

RealPropertyResearchGroup

Baltimore - Atlanta

Market Feasibility Analysis Myrtle Terraces at New Holland Senior Apartments Gainesville, Hall County, Georgia

Prepared for
CRT Realty and Development, Inc.

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I. Executive Summary

Real Property Research Group, Inc. has been retained by CRT Realty and Development, Inc. to conduct a market feasibility analysis of Myrtle Terraces at New Holland for submission with an application for Low Income Housing Tax Credits (LIHTC) to the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA's 2011 market study requirements.

1. Project Description:

- Myrtle Terraces at New Holland will be a newly constructed Housing for Older Persons community (HFOP) restricted to households with householders age 55 and older. The subject property will contain 84 total units, 71 percent of which will benefit from Low Income Housing Tax Credits (LIHTC) reserved for senior renter households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. The remaining 24 units will be market rate, unencumbered by tenant rent or income restrictions. Although market rate units have no actual maximum income limit, it is assumed for demand purposes that these units will target householders earning up to 80 percent of the AMI.
- Situated within the planned mixed-use development New Holland Village, Myrtle Terraces at New Holland will be located at 1380 Myrtle Street SE in Gainesville, Hall County, Georgia.
- A detailed summary of the proposed development including the rent and unit configuration is shown in the table below. The rents shown will include the cost of all utilities.

Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility Allowance	Gross Rent
1	1	50% LIHTC	690	5	\$565	\$0	\$565
1	1	60% LIHTC	690	21	\$675	\$0	\$675
1	1	Market	690	10	\$776	\$0	\$776
2	1	50% LIHTC	908	4	\$640	\$0	\$640
2	1	60% LIHTC	908	8	\$780	\$0	\$780
2	1	Market	908	4	\$897	\$0	\$897
2	2	50% LIHTC	962	4	\$680	\$0	\$680
2	2	60% LIHTC	962	18	\$820	\$0	\$820
2	2	Market	962	10	\$943	\$0	\$943
Total				84			

- Myrtle Terraces at New Holland will offer extensive in-unit and project amenities comparable in number and quality to general occupancy rental communities in the primary market area including those with tax credits. Given the lack of affordable senior oriented rental communities in the primary market area, the senior specific amenities/features offered at the subject property will be more attractive to prospective tenants than those at general occupancy properties.
- Each unit will feature a full kitchen with a range/oven, Energy Star refrigerator, Energy Star dishwasher, microwave, and garbage disposal. Additional unit amenities will include HVAC systems, washer/dryer connections, mini-blinds, ceiling

fans, central heat and air conditioning, wall-to-wall carpeting, and vinyl flooring. Community amenities will include elevators, a game room, TV lounge, chapel, exercise room, computer center, library, private dining room, day room(s), and walking trails.

2. Site Description / Evaluation:

- As part of a larger 250 acre master plan, the subject site encompasses 7.17 acres and consists of densely wooded land with a generally flat topography. Bordering land uses include New Holland Worship Center / single-family detached homes (north), single-family detached homes (east), Wooded land (south), and Myrtle Place Apartments / utility sub-station (west).
- The immediate area surrounding the subject site is dominated by residential land uses, most of which are older single-family detached homes in good to fair condition. Other nearby land uses include the New Holland Worship Center, Myrtle Place Apartments, Gainesville public housing, medical/doctors offices, and utility structures. All of this development is relatively well maintained. Based on field observations, no negative surrounding land uses were identified.
- Myrtle Terraces at New Holland will be accessible from an entrance on Myrtle Street SE, a two-lane, lightly traveled, residential roadway. From Myrtle Street SE, Downey Boulevard (State Highway 11) and Jessie Jewel Parkway (U.S. Highway 129) are both within one-quarter mile and provide convenient access to downtown Gainesville, State Highways 11, 13, 60, and 369, as well as Interstates 85 within five miles. Problems with ingress or egress are not anticipated.
- The subject property will have sufficient visibility from its frontage on Myrtle Street SE and will benefit from its location within the mixed-used community of New Holland Village as well as its proximity to downtown Gainesville.
- Overall, the site for Myrtle Terraces at New Holland is surrounded by a mixture residential and commercial land uses all of which are generally well maintained and compatible with the proposed development. The subject property will also be convenient to neighborhood amenities including shopping, healthcare facilities, and senior services most of which are common within one to two miles of the site. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development.

3. Market Area Definition:

- The primary market area for Myrtle Terraces at New Holland is comprised of Census tracts in central Hall County encompassing the City of Gainesville and portions of its surrounding neighborhoods. The boundaries of the PMA and their approximate distance from the subject site are Oakland Drive near Lake Lanier (1.8 miles), White Sulphur Road (3.5 miles), Jackson County (7.9 miles), and Mill Road near Lake Lanier (4.8 miles).

4. Community Demographic Data:

- Based on estimates provided by The Nielsen Company, the primary market area has a population of 70,865 and a household count of 21,370 as of 2011. Over the next five years, the primary market area's population and number of households are expected to increase to 80,552 and 23,928, respectively. Among seniors, the PMA contained 7,058 households age 55+ and 4,986 households age 62+ in 2011.

Through 2016, senior households age 55+ are anticipated to increase to 8,315 while households age 62+ are expected to grow to 5,926.

- Nearly half (44.3 percent) of primary market area households are renters in 2011, compared to 31.0 percent in Hall County. Over the next five years, Nielsen projects the renter percentage to increase in both the primary market area and Hall County. Among householders age 55 and older, the 2011 senior renter percentage is 28.0 percent in the primary market area and 18.2 percent in Hall County.
- Among senior householders age 55 and older, the 2011 estimated median income in the primary market area is \$32,191. By 2016, Nielsen-Claritas projects that the median income for householders age 55 and older will increase 3.5 percent to \$33,322. RPRG estimates that the median income of senior renters (55+) in the primary market area of \$23,659 is \$12,419 lower than or 65.6 percent of the owner household median of \$36,078. Over half (52.4 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 38.7 percent of owner households.
- The primary market area contains a modest number of abandoned or vacant homes and has encountered some foreclosures over the past year. While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, we do not believe foreclosures will impact demand for the subject property given the proposed product type (HFOP community 55+). As senior householders typically downsize living accommodations due to the higher upkeep and long-term cost, the convenience of on-site amenities and more congregate style living offered at age restricted communities is preferable to lower density unit types, such as single-family detached homes, most common in foreclosures.

5. Economic Data:

- Overall, Hall County added 31,290 jobs from 1992 and 2008 before suffering job losses in 2009. Despite the recent decline, the county's 2009 at-place employment base of 68,564 represents a 59.1 percent increase since 1990.
- From 2009 to the first quarter of 2011, four businesses have closed / laid off a total of 374 workers in Hall County. In terms of major expansions, Hall County is currently in the planning process to construct the Glades Reservoir in northern Hall County. The Glades Reservoir construction is expected to cost approximately 138 million over a three to five year period during which the county will benefit from newly created but temporary construction related jobs.
- Manufacturing and trade-transportation-utilities are the largest two employment sectors in Hall County, accounting for 40.4 percent of total jobs through the third quarter of 2010. While the proportion of county employment in trade-transportation-utilities is equal to the of the nation on a percentage basis (19.0 percent), Hall County's employment share in manufacturing (21.4 percent) is more than double the national average (9.0 percent). Education-health and government also contain a significant percentage of jobs within the county at 15.5 percent and 15.0 percent, respectively. Hall County trails nationwide proportions in all remaining sectors with notable disparities in leisure-hospitality, professional business, and financial activities.
- Between 2001 and the third quarter of 2010, seven of eleven industry sectors experienced annual growth in Hall County. Overall, annualized growth in the trade-transportation-utilities, government, and education-health sectors had a significant

impact on Hall County's economy as each of these sectors accounts for a sizable proportion of total employment. Among sectors suffering annualized losses, the 2.6 percent decline in manufacturing is the most noteworthy as the county's largest industry.

- Hall County's unemployment rate steadily fell throughout the nineteen nineties before rising back up over the past decade through the course of two national recessions. The most recent economic downturn hurt the county's economy the worst, causing a substantial spike in the unemployment rate from 2009 to 2010; however, Hall County's unemployment rate has consistently remained below both state and national figures over the past twenty years. In 2010, Hall County's unemployment rate was 8.8 percent compared to 10.1 percent in the State of Georgia and 9.5 percent in the nation.
- Given that the majority of prospective senior renters for Myrtle Terraces at New Holland are at or near retirement age, a downturn in the local economy will have a much smaller impact on the demand for senior oriented rental units compared to those offered at general occupancy communities. Given the target market and product to be constructed, we do not believe local economics will negatively impact the ability of Myrtle Terraces at New Holland to lease its units.

6. Project Specific Affordability and Demand Analysis:

- As proposed, the subject property will contain 84 units reserved for senior households earning at or below 50 percent, 60 percent, and 80 percent (market rate) of the Area Median Income.
- The 50 percent units will target renter householders earning between \$16,950 and \$24,550. The proposed 13 units at 50 percent of the AMI would need to capture 4.6 percent of the 285 age and income qualified renter households.
- The 60 percent units will target renter householders earning between \$20,250 and \$29,400. The proposed 47 units at 60 percent of the AMI would need to capture 16.6 percent of the 283 age and income qualified renter households.
- The market rate units (80 percent of AMI) will target renter householders earning between \$23,280 and \$39,200. The proposed 24 units at 80 percent of the AMI would need to capture 6.1 percent of the 391 age and income qualified renter households.
- Total LIHTC units will target renter householders earning between \$16,950 and \$29,400. The proposed 60 units would need to capture 14.7 percent of the 407 age and income qualified renter households.
- Overall, the 84 total units for the project must absorb 13.3 percent of the 630 age and income qualified renter households in order to lease-up.
- Based on DCA methodology, net demand of 236, 234, 324, 337, and 521 exists for 50 percent units, 60 percent units, market rate units, all LIHTC units, and the overall project, respectively.
- Demand capture rates by AMI level are 5.5 percent for 50 percent units, 20.1 percent for 60 percent units, 7.4 percent for market rate units, 17.8 percent for all LIHTC units, and 16.1 percent for all units. By floor plan, capture rates range from a low of 5.5 percent for two bedroom 50 percent units to a high of 23.7 percent for two bedroom 60 percent units. All of these capture rates are well within DCA's range of

acceptability. The overall capture rates and capture rates by floorplan indicate sufficient demand to support the proposed development.

7. Competitive Rental Analysis:

- While a variety of senior rental housing options exist within the primary market area, all of the communities are market rate, service-enriched facilities which include independent and/or assisted living components or deeply subsidized through HUD. As such, these properties are not considered comparable to the proposed development due to the substantial differences in rents, amenities, target market, and overall community design.
- In the absence of true comparables, RPRG surveyed 17 general occupancy rental communities in the PMA. Combined, these 17 rental communities account for 2,843 dwelling units of which 289 or 10.2 percent were reported vacant. Excluding three properties which are currently undergoing renovations and/or refused to provide occupancy data, the stabilized vacancy rate was 7.6 percent. Among the four stabilized LIHTC rental communities, 23 of 672 units were available at the time of our survey, a vacancy rate of just 3.4 percent.
- The 17 surveyed general occupancy communities reported rents ranging from \$475 to \$829 for one bedroom floor plans and \$440 to \$999 for two bedroom floor plans. Among the eight most comparable general occupancy properties, average rents equaled \$630 for one bedroom floor plans and \$735 for two bedroom floor plans. Compared to these average rents, the subject property will have rent advantages ranging from 37.0 percent to 38.7 percent for fifty percentage units and 8.1 percent to 10.5 percent for 60 percent units.
- Among market rate units, the proposed rents will be priced approximately six to eight percent above the average rents for one and two bedroom floor plans. It is important to note that these average market rents are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. As such, a negative rent differential does ***not*** necessary indicate the proposed rents are unreasonable or unachievable in the market.
- The proposed 50 and 60 percent LIHTC rents at Myrtle Terraces at New Holland will be positioned near the bottom and middle of the rental market, respectively. Relative to existing LIHTC communities, the subject property will be priced between similarly targeted units at Oconee Springs and Paces Landing.
- Among market rate units, Myrtle Terraces at New Holland will be positioned near the top of the general occupancy rental market \$6 to \$51 below the highest priced property.
- While the proposed unit sizes of 690 square feet (one bedroom units) and 908 to 962 square feet (two bedroom units) at Myrtle Terraces at New Holland fall below overall averages at general occupancy properties, it is important to note that senior households generally consist of one or two persons and require much less space than families who may have several dependants. As such, total square footage tends to be much more important factor for families in choosing rental housing than seniors. Despite smaller unit sizes, the subject property's rents result in competitive prices per square foot for all floor plans.
- Given the proposed product and income levels targeted, Myrtle Terraces at New Holland will help address a housing void for senior householders earning between 50 percent and 80 percent of the AMI in the primary market area. The addition of Myrtle

Terraces at New Holland is not expected to have negative long-term impact on current or planned DCA funded projects.

8. Absorption/Stabilization Estimate:

- We believe that given the attractive product to be constructed, strong household growth, favorable demand estimates, limited senior rental stock, and assuming an aggressive, professional marketing campaign, Myrtle Terraces at New Holland should be able to lease up at a minimum rate of ten units per month. At this rate, the project would be able achieve 93 percent occupancy within an approximate seven to eight month time period. Given the higher age and income qualification percentage, the 60 percent units and market rate units proposed at the subject property are anticipated to lease-up at a slightly faster pace (12 units per month) relative to the 50 percent units (8 units per month).

9. Overall Conclusion:

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Myrtle Terraces at New Holland will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market. The product to be constructed will be competitive with existing LIHTC communities in the primary market area and the units will be well received by the target market. We do not expect the construction of Myrtle Terraces at New Holland to negatively impact existing LIHTC communities in the primary market area.

AMI Target	Unit Size	Minimum Income Limit	Maximum Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Market Rent Band	Proposed Rents (Gross)	Proposed Rents (Net Adj.)
50% AMI	1 Bedroom	\$16,950	\$19,799	5	89	0	89	5.6%	1 Month	\$630	\$475-\$829	\$565	\$460
	2 Bedroom	\$19,800	\$24,500	8	147	0	147	5.5%	1 Month	\$735	\$440-\$999	\$640-\$680	\$510-\$550
50% AMI Total		\$16,950	\$24,500	13	236	0	236	5.5%	2 Months				
60% AMI	1 Bedroom	\$20,250	\$24,230	21	124	0	124	16.9%	2 Months	\$630	\$475-\$829	\$640	\$535
	2 Bedroom	\$24,231	\$29,400	26	110	0	110	23.7%	2-3 Months	\$735	\$440-\$999	\$780-\$820	\$650-\$690
60% AMI Total		\$20,250	\$29,400	47	234	0	234	20.1%	4 Months				
Market (80% AMI)	1 Bedroom	\$23,280	\$29,300	10	137	0	137	7.3%	1 Month	\$630	\$475-\$829	\$776	\$671
	2 Bedroom	\$29,301	\$39,200	14	186	0	186	7.5%	1-2 Months	\$735	\$440-\$999	\$897-\$943	\$767-\$813
80% AMI Total		\$23,280	\$39,200	24	323	0	323	7.4%	2 Months				
Total													
50% AMI	1-2 Bedroom	\$16,950	\$24,500	13	236	0	236	5.5%	2 Months				
60% AMI	1-2 Bedroom	\$20,250	\$29,400	47	234	0	234	20.1%	4 Months				
LIHTC Total	1-2 Bedroom	\$16,950	\$29,400	60	337	0	337	17.8%	5 Months				
Market (80% AMI)	1-2 Bedroom	\$23,280	\$39,200	24	324	0	324	7.4%	2 Months				
Project Total				84	521	0	521	16.1%	7-8 Months				

SUMMARY TABLE:

Development Name:	Myrtle Terraces at New Holland	Total # Units:	84
Location:	1380 Myrtle Street SE, Gainesville GA 30501	# LIHTC Units:	60
PMA Boundary:	North: Oakland Drive, East: White Sulphur Road, South: Jackson County, West: Mill Road		
	Farthest Boundary Distance to Subject:		7.9 miles

RENTAL HOUSING STOCK – (found on 73-74)

Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	18	3,027	289	90.5%
Market-Rate Housing	10	1,879	170	91.0%
Assisted/Subsidized Housing not to include LIHTC	3	184	0	100.0%
LIHTC	5	964	119	87.7%
Stabilized Comps	17	2,735	193	92.9%
Properties in construction & lease up	1	292	96	67.1%

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
5	1	1	690	\$565	\$630	\$0.77	37.0%	\$892	\$1.04
21	1	1	690	\$675	\$630	\$0.77	10.5%	\$892	\$1.04
10	1	1	690	\$776	\$630	\$0.77	-6.1%	\$892	\$1.04
4	2	1	908	\$640	\$735	\$0.65	44.1%	\$900	\$0.85
8	2	1	908	\$780	\$735	\$0.65	13.1%	\$900	\$0.85
4	2	1	908	\$897	\$735	\$0.65	-4.2%	\$900	\$0.85
4	2	2	962	\$680	\$735	\$0.65	33.6%	\$900	\$0.85
18	2	2	962	\$820	\$735	\$0.65	6.5%	\$900	\$0.85
10	2	2	962	\$943	\$735	\$0.65	-9.6%	\$900	\$0.85

DEMOGRAPHIC DATA (found on 46,56)

	2000		2011		2013	
Renter Households	1,378	25.2%	1,978	28.0%	2,119	28.4%
Income-Qualified Renter HHs (LIHTC)	261	19.0%	377	19.0%	407	19.2%
Income-Qualified Renter HHs (MR)	248	18.1%	359	18.1%	391	18.4%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on 60)

Type of Demand	50%	60%	Market-rate	LIHTC	Other:___	Overall
Renter Household Growth	79	78	108	112		174
Existing Households (Overburd + Substand)	117	116	160	167		258
Homeowner Conversion (Seniors)	10	10	13	14		22
Secondary Market Demand (15%)	31	30	42	44		68
Less Comparable/Competitive Supply	0	0	0			0
Net Income-qualified Renter HHs	236	234	324	337		521

CAPTURE RATES (found on 60)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	5.5%	20.1%	7.4%	17.8%		16.1%

II. Introduction

CRT Realty and Development, Inc. has retained Real Property Research Group, Inc. to conduct a market feasibility analysis of Myrtle Terraces at New Holland. Myrtle Terraces at New Holland will be a newly constructed, mixed-income, senior oriented, rental community financed in part through the use of Low Income Housing Tax Credits (LIHTC) allocated by the Georgia Department of Community Affairs (DCA). As a Housing for Older Persons community, Myrtle Terraces at New Holland will be restricted to households with householders age 55 and older.

This analysis takes into account pertinent trends in housing supply and demand in a distinct market area delineated with respect to the subject site. Conclusions are drawn on the appropriateness of the proposed rents and projected length of initial absorption.

The report is divided into seven sections. Following the executive summary and this introduction, Section 3 provides a project description and an analysis of local neighborhood characteristics. Section 4 examines the socio-economic and demographic characteristics of the delineated market area. Section 5 contains affordability and demand estimates derived for the project using growth and income distributions. Section 6 presents a discussion of the competitive residential environment. Section 7 discusses conclusions reached from the analysis.

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

III. Location and Neighborhood Context

A. Project Description

Myrtle Terraces at New Holland will consist of 84 total units, the majority of which (71 percent) will benefit from Low Income Housing Tax Credits reserved for senior renter households (55+) earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. The remaining 24 units will be market rate, unencumbered by tenant rent or income restrictions. Although market rate units have no actual maximum income limit, it is assumed for demand purposes that these units will target householders earning up to 80 percent of the AMI.

All of the units at Myrtle Terraces at New Holland will be contained within one three-story mid-rise building with a wood frame and brick / HardiPlank siding exterior. Access will be provided through a secured building entranceway with elevators to facilitate resident movement between floors. The subject property will offer one bedroom units with 690 square feet of living space and two bedroom units with either 908 or 962 square feet of living space. One bedroom units will contain one bathroom while two bedroom units will include one and two bathroom options. A detailed summary of the project including the rent and unit configuration is shown in Table 1. The rents shown will include the cost of all utilities.

Myrtle Terraces at New Holland's proposed community amenities are extensive and include elevators, a game room, TV lounge, chapel, exercise room, computer center, library, private dining room, and day room(s). Outdoor amenities will consist of walking trails and green space.

Each unit will feature a full kitchen with a range/oven, Energy Star refrigerator, Energy Star dishwasher, microwave, and garbage disposal. Additional unit amenities will include HVAC systems, washer/dryer connections, mini-blinds, ceiling fans, central heat and air conditioning, wall-to-wall carpeting, and vinyl flooring.

The description of the subject property was based in part on by information provided by the developer as of May 2011. This information is assumed to be a current and accurate representation of the property to be completed. For purposes of this analysis, the proposed placed in service date is 2013. Construction is projected to begin in June of 2012 with completion in June of 2013.

Table 1 Detailed Project Description

Project Name:		Myrtle Terraces at New Holland Senior Apartments					
Address:		1380 Myrtle Street SE					
City, County, ZIP:		Gainesville, Hall County, 30501					
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Net Rent	Utility Allowance	Gross Rent
1	1	50% LIHTC	690	5	\$565	\$0	\$565
1	1	60% LIHTC	690	21	\$675	\$0	\$675
1	1	Market	690	10	\$776	\$0	\$776
2	1	50% LIHTC	908	4	\$640	\$0	\$640
2	1	60% LIHTC	908	8	\$780	\$0	\$780
2	1	Market	908	4	\$897	\$0	\$897
2	2	50% LIHTC	962	4	\$680	\$0	\$680
2	2	60% LIHTC	962	18	\$820	\$0	\$820
2	2	Market	962	10	\$943	\$0	\$943
Total				84			
Project Information				Additional Information			
Number of Residential Buildings		One		Construction Start Date		June 2012	
Building Type		Mid-Rise		Date of First Move-In		June 2013	
Number of Stories		Three		Construction Finish Date		June 2013	
Construction Type		New Const.		Parking Type		Surface	
Occupancy Type		HFOP (55+)		Parking Cost		\$0	
Design Characteristics (exterior)		Brick and Fiber Cement Siding		Kitchen Amenities			
Community Amenities	Game Room, TV Lounge, Exercise Room, Library, Computer Center, Private Dining Room, Chapel, Day Room(s), Walking Trails, Greenspace,			Dishwasher		Yes	
				Disposal		Yes	
				Microwave		Yes	
				Range		Yes	
				Refrigerator		Yes	
Unit Features	HVAC Systems, Energy Star Dishwashers, Garbage Disposals, Range/Stoves, Microwaves, Energy Star Refrigerators with Icemaker, Washer/Dryer Connections, Ceiling Fans, Wall-to-wall carpet with Vinyl Flooring, and Central Heat and Air Conditioning.			Utilities Included			
				Water/Sewer		Owner	
				Trash		Owner	
				Heat		Owner	
				Heat Source		Elec	
				Hot/Water		Owner	
				Electricity		Owner	
Other:		N/A					

B. Site Evaluation

Situated within the planned mixed-use development New Holland Village, Myrtle Terraces at New Holland will be located at 1380 Myrtle Street SE in Gainesville, Hall County, Georgia. As part of a larger 250 acre master plan, the subject site encompasses 7.17 acres and consists of densely wooded land with a generally flat topography. Bordering land uses include:

North: New Holland Worship Center / Single-family detached homes

East: Single-family detached homes

South: Wooded land

West: Myrtle Place Apartments / Utility sub-station

The City of Gainesville is located approximately one hour northeast of the Atlanta metro area and is the largest municipality/seat of Hall County. Due to its location adjacent to Lake Lanier, Gainesville contains a variety of residential development ranging from modest value single-family detached homes to multi-million dollar estates. The city also has a relatively sophisticated rental market which includes small and large multi-family rental communities targeting a wide range of price points. These properties include market rate, mixed-income, LIHTC, and deep subsidy rental communities reserved for both family and senior households. Overall, housing and general construction conditions range from poor to excellent throughout the city and are generally consistent with the age and the level of upkeep. While many areas of Gainesville are older, most buildings appear to be well maintained. In addition, several newly constructed neighborhoods and commercial districts are also present as the city and Hall County have undergone significant growth over the past decade.

The subject site is located in the New Holland area of Gainesville, approximately one-half mile northeast of downtown. Originally constructed by Pacolet Manufacturing Company in the 1890's, the 250 acre mill village contains both residential and commercial land uses most of which are older single-family detached homes in fair to good condition. Other nearby land uses in the immediate area of the subject site include the New Holland Worship Center, Myrtle Place Apartments, Gainesville public housing, medical/doctors offices, and utility structures.

Additional required site/location analyses and information are as follows:

- No major road or transportation improvements are planned in the subject property's immediate neighborhood.
- Myrtle Terraces at New Holland will be accessible from an entrance on Myrtle Street SE, a two-lane, lightly traveled, residential roadway. From Myrtle Street SE, Downey Boulevard (State Highway 11) and Jessie Jewel Parkway (U.S. Highway 129) are both within one-quarter mile and provide convenient access to downtown Gainesville, State Highways 11, 13, 60, and 369, as well as Interstates 85 within five miles. Problems with ingress or egress are not anticipated.
- The subject property will have sufficient visibility from its frontage on Myrtle Street SE and will benefit from its location within the mixed-used community of New Holland Village as well as its proximity to downtown Gainesville.
- Based on our field research and analysis of the area, crime or perceptions of crime in the immediate area will not impact Myrtle Terraces at New Holland.
- Physical inspection of the subject property and surrounding market area was conducted on June 10, 2011 by Michael Riley, Analyst.
- Upon site inspection, the existence of a small/modest size power sub-station was noted at the northwest corner of the subject site. Based on the proposed site plan, sufficient distance will separate the subject property from the utility structure along with a densely wooded tree line buffer. As such, we do not expect this facility to negatively impact the overall attractiveness or marketability of Myrtle Terraces at New Holland. In addition, numerous existing residential land uses, including multi-family apartments, are also in close proximity and do not appear to be negatively affected.
- No other visible environmental or miscellaneous site concerns were identified.
- A list and map of existing low-income housing in the primary market area are provided in the Deep Subsidy Analysis section of this report, starting on page 77.

Figure 1 Site and Surrounding Land Use Photos



View of the subject site facing south from Myrtle Street.



View of the subject site facing south from Barn Street.



View of Myrtle Street facing west near site entrance, site on left.



View of Myrtle Street facing east near site entrance, site on right.



View of Barn Street facing northwest from its intersection with Myrtle Street.



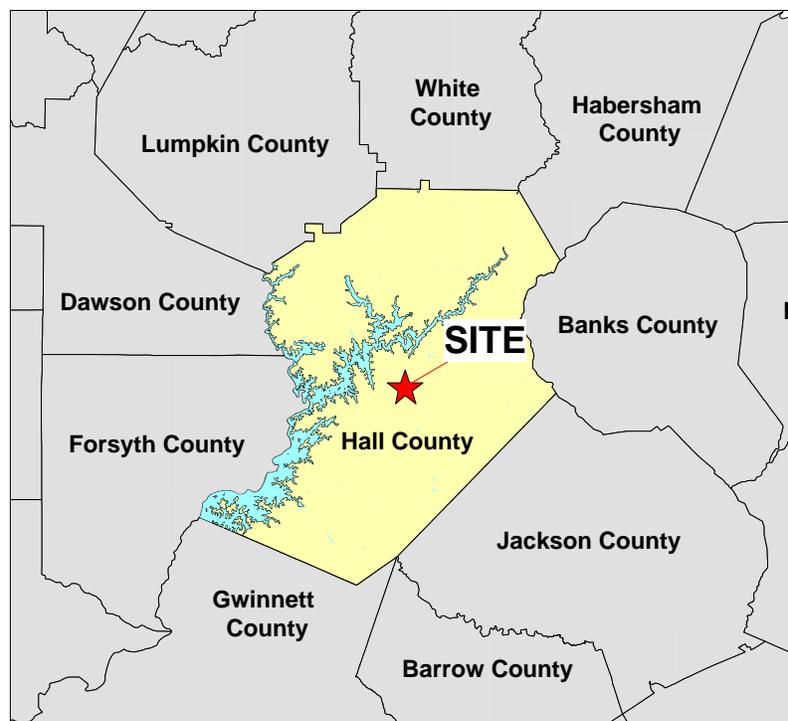
View of nearby single-family detached home on Myrtle Street.



View of New Holland Worship Center bordering the subject site to the north.

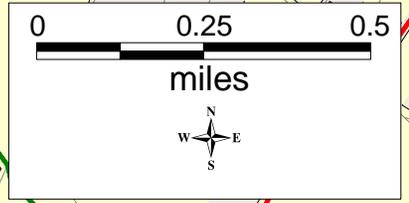
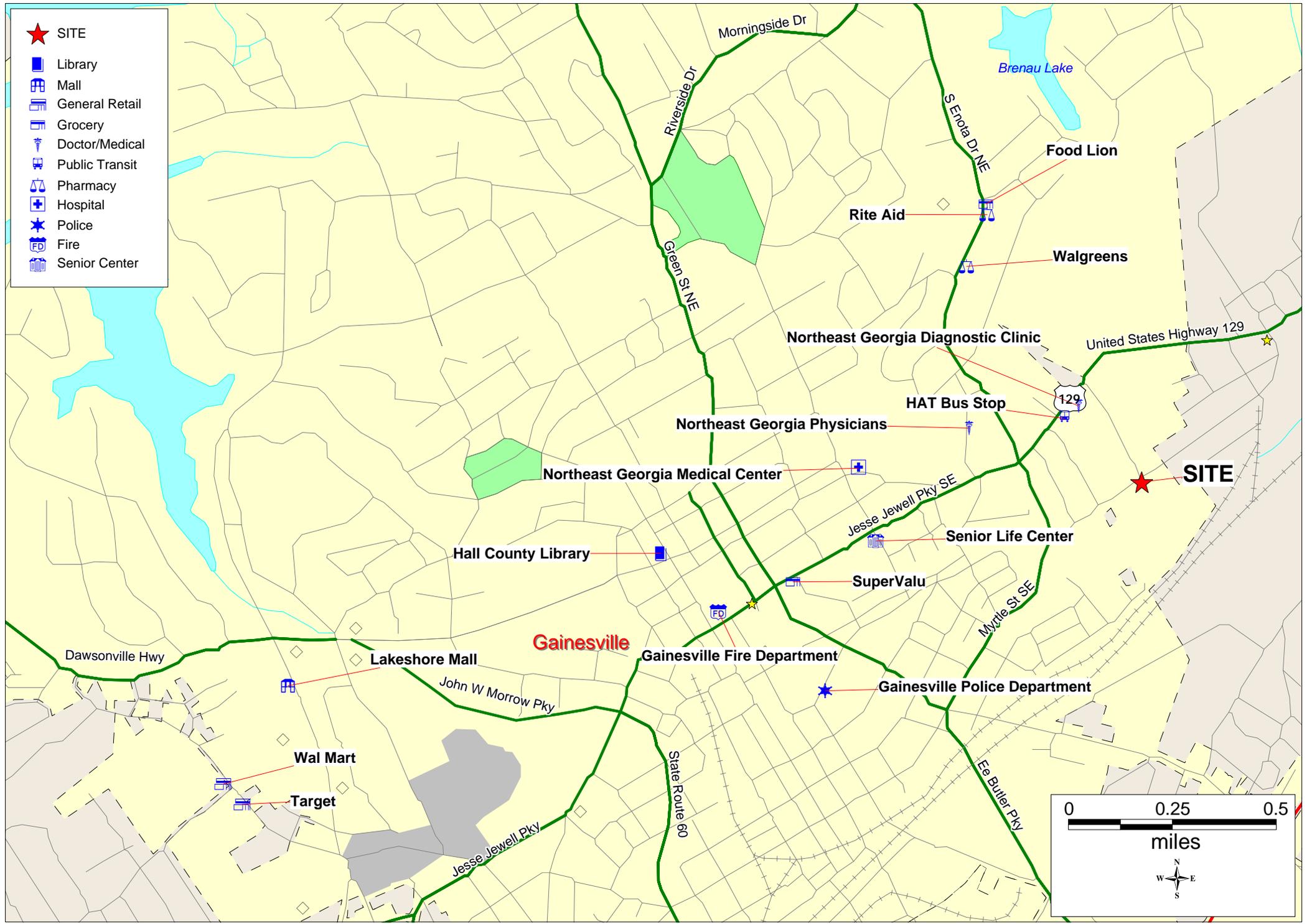


View of Myrtle Place Apartments bordering the subject site to the southwest.



Map 1
Site Location
Hall County, GA

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



Map 2
Neighborhood Amenities
Hall County, GA

Table 2 Neighborhood Amenities, Myrtle Terraces at New Holland

Establishment	Type	Address	City	Distance
Northeast Georgia Diagnostic Clinic	Doctor/Medical	1240 Jesse Jewell Pky. Se	Gainesville	0.2 mile
HAT Bus Stop	Public Transit	1250 Jesse Jewell Pky. Se	Gainesville	0.2 mile
Northeast Georgia Physicians	Doctor/Medical	200 Wisteria Dr.	Gainesville	0.4 mile
Northeast Georgia Medical Center	Hospital	743 Spring St. Ne	Gainesville	0.5 mile
Walgreens	Pharmacy	472 S Enota Dr. Ne	Gainesville	0.6 mile
Senior Life Center	Senior Center	434 Prior St. Se	Gainesville	0.6 mile
Rite Aid	Pharmacy	599 S Enota Dr. Ne	Gainesville	0.7 mile
Food Lion	Grocery	601 S Enota Dr. Ne	Gainesville	0.8 mile
SuperValu	Grocery	340 Jesse Jewell Pky. Se	Gainesville	0.9 mile
Gainesville Police Department	Police	240 Atlanta St.	Gainesville	0.9 mile
Gainesville Fire Department	Fire	118 Jesse Jewell Pky. Se	Gainesville	1 mile
Hall County Library	Library	127 Main St. Nw	Gainesville	1.2 miles
Lakeshore Mall	Mall	150 Pearl Nix Pky.	Gainesville	2.1 miles
Wal Mart	General Retail	400 Shallowford Rd. Nw	Gainesville	2.3 miles
Target	General Retail	514 Shallowford Rd. Nw	Gainesville	2.3 miles

Shopping

The subject site is located within one to two miles of several shopping opportunities, most of which are located along U.S. Highway 129 and State Highway 53 in and around downtown Gainesville. This area contains numerous retailers, restaurants, and commercial services including the closest major-chain grocery store, Food Lion (0.8 mile), and pharmacy, Walgreens (0.6 mile). The subject site is also within close proximity to Lakeshore Mall (approximately two miles) which contains over 40 stores and restaurants among anchor tenants JCPenney, Belk, and Sears. Other major big-box retailers nearby include a Target and Wal-Mart Supercenter.

Medical

The subject property will be located within a short walking distance of the Northeast Georgia Medical Center, a 513 bed not-for-profit hospital located in downtown Gainesville one-half mile to the northwest. Rated as one of the top 100 hospitals in the country in 2009 (Thompson Reuters), The Northeast Georgia Medical Center offers a wide variety of medical treatment options and services including but not limited to 24 hour emergency care, in/out patient surgery, Bariatric Weight Loss, Diabetes care, Obstetrics/Gynecology, Pediatrics, Imaging/Radiology, Oncology, Cardiology, intensive care, long-term care, Mental Health/Substance Abuse, and Occupational Health.

A variety of ancillary services, amenities, and physician offices are also located on or near the NGMC campus and will be convenient to residents living at the subject property. The

closest of these are the Northeast Georgia Diagnostic Clinic and Northeast Georgia Physicians office, less than one-half mile from the subject site.

Senior Services

Myrtle Terraces at New Holland will be conveniently located just over one-half mile from the Senior Life Center, a nationally accredited senior services facility offering a wide variety of programs, classes, activities, and trips. Open to adult citizens age 60 and older, the Senior Life Center's services and amenities include a fitness center, weekly exercise classes, blood pressure screenings, transportation, and a hot lunch.

Crime Data

In 2009, a total of 4,856 crimes were reported in Hall County. Based on a 2009 population of 187,743, the crime rate was 25.87 crimes per 1,000 persons (Table 3). Over ninety-two percent of crimes reported in Hall County were burglaries, larceny-theft, or motor vehicle theft. A small percentage of the crimes in Hall County were violent crimes.

Table 3 2009 Crime Rate, Hall County

Crimes Reported in Hall County, Georgia in 2009		
Crime	Number	Rate*
Total	4,856	25.87
Murder	4	0.02
Rape	39	0.21
Robbery	68	0.36
Aggravated Assault	230	1.23
Burglary	1,196	6.37
Larceny-Theft	2,992	15.94
Motor Vehicle Thefts	327	1.74

*Rate is per 1,000 persons

Source: Georgia Bureau of Investigation

C. Site Conclusion

Overall, the site for Myrtle Terraces at New Holland is surrounded by a mixture residential and commercial land uses all of which are generally well maintained and compatible with the proposed development. The subject property will also be convenient to neighborhood amenities including shopping, healthcare facilities, and senior services most of which are common within one to two miles of the site. Based on the product to be constructed and income levels targeted, the site is suitable for the proposed development.

IV. Socio-Economic and Demographic Content

A. Primary Market Area Description

The primary market area for Myrtle Terraces at New Holland is comprised of Census tracts in central Hall County encompassing the City of Gainesville and portions of its surrounding neighborhoods. The boundaries of the PMA and their approximate distance from the subject site are:

<u>North:</u>	Oakland Drive (Near Lake Lanier)	1.8 miles
<u>East:</u>	White Sulphur Road	3.5 miles
<u>South:</u>	Jackson County	7.9 miles
<u>West:</u>	Mill Road (Near Lake Lanier)	4.8 miles

The primary market area includes the census tracts located in and near central Gainesville and includes the portions of the city most comparable with the immediate area surrounding the subject site. The market area does not include much of the city bordering Lake Lanier and also does not extend to the southeast towards Oakwood and Flowery Branch. While the PMA does extend a further distance to the south, this is due to the large size of the census tract near Interstate 85. Based on the limited affordable senior rental housing available in and around the primary market area, the subject property should be able to draw tenants from throughout this primary market area and likely from beyond it.

This primary market is the area from which the majority (85 percent) of local tenants are expected to originate; however, in some instances tenants relocate from distances well beyond that of most residents to be close to affluent adult children living in the area. While the location from which these tenants migrate varies significantly, Hall County is designated as the secondary market area for the purposes of this analysis. Overall, it is anticipated that the demand for Myrtle Terraces at New Holland will be augmented by households moving from beyond PMA boundaries by approximately fifteen percent.

The primary market area includes year 2010 Census tracts 10.03, 10.04, 11.01, 11.02, 12.01, 12.02, 13.01, 13.02, 6, 7.01, 7.02, 8, and 9. Demographic data on Hall County is included for comparison purposes and serves as the project's secondary market area. Demand estimates are shown only for the PMA.

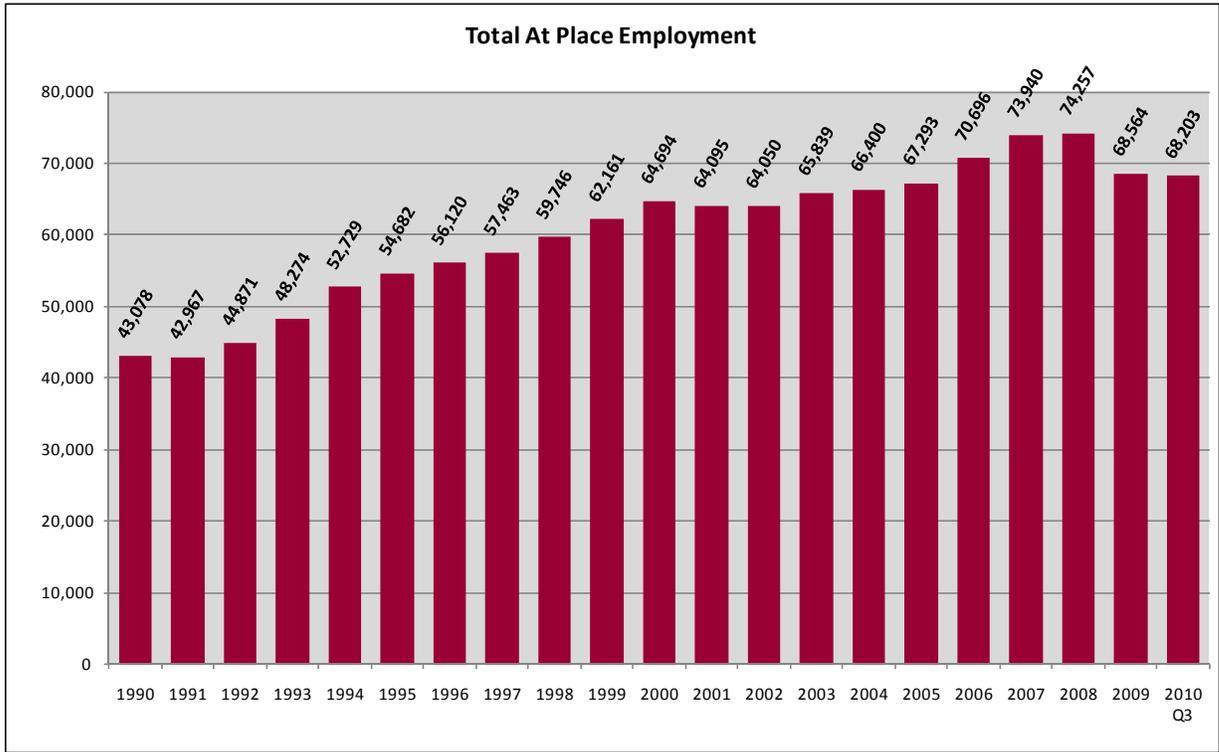
B. Economic and Employment Trends

After a brief decline in 1991, Hall County's at-place employment steadily expanded from 1992 to 2008 adding a total of 31,290 new jobs. During this span, the county's employment increased by over 72 percent and consistently outpaced national employment growth on an annual percentage basis (Figure 2). Following this period, Hall County experienced a significant decline in at-place employment in 2009 as the full effects of the recent national recession took hold. In total, the county lost 5,693 jobs over this period or 7.6 percent. This trend continued through the third quarter of 2010, albeit at a much slower pace than in 2009, with the loss of an additional 361 jobs.

Manufacturing and trade-transportation-utilities are the largest two employment sectors in Hall County, accounting for 40.4 percent of total jobs through the third quarter of 2010 (Figure 4). While the proportion of county employment in trade-transportation-utilities is equal to the of the nation on a percentage basis (19.0 percent), Hall County's employment share in manufacturing (21.4 percent) is more than double the national average (9.0 percent). Education-health and government also contain a significant percentage of jobs within the county at 15.5 percent and 15.0 percent, respectively. Relative to national figures, Hall County has a slightly higher percentage of jobs in education-health and slightly lower percentage of government jobs. Hall County trails nationwide proportions in all remaining sectors with notable disparities in leisure-hospitality, professional business, and financial activities.

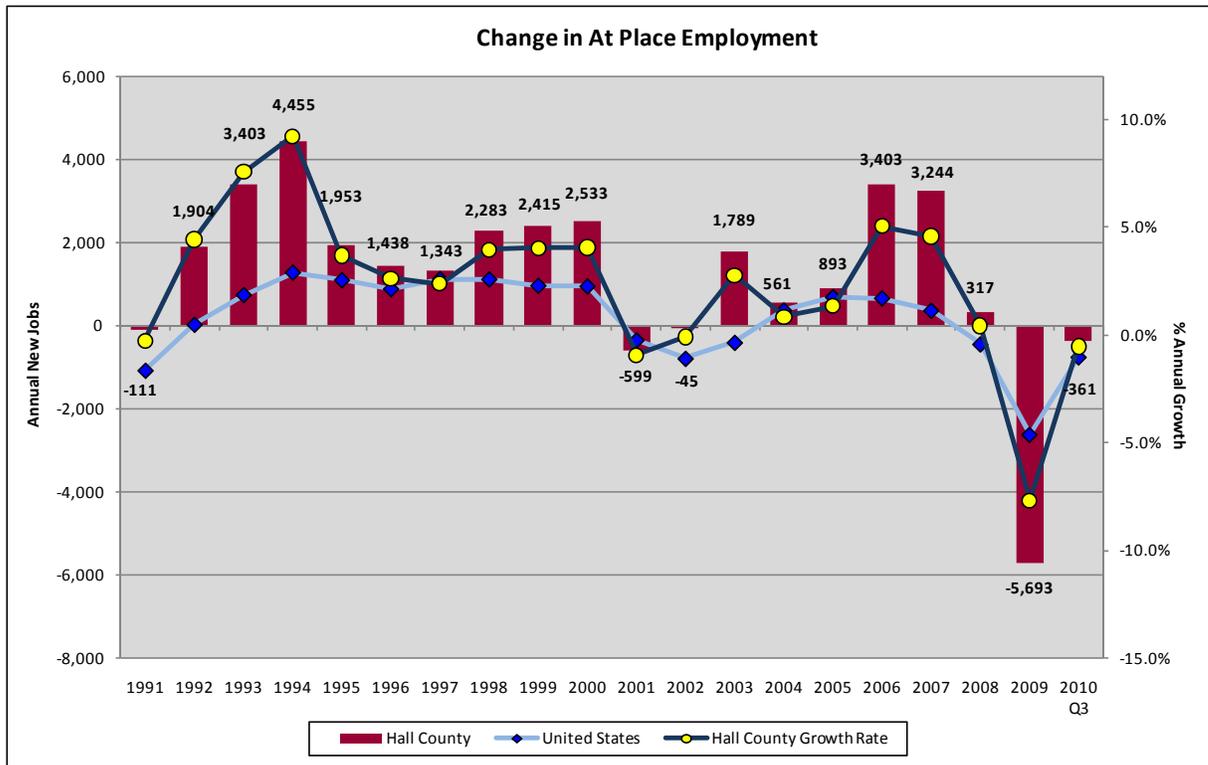
Between 2001 and the third quarter of 2010, seven of eleven industry sectors experienced annual growth in Hall County (Figure 5). On a percentage basis, the sector with the largest annual increase was professional business at 5.8 percent. Annualized growth in the trade-transportation-utilities, government, and education-health sectors also had a significant impact on Hall County's economy as each of these sectors accounts for a sizable proportion of total employment. Among sectors suffering annualized losses, the 2.6 percent decline in manufacturing is the most noteworthy as the county's largest industry.

Figure 2 At Place Employment, Hall County 1990-2010 (Q3)



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

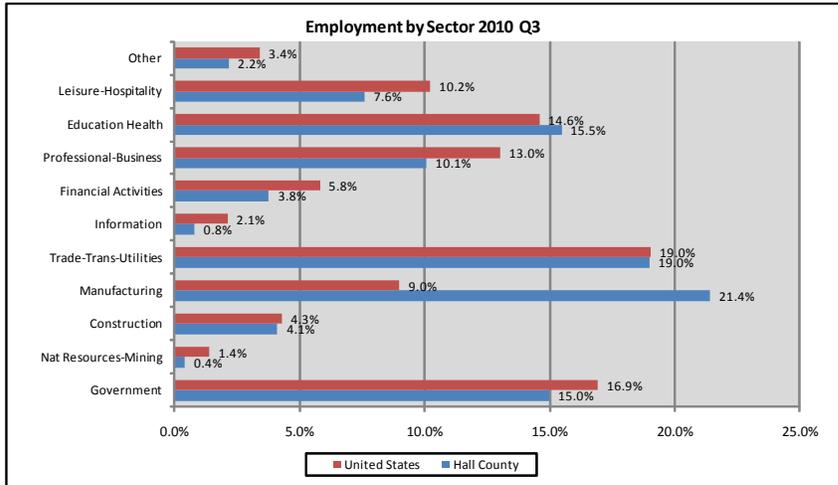
Figure 3 Change in At Place Employment, Hall County 1990-2010 (Q3)



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

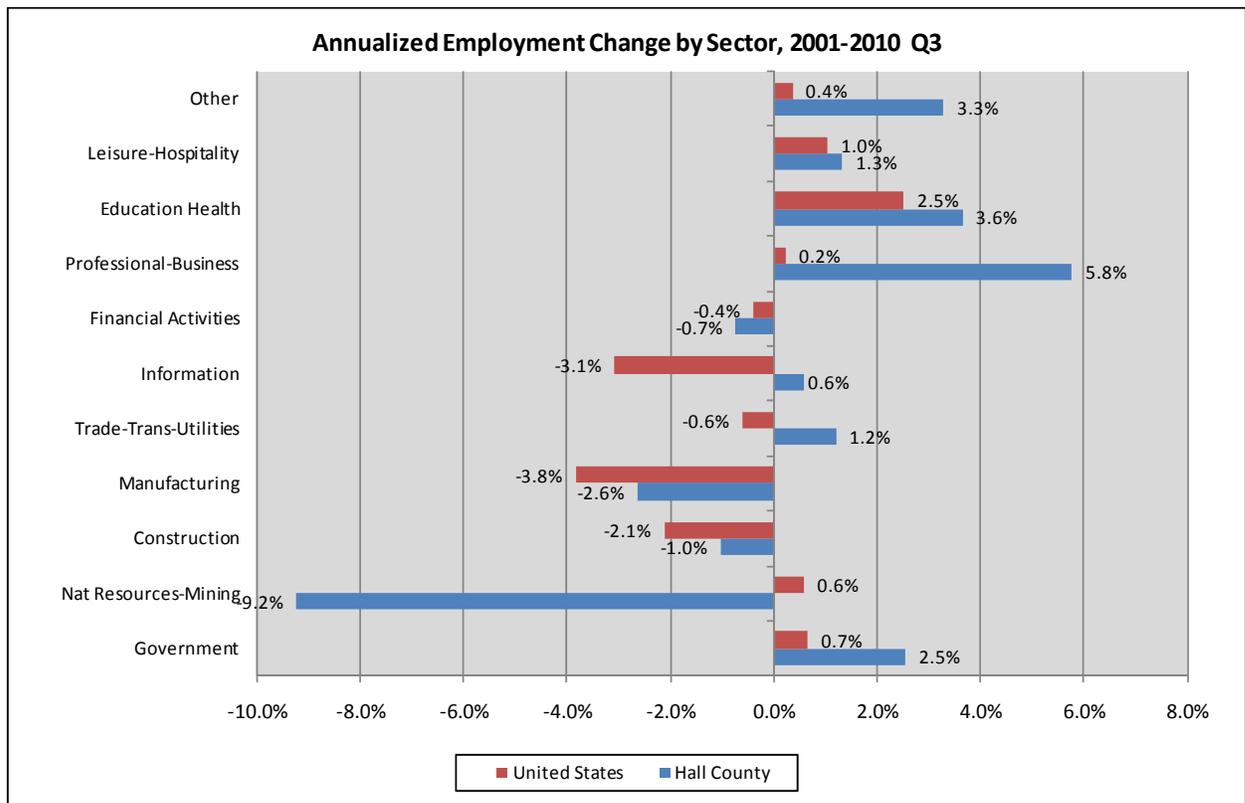
Figure 4 Employment by Sector, Hall County, 2010 (Q3)

Employment by Sector	2010 (Q3)
Government	10,220
Federal	624
State	2,230
Local	7,366
Private Sector	57,983
Goods-Producing	17,709
Natural Resources-Mining	287
Construction	2,818
Manufacturing	14,604
Service Providing	40,195
Trade-Trans-Utilities	12,947
Information	556
Financial Activities	2,584
Professional-Business	6,881
Education-Health	10,553
Leisure-Hospitality	5,187
Other	1,487
Unclassified	79
Total Employment	



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

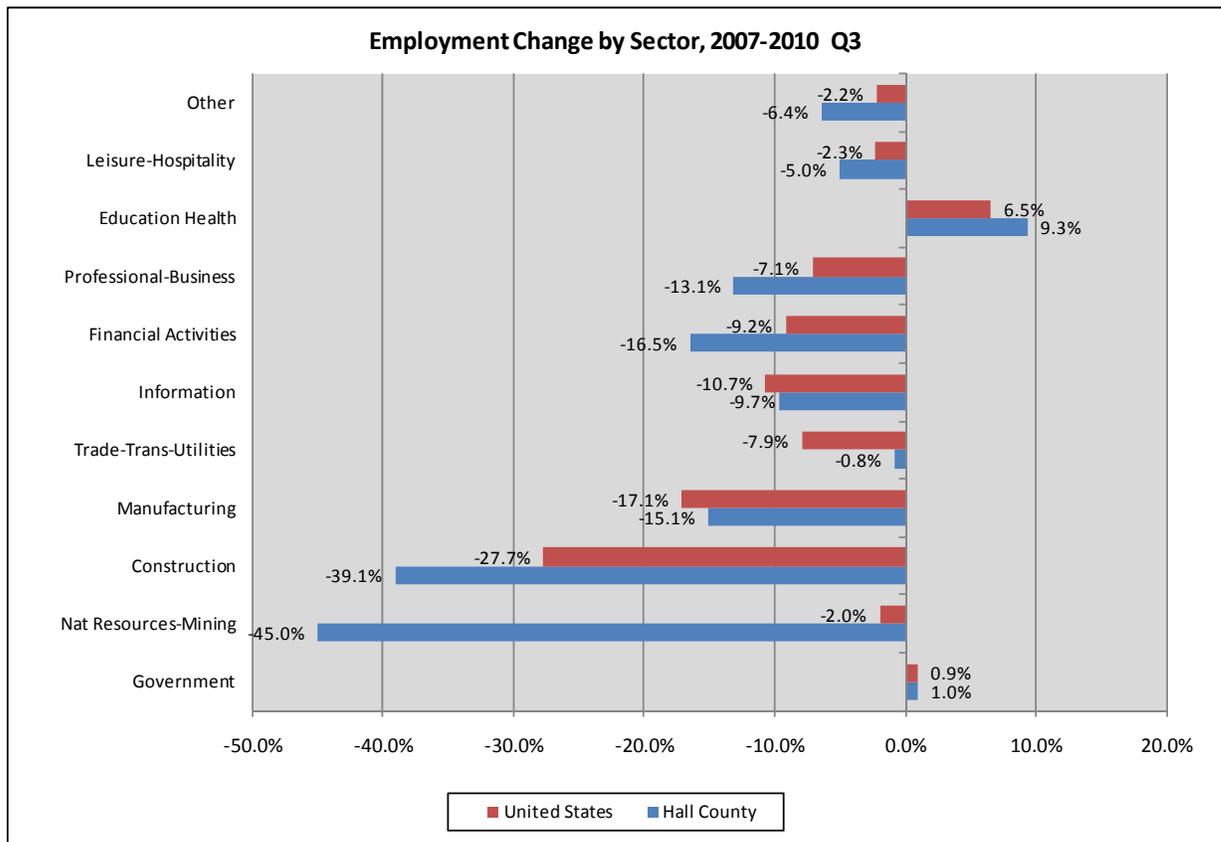
Figure 5 Employment by Sector Change, Hall County, 2001-2010 (Q3)



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

To analyze the recent job losses more closely, Figure 6 details the change in at-place employment by sector between 2007 and the third quarter of 2010. During this approximate three year period, nine of eleven employment sectors reported a net loss in jobs. The heaviest losses in terms of total jobs occurred within the manufacturing and construction sectors which posted total declines of 15.1 percent and 39.1 percent, respectively. While not the highest on a percentage basis, Hall County also lost a significant number of jobs in the professional business sector. The only job increases during this period occurred in education-health and government.

Figure 6 Employment by Sector Change, Hall County, 2007-2010 (Q3)



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

Several major employers are located within ten miles of the subject site, many of which are concentrated in and around downtown Gainesville. As would be expected given the employment by sector distribution, eight of the 20 largest employers in Hall County are manufacturers including five of the top ten (Table 4). The majority of these businesses, such as Fieldale Farms, Pilgrim's Pride, and Mar-Jac, are large poultry processors and are the impetus behind Gainesville's locally known moniker of "the chicken capital of the world". Several of the county's top employers also include education-health and government institutions. The largest of these is Northeast Georgia Medical Center which is the primary healthcare facility in the region and the top employer within the county. Given its location near downtown, the subject property is also located in close proximity to smaller employment opportunities consisting of retail outlets and a variety of specialty service providers.

Recent contractions among employers near the subject property as listed in the Georgia Department of Labor's Business Closing and Layoffs List are provided in Table 5 below. No major expansions among employers were identified in Hall County as of this report; however, Hall County is currently in the planning process to construct the Glades Reservoir in northern Hall County. The Glades Reservoir construction is expected to cost approximately 138 million over a three to five year period during which the county will benefit from newly created but temporary construction related jobs. Permanent jobs estimates for the operation and maintenance of the facility were not available.

Table 4 Major Employers, Hall County

Rank	Name	Industry	Employment
1	Northeast Georgia Medical Center	Education-Health	3,330
2	Fieldale Farms	Manufacturing	2,410
3	Hall County School System	Education-Health	1,610
4	Pilgrim's Pride	Manufacturing	1,600
5	Hall County Government	Government	1,390
6	Mar-Jac, Inc.	Manufacturing	1,100
7	Coleman Natural Foods	Manufacturing	850
8	Wrigley Manufacturing Company	Manufacturing	850
9	Gainesville City School System	Education-Health	810
10	Gainesville City Government	Government	730
11	Kubota Manufacturing of America	Manufacturing	610
12	Gainesville State College	Government	530
13	Koch Foods, Inc.	Manufacturing	520
14	GDOT District 1 Office	Government	460
15	The Longstreet Clinic	Education-Health	440
16	PFG Milton's Institutional Foods	Trade-Transportation-Utilities	420
17	Lake Lanier Islands Resort	Leisure-Hospitality	400
18	Wal-Mart Super Centers (2)	Trade-Transportation-Utilities	400
19	Mansfield Oil Company	Trade-Transportation-Utilities	365
20	Beaulieu of America	Manufacturing	360

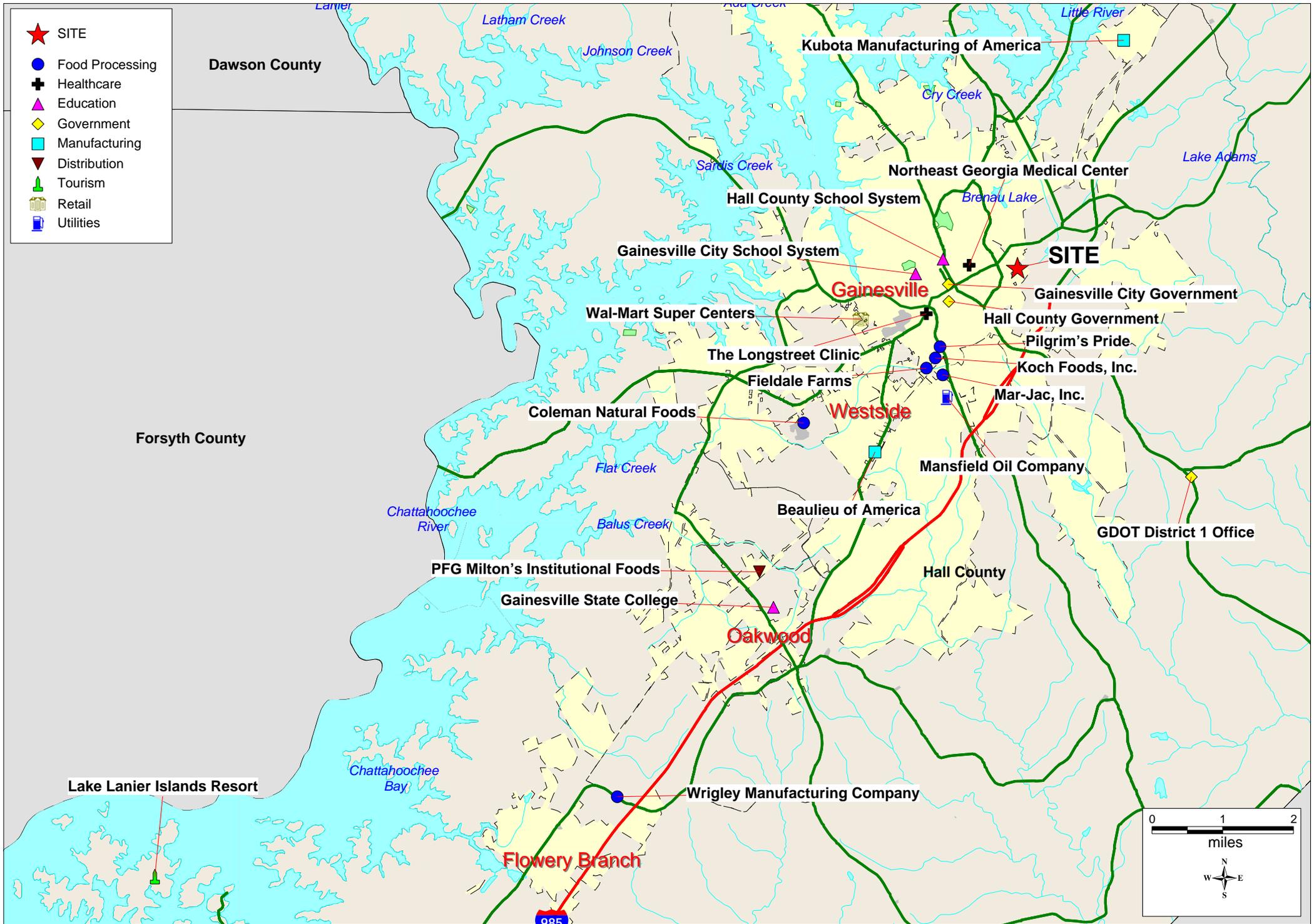
Source: Greater Hall Chamber of Commerce

Table 5 Business Closings / Layoffs, 2009 to 2011 (Q1)

Company Name	City	County	# Employees Affected	Date
Indalex, Inc.	Gainesville	Hall	0	3/17/2010
Brose Gainesville, Inc.	Gainesville	Hall	125	9/3/2009
Unisia Steering Systems	Gainesville	Hall	110	8/21/2009
Coleman Natural Foods	Gainesville	Hall	139	1/14/2009
Total			374	

Source: Georgia Department of Labor

- ★ SITE
- Food Processing
- ⊕ Healthcare
- ▲ Education
- ◇ Government
- Manufacturing
- ▼ Distribution
- 🌳 Tourism
- 🏪 Retail
- 🚰 Utilities



Map 4
Major Employers
Hall County, GA

Hall County's labor force grew at a steady pace throughout the past two decades before leveling off in 2009 and 2010 through the course of the most recent national recession. Overall, the county's labor force increased from 52,774 in 1990 to 89,018 in 2010, a gain of 36,244 workers or 68.6 percent (Figure 7). Through the first quarter of 2011, Hall County's labor force increased by an additional 195 people.

After reaching a high of 5.8 percent in 1992, Hall County's unemployment rate steadily declined throughout the remainder of the 1990's reaching a period low of 2.5 percent by 1999. The county's unemployment rate climbed in four of the next six years to 4.4 percent in 2005. From 2006 to 2007, unemployment rates dipped below four percent; however, this was short-lived as a national recession led to a sharp increase in the county's unemployment rate to just over nine percent in 2009 and 2010. Through the first quarter of 2011, Hall County's unemployment rate appears to have stabilized, dropping slightly to 8.8 percent. Despite recent increases, Hall County's unemployment rate has consistently remained below state and national figures over the past twenty years.

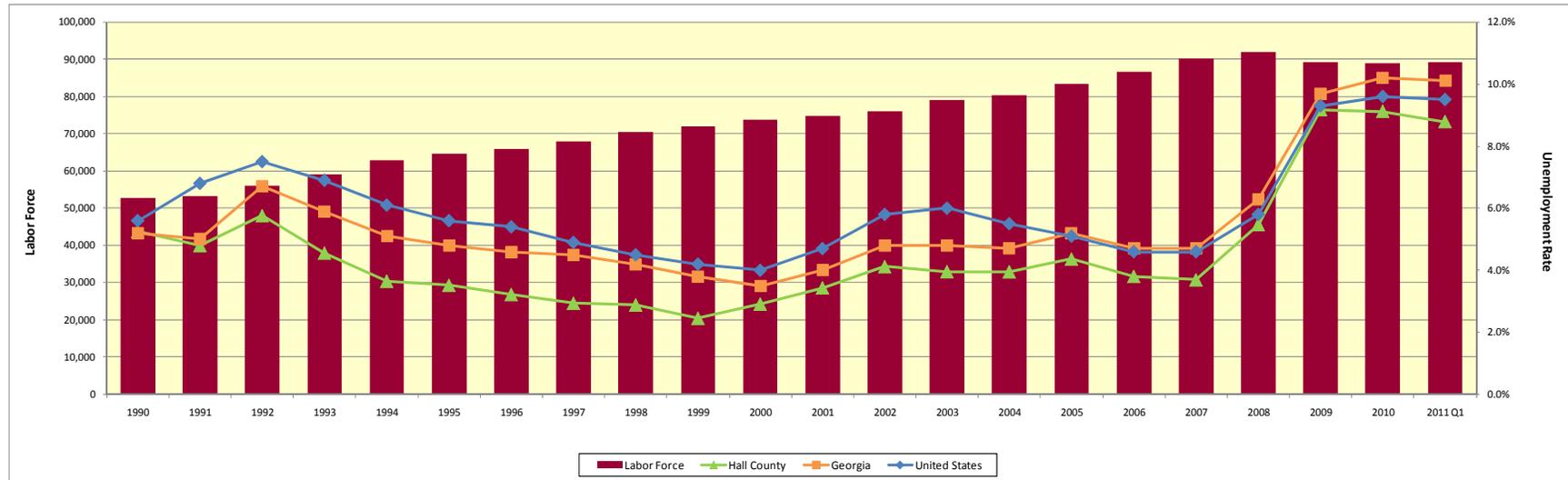
Given the target market and product to be constructed, we do not believe local economics will negatively impact the ability of Myrtle Terraces at New Holland to lease its units.

Table 6 Labor Force and Unemployment Rates, Hall County

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011 Q1
Labor Force	52,774	53,284	56,088	59,033	62,882	64,607	65,865	68,040	70,453	71,944	73,894	74,810	75,983	79,138	80,239	83,358	86,664	90,164	92,018	89,289	89,018	89,213
Employment	50,000	50,727	52,857	56,341	60,585	62,331	63,739	66,036	68,415	70,173	71,738	72,235	72,851	76,002	77,064	79,718	83,362	86,832	86,975	81,097	80,899	81,374
Unemployment	2,774	2,557	3,231	2,692	2,297	2,276	2,126	2,004	2,038	1,771	2,156	2,575	3,132	3,136	3,175	3,640	3,302	3,332	5,043	8,192	8,119	7,839
Unemployment Rate																						
Hall County	5.3%	4.8%	5.8%	4.6%	3.7%	3.5%	3.2%	2.9%	2.9%	2.5%	2.9%	3.4%	4.1%	4.0%	4.0%	4.4%	3.8%	3.7%	5.5%	9.2%	9.1%	8.8%
Georgia	5.2%	5.0%	6.7%	5.9%	5.1%	4.8%	4.6%	4.5%	4.2%	3.8%	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.7%	6.3%	9.7%	10.2%	10.1%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	9.5%

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



C. Wages by Occupation

The average annual wage in 2009 for Hall County was \$37,924, which is \$4,978 or 11.6 percent below the \$42,902 average for the state. The state's average wage is \$2,649, or 5.8 percent below the national average (Table 7). Hall County's average annual wage in 2009 represents an increase of \$7,995 or 26.5 percent since 2001.

The average wage in Hall County is lower than the national average for all economic sectors except leisure-hospitality and education-health (Figure 7). In some cases, the average annual wage for Hall County is over twenty-five percent lower than that of the nation. The highest paying sectors in Hall County are information and financial activities.

Table 7 Average Annual Wage, 2001-2009

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Hall County	\$29,969	\$31,000	\$31,589	\$32,849	\$33,828	\$34,765	\$36,994	\$37,929	\$37,924
Georgia	\$35,136	\$35,734	\$36,626	\$37,866	\$39,096	\$40,370	\$42,178	\$42,585	\$42,902
United States	\$36,219	\$36,764	\$37,765	\$39,354	\$40,677	\$42,535	\$44,458	\$45,563	\$45,551

Source: Bureau of Labor Statistics, Covered Employment and Wages (NAICS)

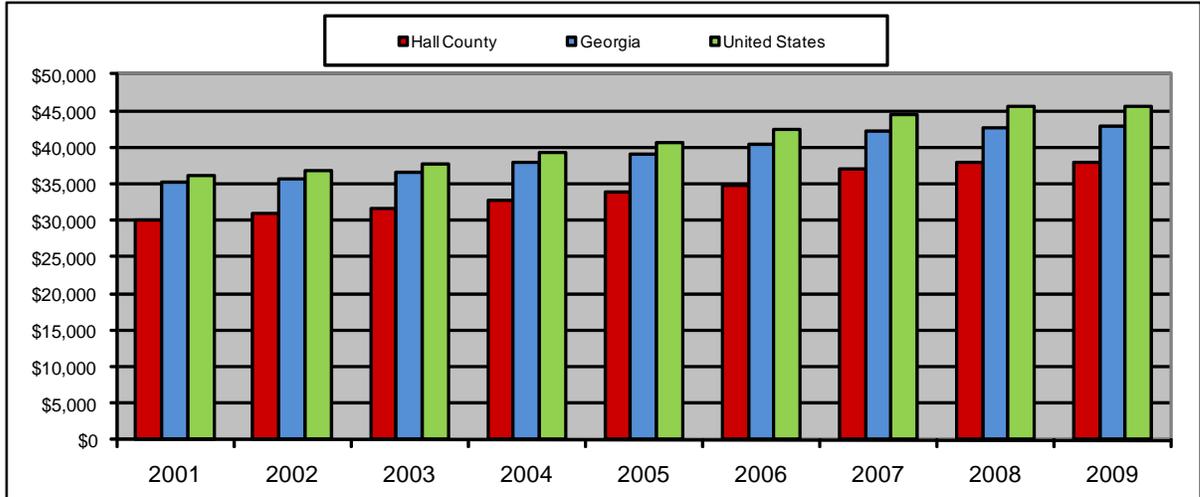
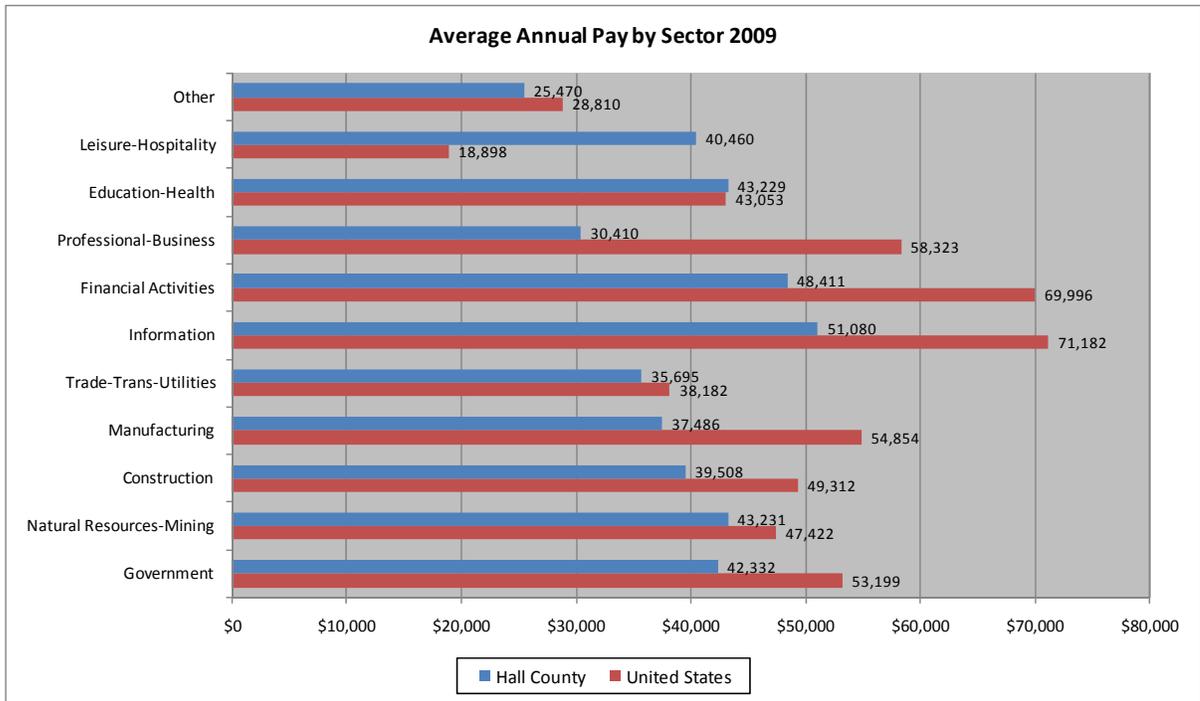


Figure 7 Average Annual Wage by Employment Sector, Hall County



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

D. Commuting Patterns

According to 2000 Census data, over one-third (39.7 percent) of primary market area workers commuted 15-29 minutes to work (Table 8). Another 32.5 percent commute less than fifteen minutes. Only 26.4 percent of workers residing in the primary market area spent 30 minutes or more commuting to work.

Just over 80 percent of workers in the primary market area reside within the county. Another 19.2 percent work in another Georgia county and 0.4 percent work outside the state (Table 9).

Table 8 Time Spend Commuting, PMA Workers

Travel Time to Work		
Workers 16 years and over	#	%
Did not work at home:	23,632	98.6%
Less than 5 minutes	596	2.5%
5 to 9 minutes	2,782	11.6%
10 to 14 minutes	4,409	18.4%
15 to 19 minutes	5,147	21.5%
20 to 24 minutes	3,350	14.0%
25 to 29 minutes	1,027	4.3%
30 to 34 minutes	2,501	10.4%
35 to 39 minutes	191	0.8%
40 to 44 minutes	570	2.4%
45 to 59 minutes	1,313	5.5%
60 to 89 minutes	1,212	5.1%
90 or more minutes	534	2.2%
Worked at home	330	1.4%
Total	23,962	

Source: 2000 U.S. Census

Table 9 Place of Work, PMA Workers

Place of Work		
Workers 16 years and over	#	%
Worked in state of residence:	23,857	99.6%
Worked in county of residence	19,265	80.4%
Worked outside county of residence	4,592	19.2%
Worked outside state of residence	105	0.4%
Total	23,962	100.0%

Source: 2000 U.S. Census

E. Household and Population Trends

The population and household statistics for the primary market area and the Hall County are based on the 2000 and 2010 Census counts. Estimates and projections were derived by The Nielsen Company, a national data vendor (Table 10).

The primary market area experienced steady population growth over the past decade as its 2010 population of 69,072 represents an increase of 14,026 persons or 25.5 percent since 2000. During the same time period, the population in the Hall County grew from 139,277 to 179,684 persons, an increase of 40,407 or 29.0 percent. Based on the estimates made by Nielsen, the primary market area and the Hall County are expected to add an additional 1,793 people (2.6 percent) and 4,626 people (2.6 percent) in 2011, respectively. Over the next five years, Nielsen projects population growth to continue in both regions. The primary market area's population is projected to increase by 9,687 people or 13.7 percent while Hall County is projected to expand by 24,978 people or 13.6 percent. Relative to the previous decade, the annual rate of population growth is projected to increase from 2.3 percent to 2.6 percent in the primary market area and remain steady 2.6 percent in Hall County.

Based on Census data, the primary market area's household count increased from 17,395 to 20,892 during the 2000's, a gain of 3,497 households or 20.1 percent. During the same decade, the Hall County's household base increased from 47,381 to 60,691, a gain of 13,310 households or 28.1 percent. On an annual percentage basis, households in the primary market area increased at a rate of 1.8 percent while Hall County households rose by 2.5 percent. Nielsen estimates annual household growth increased/decreased to 2.3 percent in the primary market area and Hall County, respectively.

Over the next five years, Nielsen projects household growth to continue to remain strong in both geographies. The primary market area is projected to grow from 21,370 households to 23,928 households while Hall County is expected to grow from 62,079 to 69,511 households. Annual increases are projected at 512 households or 2.3 percent in the primary market area and 1,486 households or 2.3 percent in the Hall County.

The average household size increased from 2000 to 2010 in both the primary market area and Hall County. This is expected to continue in both geographies over the next five years. The average household size in the primary market area is larger than that of the Hall County, overall.

F. Senior Household Trends

Primary market area senior household growth has outpaced total household growth on a percentage basis over the past decade, a trend expected to continue. Between 2000 and 2011, households with a householder age 55+ increased by 1,599 while households with a householder age 62 and older increased by 981. This equates to increases of 29.3 percent and 24.5 percent, respectively (Table 11). Household growth was higher among younger age cohorts as households with a householder age 55 to 64 increased by 42.5 percent. All five senior age cohorts experienced growth of at least 13 percent. Households with a householder age 62+ accounted for approximately 61 percent of all senior household growth since 2000.

Over the next five years, the primary market area's senior household base is expected to increase by 17.8 percent (3.3 percent annually) among households with a householder age 55+ and 18.8 percent (3.5 percent annually) among households with a householder age 62+. Growth among age brackets is projected to be more even with the largest increase in senior households expected to occur between the ages of 65 and 74 years and age 85 and older. By 2016, households with a householder age 62+ will account for three fourths (74.7 percent) of senior household growth and 71.2 percent of all senior households in the primary market area.

Table 10 Trends in Population and Households, PMA and Hall County

Hall County					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2011	2016	#	%	#	%	#	%	#	%	#	%	#	%	
Population	139,277	179,684	184,310	209,288	40,407	29.0%	4,041	2.6%	4,626	2.6%	4,626	2.6%	24,978	13.6%	4,996	2.6%
Group Quarters	2,297	2,391	2,416	2,541												
Households	47,381	60,691	62,079	69,511	13,310	28.1%	1,331	2.5%	1,388	2.3%	1,388	2.3%	7,432	12.0%	1,486	2.3%
Average HH Size	2.89	2.92	2.93	2.97												

Primary Market Area					Change 2000 to 2010				Change 2010 to 2011				Change 2011 to 2016			
					Total		Annual		Total		Annual		Total		Annual	
2000	2010	2011	2016	#	%	#	%	#	%	#	%	#	%	#	%	
Population	55,046	69,072	70,865	80,552	14,026	25.5%	1,403	2.3%	1,793	2.6%	1,793	2.6%	9,687	13.7%	1,937	2.6%
Group Quarters	1,897	1,951	1,970	2,073												
Households	17,395	20,892	21,370	23,928	3,497	20.1%	350	1.8%	478	2.3%	478	2.3%	2,558	12.0%	512	2.3%
Average HH Size	3.06	3.21	3.22	3.28												

Note: Annual change is compounded rate.

Source: US Census of Population and Housing, 2000 and 2010; Nielsen Company, RPRG

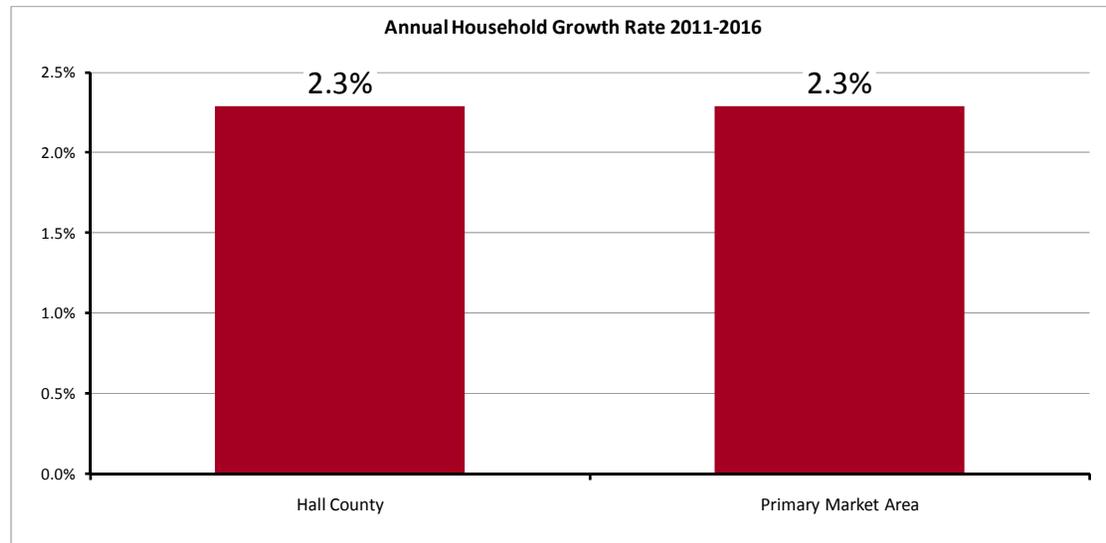
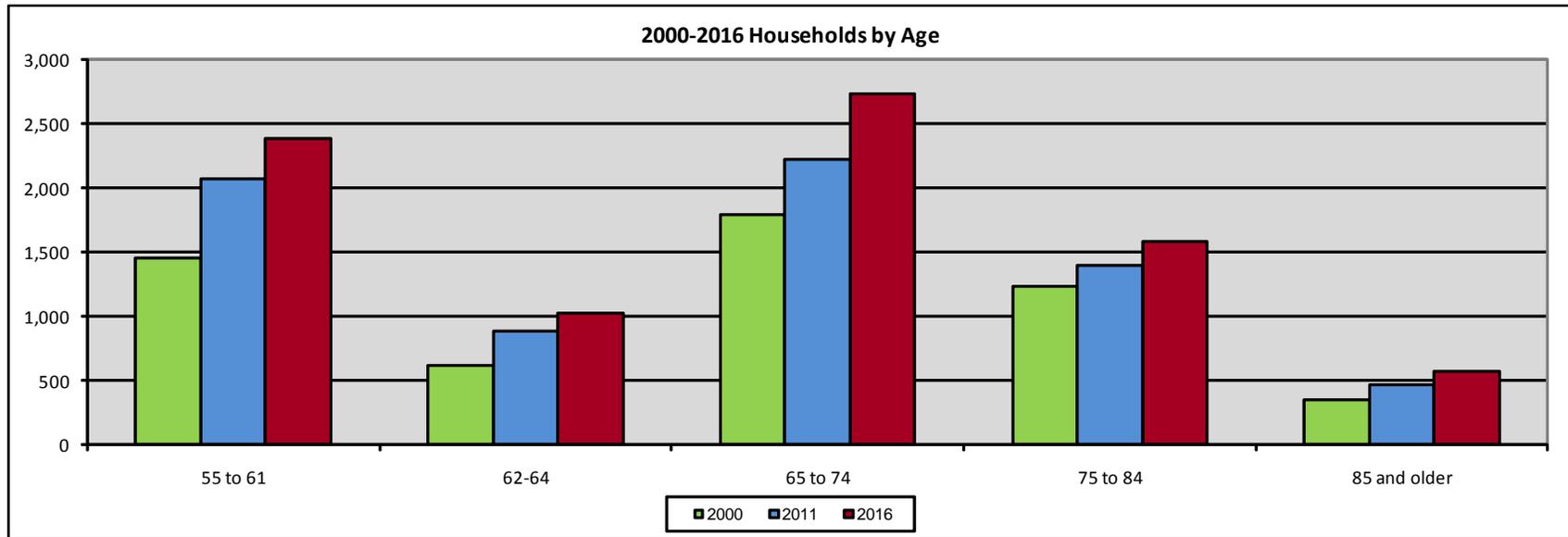


Table 11 Trends in Senior Households, Primary Market Area

Primary Market Area							Change 2000 to 2011				Change 2011 to 2016			
							Total		Annual		Total		Annual	
Age of Householder	2000		2011		2016		#	%	#	%	#	%	#	%
55 to 61	1,454	26.6%	2,072	29.4%	2,389	28.7%	618	42.5%	56	3.3%	317	15.3%	63	2.9%
62-64	623	11.4%	888	12.6%	1,024	12.3%	265	42.5%	24	3.3%	136	15.3%	27	2.9%
65 to 74	1,794	32.9%	2,230	31.6%	2,739	32.9%	436	24.3%	40	2.0%	510	22.9%	102	4.2%
75 to 84	1,235	22.6%	1,402	19.9%	1,587	19.1%	167	13.5%	15	1.2%	185	13.2%	37	2.5%
85 and older	353	6.5%	467	6.6%	576	6.9%	114	32.1%	10	2.6%	109	23.4%	22	4.3%
Householders 55+	5,459	100.0%	7,058	100.0%	8,315	100.0%	1,599	29.3%	145	2.4%	1,257	17.8%	251	3.3%
Householders 62+	4,005		4,986		5,926		981	24.5%	89	2.0%	939	18.8%	188	3.5%

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

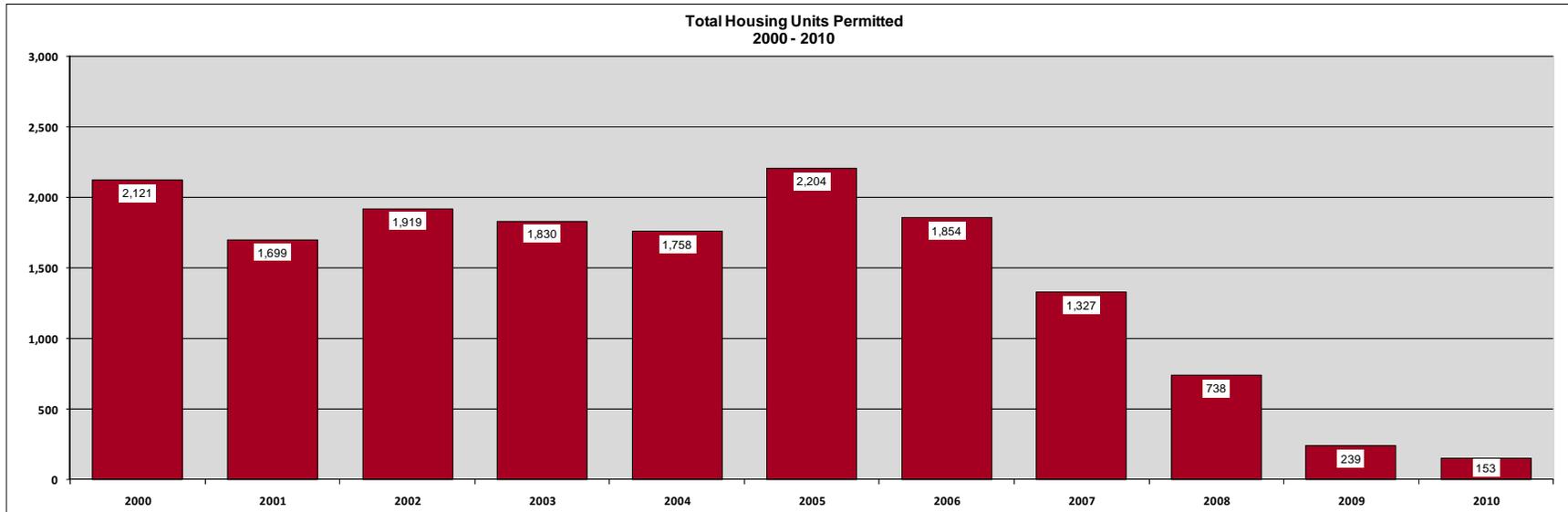


Building permit data reported in the U.S. Census Bureau's C-40 Report indicates that new construction of dwelling units in Hall County has slightly exceeded household growth over the past decade (Table 12). Overall, the annual unit average of 1,440 from 2000 to 2010 outpaced estimated annual household growth of 1,331 during the same time period. Only 10.9 percent of all building permits issued since 1990 have been for multi-family development. Since 2007, the pace of construction has slowed considerably, reflecting the rapid decline in the housing market and deteriorating economic conditions both locally and nationally. The 153 units permitted in 2009 were the lowest year-end total in Hall County over the past decade.

Table 12 Hall County Building Permits, 2000 - 2010

Hall County													
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2000-2010	Annual
Single Family	1,633	1,611	1,464	1,525	1,736	2,094	1,702	1,283	416	237	153	13,854	1,259
Two Family	4	4	2	4	2	10	6	4	4	2	0	42	4
3 - 4 Family	12	13	71	27	15	4	47	30	6	0	0	225	20
5 or more Family	472	71	382	274	5	96	99	10	312	0	0	1,721	156
Total	2,121	1,699	1,919	1,830	1,758	2,204	1,854	1,327	738	239	153	15,842	1,440

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



G. Demographic Characteristics

The 2011 Nielsen population distribution by age indicates that the primary market area is slightly younger than Hall County with median ages of 30 and 31, respectively. The primary market area has a higher percentage of its population under the age of 15, between the ages of 17 and 45, and age 85+. Hall County has a higher percentage from 15 to 17 years and 45 to 84 years (Table 13). Persons age 55 and older account for 17.4 percent of the population in the primary market area and 19.9 percent in Hall County.

Approximately half (49.5 percent) of the householders in the primary market area are married, compared to 57.9 percent in Hall County (Table 14). Children are present in 38.0 percent of the primary market area's households, slightly lower than the 39.4 percent occurrence of children in Hall County. Single-parent households account for 28.5 percent of households with children in the primary market area above that of Hall County (24.6 percent). The primary market area has a higher percentage of both non-married households without children present and single person households.

Table 13 2011 Age Distribution, PMA and Hall County

	Hall County		Primary Market Area	
	Number	Percent	Number	Percent
Under 5 years	16,454	8.9%	6,904	9.7%
5-9 years	15,451	8.4%	6,051	8.5%
10-14 years	13,633	7.4%	5,334	7.5%
15-17 years	7,095	3.8%	2,503	3.5%
18-20 years	7,283	4.0%	3,092	4.4%
21-24 years	8,827	4.8%	3,872	5.5%
25-34 years	28,703	15.6%	12,305	17.4%
35-44 years	27,212	14.8%	10,763	15.2%
45-54 years	23,014	12.5%	7,720	10.9%
TOTAL Non-Senior	147,673	80.1%	58,544	82.6%
55-61 years	12,161	6.6%	3,771	5.3%
62-64 years	5,212	2.8%	1,616	2.3%
65-74 years	11,241	6.1%	3,707	5.2%
75-84 years	5,945	3.2%	2,270	3.2%
85 and older	2,078	1.1%	957	1.4%
TOTAL Senior	36,637	19.9%	12,321	17.4%
TOTAL	184,310	100.0%	70,865	100.0%
Median Age	31		30	

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

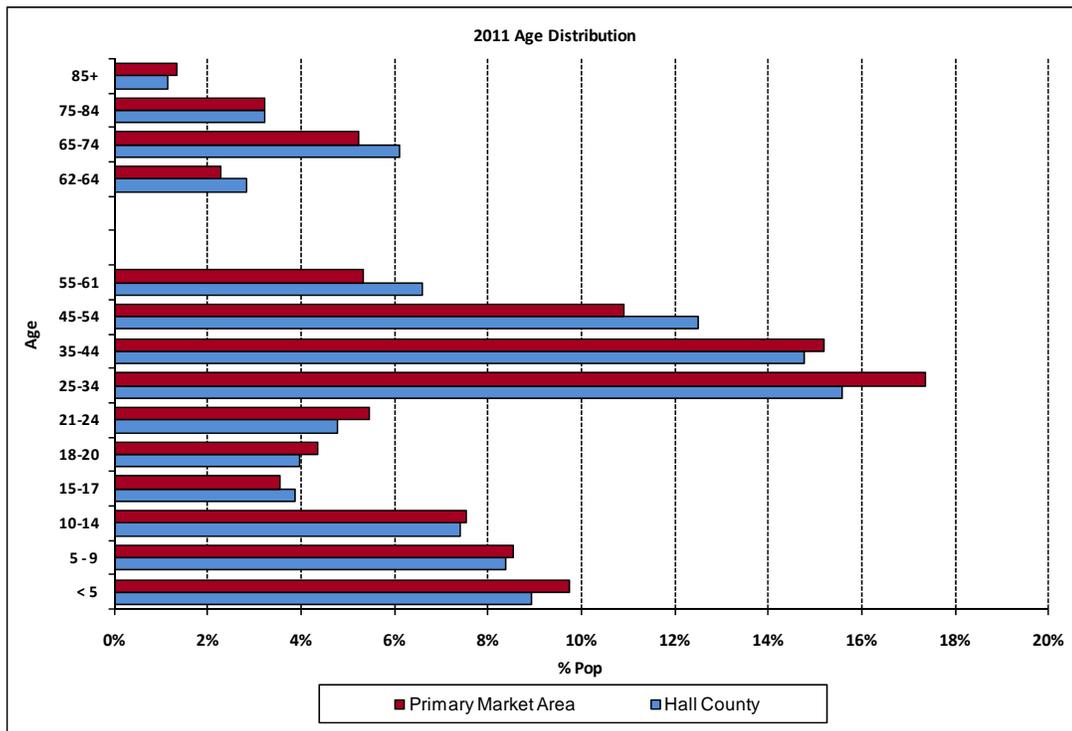
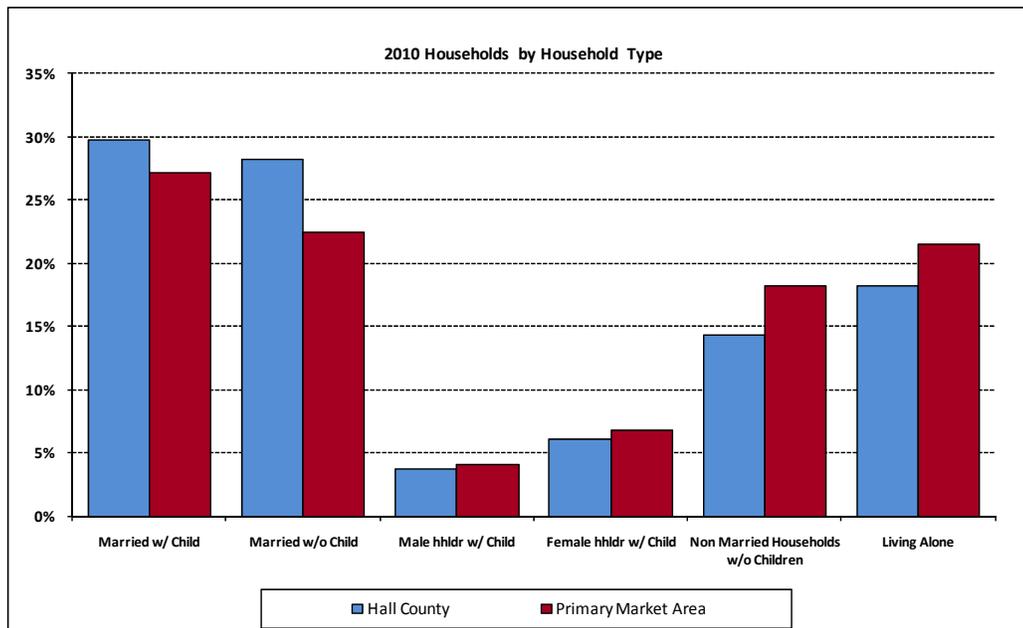


Table 14 2010 Households by Household Type, PMA and Hall County

	Hall County		Primary Market Area	
	#	%	#	%
Married w/ Child	18,015	29.7%	5,675	27.2%
Married w/o Child	17,095	28.2%	4,675	22.4%
Male hhldr w/ Child	2,219	3.7%	839	4.0%
Female hhldr w/ Child	3,663	6.0%	1,427	6.8%
Non Married Households w/o Children	8,661	14.3%	3,795	18.2%
Living Alone	11,037	18.2%	4,481	21.5%
Total	60,691	100.0%	20,892	100.0%

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



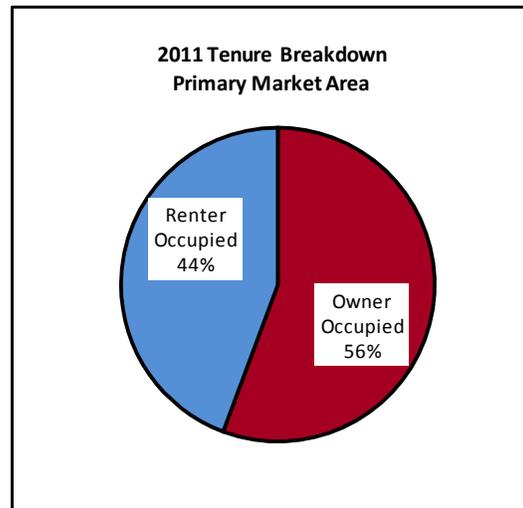
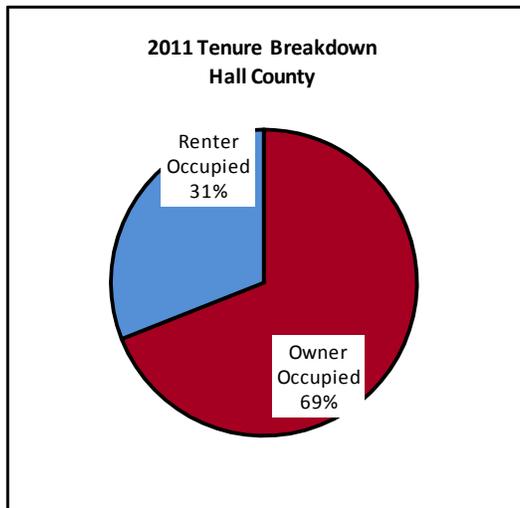
Nearly half (44.3 percent) of primary market area household are renters in 2011, compared to 31.0 percent in Hall County (Table 15). Over the next five years, Nielsen projects the renter percentage to increase in both the primary market area and Hall County.

Among householders age 55 and older, the renter percentages in both areas are lower than among all households. The 2011 senior renter percentage is 28.0 percent in the primary market area and 18.2 percent in Hall County (Table 16).

Table 15 Dwelling Units by Occupancy Status, PMA and Hall County

Hall County	2000		2011		2016	
Housing Units	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	33,676	71.1%	42,842	69.0%	47,807	68.8%
Renter Occupied	13,705	28.9%	19,238	31.0%	21,704	31.2%
Total Occupied	47,381	100.0%	62,079	100.0%	69,511	100.0%
Total Vacant	3,665		3,034		3,402	
TOTAL UNITS	51,046		65,113		72,913	

Primary Market Area	2000		2011		2016	
Housing Units	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	10,173	58.5%	11,898	55.7%	13,260	55.4%
Renter Occupied	7,222	41.5%	9,472	44.3%	10,667	44.6%
Total Occupied	17,395	100.0%	21,370	100.0%	23,928	100.0%
Total Vacant	1,029		1,364		1,529	
TOTAL UNITS	18,424		22,734		25,456	

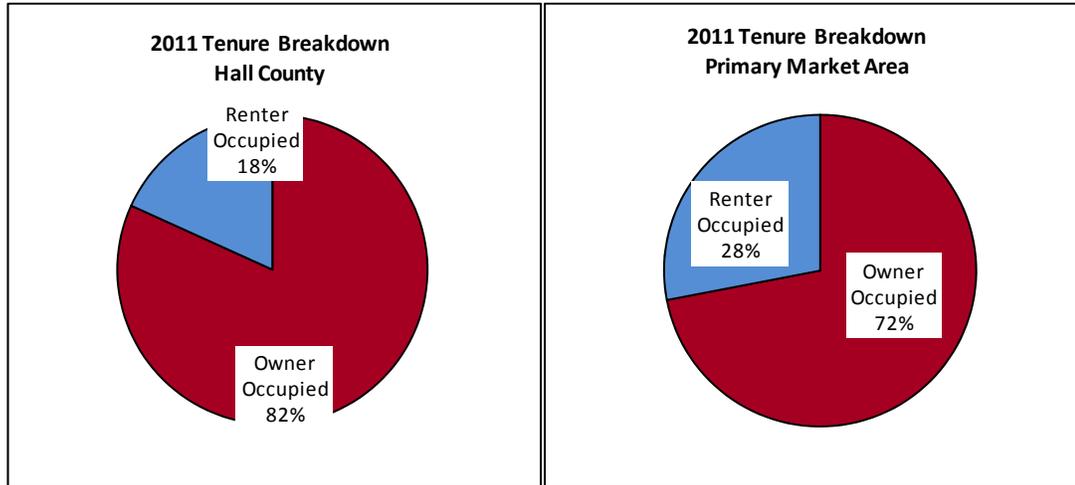


Source: U.S. Census of Population and Housing, 2000, The Nielsen Company

Table 16 Occupancy Status, Householders 55+, PMA and Hall County

Senior Households 55+	Hall County		Primary Market Area	
2011 Households	Number	Percent	Number	Percent
Owner Occupied	17,951	81.8%	5,080	72.0%
Renter Occupied	3,998	18.2%	1,978	28.0%
Total Occupied	21,949	100.0%	7,058	100.0%

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



Nearly half (43.7 percent) of all renter households in the primary market area contain one or two persons compared to 44.0 percent in Hall County (Table 17). An additional 14.2 percent of PMA renter households and 16.5 percent of Hall County renter households contain three persons. Households with four or more persons account for 42.0 percent and 39.4 percent of renter households in the primary market area and Hall County, respectively.

Table 17 2011 Renter Households by Household Size

Renter Occupied	Hall County		Primary Market Area	
	Number	Percent	Number	Percent
1-person household	4,274	22.2%	2,313	24.4%
2-person household	4,198	21.8%	1,828	19.3%
3-person household	3,182	16.5%	1,350	14.2%
4-person household	2,843	14.8%	1,211	12.8%
5-person household	2,143	11.1%	1,063	11.2%
6-person household	1,126	5.9%	678	7.2%
7+ person household	1,472	7.7%	1,030	10.9%
TOTAL	19,238	100.0%	9,472	100.0%

Source: The Nielsen Company; U.S. Census of Population and Housing, 2000; Estimates, RPRG, Inc.

Among owner householders, the primary market area has a higher percentage from 35-44 years and over the age of 64 while Hall County has a higher percentage above and below these ranges (Table 18). Among renter householders in the primary market area, most (48.4 percent) are considered permanent renters (ages 35 to 64). Another 39.5 percent of renter householders are classified as young renters (below age 35). In the primary market area, senior renters (age 65 and older) account for 12.1 percent of all renter householders.

Table 18 2011 Households by Tenure & Age of Householder, PMA and Hall County

Owner Households	Hall County		Primary Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	541	1.3%	136	1.1%
25-34 years	5,661	13.2%	1,568	13.2%
35-44 years	9,269	21.6%	2,611	21.9%
45-54 years	9,420	22.0%	2,503	21.0%
55-64 years	8,257	19.3%	2,128	17.9%
65-74 years	5,810	13.6%	1,637	13.8%
75 to 84 years	3,044	7.1%	1,009	8.5%
85+ years	840	2.0%	307	2.6%
Total	42,842	100%	11,898	100%

Renter Households	Hall County		Primary Market Area	
Age of HHldr	Number	Percent	Number	Percent
15-24 years	2,270	11.8%	1,007	10.6%
25-34 years	5,623	29.2%	2,733	28.9%
35-44 years	4,374	22.7%	2,309	24.4%
45-54 years	2,972	15.4%	1,445	15.3%
55-64 years	1,758	9.1%	832	8.8%
65-74 years	1,177	6.1%	593	6.3%
75 to 84 years	757	3.9%	392	4.1%
85+ years	306	1.6%	160	1.7%
Total	19,238	100%	9,472	100%

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

H. Income Characteristics

Nielsen estimates that the median household income for all householders in the primary market area in 2011 is \$44,018 (Table 19), which is \$10,033 or 18.6 percent below the Hall County's median income of \$54,051.

Among senior householders age 55 and older, the 2011 estimated median income in the primary market area is \$32,191, which is 73.1 percent of the PMA's overall median (Table 20). Within the primary market area, 42.5 percent of all senior households (55+) earn less than \$25,000. Nielsen projects that the median income for householders age 55 and older in the primary market area will increase 3.5 percent by 2016 to \$33,322. In 2016, the income distribution will skew slightly higher, as 40.8 percent of households 55 and older will have an annual income of less than \$25,000.

Based on Nielsen income projections, the relationship between owner and renter incomes as recorded in the 2000 Census, the breakdown of tenure, and household estimates, RPRG estimates that the median income of senior renters (55+) in the primary market area of \$23,659 is \$12,419 lower than or 65.6 percent of the owner household median of \$36,078 (Table 21). Over half (52.4 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 38.7 percent of owner households.

Table 19 2011 Income Distribution, PMA and Hall County

		Hall County		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$15,000	6,699	10.8%	3,393	15.9%
	\$15,000 \$24,999	5,662	9.1%	2,567	12.0%
	\$25,000 \$34,999	6,210	10.0%	2,408	11.3%
	\$35,000 \$49,999	10,241	16.5%	3,853	18.0%
	\$50,000 \$74,999	13,749	22.1%	4,255	19.9%
	\$75,000 \$99,999	8,162	13.1%	2,102	9.8%
	\$100,000 \$124,999	5,104	8.2%	1,196	5.6%
	\$125,000 \$149,999	2,609	4.2%	659	3.1%
	\$150,000 \$199,999	1,574	2.5%	389	1.8%
	\$200,000 over	2,070	3.3%	547	2.6%
Total		62,079	100.0%	21,370	100.0%
Median Income		\$54,051		\$44,018	

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

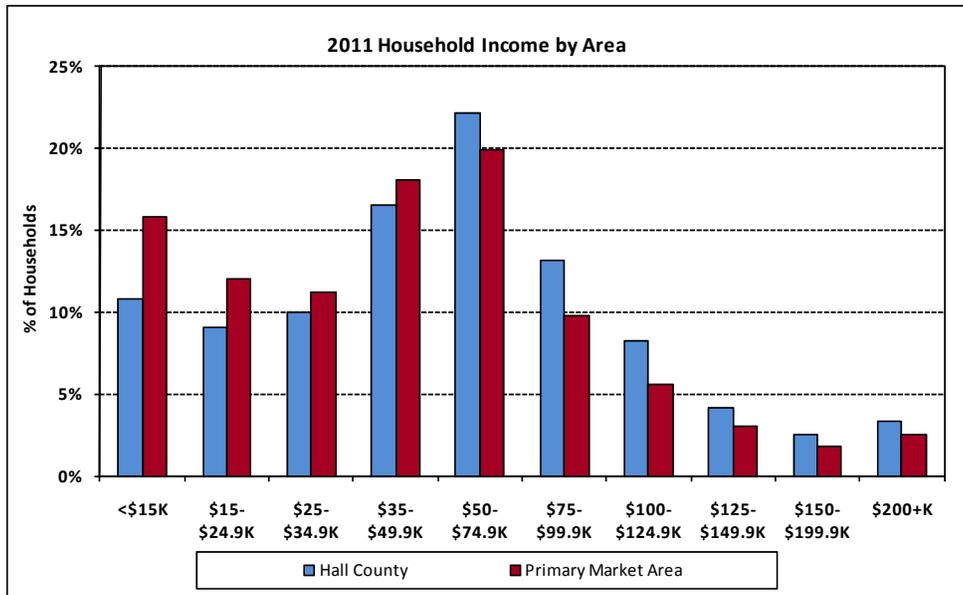


Table 20 2011 & 2016 HH Income for HHs 55+, Primary Market Area

		2011 Household Income		2016 Household Income	
		Number	Percent	Number	Percent
less than	\$15,000	1,857	26.3%	2,055	24.7%
	\$15,000	1,143	16.2%	1,337	16.1%
	\$25,000	735	10.4%	920	11.1%
	\$35,000	1,055	14.9%	1,215	14.6%
	\$50,000	1,005	14.2%	1,220	14.7%
	\$75,000	437	6.2%	552	6.6%
	\$100,000	262	3.7%	308	3.7%
	\$125,000	168	2.4%	214	2.6%
	\$150,000	147	2.1%	180	2.2%
	\$200,000	248	3.5%	314	3.8%
	over				
Total		7,058	100.0%	8,315	100.0%
Median Income		\$32,191		\$33,322	

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

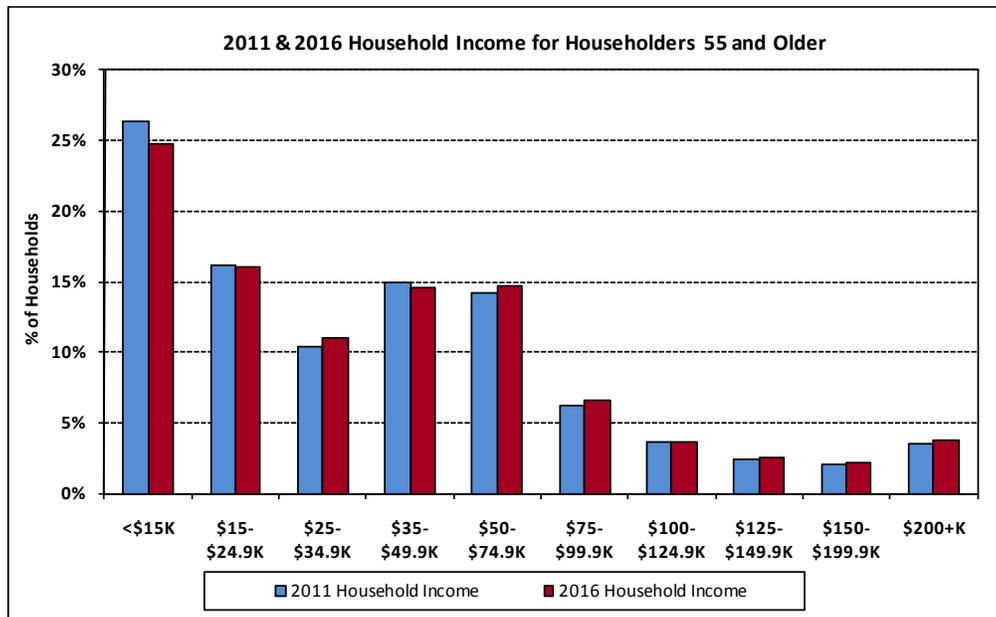
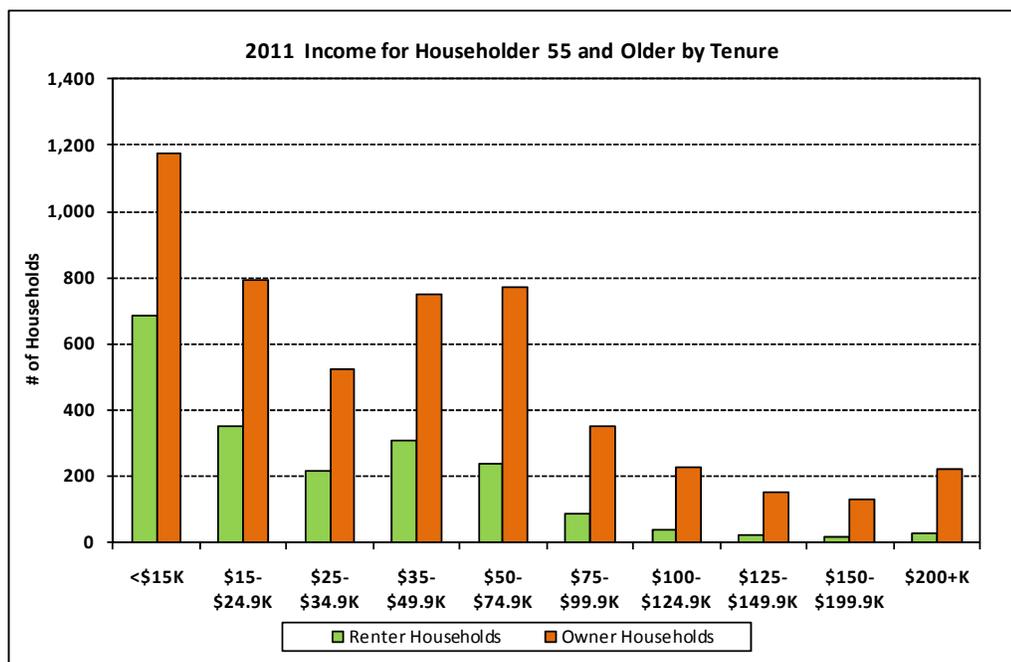


Table 21 Income for HHs 55+ by Tenure, Primary Market Area

		Renter Households		Owner Households	
		Number	Percent	Number	Percent
less than	\$15,000	684	34.6%	1,173	23.1%
	\$15,000 - \$24,999	352	17.8%	791	15.6%
	\$25,000 - \$34,999	213	10.8%	522	10.3%
	\$35,000 - \$49,999	306	15.5%	749	14.7%
	\$50,000 - \$74,999	235	11.9%	770	15.2%
	\$75,000 - \$99,999	86	4.4%	351	6.9%
	\$100,000 - \$124,999	36	1.8%	226	4.5%
	\$125,000 - \$149,999	20	1.0%	149	2.9%
	\$150,000 - \$199,999	17	0.9%	130	2.6%
	\$200,000 over	29	1.5%	219	4.3%
Total		1,978	100.0%	5,080	100.0%
Median Income		\$23,659		\$36,078	

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



V. Project Specific Affordability and Demand Analysis

A. Proposed Unit Mix and Income Restrictions

HUD has computed a 2011 median household income of \$61,200 for the Gainesville MSA, in which the subject site is located. Based on that median income, adjusted for household size, the maximum income limit and minimum income requirement is computed for each floorplan in Table 22. The minimum income limit is calculated assuming up to 40 percent of income is spent on total housing cost (rent plus utilities). Maximum income limits are based on an average household size of 1.5 persons for one bedroom units and a maximum household size of 2.0 persons for two bedroom units. The maximum tax credit rents, however, are based on the federal regulation of 1.5 persons per household.

Table 22 Project Specific LIHTC Rent Limits, Gainesville MSA

Unit Type	AMI	Units	Bed	Bath	Net Rent	Utility Allowance	Gross Rent	Max. Gross Rent	Max. Income	Min. Income
LIHTC	50%	5	1	1	\$565	\$0	\$565	\$574	\$22,975	\$16,950
LIHTC	60%	21	1	1	\$675	\$0	\$675	\$689	\$27,570	\$20,250
Market	80%	10	1	1	\$776	\$0	\$776	\$919	\$36,760	\$23,280
LIHTC	50%	4	2	1	\$640	\$0	\$640	\$688	\$24,500	\$19,200
LIHTC	60%	8	2	1	\$780	\$0	\$780	\$826	\$29,400	\$23,400
Market	80%	4	2	1	\$897	\$0	\$897	\$1,102	\$39,200	\$26,910
LIHTC	50%	4	2	2	\$680	\$0	\$680	\$688	\$24,500	\$20,400
LIHTC	60%	18	2	2	\$820	\$0	\$820	\$826	\$29,400	\$24,600
Market	80%	10	2	2	\$943	\$0	\$943	\$1,102	\$39,200	\$28,290
Total		84								

B. Affordability Analysis

To understand the depth of the rental market for affordable housing in the primary market area, we have conducted an affordability analysis for the proposed units (Table 23). These capture rates reflect the percentage of age and income-qualified households in the market area that the subject property must capture in order to gain full occupancy. As the proposed development will be a Housing for Older Persons community, this analysis is based on households age 55 and older in accordance with DCA demand methodology.

- To calculate the income distribution for 2013, we projected incomes based on Nielsen income distributions for 2011 and 2016, and the relationship of owner/renter incomes by income cohort from the 2000 Census. The maximum income limits are based on the Georgia Department of Community Affairs' (DCA) requirements. We have assumed maximum income limits based on an average household size of 1.5 persons for one bedroom units and 2.0 persons for two bedroom units.
- Using a 40 percent rent burden criteria, we determined that the gross one bedroom rent (\$565) for the 50 percent one bedroom units would be affordable to households earning a minimum of \$16,950, which includes 5,370 households (55+) in the primary market area.
- Based on the 2011 HUD income limits for households at 50 percent of median income, the maximum income allowed for a one bedroom unit in this market would be \$22,975. We estimate that 4,636 senior households (55+) within the primary market area have incomes above that maximum.
- Subtracting the 4,636 households (55+) with incomes above the maximum income from the 5,370 households (55+) that could afford to rent this unit, we compute that 734 senior households (55+) are income eligible for the units. The proposed five 50 percent one bedroom units would require a capture rate of 0.7 percent of all qualified senior households (55+). Among senior renter households (55+), the capture rate for this floor plan is 2.2 percent.
- Using the same methodology, we determined the band of qualified senior households for each of the other bedroom types offered in the community. We also computed the capture rates for each AMI level and for all units.
- By floor plan, renter capture rates range from a low of 2.2 percent for one bedroom 50 percent units to a high of 19.6 percent for two bedroom 60 percent units.

- The overall renter capture rates are 4.5 percent for 50 percent units, 16.6 percent for 60 percent units, 6.1 percent for market rate units, 14.7 percent for all LIHTC units, and 13.0 percent for the project as a whole.
- All of these capture rates are within achievable levels for an age restricted community. Furthermore, these estimates are conservative as they do not account for contributions from senior homeowner conversion and/or significant senior household migration (outside of the primary market area) due affluent adult children living in the primary market area.

Table 23 2013 Affordability Analysis for Myrtle Terraces at New Holland

	One Bedroom Units			Two Bedroom Units		
	Base Price	Minimum	Maximum	Base Price	Minimum	Maximum
50% Units	Number of Units	5		Number of Units	8	
	Net Rent	\$565		Net Rent	\$660	
	Gross Rent	\$565		Gross Rent	\$660	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$16,950	\$22,975	Income Range	\$19,800	\$24,500
	Range of Qualified Hhlds	5,370	4,636	Range of Qualified Hhlds	5,023	4,450
	# Qualified Households		734	# Qualified Households		573
	Unit Total HH Capture Rate		0.7%	Unit Total HH Capture Rate		1.4%
	Range of Qualified Renters	1,327	1,100	Range of Qualified Renters	1,220	1,042
	# Qualified Renter Households		227	# Qualified Renter Households		177
Unit Renter HH Capture Rate		2.2%	Unit Renter HH Capture Rate		4.5%	
60% Units	Number of Units	21		Number of Units	26	
	Net Rent	\$675		Net Rent	\$808	
	Gross Rent	\$675		Gross Rent	\$808	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$20,250	\$27,570	Income Range	\$24,231	\$29,400
	Range of Qualified Hhlds	4,968	4,182	Range of Qualified Hhlds	4,483	4,035
	# Qualified Households		786	# Qualified Households		448
	Unit Total HH Capture Rate		2.7%	Unit Total HH Capture Rate		5.8%
	Range of Qualified Renters	1,203	963	Range of Qualified Renters	1,052	920
	# Qualified Renter Households		240	# Qualified Renter Households		132
Unit Renter HH Capture Rate		8.8%	Unit Renter HH Capture Rate		19.6%	
80% Units	Number of Units	10		Number of Units	14	
	Net Rent	\$776		Net Rent	\$930	
	Gross Rent	\$776		Gross Rent	\$930	
	% Income for Shelter	40%		% Income for Shelter	40%	
	Income Range	\$23,280	\$36,760	Income Range	\$27,896	\$39,200
	Range of Qualified Hhlds	4,598	3,452	Range of Qualified Hhlds	4,156	3,271
	# Qualified Households		1,146	# Qualified Households		885
	Unit Total HH Capture Rate		0.9%	Unit Total HH Capture Rate		1.6%
	Range of Qualified Renters	1,088	750	Range of Qualified Renters	955	697
	# Qualified Renter Households		338	# Qualified Renter Households		258
Unit Renter HH Capture Rate		3.0%	Unit Renter HH Capture Rate		5.4%	

	# of Units	All Households =7,544			
		Income HHS	Band of Qualified Hhlds	# Qualified HHS	Capture Rate
50% Units	13	Income HHS	\$16,950 \$24,500	920	1.4%
		HHS	5,370 4,450		
60% Units	47	Income HHS	\$20,250 \$29,400	933	5.0%
		HHS	4,968 4,035		
LIHTC Units	60	Income HHS	\$16,950 \$29,400	1,335	4.5%
		HHS	5,370 4,035		
80% Units	24	Income HHS	\$23,280 \$39,200	1,328	1.8%
		HHS	4,598 3,271		
Total Units	84	Income HHS	\$16,950 \$39,200	2,099	4.0%
		HHS	5,370 3,271		

	Income HHS	Band of Qualified Hhlds	# Qualified HHS	Capture Rate
		\$16,950 \$24,500	285	4.6%
		1,327 1,042		
		\$20,250 \$29,400	283	16.6%
		1,203 920		
		\$16,950 \$29,400	407	14.7%
		1,327 920		
		\$23,280 \$39,200	391	6.1%
		1,088 697		
		\$16,950 \$39,200	630	13.3%
		1,327 697		

Source: Estimates, Real Property Research Group, Inc.

C. Net Demand, Capture Rate, and Stabilization Calculations

The Georgia Department of Community Affairs' demand methodology for Housing for Older Persons (HFOP) LIHTC communities is based on householders age 55 and older and consists of four components:

- The first component of demand is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2000 and 2013.
- The second component is income qualified renter households living in substandard housing. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to U.S. Census data, the percentage of renter occupied households in the primary market area that are "substandard" is 21.7 percent (Table 24).
- The third component of demand is cost burdened renters, which is defined as those renter households age 55+ paying more than 40 percent of household income for housing costs. According to Census data, 34.9 percent of primary market area renter households age 55+ are categorized as cost burdened.
- The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2004, 2.1 percent of elderly households move each year in the Atlanta MSA. Of those moving within the past twelve months, 61.9 percent moved from owned to rental housing (Table 25). Given the lack of local information, this source is considered to be the most current and accurate.

Demand from the primary market area is increased by 15 percent to account for secondary market area demand. This estimate is based on the attractive location of the subject property and the significant number of affluent adult children living in the PMA. Given the proposed product type, this estimate of secondary demand is appropriate for Myrtle Terraces at New Holland.

DCA considers units that have been constructed or renovated since 2000 to have an impact on the future demand for new development. For this reason, the directly comparable units constructed within the past ten years and those planned within the primary market area

are subtracted from the estimate of demand. No senior LIHTC or market rate communities meeting this criterion were identified in the primary market area.

The overall demand capture rates by AMI level are 5.5 percent for 50 percent units, 20.1 percent for 60 percent units, 7.4 percent for market rate units, 17.8 percent for all LIHTC units, and 16.1 percent for the project as a whole. By floor plan, capture rates range from a low of 5.5 percent for two bedroom 50 percent units to a high of 23.7 percent for two bedroom 60 percent units. All of these capture rates are well within DCA's range of acceptability. The overall capture rates and capture rates by floor plan indicate sufficient demand to support the proposed development.

Table 24 Cost Burdened and Substandard Calculation, PMA

Rent Cost Burden			Substandardness	
Total Households			Total Households	
Less than 10.0 percent	579	8.1%	Owner occupied:	
10.0 to 14.9 percent	956	13.4%	Complete plumbing facilities:	10,093
15.0 to 19.9 percent	951	13.3%	1.00 or less occupants per room	9,355
20.0 to 24.9 percent	821	11.5%	1.01 or more occupants per room	296
25.0 to 29.9 percent	787	11.0%	Lacking complete plumbing facilities:	442
30.0 to 34.9 percent	474	6.6%	Overcrowded or lacking plumbing	738
35.0 to 39.9 percent	387	5.4%	Renter occupied:	
40.0 to 49.9 percent	441	6.2%	Complete plumbing facilities:	7,160
50.0 percent or more	1,231	17.2%	1.00 or less occupants per room	5,392
Not computed	529	7.4%	1.01 or more occupants per room	796
Total	7,156	100.0%	Lacking complete plumbing facilities:	972
			Overcrowded or lacking plumbing	1,768
> 35% income on rent	2,059	31.1%	Substandard Housing	2,506
Households 55+			% Total Stock Substandard	13.4%
Less than 20.0 percent	384	27.1%	% Rental Stock Substandard	21.7%
20.0 to 24.9 percent	99	7.0%		
25.0 to 29.9 percent	156	11.0%		
30.0 to 34.9 percent	80	5.6%		
35.0 percent or more	528	37.2%		
Not computed	172	12.1%		
Total	1,419	100.0%		
> 35% income on rent	528	42.3%		
> 40% income on rent		34.9%		

Source: 2000 U.S. Census

Table 25 Senior Homeowners Converting to Rental Housing

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

Source: American Housing Survey, 2004

Table 26 Overall Demand Estimates

<i>Income Target</i>	HH at 50% AMI	HH at 60% AMI	HH at 80% AMI	LIHTC Total	Project Total
<i>Minimum Income Limit</i>	\$16,950	\$20,250	\$23,280	\$16,950	\$16,950
<i>Maximum Income Limit</i>	\$24,500	\$29,400	\$39,200	\$29,400	\$39,200
(A) Renter Income Qualification Percentage	13.5%	13.3%	18.5%	19.2%	29.8%
1.) Demand from New Renter Households <i>Calculation: (C-B)*F*A</i>	79	78	108	112	174
Plus					
2.) Demand from Substandard Housing <i>Calculation: B*D*F*A</i>	45	44	61	64	99
Plus					
3.) Demand from Rent Over-burdened Households <i>Calculation: B*E*F*A</i>	72	71	99	103	159
Plus					
4.) Homeowners Converting to Renters <i>Calculation: B*G*A</i>	10	10	13	14	22
Equals					
Primary Market Area HFOP Demand (55+)	205	203	281	293	453
Plus					
Secondary Market Demand (15%)	31	30	42	44	68
Equals					
Total Demand	236	234	324	337	521
Less					
Comparable Units	0	0	0	0	0
Equals					
Net Demand	236	234	324	337	521
Proposed Units	13	47	24	60	84
Capture Rate	5.5%	20.1%	7.4%	17.8%	16.1%

Demand Calculation Inputs	
B.) 2000 HH 55+	5,459
C.) 2013 HH 55+	7,544
D.) Substandard Housing, 2000	21.7%
E.) Rent Overburdened (55+), 2000	34.9%
F.) Renter Percent (55+) , 2011	28.0%
G.) Owners Coverting	1.3%

Table 27 Demand Estimates By Floor Plan, Without Overlap

HH at 50% AMI	1 Bedroom	2 Bedroom
Demand - HH Growth	584	584
Plus		
Demand - Substandard	333	333
Plus		
Demand - Rent Over-Burdened	534	534
Plus		
Demand - Homeowners	72	72
Plus		
Secondary Demand	228	228
Equals		
Total Demand	1,751	1,751
Income Qualification	5.1%	8.4%
Equals		
Income Qualified Demand	89	147
Less		
Comparable Units	0	0
Equals		
Net Demand	89	147
Proposed Units	5	8
Capture Rate	5.6%	5.5%

HH at 60% AMI	1 Bedroom	2 Bedroom
Demand - HH Growth	584	584
Plus		
Demand - Substandard	333	333
Plus		
Demand - Rent Over-Burdened	534	534
Plus		
Demand - Homeowners	72	72
Plus		
Secondary Demand	228	228
Equals		
Total Demand	1,751	1,751
Income Qualification	7.1%	6.3%
Equals		
Income Qualified Demand	124	110
Less		
Comparable Units	0	0
Equals		
Net Demand	124	110
Proposed Units	21	26
Capture Rate	16.9%	23.7%

HH at 80% AMI	1 Bedroom	2 Bedroom
Demand - HH Growth	584	584
Plus		
Demand - Substandard	333	333
Plus		
Demand - Rent Over-Burdened	534	534
Plus		
Demand - Homeowners	72	72
Plus		
Secondary Demand	228	228
Equals		
Total Demand	1,751	1,751
Times		
Income Qualification	7.8%	10.6%
Equals		
Income Qualified Demand	137	186
Less		
Comparable Units	0	0
Equals		
Net Demand	137	186
Proposed Units	10	14
Capture Rate	7.3%	7.5%

Table 28 Demand and Capture Rate Analysis Summary Table

AMI Target	Unit Size	Minimum Income Limit	Maximum Income Limit	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Market Rent Band	Proposed Rents (Gross)	Proposed Rents (Net Adj.)
50% AMI	1 Bedroom	\$16,950	\$19,799	5	89	0	89	5.6%	1 Month	\$630	\$475-\$829	\$565	\$460
	2 Bedroom	\$19,800	\$24,500	8	147	0	147	5.5%	1 Month	\$735	\$440-\$999	\$640-\$680	\$510-\$550
	50% AMI Total	\$16,950	\$24,500	13	236	0	236	5.5%	2 Months				
60% AMI	1 Bedroom	\$20,250	\$24,230	21	124	0	124	16.9%	2 Months	\$630	\$475-\$829	\$640	\$535
	2 Bedroom	\$24,231	\$29,400	26	110	0	110	23.7%	2-3 Months	\$735	\$440-\$999	\$780-820	\$650-\$690
	60% AMI Total	\$20,250	\$29,400	47	234	0	234	20.1%	4 Months				
Market (80% AMI)	1 Bedroom	\$23,280	\$29,300	10	137	0	137	7.3%	1 Month	\$630	\$475-\$829	\$776	\$671
	2 Bedroom	\$29,301	\$39,200	14	186	0	186	7.5%	1-2 Months	\$735	\$440-\$999	\$897-\$943	\$767-\$813
	80% AMI Total	\$23,280	\$39,200	24	323	0	323	7.4%	2 Months				
Total													
50% AMI	1-2 Bedroom	\$16,950	\$24,500	13	236	0	236	5.5%	2 Months				
60% AMI	1-2 Bedroom	\$20,250	\$29,400	47	234	0	234	20.1%	4 Months				
LIHTC Total	1-2 Bedroom	\$16,950	\$29,400	60	337	0	337	17.8%	5 Months				
Market (80% AMI)	1-2 Bedroom	\$23,280	\$39,200	24	324	0	324	7.4%	2 Months				
	Project Total			84	521	0	521	16.1%	7-8 Months				

VI. Supply Analysis

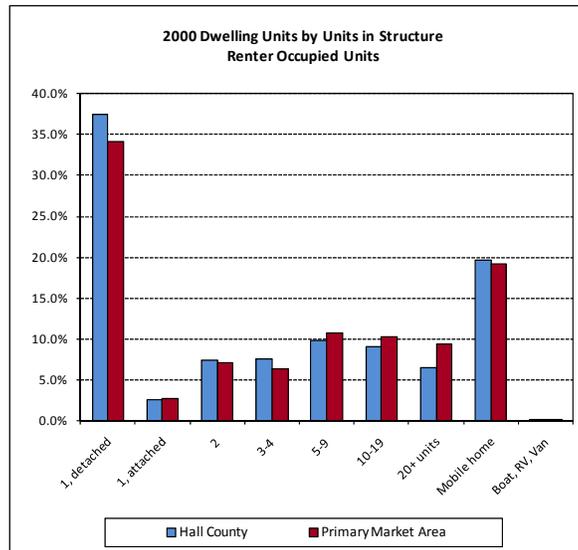
A. Area Housing Stock

Overall, the primary market area's rental stock was denser than Hall County's as of the 2000 Census (Table 29); however, single-family detached homes, townhomes, and mobile homes account for more than half of renter occupied units in the both geographies. These less dense structures are less likely to be occupied by senior renters than more dense structures. Structures with five or more units account for 30.3 percent of the renter occupied units in the primary market area compared to one-quarter of Hall County's renter occupied units.

Table 29 2000 Renter Households by Number of Units

Renter Occupied	Hall County		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	5,122	37.4%	2,467	34.2%
1, attached	359	2.6%	195	2.7%
2	1,021	7.5%	519	7.2%
3-4	1,029	7.5%	457	6.3%
5-9	1,349	9.8%	773	10.7%
10-19	1,237	9.0%	743	10.3%
20+ units	892	6.5%	674	9.3%
Mobile home	2,682	19.6%	1,386	19.2%
Boat, RV, Van	9	0.1%	9	0.1%
TOTAL	13,700	100.0%	7,223	100.0%

Source: U.S. Census of Population and Housing, 2000, STF3.



The median year built among owner occupied housing units is 1981 in the primary market area and 1985 in Hall County. The median year built among renter occupied households is 1975 for the primary market area and 1978 for Hall County. According to the 2000 Census, 22 percent of the rental units in the primary market area and Hall County were built between 1990 and 2000.

Table 30 Year Property Built

	Hall County		Primary Market Area	
Owner Occupied	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	1,989	5.9%	631	6.2%
1995 to 1998	6,475	19.2%	1,491	14.7%
1990 to 1994	4,713	14.0%	1,292	12.7%
1980 to 1989	7,468	22.2%	1,868	18.4%
1970 to 1979	5,212	15.5%	1,316	12.9%
1960 to 1969	3,428	10.2%	1,158	11.4%
1950 to 1959	2,193	6.5%	1,026	10.1%
1940 to 1949	982	2.9%	610	6.0%
1939 or earlier	1,221	3.6%	780	7.7%
TOTAL	33,681	100.0%	10,172	100.0%
MEDIAN YEAR BUILT	1985		1981	

Source: U.S. Census of Population and Housing, 2000, STF3.

	Hall County		Primary Market Area	
Renter Occupied	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	473	3.5%	172	2.4%
1995 to 1998	1,449	10.6%	879	12.2%
1990 to 1994	1,152	8.4%	592	8.2%
1980 to 1989	3,370	24.6%	1,281	17.7%
1970 to 1979	2,758	20.1%	1,488	20.6%
1960 to 1969	1,562	11.4%	868	12.0%
1950 to 1959	1,417	10.3%	973	13.5%
1940 to 1949	614	4.5%	416	5.8%
1939 or earlier	905	6.6%	554	7.7%
TOTAL	13,700	100.0%	7,223	100.0%
MEDIAN YEAR BUILT	1978		1975	

Source: U.S. Census of Population and Housing, 2000, STF3.

B. Competitive Senior Rental Analysis

For the purposes of this analysis, RPRG identified a variety of senior rental housing options within the primary market area; however, all of these communities were market rate, service-enriched facilities which include independent and/or assisted living components or deeply subsidized through HUD. As such, these communities are not considered comparable to the proposed development due to the substantial differences in rents, amenities, target market, and overall community design; however, basic information for each community is provided in Table 23 and the location shown on Map 4. In order to provide a more in-depth analysis, RPRG surveyed all of the independent senior rental communities in the primary market area which include Smoky Springs, Church Street Manor, Lighthouse Manor, and Windcliff. A brief description of each property is provided below and the site locations are shown on Map 5. A community profile is also included in Appendix 7.

Table 31 Market Rate Service Enriched Senior Communities, Primary Market Area

Market Rate Service Enriched Senior Rental Communities			
Establishment	City	Address	Type
Autumn Breeze	Gainesville	2215 Old Hamilton Place	Assisted Living / Memory Care
Smoky Springs	Gainesville	940 South Enota Drive	Independent Living
Morningside of Gainesville	Gainesville	2435 Limestone Parkway	Assisted Living
Summers Landing at Limestone	Gainesville	2030 Windward Lane	Assisted Living / Memory Care

Subsidized Senior Rental Communities			
Church Street Manor	Gainesville	710 Jesse Jewell Parkway SE	Section 8
Lighthouse Manor	Gainesville	2415 Lighthouse Manor Drive	Section 8
Windcliff	Gainesville	150 Gabriel Circle	Section 8

Smoky Springs:

Constructed in 2000, Smoky Springs Retirement is a luxury, market rate senior rental community which offers service-enriched independent living. The three-story mid-rise community offers extensive services and amenities for residents which include three meals per day and weekly housekeeping. Floor plans offered at the community include efficiency, one, and two bedroom units which range in size from 396 square feet to 940 square feet. At the time of our survey, Smoky Springs reported street rents ranging from \$2,195 to \$3,795 and 16 of 115 units vacant (13.9 percent). All rents include the cost of meals, services, and utilities.

Church Street Manor, Lighthouse Manor, and Windcliff:

Church Street Manor, Lighthouse Manor, and Windcliff Apartments are all deeply subsidized senior rental communities financed through HUD programs. Built in 1978, Church Street Manor is the oldest of three properties and offers mid-rise units in one three-story building. Lighthouse Manor and

Windcliff, built in 1994 and 2001 respectively, are newer and consist of one-story cottage style units. In total, the three properties combine to offer 184 units all of which were occupied at the time of our survey. In addition, all three communities reported lengthy waiting lists. As deeply subsidized communities, residents only pay 30 percent of their adjusted annual gross income toward rent / utilities and are not subject to a minimum income limit.

C. Competitive General Occupancy Rental Analysis

As part of this analysis, Real Property Research Group, Inc. surveyed 17 general occupancy rental communities in the primary market area, five of which contain LIHTC units. Although not directly comparable to the senior oriented units planned at Myrtle Terraces at New Holland, these communities provide an indication of the overall rental market. Furthermore, given the limited senior rental stock, these general occupancy rental communities also serve as a primary housing option for low to moderate income senior renter households living in the primary market area. As such, all 17 general occupancy rental communities are considered comparable for the purposes of this analysis. A profile sheet of each community is attached as Appendix 7 at the end of this report. The location of each community is shown on Map 6.

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

The multi-family rental stock in the primary market area contains properties built/rehabilitated from 1970 to 2004 with an average year built of 1994. Six of the 17 surveyed communities were built or renovated since 2000 (Table 34).

The surveyed general occupancy rental communities account for 2,843 dwelling units of which 289 or 10.2 percent were reported vacant. Excluding three properties which are currently undergoing renovations and/or refused to provide occupancy data, the stabilized vacancy rate was 7.6 percent. Among the four stabilized LIHTC rental communities, 23 of 672 units were available at the time of our survey, a vacancy rate of just 3.4 percent. Overall, individual occupancy rates generally ranged from three to six percent with the exception of a few older, functionally obsolescent properties with double digit vacancy rates.

The majority of surveyed rental communities offer a reasonable number of recreational amenities including ten properties that include three or more (Table 32). The most common community amenities offered among the primary market area's rental stock are a swimming pool (13 properties), clubhouse / community room (11 properties), playground (11 properties), and fitness center (nine properties). The proposed recreational amenities at Myrtle Terraces at New Holland will also be extensive and include a game room, TV lounge, private dining room,

day room(s), exercise room, computer center, library, walking trails, secured building access, and perimeter fencing. Overall, the number and quality of amenities offered at the subject property are commensurate to those offered at all surveyed general occupancy properties. Given the differences in target markets, the inclusion of senior oriented amenities such as a library, private dining room, and walking trails will be more appealing to the prospective tenant base in the PMA than common family oriented amenities of a swimming pool, playground, and/or tennis courts.

Ten of the 17 surveyed rental communities include just the cost of trash removal in the price of rent (Table 33). The remaining seven properties include the cost water, sewer, and trash removal. Dishwashers, garbage disposals, and washer/dryer connections in each unit are provided at most surveyed rental communities while microwaves are included at just two. Most of the properties offer patios or balconies in some or all units.

To evaluate the surveyed communities on a consistent basis, we have computed effective rents, which reflect a policy of tenants paying all utilities except water/sewer and trash and the effect of incentives currently in place. As Myrtle Terraces at New Holland will include the cost of all utilities in rent, the proposed rents were adjusted downward by \$105 for one bedroom units and \$130 for two bedroom units in order to make an accurate comparison between the proposed rents and those at surveyed rental communities. The adjustments of \$105 and \$130 were calculated by RPRG based on their perceived value in the market place and do not necessarily reflect the true one to one cost of utilities. While these estimates are typically lower than those based on Section 8 utility allowances, Section 8 communities are generally much older and do not benefit from the utility cost savings associated with newer more modern construction techniques.

The average effective rents among general occupancy communities are \$578 for a one bedroom unit and \$629 for a two bedroom unit. By comparison, the proposed 50 and 60 percent LIHTC rents at Myrtle Terraces at New Holland will be positioned below and above these overall averages near the bottom and middle of the rental market, respectively. Overall, the LIHTC rents proposed at the subject property will be priced comparable to or below to existing general occupancy LIHTC communities for both one and two bedroom floor plans. More specifically, the subject property's proposed rents will be priced between similarly targeted units at Oconee Springs and Paces Landing. Among market rate units, Myrtle Terraces at New Holland will be positioned near the top of the general occupancy rental market \$6 to \$51 below the highest priced property.

Unit sizes among surveyed general occupancy rental communities average 748 square feet for a one bedroom unit and 1,039 square feet for a two bedroom unit. While the proposed unit sizes of 690 square feet (one bedroom units) and 908 to 962 square feet (two bedroom units) at Myrtle Terraces at New Holland fall below these overall averages, senior households generally consist of one or two persons and require much less space than families who may have several dependants. As such, total square footage tends to be much more important factor for families in choosing rental housing than seniors and is generally reflected in smaller average unit sizes at senior oriented rental communities. Despite smaller than average unit sizes, the subject property's rents will still be competitive/reasonable on a price per square foot basis.

Table 32 Recreational Amenities, General Occupancy Communities

Community	Clubhouse	Fitness Room	Pool	Library	Dining Room	Walking Trails	Game Room	Playground	Tennis Court	Business/Computer Center	Gated Entry
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brookwood West	<input type="checkbox"/>										
Carrington Park at Lanier	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Columns at Chicopee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Glenn Cove	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ivy Manor	<input type="checkbox"/>										
Lake Lanier Club	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lanier	<input type="checkbox"/>										
Lenox Park	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
McEver Vineyards	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Oconee Springs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Paces Landing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Park Creek	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Pointe Lanier	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Summit Place at Limestone	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Pines of Lanier	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The Retreat at McEver	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Towne Creek	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. June, 2011.

Table 33 Community Features, General Occupancy Communities

Community	Heat Type	Utilities Included in Rent						Dishwasher	Microwave	Parking	In-Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject Property	Electric	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups					
Brookwood West	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select Units		Free Surface Parking	
Carrington Park at Lanier	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Columns at Chicopee	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Glenn Cove	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select Units		Free Surface Parking	Select Units - Hook ups
Ivy Manor	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Lake Lanier Club	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups				
Lanier	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking	
Lenox Park	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
McEver Vineyards	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Oconee Springs	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Paces Landing	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Park Creek	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				
Pointe Lanier	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
Summit Place at Limestone	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups
The Pines of Lanier	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Select Units- Hook ups				
The Retreat at McEver	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups
Towne Creek	Electric	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups				

Source: Field Survey, Real Property Research Group, Inc. June, 2011.

Table 34 Rental Summary, General Occupancy Communities

Community	Year Built/ Rehabbed	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
Subject Property - 50% AMI		Mid-Rise	13			\$460	\$530	
Subject Property - 60% AMI		Mid-Rise	47			\$570	\$680	
Subject Property - Market		Mid-Rise	24			\$671	\$802	
Lake Lanier Club	1998	Garden/TH	657	26	4.0%	\$662	\$833	None
Carrington Park at Lanier	2000	Garden	292	8	2.7%	\$701	\$803	None
Park Creek	1998	Garden	200	N/A	N/A	\$627	\$750	Reduced rent
Columns at Chocopee	2003	Garden	150	9	6.0%	\$638	\$723	None
Summit Place at Limestone	1995	Garden	128	6	4.7%	\$588	\$688	Reduced rent
Towne Creek	1989	Garden	150	10	6.7%	\$535	\$665	\$100 off first month
Pointe Lanier	1987	Garden	100	2	2.0%	\$570	\$663	\$25 off per month
McEver Vineyards*	2004	Garden	220	0	0.0%	\$575	\$650	None
The Retreat at McEver*	2002	Garden	224	9	4.0%	\$549	\$649	None
Paces Landing*	2002	Garden	140	14	10.0%	\$582	\$618	None
Brookwood West	1986	Garden/TH	78	N/A	N/A	\$495	\$606	None
Lenox Park*	2000	Garden	292	96	32.9%	\$499	\$599	Reduced rent
Glenn Cove	1970	Garden/TH	130	34	26.2%	\$475	\$585	None
Ivy Manor		Townhouse	19	2	10.5%		\$575	Reduced rent
The Pines of Lanier	1986	Garden	157	47	29.9%	\$475	\$556	\$199 move in
Lanier	1978	Garden	96	26	27.1%		\$540	None
Oconee Springs*	1998	Garden	88	0	0.0%		\$440	None
Total/Average	1994		2,843	289	10.2%	\$569	\$644	
Stabilized Total/Average	1993		2,551	193	7.6%			
LIHTC Total/Average	2001		964	119	12.3%			
Stabilized LIHTC Total/Average	2002		672	23	3.4%			

Tax Credit Communities*

Community in Lease-up

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

Source: Field Survey, Real Property Research Group, Inc. June, 2011.

Table 35 Salient Characteristics, General Occupancy Communities

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI	Mid-Rise	13	5	\$460	690	\$0.67	8	\$530	924	\$0.57				
Subject Property - 60% AMI	Mid-Rise	47	21	\$570	690	\$0.83	26	\$680	924	\$0.74				
Subject Property - Market	Mid-Rise	24	10	\$671	690	\$0.97	14	\$802	924	\$0.87				
Lake Lanier Club	Garden/TH	657		\$677	786	\$0.86		\$853	1,269	\$0.67		\$908	1,532	\$0.59
Carrington Park at Lanier	Garden	292		\$716	801	\$0.89		\$823	1,189	\$0.69		\$955	1,482	\$0.64
Park Creek	Garden	200	100	\$642	736	\$0.87	60	\$770	1,082	\$0.71	40	\$850	1,308	\$0.65
Columns at Chicopee	Garden	150		\$653	848	\$0.77		\$743	1,169	\$0.64		\$825	1,409	\$0.59
Paces Landing	Garden	28	4	\$625	799	\$0.78	10	\$730	1,062	\$0.69	10	\$835	1,267	\$0.66
Summit Place at Limestone	Garden	128	24	\$588	608	\$0.97	88	\$688	944	\$0.73	16	\$775	1,250	\$0.62
Towne Creek	Garden	150	60	\$542	620	\$0.87	90	\$677	1,005	\$0.67				
McEver Vineyards* 60% AMI	Garden	220	32	\$590	860	\$0.69	110	\$670	1,119	\$0.60	78	\$750	1,335	\$0.56
The Retreat at McEver* 60% AMI	Garden	224	80	\$549	890	\$0.62	120	\$649	1,133	\$0.57	24	\$749	1,350	\$0.55
Paces Landing* 60% AMI	Garden	54	12	\$587	799	\$0.73	28	\$645	1,062	\$0.61				
Pointe Lanier	Garden	100	40	\$545	825	\$0.66	60	\$638	1,025	\$0.62				
Lenox Park* 60% AMI	Garden	292	56	\$514	869	\$0.59	84	\$619	1,057	\$0.59	152	\$704	1,219	\$0.58
Brookwood West	Garden/TH	78	30	\$495	625	\$0.79	48	\$606	997	\$0.61				
Glenn Cove	Garden/TH	130		\$475	619	\$0.77		\$585	876	\$0.67		\$725	1,013	\$0.72
Ivy Manor	Townhouse	19						\$575	N/A	N/A				
Paces Landing* 50% AMI	Garden	58					14	\$560	1,062	\$0.53	40	\$632	1,267	\$0.50
Oconee Springs* 60% AMI	Garden	47					9	\$546	1,013	\$0.54	34	\$616	1,210	\$0.51
The Pines of Lanier	Garden	157		\$467	530	\$0.88		\$546	653	\$0.84				
Lanier	Garden	96						\$540	N/A	N/A		\$640	N/A	N/A
Oconee Springs* 50% AMI	Garden	22					3	\$505	1,013	\$0.50	17	\$569	1,210	\$0.47
Oconee Springs* 30% AMI	Garden	19					4	\$234	1,013	\$0.23	13	\$255	1,210	\$0.21
	Total/Average	3,121		\$578	748	\$0.77		\$629	1,039	\$0.60		\$719	1,290	\$0.56
	Unit Distribution	1,590	438				728				424			
	% of Total	50.9%	28%				46%				27%			

Tax Credit Communities*

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

Source: Field Survey, Real Property Research Group, Inc. June, 2011.

To determine average “market rents” as outlined in DCA’s 2011 Market Study Manual, market rate and 60 percent LIHTC rents were averaged at the most comparable communities to the subject property (Table 36). These include five market rate properties and three LIHTC / mixed-income properties in the primary market area.

The average “market rents” among comparable communities is \$630 for a one bedroom unit and \$735 for a two bedroom unit (Table 41). Compared to these average market rents, the subject property will have rent advantages ranging from 37.0 percent to 38.7 percent for fifty percentage units and 8.2 percent to 10.5 percent for 60 percent units. Among market rate units, the proposed rents will be priced approximately six to eight percent above the average rents for one and two bedroom floor plans. It is important to note that these average market rents are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. As such, a negative rent differential does ***not*** necessary indicate the proposed rents are unreasonable or unachievable in the market.

Table 36 Average Market Rent, Most Comparable Rental Communities

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject Property - 50% AMI8**	Mid-Rise	13	5	\$460	690	\$0.67	8	\$530	924	\$0.57
Subject Property - 60% AMI**	Mid-Rise	47	21	\$570	690	\$0.83	26	\$680	924	\$0.74
Subject Property - Market**	Mid-Rise	24	10	\$671	690	\$0.97	14	\$802	924	\$0.87
Lake Lanier Club	Garden/TH	657		\$677	786	\$0.86		\$853	1,269	\$0.67
Carrington Park at Lanier	Garden	292		\$716	801	\$0.89		\$823	1,189	\$0.69
Park Creek	Garden	200	100	\$642	736	\$0.87	60	\$770	1,082	\$0.71
Columns at Chicopee	Garden	150		\$653	848	\$0.77		\$743	1,169	\$0.64
Paces Landing	Garden	28	4	\$625	799	\$0.78	10	\$730	1,062	\$0.69
McEver Vineyards* 60% AMI	Garden	220	32	\$590	860	\$0.69	110	\$670	1,119	\$0.60
The Retreat at McEver* 60% AMI	Garden	224	80	\$549	890	\$0.62	120	\$649	1,133	\$0.57
Paces Landing* 60% AMI	Garden	54	12	\$587	799	\$0.73	28	\$645	1,062	\$0.61
	Total/Average	1,825		\$630	815	\$0.77		\$735	1,136	\$0.65
	Unit Distribution	708	228				328			
	% of Total	38.8%	32%				46%			

Tax Credit Communities*

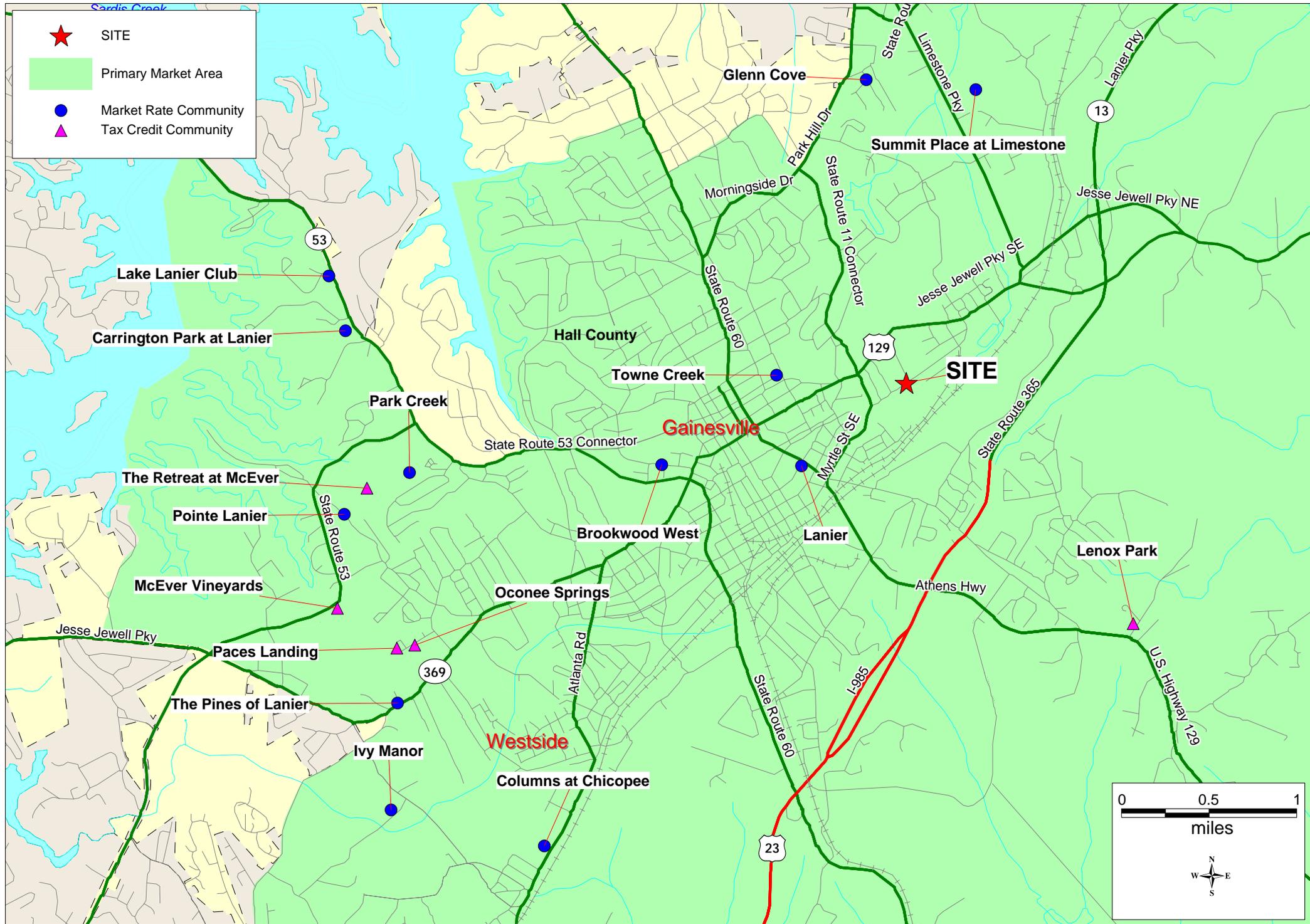
(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Subject Rents Adjusted Down Net of Utilities**

Source: Field Survey, Real Property Research Group, Inc. June, 2011.

Table 37 Rent Advantage Summary

	One Bedroom			Two Bedroom		
	Rent	Advantage (\$)	Advantage (%)	Rent	Advantage (\$)	Advantage (%)
Average Market Rent		\$630			\$735	
Subject Property - 50% AMI	\$460	\$170	37.0%	\$530	\$205	38.7%
Subject Property - 60% AMI	\$570	\$60	10.5%	\$680	\$55	8.1%
Subject Property - Market	\$671	(\$41)	-6.1%	\$802	(\$67)	-8.4%



Map 6
Surveyed General Occupancy Communities
Hall County, GA

D. Deep Subsidy Analysis

Nine subsidized housing communities exist in the primary market area (Table 38) and are shown on Map 7. These communities include four Section 8 properties, three of which are senior oriented, and five general occupancy LIHTC properties. All LIHTC and senior oriented Section 8 communities were surveyed and included in this report.

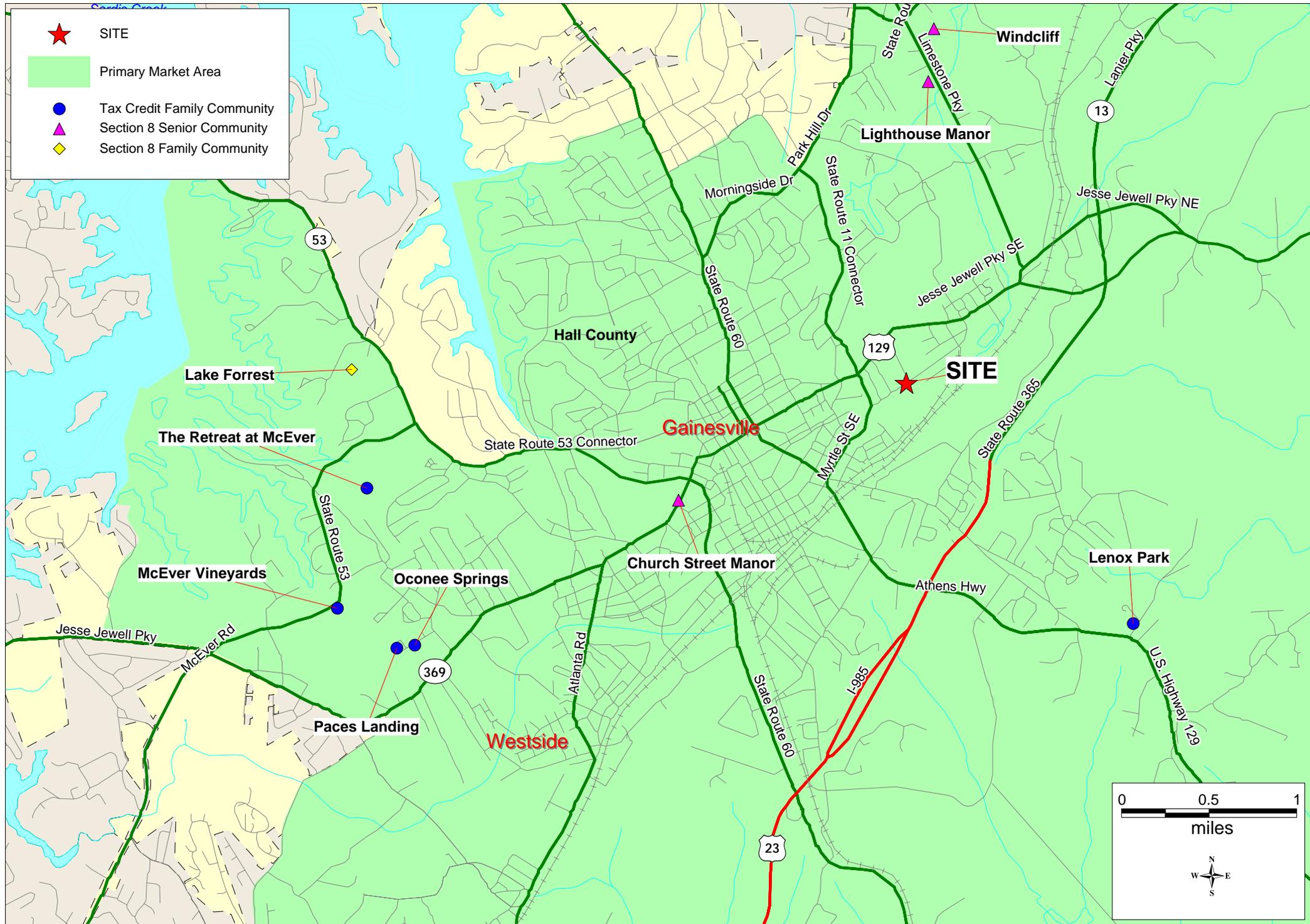
The Gainesville Housing Authority operates 495 public housing units within the primary market area all of which were occupied at the time of our survey. The waiting list for public housing units ranges from 1.5 years for one bedroom units to four to six months for two to five bedroom units. DCA does not administer Housing Choice Vouchers.

Table 38 Subsidized Rental Communities, Primary Market Area

Property	Subsidy	Type	Address	City	Distance
Lake Forrest	Section 8	Family	1360 Otila Dr.	Gainesville	3.2 miles
Church Street Manor	Section 8	Senior	710 Jesse Jewell Pkwy. SE	Gainesville	1.5 miles
Lighthouse Manor	Section 8	Senior	2415 Lighthouse Manor Dr.	Gainesville	1.7 miles
Windcliff	Section 8	Senior	150 Gabriel Cir.	Gainesville	2 miles
Lenox Park	Tax Credit	Family	1000 Lenox Park Pl.	Gainesville	1.9 miles
McEver Vineyards	Tax Credit	Family	1245 McEver Rd. SW	Gainesville	3.5 miles
Oconee Springs	Tax Credit	Family	2351 Springhaven Dr.	Gainesville	3.2 miles
Paces Landing	Tax Credit	Family	100 Paces Ct. SW	Gainesville	3.2 miles
The Retreat at McEver	Tax Credit	Family	1050 Eagle Eye Rd.	Gainesville	3.1 miles

E. Proposed Developments

According to DCA's list of LIHTC allocations and officials with the planning and zoning departments for each municipality/county inside the primary market area (Gainesville and Hall County), no age restricted LIHTC rental communities are planned or under construction in the primary market area. Given the target market of senior renters, any family oriented communities constructed in the primary market area will not compete with the subject property.



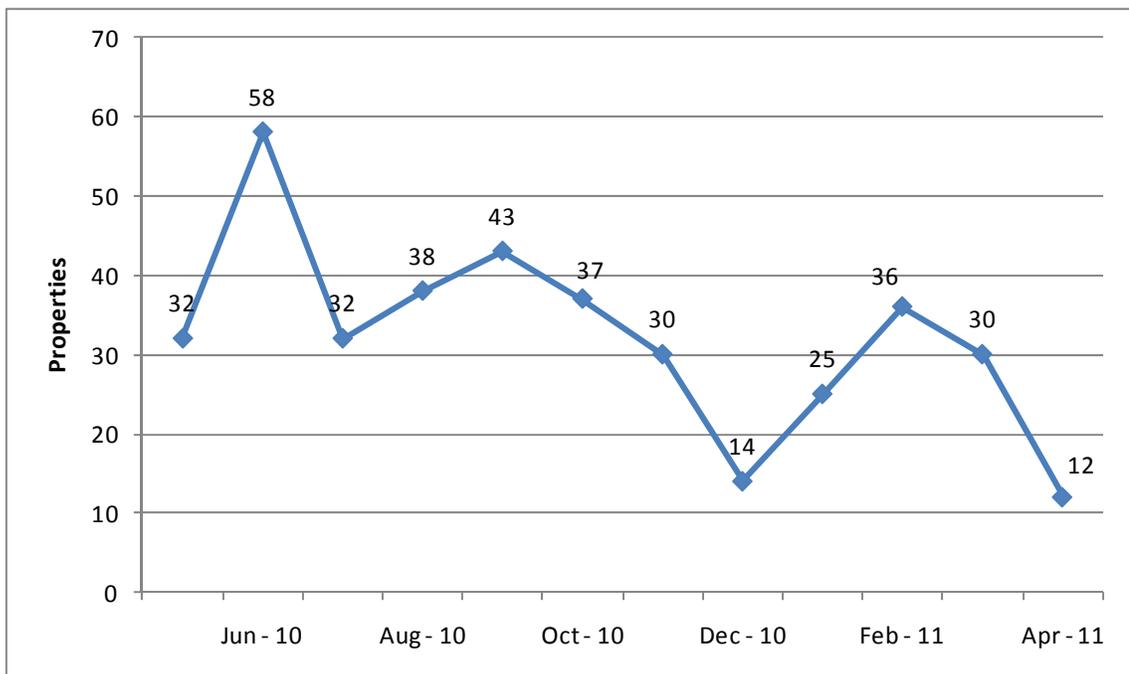
Map 7
Subsidized Communities
Primary Market Area

F. Impact of Foreclosed, Abandoned, or Vacant Single/Multi-family Homes

Based on field observations and the age of the existing housing stock, a modest percentage of abandoned / vacant single and multi-family homes exist in the primary market area. Foreclosures have also been somewhat common given the current economic climate and housing downturn. Data provided by RealtyTrac.com indicates an estimated 12 to 58 properties entered or were under foreclosure each month in the subject property's ZIP code between May of 2010 and April of 2011 (Table 39). On a percentage basis, the 12 foreclosures in April of 2011 (relative to the total housing stock) equated to a foreclosure rate of 0.09 percent, below the rate of Gainesville, Hall County, Georgia, and the nation (Table 40).

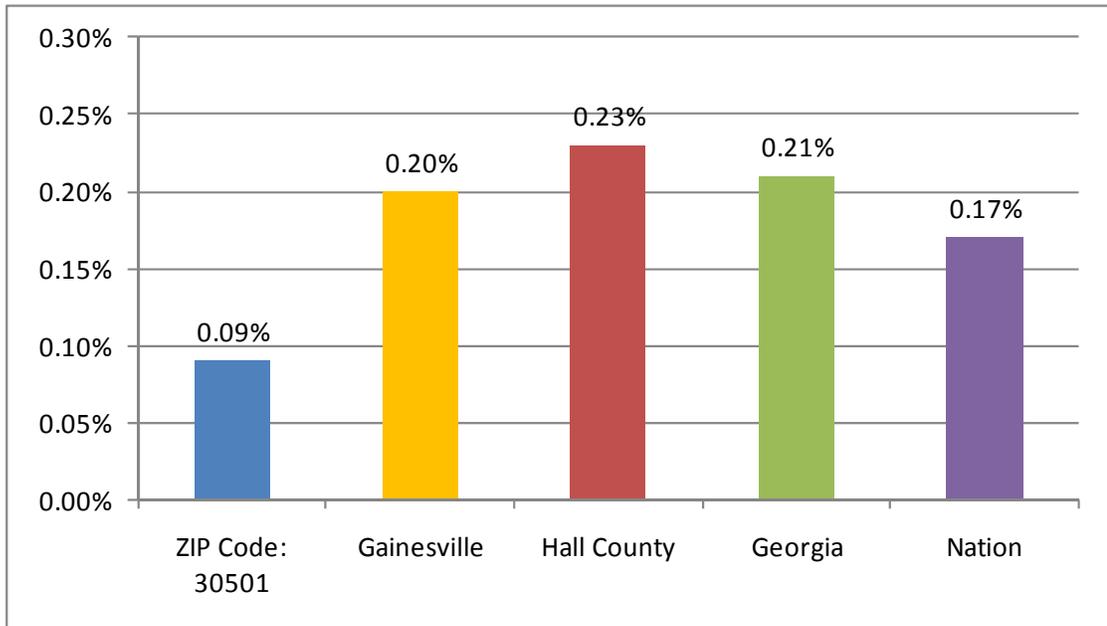
While the conversion of such properties can affect the demand for new multi-family rental housing in some markets, the impact on senior oriented communities is typically limited. In most instances, senior householders (age 55+) "downsize" living accommodations (move from a larger unit to a smaller unit) due to the higher upkeep and long-term cost. As such, the convenience of on-site amenities and the more congregate style living offered at age restricted communities is preferable to lower density unit types, such as single-family detached homes, most common to abandonment and/or foreclosure. Overall, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property's ability to lease its units.

Table 39 Recent Foreclosure Activity, Myrtle Terraces at New Holland's ZIP CODE: 30501



Source: RealtyTrac.com, April 2011

Table 40 Foreclosure Rate, Myrtle Terraces at New Holland's ZIP CODE, April 2011



Source: RealtyTrac.com, April 2011

G. Absorption and Stabilization Rates

The newest of the surveyed rental communities in the primary market area opened in 2004. As such, initial lease-up data for this community was not available and would not be relevant given the age of the data. In lieu of recent lease-up data, absorption estimates for Myrtle Terraces at New Holland are based on a variety of factors which include the following:

- Through 2016, the primary market area is expected to add 251 households with householders age 55+ (3.3 percent) and 188 households with householders age 62+ (3.5 percent) per year.
- The overall vacancy rate among general occupancy LIHTC communities, which serve existing senior renter households in the absence of affordable age restricted rental housing, is just 3.4 percent.
- The proposed rents at the subject property are competitively positioned among existing general occupancy LIHTC and market rate rental communities in the primary market area.
- No senior oriented rental communities serving low to moderate income senior households currently exist in the primary market area.
- Over 600 senior renter households 55+ will be income qualified for one or more units at the subject property at its placed-in-service year of 2013.
- All DCA demand capture rates are within reasonable and achievable levels.

We believe that given the attractive product to be constructed, strong household growth, favorable demand estimates, limited senior rental stock, and assuming an aggressive, professional marketing campaign, Myrtle Terraces at New Holland should be able to lease up at a minimum rate of **ten units per month**. At this rate, the project would be able achieve 93 percent occupancy within a seven to eight month time period. As there are no senior LIHTC communities in the primary market area, the proposed units will fill a void for affordable housing targeting low to moderate income senior households. The addition of the 84 units at Myrtle Terraces at New Holland is not expected to negatively impact the performance of the existing general occupancy tax credit financed communities in the primary market area.

H. Interviews

Information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included property managers, planning and zoning officials with the City of Gainesville and Hall County, Beatrice with the Gainesville Housing Authority, as well as other development related agencies. All pertinent information obtained was included in the appropriate section of this report.

VI. Conclusions and Recommendations

A. Findings

Based on this review of economic and demographic characteristics of the primary market area and Hall County as well as competitive housing trends, we arrive at the following findings:

The subject site is a suitable location for senior oriented rental housing.

- Situated within the mill village of New Holland, Myrtle Terraces at New Holland will be located at 1380 Myrtle Street SE in Gainesville, Hall County, Georgia. As proposed, the subject property will be part of a mixed-use development called New Holland Village which is intended to re-position the community and foster new growth. As part of a larger 250 acre master plan, the subject site consists of densely wooded land with a generally flat topography. Bordering land uses include the New Holland Worship Center, single-family detached homes, wooded land, Myrtle Place Apartments, and a utility sub-station.
- The subject site is located in a growing area near downtown Gainesville and is compatible with surrounding land uses including both residential and commercial development. The subject site is also convenient to neighborhood amenities including shopping, healthcare facilities, and senior services all of which are accessible within one to two miles.
- No apparent physical disadvantages to the site were identified.

Hall County's economy steadily expanded throughout much of the past two decades, increasing its at-place employment base by over 72 percent during this time. Despite recent job loss and unemployment increases caused by the national recession, Hall County has fared significantly better than most areas of the country and state.

- Overall, Hall County added 31,290 jobs from 1992 and 2008 before suffering job losses in 2009. Despite the recent decline, the county's 2009 at-place employment base of 68,564 represents a 59.1 percent increase since 1990.
- Between 2001 and the third quarter of 2010, seven of eleven industry sectors experienced annual growth in Hall County. Overall, annualized growth in the trade-transportation-utilities, government, and education-health sectors had a significant impact on Hall County's economy as each of these sectors accounts for a sizable proportion of total employment.

Among sectors suffering annualized losses, the 2.6 percent decline in manufacturing is the most noteworthy as the county's largest industry.

- Hall County's unemployment rate steadily fell throughout the nineteen nineties before rising back up over the past decade through the course of two national recessions. The most recent economic downturn hurt the county's economy the worst, causing a substantial spike in the unemployment rate from 2009 to 2010; however, Hall County's unemployment rate has consistently remained below both state and national figures over the past twenty years. In 2010, Hall County's unemployment rate was 8.8 percent compared to 10.1 percent in the State of Georgia and 9.5 percent in the nation.
- Given that the majority of prospective senior renters for Myrtle Terraces at New Holland are at or near retirement age, a downturn in the local economy will have a much smaller impact on the demand for senior oriented rental units compared to those offered at general occupancy communities. We do not believe local economics will negatively affect the ability of the subject property to lease its units.

Both the primary market area and Hall County have experienced substantial household growth over the past ten years, particularly among seniors. Growth in both areas is expected to continue.

- Over the next five years, Nielsen projects annual household increases of 512 (2.3 percent) in the primary market area and 1,496 (2.3 percent) in Hall County.
- Overall, senior household growth is expected to outpace total household growth on percentage basis from 2011 to 2016. During this span, the primary market area's senior household base is expected to increase by 17.8 percent (3.3 percent annually) among households with a householder age 55+ and 18.8 percent (3.5 percent annually) among households with a householder age 62+.

The primary market area's households are slightly younger and less affluent than Hall County's households.

- The 2011 Nielsen population distribution by age indicates that the primary market area is slightly younger than Hall County with median ages of 30 and 31, respectively. The primary market area has a higher percentage of its population under the age of 15, between the ages of 17 and 45, and age 85+.

- Approximately half (49.5 percent) of the householders in the primary market area are married, compared to 57.9 percent in Hall County. Children are present in 38.0 percent of the primary market area's households, slightly lower than the 39.4 percent occurrence of children in Hall County.
- Nearly half (44.3 percent) of primary market area household are renters in 2011, compared to 31.0 percent in Hall County. Over the next five years, Nielsen projects the renter percentage to increase in both the primary market area and Hall County.
- Among householders age 55 and older, the renter percentages in both areas are lower than among all households. The 2011 senior renter percentage is 28.0 percent in the primary market area and 18.2 percent in Hall County.
- Nielsen estimates that the median household income for all householders in the primary market area in 2011 is \$44,018, which is \$10,033 or 18.6 percent below the Hall County's median income of \$54,051. Among senior householders age 55 and older, the 2011 estimated median income in the primary market area is \$32,191, which is 73.1 percent of the PMA's overall median. Within the primary market area, 42.5 percent of all senior households (55+) earn less than \$25,000.
- RPRG estimates that the median income of senior renters (55+) in the primary market area of \$23,659 is \$12,419 lower than or 65.6 percent of the owner household median of \$36,078. Over half (52.4 percent) of senior renter households in the primary market area earn less than \$25,000 compared to 38.7 percent of owner households.

Several senior rental communities were identified in the primary market area; however, all these communities were either market rate, service-enriched properties or deeply subsidized through HUD. As a result, none of these communities are comparable the proposed Myrtle Terraces at New Holland. In the absence of true senior comparables, 17 general occupancy rental communities were surveyed including five with LIHTC units.

- The surveyed general occupancy rental communities account for 2,843 dwelling units of which 289 or 10.2 percent were reported vacant. Excluding three properties which are currently undergoing renovations and/or refused to provide occupancy data, the stabilized vacancy rate was 7.6 percent. Among the four stabilized LIHTC rental communities, 23 of 672 units were available at the time of our survey, a vacancy rate of just 3.4 percent.

- The proposed 50 and 60 percent LIHTC rents at Myrtle Terraces at New Holland will be positioned comparable to or below to existing general occupancy LIHTC communities near the bottom and middle of the rental market, respectively. Among market rate units, Myrtle Terraces at New Holland will be positioned near the top of the general occupancy rental market \$6 to \$51 below the highest priced property.
- While the proposed unit sizes of 690 square feet (one bedroom units) and 908 to 962 square feet (two bedroom units) at Myrtle Terraces at New Holland fall below overall averages at general occupancy properties, senior households generally consist of one or two persons and require much less space than families who may have several dependants. As such, total square footage tends to be much more important factor for families in choosing rental housing than seniors who are more focused on services. Despite smaller unit sizes, the subject property's rents result in competitive/reasonable prices per square foot for all floor plans.

B. Project Feasibility

Looking at the proposed Myrtle Terraces at New Holland compared to existing rental alternatives in the market, the project's appeal and strength is as follows:

- **Community Design:** Myrtle Terraces at New Holland will consist of one three-story mid-rise building with interior access elevators, gathering areas, and hallways. The building will be self-contained and include restricted access doorways in order to provide safety to all residents. This senior oriented design, which falls between general garden-style apartments and congregate senior living, will be appealing to senior households currently living in general occupancy rental communities or other housing types which do not adequately meet their needs. These senior oriented units afford residents the freedom to live an independent life style while providing features and amenities not found in traditional family targeted rental housing. The proposed community design is appropriate for the target market.
- **Location:** The subject property will be located in a growing area of downtown Gainesville which is convenient to both neighborhood amenities and major thoroughfares. The subject property will also maintain sufficient accessibility and visibility from its location on Myrtle Street SE in the New Holland Village mixed-use community. The proposed development is compatible with surrounding residential and commercial land uses and is suitable for senior oriented rental housing.
- **Amenities:** Myrtle Terraces at New Holland will offer an extensive in-unit and project amenities package comparable in number and quality to general occupancy rental communities in the primary market area including those with tax credits. These include a game room, TV lounge, private dining room, day room(s), exercise room, computer center, library, and walking trails. Given the lack of affordable senior oriented rental communities in the primary market area, the senior specific amenities offered at the subject property will be more attractive to prospective tenants than those at general occupancy properties. Among in-unit features, each unit at Myrtle Terraces at New Holland will contain range/ovens, Energy Star refrigerators, Energy Star dishwashers, microwaves, garbage disposals, HVAC Systems, washer/dryer connections, mini-blinds, ceiling fans, central heat and air, wall-to-wall carpeting, and vinyl flooring. These features will meet or exceed all of those offered among surveyed general occupancy rental communities.
- **Unit Mix:** The unit mix distribution of the 84 units at Myrtle Terraces at New Holland includes 36 one bedroom units and 48 two bedroom units at multiple AMI levels in addition to a small

market rate component. While the proportion of two bedroom units slightly outweighs that of one bedroom units, these larger floor plans are likely to appeal to the senior households living in the City of Gainesville. In addition, the subject property will offer both small and large two bedroom units with the smaller of the two targeted toward households seeking a compromise between the two unit types. In this sense, the small two bedroom / one bathroom units could be considered one bedroom units with a den. Overall, the proposed unit distribution is appropriate given the target market and will be well received in the primary market area.

- **Unit Size:** Myrtle Terraces at New Holland's proposed unit sizes of 690 square feet for a one bedroom unit, 908 square feet for a two bedroom / one bathroom unit, and 962 square feet for a two bedroom / two bathroom unit will be somewhat smaller on average than floor plans offered at surveyed general occupancy communities in the primary market area; however, as senior households are predominantly comprised of one and two person households, senior rental units are typically smaller than family oriented units. As such, all of the proposed unit sizes at the subject property are reasonable and appropriate for age restricted rental housing.
- **Price:** The proposed 50 and 60 percent LIHTC rents appear to be reasonably priced given that they are positioned near the bottom and middle of the general occupancy rental market, respectively. While the market rate units will be priced near the top of the rental market, Myrtle Terraces at New Holland will offer a product type that is comparable to the highest priced rental communities surveyed in the primary market area and tailored to a specific target market not currently being served by the existing rental stock. Given the appeal of new construction and the highly attractive nature of the subject property's design, features, and amenities, the proposed market rate units appear reasonably priced.
- **Demand:** The affordability analysis and DCA demand estimates indicate sufficient demand to support the proposed development. Capture rates by AMI are 5.5 percent for 50 percent units, 20.1 percent for 60 percent units, 7.4 percent for market rate units, 17.8 percent for all LIHTC units, and 16.1 percent for the project as a whole. By floor plan, capture rates range from a low of 5.5 percent for two bedroom 50 percent units to a high of 23.7 percent for two bedroom 60 percent units. All of these capture rates are within DCA's range of acceptability.

C. Final Conclusion and Recommendation

Based on an analysis of projected senior household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the primary market area, RPRG believes that the proposed Myrtle Terraces at New Holland will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent upon entrance into the rental market. The product to be constructed will be competitively positioned with existing general occupancy LIHTC communities in the primary market area and the units will be well received by the target market. We do not expect the construction of Myrtle Terraces at New Holland to negatively impact existing LIHTC communities in the primary market area.

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



Tad Scepaniak
Principal
Real Property Research Group, Inc.



Michael Riley
Analyst
Real Property Research Group, Inc.

Appendix 1 Underlying Assumptions and Limiting Conditions

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

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are neither existing judgments nor any pending or threatened litigation which could hinder the development, marketing or operation of the subject project.

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

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

Appendix 2 Analyst Certifications

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the market area and property that is the subject of this report.
- The market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.



Tad Scepaniak
Principal
Real Property Research Group, Inc.

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

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- I have made a personal inspection of the property that is the subject of this report.
- The market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.



Michael Riley
Analyst
Real Property Research Group, Inc.

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

Appendix 3 NCAHMA Certification

This market study has been prepared by Real Property Research Group, Inc., a member in good standing of the National Council of Affordable Housing Market Analysts (NCAHMA). This study has been prepared in conformance with the standards adopted by NCAHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to 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 Affordable Housing Market Analysts.

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

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

Real Property Research Group, Inc.



Tad Scepaniak

Name

Principal

Title

June 15, 2011

Date



Appendix 4 Resumes

TAD SCEPANIAK

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

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

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions. Mr. Scepaniak not only works with developers in their efforts to obtain tax credit financing, but also has received large contracts with state housing agencies including North Carolina Housing Finance Agency and Georgia Department of Community Affairs.

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

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

Education:

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

ROBERT M. LEFENFELD

Mr. Lefenfeld founded Real Property Research Group in February 2001 after more than 20 years of experience in the field of residential market research. As an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason, he has closely monitored residential markets throughout the Mid-Atlantic United States. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for-sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles.

Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, where he analyzed markets throughout the Eastern United States and evaluated the company's active building operation on an ongoing basis.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders and the National Council on Seniors Housing. Recent articles have appeared in ULI's Multifamily Housing Trends magazine. Mid-Atlantic Builder.

Bob is currently a member of the National Council of Affordable Housing Market Analysts' executive committee serving as Vice-Chair.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects of these analyses have included for-sale single family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations, and continuing care facilities for the elderly. In addition, he has conducted feasibility work in conjunction with Hope VI applications for redevelopment of public housing sites and analyses of rental developments for 221(d)4 insurance and tax credit applications.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for-sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), allowing the comprehensive integration of data.

Education:

Masters of Urban and Regional Planning; The George Washington University.
Bachelor of Arts, Political Science; Northeastern University.

MICHAEL RILEY

Michael Riley joined the Atlanta office of Real Property Research Group upon college graduation in 2006. Beginning as a Research Associate, Michael gathered economic, demographic, and competitive data for market feasibility analyses concentrating in family and senior affordable housing. Since transitioning to an Analyst position in late 2007, he has performed market analyses for both affordable and market rate rental developments throughout the United States including work in Georgia, Iowa, North Carolina, South Carolina, Tennessee, and Virginia.

Michael has also assisted in the development of research tools for the organization, including developing a rent comparability table that is now incorporated in many RPRG analyses.

Education:

Bachelor of Business Administration – Finance; University of Georgia

Appendix 5 DCA Market Study Checklist

I understand that by initializing (or checking) the following items, I am stating that those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report. A list listing of page number(s) is equivalent to check or initializing.

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

I also certify that I have inspected the subject property as well as all rent comparables.

Signed: 

Date: June 15, 2011

Tad Scepianiak

A. Executive Summary

1. Project Description:
 - i. Brief description of the project location including address and/or position relative to the closest cross-streetPage(s) iv
 - ii. Construction and Occupancy TypesPage(s) iv
 - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowancePage(s) iv
 - iv. Any additional subsidies available, including project based rental assistance (PBRA)Page(s) iv
 - v. Brief description of proposed amenities and how they compare with existing propertiesPage(s) iv
2. Site Description/Evaluation:
 - i. A brief description of physical features of the site and adjacent parcels.....Page(s) v
 - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).....Page(s) v
 - iii. A discussion of site access and visibility.....Page(s) v
 - iv. Any significant positive or negative aspects of the subject site.....Page(s) v
 - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc.....Page(s) v
 - vi. An overall conclusion of the site's appropriateness for the proposed developmentPage(s) v
3. Market Area Definition:
 - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....Page(s) v
4. Community Demographic Data:
 - i. Current and projected household and population counts for the PMA.....Page(s) v
 - ii. Household tenure including any trends in rental rates.....Page(s) v
 - iii. Household income level.....Page(s) v
 - iv. Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development.....Page(s) v
5. Economic Data:

i.	Trends in employment for the county and/or region.....	Page(s)	vi
ii.	Employment by sector for the primary market area.....	Page(s)	vi
iii.	Unemployment trends for the county and/or region for the past five years.....	Page(s)	vi
iv.	Brief discussion of recent or planned employment contractions or expansions.....	Page(s)	vi
v.	Overall conclusion regarding the stability of the county's economic environment.....	Page(s)	vi
6.	Project Specific Affordability and Demand Analysis:		
i.	Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households.....	Page(s)	vii
ii.	Overall estimate of demand based on DCA's demand methodology.....	Page(s)	vii
iii.	Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates.....	Page(s)	vii
7.	Competitive Rental Analysis		
i.	An analysis of the competitive properties in the PMA.....	Page(s)	viii
ii.	Number of properties.....	Page(s)	viii
iii.	Rent bands for each bedroom type proposed.....	Page(s)	viii
iv.	Average market rents.....	Page(s)	viii
8.	Absorption/Stabilization Estimate:		
i.	Expected absorption rate of the subject property (units per month).....	Page(s)	ix
ii.	Expected absorption rate by AMI targeting.....	Page(s)	ix
iii.	Months required for the project to reach a stabilized occupancy of 93 percent.....	Page(s)	ix
9.	Overall Conclusion:		
i.	A narrative detailing key conclusions of the report including the analyst's opinion regarding the proposed development's potential for success.....	Page(s)	ix
10.	Summary Table.....	Page(s)	x

B. Project Description

1.	Project address and location.....	Page(s)	13, v
2.	Construction type.....	Page(s)	13
3.	Occupancy Type.....	Page(s)	11, 13
4.	Special population target (if applicable).....	Page(s)	12, 13
5.	Number of units by bedroom type and income targeting (AMI).....	Page(s)	13
6.	Unit size, number of bedrooms, and structure type.....	Page(s)	12, 13
7.	Rents and Utility Allowances.....	Page(s)	13
8.	Existing or proposed project based rental assistance.....	Page(s)	12
9.	Proposed development amenities.....	Page(s)	12, 13
10.	For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost.....	Page(s)	N/A
11.	Projected placed-in-service date.....	Page(s)	12, 13

C. Site Evaluation

1.	Date of site / comparables visit and name of site inspector.....	Page(s)	15
2.	Site description		
i.	Physical features of the site.....	Page(s)	14
ii.	Positive and negative attributes of the site.....	Page(s)	14, 15
iii.	Detailed description of surrounding land uses including their condition.....	Page(s)	14, 15
3.	Description of the site's physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	14, 15
4.	Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	16 - 19

5. Neighborhood Characteristics		
i. Map identifying the location of the project	Page(s)	19
ii. List of area amenities including their distance (in miles) to the subject site	Page(s)	22
iii. Map of the subject site in proximity to neighborhood amenities.....	Page(s)	20
6. Map identifying existing low-income housing projects located within the PMA and their distance from the subject site.....	Page(s)	72
7. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	15
8. Discussion of accessibility, ingress/egress, and visibility of the subject site.....	Page(s)	15
9. Visible environmental or miscellaneous site concerns.....	Page(s)	15
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	15

D. Market Area

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	24
2. Map Identifying subject property's location within market area.....	Page(s)	25

E. Community Demographic Data

1. Population Trends		
i. Total Population.....	Page(s)	38, 40
ii. Population by age group.....	Page(s)	43, 44
iii. Number of elderly and non-elderly.....	Page(s)	43, 44
iv. Special needs population (if applicable).....	Page(s)	N/A
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	38, 39, 40, 41
ii. Household by tenure.....	Page(s)	46, 47
iii. Households by income.....	Page(s)	49 - 52
iv. Renter households by number of persons in the household.....	Page(s)	47

F. Employment Trends

1. Total jobs in the county or region.....	Page(s)	26, 27, 27
2. Total jobs by industry – numbers and percentages.....	Page(s)	26, 28, 29
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	31
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.....	Page(s)	26, 34
5. Map of the site and location of major employment concentrations.....	Page(s)	24
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	25

G. Project-specific Affordability and Demand Analysis

1. Income Restrictions / Limits.....	Page(s)	53
2. Affordability estimates.....	Page(s)	54 - 56
3. Components of Demand		
i. Demand from new households.....	Page(s)	57, 60, 61
ii. Demand from existing households.....	Page(s)	57, 58, 60, 61
iii. Elderly Homeowners likely to convert to rentership.....	Page(s)	57, 59, 60, 61
iv. Secondary market demand.....	Page(s)	57, 60, 61
v. Other sources of demand (if applicable).....	Page(s)	57, 60, 61

4. Net Demand, Capture Rate, and Stabilization Calculations	
i. Net demand	
1. By AMI Level	Page(s) 51, 60
2. By floor plan	Page(s) 51, 61
ii. Capture rates	
1. By AMI level	Page(s) 51, 60
2. By floor plan	Page(s) 51, 61
3. Capture rate analysis chart	Page(s) 62

H. Competitive Rental Analysis

1. Detailed project information for each competitive rental community surveyed	Page(s) 105
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area	Page(s) 73 - 75
2. Additional rental market information	
i. An analysis of voucher and certificates available in the market area	Page(s) 77
ii. Lease-up history of competitive developments in the market area	Page(s) 79, 105
iii. Tenant profile and waiting list of existing phase (if applicable)	Page(s) N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable)	Page(s) N/A
3. Map showing competitive projects in relation to the subject property	Page(s) 62, 69
4. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities	Page(s) 61
5. For senior communities, an overview / evaluation of family properties in the PMA	Page(s) 68
6. Subject property's long-term impact on competitive rental communities in the PMA	Page(s) 61-62
7. Competitive units planned or under construction the market area	
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information	Page(s) 77
8. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc	Page(s) 65 - 75
i. Average market rent and rent advantage	Page(s) 60
9. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area	Page(s) 61-62
10. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years	Page(s) N/A
11. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area	Page(s) 79
12. Discussion of primary housing voids in the PMA as they relate to the subject property	Page(s) 61-62

I. Absorption and Stabilization Rates

1. Anticipated absorption rate of the subject property	Page(s) 79
2. Stabilization period	Page(s) 79

J. Interviews

Page(s) 82

K. Conclusions and Recommendations

1. Conclusion as to the impact of the subject property on PMA	Page(s) 83 - 89
2. Recommendation as the subject property's viability in PMA	Page(s) 87 - 89

L. Signed Statement Requirements

Page(s) 92

Appendix 6 NCAHMA Checklist

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

Component (*First occurring page is noted)		*Page(s)
Executive Summary		
1.	Executive Summary	iv
Project Summary		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	12
3.	Utilities (and utility sources) included in rent	13, 53
4.	Project design description	12
5.	Unit and project amenities; parking	12
6.	Public programs included	11, 12
7.	Target population description	11, 12
8.	Date of construction/preliminary completion	12
9.	If rehabilitation, existing unit breakdown and rents	N/A
10.	Reference to review/status of project plans	12
Location and Market Area		
11.	Market area/secondary market area description	24
12.	Concise description of the site and adjacent parcels	14
13.	Description of site characteristics	14
14.	Site photos/maps	16
15.	Map of community services	6
16.	Visibility and accessibility evaluation	14-15
17.	Crime information	23
Employment and Economy		
18.	Employment by industry	26
19.	Historical unemployment rate	34
20.	Area major employers	31
21.	Five-year employment growth	27
22.	Typical wages by occupation	35

23.	Discussion of commuting patterns of area workers	37
Demographic Characteristics		
24.	Population and household estimates and projections	38
25.	Area building permits	42
26.	Distribution of income	50
27.	Households by tenure	48
Competitive Environment		
28.	Comparable property profiles	98
29.	Map of comparable properties	
30.	Comparable property photos	98
31.	Existing rental housing evaluation	65 - 72
32.	Comparable property discussion	65 - 67
33.	Area vacancy rates, including rates for tax credit and government-subsidized communities	73
34.	Comparison of subject property to comparable properties	59 - 66
35.	Availability of Housing Choice Vouchers	77
36.	Identification of waiting lists	77
37.	Description of overall rental market including share of market-rate and affordable properties	65 - 76
38.	List of existing LIHTC properties	77
39.	Discussion of future changes in housing stock	63
40.	Discussion of availability and cost of other affordable housing options, including homeownership	79
41.	Tax credit and other planned or under construction rental communities in market area	77
Analysis/Conclusions		
42.	Calculation and analysis of Capture Rate	60
43.	Calculation and analysis of Penetration Rate	60
44.	Evaluation of proposed rent levels	65, 68
45.	Derivation of Achievable Market Rent and Market Advantage	N/A
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	83 - 89
48.	Market strengths and weaknesses impacting project	87
49.	Recommendation and/or modification to project description	89, if applicable
50.	Discussion of subject property's impact on existing housing	79, 89
51.	Absorption projection with issues impacting performance	79

52.	Discussion of risks or other mitigating circumstances impacting project	89, if applicable
53.	Interviews with area housing stakeholders	77
Certifications		
54.	Preparation date of report	Cover
55.	Date of field work	11
56.	Certifications	93
57.	Statement of qualifications	95
58.	Sources of data not otherwise identified	N/A
59.	Utility allowance schedule	53

Appendix 7 Community Photos and Profiles

Establishment	Address	City	State	Phone Number	Date Surveyed	Contact	Condition
Church Street Manor	710 Jesse Jewell Pkwy. SE	Gainesville	GA	770-536-1254	6/15/2011	Property Manager	Below Average
Lighthouse Manor	2415 Lighthouse Manor Dr.	Gainesville	GA	770-538-0366	6/15/2011	Property Manager	Average
Smoky Springs Retirement	940 S Enota Dr.	Gainesville	GA	770-535-8349	6/15/2011	Property Manager	Excellent
Windcliff	150 Gabriel Cir.	Gainesville	GA	770-503-0568	6/15/2011	Property Manager	Average
Brookwood West	703 West Ave.	Gainesville	GA	770-530-2771	6/15/2011	Property Manager	Average
Carrington Park at Lanier	150 Carrington Park Dr.	Gainesville	GA	866-963-6324	6/15/2011	Property Manager	Above Average
Columns at Chicopee	1750 Columns Dr.	Gainesville	GA	770-532-7200	6/15/2011	Property Manager	Average
Glenn Cove	1750 Norton Dr.	Gainesville	GA	770-536-0508	6/15/2011	Property Manager	Average
Ivy Manor	2118 Centennial Dr.	Gainesville	GA	770-287-3328	6/15/2011	Property Manager	Average
Lake Lanier Club	1701 Dawsonville Hwy.	Gainesville	GA	770-536-4688	6/15/2011	Property Manager	Above Average
Lanier	1030 Summit St. SE	Gainesville	GA	770-536-7275	6/15/2011	Property Manager	Average
Lenox Park	1000 Lenox Park Pl.	Gainesville	GA	770-287-1972	6/15/2011	Property Manager	Average
McEver Vineyards	1245 McEver Rd. SW	Gainesville	GA	770-287-8292	6/15/2011	Property Manager	Above Average
Oconee Springs	2351 Springhaven Dr.	Gainesville	GA	770-297-7779	6/15/2011	Property Manager	Above Average
Paces Landing	100 Paces Ct. SW	Gainesville	GA	770-535-1565	6/15/2011	Property Manager	Above Average
Park Creek	1100 Park Creek Ct.	Gainesville	GA	770-287-1414	6/15/2011	Property Manager	Average
Pointe Lanier	2460 Spring Rd.	Gainesville	GA	866-428-5563	6/15/2011	Property Manager	Average
Summit Place at Limestone	2350 Windward Ln. NE	Gainesville	GA	770-503-0031	6/15/2011	Property Manager	Above Average
The Pines of Lanier	2354 Pine Cove Cir.	Gainesville	GA	770-535-1309	6/15/2011	Property Manager	Average
The Retreat at McEver	1050 Eagle Eye Rd.	Gainesville	GA	888-862-8164	6/15/2011	Property Manager	Above Average
Towne Creek	700 Washington St. NW	Gainesville	GA	770-534-5556	6/15/2011	Property Manager	Average

Church Street Manor

Senior Community Profile

710 Jesse Jewell Pkwy. SE
Gainesville,GA

CommunityType: Deep Subsidy-Elderly

Structure Type: 3-Story Mid Rise

54 Units 0.0% Vacant (0 units vacant) as of 6/15/2011

Opened in 1978

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	77.8%	\$488	383	\$1.27	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	22.2%	\$497	505	\$0.98	<input checked="" type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input checked="" type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Central A/C; Patio/Balcony; Grabbar

Select Units: Ceiling Fan

Optional(\$): --

Security: Keyed Bldg Entry

Parking: Free Surface Parking

Comments

Waitlist of 3-6 months

Section 8, rent is contract rent

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	42	\$523	383	\$1.37	Section 8	6/15/11	0.0%	\$497	--	--
Mid Rise - Elevator	--	1	1	12	\$542	505	\$1.07	Section 8					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Natural Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Church Street Manor

GA139-015796

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

Lighthouse Manor

Senior Community Profile

2415 Lighthouse Manor Dr.
Gainesville, GA

CommunityType: Deep Subsidy-Elderly

Structure Type: 1-Story Garden

74 Units 0.0% Vacant (0 units vacant) as of 6/15/2011

Opened in 1994



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	24.3%	\$471	650	\$0.72	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	75.7%	\$454	800	\$0.57	<input checked="" type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Central A/C; Grabbar; Emergency Response

Select Units: Ceiling Fan

Optional(\$): --

Security: Keyed Bldg Entry

Parking: Free Surface Parking

Comments

Waitlist of 6-12 months

Section 8, rent is contract rent

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	18	\$559	650	\$.86	Section 8	6/15/11	0.0%	\$454	--	--
Garden	--	1	1	56	\$559	800	\$.70	Section 8					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Lighthouse Manor

GA139-015797

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

Smoky Springs Retirement

Senior Community Profile

940 South Enota Dr
Gainesville, GA 30501

CommunityType: Market Rate - Elderly

Structure Type: 3-Story Mid Rise

115 Units 13.9% Vacant (16 units vacant) as of 6/15/2011

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	\$2,107	396	\$5.32	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	\$2,395	549	\$4.36	Comm Rm: <input checked="" type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	--	\$3,665	940	\$3.90	Elevator: <input checked="" type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Walking Pth: <input checked="" type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Central A/C; Patio/Balcony; Grabbar; Emergency Response; Van/Transportation; Meals - 3 meals per day; Housekeeping; Carpet

Select Units: --

Optional(\$): --

Security: Keyed Bldg Entry

Parking: Free Surface Parking

Comments

Laundry service included in monthly rent

Housekeeping service provided weekly

Property Manager: --

Owner: Holiday Retirement

Floorplans (Published Rents as of 6/15/2011) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Mid Rise - Elevator	--	Eff	1	--	\$2,195	396	\$5.54	Market	6/15/11	13.9%	\$2,395	\$3,665	--
Mid Rise - Elevator	--	1	1	--	\$2,500	549	\$4.55	Market	7/28/08	7.0%	\$2,245	\$3,120	--
Mid Rise - Elevator	--	2	1	--	\$3,795	940	\$4.04	Market	8/31/07	0.0%	\$2,120	\$2,965	--
									6/28/07	0.0%	\$2,120	\$2,965	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Smoky Springs Retirement

GA139-010051

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Windcliff

Senior Community Profile

150 Gabriel Cir.
Gainesville, GA

CommunityType: Deep Subsidy-Elderly

Structure Type: 1-Story Garden

56 Units 0.0% Vacant (0 units vacant) as of 6/15/2011

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	71.4%	\$365	759	\$0.48	<input checked="" type="checkbox"/>	Library: <input checked="" type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	28.6%	\$430	931	\$0.46	<input type="checkbox"/>	Health Rms: <input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	Guest Suite: <input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	Conv Store: <input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					<input type="checkbox"/>	Beauty Salon: <input type="checkbox"/>

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Grabbar; Emergency Response

Select Units: --

Optional(\$): --

Security: --

Parking: Free Surface Parking

Comments

Waitlist of 2+ years

Built with home funds as well

Section 8, rent is contract rent

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	40	\$365	759	\$.48	Section 8	6/15/11	0.0%	\$365	\$430	--
Garden	--	2	1	16	\$430	931	\$.46	Section 8					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brookwood West

Multifamily Community Profile

703 West Ave.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: Garden/TH

78 Units

Occupancy data not currently available

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	38.5%	\$495	625	\$0.79	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	61.5%	\$606	997	\$0.61	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features

Standard: Central A/C; Patio/Balcony

Select Units: Dishwasher

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Management refused occupancy information

Built in 3 phases

Floorplans (Published Rents as of 6/15/2011) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	30	\$495	625	\$0.79	Market	6/15/11	--	\$495	\$606	--
Townhouse	--	2	1.5	18	\$625	1,200	\$0.52	Market					
Garden	--	2	1	30	\$595	875	\$0.68	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brookwood West

GA139-015789

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Carrington Park at Lanier

Multifamily Community Profile

150 Carrington Park Drive
Gainesville, GA

Community Type: Market Rate - General
Structure Type: Garden

292 Units 2.7% Vacant (8 units vacant) as of 6/15/2011

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$716	801	\$0.89	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Two	--	\$823	1,189	\$0.69	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Three	--	\$955	1,482	\$0.64	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					<input checked="" type="checkbox"/>	<input type="checkbox"/>

Features
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: **Fireplace**

Optional(\$): --

Security: **Unit Alarms; Gated Entry**

Parking 1: **Free Surface Parking** Parking 2: **Detached Garage**
Fee: -- Fee: \$125

Property Manager: **Davis Development**
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$619	595	\$1.04	Market	6/15/11	2.7%	\$716	\$823	\$955
Garden	--	1	1.5	--	\$660	840	\$0.79	Market	4/25/07	2.1%	\$697	\$875	\$1,030
Garden	--	1	1	--	\$695	874	\$0.80	Market	5/13/05	1.4%	\$666	\$830	\$980
Garden	Garage	1	1	--	\$829	894	\$0.93	Market	4/8/03	2.1%	\$645	\$840	\$970
Garden	--	2	2	--	\$730	1,056	\$0.69	Market					
Garden	Garage	2	2	--	\$899	1,255	\$0.72	Market					
Garden	--	2	2	--	\$779	1,255	\$0.62	Market					
Garden	--	3	2	--	\$860	1,465	\$0.59	Market					
Garden	Garage	3	2	--	\$999	1,499	\$0.67	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: **Electric**

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

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Columns at Chicopee

Multifamily Community Profile

1750 Columns Dr.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

150 Units 6.0% Vacant (9 units vacant) as of 6/15/2011

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$653	848	\$0.77	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$743	1,169	\$0.64	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$825	1,409	\$0.59	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; HighCeilings

Select Units: **Fireplace**

Optional(\$): --

Security: --

Parking 1: **Free Surface Parking** Fee: --
Parking 2: **Detached Garage** Fee: **\$100**

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$638	848	\$0.75	Market	6/15/11	6.0%	\$653	\$743	\$825
Garden	--	2	1	--	\$700	1,134	\$0.62	Market					
Garden	--	2	2	--	\$745	1,204	\$0.62	Market					
Garden	--	3	2	--	\$800	1,409	\$0.57	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: **Electric**

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

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Glenn Cove

Multifamily Community Profile

1750 Norton Dr.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: Garden/TH

130 Units 26.2% Vacant (34 units vacant) as of 6/15/2011

Opened in 1970



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	\$475	619	\$0.77	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$585	876	\$0.67	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$725	1,013	\$0.72	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Central A/C; Patio/Balcony

Select Units: Dishwasher; Ceiling Fan; In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

No reason given for high vacancy rate

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$475	619	\$0.77	Market	6/15/11	26.2%	\$475	\$585	\$725
Garden	--	2	1	--	\$550	792	\$0.69	Market					
Townhouse	--	2	1.5	--	\$620	960	\$0.65	Market					
Garden	--	3	2	--	\$725	1,013	\$0.72	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Glenn Cove

GA139-015791

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

Ivy Manor

Multifamily Community Profile

2118 Centennial Dr.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Townhouse

19 Units 10.5% Vacant (2 units vacant) as of 6/15/2011

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	\$448	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	--	\$575	--	--	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

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

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	Eff	1	--	\$448	--	--	Market	6/15/11	10.5%	--	\$575	--
Townhouse	--	2	1.5	--	\$575	--	--	Market					

Adjustments to Rent

Incentives:
 Reduced rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

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

Lake Lanier Club

Multifamily Community Profile

1701 Dawsonville Highway
Gainesville, GA

Community Type: Market Rate - General

Structure Type: Garden/TH

657 Units 4.0% Vacant (26 units vacant) as of 6/15/2011

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$677	786	\$0.86	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$853	1,269	\$0.67	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$908	1,532	\$0.59	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; HighCeilings

Select Units: Fireplace

Optional(\$): --

Security: Unit Alarms; Gated Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$600	686	\$0.87	Market	6/15/11	4.0%	\$677	\$853	\$908
Garden	--	1	1	--	\$650	750	\$0.87	Market	3/22/07	3.0%	\$681	\$847	\$981
Garden	--	1	1	--	\$735	922	\$0.80	Market	6/9/05	9.0%	\$658	\$803	\$885
Garden	--	2	2	--	\$750	1,192	\$0.63	Market	4/9/03	3.3%	\$675	\$843	\$1,000
Garden	--	2	2	--	\$850	1,252	\$0.68	Market					
Garden	--	2	2	--	\$900	1,363	\$0.66	Market					
Garden	--	3	2	--	\$800	1,424	\$0.56	Market					
Garden	--	3	2	--	\$900	1,571	\$0.57	Market					
Garden	--	3	2	--	\$950	1,601	\$0.59	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Lanier

Multifamily Community Profile

1030 Summit St. SE
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: Garden

96 Units 27.1% Vacant (26 units vacant) as of 6/15/2011

Opened in 1978

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	--	\$540	--	--	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	\$640	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

Comments

No reason given for high vacancy rate

Floorplans (Published Rents as of 6/15/2011) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	--	\$540	--	--	Market	6/15/11	27.1%	--	\$540	\$640
Garden	--	3	1	--	\$640	--	--	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Lenox Park

Multifamily Community Profile

1000 Lenox Park Place
Gainesville, GA

Community Type: LIHTC - General

Structure Type: Garden

292 Units 32.9% Vacant (96 units vacant) as of 6/15/2011

Opened in 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	19.2%	\$514	869	\$0.59	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	28.8%	\$619	1,057	\$0.59	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	52.1%	\$704	1,219	\$0.58	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: Gated Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

New management took over in February 2011 and are leasing back up

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	56	\$499	869	\$0.57	LIHTC/ 60%	6/15/11*	32.9%	\$514	\$619	\$704
Garden	--	2	2	84	\$599	1,057	\$0.57	LIHTC/ 60%	3/22/07	2.1%	\$595	\$700	\$805
Garden	--	3	2	76	\$659	1,182	\$0.56	LIHTC/ 60%	5/13/05	2.4%	\$540	\$640	\$688
Garden	--	3	2	76	\$699	1,255	\$0.56	LIHTC/ 60%	4/9/03	3.1%	\$525	\$620	\$688

* Indicates initial lease-up.

Adjustments to Rent

Incentives:

Reduced rent

Utilities in Rent: Heat Fuel: Electric

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

McEver Vineyards

Multifamily Community Profile

1245 McEver Rd SW
Gainesville, GA

CommunityType: LIHTC - General

Structure Type: Garden

220 Units 0.0% Vacant (0 units vacant) as of 6/15/2011

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	14.5%	\$590	860	\$0.69	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Two	50.0%	\$670	1,119	\$0.60	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	35.5%	\$750	1,335	\$0.56	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
					<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Features

Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Carpet

Select Units: --

Optional(\$): --

Security: Unit Alarms; Gated Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Waitlist

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	32	\$575	860	\$0.67	LIHTC/ 60%	6/15/11	0.0%	\$590	\$670	\$750
Garden	--	2	2	110	\$650	1,119	\$0.58	LIHTC/ 60%	3/22/07	1.8%	\$580	\$680	\$765
Garden	--	3	2	78	\$725	1,335	\$0.54	LIHTC/ 60%	5/25/05	7.3%	\$565	\$660	\$745

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Oconee Springs

Multifamily Community Profile

2351 Springhaven Drive
Gainesville,GA

CommunityType: LIHTC - General

Structure Type: Garden

88 Units 0.0% Vacant (0 units vacant) as of 6/15/2011

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	Tennis:
Two	18.2%	\$460	1,013	\$0.45	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	72.7%	\$530	1,210	\$0.44	Hot Tub:	BusinessCtr:
Four+	9.1%	\$560	1,372	\$0.41	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

Features
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --
Optional(\$): --
Security: --
Parking 1: Free Surface Parking Parking 2: --
Fee: -- Fee: --
Property Manager: --
Owner: --

Comments

Waitlist of 1-2 years on the 30% and 50% units
Waitlist for the 60% units as well

Floorplans (Published Rents as of 6/15/2011) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	4	\$214	1,013	\$0.21	LIHTC/ 30%	6/15/11	0.0%	--	\$460	\$530
Garden	--	2	2	3	\$485	1,013	\$0.48	LIHTC/ 50%	4/25/07	0.0%	--	\$482	\$552
Garden	--	2	2	9	\$526	1,013	\$0.52	LIHTC/ 60%	5/25/05	10.2%	--	\$355	\$460
Garden	--	3	2	34	\$591	1,210	\$0.49	LIHTC/ 60%	4/9/03	2.3%	--	\$369	\$475
Garden	--	3	2	13	\$230	1,210	\$0.19	LIHTC/ 30%					
Garden	--	3	2	17	\$544	1,210	\$0.45	LIHTC/ 50%					
Garden	--	4	2	2	\$231	1,372	\$0.17	LIHTC/ 30%					
Garden	--	4	2	2	\$571	1,372	\$0.42	LIHTC/ 50%					
Garden	--	4	2	4	\$659	1,372	\$0.48	LIHTC/ 60%					

Adjustments to Rent
Incentives: None
Utilities in Rent: Heat Fuel: Electric
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Paces Landing

Multifamily Community Profile

100 Paces Court SW
Gainesville, GA

CommunityType: LIHTC - General

Structure Type: Garden

140 Units 10.0% Vacant (14 units vacant) as of 6/15/2011

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	11.4%	\$597	799	\$0.75	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	37.1%	\$638	1,062	\$0.60	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	35.7%	\$673	1,267	\$0.53	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	5.7%	\$810	1,428	\$0.57	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

14 additional 2 bdrm 60% units with PBRA

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	12	\$572	799	\$0.72	LIHTC/ 60%	6/15/11	10.0%	\$597	\$638	\$673
Garden	--	1	1	4	\$610	799	\$0.76	Market	4/25/07	2.1%	\$578	\$648	\$654
Garden	--	2	2	14	\$540	1,062	\$0.51	LIHTC/ 50%	5/25/05	6.4%	\$545	\$615	\$634
Garden	--	2	2	28	\$625	1,062	\$0.59	LIHTC/ 60%	4/9/03*	31.4%	\$545	\$615	\$634
Garden	--	2	2	10	\$710	1,062	\$0.67	Market	* Indicates initial lease-up.				
Garden	--	3	2	40	\$607	1,267	\$0.48	LIHTC/ 50%					
Garden	--	3	2	10	\$810	1,267	\$0.64	Market					
Garden	--	4	2	4	\$650	1,428	\$0.46	LIHTC/ 50%					
Garden	--	4	2	4	\$910	1,428	\$0.64	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park Creek

Multifamily Community Profile

1100 Park Creek Court
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: Garden

200 Units

Occupancy data not currently available

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$642	736	\$0.87	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	30.0%	\$770	1,082	\$0.71	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	20.0%	\$850	1,308	\$0.65	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: Fireplace

Optional(\$): --

Security: Fence; Gated Entry

Parking 1: Free Surface Parking
Fee: --

Parking 2: Detached Garage
Fee: \$95

Property Manager: --
Owner: --

Comments

Management refused occupancy information

Floorplans (Published Rents as of 6/15/2011) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	40	\$590	635	\$.93	Market	6/15/11	--	\$642	\$770	\$850
Garden	--	1	1	60	\$652	804	\$.81	Market	3/27/07	6.0%	\$708	\$870	\$910
Garden	--	2	2	36	\$730	1,050	\$.70	Market	5/19/05	7.0%	\$629	\$750	\$877
Garden	--	2	2	24	\$779	1,131	\$.69	Market	4/8/03	6.5%	\$531	\$538	\$720
Garden	--	3	2	40	\$825	1,308	\$.63	Market					

Adjustments to Rent

Incentives:

Reduced rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Park Creek

GA139-005792

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

Pointe Lanier

Multifamily Community Profile

2460 Spring Rd.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

100 Units 2.0% Vacant (2 units vacant) as of 6/15/2011

Opened in 1987

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	40.0%	\$545	825	\$0.66	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.0%	\$638	1,025	\$0.62	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	40	\$570	825	\$.69	Market	6/15/11	2.0%	\$545	\$638	--
Garden	--	2	2	60	\$663	1,025	\$.65	Market					

Adjustments to Rent

Incentives:
\$25 off per month

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

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

Summit Place at Limestone

Multifamily Community Profile

2350 Windward Ln NE
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: Garden

128 Units 4.7% Vacant (6 units vacant) as of 6/15/2011

Opened in 1995



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	18.8%	\$588	608	\$0.97	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Two	68.8%	\$688	944	\$0.73	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	12.5%	\$775	1,250	\$0.62	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Features

Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	24	\$588	608	\$0.97	Market	6/15/11	4.7%	\$588	\$688	\$775
Garden	--	2	2	88	\$688	944	\$0.73	Market	3/22/07	2.3%	\$630	\$700	\$803
Garden	--	3	2	16	\$775	1,250	\$0.62	Market	6/10/05	3.9%	\$605	\$688	\$805

Adjustments to Rent

Incentives:

Reduced rent

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

The Pines of Lanier

Multifamily Community Profile

2354 Pine Cove Cir.
Gainesville,GA

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

157 Units 29.9% Vacant (47 units vacant) as of 6/15/2011

Opened in 1986

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	\$447	363	\$1.23	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$467	530	\$0.88	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$546	653	\$0.84	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony

Select Units: In Unit Laundry

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Management said that 70% occupancy was normal

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	--	\$455	363	\$1.25	Market	6/15/11	29.9%	\$467	\$546	--
Garden	--	1	1	--	\$475	530	\$0.90	Market					
Garden	--	2	1	--	\$556	653	\$0.85	Market					

Adjustments to Rent

Incentives:

\$199 move in

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

The Retreat at McEver

Multifamily Community Profile

1050 Eagle Eye Road
Gainesville, GA

Community Type: LIHTC - General

Structure Type: Garden

224 Units 4.0% Vacant (9 units vacant) as of 6/15/2011

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	35.7%	\$549	890	\$0.62	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.6%	\$649	1,133	\$0.57	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	10.7%	\$749	1,350	\$0.55	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --
Optional(\$): --
Security: **Unit Alarms**
Parking 1: **Free Surface Parking** Parking 2: --
Fee: -- Fee: --
Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	80	\$549	890	\$0.62	LIHTC/ 60%	6/15/11	4.0%	\$549	\$649	\$749
Garden	--	2	2	88	\$649	1,120	\$0.58	LIHTC/ 60%	4/27/07	2.2%	\$550	\$640	\$745
Garden	--	2	2	32	\$649	1,170	\$0.55	LIHTC/ 60%	4/9/03*	26.8%	\$525	\$590	\$665
Garden	--	3	2	24	\$749	1,350	\$0.55	LIHTC/ 60%	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:
None
Utilities in Rent: Heat Fuel: **Electric**
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

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

Towne Creek

Multifamily Community Profile

700 Washington Street NW
Gainesville, GA

Community Type: Market Rate - General

Structure Type: Garden

150 Units 6.7% Vacant (10 units vacant) as of 6/15/2011

Opened in 1989



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	40.0%	\$542	620	\$0.87	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	60.0%	\$677	1,005	\$0.67	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: **Fireplace**

Optional(\$): --

Security: --

Parking 1: **Free Surface Parking** Parking 2: --
Fee: -- Fee: --

Property Manager: **AMLI Residential**
Owner: --

Comments

Floorplans (Published Rents as of 6/15/2011) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	60	\$535	620	\$.86	Market	6/15/11	6.7%	\$542	\$677	--
Garden	--	2	2	90	\$665	1,005	\$.66	Market	4/25/07	3.3%	\$605	\$755	--
									5/25/05	4.7%	\$565	\$670	--
									4/8/03	6.7%	\$545	\$630	--

Adjustments to Rent

Incentives:
\$100 off first month

Utilities in Rent: Heat Fuel: **Electric**

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

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