

Market Feasibility Analysis

Hutchinson Crossing
East 16th Street & South Gordon Avenue
Adel, Cook County, Georgia 31620

Prepared For

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15-274 CR



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SECTION A – EXECUTIVE SUMMARY

This report evaluates the market feasibility of the proposed Hutchinson Crossing rental community to be constructed utilizing financing from the Low-Income Housing Tax Credit (LIHTC) program in Adel, Georgia. Based on the findings contained in this report, we believe a market will exist for the subject development, assuming it is constructed and operated as proposed in this report.

1. Project Description:

The proposed project involves the new construction of the 48-unit Hutchinson Crossing rental community on a 5.0-acre site in Adel, Georgia. The project will offer four (4) one-bedroom, 24 two-bedroom and 20 three-bedroom garden-style units located within two (2) two-story walk-up style residential buildings. The project will also include a free-standing community building which will house the subject's management office and common areas. The subject property will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$299 to \$515, depending upon unit type. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by March of 2017. Additional details regarding the proposed project are included in Section B of this report.

2. Site Description/Evaluation:

The subject site is situated within a primarily residential neighborhood comprised of single-family dwellings in relatively good condition. In addition to single-family homes, the subject site is also surrounded by agricultural land to the east and south, which provides a natural buffer to additional surrounding land uses within the immediate site neighborhood. The subject site is clearly visible and easily accessible from both East 16th Street and South Gordon Avenue, which border the site to the north and west and will provide passerby traffic to the subject site. The subject site is also located within proximity of South Hutchinson Avenue (U.S. Highway 41), a primary arterial providing north/south access throughout the Adel area and further enhancing accessibility of the subject project. The subject's proximity to U.S. Highway 41 also allows for many area services to be easily accessible from the subject site, as this aforementioned arterial also serves as a commercial corridor within the Adel area. Overall, the subject project is expected to be consistent with the residential nature of the immediate site neighborhood, while also benefiting from its clear visibility, convenient accessibility and proximity to most basic community services.

3. Market Area Definition:

The Adel Site PMA includes the municipalities of Adel and Sparks, as well as portions of Lenox and some outlying unincorporated areas of Cook County. The boundaries of the Site PMA include Moultrie-Lenox Road and State Route 547 to the north; and the Cook County boundary to the east, south, and west. A map illustrating these boundaries is included on page D-2 of this report and details the furthest boundary is 10.5 miles from the site.

4. Community Demographic Data:

Demographic trends within the Adel Site PMA are projected to be positive between 2015 and 2017, as the total population will increase by 263 (1.5%) and the total number of households will increase by 88 (1.4%) during this time period. These trends demonstrate an expanding overall demographic base within the Site PMA. Additionally, it is projected that there will be 2,200 renter households in the market in 2017, an increase of 33 households, or 1.5%, over 2015 levels. Notably, low-income renter households (earning below \$30,000) are projected to comprise more than 65.0% of all renter households in the market in 2017. Based on the preceding analysis and additional demographic data contained within this report, there appears to be a good and stable base of income-appropriate renter support for affordable rental housing in the market, such as that proposed at the subject site. Additional demographic data is included in Section E of this report.

5. Economic Data:

According to an economic development representative with Cook County Economic Development Commission, the Cook County economy is expanding and is expected to greatly benefit from a new Walmart Supercenter which is expected to create approximately 260 new jobs within the area upon completion. In addition, the Cook County economy quickly recovered from the impact of the national recession, increasing by nearly 15% in 2010. Total employment has remained above pre-recession levels since this increase. The unemployment rate within Cook County was adversely impacted by the national recession, but has steadily improved each year since 2009, declining to an eight year low of 7.6% through March of 2015. Based on the preceding factors, we expect the Cook County economy will continue to improve for the foreseeable future. It is important to not however, that more than 65.0% of all renter households in the Adel Site PMA are projected to earn less than \$30,000 in 2017. This is a good indication that demand for affordable rental housing will remain strong within the Site PMA and Cook County, regardless of recent and anticipated economic trends. Additional economic data is included in Section F of this report.

6. Project-Specific Affordability and Demand Analysis:

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the project's overall capture rate of 12.2% is considered low and easily achievable within the Adel Site PMA. This is especially true when considering the lack of LIHTC product in the Site PMA, which is expected to allow the project to attract a higher than typical share of the qualified applicants within the Adel market. Detailed demand calculations are provided in Section G of this report.

7. Competitive Rental Analysis

The proposed subject development will offer one- through three-bedroom garden-style units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI). As stated throughout this report and further evidenced by our Field Survey of Conventional Rentals, there are no Low-Income Housing Tax Credit (LIHTC) properties within the Adel Site PMA. Therefore, it was necessary to identify and survey general-occupancy LIHTC product outside the Site PMA, but within the region, for comparability purposes. Thus, we identified and surveyed four such properties in the nearby towns of Hahira and Moultrie, Georgia that offer one- through three-bedroom garden-style units targeting households earning up to 50% and 60% of AMHI similar to the subject project. These four LIHTC projects will therefore offer a good base of comparability for the subject project. It is important to note however, that since these properties are located outside the Site PMA they will derive demographic support from different geographic areas as compared to the subject project and therefore are not considered directly competitive with the subject development. As such, these four LIHTC properties have been considered and included for comparability purposes only.

These four comparable properties and the proposed development are summarized as follows.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Hutchinson Crossing	2017	48	-	-	-	Families; 50% & 60% AMHI
901	Gateway Pines I	2012	56	100.0%	9.3 Miles	40 H.H.	Families; 50% & 60% AMHI
902	Ashton Crossings	1999	64	100.0%	27.0 Miles	50 H.H.	Families; 50% & 60% AMHI
905	Tallokas Pointe	2015	47	100.0%	25.6 Miles	73 H.H.	Families; 50% & 60% AMHI
910	Northgate Apts.	1996	112	100.0%	22.8 Miles	None	Families; 50% & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

The four comparable LIHTC projects comprise a total of 279 units which are 100.0% occupied. Also note that three of the four LIHTC projects maintain waiting lists which range from 40 to 73 households. The high occupancy rates and waiting lists maintained among the comparable properties indicate that

general-occupancy LIHTC product is in high demand within the region. It is important to reiterate that the subject project will be the only LIHTC property (family or senior) in the Site PMA, which is expected to create a competitive advantage for the subject project and help fill a void in the Adel rental housing market.

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Hutchinson Crossing	\$440/50% (1) \$529/60% (3)	\$528/50% (5) \$635/60% (19)	\$611/50% (4) \$734/60% (16)	-
901	Gateway Pines I	\$532/50% (2/0) \$552/60% (6/0)	\$633/50% (3/0) \$688/60% (21/0)	\$732/50% (4/0) \$792/60% (20/0)	None
902	Ashton Crossings	\$472/50% (5/0) \$518/60% (3/0)	\$586/50% (13/0) \$662/60% (15/0)	\$672/50% (10/0) \$737/60% (18/0)	None
905	Tallokas Pointe	-	\$511/50% (7/0) \$541/60% (24/0)	\$589/50% (4/0) \$649/60% (12/0)	None
910	Northgate Apts.	-	\$517-\$597/50% (32/0)	\$598/50% (33/0) \$646/60% (47/0)	None

900 Series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents ranging from \$440 to \$734 are within range of the rents reported among similar unit types at the comparable properties in the region. Although the comparable properties are located outside the Site PMA, they are located within the counties of Colquitt and Lowndes, which based on American Community Survey (ACS) data are relatively comparable to Cook County in terms of household income and rents charged. As such, the subject's proposed gross rents appear to be appropriately positioned within the region. Regardless, the subject's proposed rents are evaluated in further detail in the Achievable Market Rent section of this report.

Comparable/Competitive Tax Credit Summary

As discussed throughout this report and illustrated in our Field Survey of Conventional Rentals, there are no LIHTC projects (family or senior) in the Adel Site PMA. As such, the subject development is expected to help fill a void in the Adel rental housing market. The four comparable LIHTC properties surveyed outside the Site PMA but within the region each report occupancy rates of 100.0% with three maintaining waiting lists for their next available units. These high occupancy rates and waiting lists are good indications of pent-up demand for additional LIHTC product within the region. The subject project is considered to be competitively and appropriately positioned in terms of gross rents, unit size (square feet), number of bathrooms offered and amenities offered, as compared to

similar unit types at the comparable LIHTC properties surveyed in the region. Overall the subject development is expected to provide a much needed rental alternative to the Adel market and is considered marketable to the targeted tenant population.

An in-depth analysis of the Adel rental housing market is included in Section H of this report.

8. Absorption/Stabilization Estimates

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2017 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2017.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the lack of LIHTC product in the market, the subject's capture rate, achievable market rents and the competitiveness of the proposed subject development within the Adel Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 48 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately six months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month.

9. Overall Conclusion:

Based on the findings reported in our market study, it is our opinion that a market exists for the 48 general-occupancy LIHTC units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes to the project's site design, rents, amenities or opening date may alter these findings.

The Adel rental housing market offer a very limited supply of rental product, as only two properties were identified and surveyed in the Site PMA. Notably, there are no LIHTC properties (family or senior) in the Site PMA. As such, the subject project will introduce a new affordable rental alternative to the market, which is expected to help fill a void in the Adel rental housing market. In addition to providing a rental alternative to an underserved population, the subject project is considered to be appropriately positioned in terms of proposed rents, unit sizes (square feet) and amenities offered, as compared to similar unit types offered among the comparable LIHTC projects surveyed outside the Site PMA but within the nearby region.

Demographic trends within the Adel Site PMA are projected to be positive between 2015 and 2017 in terms of total population and households. Additionally, 2,200 renter households are projected for the Site PMA in 2017, of which more than 65% are projected to earn less than \$30,000. This demonstrates a good base of potential renter support for low-income housing such as that proposed at the subject site. This base of potential income-appropriate renter support within the market is further demonstrated by subject's overall capture rate of 12.2%, which is considered low and demonstrates a deep base of potential support for the subject development.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable and supportable within the Adel Site PMA, as proposed. As there are currently no LIHTC properties in the Site PMA, the subject project is not expected to have any adverse impact on future occupancy rates among the existing rental properties in the Site PMA. In fact, we expect the subject project will help fill a void in the Adel rental housing market. We do not have any recommendations or modifications to the subject development at this time.

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

Development Name:	Hutchinson Crossing	Total # Units:	48
Location:	East 16 th Street & South Gordon Avenue, Adel, Georgia 31620	# LIHTC Units:	48
PMA Boundary:	The boundaries of the Site PMA include Moultrie-Lenox Road and State Route 547 to the north; and the Cook County boundary to the east, south, and west.		
	Farthest Boundary Distance to Subject:		10.5 miles

RENTAL HOUSING STOCK (found on page H-1 & 5 and A-4)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	2	53	1	98.1%
Market-Rate Housing	1	48	1	97.9%
Assisted/Subsidized Housing not to include LIHTC	1	5	0	100.0%
LIHTC	0	0	0	-
Stabilized Comps*	4	279	0	100.0%
Properties in Construction & Lease Up	0	0	0	-

*All comps are located outside the Site PMA

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
1	One-Br.	1.0	760	\$299 (50%)	\$605	\$0.80	50.6%	\$840	\$1.27
3	One-Br.	1.0	760	\$388 (60%)	\$605	\$0.80	35.9%	\$840	\$1.27
5	Two-Br.	2.0	1,000	\$348 (50%)	\$660	\$0.66	47.3%	\$958	\$0.99
19	Two-Br.	2.0	1,000	\$455 (60%)	\$660	\$0.66	31.1%	\$958	\$0.99
4	Three-Br.	2.0	1,100	\$392 (50%)	\$705	\$0.64	44.4%	\$1,139	\$0.99
16	Three-Br.	2.0	1,100	\$515 (60%)	\$705	\$0.64	27.0%	\$1,139	\$0.99

DEMOGRAPHIC DATA (found on page E-2 & G-5)

	2010		2015		2017	
Renter Households	1,908	32.0%	2,167	34.9%	2,200	34.9%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	678	10.9%	685	10.9%
Income-Qualified Renter HHs (MR) (if applicable)	N/A	N/A	N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Market-rate	Other: __	Overall
Renter Household Growth	-	2	10	-	-	7
Existing Households (Overburd + Substand)	-	315	245	-	-	388
Homeowner conversion (Seniors)	-	N/A	N/A	-	-	N/A
Total Primary Market Demand	-	317	255	-	-	395
Less Comparable/Competitive Supply	-	0	0	-	-	0
Net Income-Qualified Renter HHs	-	317	255	-	-	395

CAPTURE RATES (found on page G-5)

Targeted Population	30%	50%	60%	Market-rate	Other: __	Overall
Capture Rate	-	3.2%	14.9%	-	-	12.2%

SECTION B - PROJECT DESCRIPTION

The proposed project involves the new construction of the 48-unit Hutchinson Crossing rental community on a 5.0-acre site in Adel, Georgia. The project will offer four (4) one-bedroom, 24 two-bedroom and 20 three-bedroom garden-style units located within two (2) two-story walk-up style residential buildings. The project will also include a free-standing community building which will house the subject's management office and common areas. The subject property will be developed using Low-Income Housing Tax Credit (LIHTC) financing and target lower-income family households earning up to 50% and 60% of Area Median Household Income (AMHI). Monthly collected Tax Credit rents will range from \$299 to \$515, depending upon unit type. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by March of 2017. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **Project Name:** Hutchinson Crossing

2. **Property Location:** East 16th Street & South Gordon Avenue
Adel, Georgia 31620
(Cook County)

Census Tract: 9603

QCT: No DDA: Yes

3. **Project Type:** New construction

4. **Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	Percent of AMHI	Proposed Rents			
						Collected	Utility Allowance	Gross	Maximum Allowable
1	One-Br.	1.0	Garden	760	50%	\$299	\$141	\$440	\$445
3	One-Br.	1.0	Garden	760	60%	\$388	\$141	\$529	\$534
5	Two-Br.	2.0	Garden	1,000	50%	\$348	\$180	\$528	\$533
19	Two-Br.	2.0	Garden	1,000	60%	\$455	\$180	\$635	\$640
4	Three-Br.	2.0	Garden	1,100	50%	\$392	\$219	\$611	\$616
16	Three-Br.	2.0	Garden	1,100	60%	\$515	\$219	\$734	\$739
48	Total								

Source: Landbridge Development, LLC
AMHI – Area Median Household Income (Cook County, GA; 2014)

5. Target Market: Family households earning up to 50% and 60% of AMHI

6. Project Design: Two (2) two-story walkup-style residential buildings and a stand-alone community building

7. Original Year Built: Not applicable

8. Projected Opening Date: March 2017

9. Unit Amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Garbage Disposal
- Washer/Dryer Hookups
- Central Air Conditioning
- Carpet
- Window Blinds

10. Community Amenities:

- On-Site Management
- Community Room
- Picnic Area
- Laundry Facility
- Playground

11. Resident Services:

None

12. Utility Responsibility:

The cost of trash collection will be included in the cost of rent at the subject project, while tenants will be responsible for all remaining utility costs, which include the following:

- General Electric
- Electric Hot Water Heat
- Water/Sewer
- Electric Heat
- Electric Cooking

13. Rental Assistance:

None

14. Parking:

The subject project will offer a paved surface parking lot containing a total of 72 spaces at no additional cost to the residents. This equates to 1.5 spaces per unit, which is considered sufficient parking for the targeted tenant population.

15. Current Project Status:

Not applicable

16. Statistical Area:

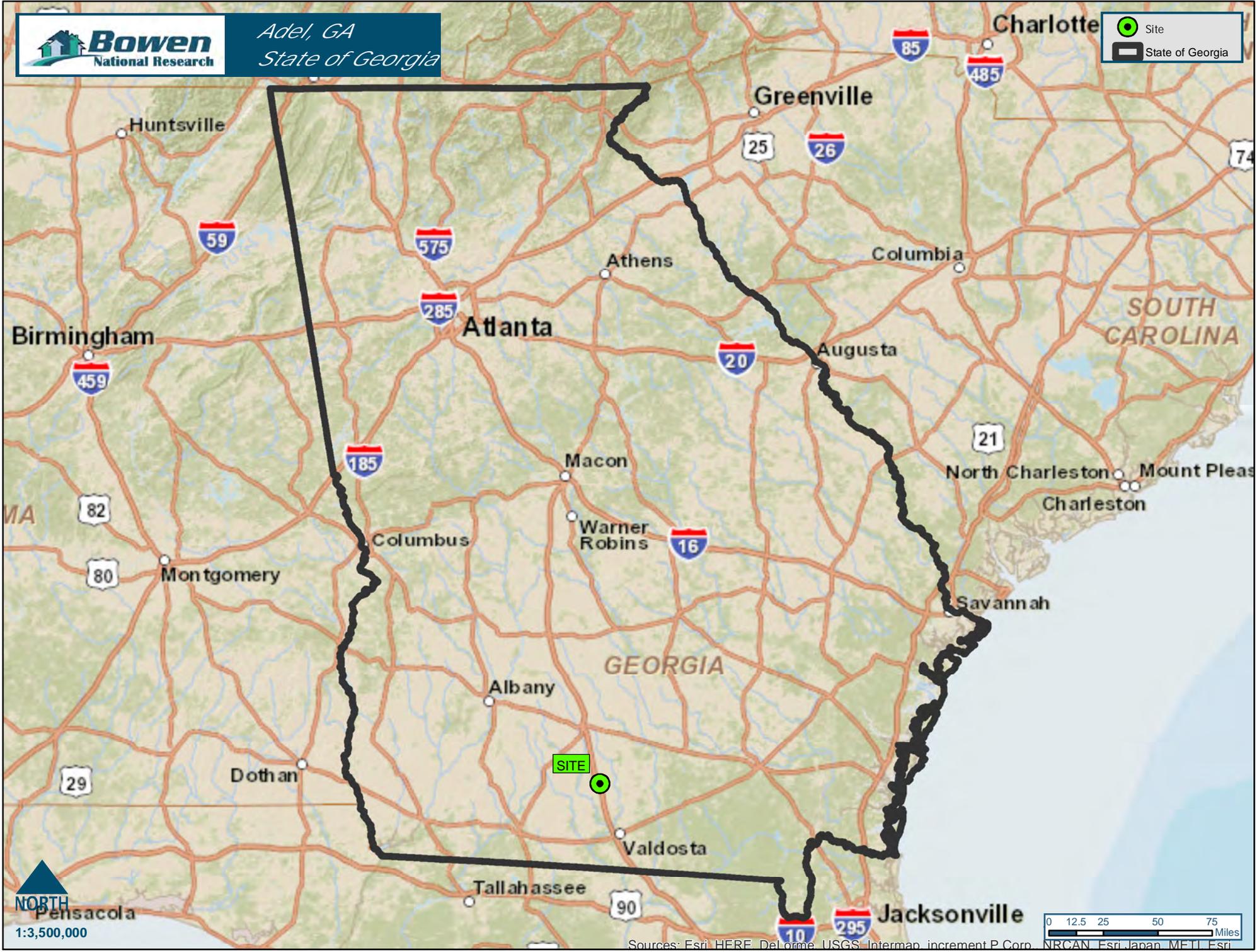
Cook County, GA (2014)

A state map, area map and map illustrating the site neighborhood are on the following pages.



Adel, GA
State of Georgia

Site
State of Georgia



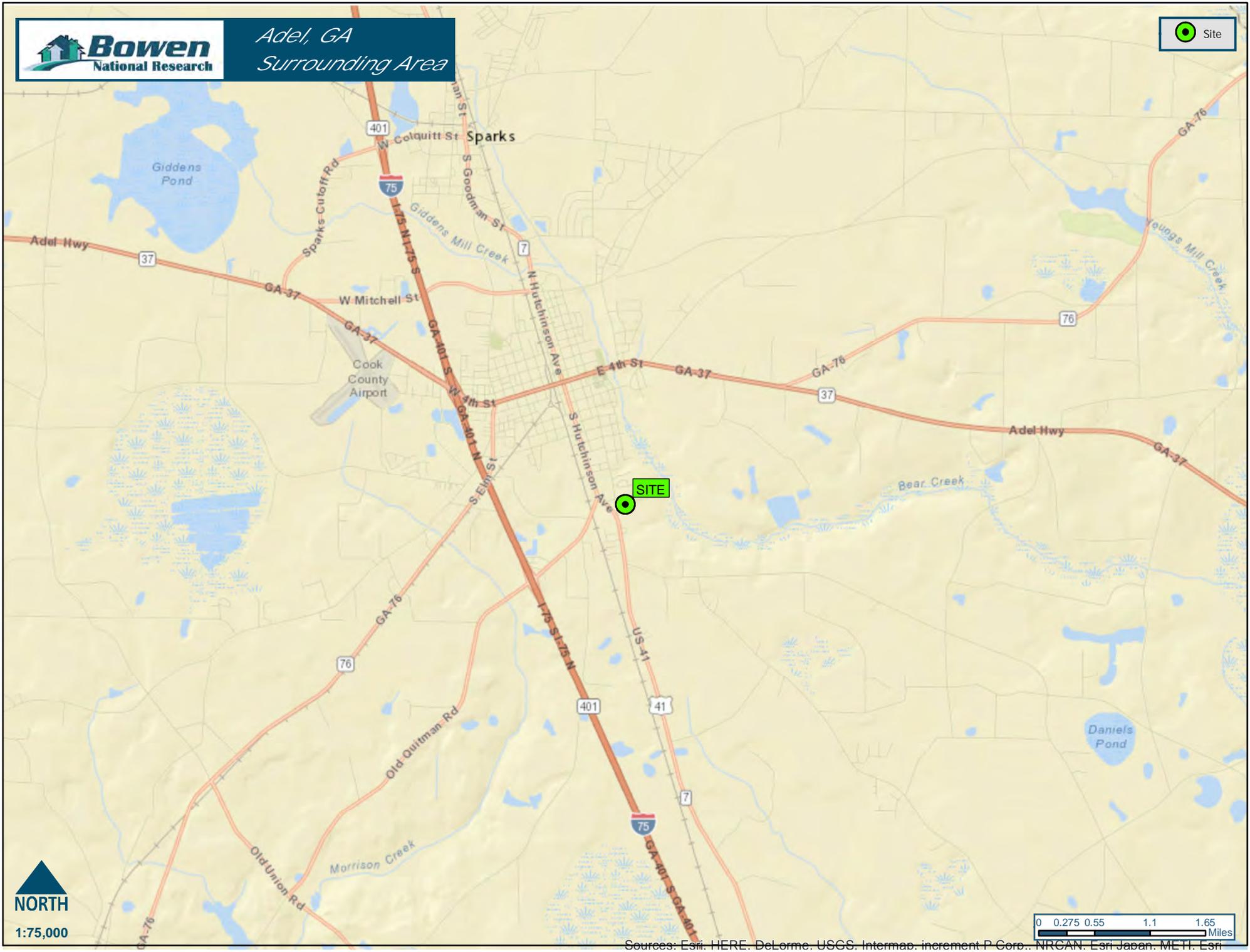
NORTH
1:3,500,000

0 12.5 25 50 75 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



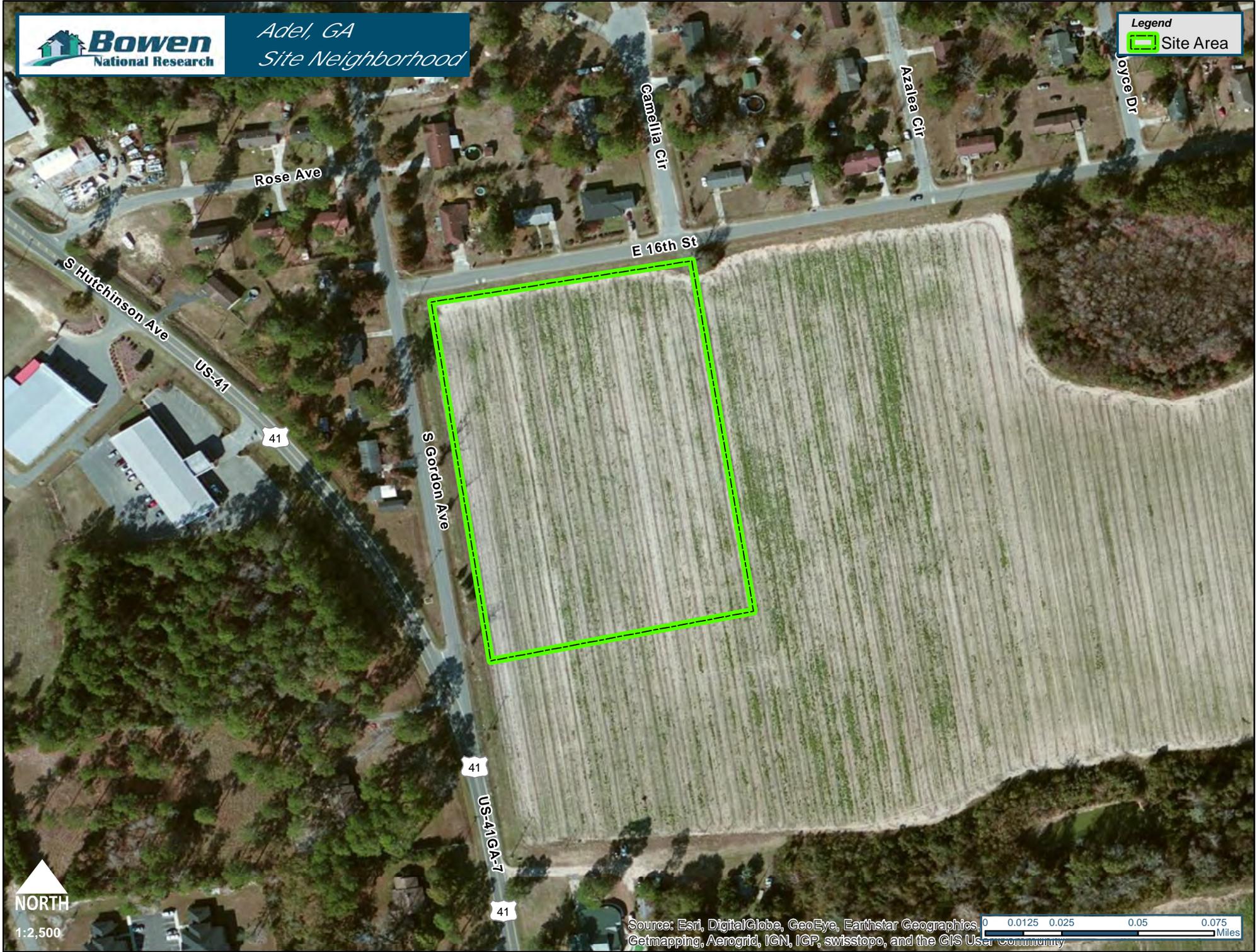
Adel, GA
Surrounding Area



1:75,000

0 0.275 0.55 1.1 1.65 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, MEIT, Esri



SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The proposed subject site is currently comprised of agricultural land located in the southeast quadrant of the East 16th Street and South Gordon Avenue intersection in the southern portion of Adel, Georgia. Located within Cook County, Adel is approximately 28.0 miles north of Valdosta, Georgia and approximately 24.0 miles south of Tifton, Georgia. Garth Semple, an employee of Bowen National Research, inspected the subject site and conducted corresponding fieldwork during the week of May 11, 2015.

2. SURROUNDING LAND USES

The subject site is within an established area of Adel, Georgia. Surrounding land uses generally include single-family homes, agricultural land, heavily-wooded land, and the Parish House restaurant. Adjacent land uses are detailed as follows:

North -	The northern boundary is defined by East 16 th Street, a lightly traveled two-lane residential roadway. Continuing north of the subject site are single-family homes which are typically of one-story design and in good condition, followed by wooded land and additional single-family homes.
East -	Agricultural land borders the site to the east while the Quail Rise Apartments and a mobile home community, both of which were observed to be in less than average condition, are located farther east of the site. Heavily wooded land extends beyond.
South -	Agricultural land borders the site to the south, followed by The Parish House restaurant which was observed to be in good condition. Additional agricultural land extends farther south of the subject site to Val-Del Road.
West -	South Gordon Avenue, a lightly traveled two-lane residential roadway, defines the western border of the subject site. Continuing west are several single-family homes in good condition, followed by South Hutchinson Avenue (U.S. Highway 41), a two-lane arterial with light to moderate vehicular traffic patterns. Extending farther west is the Cook County Administration office and a home and furniture store.

The proposed subject project will be consistent with the predominantly residential nature of the immediate site neighborhood. The existing residential and commercial structures within the site neighborhood are generally considered to be well-maintained. Although a mobile home community in relatively poor condition is located east of the subject site, it is well buffered by the agricultural land bordering the site to the east and is not expected to adversely impact marketability of the subject development. The subject is also expected to benefit from its close proximity to South Hutchinson Avenue (U.S. Highway 41) which serves as a commercial corridor and provides north/south access throughout the Adel area.

3. VISIBILITY AND ACCESS

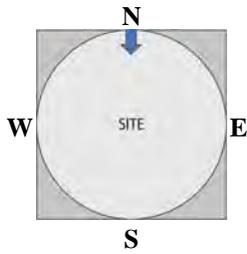
The subject site is located and maintains frontage along both East 16th Street and South Gordon Avenue, two lightly traveled residential roadways bordering the site to the north and west, respectively. While these two aforementioned roadways provide clear visibility of the subject site, the light vehicular traffic patterns along these residential roadways will likely provide only minimal passerby traffic to the subject site. As such, promotional site signage placed near, or along, South Hutchinson Avenue (U.S. Highway 41) during the project's initial lease-up period will likely enhance awareness of the subject development. Regardless, overall visibility of the subject project is considered good. Although site plans depicting a specific access point(s) for the subject development were not provided at the time of this report, the subject site is currently easily accessible from both East 16th Street and South Gordon Avenue, especially when considering the light vehicular traffic patterns along these aforementioned residential roadways. Notably, South Gordon Avenue provides direct access to and from South Hutchinson Avenue (U.S. Highway 41), a primary arterial throughout the Adel area. Based on the preceding analysis, access to the subject project is also considered good and should contribute to the project's overall marketability.

Information provided by area planning and zoning officials, as well as the observations of our analyst, indicates that no notable roads or other infrastructure projects are underway or planned for the immediate site area.

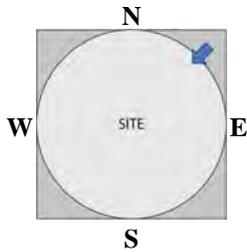
4. SITE PHOTOGRAPHS

Photographs of the subject site are on located on the following pages.

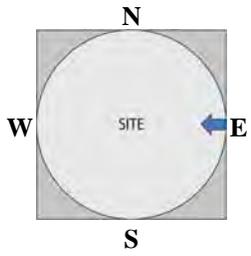
SITE PHOTOGRAPHS



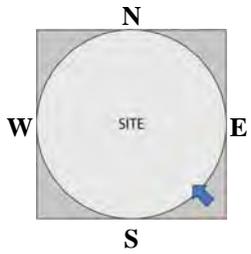
View of site from the north



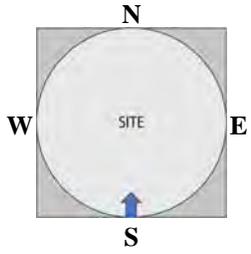
View of site from the northeast



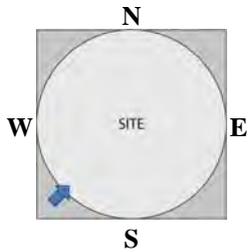
View of site from the east



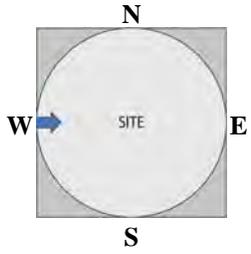
View of site from the southeast



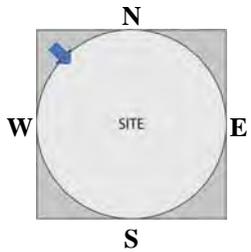
View of site from the south



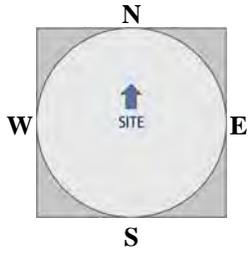
View of site from the southwest



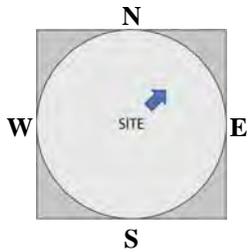
View of site from the west



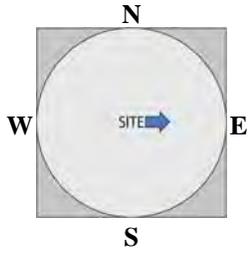
View of site from the northwest



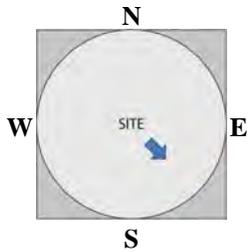
North view from site



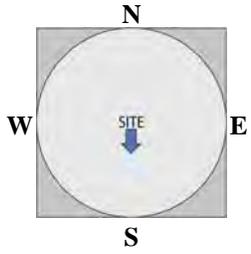
Northeast view from site



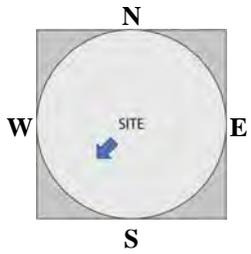
East view from site



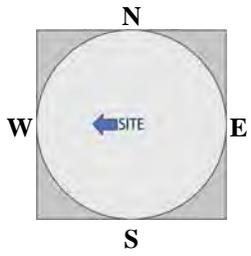
Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: North view on South Gordon Avenue



Streetscape: South view on South Gordon Avenue



Streetscape: East view on East 16th Street



Streetscape: West view on East 16th Street



Typical single-family home along South Gordon Avenue



Typical single-family home along East 16th Street

5. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

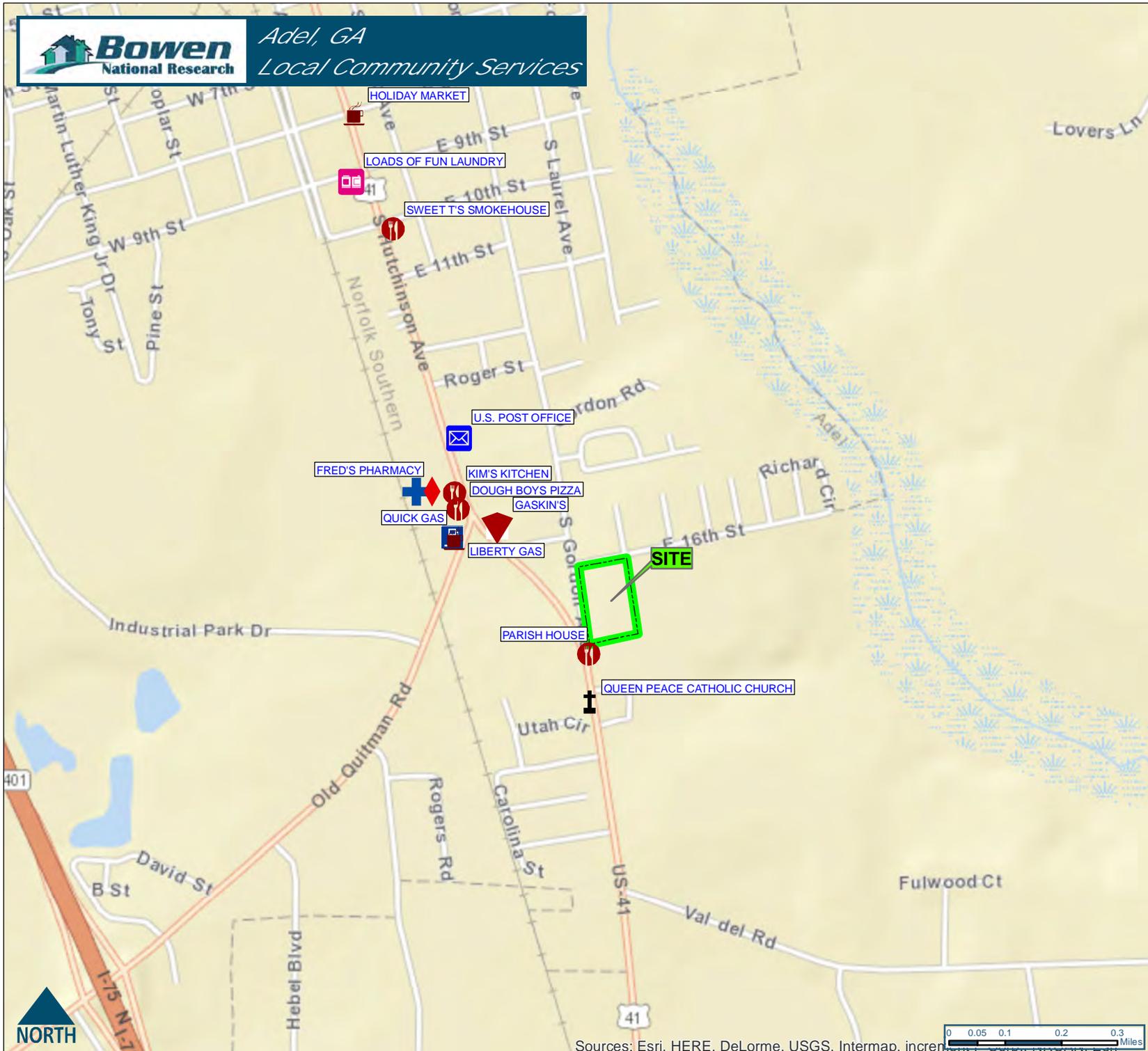
The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 41	0.1 West
	State Route 37	1.5 Northwest
	Interstate 75	2.4 Northwest
Major Employers/ Employment Centers	Cook Medical Center	1.7 Northwest
	Cook County School System	2.2 North
Convenience Store	Liberty Gas	0.3 West
	Holiday Market	0.9 Northwest
	C Store	1.3 Northwest
Grocery	Gaskin's	0.2 West
	Harvey's Supermarket	1.6 Northwest
	Piggly Wiggly	1.7 Northwest
Discount Department Store	Fred's Store	0.3 Northwest
	Dollar General	1.5 Northwest
	Goody's	1.6 Northwest
	Family Dollar Store	1.6 Northwest
Schools:		
Elementary	Cook Elementary School	2.9 Northwest
Middle/Junior High	Cook Middle School	3.0 Northwest
High	Cook High School	3.3 East
Hospital	Cook Medical Center	1.7 Northwest
Police	Adel Police Department	1.4 Northwest
Fire	Adel Fire Department	1.4 Northwest
Post Office	U.S. Post Office	0.3 Northwest
Bank	Cook Community Bank	1.2 Northwest
	BB&T	1.3 Northwest
	Citizens Bank	1.3 Northwest
Gas Station	Quick Gas	0.3 West
	Citgo	1.3 Northwest
Pharmacy	Fred's Pharmacy	0.3 Northwest
	Harvey's Supermarket Pharmacy	1.6 Northwest
	Piggly Wiggly Pharmacy	1.7 Northwest
	Chancy Drugs	1.8 North
	Rite Aid	1.8 Northwest
Restaurant	Parish House	0.1 South
	Dough Boys Pizza	0.3 Northwest
	Kim's Kitchen	0.3 Northwest
	Sweet T's Smokehouse	0.7 Northwest
Library	Cook County Library	1.4 North
Church	Queen Peace Catholic Church	0.2 South
	Adel Presbyterian Church	1.0 Northwest
	Adel United Methodist Church	1.1 Northwest
Park	Adel-Cook Recreation & Parks	1.3 North
Laundry	Loads Of Fun Laundry	0.8 Northwest

As detailed in the preceding table, many area services are located within 2.0 miles of the subject site, including but not limited to multiple grocery stores, discount shopping opportunities, pharmacies and dining establishments. Notably, many of these aforementioned area services, as well as others, are conveniently accessible from the subject site due to the site's proximity to South Hutchinson Avenue (U.S. Highway 41), which serves as a commercial corridor within the Adel area. Although fixed-route public transportation is not provided within the Adel area, most area residents are likely accustomed to not having this service readily available. As such, the lack of fixed-route public transportation is not expected to have any adverse impact on marketability of the subject project, especially when considering the subject's proximity to the U.S Highway 41 corridor.

Cook County Schools serve the subject site and all applicable attendance schools are located within 3.3 miles of the site. The subject site is provided public safety services through the Adel Police and Fire departments, each of which is located within 1.4 miles of the site. The nearest full-service hospital is the Cook Medical Center located 1.7 miles from the site.

Maps illustrating the location of community services are on the following pages.

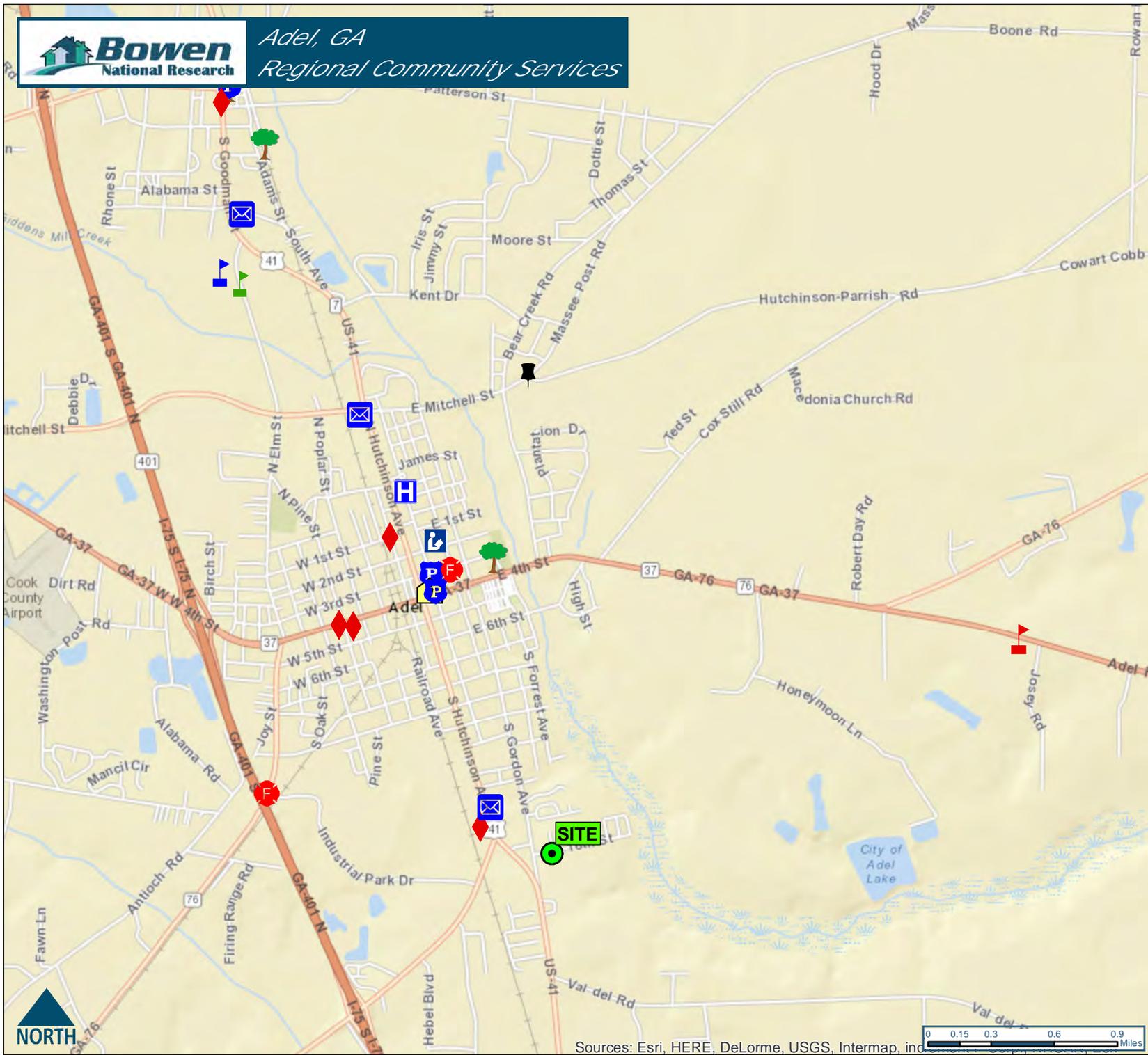


- Legend*
- Site Area
 - church
 - convenience store
 - gas
 - grocery
 - laundry and drycleaning
 - pharmacy
 - post office
 - restaurant
 - shopping





Adel, GA
Regional Community Services



- Legend*
- Site
 - elementary school
 - fire
 - high school
 - hospital
 - library
 - medical center
 - middle school
 - park
 - police
 - post office
 - shopping



Sources: Esri, HERE, DeLorme, USGS, Intermap, inc



1:40,000

6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (77) for the Site PMA is below the national average (100) with an overall personal crime index of 72 and a property crime index of 72. Total crime risk (84) for Cook County is below the national average with indexes for personal and property crime of 77 and 81, respectively.

	Crime Risk Index	
	Site PMA	Cook County
Total Crime	77	84
Personal Crime	72	77
Murder	126	125
Rape	49	57
Robbery	51	53
Assault	76	89
Property Crime	72	81
Burglary	80	92
Larceny	97	107
Motor Vehicle Theft	39	45

Source: Applied Geographic Solutions

As the preceding illustrates, the crime index reported for the Site PMA (77) is below both the Cook County average (84) and the national average of 100. This low crime rate has likely resulted in a low perception of crime within the Site PMA, which is expected to contribute to the overall marketability of the subject project.

A map illustrating crime risk is on the following page.



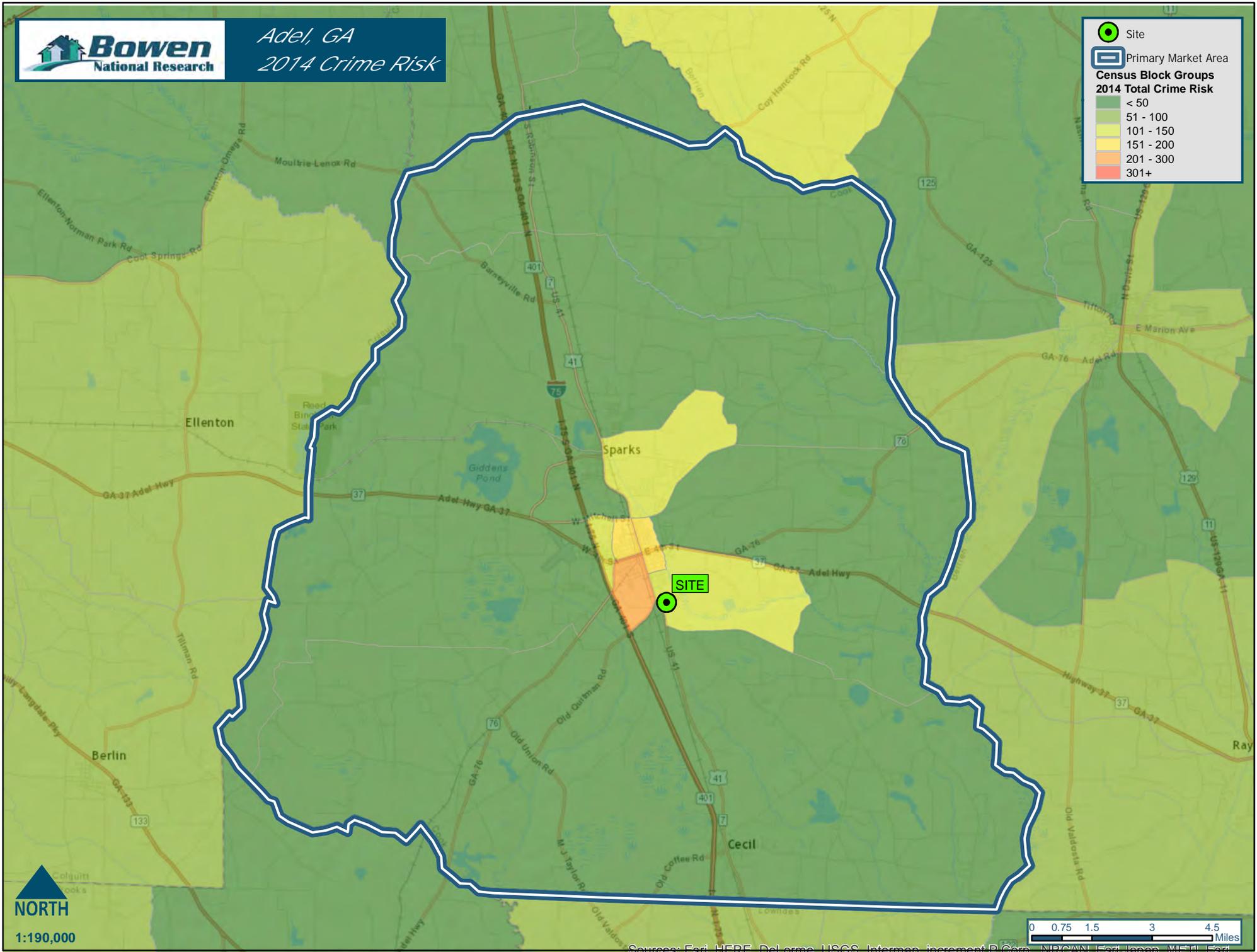
Adel, GA
2014 Crime Risk

● Site

▭ Primary Market Area

Census Block Groups
2014 Total Crime Risk

- < 50
- 51 - 100
- 101 - 150
- 151 - 200
- 201 - 300
- 301+



NORTH
1:190,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

7. OVERALL SITE EVALUATION

The subject site is situated within a primarily residential neighborhood comprised of single-family dwellings in relatively good condition. In addition to single-family homes, the subject site is also surrounded by agricultural land to the east and south, which provides a natural buffer to additional surrounding land uses within the immediate site neighborhood. The subject site is clearly visible and easily accessible from both East 16th Street and South Gordon Avenue, which border the site to the north and west and will provide passerby traffic to the subject site. The subject site is also located within proximity of South Hutchinson Avenue (U.S. Highway 41), a primary arterial providing north/south access throughout the Adel area and further enhancing accessibility of the subject project. The subject's proximity to U.S. Highway 41 also allows for many area services to be easily accessible from the subject site, as this aforementioned arterial also serves as a commercial corridor within the Adel area. Overall, the subject project is expected to be consistent with the residential nature of the immediate site neighborhood, while also benefiting from its clear visibility, convenient accessibility and proximity to most basic community services.

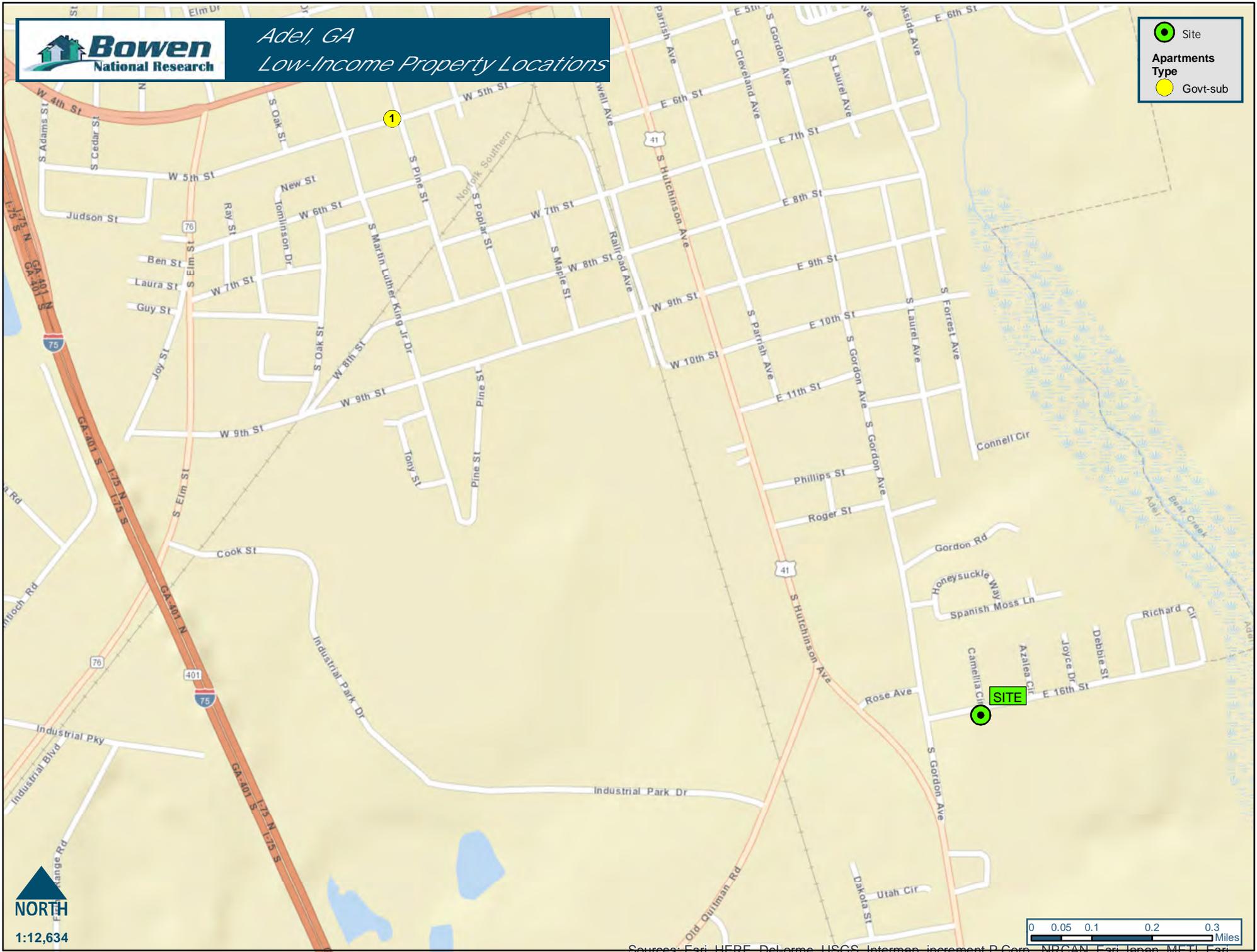
8. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing (4% and 9% Tax Credit Properties, Tax Exempt Bond Projects, Rural Development Properties, HUD Section 8 and Public Housing, etc.) identified in the Site PMA is included on the following page.

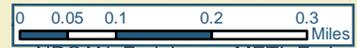


Adel, GA
Low-Income Property Locations

 Site
Apartments Type
 Govt-sub



NORTH
1:12,634



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

SECTION D – PRIMARY MARKET AREA DELINEATION

The Primary Market Area (PMA) is the geographical area from which most of the support for the proposed development is expected to originate. The Adel Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Adel Site PMA includes the municipalities of Adel and Sparks, as well as portions of Lenox and some outlying unincorporated areas of Cook County. The boundaries of the Site PMA include Moultrie-Lenox Road and State Route 547 to the north; and the Cook County boundary to the east, south, and west. The boundaries of the Site PMA are within 10.5 miles of the subject site.

Lisa Collins is the Director of the Cook County Economic Development Commission. Ms. Collins confirmed the Site PMA, stating that the majority of potential tenants for a new affordable rental property located in Adel would likely originate from within the immediate Adel area, as well as from the surrounding communities of Sparks, Barneyville, Cecil and Lenox. Ms. Collins feels that residents of these aforementioned communities would likely relocate to Adel for affordable housing due to the lack of quality housing alternatives within these areas. Ms. Collins does not believe residents from larger communities outside of the Site PMA would be willing to relocate to Adel.

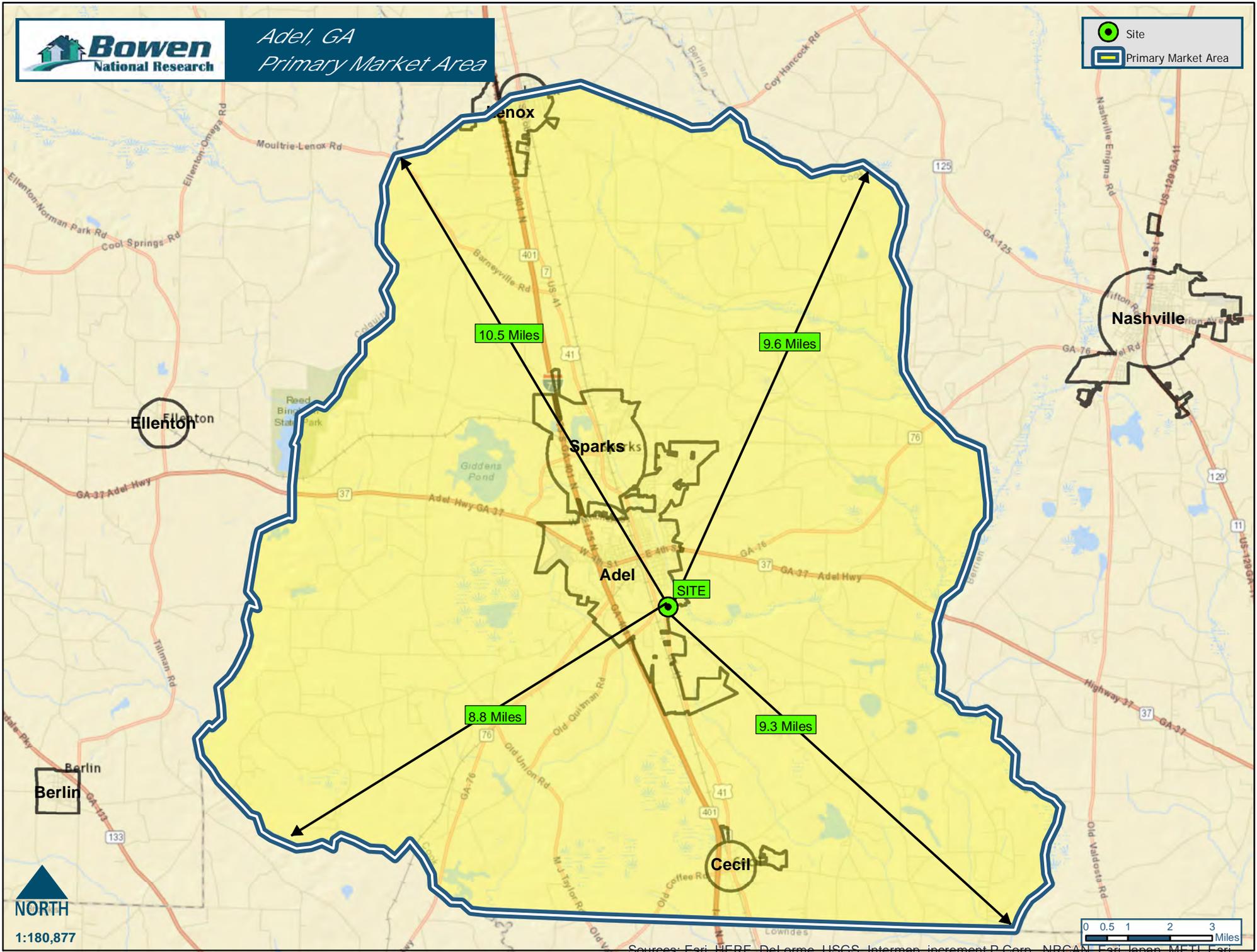
Though some support for the project will undoubtedly originate from areas outside the Site PMA, the majority of support is expected to derive from within the boundaries of the Site PMA. In addition to their distance from Adel, areas outside of the Site PMA have been excluded from the Site PMA as households within these areas would likely gravitate towards similar rental alternatives in the surrounding areas such as Moultrie, Thomasville and Valdosta. It is also of note that areas south and west of the Site PMA are generally comprised of higher income households which would not likely support affordable housing alternatives in Adel. Based on the preceding analysis, we have not considered a secondary market area in this report.

A map delineating the boundaries of the Site PMA is included on the following page.



Adel, GA
Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:180,877

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

SECTION E – COMMUNITY DEMOGRAPHIC DATA

1. POPULATION TRENDS

The Site PMA population bases for 2000, 2010, 2015 (estimated) and 2017 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2017 (Projected)
Population	14,872	16,249	16,994	17,257
Population Change	-	1,377	745	263
Percent Change	-	9.3%	4.6%	1.5%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Adel Site PMA population base increased by 1,377 between 2000 and 2010. This represents a 9.3% increase over the 2000 population, or an annual rate of 0.9%. Between 2010 and 2015, the population increased by 745, or 4.6%. It is projected that the population will increase by 263, or 1.5%, between 2015 and 2017.

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2015 (Estimated)		2017 (Projected)		Change 2015-2017	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	4,878	30.0%	4,893	28.8%	4,930	28.6%	37	0.8%
20 to 24	1,041	6.4%	1,107	6.5%	1,102	6.4%	-5	-0.5%
25 to 34	2,002	12.3%	2,202	13.0%	2,263	13.1%	60	2.7%
35 to 44	2,111	13.0%	2,072	12.2%	2,087	12.1%	15	0.7%
45 to 54	2,186	13.5%	2,234	13.1%	2,201	12.8%	-33	-1.5%
55 to 64	1,858	11.4%	1,998	11.8%	2,050	11.9%	52	2.6%
65 to 74	1,288	7.9%	1,498	8.8%	1,581	9.2%	82	5.5%
75 & Over	885	5.4%	990	5.8%	1,044	6.0%	54	5.5%
Total	16,249	100.0%	16,994	100.0%	17,257	100.0%	263	1.5%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, approximately 50% of the population is expected to be between 25 and 64 years old in 2015. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants. Notably, this primary age cohort is projected to increase by 94 persons, or 1.1%, between 2015 and 2017.

2. HOUSEHOLD TRENDS

Household trends within the Adel Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2017 (Projected)
Households	5,510	5,954	6,209	6,298
Household Change	-	444	255	88
Percent Change	-	8.1%	4.3%	1.4%
Household Size	2.70	2.73	2.71	2.72

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Adel Site PMA, households increased by 444 (8.1%) between 2000 and 2010. Between 2010 and 2015, households increased by 255 or 4.3%. By 2017, there will be 6,298 households, an increase of 88 households, or 1.4% over 2015 levels. This is an increase of approximately 44 households annually over the next two years, which is considered good household growth and demonstrates an expanding household base within the Site PMA.

The Site PMA household bases by age are summarized as follows:

Households by Age	2010 (Census)		2015 (Estimated)		2017 (Projected)		Change 2015-2017	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	287	4.8%	279	4.5%	272	4.3%	-7	-2.4%
25 to 34	889	14.9%	963	15.5%	984	15.6%	21	2.2%
35 to 44	1,080	18.1%	1,042	16.8%	1,044	16.6%	2	0.2%
45 to 54	1,219	20.5%	1,224	19.7%	1,197	19.0%	-27	-2.2%
55 to 64	1,046	17.6%	1,098	17.7%	1,119	17.8%	20	1.9%
65 to 74	830	13.9%	945	15.2%	990	15.7%	46	4.8%
75 to 84	442	7.4%	484	7.8%	516	8.2%	32	6.7%
85 & Over	161	2.7%	176	2.8%	177	2.8%	0	0.1%
Total	5,954	100.0%	6,210	100.0%	6,298	100.0%	88	1.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As previously stated, the primary age group of potential renters at the subject project is those between the ages of 25 and 64, an age cohort which is estimated to comprise nearly 70.0% of all households in 2015 and will increase by 16 (0.4%) households between 2015 and 2017.

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2015 (Estimated)		2017 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	4,046	68.0%	4,042	65.1%	4,097	65.1%
Renter-Occupied	1,908	32.0%	2,167	34.9%	2,200	34.9%
Total	5,954	100.0%	6,209	100.0%	6,298	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2015, homeowners occupied 65.1% of all occupied housing units, while the remaining 34.9% were occupied by renters. The share of renters is relatively high and represents a good base of potential renters in the market for the subject development. Also note that the number of renter households is projected to increase by 33, or 1.5%, between 2015 and 2017.

The household sizes by tenure within the Site PMA, based on the 2015 estimates and 2017 projections, were distributed as follows:

Persons Per Renter Household	2015 (Estimated)		2017 (Projected)		Change 2015-2017	
	Households	Percent	Households	Percent	Households	Percent
1 Person	606	27.9%	612	27.8%	6	1.0%
2 Persons	483	22.3%	491	22.3%	8	1.7%
3 Persons	388	17.9%	395	17.9%	7	1.7%
4 Persons	336	15.5%	340	15.5%	4	1.3%
5 Persons+	355	16.4%	363	16.5%	7	2.1%
Total	2,167	100.0%	2,200	100.0%	33	1.5%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Persons Per Owner Household	2015 (Estimated)		2017 (Projected)		Change 2015-2017	
	Households	Percent	Households	Percent	Households	Percent
1 Person	860	21.3%	870	21.2%	10	1.1%
2 Persons	1,434	35.5%	1,452	35.4%	18	1.3%
3 Persons	715	17.7%	726	17.7%	11	1.5%
4 Persons	579	14.3%	587	14.3%	7	1.3%
5 Persons+	454	11.2%	464	11.3%	9	2.1%
Total	4,042	100.0%	4,097	100.0%	56	1.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The one- through three-bedroom units proposed at the subject site are expected to house up to five-person households. As such, the subject project will be able to accommodate most renter households in the market, based on household size.

The distribution of households by income within the Adel Site PMA is summarized as follows:

Household Income	2010 (Census)		2015 (Estimated)		2017 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	720	12.1%	832	13.4%	829	13.2%
\$10,000 to \$19,999	1,074	18.0%	1,168	18.8%	1,146	18.2%
\$20,000 to \$29,999	925	15.5%	976	15.7%	983	15.6%
\$30,000 to \$39,999	599	10.1%	643	10.3%	679	10.8%
\$40,000 to \$49,999	590	9.9%	593	9.6%	559	8.9%
\$50,000 to \$59,999	536	9.0%	487	7.8%	511	8.1%
\$60,000 to \$74,999	513	8.6%	511	8.2%	525	8.3%
\$75,000 to \$99,999	575	9.7%	587	9.5%	600	9.5%
\$100,000 to \$124,999	235	4.0%	230	3.7%	256	4.1%
\$125,000 to \$149,999	96	1.6%	100	1.6%	114	1.8%
\$150,000 to \$199,999	33	0.5%	27	0.4%	37	0.6%
\$200,000 & Over	58	1.0%	54	0.9%	57	0.9%
Total	5,954	100.0%	6,209	100.0%	6,298	100.0%
Median Income	\$34,306		\$31,997		\$32,799	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$34,306. This declined by 6.7% to \$31,997 in 2015. By 2017, it is projected that the median household income will be \$32,799, an increase of 2.5% over 2015.

The following tables illustrate renter household income by household size for 2010, 2015 and 2017 for the Adel Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	87	112	23	5	116	343
\$10,000 to \$19,999	144	70	154	103	76	547
\$20,000 to \$29,999	133	91	48	34	32	337
\$30,000 to \$39,999	25	1	20	33	31	108
\$40,000 to \$49,999	102	134	10	47	11	304
\$50,000 to \$59,999	5	4	71	5	14	99
\$60,000 to \$74,999	17	4	10	19	9	58
\$75,000 to \$99,999	18	8	1	49	17	93
\$100,000 to \$124,999	2	2	1	0	0	5
\$125,000 to \$149,999	3	0	1	1	2	7
\$150,000 to \$199,999	0	0	1	2	0	3
\$200,000 & Over	1	1	2	1	0	5
Total	535	427	341	299	307	1,908

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2015 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	107	128	30	6	165	436
\$10,000 to \$19,999	191	86	171	114	73	636
\$20,000 to \$29,999	129	102	57	38	31	356
\$30,000 to \$39,999	34	3	24	37	28	126
\$40,000 to \$49,999	84	138	12	47	14	294
\$50,000 to \$59,999	7	7	72	4	15	106
\$60,000 to \$74,999	24	3	15	21	6	70
\$75,000 to \$99,999	25	12	1	60	16	113
\$100,000 to \$124,999	3	3	2	1	1	10
\$125,000 to \$149,999	1	0	2	1	2	6
\$150,000 to \$199,999	0	0	0	5	2	7
\$200,000 & Over	1	0	3	2	1	8
Total	606	483	388	336	355	2,167

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2017 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	108	130	31	5	166	441
\$10,000 to \$19,999	196	83	167	110	71	626
\$20,000 to \$29,999	128	113	60	37	31	368
\$30,000 to \$39,999	34	4	26	39	35	137
\$40,000 to \$49,999	77	131	10	47	14	278
\$50,000 to \$59,999	9	8	80	3	16	116
\$60,000 to \$74,999	25	4	15	24	8	76
\$75,000 to \$99,999	28	12	1	64	17	122
\$100,000 to \$124,999	5	5	1	0	1	12
\$125,000 to \$149,999	2	1	3	0	1	7
\$150,000 to \$199,999	0	1	0	7	2	9
\$200,000 & Over	0	1	2	2	2	8
Total	612	491	395	340	363	2,200

Source: Ribbon Demographics; ESRI; Urban Decision Group

Demographic Summary

Demographic trends within the Adel Site PMA are projected to be positive between 2015 and 2017, as the total population will increase by 263 (1.5%) and the total number of households will increase by 88 (1.4%) during this time period. These trends demonstrate an expanding overall demographic base within the Site PMA. Additionally, it is projected that there will be 2,200 renter households in the market in 2017, an increase of 33 households, or 1.5%, over 2015 levels. Notably, low-income renter households (earning below \$30,000) are projected to comprise more than 65.0% of all renter households in the market in 2017. Based on the preceding analysis and additional demographic data contained within this report, there appears to be a good and stable base of income-appropriate renter support for affordable rental housing in the market, such as that proposed at the subject site.

SECTION F – ECONOMIC TRENDS

1. LABOR FORCE PROFILE

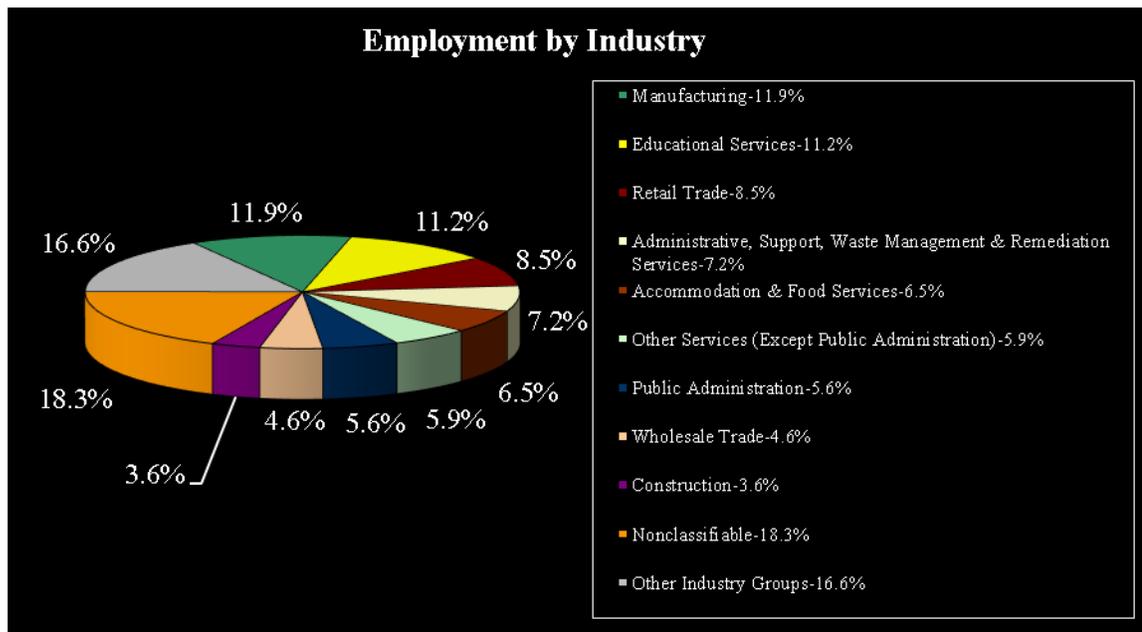
The labor force within the Adel Site PMA is based primarily in two sectors. Manufacturing (which comprises 11.9%) and Educational Services comprise over 23% of the Site PMA labor force. Non-classifiable jobs comprised over 18% of the labor force. Employment in the Adel Site PMA, as of 2015, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	70	7.7%	192	3.3%	2.7
Mining	0	0.0%	0	0.0%	0.0
Utilities	2	0.2%	10	0.2%	5.0
Construction	65	7.1%	209	3.6%	3.2
Manufacturing	41	4.5%	689	11.9%	16.8
Wholesale Trade	38	4.2%	268	4.6%	7.1
Retail Trade	106	11.6%	490	8.5%	4.6
Transportation & Warehousing	33	3.6%	169	2.9%	5.1
Information	10	1.1%	42	0.7%	4.2
Finance & Insurance	38	4.2%	149	2.6%	3.9
Real Estate & Rental & Leasing	24	2.6%	54	0.9%	2.3
Professional, Scientific & Technical Services	48	5.3%	122	2.1%	2.5
Management of Companies & Enterprises	4	0.4%	10	0.2%	2.5
Administrative, Support, Waste Management & Remediation Services	172	18.8%	417	7.2%	2.4
Educational Services	19	2.1%	646	11.2%	34.0
Health Care & Social Assistance	50	5.5%	189	3.3%	3.8
Arts, Entertainment & Recreation	9	1.0%	22	0.4%	2.4
Accommodation & Food Services	39	4.3%	375	6.5%	9.6
Other Services (Except Public Administration)	115	12.6%	338	5.9%	2.9
Public Administration	30	3.3%	326	5.6%	10.9
Nonclassifiable	0	0.0%	1,056	18.3%	0.0
Total	913	100.0%	5,773	100.0%	6.3

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



Typical wages by job category for the South Georgia Nonmetropolitan Area are compared with those of Georgia in the following table:

Typical Wage by Occupation Type		
Occupation Type	South Georgia Nonmetropolitan Area	Georgia
Management Occupations	\$80,200	\$108,550
Business and Financial Occupations	\$58,050	\$70,950
Computer and Mathematical Occupations	\$61,450	\$80,740
Architecture and Engineering Occupations	\$64,190	\$76,020
Community and Social Service Occupations	\$35,460	\$42,850
Art, Design, Entertainment and Sports Medicine Occupations	\$42,750	\$50,400
Healthcare Practitioners and Technical Occupations	\$61,270	\$72,600
Healthcare Support Occupations	\$22,590	\$26,850
Protective Service Occupations	\$30,640	\$33,830
Food Preparation and Serving Related Occupations	\$18,280	\$19,890
Building and Grounds Cleaning and Maintenance Occupations	\$22,030	\$23,870
Personal Care and Service Occupations	\$22,630	\$23,420
Sales and Related Occupations	\$26,770	\$37,010
Office and Administrative Support Occupations	\$28,700	\$33,860
Construction and Extraction Occupations	\$31,470	\$38,210
Installation, Maintenance and Repair Occupations	\$38,150	\$42,770
Production Occupations	\$28,690	\$32,080
Transportation and Moving Occupations	\$28,640	\$34,510

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

Most annual blue-collar salaries range from \$18,280 to \$42,750 within the South Georgia Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$65,032. It is important to note that most occupational types within the South Georgia Nonmetropolitan Area have lower typical wages than the State of Georgia's typical wages. Regardless, the proposed project will generally target households with incomes between \$15,000 and \$31,000. As such, the area employment base appears to have a good share of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

2. MAJOR EMPLOYERS

The ten largest employers within the Cook County area comprise a total of 1,579 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Cook County School System	Education	454
Williams Investment Company	Investments	350
Cook Medical Center	Health Care	225
BASF-Sparks	Agriculture	135
J-M Eagle	Plastics	105
Sanderson Farms	Poultry Producers	90
Vulcan Steel Structures	Metal Buildings	80
Pike Creek Turf	Turf Grass/Sod	70
Borders Melons East	Agricultural Shipping	35
Hornet Steel Buildings, Incorporated	Pre-fabricated Metal Buildings	35
	Total	1,579

Source: Cook County Economic Development Commission 2015

According to a representative with the Cook County Economic Development Commission, the Cook County economy is expanding. Notably, in January of 2015, the Adel City Council voted unanimously to adopt a resolution for the Alabama Road extension which would accommodate the new Walmart Supercenter to be built near Exit 39 along Interstate 75. The new Walmart Supercenter is expected to break ground sometime in July of 2015 and will create up to 260 new jobs according to this representative. This representative also stated that the construction of this new Walmart Supercenter is expected to attract additional business to the area. Additional economic development activity announced within the Adel area is summarized as follows.

- Columbo, a Brazilian based manufacturing company which produces peanut combines, plans to expand their current Adel facility by adding a drive shaft line. The initial expansion will add approximately six to eight new employees, with additional new jobs likely to be created once the new facility is fully operational.
- The Cook County Airport recently completed a number of major improvement projects. Those projects entailed repaving the taxi lanes, construction of 26 new hangers, and an avionics shop with a new Fixed Base Operator. In addition, two above ground fuel tanks were installed, both of which contain 12,000 gallons of jet fuel which was not previously offered at the Cook County Airport. The availability of jet fuel at this facility is expected to help attract more corporate air traffic to the area.

WARN (layoff notices):

According to the Georgia Department of Labor website, there has been one WARN notice of a large-scale layoff/closure within Cook County during the past 18 month period. Below is a table summarizing this notice:

WARN Notices				
Company	Location	Jobs	Notice Date	Effective Date
Sierra Composite Solutions	Adel	91	-	3/13/15

As the preceding illustrates, this WARN notice impacted a total of 91 jobs. However, it is important to note that the 91 jobs impacted by this notice represent approximately only 1.3% of the total employment base reported for Cook County through March of 2015. As such, it is likely that this aforementioned WARN notice has had only a minimal (if any) impact on the overall strength of the Cook County economy.

3. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

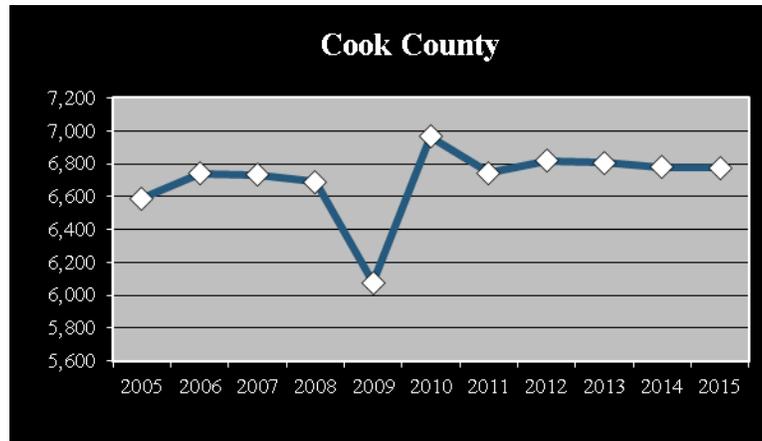
Excluding 2015, the employment base has declined by 2.7% over the past five years in Cook County, while the state of Georgia increased by 5.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Cook County, Georgia and the United States.

Year	Total Employment					
	Cook County		Georgia		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2005	6,590	-	4,341,223	-	142,222,734	-
2006	6,740	2.3%	4,489,128	3.4%	145,000,042	2.0%
2007	6,731	-0.1%	4,597,640	2.4%	146,388,400	1.0%
2008	6,691	-0.6%	4,575,010	-0.5%	146,047,748	-0.2%
2009	6,077	-9.2%	4,311,854	-5.8%	140,696,560	-3.7%
2010	6,966	14.6%	4,202,052	-2.5%	140,469,405	-0.2%
2011	6,744	-3.2%	4,262,403	1.4%	141,793,976	0.9%
2012	6,816	1.1%	4,344,683	1.9%	143,692,766	1.3%
2013	6,805	-0.2%	4,367,926	0.5%	145,141,024	1.0%
2014	6,780	-0.4%	4,414,343	1.1%	147,569,657	1.7%
2015*	6,773	-0.1%	4,442,765	0.6%	147,852,833	0.2%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

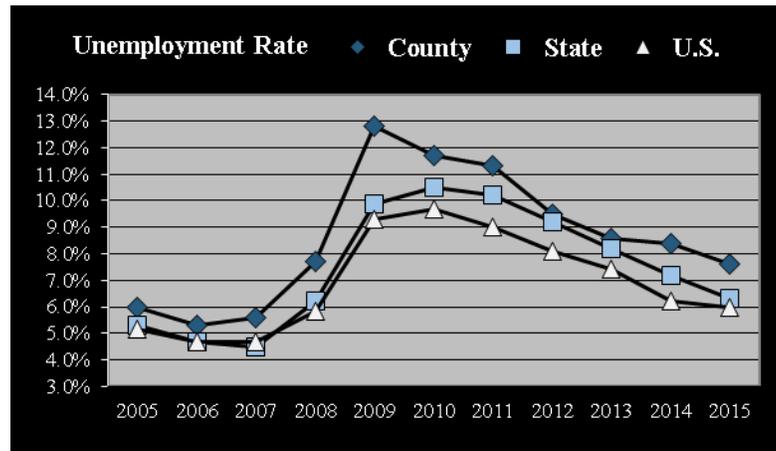


As the preceding illustrates, the Cook County employment base declined sharply between 2008 and 2009, likely as a result of the national recession. However, the employment base quickly recovered, increasing by 889 (14.6%) jobs in 2010. Although the employment base again declined in 2011, it has remained stable each of the past three years, as well as thus far in 2015. Note that total employment within Cook County has remained above pre-recession levels each year since the decline in 2009.

Unemployment rates for Cook County, Georgia and the United States are illustrated as follows:

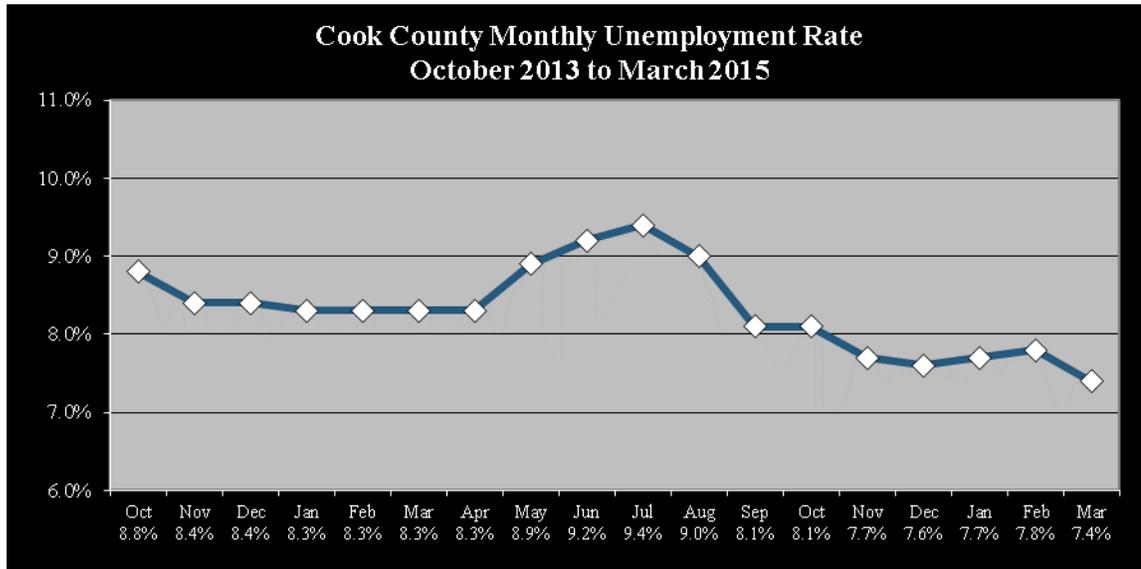
Year	Unemployment Rate		
	Cook County	Georgia	United States
2005	6.0%	5.3%	5.2%
2006	5.3%	4.7%	4.7%
2007	5.6%	4.5%	4.7%
2008	7.7%	6.2%	5.8%
2009	12.8%	9.9%	9.3%
2010	11.7%	10.5%	9.7%
2011	11.3%	10.2%	9.0%
2012	9.5%	9.2%	8.1%
2013	8.6%	8.2%	7.4%
2014	8.4%	7.2%	6.2%
2015*	7.6%	6.3%	6.0%

Source: Department of Labor, Bureau of Labor Statistics
 *Through March



The unemployment rate was also adversely impacted by the national recession, increasing from 5.6% in 2007 to 12.8% in 2009. Note however, that the unemployment rate has declined each year since 2009, to an eight year low of 7.6% through March of 2015.

The following table illustrates the monthly unemployment rate in Cook County for the most recent 18-month period for which data is currently available.



The unemployment rate has generally trended downward over the past 18-month period, despite a slight increase between April of 2014 and July of 2014. Note that the unemployment rate has declined by two full percentage points since July of 2014 and has remained below 8.0% each month since October of 2014.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Cook County.

In-Place Employment Cook County			
Year	Employment	Change	Percent Change
2004	4,947	-	-
2005	4,794	-153	-3.1%
2006	4,785	-9	-0.2%
2007	4,974	189	3.9%
2008	5,039	65	1.3%
2009	4,539	-500	-9.9%
2010	4,491	-48	-1.1%
2011	3,916	-575	-12.8%
2012	3,897	-19	-0.5%
2013	3,952	55	1.4%
2014*	3,940	-12	-0.3%

Source: Department of Labor, Bureau of Labor Statistics

*Through September

Data for 2013, the most recent year that year-end figures are available, indicates in-place employment in Cook County to be 58.1% of the total Cook County employment. Although this means that many residents commute to areas outside of Cook County for daytime employment, this share of in-place employment also indicates that Cook County has a good share of residents that both live and work within the county. This share of in-place employment will likely contribute to the project's overall marketability, as many potential tenants of the project will likely have relatively short commute times to their respective place of employment.

4. ECONOMIC FORECAST

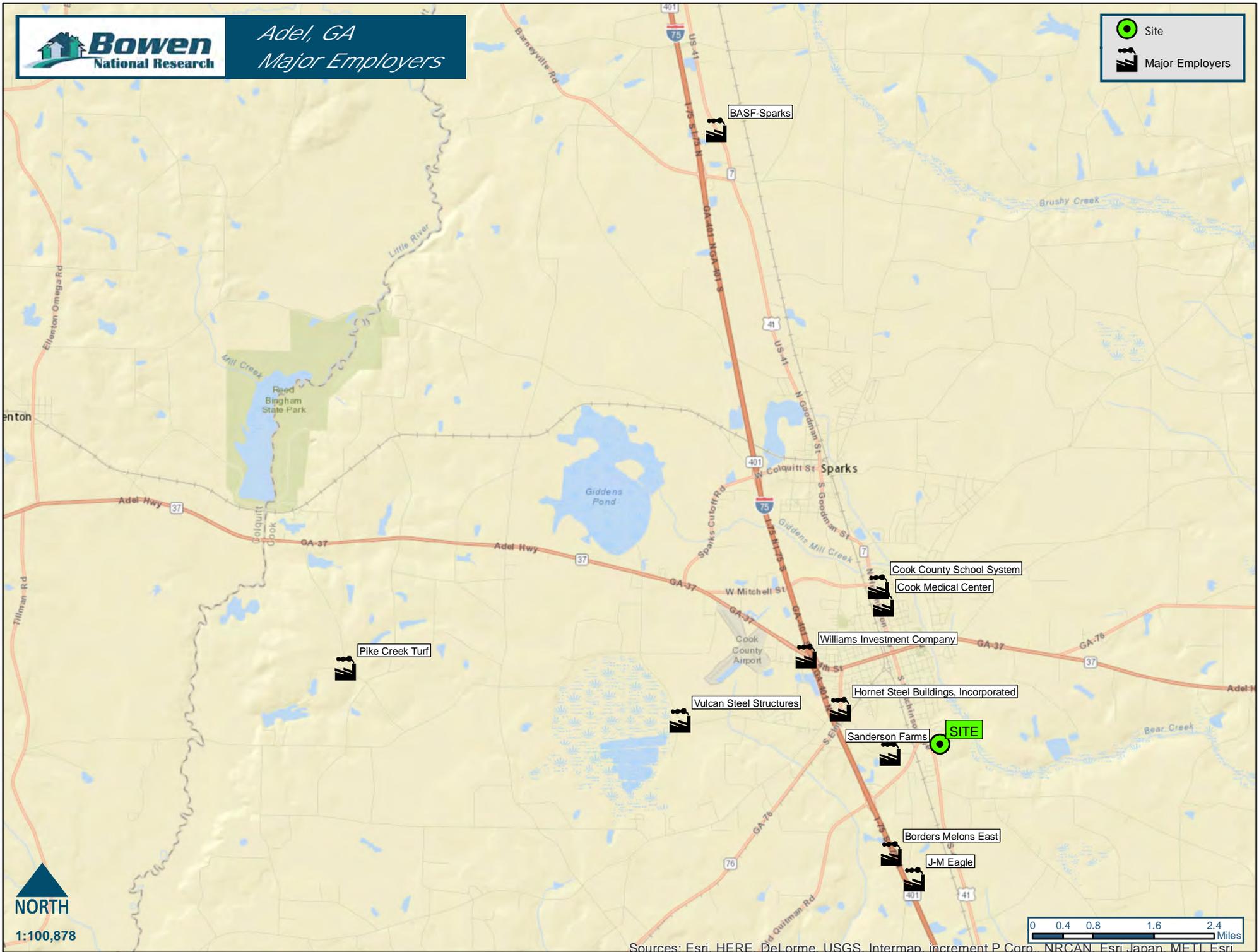
According to an economic development representative with the Cook County Economic Development Commission, the Cook County economy is expanding and is expected to greatly benefit from a new Walmart Supercenter which is expected to create approximately 260 new jobs within the area upon completion. In addition, the Cook County economy quickly recovered from the impact of the national recession, as the employment base increased by nearly 15% in 2010. Total employment has remained above pre-recession levels since this increase. The unemployment rate within Cook County was adversely impacted by the national recession, but has steadily improved each year since 2009, declining to an eight year low of 7.6% through March of 2015. Based on the preceding factors, we expect the Cook County economy will continue to improve for the foreseeable future. It is important to not however, that more than 65.0% of all renter households in the Adel Site PMA are projected to earn less than \$30,000 in 2017. This is a good indication that demand for affordable rental housing will remain strong within the Site PMA and Cook County, regardless of recent and anticipated economic trends.

A map illustrating notable employment centers is on the following page.



Adel, GA
Major Employers

Site
Major Employers



NORTH
1:100,878



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

SECTION G – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the proposed project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within Cook County, Georgia, which has a median four-person household income of \$47,400 for 2014. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$16,600	\$19,920
Two-Person	\$19,000	\$22,800
Three-Person	\$21,350	\$25,620
Four-Person	\$23,700	\$28,440
Five-Person	\$25,600	\$30,720

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$30,720**.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent-to-income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent-to-income ratio permitted for family projects is 35%, while older person (age 55 and older) and elderly (age 62 and older) projects should utilize a 40% rent-to-income ratio.

The proposed LIHTC units will have a lowest gross rent of \$440 (one-bedroom unit at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$5,280. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$15,086.

c. **Income-Appropriate Range**

Based on the preceding analyses, the income-appropriate range required to live at the proposed project with units built to serve households at 50% and 60% of AMHI is as follows:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$15,086	\$25,600
Tax Credit (Limited To 60% Of AMHI)	\$18,137	\$30,720
Tax Credit Overall	\$15,086	\$30,720

2. **METHODOLOGY**

Demand

The following are the demand components as outlined by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority:

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using current renter household data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as ESRI or the State Data Center. This household projection must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units comprise three- and four-bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis that does not account for this may overestimate demand. Note that our calculations have been reduced to only include **renter-qualified** households*

b. **Demand from Existing Households:** The second source of demand should be projected from:

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their incomes toward gross rent. Based on Table B25074 of the American Community Survey (ACS) 2006-2010 5-year estimates, approximately 42.2% to 52.9% (depending upon targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on the age, the income bands, and the tenure that apply. The analyst should use his/her own knowledge of the market area and project to determine whether households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both rent overburdened households and from those living in substandard housing. Based on Table B25016 of the American Community Survey (ACS) 2006-2010 5-year estimates, 8.5% of all households in the market were living in substandard housing that lacked complete indoor plumbing or in overcrowded (1.5+ persons per room) households.*
- **Elderly Homeowners likely to convert to renters:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. This segment should not account for more than 2% of total demand. Due to the difficulty of extrapolating elderly (age 62 and older) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis. A narrative of the steps taken to arrive at this demand figure must be included and any figure that accounts for more than 2% of total demand must be based on actual market conditions, as documented in the study. Not applicable, as the subject project will not be age-restricted.*

- c. **Other:** *DCA does not consider household turnover to be a source of market demand. However, if an analyst firmly believes that demand exists that is not captured by the above methods, he/she may use other indicators to estimate demand if they are fully justified (e.g. an analysis of an under built market in the base year). Any such additional indicators should be calculated separately from the demand analysis above. Such additions should be well documented by the analyst with documentation included in the Market Study.*

Net Demand

The overall demand components illustrated above are added together and the competitive supply of developments awarded and/or constructed from 2013 to the present is subtracted to calculate Net Demand. Vacancies in projects placed in service prior to 2013 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of supply. **DCA requires analysts to include ALL projects that have been funded, are proposed for funding and/or received a bond allocation from DCA, in the demand analysis, along with ALL conventional rental properties existing or planned in the market as outlined above. 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.**

To determine the Net Supply number for each bedroom and income category, the analyst will prepare a Competitive Analysis Chart that will provide a unit breakdown of the competitive properties and list each unit type. All properties determined to be competitive with the proposed development will be included in the Supply Analysis to be used in determining Net Supply in the Primary Market Area. In cases where the analyst believes the projects are not competitive with the subject units, the analyst will include a detailed description for each property and unit type explaining why the units were excluded from the market supply calculation. (e.g., the property is on the periphery of the market area, is a market-rate property; or otherwise only partially compares to the proposed subject).

There are no general-occupancy LIHTC properties that were funded and/or built during the projection period (2013 to current). In fact, there are no LIHTC properties in the Site PMA. As such, there were no existing LIHTC properties included as part of supply in our demand analysis.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income		
	50% (\$15,086-\$25,600)	60% (\$18,137-\$30,720)	Overall (\$15,086-\$30,720)
Demand From New Households (Age- And Income-Appropriate)	513 - 512 = 2	494 - 484 = 10	685 - 678 = 7
+			
Demand From Existing Households (Rent Overburdened)	512 X 52.9% = 271	484 X 42.2% = 204	678 X 48.6% = 330
+			
Demand From Existing Households (Renters In Substandard Housing)	512 X 8.5% = 44	484 X 8.5% = 41	678 X 8.5% = 58
=			
Demand Subtotal	317	255	395
+			
Demand From Existing Homeowners (Elderly Homeowner Conversion) Cannot exceed 2%	N/A	N/A	N/A
=			
Total Demand	317	255	395
-			
Supply (Directly Comparable Units Built And/Or Funded Since 2013)	0	0	0
=			
Net Demand	317	255	395
Proposed Units / Net Demand	10 / 317	38 / 255	48 / 395
Capture Rate	= 3.2%	= 14.9%	= 12.2%

N/A – Not Applicable

Per GDCA guidelines, capture rates below 30% for projects in urban markets and below 35% for projects in rural markets are considered acceptable. As such, the project's overall capture rate of 12.2% is considered low and easily achievable within the Adel Site PMA. This is especially true when considering the lack of LIHTC product in the Site PMA, which is expected to allow the project to attract a higher than typical share of the qualified applicants within the Adel market.

Based on the distribution of households by household size, our survey of conventional apartments and the distribution of bedroom types in balanced markets, the estimated shares of demand by bedroom type for the Site PMA are distributed as follows.

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	30%
Two-Bedroom	45%
Three-Bedroom	25%
Total	100.0%

Applying these shares to the income-qualified households and existing competitive supply yields demand and capture rates for the proposed units by bedroom type and AMHI level as follows:

Bedroom Size (Share Of Demand)	Target % of AMHI	Subject Units	Total Demand*	Supply**	Net Demand	Capture Rate	Absorption	Average Market Rent	Subject Rents
One-Bedroom (30%)	50%	1	95	0	95	1.1%	1 Month	\$500	\$299
One-Bedroom (30%)	60%	3	77	0	77	3.9%	2 Months	\$500	\$388
One-Bedroom	Total	4	172	0	172	2.3%	2 Months		-
Two-Bedroom (45%)	50%	5	142	0	142	3.5%	2 Months	\$535	\$348
Two-Bedroom (45%)	60%	19	115	0	115	16.5%	4 Months	\$535	\$455
Two-Bedroom	Total	24	257	0	257	9.3%	6 Months		-
Three-Bedroom (25%)	50%	4	79	0	79	5.1%	1 Month	\$635	\$392
Three-Bedroom (25%)	60%	16	64	0	64	25.0%	4 Months	\$635	\$515
Three-Bedroom	Total	20	143	0	143	14.0%	5 Months		-

*Includes overlap between the targeted income levels at the subject site.

**Directly comparable units built and/or funded in the project market over the projection period.

Average Market Rent is the weighted average collected rent reported at comparable market-rate properties (in PMA) as identified in Addendum E.

The capture rates by bedroom type and AMHI level range from 1.1% to 25.0%, depending upon unit type. Utilizing this methodology, these capture rates are considered achievable and demonstrate a deep base of income-eligible renter households in the Adel Site PMA for the proposed subject development. This is especially true when considering the lack of LIHTC product in the market, as previously discussed and evidenced by our Field Survey of Conventional Rentals (Addendum A).

In addition to the preceding GDCA required demand estimates, we have also provided supplemental demand estimates for the subject's three-bedroom units (approximately 42% of the property) based solely on larger renter household sizes (four-person or larger) within the Site PMA. Based on demographic data included in Section E, it is projected that there will be 81 size- and income-eligible renter households in the market in 2017 for the subject's three-bedroom units. This results in a simple capture rate of 24.7% (20 units / 81 income-eligible renter households = 24.7%), which is considered achievable within the Adel market and demonstrates sufficient support for the subject's three-bedroom units.

SECTION H – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

The distributions of the area housing stock within the Adel Site PMA in 2010 and 2015 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2015 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	5,954	86.9%	6,209	85.4%
Owner-Occupied	4,046	68.0%	4,042	65.1%
Renter-Occupied	1,908	32.0%	2,167	34.9%
Vacant	898	13.1%	1,065	14.6%
Total	6,852	100.0%	7,274	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2015 update of the 2010 Census, of the 7,274 total housing units in the market, 14.6% were vacant. Although the number of vacant units increased between 2010 and 2015, it is important to note that the vacant units reported in the preceding table include abandoned, dilapidated and/or for-sale housing units as well as housing units utilized for seasonal/recreation purposes. As such, we have conducted a Field Survey of Conventional Rentals to better determine the strength of the long-term rental housing market within the Adel Site PMA.

The Adel Site PMA offers a limited supply of rental product, as we identified and personally surveyed only two conventional rental housing projects containing a total of 53 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 98.1%, a good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-Rate	1	48	1	97.9%
Government-Subsidized	1	5	0	100.0%
Total	2	53	1	98.1%

As the preceding illustrates, each of the two rental properties surveyed in the market report occupancy rates of 97.9% or higher, with only one vacant unit reported at the one market-rate property (41 South Apartments) in the PMA. These high occupancy rates indicate that both market-rate and affordable (Government-Subsidized) rental housing is in high demand within the Site PMA. Also note that there are no Tax Credit (subsidized or non-subsidized) properties in the market. Thus, the subject development will help fill a void in the Adel rental housing market.

The following table summarizes the breakdown of market-rate units surveyed within the Site PMA. It must be reiterated that there are no Tax Credit units in the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	12	25.0%	1	8.3%	\$621
Two-Bedroom	1.0	20	41.7%	0	0.0%	\$692
Three-Bedroom	2.0	16	33.3%	0	0.0%	\$825
Total Market-Rate		48	100.0%	1	2.1%	-

The market-rate units are 97.9% occupied and report median gross rents ranging from \$621 to \$825 depending upon unit type. Comparatively, the subject development's proposed gross rents will range from \$440 to \$734 depending upon unit type and therefore will likely represent a value as compared to similar market-rate product in the market in terms of gross rent. Regardless, the proposed subject rents are evaluated in further detail later in this section of the report, as well as in the Achievable Market Rent section of this report.

As previously stated and evidenced by our Field Survey of Conventional Rentals, the Adel apartment market offers a limited range of rental product in terms of price point and quality. Specifically, as previously discussed there was only one non-subsidized market-rate property identified in the market, while no Tax Credit properties were identified within the Site PMA. As such, it was necessary to identify and survey non-subsidized (market-rate and Tax Credit) product outside of the Site PMA, but within the region in the towns of Hahira, Moultrie and Valdosta, Georgia for comparability purposes. Specifically, we identified and surveyed three conventional rental projects located outside of the Site PMA that offer non-subsidized market-rate units. These three market-rate projects were built between 1998 and 2010 and consist of properties containing between 198 and 264 total units. The 718 total units offered among these properties are currently 93.2% occupied, demonstrating that these market-rate properties have been well received within their respective markets.

Likewise, we also identified four non-subsidized Tax Credit projects which are located outside of the Site PMA but within the region, for comparability purposes. These four non-subsidized Tax Credit projects were built between 1996 and 2015 and range in size from 47 to 112 total units. The 279 total units offered among these four properties are 100.0% occupied and three of the four properties maintain waiting lists for their next available units. These high occupancy rates and waiting lists are good indications that these properties are well-received within the region and will offer a good base of comparability for the subject development. These Tax Credit properties have been included in our comparable analysis later in this section of the report.

2. SUMMARY OF ASSISTED PROJECTS

We identified and surveyed only one federally subsidized apartment development in the Adel Site PMA. This project was surveyed in May 2015 and is summarized as follows:

Map I.D.	Project Name	Type	Year Built	Total Units	Occupancy	Gross Rent (Unit Mix)
						One-Br.
1	West 500 Corporation	Section 8	2001	5	100.0%	\$759 (5)
Total				5	100.0%	

Note : Contact names and method of contact, as well as amenities and other features are listed in the field survey

As the preceding illustrates, the one subsidized property surveyed in the market offers only five units, all of which are currently occupied. Although this property does not currently maintain a waiting list, its high occupancy rate demonstrates demand for affordable rental housing in the market. Considering the very limited supply of affordable rental product in the market, the subject development is expected to help fill a void in the Adel rental housing market. Note, we also identified one additional federally subsidized property (Quail Run Apartments) in the Site PMA. However, we were unable to survey this property, despite multiple attempts.

HOUSING CHOICE VOUCHER HOLDERS

According to a representative with the Georgia Department of Community Affairs' Rental Assistance Division-Waycross Office-Southern Region, there are approximately 37 Housing Choice Voucher holders within Cook County and no people currently on the waiting list for additional Vouchers. The waiting list is closed and is expected to reopen sometime in 2015. Annual turnover of persons in the Voucher program is estimated at one household. This reflects the continuing need for Housing Choice Voucher assistance within the Adel and Cook County areas.

If the rents do not exceed Fair Market Rents, households with Housing Choice Vouchers may be eligible to reside at a LIHTC project. The following table outlines the HUD 2014 Fair Market Rents for Cook County, Georgia and the proposed subject gross rents.

Bedroom Type	Fair Market Rents	Proposed Tax Credit Gross Rents
One-Bedroom	\$552	\$440 (50%) \$529 (60%)
Two-Bedroom	\$655	\$528 (50%) \$635 (60%)
Three-Bedroom	\$965	\$611 (50%) \$734 (60%)

As the preceding illustrates, the proposed gross rents are set below the current Fair Market Rents. As such, the subject project will be able to accommodate Housing Choice Voucher holders. This will likely increase the base of income-appropriate renter households within the Adel Site PMA for the subject development and has been considered in our absorption estimates in Section I of this report.

3. PLANNED MULTIFAMILY DEVELOPMENT

Based on interviews with building and planning officials from the appropriate jurisdictions within the Adel Site PMA, it was determined that there are no multifamily rental projects within the development pipeline in the Site PMA.

Building Permit Data

The following table illustrates single-family and multifamily building permits issued within Cook County for the past ten years. Note that building permit data was not available specific to the city of Adel.

Housing Unit Building Permits for Cook County:										
Permits	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Multifamily Permits	4	4	8	12	4	0	0	0	0	0
Single-Family Permits	52	50	72	34	24	22	21	28	26	33
Total Units	56	54	80	46	28	22	21	28	26	33

Source: SOCDs Building Permits Database at <http://socds.huduser.org/permits/index.html>

As the preceding illustrates, there have been no more than 12 multifamily building permits issued during any given year over the past ten year period in Cook County. More specifically, there have been no multifamily permits issued since 2009. The limited number of multifamily building permits issued within the county is a good indication that the Adel market is in need of newer multifamily product such as that proposed at the subject site.

4. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject development will offer one- through three-bedroom garden-style units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI). As stated throughout this reported and further evidenced by our Field Survey of Conventional Rentals, there are no Low-Income Housing Tax Credit (LIHTC) properties within the Adel Site PMA. Therefore, it was necessary to identify and survey general-occupancy LIHTC product outside the Site PMA, but within the region, for comparability purposes. Thus, we identified and surveyed four such properties in the nearby towns of Hahira and Moultrie, Georgia that offer one- through three-bedroom

garden-style units targeting households earning up to 50% and 60% of AMHI similar to the subject project. As such, these four LIHTC projects will offer a good base of comparability for the subject project. It is important to note however, that since these properties are located outside the Site PMA they will derive demographic support from different geographic areas as compared to the subject project and therefore are not considered directly competitive with the subject development. As such, these four LIHTC properties have been considered and included for comparability purposes only.

These four comparable properties and the proposed development are summarized as follows.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Hutchinson Crossing	2017	48	-	-	-	Families; 50% & 60% AMHI
901	Gateway Pines I	2012	56	100.0%	9.3 Miles	40 H.H.	Families; 50% & 60% AMHI
902	Ashton Crossings	1999	64	100.0%	27.0 Miles	50 H.H.	Families; 50% & 60% AMHI
905	Tallokas Pointe	2015	47	100.0%	25.6 Miles	73 H.H.	Families; 50% & 60% AMHI
910	Northgate Apts.	1996	112	100.0%	22.8 Miles	None	Families; 50% & 60% AMHI

900 Series Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households

The four comparable LIHTC projects comprise a total of 279 units which are 100.0% occupied. Also note that three of the four LIHTC projects maintain waiting lists which range from 40 to 73 households. The high occupancy rates and waiting lists maintained among the comparable properties indicate that general-occupancy LIHTC product is in high demand within the region. It is important to reiterate that the subject project will be the only LIHTC property (family or senior) in the Site PMA, which is expected to create a competitive advantage for the subject project and help fill a void in the Adel rental housing market.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers as well as the approximate number and share of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
901	Gateway Pines I	56*	N/A	-
902	Ashton Crossings	64	20	31.3%
905	Tallokas Pointe	47	3	6.4%
910	Northgate Apts.	112	20	17.9%
Total		223	43	19.3%

900 Series Map IDs are located outside the Site PMA

*Units not included in total

N/A – Number not available

As the preceding table illustrates, there are a total of approximately 43 voucher holders residing at the comparable properties within the region for which this information was available. This comprises 19.3% of the 223 total non-subsidized LIHTC units offered among these projects. Given that more than 80.0% of the units offered among these properties are occupied by non-voucher holders, it can be concluded that the gross rents at these properties are achievable within the region as evidenced by the overall 100.0% occupancy rate and will offer a good base of comparability for the subject development.

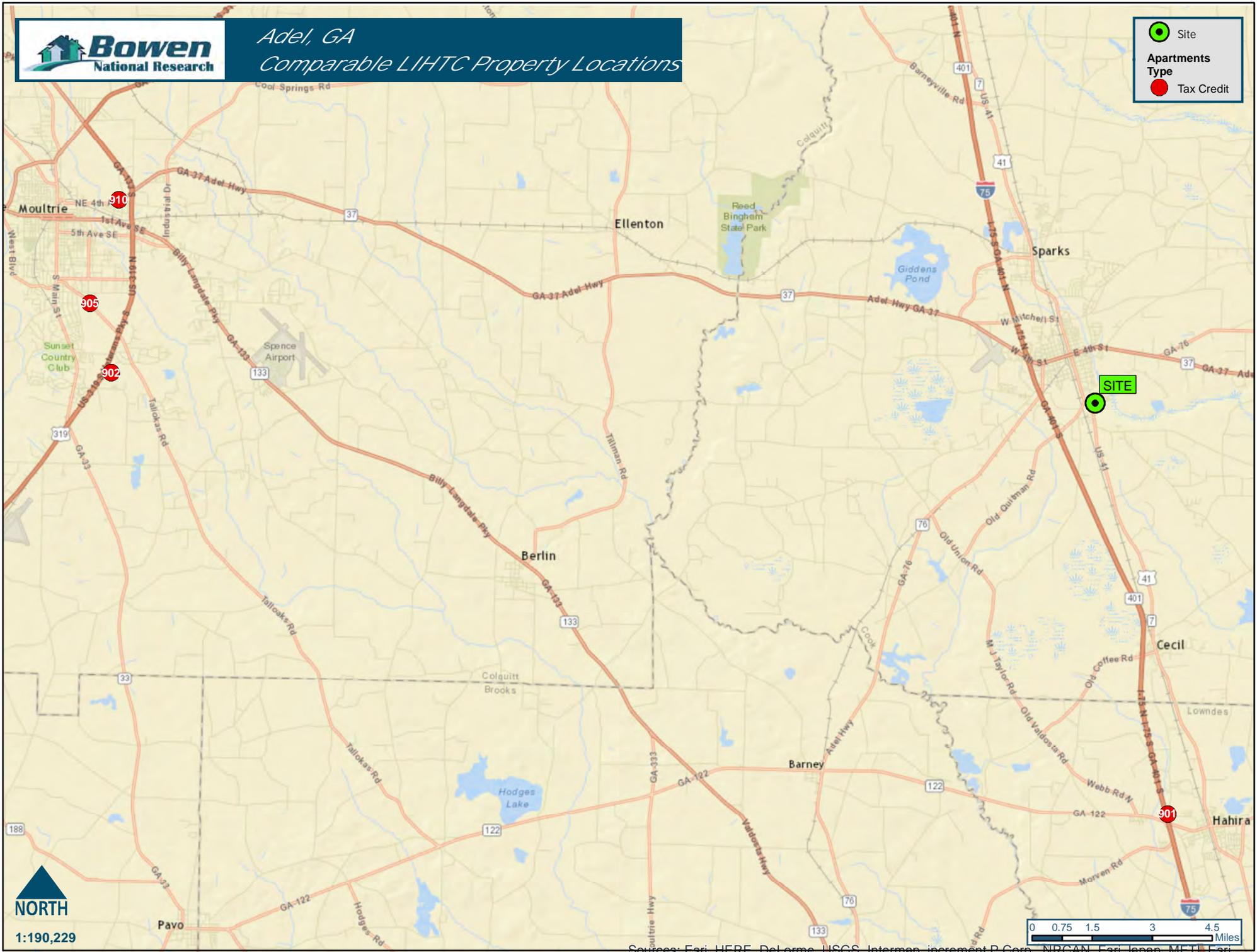
The map on the following page illustrates the location of the comparable Tax Credit properties relative to the proposed site location.



Adel, GA

Comparable LIHTC Property Locations

- Site
- Apartments Type
- Tax Credit



NORTH
1:190,229



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Hutchinson Crossing	\$440/50% (1) \$529/60% (3)	\$528/50% (5) \$635/60% (19)	\$611/50% (4) \$734/60% (16)	-
901	Gateway Pines I	\$532/50% (2/0) \$552/60% (6/0)	\$633/50% (3/0) \$688/60% (21/0)	\$732/50% (4/0) \$792/60% (20/0)	None
902	Ashton Crossings	\$472/50% (5/0) \$518/60% (3/0)	\$586/50% (13/0) \$662/60% (15/0)	\$672/50% (10/0) \$737/60% (18/0)	None
905	Tallokas Pointe	-	\$511/50% (7/0) \$541/60% (24/0)	\$589/50% (4/0) \$649/60% (12/0)	None
910	Northgate Apts.	-	\$517-\$597/50% (32/0)	\$598/50% (33/0) \$646/60% (47/0)	None

900 Series Map IDs are located outside the Site PMA

The subject's proposed gross Tax Credit rents ranging from \$440 to \$734 are within range of the rents reported among similar unit types at the comparable properties in the region. Although the comparable properties are located outside the Site PMA, they are located within the counties of Colquitt and Lowndes, which based on American Community Survey (ACS) data are relatively comparable to Cook County in terms of household income and rents charged. As such, the subject's proposed gross rents appear to be appropriately positioned within the region. Regardless, the subject's proposed rents are evaluated in further detail in the Achievable Market Rent section of this report.

The following table illustrates the weighted average collected rents of the comparable LIHTC projects by bedroom type.

Weighted Average Collected Rent Of Comparable LIHTC Units		
One-Br.	Two-Br.	Three-Br.
\$317 (50%)	\$366 (50%)	\$425 (50%)
\$374 (60%)	\$428 (60%)	\$483 (60%)

The rent advantage for the proposed units is calculated as follows (average weighted market rent – proposed rent) / proposed rent.

Bedrooms	Weighted Avg. Rent (% AMHI)	Proposed Rent (% AMHI)	Difference	Proposed Rent (% AMHI)	Rent Advantage
One-Br.	\$317 (50%)	- \$299 (50%)	\$18	/ \$299 (50%)	6.0%
	\$374 (60%)	- \$388 (60%)	-\$14	/ \$388 (60%)	-3.6%
Two-Br.	\$366 (50%)	- \$348 (50%)	\$18	/ \$348 (50%)	5.2%
	\$428 (60%)	- \$455 (60%)	-\$27	/ \$455 (60%)	-5.9%
Three-Br.	\$425 (50%)	- \$392 (50%)	\$33	/ \$392 (50%)	8.4%
	\$483 (60%)	- \$515 (60%)	-\$32	/ \$515 (60%)	-6.2%

As the preceding illustrates, the proposed subject units represent rent advantages ranging from negative 6.2% to positive 8.4%, depending upon unit type, as compared to the weighted average collected rents of the comparable LIHTC projects. Please note however that these are weighted averages of *collected* rents and do not reflect differences in the utility structure that gross rents include. Therefore caution must be used when drawing any conclusions. A complete analysis of the achievable market rent by bedroom type and the rent advantage of the proposed development's collected rents are available in Addendum E of this report.

The unit sizes (square footage) and number of bathrooms included in each of the different LIHTC unit types offered in the region are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Hutchinson Crossing	760	1,000	1,100
901	Gateway Pines I	828	1,070	1,254
902	Ashton Crossings	744	972	1,188
905	Tallokas Pointe	-	1,056	1,211
910	Northgate Apts.	-	975	1,150

900 Series Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Hutchinson Crossing	1.0	2.0	2.0
901	Gateway Pines I	1.0	2.0	2.0
902	Ashton Crossings	1.0	2.0	2.0
905	Tallokas Pointe	-	2.0	2.0
910	Northgate Apts.	-	2.0	2.0

900 Series Map IDs are located outside the Site PMA

The one- and two-bedroom units proposed at the subject project are within range of those offered among the comparable LIHTC projects in terms of square footage, though the proposed three-bedroom units will be the smallest of those offered among the comparable properties. Regardless, the proposed unit sizes (square feet) are considered appropriate for general-occupancy LIHTC product and are expected to be marketable to the targeted tenant population, especially when considering the lack of LIHTC product in the market. The number of bathrooms to be offered among the subject units is competitive with those offered among the comparable properties and should contribute to the project's marketability.

The following table compares the amenities of the subject development with the other LIHTC projects in the region.

COMPARABLE PROPERTIES AMENITIES - ADEL, GEORGIA

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X		X	X		X		C		X						B		S	
901	X	X		X		X	X		C		X	X					B		S	
902	X	X		X	X		X		C		X	X					B		S	Storage
905	X	X		X	X	X	X		C			X	X				B		S	
910	X	X		X	X		X		C		X		X				B		S	

MAP ID	PROJECT AMENITIES														OTHER				
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE	COMPUTER LAB		LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X		X			X								X			
901		X	X		A	X		X						X	X	X		X	
902	X	X	X	X				X		B						X	X		
905		X	X		X			X					X			X			
910	X	X	X		X			X		B									

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room



The subject project will offer an amenity package that is considered competitive with those offered among the comparable properties and will include such amenities as dishwashers, washer/dryer hookups, a community space and on-site management which will ensure the project's competitive position within the region. The amenity package to be offered at the subject development is considered marketable to the targeted tenant population and does not appear to lack any key unit or project amenities that would adversely impact its marketability within the Adel market.

Comparable/Competitive Tax Credit Summary

As discussed throughout this report and illustrated in our Field Survey of Conventional Rentals, there are no LIHTC projects (family or senior) in the Adel Site PMA. As such, the subject development is expected to help fill a void in the Adel rental housing market. The four comparable LIHTC properties surveyed outside the Site PMA but within the region each report occupancy rates of 100.0% with three maintaining waiting lists for their next available units. These high occupancy rates and waiting lists are good indications of pent-up demand for additional LIHTC product within the region. The subject project is considered to be competitively and appropriately positioned in terms of gross rents, unit size (square feet), number of bathrooms offered and amenities offered, as compared to similar unit types at the comparable LIHTC properties surveyed in the region. Overall, the subject development is expected to provide a much needed rental alternative to the Adel market and is considered marketable to the targeted tenant population.

Comparable/Competitive Housing Impact

As stated throughout this report, the subject development will be the first Tax Credit property offered within the Site PMA. As such, the subject development is not expected to have any adverse impact on existing rental product within the Adel market, as it will target a tenant population that is considered to be underserved.

5. SINGLE-FAMILY HOME IMPACT

According to ESRI, the median home value within the Site PMA was \$81,220. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for an \$81,220 home is \$489, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$81,220
Mortgaged Value = 95% of Median Home Price	\$77,159
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$391
Estimated Taxes and Insurance*	\$98
Estimated Monthly Mortgage Payment	\$489

*Estimated at 25% of principal and interest

In comparison, the proposed monthly collected Tax Credit rents at the subject project range from \$299 to \$515, depending upon bedroom type and AMHI level. While some potential tenants of the subject project may be able to afford the cost of a monthly mortgage for a typical home in the area, the number that could also afford the cost of a down payment, routine maintenance costs, and/or typical monthly utility expenses associated with such a home is considered minimal. Based on the preceding factors, we do not anticipate any competitive impact on or from the homebuyer market.

One page profiles of the Comparable Tax Credit properties are included in Addendum B of this report.

SECTION I – ABSORPTION & STABILIZATION RATES

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2017 completion date for the site, we also assume that initial units at the site will be available for rent sometime in 2017.

Considering the facts contained in the market study and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the subject development. Our absorption projections take into consideration the lack of LIHTC product in the market, the subject's capture rate, achievable market rents and the competitiveness of the proposed subject development within the Adel Site PMA. Our absorption projections also take into consideration that the developer and/or management successfully markets the project throughout the Site PMA.

Based on our analysis, it is our opinion that the 48 proposed LIHTC units at the subject site will reach a stabilized occupancy of at least 93.0% within approximately six months of opening. This absorption period is based on an average monthly absorption rate of approximately seven to eight units per month.

These absorption projections assume a March 2017 opening date. A different opening date may impact the absorption potential (positively or negatively) for the subject project. Further, these absorption projections assume the project will be built and operated as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

SECTION J – INTERVIEWS

The following are summaries of interviews conducted with various local sources regarding the need for affordable housing within the Adel Site PMA.

- Lisa Collins is the Director of the Cook County Economic Development Commission. According to Ms. Collins, there is a definite need for more housing in the Adel area. Ms. Collins believes that both affordable and market-rate units for singles and families are greatly needed within the Adel/Cook County area. Ms. Collins further stated that the new Walmart Supercenter to be built in Adel will create approximately 260 new jobs and has also increased interest from other retailers and restaurants which are considering new locations near the Walmart site. Ms. Collins feels that the construction of the new Walmart Supercenter and increased interest by additional businesses to locate to the Adel area near the Walmart will likely increase the need for housing in the area.
- Pat McNally is the Director of the Georgia Department of Community Affairs' Rental Assistance Division-Waycross Office-Southern Region. Mr. McNally stated that there is a huge need for affordable housing in the South Georgia Region. Specifically, due to budget cuts the waiting lists for additional Housing Choice Vouchers (HCV) have been closed for more than two years in all counties that the Waycross Office serves, including Cook County. Mr. McNally further stated that his office receives calls regularly from residents seeking affordable housing or housing assistance within their jurisdiction.

SECTION K – CONCLUSIONS & RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 48 general-occupancy LIHTC units proposed at the subject site, assuming it is developed and operated as detailed in this report. Changes to the project's site design, rents, amenities or opening date may alter these findings.

The proposed subject site is located within a primarily residential neighborhood in Adel, Georgia. The existing structures within the immediate site neighborhood are generally considered to be in relatively good condition and are expected to contribute to the project's overall marketability. Agricultural land also borders the site to the east and south and provides a natural buffer to additional surrounding land uses. The subject site is also expected to benefit from its proximity to South Hutchinson Avenue (U.S. Highway 41) which will allow for convenient access to and from the subject site, as well as to most area services within the Adel area.

The Adel rental housing market offers a very limited supply of rental product, as only two properties were identified and surveyed in the Site PMA. Notably, there are no LIHTC properties (family or senior) in the Site PMA. As such, the subject project will introduce a new affordable rental alternative, which is expected to help fill a void in the Adel rental housing market. In addition to providing a rental alternative to an underserved population, the subject project is considered to be appropriately positioned in terms of rents, unit sizes (square feet) and amenities offered, as compared to similar unit types offered among the comparable LIHTC projects surveyed outside the Site PMA but within the nearby region.

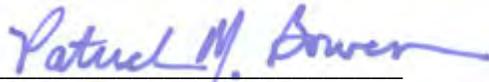
Demographic trends within the Adel Site PMA are projected to be positive between 2015 and 2017 in terms of total population and households. Additionally, 2,200 renter households are projected for the Site PMA in 2017, of which more than 65% are projected to earn less than \$30,000. This demonstrates a good base of potential renter support for low-income housing such as that proposed at the subject site. This base of potential income-appropriate renter support within the market is further demonstrated by subject's overall capture rate of 12.2%, which is considered low and demonstrates a deep base of potential support for the subject development.

Based on the preceding analysis and facts contained within this report, we believe the proposed subject development is marketable and supportable within the Adel Site PMA, as proposed. As there are currently no LIHTC properties in the Site PMA, the subject project is not expected to have any adverse impact on future occupancy rates among the existing rental properties in the Site PMA. In fact, we expect the subject project will help fill a void in the Adel rental housing market. We do not have any recommendations or modifications to the subject development at this time.

SECTION L - SIGNED STATEMENT

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study regarding the need and demand for new rental units. To the best of my knowledge, the market can support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or any relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written in accordance with my understanding of the GA-DCA market study manual and GA-DCA Qualified Action Plan.

Certified:



Patrick Bowen
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Date: May 26, 2015



Garth Semple
Market Analyst
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Date: May 26, 2015



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: May 26, 2015

SECTION M – MARKET STUDY REPRESENTATION

The Georgia Department of Community Affairs (DCA) may rely on the representation made in the market study and that the market study is assignable to other lenders that are parties to the DCA loan transaction.

SECTION N - QUALIFICATIONS

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

The Staff

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Stephanie Viren is the Field Research Director at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Christine Atkins, In-House Research Coordinator, has experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis since 2012, she has the ability to analyze market and economic trends and conditions. Ms. Atkins holds a Bachelor of Arts in Communication from the University of Cincinnati.

Lisa Wood, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Tyler Bowers, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Bowers has a Bachelor Degree of Arts in History from Indiana University.

Desireé Johnson is the Executive Administrative Assistant at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Heather Moore, Marketing Director, has been with Bowen National Research since the fall of 2010. She has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Ms. Moore has a Bachelors of Arts in Marketing from Urbana University.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

In-House Researchers – Bowen National Research employs a staff of seven in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices and chambers of commerce, housing authorities and residents.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

ADEL, GEORGIA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

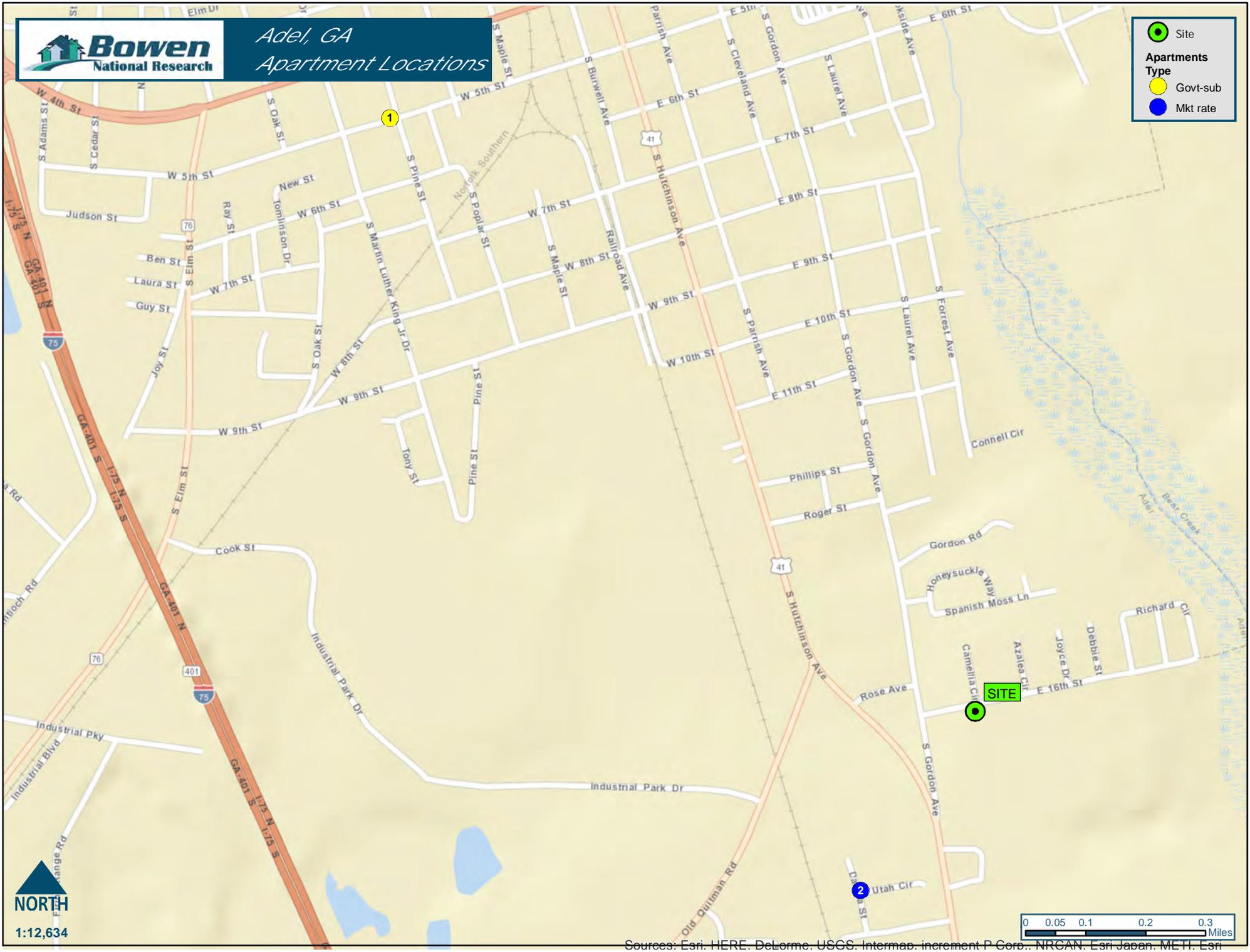
- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

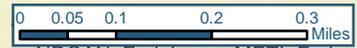


Adel, GA Apartment Locations

 Site
Apartments Type
 Govt-sub
 Mkt rate




 NORTH
 1:12,634



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

MAP IDENTIFICATION LIST - ADEL, GEORGIA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	West 500 Corporation	GSS	C-	2001	5	0	100.0%	1.5
2	41 South Apts.	MRR	B	2011	48	1	97.9%	0.3

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	1	48	1	97.9%	0
GSS	1	5	0	100.0%	0

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

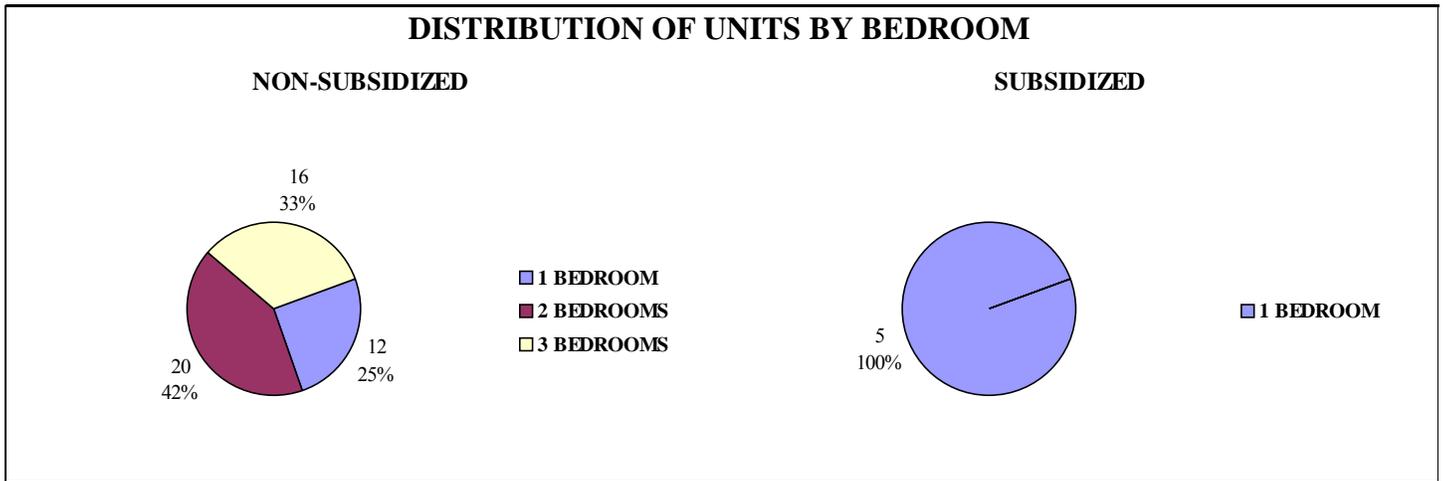
* - Drive Distance (Miles)

Survey Date: April 2015

DISTRIBUTION OF UNITS - ADEL, GEORGIA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	12	25.0%	1	8.3%	\$621
2	1	20	41.7%	0	0.0%	\$692
3	2	16	33.3%	0	0.0%	\$825
TOTAL		48	100.0%	1	2.1%	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	5	100.0%	0	0.0%	N.A.
TOTAL		5	100.0%	0	0.0%	
GRAND TOTAL		53	-	1	1.9%	



SURVEY OF PROPERTIES - ADEL, GEORGIA

1 West 500 Corporation			
	<p>Address 500 W. 5th St. Adel, GA 31620</p> <p>Year Built 2001</p> <p>Comments HUD Section 8; Group home; Year built & square footage estimated</p>	<p>Phone (912) 367-9555 (Contact in person)</p> <p>Contact Kathy</p>	<p>Total Units 5</p> <p>Vacancies 0</p> <p>Occupied 100.0%</p> <p>Floors 1</p> <p>Quality Rating C-</p> <p>Waiting List None</p>
	<th colspan="2">2 41 South Apts.</th>		2 41 South Apts.
	<p>Address 110-112 Utah Cir. & 1410-1420 Dakot Adel, GA 31620</p> <p>Year Built 2011</p> <p>Comments Does not accept HCV</p>	<p>Phone (229) 546-8893 (Contact in person)</p> <p>Contact Tim</p>	<p>Total Units 48</p> <p>Vacancies 1</p> <p>Occupied 97.9%</p> <p>Floors 2,3</p> <p>Quality Rating B</p> <p>Waiting List None</p>

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: April 2015

COLLECTED RENTS - ADEL, GEORGIA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
2		\$500	\$535	\$635					

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: April 2015

PRICE PER SQUARE FOOT - ADEL, GEORGIA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	41 South Apts.	1	500	\$621	\$1.24
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	41 South Apts.	1	900	\$692	\$0.77
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
2	41 South Apts.	2	1300	\$825	\$0.63

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: April 2015

AVERAGE GROSS RENT PER SQUARE FOOT - ADEL, GEORGIA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.24	\$0.77	\$0.63
TOWNHOUSE	\$0.00	\$0.00	\$0.00

QUALITY RATING - ADEL, GEORGIA

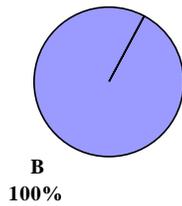
MARKET-RATE PROJECTS AND UNITS

QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	1	48	2.1%		\$621	\$692	\$825	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS

TAX CREDIT UNITS



YEAR BUILT - ADEL, GEORGIA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	0	0	0	0.0%	0	0.0%
2008	0	0	0	0.0%	0	0.0%
2009	0	0	0	0.0%	0	0.0%
2010	0	0	0	0.0%	0	0.0%
2011	1	48	1	2.1%	48	100.0%
2012	0	0	0	0.0%	48	0.0%
2013	0	0	0	0.0%	48	0.0%
2014	0	0	0	0.0%	48	0.0%
2015**	0	0	0	0.0%	48	0.0%
TOTAL	1	48	1	2.1%	48	100.0 %

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of April 2015

Survey Date: April 2015

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APPLIANCES AND UNIT AMENITIES - ADEL, GEORGIA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	1	100.0%	48
REFRIGERATOR	1	100.0%	48
ICEMAKER	0	0.0%	
DISHWASHER	1	100.0%	48
DISPOSAL	1	100.0%	48
MICROWAVE	0	0.0%	
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	1	100.0%	48
AC - WINDOW	0	0.0%	
FLOOR COVERING	1	100.0%	48
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	1	100.0%	48
PATIO/DECK/BALCONY	1	100.0%	48
CEILING FAN	1	100.0%	48
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	1	100.0%	48
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - ADEL, GEORGIA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	0	0.0%	
LAUNDRY	0	0.0%	
CLUB HOUSE	0	0.0%	
MEETING ROOM	0	0.0%	
FITNESS CENTER	0	0.0%	
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	1	100.0%	48
COMPUTER LAB	0	0.0%	
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	0	0.0%	
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - ADEL, GEORGIA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	5	9.4%
TENANT			
ELECTRIC	1	48	90.6%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	5	9.4%
TENANT			
ELECTRIC	1	48	90.6%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	5	9.4%
TENANT			
ELECTRIC	1	48	90.6%
			100.0%
ELECTRIC			
LANDLORD	1	5	9.4%
TENANT	1	48	90.6%
			100.0%
WATER			
LANDLORD	2	53	100.0%
			100.0%
SEWER			
LANDLORD	2	53	100.0%
			100.0%
TRASH PICK-UP			
LANDLORD	2	53	100.0%
			100.0%

UTILITY ALLOWANCE - ADEL, GEORGIA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$12	\$17		\$35	\$14	\$20	\$5	\$7	\$44	\$12	\$19	\$14	\$20
1	GARDEN	\$17	\$23		\$48	\$19	\$28	\$7	\$9	\$61	\$16	\$25	\$14	\$20
1	TOWNHOUSE	\$17	\$23		\$48	\$19	\$28	\$7	\$9	\$61	\$16	\$25	\$14	\$20
2	GARDEN	\$22	\$30		\$60	\$24	\$36	\$9	\$12	\$79	\$20	\$31	\$14	\$20
2	TOWNHOUSE	\$22	\$30		\$60	\$24	\$36	\$9	\$12	\$79	\$20	\$31	\$14	\$20
3	GARDEN	\$27	\$36		\$73	\$29	\$44	\$11	\$14	\$96	\$25	\$37	\$14	\$20
3	TOWNHOUSE	\$27	\$36		\$73	\$29	\$44	\$11	\$14	\$96	\$25	\$37	\$14	\$20
4	GARDEN	\$34	\$46		\$95	\$36	\$57	\$14	\$18	\$122	\$32	\$44	\$14	\$20
4	TOWNHOUSE	\$34	\$46		\$95	\$36	\$57	\$14	\$18	\$122	\$32	\$44	\$14	\$20

GA-Southern Region (7/2014)

Survey Date: April 2015

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ADDENDUM B

COMPARABLE PROPERTY PROFILES

2 41 South Apts.

0.3 miles to site



Address 110-112 Utah Cir. & 1410-1420 Dakota St.
Adel, GA 31620

Phone (229) 546-8893 **Contact** Tim

Total Units 48 **Vacancies** 1 **Percent Occupied** 97.9%

Project Type Market-Rate

Year Open 2011 **Floors** 2,3

Concessions No Rent Specials

Parking Surface Parking

Waiting List NONE

Quality Rating B **Neighborhood Rating** B

Remarks Does not accept HCV



Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities Playground

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT
1	1	G	12	1	500	\$1.00	\$500
2	1	G	20	0	900	\$0.59	\$535
3	2	G	16	0	1300	\$0.49	\$635

906 Links Apts.

18.4 miles to site



Address	3715 N. Valdosta Rd. Valdosta, GA 31602		
Phone	(229) 333-0999	Contact	Lyndsey
Total Units	256	Vacancies	3
		Percent Occupied	98.8%
Project Type	Market-Rate		
Year Open	1999	Floors	2,3
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV; Phase II built in 2002, has gas hot water (45 units); Select 3-br have fireplace		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Fireplace, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Security Gate, Car Wash Area, Picnic Area, Dog Park

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	96	1	733 to 854	\$0.91 - \$1.02	\$750 to \$780
2	2	G	104	1	1200 to 1350	\$0.70 - \$0.76	\$910 to \$950
3	2	G	56	1	1390 to 1540	\$0.67 - \$0.71	\$985 to \$1025

908 Residences at Five Points

20.2 miles to site



Address	100 Garden Dr. Valdosta, GA 31602		
Phone	(229) 293-7317	Contact	Hunter
Total Units	264	Vacancies	42
		Percent Occupied	84.1%
Project Type	Market-Rate		
Year Open	2010	Floors	3
Concessions	50% off 1st month's rent; Reported 3-br/3-ba rent discounted		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	A+	Neighborhood Rating	B
Remarks	Does not accept HCV; Typical rent: 3-br/3-ba: \$1,268; Vacancies attributed to military transfer, students graduating & high rents		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer & Dryer, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Club House, Meeting Room, Fitness Center, Playground, Sports Court, Storage, Security Gate, Car Wash Area, Picnic Area, Consierge, Social Services, Dog Park, Tanning, Game Room; Media Center

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	48	8	633	\$1.33	\$840
2	2	G	132	21	909 to 930	\$1.03 - \$1.04	\$944 to \$958
3	2 to 3	G	84	13	1099 to 1138	\$1.04 - \$1.11	\$1139 to \$1260

909 Staten Crossing

20.6 miles to site



Address	3925 N. Oak St. Extension Valdosta, GA 31605		
Phone	(229) 247-9880	Contact	Kristen
Total Units	198	Vacancies	4
		Percent Occupied	98.0%
Project Type	Market-Rate		
Year Open	1998	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	3-br: 2-3 months		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Does not accept HCV		

Features and Utilities

Utilities	Landlord pays Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Fitness Center, Playground, Sports Court, Security Gate, Car Wash Area, Picnic Area, Dog Park

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT
1	1	G	48	0	815	\$0.81 - \$0.84	\$660 to \$685
2	2	G	118	4	1028 to 1058	\$0.74 - \$0.76	\$765 to \$800
3	2	G	32	0	1362	\$0.63 - \$0.65	\$860 to \$890

901 Gateway Pines I

9.3 miles to site



Address	770 Union Rd. Hahira, GA 31632		
Phone	(229) 794-1125	Contact	BJ
Total Units	56	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2012	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	40 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	50% & 60% AMHI		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area, Business Center

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	828	\$0.47	\$390	60%
1	1	G	2	0	828	\$0.45	\$370	50%
2	2	G	21	0	1070	\$0.45	\$480	60%
2	2	G	3	0	1070	\$0.40	\$425	50%
3	2	G	20	0	1254	\$0.43	\$540	60%
3	2	G	4	0	1254	\$0.38	\$480	50%

902 Ashton Crossings

27.0 miles to site



Address	3109 Veterans Pkwy. S Moultrie, GA 31788		
Phone	(229) 985-5255	Contact	Jamie
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1999	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	50 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (20 units)		

Features and Utilities

Utilities	No landlord paid utilities
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Club House, Playground, Sports Court, Picnic Area, Social Services

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	3	0	744	\$0.46	\$342	60%
1	1	G	5	0	744	\$0.40	\$296	50%
2	2	G	15	0	972	\$0.45	\$440	60%
2	2	G	13	0	972	\$0.37	\$364	50%
3	2	G	18	0	1188	\$0.40	\$471	60%
3	2	G	10	0	1188	\$0.34	\$406	50%

905 Tallokas Pointe

25.6 miles to site



Address	2001 Tallokas Pointe Rd. Moultrie, GA 31788		
Phone	(229) 890-0729	Contact	Helen
Total Units	47	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2015	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	73 households		
Quality Rating	B+	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (3 units)		

Features and Utilities

Utilities	Landlord pays Sewer
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Playground, Lake, Computer Lab, Picnic Area

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	24	0	1056	\$0.33	\$350	60%
2	2	G	7	0	1056	\$0.30	\$320	50%
3	2	G	12	0	1211	\$0.35	\$420	60%
3	2	G	4	0	1211	\$0.30	\$360	50%

910 Northgate Apts.

22.8 miles to site



Address 1515 4th Ave. NE
Moultrie, GA 31768

Phone (229) 891-3656 **Contact** Laken

Total Units 112 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 1996 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List NONE

Quality Rating B- **Neighborhood Rating** B

Remarks HCV (20 units); 50% & 60% AMHI



Features and Utilities

Utilities Landlord pays Water, Sewer, Trash
Unit Amenities Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Playground, Sports Court

Unit Configuration

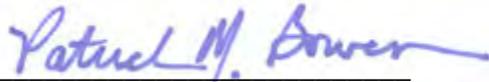
BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	2	G	19	0	975	\$0.47	\$460	50%
2	2	G	13	0	975	\$0.39	\$380	50%
3	2	G	47	0	1150	\$0.42	\$480	60%
3	2	G	33	0	1150	\$0.38	\$432	50%

ADDENDUM C – MEMBER CERTIFICATION & CHECKLIST

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

Bowen National Research is duly qualified and experienced in providing market analysis for housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

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ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	F
19.	Historical unemployment rate	F
20.	Area major employers	F
21.	Five-year employment growth	F
22.	Typical wages by occupation	F
23.	Discussion of commuting patterns of area workers	F
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	E
25.	Area building permits	H
26.	Distribution of income	H
27.	Households by tenure	H
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H & Addendum E
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	K
48.	Market strengths and weaknesses impacting project	K
49.	Recommendations and/or modification to project discussion	K
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	I
52.	Discussion of risks or other mitigating circumstances impacting project projection	H
53.	Interviews with area housing stakeholders	J

CHECKLIST (Continued)

		Section (s)
OTHER REQUIREMENTS		
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	Addendum B
57.	Statement of qualifications	N
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum D – Methodologies, Disclaimers & Sources

1. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit (LIHTC) project to be developed in Adel, Georgia by Hutchinson Crossing Adel, LP (Owner) and Hutchinson Crossing Adel Development, LLC (Developer).

This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the accepted definitions of key terms used in market studies for affordable housing projects, and model content standards for the content of market studies for affordable housing projects. These standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

2. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the subject project is identified. The PMA is generally described as the smallest geographic area from which most of the support for the subject project originates. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of

product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the subject property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the subject development. An in-depth evaluation of these two property types provides an indication of the potential of the subject development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the subject project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the subject development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the subject development.
- An analysis of the subject project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows GDCA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the subject development's capture rate is achievable.
- Achievable market rent for the subject development is determined. Using a Rent Comparability Grid, the features of the subject development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the subject unit. This analysis is done for each bedroom type offered at the site.

Please note that non-numbered items in this report are not required by GDCA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the continued market feasibility of the subject project.

3. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; however, Bowen National Research makes a significant effort to assure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions or conclusions in, or the use of, this study.

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4. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- Urban Decision Group (UDG)
- ESRI
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- HISTA Data (household income by household size, tenure and age of head of household) by Ribbon Demographics

ADDENDUM E - ACHIEVABLE MARKET RENT ANALYSIS

A. INTRODUCTION

As stated throughout this report, the Adel Site PMA offers a very limited supply of rental product. However, we did identify one market-rate property within the Adel Site PMA that we consider comparable to the proposed subject development in terms of age, design, unit types offered, unit size (square feet) and/or amenities offered. Given the limited supply of comparable market-rate product within the Site PMA, we also identified and surveyed three additional market-rate properties outside the Site PMA but within the region in Valdosta, Georgia that we consider comparable to the subject development. The four selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the following factors:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the proposed subject project does not have a washer or dryer and a selected property does, we lower the collected rent of the selected property by the estimated value of a washer and dryer to derive an *achievable market rent* for a project similar to the proposed project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and Bowen National Research's prior experience in markets nationwide.

The proposed subject development and the four selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Hutchinson Crossing	2017	48	-	4 (-)	24 (-)	20 (-)
2	41 South Apts.	2011	48	97.9%	12 (91.7%)	20 (100.0%)	16 (100.0%)
906	Links Apts.	1999	256	98.8%	96 (99.0%)	104 (99.0%)	56 (98.2%)
908	Residences at Five Points	2010	264	84.1%	48 (83.3%)	132 (84.1%)	84 (84.5%)
909	Staten Crossing	1998	198	98.0%	48 (100.0%)	118 (96.6%)	32 (100.0%)

900 Series Map IDs are located outside the Site PMA

Occ. – Occupancy

The four selected market-rate projects have a combined total of 766 units with an overall occupancy rate of 92.7%. None of the comparable properties has an occupancy rate below 84.1%. Note that the 84.1% occupancy rate reported at Residences at Five Points (Map ID 908) is attributed to multiple recent student move-outs, military deployment, and the fact that rents at this property are some of the highest in the region, according to management at this property. It is important to note however, that this property is currently offering 50% off the first month's rent as a concession on its available units. It should also be noted that at the time of our last survey of this property in March of 2014, an occupancy rate of 95.5% was reported, demonstrating that this property typically maintains a higher occupancy than that currently reported. Regardless, the occupancy rates reported among the four selected properties indicate that each is well-received within its respective market and should therefore offer an accurate base of comparability for the subject development.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate adjustments made (as needed) for various features and locations or neighborhood characteristics, as well as for quality differences that exist between the selected properties and the proposed subject development.

Rent Comparability Grid

Unit Type → **ONE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Hutchinson Crossing East 16th Street & South Gordon Avenue Adel, GA		41 South Apts. 110-112 Utah Cir. & 1410-1420 Dakota St. Adel, GA		Links Apts. 3715 N. Valdosta Rd. Valdosta, GA		Residences at Five Points 100 Garden Dr. Valdosta, GA		Staten Crossing 3925 N. Oak St. Extension Valdosta, GA	
Data		Data		Data		Data		Data	
Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data		Data		Data		Data	
1	\$ Last Rent / Restricted?	\$500		\$750		\$840		\$673	
2	Date Surveyed	May-15		May-15		May-15		May-15	
3	Rent Concessions	None		None		Yes (\$35)		None	
4	Occupancy for Unit Type	92%		99%		83%		100%	
5	Effective Rent & Rent/ sq. ft	\$500	1.00	\$750	1.02	\$805	1.27	\$673	0.83
B. Design, Location, Condition		Data		Data		Data		Data	
6	Structure / Stories	WU/2	WU/2,3	WU/2,3		WU/3		WU/2,3	
7	Yr. Built/Yr. Renovated	2017	2011 \$6	1999 \$18		2010 \$7		1998 \$19	
8	Condition/Street Appeal	E	G \$15	G \$15		E		G \$15	
9	Neighborhood	G		G		G		G	
10	Same Market?		Yes	No (\$75)		No (\$81)		No (\$67)	
C. Unit Equipment/ Amenities		Data		Data		Data		Data	
11	# Bedrooms	1	1	1		1		1	
12	# Baths	1	1	1		1		1	
13	Unit Interior Sq. Ft.	760	500 \$67	733 \$7		633 \$33		815 (\$14)	
14	Balcony/ Patio	N	N	Y (\$5)		Y (\$5)		Y (\$5)	
15	AC: Central/ Wall	C	C	C		C		C	
16	Range/ Refrigerator	R/F	R/F	R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y	N/Y	Y/Y (\$5)		Y/Y (\$5)		Y/Y (\$5)	
18	Washer/Dryer	HU/L	HU \$5	HU \$5		W/D (\$25)		HU \$5	
19	Floor Coverings	C	C	C		C		C	
20	Window Coverings	B	B	B		B		B	
21	Intercom/Security System	N/N	N/N	N/N		N/N		N/N	
22	Garbage Disposal	Y	Y	Y		Y		Y	
23	Ceiling Fans	N	Y (\$5)	Y (\$5)		Y (\$5)		Y (\$5)	
D Site Equipment/ Amenities		Data		Data		Data		Data	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	N \$5	Y		Y		Y	
26	Security Gate	N	N	Y (\$5)		Y (\$5)		Y (\$5)	
27	Clubhouse/ Meeting Rooms	Y	N \$5	Y		Y		Y	
28	Pool/ Recreation Areas	N	N	P/F (\$15)		P/F/S/MT/TB (\$24)		P/F/S (\$18)	
29	Computer Center	N	N	N		N		N	
30	Picnic Area	Y	N \$3	Y		Y		Y	
31	Playground	Y	Y	Y		Y		Y	
32	Social Services	N	N	N		Y (\$10)		N	
E. Utilities		Data		Data		Data		Data	
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
37	Other Electric	N	N	N		N		N	
38	Cold Water/ Sewer	N/N	Y/Y (\$41)	N/N		Y/Y (\$41)		N/Y (\$25)	
39	Trash /Recycling	Y/N	Y/N	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos		Neg		Pos		Neg	
40	# Adjustments B to D	7	1	4	6	2	8	3	7
41	Sum Adjustments B to D	\$106	(\$5)	\$45	(\$110)	\$40	(\$160)	\$39	(\$119)
42	Sum Utility Adjustments		(\$41)				(\$41)		(\$25)
		Net		Gross		Net		Gross	
43	Net/ Gross Adjmts B to E	\$60	\$152	(\$65)	\$155	(\$161)	\$241	(\$105)	\$183
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$560		\$685		\$644		\$568	
45	Adj Rent/Last rent		112%		91%		80%		84%
46	Estimated Market Rent	\$605	\$0.80	← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **TWO BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4	
Hutchinson Crossing East 16th Street & South Gordon Avenue Adel, GA		41 South Apts. 110-112 Utah Cir. & 1410-1420 Dakota St. Adel, GA		Links Apts. 3715 N. Valdosta Rd. Valdosta, GA		Residences at Five Points 100 Garden Dr. Valdosta, GA		Staten Crossing 3925 N. Oak St. Extension Valdosta, GA	
Data on Subject		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
A. Rents Charged		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
1	\$ Last Rent / Restricted?	\$535		\$910		\$958		\$765	
2	Date Surveyed	May-15		May-15		May-15		May-15	
3	Rent Concessions	None		None		Yes (\$40)		None	
4	Occupancy for Unit Type	100%		99%		84%		97%	
5	Effective Rent & Rent/ sq. ft	\$535	0.59	\$910	0.76	\$918	0.99	\$765	0.74
B. Design, Location, Condition		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
6	Structure / Stories	WU/2	WU/2,3	WU/2,3		WU/3		WU/2,3	
7	Yr. Built/Yr. Renovated	2017	2011 \$6	1999 \$18		2010 \$7		1998 \$19	
8	Condition/Street Appeal	E	G \$15	G \$15		E		G \$15	
9	Neighborhood	G		G		G		G	
10	Same Market?		Yes	No (\$91)		No (\$92)		No (\$77)	
C. Unit Equipment/ Amenities		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
11	# Bedrooms	2	2	2		2		2	
12	# Baths	2	1 \$30	2		2		2	
13	Unit Interior Sq. Ft.	1000	900 \$20	1200 (\$39)		930 \$14		1028 (\$5)	
14	Balcony/ Patio	N	N	Y (\$5)		Y (\$5)		Y (\$5)	
15	AC: Central/ Wall	C	C	C		C		C	
16	Range/ Refrigerator	R/F	R/F	R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y	N/Y	Y/Y (\$5)		Y/Y (\$5)		Y/Y (\$5)	
18	Washer/Dryer	HU/L	HU \$5	HU \$5		W/D (\$25)		HU \$5	
19	Floor Coverings	C	C	C		C		C	
20	Window Coverings	B	B	B		B		B	
21	Intercom/Security System	N/N	N/N	N/N		N/N		N/N	
22	Garbage Disposal	Y	Y	Y		Y		Y	
23	Ceiling Fans	N	Y (\$5)	Y (\$5)		Y (\$5)		Y (\$5)	
D. Site Equipment/ Amenities		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	N \$5	Y		Y		Y	
26	Security Gate	N	N	Y (\$5)		Y (\$5)		Y (\$5)	
27	Clubhouse/ Meeting Rooms	Y	N \$5	Y		Y		Y	
28	Pool/ Recreation Areas	N	N	P/F (\$15)		P/F/S/MT/TB (\$24)		P/F/S (\$18)	
29	Computer Center	N	N	N		N		N	
30	Picnic Area	Y	N \$3	Y		Y		Y	
31	Playground	Y	Y	Y		Y		Y	
32	Social Services	N	N	N		Y (\$10)		N	
E. Utilities		Data \$ Adj		Data \$ Adj		Data \$ Adj		Data \$ Adj	
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E	N/E	N/E		N/E		N/E	
37	Other Electric	N	N	N		N		N	
38	Cold Water/ Sewer	N/N	Y/Y (\$51)	N/N		Y/Y (\$51)		N/Y (\$31)	
39	Trash /Recycling	Y/N	Y/N	Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos Neg		Pos Neg		Pos Neg		Pos Neg	
40	# Adjustments B to D	8	1	3	7	2	8	3	7
41	Sum Adjustments B to D	\$89	(\$5)	\$38	(\$165)	\$21	(\$171)	\$39	(\$120)
42	Sum Utility Adjustments		(\$51)				(\$51)		(\$31)
		Net Gross		Net Gross		Net Gross		Net Gross	
43	Net/ Gross Adjmts B to E	\$33	\$145	(\$127)	\$203	(\$201)	\$243	(\$112)	\$190
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$568		\$783		\$717		\$653	
45	Adj Rent/Last rent		106%		86%		78%		85%
46	Estimated Market Rent	\$660	\$0.66	← Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1	Comp #2	Comp #3	Comp #4		
Hutchinson Crossing East 16th Street & South Gordon Avenue Adel, GA		41 South Apts. 110-112 Utah Cir. & 1410-1420 Dakota St. Adel, GA	Links Apts. 3715 N. Valdosta Rd. Valdosta, GA	Residences at Five Points 100 Garden Dr. Valdosta, GA	Staten Crossing 3925 N. Oak St. Extension Valdosta, GA		
Data on Subject		Data	Data	Data	Data		
Subject		Adel, GA	Valdosta, GA	Valdosta, GA	Valdosta, GA		
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$635		\$985		\$1,139	\$875
2	Date Surveyed	May-15		May-15		May-15	May-15
3	Rent Concessions	None		None		Yes (\$48)	None
4	Occupancy for Unit Type	100%		98%		85%	100%
5	Effective Rent & Rent/ sq. ft	\$635	0.49	\$985	0.71	\$1,091	0.99
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2	WU/2,3	WU/2,3		WU/3	WU/2,3
7	Yr. Built/Yr. Renovated	2017	2011 \$6	1999 \$18		2010 \$7	1998 \$19
8	Condition/Street Appeal	E	G \$15	G \$15		E	G \$15
9	Neighborhood	G	G	G		G	G
10	Same Market?		Yes	No (\$99)		No (\$109)	No (\$88)
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3	3	3		3	3
12	# Baths	2	2	2		2	2
13	Unit Interior Sq. Ft.	1100	1300 (\$35)	1390 (\$51)		1099 \$0	1362 (\$46)
14	Balcony/ Patio	N	N	Y (\$5)		Y (\$5)	Y (\$5)
15	AC: Central/ Wall	C	C	C		C	C
16	Range/ Refrigerator	R/F	R/F	R/F		R/F	R/F
17	Microwave/ Dishwasher	N/Y	N/Y	Y/Y (\$5)		Y/Y (\$5)	Y/Y (\$5)
18	Washer/Dryer	HU/L	HU \$5	HU \$5		W/D (\$25)	HU \$5
19	Floor Coverings	C	C	C		C	C
20	Window Coverings	B	B	B		B	B
21	Intercom/Security System	N/N	N/N	N/N		N/N	N/N
22	Garbage Disposal	Y	Y	Y		Y	Y
23	Ceiling Fans	N	Y (\$5)	Y (\$5)		Y (\$5)	Y (\$5)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0	LOT/\$0	LOT/\$0		LOT/\$0	LOT/\$0
25	On-Site Management	Y	N \$5	Y		Y	Y
26	Security Gate	N	N	Y (\$5)		Y (\$5)	Y (\$5)
27	Clubhouse/ Meeting Rooms	Y	N \$5	Y		Y	Y
28	Pool/ Recreation Areas	N	N	P/F (\$15)		P/F/S/MT/TB (\$24)	P/F/S (\$18)
29	Computer Center	N	N	N		N	N
30	Picnic Area	Y	N \$3	Y		Y	Y
31	Playground	Y	Y	Y		Y	Y
32	Social Services	N	N	N		Y (\$10)	N
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E	N/E	N/E		N/E	N/E
34	Cooling (in rent?/ type)	N/E	N/E	N/E		N/E	N/E
35	Cooking (in rent?/ type)	N/E	N/E	N/E		N/E	N/E
36	Hot Water (in rent?/ type)	N/E	N/E	N/E		N/E	N/E
37	Other Electric	N	N	N		N	N
38	Cold Water/ Sewer	N/N	Y/Y (\$62)	N/N		Y/Y (\$62)	N/Y (\$37)
39	Trash /Recycling	Y/N	Y/N	Y/N		Y/N	Y/N
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	6	2	3	7	2	8
41	Sum Adjustments B to D	\$39	(\$40)	\$38	(\$185)	\$7	(\$188)
42	Sum Utility Adjustments		(\$62)				(\$37)
		Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$63)	\$141	(\$147)	\$223	(\$243)	\$257
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent	Adj. Rent
44	Adjusted Rent (5+ 43)	\$572		\$838		\$848	\$705
45	Adj Rent/Last rent		90%		85%		78%
46	Estimated Market Rent	\$705	\$0.64 ←	Estimated Market Rent/ Sq. Ft			

Once all adjustments to collected rents were made, the adjusted rents for each comparable were considered to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site, and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that achievable market rents for units similar to the subject development are \$605 for a one-bedroom unit, \$660 for a two-bedroom unit, and \$705 for a three-bedroom unit.

The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Bedroom	\$299 (50%)	\$605	50.6%
	\$388 (60%)		35.9%
Two-Bedroom	\$348 (50%)	\$660	47.3%
	\$455 (60%)		31.1%
Three-Bedroom	\$392 (50%)	\$705	44.4%
	\$515 (60%)		27.0%

Typically, Tax Credit rents should represent at least a 10% market rent advantage to be perceived as a value in the market and ensure a sufficient flow of qualified applicants. Therefore, the proposed subject rents will likely be perceived as significant values within the market as they represent market rent advantages ranging from 27.0% to 50.6%, depending upon bedroom type and AMHI level.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. These are the actual rents paid by tenants and do not consider utilities paid by tenants. The rents reported are typical and do not consider rent concessions or special promotions. When multiple rent levels were offered for indiscernible features, such as floor level or view, we utilized an average rent.

3. One of the selected properties, Residences at Five Points (Comparable #3), is currently offering a rent concession of 50% off the first month's rent for its available units. This rent concession has been prorated over a 12 month period and is reflected in the effective rent (Line 5).
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1998 and 2011. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.
8. It is anticipated that the proposed subject project will have an excellent quality finish and attractive aesthetic street appeal once construction is complete. We have made adjustments for those properties that we consider to be of inferior quality compared to the subject development.
10. Due to the limited supply of comparable market-rate product within the Site PMA, three of the four comparable properties are located outside of the Site PMA in the city of Valdosta, Georgia. The Valdosta market is considered slightly superior to the Adel market in terms of household income, rents charged, services offered and employment opportunities. As such, we have applied a negative adjustment of 10% to each of the selected properties located outside the Site PMA to account for market differences.
12. The number of bathrooms offered among the two-bedroom units at the selected properties varies. We have made an adjustment of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared the selected properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The proposed subject project will offer a unit amenity package that is generally considered competitive with those offered among most of the selected properties. We have made, however, adjustments for features lacking at the subject project as compared to the selected properties, and in some cases, we have made adjustments for features the subject property offers that the selected properties do not offer.

- 24.-32. The proposed project offers an inferior, yet appropriately positioned, project amenities package as compared to those offered among most of the selected market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.
- 33.-39. We made adjustments to reflect the differences in utility responsibility at the selected properties as needed. The utility adjustments were based on the local housing authority's utility cost estimates.