	50%, 60%	2BR / 2BA	9	15.00%	50%	\$465	1,200	no	Yes	0	0.00%			
					2BR / 2BA	51	85.00%	60%	\$465	1,200	no	Yes	0	0.00%			
						60	100%										
3	Heritage At McDonough 180 Bridges Rd Mcdonough, GA 30253 Henry County County	10 miles	n/a (age-restricted) 2011	50%, 60%	1BR / 1BA	N/A	N/A	50%	\$508	722	yes	Yes	0	N/A			
					1BR / 1BA	N/A	N/A	60%	\$638	722	yes	Yes	0	N/A			
					2BR / 2BA	N/A	N/A	50%	\$603	1,103	yes	Yes	0	N/A			
					2BR / 2BA	N/A	N/A	60%	\$759	1,103	yes	Yes	0	N/A			
						105	100%										
												0	0.00%				
4	Shoal Creek Manor 120 LG Griffin Road Locust Grove, GA 30248 Henry County	0.9 miles	Midrise (age-restricted) (4 stories) 2011	50%, 60%	2BR / 2BA	N/A	N/A	50%	\$559	1,008	yes	Yes	1	N/A			
					2BR / 2BA	N/A	N/A	60%	\$655	1,008	yes	Yes	0	N/A			
						66	100%										
												1	1.50%				
5	Amber Chase Apartments 570 Mcdonough Parkway Mcdonough, GA 30253 Henry County	9.4 miles	Garden (2 stories) 1999	Market	1BR / 1BA	N/A	N/A	Market	\$759	800	n/a	No	N/A	N/A			
					1BR / 1BA	N/A	N/A	Market	\$771	800	n/a	No	N/A	N/A			
					1BR / 1BA	N/A	N/A	Market	\$746	800	n/a	No	N/A	N/A			
					2BR / 1BA	N/A	N/A	Market	\$801	1,117	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$866	1,190	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$886	1,223	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$846	1,157	n/a	No	N/A	N/A			
					3BR / 2BA	N/A	N/A	Market	\$963	1,332	n/a	No	N/A	N/A			
					3BR / 2BA	N/A	N/A	Market	\$1,000	1,332	n/a	No	N/A	N/A			
					3BR / 2BA	N/A	N/A	Market	\$926	1,332	n/a	No	N/A	N/A			
						352	100%										
																	32
6	Eagle's Brooke 100 Malaga Way Locust Grove, GA 30248 Henry County	5.4 miles	Garden (3 stories) 2009	Market	1BR / 1BA	120	48.40%	Market	\$882	955	n/a	No	0	0.00%			
					1BR / 1BA	0	0.00%	Market	\$991	955	n/a	No	0	N/A			
					1BR / 1BA	0	0.00%	Market	\$772	955	n/a	No	0	N/A			
					2BR / 2BA	104	41.90%	Market	\$1,016	1,265	n/a	No	5	4.80%			
					2BR / 2BA	0	0.00%	Market	\$1,138	1,276	n/a	No	0	N/A			
					2BR / 2BA	0	0.00%	Market	\$893	1,253	n/a	No	0	N/A			
					3BR / 2BA	24	9.70%	Market	\$1,246	1,519	n/a	No	1	4.20%			
					3BR / 2BA	0	0.00%	Market	\$1,318	1,519	n/a	No	0	N/A			
					3BR / 2BA	0	0.00%	Market	\$1,173	1,519	n/a	No	0	N/A			
						248	100%										
												6	2.40%				
7	The Crossing At McDonough 100 Crossing Boulevard Mcdonough, GA 30253 Henry County	7.9 miles	Garden (3 stories) 2004	Market	1BR / 1BA	N/A	N/A	Market	\$842	908	n/a	No	N/A	N/A			
					1BR / 1BA	N/A	N/A	Market	\$891	908	n/a	No	N/A	N/A			
					1BR / 1BA	N/A	N/A	Market	\$793	908	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$870	1,152	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$929	1,152	n/a	No	N/A	N/A			
					2BR / 2BA	N/A	N/A	Market	\$811	1,152	n/a	No	N/A	N/A			
					3BR / 2BA	35	13.90%	Market	\$1,085	1,390	n/a	No	N/A	N/A			
					3BR / 2BA	0	0.00%	Market	\$1,156	1,390	n/a	No	N/A	N/A			
					3BR / 2BA	0	0.00%	Market	\$1,014	1,390	n/a	No	N/A	N/A			
						252	100%										
												15	6.00%				

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

Effective Rent Date:		May-15	Units Surveyed:		1147	Weighted Occupancy:		95.10%
			Market Rate:		852	Market Rate:		93.80%
			Tax Credit:		295	Tax Credit:		99.00%
One Bedroom One Bath			Two Bedrooms One Bath					
	Property	Average	Property	Average	Property	Average		
RENT	Eagle's Brooke	\$991	Eagle's Brooke (2BA)	\$1,138				
	The Crossing At Mcdonough	\$891	Eagle's Brooke (2BA)	\$1,016				
	Eagle's Brooke	\$882	The Crossing At Mcdonough (2BA)	\$929				
	The Crossing At Mcdonough	\$842	Eagle's Brooke (2BA)	\$893				
	The Crossing At Mcdonough	\$793	The Crossing At Mcdonough (2BA)	\$870				
	Eagle's Brooke	\$772	The Crossing At Mcdonough (2BA)	\$811				
	Amber Chase Apartments	\$771	Amber Chase Apartments	\$801				
	Amber Chase Apartments	\$759	Heritage At Mcdonough * (2BA 60%)	\$759				
	Amber Chase Apartments	\$746	Grier Senior Manor * (2BA M)	\$745				
	Grier Senior Manor * (M)	\$675	Grier Senior Manor * (2BA 60%)	\$695				
	Heritage At Mcdonough * (60%)	\$638	Shoal Creek Manor * (2BA 60%)	\$634				
	Heritage At Mcdonough * (50%)	\$508	Grier Senior Manor * (2BA 50%)	\$633				
	Grier Senior Manor * (60%)	\$506	Heritage At Mcdonough * (2BA 50%)	\$603				
	Grier Senior Manor * (50%)	\$488	Shoal Creek Manor * (2BA 50%)	\$538				
	Grove Senior Village * (60%)	\$485	Grove Senior Village * (50%)	\$520				
	Grove Senior Village * (50%)	\$435	Grove Senior Village * (60%)	\$520				
	Grier Senior Manor * (30%)	\$284	Hampton Court * (2BA 50%)	\$465				
			Hampton Court * (2BA 60%)	\$465				
			Grier Senior Manor * (2BA 30%)	\$333				
	SQUARE FOOTAGE	Eagle's Brooke	955	Eagle's Brooke (2BA)	1,276			
Eagle's Brooke		955	Eagle's Brooke (2BA)	1,265				
Eagle's Brooke		955	Eagle's Brooke (2BA)	1,253				
The Crossing At Mcdonough		908	Hampton Court * (2BA 50%)	1,200				
The Crossing At Mcdonough		908	Hampton Court * (2BA 60%)	1,200				
The Crossing At Mcdonough		908	The Crossing At Mcdonough (2BA)	1,152				
Amber Chase Apartments		800	The Crossing At Mcdonough (2BA)	1,152				
Amber Chase Apartments		800	The Crossing At Mcdonough (2BA)	1,152				
Amber Chase Apartments		800	Amber Chase Apartments	1,117				
Grove Senior Village * (50%)		750	Heritage At Mcdonough * (2BA 50%)	1,103				
Grove Senior Village * (60%)		750	Heritage At Mcdonough * (2BA 60%)	1,103				
Heritage At Mcdonough * (50%)		722	Shoal Creek Manor * (2BA 50%)	1,008				
Heritage At Mcdonough * (60%)		722	Shoal Creek Manor * (2BA 60%)	1,008				
Grier Senior Manor * (30%)		657	Grove Senior Village * (50%)	950				
Grier Senior Manor * (50%)		657	Grove Senior Village * (60%)	950				
Grier Senior Manor * (60%)		657	Grier Senior Manor * (2BA 30%)	900				
Grier Senior Manor * (M)		657	Grier Senior Manor * (2BA 50%)	900				
			Grier Senior Manor * (2BA 60%)	900				
			Grier Senior Manor * (2BA M)	900				
RENT PER SQUARE FOOT		Eagle's Brooke	\$1.04	Eagle's Brooke (2BA)	\$0.89			
	Grier Senior Manor * (M)	\$1.03	Grier Senior Manor * (2BA M)	\$0.83				
	The Crossing At Mcdonough	\$0.98	The Crossing At Mcdonough (2BA)	\$0.81				
	Amber Chase Apartments	\$0.96	Eagle's Brooke (2BA)	\$0.80				
	Amber Chase Apartments	\$0.95	Grier Senior Manor * (2BA 60%)	\$0.77				
	Amber Chase Apartments	\$0.93	The Crossing At Mcdonough (2BA)	\$0.76				
	The Crossing At Mcdonough	\$0.93	Amber Chase Apartments	\$0.72				
	Eagle's Brooke	\$0.92	Eagle's Brooke (2BA)	\$0.71				
	Heritage At Mcdonough * (60%)	\$0.88	The Crossing At Mcdonough (2BA)	\$0.70				
	The Crossing At Mcdonough	\$0.87	Grier Senior Manor * (2BA 50%)	\$0.70				
	Eagle's Brooke	\$0.81	Heritage At Mcdonough * (2BA 60%)	\$0.69				
	Grier Senior Manor * (60%)	\$0.77	Shoal Creek Manor * (2BA 60%)	\$0.63				
	Grier Senior Manor * (50%)	\$0.74	Grove Senior Village * (50%)	\$0.55				
	Heritage At Mcdonough * (50%)	\$0.70	Grove Senior Village * (60%)	\$0.55				
	Grove Senior Village * (60%)	\$0.65	Heritage At Mcdonough * (2BA 50%)	\$0.55				
	Grove Senior Village * (50%)	\$0.58	Shoal Creek Manor * (2BA 50%)	\$0.53				
	Grier Senior Manor * (30%)	\$0.43	Hampton Court * (2BA 50%)	\$0.39				
			Hampton Court * (2BA 60%)	\$0.39				
			Grier Senior Manor * (2BA 30%)	\$0.37				

PROPERTY PROFILE REPORT

Grier Senior Manor

Effective Rent Date	2/23/2015
Location	391 Old Griffin Rd Mcdonough, GA 30253 Henry County
Distance	7.7 miles
Units	64
Vacant Units	3
Vacancy Rate	4.7%
Type	Lowrise (age-restricted) (2 stories)
Year Built/Renovated	2005 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None
Tenant Characteristics	Seniors 55+; 20 percent previous homeowners; average age is 68; almost all are retired
Contact Name	Dianne
Phone	770.288.2311



Market Information

Program	@30%, @50%, @60%, Market
Annual Turnover Rate	5%
Units/Month Absorbed	N/A
HCV Tenants	20%
Leasing Pace	N/A
Annual Chg. in Rent	See comments
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Lowrise (2 stories)	3	657	\$284	\$0	@30%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	16	657	\$488	\$0	@50%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	5	657	\$506	\$0	@60%	Yes	N/A	N/A	no	None
1	1	Lowrise (2 stories)	8	657	\$675	\$0	Market	No	N/A	N/A	N/A	None
2	2	Lowrise (2 stories)	3	900	\$333	\$0	@30%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	16	900	\$633	\$0	@50%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	5	900	\$695	\$0	@60%	Yes	N/A	N/A	no	None
2	2	Lowrise (2 stories)	8	900	\$745	\$0	Market	No	N/A	N/A	N/A	None

Grier Senior Manor, continued

Unit Mix

@30%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$284	\$0	\$284	\$0	\$284	1BR / 1BA	\$488	\$0	\$488	\$0	\$488
2BR / 2BA	\$333	\$0	\$333	\$0	\$333	2BR / 2BA	\$633	\$0	\$633	\$0	\$633
@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$506	\$0	\$506	\$0	\$506	1BR / 1BA	\$675	\$0	\$675	\$0	\$675
2BR / 2BA	\$695	\$0	\$695	\$0	\$695	2BR / 2BA	\$745	\$0	\$745	\$0	\$745

Amenities

In-Unit

Balcony/Patio
Carpeting
Hand Rails
Pull Cords
Washer/Dryer hookup

Blinds
Central A/C
Oven
Refrigerator

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Courtyard
Exercise Facility
Off-Street Parking
Recreation Areas

Clubhouse/Meeting
Elevators
Central Laundry
On-Site Management

Premium

None

Other

None

Comments

Over the past year, rents for the affordable units decreased one to five percent while rents for market rate units increased one to three percent. Management would not comment on the decrease in rents for the affordable units. All three vacant units at the property are in the process of being filled from the waiting list.

Grier Senior Manor, continued

Trend Report

Vacancy Rates

2Q10	2Q11	2Q12	1Q15
1.6%	4.7%	4.7%	4.7%

Trend: @30%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$269	\$0	\$269	\$269
2011	2	0.0%	\$280	\$0	\$280	\$280
2012	2	0.0%	\$299	\$0	\$299	\$299
2015	1	N/A	\$284	\$0	\$284	\$284

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$312	\$0	\$312	\$312
2011	2	0.0%	\$324	\$0	\$324	\$324
2012	2	0.0%	\$345	\$0	\$345	\$345
2015	1	N/A	\$333	\$0	\$333	\$333

Trend: @50%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$536	\$0	\$536	\$536
2011	2	0.0%	\$552	\$0	\$552	\$552
2012	2	6.2%	\$540	\$0	\$540	\$540
2015	1	N/A	\$488	\$0	\$488	\$488

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$633	\$0	\$633	\$633
2011	2	6.2%	\$652	\$0	\$652	\$652
2012	2	0.0%	\$633	\$0	\$633	\$633
2015	1	N/A	\$633	\$0	\$633	\$633

Trend: @60%

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$589	\$0	\$589	\$589
2011	2	20.0%	\$607	\$0	\$607	\$607
2012	2	20.0%	\$591	\$0	\$591	\$591
2015	1	N/A	\$506	\$0	\$506	\$506

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	20.0%	\$656	\$0	\$656	\$656
2011	2	20.0%	\$677	\$0	\$677	\$677
2012	2	20.0%	\$695	\$0	\$695	\$695
2015	1	N/A	\$695	\$0	\$695	\$695

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$629	\$0	\$629	\$629
2011	2	0.0%	\$650	\$0	\$650	\$650
2012	2	0.0%	\$625	\$0	\$625	\$625
2015	1	N/A	\$675	\$0	\$675	\$675

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2010	2	0.0%	\$729	\$0	\$729	\$729
2011	2	0.0%	\$754	\$0	\$754	\$754
2012	2	0.0%	\$725	\$0	\$725	\$725
2015	1	N/A	\$745	\$0	\$745	\$745

Trend: Comments

- 2Q10** Management indicated that the property remains 98 to 100 percent occupied and vacancies are filled from the waiting list. Management indicated that while there is less demand for the market rate units than the LIHTC units the market rate units typically remain full and there is a short waiting list for these units. Management also reported that several tenants have been over income qualified for the 60 percent AMI units and have either rented a market rate unit or have been put on the market rate waiting list. Management believes there is sufficient demand in the Stockbridge and McDonough areas to support a market rate community that is restricted to seniors 55 and older.
- 2Q11** Management indicated that the property is 97 percent leased. The property is usually 98 to 100 occupied, but recently had seniors go into nursing homes. Management believes there is sufficient demand in the McDonough areas to support a senior community and felt there was as much need for one and two bedroom units. Most tenants are from eastern Henry County such as Stockbridge and McDonough.
- 2Q12** Management indicated that the property is 100 percent leased. Management believes there is sufficient demand in the McDonough areas to support a senior community and felt there was as much need for one and two bedroom units. Most tenants are from eastern Henry County such as Stockbridge and McDonough. The waiting list currently has an estimated wait time of six months.
- 1Q15** Over the past year, rents for the affordable units decreased one to five percent while rents for market rate units increased one to three percent. Management would not comment on the decrease in rents for the affordable units. All three vacant units at the property are in the process of being filled from the waiting list.

Photos



PROPERTY PROFILE REPORT

Hampton Court

Effective Rent Date	2/18/2015
Location	100 South Hampton Rd Hampton, GA 30228 Henry County
Distance	10.3 miles
Units	60
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted) (2 stories)
Year Built/Renovated	2014 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	55+
Contact Name	Logan
Phone	770-707-0720



Market Information

Program	@50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	20
HCV Tenants	N/A
Leasing Pace	Pre-leased
Annual Chg. in Rent	None
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (2 stories)	9	1,200	\$465	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden (2 stories)	51	1,200	\$465	\$0	@60%	Yes	0	0.0%	no	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$465	\$0	\$465	\$0	\$465	2BR / 2BA	\$465	\$0	\$465	\$0	\$465

Amenities

In-Unit

Balcony/Patio	Blinds
Carpeting	Central A/C
Dishwasher	Garbage Disposal
Hand Rails	Microwave
Oven	Pull Cords
Refrigerator	Washer/Dryer hookup

Security

Perimeter Fencing

Services

None

Property

Business Center/Computer Lab	Clubhouse/Meeting
Elevators	Exercise Facility
Central Laundry	Off-Street Parking
On-Site Management	Recreation Areas

Premium

None

Other

Community gardens

Hampton Court, continued

Comments

The contact works in the front office and was unable to report the number of tenants using Housing Choice Vouchers. The waiting list for the property contains several hundred households.

Hampton Court, continued

Trend Report

Vacancy Rates

2Q11	1Q15
N/A	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$465	\$0	\$465	\$465
2015	1	0.0%	\$465	\$0	\$465	\$465

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	2	N/A	\$465	\$0	\$465	\$465
2015	1	0.0%	\$465	\$0	\$465	\$465

Trend: Comments

- 2Q11** The Subject's proposed 50 and 60 percent AMI net rents are \$465 and the Subject's utility allowance will be \$192. Therefore, the Subject's gross rents will be \$657 per unit.
- 1Q15** The contact works in the front office and was unable to report the number of tenants using Housing Choice Vouchers. The waiting list for the property contains several hundred households.

Photos



PROPERTY PROFILE REPORT

Heritage At Mcdonough

Effective Rent Date	3/02/2015
Location	180 Bridges Rd Mcdonough, GA 30253 Henry County County
Distance	10 miles
Units	105
Vacant Units	0
Vacancy Rate	0.0%
Type	(age-restricted)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None Identified
Tenant Characteristics	55 and over in age. Locals as well as people who move from out of state.
Contact Name	Vicki
Phone	678-604-8322



Market Information

Program	@50%, @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	18
HCV Tenants	N/A
Leasing Pace	Immediately
Annual Chg. in Rent	None
Concession	N/A

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1		N/A	722	\$545	\$0	@50%	Yes	0	N/A	yes	None
1	1		N/A	722	\$675	\$0	@60%	Yes	0	N/A	yes	None
2	2		N/A	1,103	\$646	\$0	@50%	Yes	0	N/A	yes	None
2	2		N/A	1,103	\$802	\$0	@60%	Yes	0	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$545	\$0	\$545	-\$37	\$508	1BR / 1BA	\$675	\$0	\$675	-\$37	\$638
2BR / 2BA	\$646	\$0	\$646	-\$43	\$603	2BR / 2BA	\$802	\$0	\$802	-\$43	\$759

Amenities

In-Unit

Balcony/Patio
Exterior Storage
Oven
Walk-In Closet

Blinds
Ceiling Fan
Refrigerator
Washer/Dryer hookup

Security

Limited Access

Services

None

Property

Basketball Court
Clubhouse/Meeting
Exercise Facility
On-Site Management
Swimming Pool

Business Center/Computer Lab
Elevators
Off-Street Parking
Recreation Areas
Wi-Fi

Premium

Hairdresser / Barber

Other

ballroom, gardens

Heritage At McDonough, continued

Comments

Management was not certain of how many of each unit type existed or how many tenants currently use Housing Choice Vouchers, but stated that the total number of units were: 51 one-bedroom units in total, and 54 two-bedroom units in total. The waiting list consists of about five people for one-bedroom units, and five people for two bedroom units.

Photos



PROPERTY PROFILE REPORT

Shoal Creek Manor

Effective Rent Date 5/06/2015
Location 120 LG Griffin Road
 Locust Grove, GA 30248
 Henry County
Distance 0.9 miles
Units 66
Vacant Units 0
Vacancy Rate 0.0%
Type Midrise (age-restricted) (4 stories)
Year Built/Renovated 2011 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors None identified
Tenant Characteristics 55+
Contact Name Shanelle
Phone 678-759-1313



Market Information

Program @50%, @60%
Annual Turnover Rate 5%
Units/Month Absorbed N/A
HCV Tenants 4%
Leasing Pace Pre-leased
Annual Chg. in Rent None
Concession None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Midrise (4 stories)	N/A	1,008	\$538	\$0	@50%	Yes	0	N/A	yes	None
2	2	Midrise (4 stories)	N/A	1,008	\$634	\$0	@60%	Yes	0	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$538	\$0	\$538	\$0	\$538	2BR / 2BA	\$634	\$0	\$634	\$0	\$634

Amenities

In-Unit

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

Blinds
 Central A/C
 Ceiling Fan
 Microwave
 Refrigerator

Security

None

Services

None

Property

Business Center/Computer Lab
 Elevators
 Central Laundry
 On-Site Management

Clubhouse/Meeting
 Exercise Facility
 Off-Street Parking

Premium

None

Other

Library, garden

Comments

The property's waiting list is approximately two years.

Shoal Creek Manor, continued

Trend Report

Vacancy Rates

1Q15	2Q15
1.5%	0.0%

Trend: @50%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$538	\$0	\$538	\$538
2015	2	N/A	\$538	\$0	\$538	\$538

Trend: @60%

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2015	1	N/A	\$634	\$0	\$634	\$634
2015	2	N/A	\$634	\$0	\$634	\$634

Trend: Comments

1Q15 The property's waiting list is six months to a year in length. Management reported that the property does accept Housing Choice Vouchers but was unable to estimate the number of tenants using them.

2Q15 The property's waiting list is approximately two years.

Photos



PROPERTY PROFILE REPORT

Amber Chase Apartments

Effective Rent Date	2/18/2015
Location	570 McDonough Parkway McDonough, GA 30253 Henry County
Distance	9.4 miles
Units	352
Vacant Units	32
Vacancy Rate	9.1%
Type	Garden (2 stories)
Year Built/Renovated	1999 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Crossing at McDonough
Tenant Characteristics	Mostly families from the local area
Contact Name	Kim
Phone	678.432.0087



Market Information

Program	Market
Annual Turnover Rate	57%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	N/A
Annual Chg. in Rent	Increased 1.6 to 6.6%
Concession	Reduced deposits

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	N/A	800	\$738	\$0	Market	No	N/A	N/A	N/A	AVG
1	1	Garden (2 stories)	N/A	800	\$750	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (2 stories)	N/A	800	\$725	\$0	Market	No	N/A	N/A	N/A	LOW
2	1	Garden (2 stories)	N/A	1,117	\$780	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (2 stories)	N/A	1,190	\$845	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (2 stories)	N/A	1,223	\$865	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (2 stories)	N/A	1,157	\$825	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (2 stories)	N/A	1,332	\$942	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (2 stories)	N/A	1,332	\$979	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (2 stories)	N/A	1,332	\$905	\$0	Market	No	N/A	N/A	N/A	LOW

Amber Chase Apartments, continued

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$725 - \$750	\$0	\$725 - \$750	\$21	\$746 - \$771
2BR / 1BA	\$780	\$0	\$780	\$21	\$801
2BR / 2BA	\$825 - \$865	\$0	\$825 - \$865	\$21	\$846 - \$886
3BR / 2BA	\$905 - \$979	\$0	\$905 - \$979	\$21	\$926 - \$1,000

Amenities

In-Unit

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

Blinds
Carpeting
Coat Closet
Exterior Storage
Oven
Walk-In Closet

Security

In-Unit Alarm
Limited Access
Perimeter Fencing

Services

None

Property

Car Wash
Exercise Facility
Jacuzzi
Off-Street Parking
Picnic Area
Swimming Pool
Volleyball Court

Clubhouse/Meeting
Garage
Central Laundry
On-Site Management
Playground
Tennis Court

Premium

View

Other

None

Comments

Management reported that the property is currently 91 percent occupied. She could not report why the property's occupancy rate is low but stated that the property has received heavy traffic over the past few months and many of the vacancies have been leased. Management also stated that some of the units have been upgraded. She could not report how many units have been renovated, when the renovations occurred, or what the renovations entailed. However, she did report that the renovated units are in the higher price range, while the units that have not undergone renovations are in the lower price range.

Amber Chase Apartments, continued

Trend Report

Vacancy Rates

2Q05	3Q12	4Q12	1Q15
4.8%	8.0%	8.0%	9.1%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$743	\$100	\$643	\$664
2012	3	N/A	\$615	\$0	\$615	\$636
2012	4	N/A	\$615	\$0	\$615	\$636
2015	1	N/A	\$725 - \$750	\$0	\$725 - \$750	\$746 - \$771

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$800	\$100	\$700	\$721
2012	3	N/A	\$694	\$0	\$694	\$715
2012	4	N/A	\$694	\$0	\$694	\$715
2015	1	N/A	\$780	\$0	\$780	\$801

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$830	\$100	\$730	\$751
2012	3	N/A	\$760	\$0	\$760	\$781
2012	4	N/A	\$760	\$0	\$760	\$781
2015	1	N/A	\$825 - \$865	\$0	\$825 - \$865	\$846 - \$886

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$990	\$100	\$890	\$911
2012	3	N/A	\$899	\$0	\$899	\$920
2012	4	N/A	\$899	\$0	\$899	\$920
2015	1	N/A	\$905 - \$979	\$0	\$905 - \$979	\$926 - \$1,000

Trend: Comments

2Q05 Amber Chase offers one-, two-, and three-bedroom units. Currently, the property is five percent vacant. We previously interviewed the property in November 2004. At that time, the property was nine percent vacant. Turnover is 57 percent due to resident who move to purchase homes. Leasing pace is one to four weeks. The manager indicated that rents changed within the past year. During our November 2004 interview, rent for one-bedroom units was \$795. The smaller two-bedroom unit was \$850. The large two-bedroom unit was \$900 and three-bedroom units were \$1,065. The property is offering a concession of \$100 off the monthly rate. Rents in the unit mix for one- and two-bedroom units are shown as averages. Rents for one-bedroom units range from \$735 to \$750. Smaller two-bedroom units range from \$790 to \$810 and the larger two-bedroom units range from \$825 to \$835. Rents increase by \$30 for downstairs units and \$10 for a view. The property does not accept Section 8 voucher tenants.

The property offers exterior storage for an additional price of \$40 per month.

3Q12 The contact was unable to provide historical data as the property is under new management.

4Q12 N/A

1Q15 Management reported that the property is currently 91 percent occupied. She could not report why the property's occupancy rate is low but stated that the property has received heavy traffic over the past few months and many of the vacancies have been leased. Management also stated that some of the units have been upgraded. She could not report how many units have been renovated, when the renovations occurred, or what the renovations entailed. However, she did report that the renovated units are in the higher price range, while the units that have not undergone renovations are in the lower price range.

Photos



PROPERTY PROFILE REPORT

Eagle's Brooke

Effective Rent Date	2/19/2015
Location	100 Malaga Way Locust Grove, GA 30248 Henry County
Distance	5.4 miles
Units	248
Vacant Units	6
Vacancy Rate	2.4%
Type	Garden (3 stories)
Year Built/Renovated	2009 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Mixed tenancy, less than 20% seniors, from the area
Contact Name	Rebecca
Phone	770-648-2385



Market Information

Program	Market
Annual Turnover Rate	40%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Two to three weeks
Annual Chg. in Rent	None
Concession	\$100 the first month's rent

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	120	955	\$861	\$0	Market	No	0	0.0%	N/A	AVG
1	1	Garden (3 stories)	0	955	\$970	\$0	Market	No	0	N/A	N/A	HIGH
1	1	Garden (3 stories)	0	955	\$751	\$0	Market	No	0	N/A	N/A	LOW
2	2	Garden (3 stories)	104	1,265	\$1,003	\$8	Market	No	5	4.8%	N/A	AVG
2	2	Garden (3 stories)	0	1,276	\$1,125	\$8	Market	No	0	N/A	N/A	HIGH
2	2	Garden (3 stories)	0	1,253	\$880	\$8	Market	No	0	N/A	N/A	LOW
3	2	Garden (3 stories)	24	1,519	\$1,233	\$8	Market	No	1	4.2%	N/A	AVG
3	2	Garden (3 stories)	0	1,519	\$1,305	\$8	Market	No	0	N/A	N/A	HIGH
3	2	Garden (3 stories)	0	1,519	\$1,160	\$8	Market	No	0	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$751 - \$970	\$0	\$751 - \$970	\$21	\$772 - \$991
2BR / 2BA	\$880 - \$1,125	\$8	\$872 - \$1,117	\$21	\$893 - \$1,138
3BR / 2BA	\$1,160 - \$1,305	\$8	\$1,152 - \$1,297	\$21	\$1,173 - \$1,318

Eagle's Brooke, continued

Amenities

In-Unit

Balcony/Patio
Central A/C
Ceiling Fan
Microwave
Refrigerator
Walk-In Closet
Washer/Dryer hookup

Blinds
Dishwasher
Fireplace
Oven
Vaulted Ceilings
Washer/Dryer

Security

In-Unit Alarm
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Courtyard
Off-Street Parking
Wi-Fi

Clubhouse/Meeting
Exercise Facility
Swimming Pool

Premium

None

Other

None

Comments

Management reported that turnover is due to tenants buying homes.

Photos



PROPERTY PROFILE REPORT

The Crossing At Mcdonough

Effective Rent Date	2/19/2015
Location	100 Crossing Boulevard Mcdonough, GA 30253 Henry County
Distance	7.9 miles
Units	252
Vacant Units	15
Vacancy Rate	6.0%
Type	Garden (3 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Carrington Green, Crescent Creek, Oxford Creek
Tenant Characteristics	Mixed tenancy from the area
Contact Name	Sarah
Phone	770.692.1630



Market Information

Program	Market
Annual Turnover Rate	36%
Units/Month Absorbed	22
HCV Tenants	0%
Leasing Pace	One to three weeks
Annual Chg. in Rent	Increased 2.7 to 3.6%
Concession	None

Utilities

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

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	N/A	908	\$842	\$0	Market	No	N/A	N/A	N/A	AVG
1	1	Garden (3 stories)	N/A	908	\$891	\$0	Market	No	N/A	N/A	N/A	HIGH
1	1	Garden (3 stories)	N/A	908	\$793	\$0	Market	No	N/A	N/A	N/A	LOW
2	2	Garden (3 stories)	N/A	1,152	\$870	\$0	Market	No	N/A	N/A	N/A	AVG
2	2	Garden (3 stories)	N/A	1,152	\$929	\$0	Market	No	N/A	N/A	N/A	HIGH
2	2	Garden (3 stories)	N/A	1,152	\$811	\$0	Market	No	N/A	N/A	N/A	LOW
3	2	Garden (3 stories)	35	1,390	\$1,085	\$0	Market	No	N/A	N/A	N/A	AVG
3	2	Garden (3 stories)	0	1,390	\$1,156	\$0	Market	No	N/A	N/A	N/A	HIGH
3	2	Garden (3 stories)	0	1,390	\$1,014	\$0	Market	No	N/A	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$793 - \$891	\$0	\$793 - \$891	\$0	\$793 - \$891
2BR / 2BA	\$811 - \$929	\$0	\$811 - \$929	\$0	\$811 - \$929
3BR / 2BA	\$1,014 - \$1,156	\$0	\$1,014 - \$1,156	\$0	\$1,014 - \$1,156

The Crossing At Mcdonough, continued

Amenities

In-Unit

Balcony/Patio
Cable/Satellite/Internet
Central A/C
Dishwasher
Ceiling Fan
Garbage Disposal
Oven
Vaulted Ceilings

Blinds
Carpeting
Coat Closet
Exterior Storage
Fireplace
Microwave
Refrigerator
Washer/Dryer hookup

Security

In-Unit Alarm
Perimeter Fencing
Video Surveillance

Services

None

Property

Business Center/Computer Lab
Exercise Facility
Central Laundry
On-Site Management
Playground
Tennis Court

Car Wash
Garage
Off-Street Parking
Picnic Area
Swimming Pool

Premium

None

Other

None

Comments

The contact reported typical occupancy during 2012 was in the low 90 percent range. The property utilizes yieldstar, which causes the differences in rent.

The Crossing At McDonough, continued

Trend Report

Vacancy Rates

2Q05	3Q12	4Q12	1Q15
1.6%	10.7%	10.7%	6.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$695	\$0	\$695	\$695
2012	3	N/A	\$775	\$70	\$705	\$705
2012	4	N/A	\$775	\$70	\$705	\$705
2015	1	N/A	\$793 - \$891	\$0	\$793 - \$891	\$793 - \$891

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$730	\$0	\$730	\$730
2012	3	N/A	\$805	\$20	\$785	\$785
2012	4	N/A	\$805	\$20	\$785	\$785
2015	1	N/A	\$811 - \$929	\$0	\$811 - \$929	\$811 - \$929

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	2	N/A	\$865	\$0	\$865	\$865
2012	3	N/A	\$980	\$20	\$960	\$960
2012	4	N/A	\$980	\$20	\$960	\$960
2015	1	N/A	\$1,014 - \$1,156	\$0	\$1,014 - \$1,156	\$1,014 - \$1,156

Trend: Comments

2Q05	The Crossings at McDonough offers a total of 252 one-, two-, and three-bedroom units renting at market rate. The facility opened in August 2004 and is currently in absorption. Three buildings are under construction and is expected to be completed by the end of April 2005. Of the total units available, four units are vacant for a vacancy rate of two percent. Absorption pace at the facility is 22 units per month. The facility does not maintain a waiting list. The manager reported that rents change all the time. The facility is currently offering a concession of reduced rents; however, the manager was unable to provide the market rents for each unit. The landlord provides free upgraded cable. Storage units are available for an additional \$35 per month. Vaulted ceiling and fireplaces are available in selected apartments.
3Q12	The contact reported typical occupancy during the past year in the low 90 percent range but there was a large number of move outs during August causing the occupancy rate to decrease sharply.
4Q12	N/A
1Q15	The contact reported typical occupancy during 2012 was in the low 90 percent range. The property utilizes yieldstar, which causes the differences in rent.

Photos



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

Housing Choice Vouchers

TENANTS WITH VOUCHERS

Comparable Property	Type	Tenancy	Housing Choice Voucher Tenants
Grier Senior Manor	LIHTC	Senior	20%
Hampton Court	LIHTC	Senior	N/Av
Heritage At McDonough	LIHTC	Senior	N/Av
Shoal Creek Manor	LIHTC	Senior	4%
Amber Chase Apartments	Market	Family	0%
Eagle's Brooke	Market	Family	0%
The Crossing At McDonough	Market	Family	0%
Average			5%

As illustrated, average voucher usage in the market is low at five percent. Additionally, the only LIHTC property in Locust Grove, Shoal Creek Manor, reported a voucher tenancy of only four percent. Therefore, the local market does not appear to be dependent on voucher tenants.

Lease Up History

Three of the comparables were able to report absorption. Details are provided in the following table.

ABSORPTION

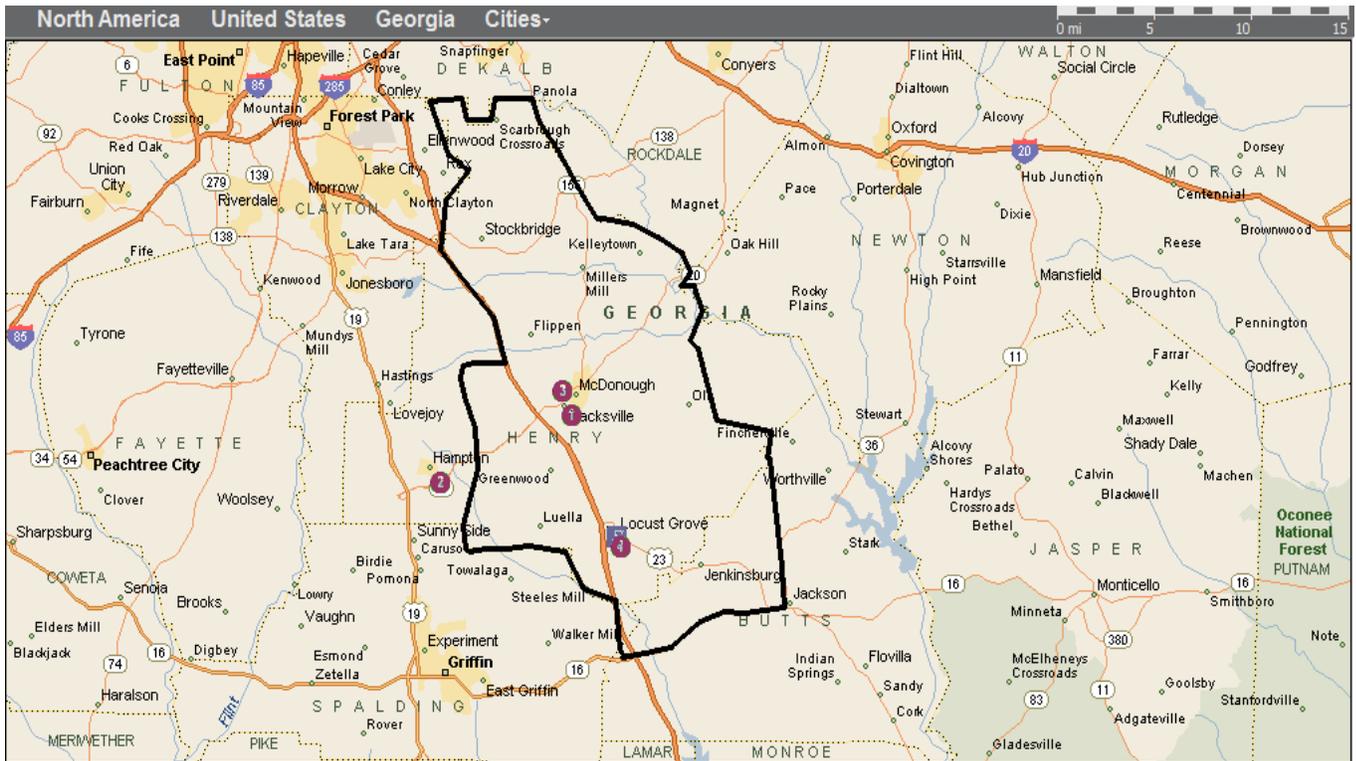
Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18
The Crossing At McDonough	Market	Family	2004	252	22

Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

Phased Developments

The Subject will not be part of a phased development.

3. COMPETITIVE PROJECT MAP



#	Property Name	City	Type	Tenancy	Distance
1	Grier Senior Manor	McDonough	LIHTC/Market	Senior	7.7 miles
2	Hampton Court	Hampton	LIHTC	Senior	10.3 miles
3	Heritage At McDonough	McDonough	LIHTC	Senior	10.0 miles
4	Shoal Creek Manor	Locust Grove	LIHTC	Senior	0.9 miles

4. Amenities

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

Grove Senior Village, Locust Grove, GA; Market Study

UNIT MATRIX REPORT

	Grove Senior Village Subject	Grier Senior Manor	Hampton Court	Heritage At McDonough	Shoal Creek Manor	Amber Chase Apartments	Eagle's Brooke	The Crossing At McDonough
Comp #	1	2	3	4	5	6	7	
Property Information								
Property Type	Various (age-restricted)	Lowrise (age-restricted) (2 stories)	Garden (age-restricted) (2 stories)	(age-restricted)	Midrise (age-restricted) (4 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)
Year Built / Renovated	2017	2005	2014	2011	2011	1999	2009	2004
Market (Conv./Subsidy Type)	50%, 60%	30%, 50%, 60%, Market	50%, 60%	50%, 60%	50%, 60%	Market	Market	Market
Utility Adjustments								
Cooking	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no
Water	no	no	no	yes	no	no	no	no
Sewer	no	no	no	yes	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	no	no	yes
In-Unit Amenities								
Balcony/Patio	no	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes
Cable/Satellite/Internet	no	no	no	no	no	yes	no	yes
Carpeting	yes	yes	yes	no	yes	yes	no	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	no	no	no	no	yes	no	yes
Dishwasher	yes	no	yes	no	yes	yes	yes	yes
Exterior Storage	no	no	no	yes	no	yes	no	yes
Ceiling Fan	no	no	no	yes	yes	no	yes	yes
Fireplace	no	no	no	no	no	no	yes	yes
Garbage Disposal	yes	no	yes	no	yes	yes	no	yes
Hand Rails	yes	yes	yes	no	no	no	no	no
Microwave	yes	no	yes	no	yes	no	yes	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes
Pull Cords	yes	yes	yes	no	no	no	no	no
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes
Vaulted Ceilings	no	no	no	no	no	no	yes	yes
Walk-In Closet	no	no	no	yes	no	yes	yes	no
Washer/Dryer	no	no	no	no	no	no	yes	no
Washer/Dryer hookup	yes	yes	yes	yes	yes	yes	yes	yes
Property Amenities								
Basketball Court	no	no	no	yes	no	no	no	no
Business Center/Computer Lab	yes	yes	yes	yes	yes	no	yes	yes
Car Wash	no	no	no	no	no	yes	no	yes
Clubhouse/Meeting Room/Community Room	yes	yes	yes	yes	yes	yes	yes	no
Courtyard	no	yes	no	no	no	no	yes	no
Elevators	yes	yes	yes	yes	yes	no	no	no
Exercise Facility	yes	yes	yes	yes	yes	yes	yes	yes
Garage	no	no	no	no	no	yes	no	yes
Jacuzzi	no	no	no	no	no	yes	no	no
Central Laundry	yes	yes	yes	no	yes	yes	no	yes
Off-Street Parking	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes
Picnic Area	yes	no	no	no	no	yes	no	yes
Playground	no	no	no	no	no	yes	no	yes
Recreation Areas	no	yes	yes	yes	no	no	no	no
Swimming Pool	no	no	no	yes	no	yes	yes	yes
Tennis Court	no	no	no	no	no	yes	no	yes
Volleyball Court	no	no	no	no	no	yes	no	yes
Wi-Fi	no	no	no	yes	no	no	yes	no
Garage Fee	N/A	N/A	N/A	N/A	N/A	\$85.00	N/A	\$75.00
Services								
Security								
In-Unit Alarm	no	no	no	no	no	yes	yes	yes
Limited Access	yes	yes	no	yes	no	yes	no	no
Perimeter Fencing	no	yes	yes	no	no	yes	yes	yes
Video Surveillance	no	no	no	no	no	no	no	yes
Premium Amenities								
Hairdresser / Barber	no	no	no	yes	no	no	no	no
View	no	no	no	no	no	yes	no	no
Other Amenities								
Other	Community garden	n/a	Community gardens	ballroom, gardens	Library, garden	n/a	n/a	n/a

The Subject will offer an extensive amenities package that will be generally similar to the amenities offered at the comparable properties. Overall, we believe that the Subject’s proposed amenities will allow it to be competitive in the local market.

5. The Subject will target seniors 55 and older. We have included four senior LIHTC properties as comparables in our analysis. Of these properties, three are located within the Subject’s PMA boundaries. Overall, the availability of senior data in the local market is considered good; therefore, we have not included any family LIHTC properties in our analysis as these properties reported having few seniors tenants and will not directly compete with the proposed Subject.

6. Vacancy

The following table illustrates the vacancy rates in the market.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Grier Senior Manor	LIHTC/Market	Senior	64	3	4.70%
Hampton Court	LIHTC	Senior	60	0	0.00%
Heritage At McDonough	LIHTC	Senior	105	0	0.00%
Shoal Creek Manor	LIHTC	Senior	66	0	100.00%
Amber Chase Apartments	Market	Family	352	32	9.10%
Eagle's Brooke	Market	Family	248	6	2.40%
The Crossing At McDonough	Market	Family	252	15	6.00%
Total Senior Vacancy			295	3	1.00%
Total			1,147	56	4.90%

Overall vacancy in the market is healthy at 4.9 percent. The four senior LIHTC properties reported an average vacancy rate of 1.0 percent, indicating that these properties are outperforming the local rental market. All four senior properties reported maintaining waiting lists and management at Grier Senior Manor indicated that all three vacancies are in the process of being filled from the waiting list. The only property with an elevated vacancy rate is the market rate comparable Amber Chase Apartments. At 352 units, this property is the largest in the market and is also the oldest of the market rate comparables. Previous interviews with this property indicate that it has maintained an average vacancy rate between 8.0 and 9.1 percent since September 2012. Therefore, it appears that the elevated vacancy rate at Amber Chase is property specific. Management did note however that the property has received heavy traffic over the past few months and that several of the vacancies are pre-leased. As a newly constructed senior LIHTC property, we believe that the Subject will help to fill a housing void in the market and will perform similarly to the existing senior comparables. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less.

7. Properties Under Construction and Proposed

There are no new LIHTC or market rate properties that have been proposed or under construction in the PMA.

8. Rental Advantage

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

Similarity Matrix								
#	Property Name	Type	Property Amenities	Unit Features	Location	Age / Condition	Unit Size	Overall Comparison
1	Grier Senior Manor	LIHTC/Market	Similar	Similar	Superior	Inferior	Slightly Inferior	-5
2	Hampton Court	LIHTC	Similar	Slightly Superior	Similar	Similar	Superior	15
3	Heritage At McDonough	LIHTC	Superior	Similar	Superior	Similar	Slightly Superior	25
4	Shoal Creek Manor	LIHTC	Similar	Similar	Similar	Similar	Slightly Superior	5
5	Amber Chase Apartments	Market	Superior	Slightly Superior	Superior	Inferior	Superior	25
6	Eagle's Brooke	Market	Superior	Superior	Superior	Similar	Superior	40
7	The Crossing At McDonough	Market	Superior	Superior	Superior	Inferior	Superior	30

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

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

LIHTC Rent Comparison - @50%

Property Name	Tenancy	1BR	2BR
Proposed Senior Development (Subject)	Senior	\$435	\$520
LIHTC Maximum (Net)	-	\$443	\$520
Grier Senior Manor	Senior	\$488	\$633
Hampton Court	Senior	-	\$465
Heritage At McDonough	Senior	\$508	\$603
Shoal Creek Manor	Senior	-	\$559
Average (excluding Subject)	-	\$498	\$565

LIHTC Rent Comparison - @60%

Property Name	Tenancy	1BR	2BR
Proposed Senior Development (Subject)	Senior	\$485	\$520
LIHTC Maximum (Net)	-	\$564	\$665
Grier Senior Manor	Senior	\$506	\$695
Hampton Court	Senior	-	\$465
Heritage At McDonough	Senior	\$638	\$759
Shoal Creek Manor	Senior	-	\$655
Average (excluding Subject)	-	\$572	\$644

As illustrated, all of the Subject’s proposed rents, with the exception of the two-bedroom 50 percent AMI rents, are below the maximum allowable levels. The Subject’s proposed 50 percent AMI rents are below the current rents at three of the four LIHTC comparables. While the Subject’s proposed rents are above the rents at Hampton Court, this property is 100 percent occupied and management reported a lengthy waiting list of over 100 households. Therefore, this property is not testing maximum achievable LIHTC rents in the market. Shoal Creek Manor

was built in 2011 and is the only senior LIHTC property in Locust Grove. The Subject will be generally similar to this property and should be able to achieve rents similar to above Shoal Creek Manor. Therefore, the Subject’s 50 percent AMI rents appear reasonable and will offer value in the market.

The Subject’s proposed 60 percent AMI rents are well below the current rents at Shoal Creek Manor, the only senior LIHTC property in Locust Grove. As previously stated, this property is 100 percent occupied and has a waiting list. Therefore, its rents are achievable in the local market. The Subject’s proposed rents are significantly below the current rents at Heritage at McDonough. This property was built in 2011 and will be generally similar to the Subject. This property is 100 percent occupied with a waiting list. Although the Subject’s proposed 60 percent AMI rents are above the current rents at Hampton Court, this property is 100 percent occupied and has a waiting list of over 100 households. Therefore, this property is not testing maximum achievable rents. Overall, we believe that the Subject’s rents are achievable and that they will offer significant value when compared to the existing senior LIHTC comparables.

Analysis of “Market Rents”

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

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

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

Subject Comparison To "Market Rents"

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Subject Rent Advantage
1 BR 50% AMI	\$435	\$488	\$991	\$733	69%
2 BR 50% AMI	\$520	\$465	\$1,138	\$770	48%
1 BR 60% AMI	\$485	\$506	\$991	\$772	59%
2 BR 60% AMI	\$520	\$465	\$1,138	\$825	59%

As illustrated, the Subject’s proposed one-bedroom 50 and 60 percent AMI rents are below the minimum observed rents while the proposed two-bedroom 50 percent AMI and the 60 percent

AMI rents are within the observed range and well below the average rents. The Subject’s proposed rents have significant rent advantages of 48 to 69 percent and will offer value in the market. Overall, the Subject’s proposed rents are considered reasonable when compared to the comparables and we believe that the Subject will be successful as proposed.

9. LIHTC Competition – DCA Funded Properties within the PMA

The newest LIHTC properties in the PMA are Heritage at McDonough and Shoal Creek Manor. Both properties entered the market in 2011 and both are 100 percent occupied and have waiting lists. While Heritage at McDonough is located north of the Subject site in McDonough, Shoal Creek Manor is located in the Subject’s Locust Grove submarket. The senior LIHTC property Grier Senior Manor is also located in the PMA. This property was built in 2005 and currently has three vacancies for a vacancy rate of 4.7 percent. Management indicated that all three vacancies are being filled from the property’s waiting list. Given the strong performances of all three senior LIHTC properties located within the Subject’s PMA, there appears to be a housing void in the market and the Subject will help to fill this void. The addition of the Subject to the local market will not negatively impact the existing LIHTC comparables.

10. Rental Trends in the PMA

The table below depicts household growth by tenure from 2000 through 2019.

PMA TENURE PATTERNS OF SENIORS 55+				
Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	8,012	89.2%	972	10.8%
2010	15,689	86.0%	2,544	14.0%
2015	17,215	86.3%	2,739	13.7%
<i>Projected Mkt Entry</i>				
June 2017	18,887	86.00%	3,080	14.00%
2019	20,705	85.7%	3,452	14.3%

Source: ESRI Demographics 2015, Novogradac & Company LLP, May 2015

As illustrated, the majority of senior households in the PMA are renter households. However, the percentage of senior renter households in the PMA is expected to increase slightly from 2015 to market entry and is expected to continue increasing through 2019. Nationally, approximately 13 percent of senior households are renters. The percentage of senior renters in the PMA is similar to the national average.

Historical Vacancy

Management at the comparable properties indicated that the market is strong and that vacancy is typically five percent or less. Management at the senior LIHTC properties reported that their vacancies are filled from waiting lists and that there is a strong need for additional rental housing targeting low income seniors within the local market. Based on the performance of the comparable properties, we have estimated a stabilized vacancy rate of five percent or less for the Subject.

Change in Rental Rates

The following table indicates rent growth at the comparable properties over the past year.

RENT GROWTH

Comparable Property	Rent Structure	Rent Growth
Grier Senior Manor	LIHTC/Market	Decrease of 1-5% on LIHTC units; increase of 1-3% on market units
Hampton Court	LIHTC	None
Heritage At McDonough	LIHTC	None
Shoal Creek Manor	LIHTC	None
Amber Chase Apartments	Market	Increase of 2 to 7%
Eagle's Brooke	Market	None
The Crossing At McDonough	Market	Increase of 3 to 4%

As illustrated, three of the comparables reported rental rate increases while Grier Senior Manor reported a rental rate decrease of one to five percent in its LIHTC units due to a utility allowance adjustment. The senior LIHTC properties Grier Senior Manor, Heritage at McDonough, and Shoal Creek Manor all have rents at the maximum allowable levels. Therefore, rental rate increases at these properties will be dependent on a growing AMI. The Subject's 50 percent AMI rents are set at maximum levels; therefore, rental rate increases on these units will also be dependent on a growing AMI. The Subject's proposed 60 percent AMI rents are below maximum allowable levels and rent growth on these units will not be directly dependent on a growing AMI.

11. Impact of Foreclosed, Abandoned and Vacant Structures

According to RealtyTrac.com statistics, one in every 1,085 housing units in the state of Georgia is in some stage of foreclosure as of March 2015. This is similar to the national rate of one in every 1,082 housing units. Henry County is experiencing a foreclosure rate of one in every 426 housing units, the second highest in the state. Despite the high foreclosure rate in Henry County, we did not witness any foreclosed, abandoned, or vacant housing units in the Subject's immediate neighborhood.

12. Primary Housing Void

Overall vacancy in the market is healthy at 4.9 percent while vacancy among the senior LIHTC properties is even lower at 1.0 percent. Three of the four senior properties are 100 percent occupied and all have waiting lists. The strong performance of the senior comparables and the lack of vacancies among these properties indicate that there is a housing void in the market. We believe that the addition of the Subject to the market will help to fill this void.

13. Affect of Subject on Other Affordable Units in Market

As previously noted, overall vacancy among the comparables is low at 4.9 percent and only one of the four senior LIHTC properties reported having any vacant units. The two newest senior LIHTC properties entered the market between 2011 and 2014 and both were fully leased within four to six months. Given the low vacancy rates and waiting lists at the senior comparables and the quick absorption of the two newest properties, we do not believe that the addition of the Subject to the market will have a negative impact on the existing affordable properties in the market.

Conclusions

Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC properties located in the Subject's PMA. Of these, two are 100 percent occupied and all three have waiting lists. There is also one senior LIHTC property located just west of the PMA in Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is

currently 100 percent occupied with a waiting list of over 100 households. Average senior LIHTC vacancy is very low at 1.0 percent, indicating a supply constrained market. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 48 to 69 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

I. ABSORPTION & STABILIZATION RATES

Stabilization/Absorption Rate

Three of the comparables were able to report absorption. Details are provided in the following table.

ABSORPTION

Property Name	Type	Tenancy	Year Built	Number of Units	Units Absorbed/ Month
Hampton Court	LIHTC	Senior	2014	60	20
Heritage At McDonough	LIHTC	Senior	2011	105	18
The Crossing At McDonough	Market	Family	2004	252	22

Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.

J. INTERVIEWS

Georgia Department of Community Affairs, Eastman Office

We spoke with Mr. Bradley Mazza, field operations manager with the Georgia Department of Community Affairs. According to Mr. Mazza, Georgia DCA administers 800 vouchers through its Housing Choice Voucher program for use in Henry County. Mr. Mazza also stated that tenants/voucher holders are free to locate housing in any on the counties in DCA’s jurisdiction. Although Mr. Mazza could not confirm the number of people on the waiting list, he stated that it is currently closed.

The following table illustrates payment standards for Henry County.

Payment Standards
Henry County, GA

One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom
\$810	\$916	\$1,213	\$1,474	\$1,695

The Subject’s proposed gross rents are below the payment standards.

Planning

We attempted to contact the Henry County Planning and Development Department in order to obtain detailed information on development planned or currently under construction in Henry County and the City of Locust Grove. However, as of the date of this market study our calls had not been returned. Building permit activity on the department’s website is not available past 2011 and online searches did not yield any results for large scale commercial or residential development. During our fieldwork, we did not see any ongoing construction near the Subject site; however, there are several plats of vacant, undeveloped land in the Subject’s immediate neighborhood that could potentially be developed at a later date.

Senior Center

The Locust Grove Senior Center is located approximately 2.4 miles from the Subject site. All seniors 55 and older who live in Henry County are eligible to join without a membership fee. The center is open Monday through Friday from 8:00 am to 5:00 pm and offers varying activities. A hot cafeteria style breakfast and lunch is provided each day for a fee of \$2.50 and \$3.50, respectively. Transportation to and from the center is provided by Henry County Transit for a fee of \$2.00 per day. Currently, the center has approximately 150 members with an average age of 70.

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

K. CONCLUSIONS AND RECOMMENDATIONS

CONCLUSIONS

- Senior population growth was strong through 2015, outpacing senior growth in the MSA and significantly outpacing senior growth in the nation. Projected trends indicate that the senior population in the PMA will continue to grow through 2019 and will do so at a slightly faster pace. Senior population growth in the PMA is expected to continue to outpace growth in both the MSA and the nation through 2019. The number of senior households in the PMA also increased through 2015 and this number is expected to grow significantly through 2019. Senior household growth in the PMA is projected at 4.2 percent through 2019, similar to growth in the MSA and well above the national average of 2.5 percent. The strong senior population and household growth trends within the PMA bode well for the Subject. Approximately 21 percent of the total population in the PMA is 55 and older, and this age group will represent 24 percent of the total population by 2019. The Subject's units will target tenants within this age demographic. Our analysis also indicates that approximately 33 percent of senior renter households in the PMA are earning less than \$29,999 annually. The large percentage of seniors in the lowest income cohorts further illustrates a need for additional low income senior housing within the PMA. Although the majority of senior households in the PMA are owner occupied, the percentage of senior renter households in the PMA is consistent with the national average and the number of senior renters will increase slightly from 2015 to 2019. Overall, the demographic trends are a positive indicator for the Subject's units.
- The local economy is relatively healthy; however, it has not fully recovered from the recent national recession. Henry County has a diversified employment base, with eight different industries represented among the top 10 major employers. According to WARN notices published by the Georgia Department of Labor, only three businesses have experienced layoffs or closures over the past three years in Henry County. All three of these businesses were in the manufacturing industry, which is considered volatile in times of economic downturn. However, it should be noted that while manufacturing plays an important role in the county, there is not a significant percentage of individuals employed within the manufacturing industry within the Subject's PMA. Although total employment in the MSA decreased during the national recession, it has increased every year since 2011. Additionally the unemployment rate has decreased from a high of 10.1 percent in 2010 to its current level of 7.1 percent. While the current unemployment rate in the MSA is above the national average of 6.2 percent, the steady unemployment rate decreases in the MSA are a positive sign for the local economy. Additionally, year over year comparisons in the MSA indicate an unemployment rate decrease of 0.4 percentage points from December 2013 to December 2014. While the MSA has not fully recovered from the recent national recession, total employment and unemployment trends are encouraging and indicate that the local economy is improving. Additionally, total jobs numbers within Henry County are positive and have passed their pre-recession peak.
- As the analysis illustrates, the Subject's capture rates at the 50 percent AMI level will range from 7.6 to 11.0 percent, with an overall capture rate of 8.7 percent. The Subject's 60 percent AMI capture rates range from 20.2 to 31.0 percent, with an overall capture rate of 23.8 percent. The overall capture rate for the project's 50 and 60 percent units is

25.8 percent. All capture rates are below Georgia DCA threshold requirements for rural areas and we believe there is adequate demand for the Subject's units.

- Hampton Court is the newest comparable. This property is located outside the PMA in Hampton and entered the market in 2014. Management reported that the property was fully leased within four months for an absorption pace of 20 units per month. Heritage at McDonough is located in the PMA and management reported an absorption pace of 18 units per month, or six months total. The family market rate property The Crossing at McDonough reported an absorption pace of 22 units per month. As a newly constructed senior LIHTC property we believe that the Subject will experience an absorption pace of 20 units per month. This is reasonable given the low vacancy rate of 1.4 percent at the senior properties and the presence of waiting lists. Georgia DCA guidelines direct the analyst to calculate absorption as the time it will take the Subject to reach a stabilized occupancy of 93 percent. At a leasing pace of 20 units per month, the Subject will reach a stabilized occupancy of 93 percent within three months.
- Overall vacancy in the market is healthy at 4.9 percent. The four senior LIHTC properties reported an average vacancy rate of 1.0 percent, indicating that these properties are outperforming the local rental market. All four senior properties reported maintaining waiting lists and management at Grier Senior Manor indicated that all three vacancies are in the process of being filled from the waiting list. The only property with an elevated vacancy rate is the market rate comparable Amber Chase Apartments. At 352 units, this property is the largest in the market and is also the oldest of the market rate comparables. Previous interviews with this property indicate that it has maintained an average vacancy rate between 8.0 and 9.1 percent since September 2012. Therefore, it appears that the elevated vacancy rate at Amber Chase is property specific. Management did note however that the property has received heavy traffic over the past few months and that several of the vacancies are pre-leased. As a newly constructed senior LIHTC property, we believe that the Subject will help to fill a housing void in the market and will perform similarly to the existing senior comparables. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less.
- Based upon our market research, demand calculations and analysis, we believe there is adequate demand for a senior property in Locust Grove. There are three senior LIHTC properties located in the Subject's PMA. Of these, two are 100 percent occupied and all three have waiting lists. There is also one senior LIHTC property located just west of the PMA in Hampton. This property entered the market in 2014 and was fully leased within four months. Hampton Court is currently 100 percent occupied with a waiting list of over 100 households. Average senior LIHTC vacancy is very low at 1.0 percent, indicating a supply constrained market. As a newly constructed senior property, the Subject will be similar to superior to the existing senior supply and should perform similarly to these properties. The Subject's proposed 50 and 60 percent AMI rents are considered achievable when compared to the comparable properties. Additionally, the Subject's proposed LIHTC rents will have a rent advantage of 48 to 69 percent over average market rents. Overall, we believe that the Subject will maintain a stabilized vacancy rate of five percent or less and will help to fill a housing void in the local market.

Recommendations

- We believe that the Subject will be successful in the local market and we recommend the Subject as proposed.

L. SIGNED STATEMENT REQUIREMENTS

I affirm that I (or one of the persons signing below) have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.



H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

5-20-2015

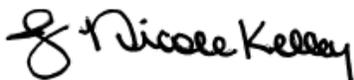
Date



Edward R. Mitchell
Manager
Novogradac & Company LLP

5-20-2015

Date



J. Nicole Kelley
Real Estate Analyst

5-20-2015

Date

M. MARKET STUDY REPRESENTATION

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



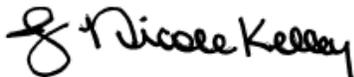
H. Blair Kincer, MAI
Partner
Novogradac & Company LLP

5-20-2015
Date



Edward R. Mitchell
Manager
Novogradac & Company LLP
5-20-2015

Date



J. Nicole Kelley
Real Estate Analyst
5-20-2015
Date

N. QUALIFICATIONS

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

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

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

II. Licensing and Professional Affiliation

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

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

III. Professional Experience

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

IV. Professional Training

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

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

V. Real Estate Assignments – Examples

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

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

H. Blair Kincer

Qualifications

Page 3

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

STATEMENT OF PROFESSIONAL QUALIFICATIONS

EDWARD R. MITCHELL

I. Education

Master of Science – Financial Planning
University of Alabama, Tuscaloosa, Alabama

Graduate Certificate (Half Master's) Conflict Management, Negotiation, and Mediation
University of Alabama, Tuscaloosa, Alabama

Bachelor of Science – Human Environmental Science
University of Alabama, Tuscaloosa, Alabama

Associate of Arts – Real Estate Management
San Antonio College, San Antonio, Texas

II. Work History

Manager - Valuation; Novogradac & Company LLP; Atlanta, Georgia
Senior Real Estate Analyst; Novogradac & Company LLP; Atlanta, Georgia
Senior Appraiser; Valbridge Property Advisors; Atlanta, Georgia
Managing Partner; Consolidated Equity, Inc.; Atlanta, Georgia and Jacksonville, Florida
Senior Appraiser; Schultz, Carr, Bissette & Associates; Atlanta, Georgia
Disposition Manager; Resolution Trust Corporation (RTC); San Antonio & Dallas, Texas

III. Relevant Experience

- Managed and prepared market studies and appraisals throughout the U.S. for family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties.
- Managed and prepared HUD rent comparability studies (RCS).
- Performed HUD MAP Quality Control market study and appraisal reviews.
- Over 20 years' experience in real estate appraisal, investment, development, and construction. Past appraisal assignments include all types of vacant and improved commercial property and special use properties such as rail corridors, Right-of-Way projects, and recycling plants.

IV. Licensure

- Georgia State Certified General Real Property Appraiser #4649
- Alabama State Certified General Real Property Appraiser #G01192
- Licensed Real Estate Salesperson (Georgia)
- Appraisal Institute – Candidate for Designation

STATEMENT OF PROFESSIONAL QUALIFICATIONS

J. Nicole Kelley

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration: International Business
Auburn University, Auburn, Alabama
Master of Business Administration (MBA)

II. Professional Experience

Independent Consultant, Cooper Dex Consulting, LLC (July 2014-Present)
Manager, Novogradac & Company LLP (July 2012-July 2014)
Real Estate Analyst, Novogradac & Company LLP (October 2009-June 2012)
Real Estate Researcher, Novogradac & Company LLP (May 2006-September 2009)

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Member, Women in Affordable Housing Network (WAHN)
Successfully completed "Introduction to Commercial Real Estate Analysis" and
"Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

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

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Conducted market studies for senior and family projects in Alabama, Arizona, California, Florida, Georgia, Guam, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Washington, Wisconsin, and Wyoming.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit and Special Needs properties in various states.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.