

RealPropertyResearchGroup

Market Feasibility Analysis
Villas on Forsyth Apartments
Barnesville, Lamar County, Georgia
DCA Project Number 07-021

Prepared for
The Georgia Department of Community Affairs

June 2007



Table of Contents

I.	Executive Summary	iii
II.	Introduction	1
III.	Project Description and Site Evaluation	3
A.	Project Overview.....	3
B.	Site and Neighborhood Description.....	4
C.	Shopping.....	13
D.	Medical	13
E.	Senior Center.....	14
IV.	Socio-Economic and Demographic Content	15
A.	Economic Context.....	17
B.	Household and Population Trends	24
C.	Older Household and Population Trends	25
D.	Demographic Characteristics	29
E.	Income Characteristics	34
V.	Project-Specific Demand Analysis	37
A.	Affordability Analysis	37
B.	DCA Demand Calculations	40
VI.	Supply Analysis	44
A.	Area Housing Stock	44
B.	Rental Market	46
C.	Proposed Developments.....	59
D.	Interviews.....	59
VI.	Conclusions and Recommendations	60
A.	Findings	60
B.	Project Feasibility.....	64
C.	Absorption Estimate.....	66
D.	Final Conclusion	67
	Appendix 1 Underlying Assumptions and Limiting Conditions	68
	Appendix 2 Analyst Certification	70
	Appendix 3 NCAHMA Certification	71
	Appendix 3 Resumes	72
	Appendix 4 DCA Market Study Checklist	74
	Appendix 5 NCAHMA Checklist	78
	Appendix 6 Community Photos and Profiles	80

List of Tables

Table 1	Project Specific Rent and Income Limits, Villas on Forsyth	2
Table 2	Proposed Unit Configuration and Rents	4
Table 3	Neighborhood Amenities, Villas on Forsyth	12
Table 4	At Place Employment, Lamar County 1990-2006	17
Table 5	Employment by Sector, Lamar County 2006	19
Table 6	Employment by Sector Change, Lamar County 2001-2006	19
Table 7	Top Employers, Lamar County	20
Table 8	Labor Force and Unemployment Rates, Lamar County	23
Table 9	Trends in Population and Households, PMA and Tri-County Market Area	26
Table 10	Trends in Senior Population and Households, Primary Market Area	27
Table 11	Tri-County Market Area Building Permits, 1990 - 2006	28
Table 12	2007 Age Distribution	30
Table 13	2000 Households by Household Type	31
Table 14	Dwelling Units by Occupancy Status	32
Table 15	Occupancy Status, Householders 62+	33
Table 16	2007 Households by Tenure & Age of Householder	34
Table 17	2007 Income Distribution, PMA and Tri-County Market Area	35
Table 18	2007 & 2012 HH Income for HHs 62+, Primary and Tri-County Market Areas	36
Table 19	2009 Affordability Analysis for Villas on Forsyth	39
Table 20	Cost Burdened and Substandard Calculation	41
Table 21	Overall Demand Estimates and Capture Rates	42
Table 22	Demand Estimates and Capture Rates by Floorplan and Income Level	43
Table 23	2000 Renter Households by Number of Units	44
Table 24	Year Property Built	45
Table 25	Rental Summary, Senior Rental Communities	50
Table 26	Rental Summary, LIHTC and Market Rate General Occupancy	51
Table 27	Rental Summary, Deeply Subsidized General Occupancy	52
Table 28	Common Area Amenities of Senior Communities	53
Table 29	Features of Rental Communities, Senior Communities	55
Table 30	Estimated Market Rent, One Bedroom Units	56
Table 31	Estimated Market Rent, Two Bedroom Units	57
Table 32	Market Advantage Summary	58
Table 33	Market Rent Adjustment Key	58

List of Figures

Figure 1	Site Photos	5
Figure 2	Surrounding Land Use Photos	7

List of Maps

Map 1	Site Location, Villas on Forsyth	10
Map 2	Neighborhood Amenities, Villas on Forsyth	11
Map 3	Primary Market Area	16
Map 4	Major Employers	21
Map 5	Surveyed Rental Communities	48
Map 6	Subsidized Rental Communities	49

I. Executive Summary

Real Property Research Group, Inc. has been retained by The Georgia Department of Community Affairs (DCA) to conduct a market feasibility analysis of Villas on Forsyth Apartments. Villas on Forsyth Apartments will be a newly constructed LIHTC rental community consisting of 42 senior oriented rental units. Seventy-nine percent of the units will be tax credit and targeted to renters earning no more than 50 percent and 60 percent of the Area Median Income. The remaining twenty-one percent of the units will be market rate, unencumbered by maximum rents and tenant incomes. The subject property will be a newly constructed rental community located on the north side of Forsyth Street (U.S. Highway 41) approximately one-third mile east of downtown Barnesville, Lamar County, Georgia.

Field work and data collection was conducted in May and June 2007. The site, comparables, and market area were visited on May 31, 2007 by Tad Scepaniak, Principal. The Executive Summary follows and is based on DCA's market study guidelines.

- 1. Market Demand and demand trends for the proposed, existing or rehabilitated units given the existing and proposed economic conditions of the area.**
 - a. Affordability analysis and DCA demand estimates indicate adequate demand to support the proposed units at Villas on Forsyth.
 - b. Lamar County's employment base has been cyclical over the past 15 years with several years of employment gain and loss. Overall, the number employed in Lamar County is unchanged since 1990.
 - c. Over the past five years, the county's unemployment rate has remained approximately one percentage point above the state figure. The unemployment rate has increased during 2004 and 2005, but decreased to 4.7 percent through the first quarter of 2007.
- 2. Stabilization projections for the subject property until a sustaining occupancy level of 93% can be achieved for the project. If stabilization projections for the subject differ significantly from historical data, an explanation must be given.**

- a. We have estimated that Villas on Forsyth Apartments should be able to lease up at a minimum rate of 5 units per month. At this rate, the project would be able to achieve 93 percent occupancy within an approximate 8 month period.
- b. We believe that Villas on Forsyth apartments should be able to maintain an occupancy level of 93 percent or higher after initial lease up.
- c. This absorption estimate and sustained occupancy is supported by existing rental communities in Lamar County and the calculated demand estimates.

3. Absorption projections for each bedroom category type and for the subject property as a whole.

- a. As noted above, we have estimated that the subject property will lease approximately 5 units per month.
- b. The proportion of monthly absorption is expected to be similar to the overall unit distribution of the proposed unit mix. Average monthly absorption by bedroom size is 2.5 one bedroom units and 2.5 two bedroom units.

4. Comparable units in the proposed project's primary market area.

- a. Among the 13 rental communities identified in and near the primary market area, only four offer units without project-based rental subsidies.
- b. Three of the 13 identified rental communities are senior oriented including one LIHTC community. This senior oriented LIHTC community reported one of 56 units vacant, a rate of 1.8 percent. Overall, only one of 120 senior oriented rental units was reported vacant, a rate of 0.8 percent.
- c. Overall, the primary market area's rental stock appears stable. The overall vacancy rate in the primary market area is less than five percent.

5. Appropriateness of unit rent, unit mixes, and unit sizes.

- a. The proposed LIHTC rents (all income targets and bedroom sizes) are priced comparably to existing rental communities in the primary market area. The proposed LIHTC and market rate rents are much lower than the one market rate community in the primary market area. Given the product to be constructed and proposed amenities, Villas on Forsyth will be competitive with the communities.

- b. The estimated market rents for the proposed units at Villas on Forsyth are \$390 and \$487 for one and two bedroom units, respectively.
- c. Market advantages for the LIHTC units are above five percent for all unit types with the 50 percent units having market advantages in excess of 20 percent for both one and two bedroom units. The proposed market rate rents are priced similar to the estimate of market rent.
- d. The proposed rents appear reasonable and appropriate.

6. Appropriateness of interior and physical amenities including appliance package.

- a. The proposed amenities, including appliance package, will be comparable or superior to all rental communities in the primary market area. Interior amenities will include a dishwasher, microwave, individual washer/dryers, and patios.
- b. Community amenities will include outdoor picnic/sitting areas, fitness center, community room, and a computer center.
- c. The amenities planned at Villas on Forsyth are extensive and meet or exceed all existing rental communities in the primary market area. Furthermore, these amenities will specifically address the needs of older renters.

7. Location and distance of subject property in relationship to local amenities.

- a. Villas on Forsyth will be located within close proximity to area amenities including shopping, healthcare facilities, and transportation arteries.
- b. No negative surrounding land uses were identified. The subject site is located in an established residential neighborhood.

8. Correlation of the subject property to the eligible tenant target population through an analysis of capture rates for each target tenant segment. Given the target population, existing market conditions and market capture rates less than 30% of all one and two bedroom units, less than 40% for all three bedroom units, less than 50% for all four bedroom units in the project and less than 30% for the LIHTC units, Market Rate and for the project as a whole.

- a. The calculated capture rates for the proposed units at Villas on Forsyth all fall below these thresholds.

- b. The overall capture rates are 21.3 percent for all LIHTC units, 5.4 percent for market rate units, and 19.0 percent for all units. Capture rates by floorplan range from 1.5 percent to 20.0 percent.

9. A candid, detailed conclusion about the strength of the market for the project as proposed.

- a. The primary market area's household base is expected to experience by 4.3 percent over the next five years. The senior household base (55+) is expected to increase by 13.3 percent through 2012.
- b. The proposed product and rents will be competitive in the primary market area. Villas on Forsyth will be comparable or superior in terms of appeal and amenities to existing rental communities.
- c. Based on affordability and demand estimates, sufficient demand exists to support the newly constructed units at Villas on Forsyth.
- d. The vacancy rates in the primary market area are stable. We believe that Villas on Forsyth will be able to maintain occupancy of 93 percent or higher.
- e. Economic conditions are stable and support the proposed development of additional affordable rental units.
- f. We believe the product is properly positioned and will be well received in the primary market area. Villas on Forsyth will fill a void for rental units targeting low to moderate income senior renter households.

10. Summary Table

Unit Size	AMI Target	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent	Proposed Rents
1 Bedroom	50%	16	101	0	101	15.8%	8 Months	\$396	\$316
	80%	5	145	0	145	3.5%	8 Months	\$396	\$400
	Total	21	207	0	207	10.2%	8 Months	\$396	\$336
2 Bedroom	50%	16	80	0	80	20.0%	8 Months	\$443	\$367
	60%	1	66	0	66	1.5%	2 Months	\$443	\$450
	80%	4	129	0	129	3.1%	6 Months	\$443	\$450
	Total	21	185	0	185	11.3%	8 Months	\$443	\$387

Proposed Project Capture Rate LIHTC Units	21.3%
Proposed Project Capture Rate Market Rate Units	5.4%
Proposed Project Capture Rate All Units	19.0%
Proposed Project Stabilization Period	8 Months

II. Introduction

Real Property Research Group, Inc. has been retained by The Georgia Department of Community Affairs (DCA) to conduct a market feasibility analysis of Villas on Forsyth Apartments. Villas on Forsyth Apartments will be a newly constructed LIHTC rental community consisting of 42 units. Villas on Forsyth will be Housing for Older Persons (HOP) community targeting householders age 55 and older.

The majority (79 percent) of the units at Villas on Forsyth Apartments will benefit from Low Income Housing Tax Credits with units targeting renter households at 50 percent and 60 percent of the Area Median Income. The remaining twenty-one percent of the units will be market rate without rent or tenant income restrictions. Villas on Forsyth's 42 units will be contained within eight single-story residential buildings. The proposed unit sizes at Villas on Forsyth are 831 square feet for the one bedroom units and 1,099 square feet for the two bedroom units. All units will have one bathroom.

HUD has computed a 2007 median household income of \$51,600 for Lamar County, 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 1. The minimum income limit is calculated assuming 40% of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes for LIHTC units are generally calculated assuming 1.5 persons per bedroom. In the case of Elderly and Housing for Older Persons developments, DCA requires that the maximum income limit for all unit sizes not exceed the two bedroom household limit. The maximum income limits used in this report are based on 1.5 persons for a one bedroom unit and 2.0 persons for a two bedroom unit.

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.

Table 1 Project Specific Rent and Income Limits, Villas on Forsyth

Unit Type	AMI %	# Units	# Bed	Planned Net Rent	Utility Allowance	Planned Gross Rent	Maximum Gross Rent	Maximum Income	Minimum Income
LIHTC	50%	9	1	\$285	\$111	\$396	\$484	\$19,350	\$11,880
LIHTC	50%	7	1	\$355	\$111	\$466	\$484	\$19,350	\$13,980
LIHTC	50%	9	2	\$330	\$141	\$471	\$580	\$20,650	\$14,130
LIHTC	50%	7	2	\$415	\$141	\$556	\$580	\$20,650	\$16,680
LIHTC	60%	1	2	\$450	\$141	\$591	\$696	\$24,780	\$17,730
Market	80%	5	1	\$400	\$111	\$511	\$774	\$30,960	\$15,330
Market	80%	4	2	\$450	\$141	\$591	\$928	\$33,040	\$17,730

The report is divided into six 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 presents demand estimates and capture rates. Section 6 presents a discussion of the competitive residential environment. Section 7 discusses conclusions reached from the analysis and estimates the demand for the project using growth projections and income distributions.

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. Project Description and Site Evaluation

A. Project Overview

The newly constructed rental community will include 42 one and two bedroom units contained within seven single-story residential buildings. The construction will be wood frame with hardi plank and brick exteriors. The unit mix will include 21 one bedroom units at 831 square feet and 21 two bedroom units at 1,099 square feet. All of the units will have one bathroom.

Project Summary - Villas on Forsyth	
Project Data	
Name	Villas on Forsyth
Total Units	42
Target Market	Older Persons (55+)
Construction Type	Brick/Vinyl
Income Targeting	50%, 60%, Market
PBRA	None
Construction	New Construction
Building Type	Single-story
Placed-In Service Date	2009
Site/Location	
City	Barnesville
County	Lamar
Address	Forsyth Road, east of Collier Road
Acreage	6.43

Each of the newly constructed units at Villas on Forsyth will feature:

- A full kitchen including an electric range, a refrigerator, a garbage disposal, a dishwasher, and a microwave oven.
- Wall-to-wall carpeting in the bedrooms, living room, dining room and hallways. The kitchen, entry and bathrooms will feature scuff-resistant vinyl flooring.
- Individual washers and dryers in each unit.
- Electric central heat (heat pump) and air conditioning.
- Hard-wired smoke detectors and fire suppression systems.

Common area amenities will include community gathering areas, an exercise/fitness center, a computer center, and a furnished library. Exterior amenities will include a shuffleboard court, picnic areas, walking trails, and gardening areas.

The proposed rents and unit configuration is shown below in Table 2. The rents shown will include the cost of trash removal.

Table 2 Proposed Unit Configuration and Rents

Unit Type	Building Type	AMI Level	Units	# Bed	# Bath	Average Size	Net Rent	Rent/Sq Ft
LIHTC	Garden	50%	9	1	1	831	\$285	\$0.34
LIHTC	Garden	50%	7	1	1	831	\$355	\$0.43
LIHTC	Garden	50%	9	2	1	1,099	\$330	\$0.30
LIHTC	Garden	50%	7	2	1	1,099	\$415	\$0.38
LIHTC	Garden	60%	1	2	1	1,099	\$450	\$0.41
Market	Garden	80%	5	1	1	831	\$400	\$0.48
Market	Garden	80%	4	2	1	1,099	\$450	\$0.41
Total/Avg.			42			965	\$361	\$0.37

B. Site and Neighborhood Description

Villas on Forsyth Apartments will be located in eastern Barnesville, approximately three-quarters mile from downtown. The subject property is a wooded parcel, slightly elevated from road grade and sloping up to the south. The subject property has limited frontage along Forsyth Street, with most of the site set back from the road. Bordering land uses include:

North: The subject property fronts United States Highway 41, known locally as Forsyth Street. The land on the north side of Forsyth Street is wooded.

East: South Oak Apartments, a 24 unit general occupancy Rural Development community. The units at south Oak Apartments do not have additional rental subsidies.

South: Wooded land is the dominate land use to the south of the subject property. A single-family detached neighborhood is located to the southwest of the subject property.

West: Pine View Apartments, a 48 unit general occupancy Rural Development rental community is located to the west of the site. Most units at this community have Rural Development Rental Assistance, meaning that tenants pay a percentage of their income for rent. On the west side of Pine View Apartments is the Barnesville Civic Center.

Access to the property will be available at an entrance on Forsyth Street, between Pine View and South Oak Apartments. Traffic on Forsyth Street outside of downtown Barnesville is relatively light. Accessibility problems are not anticipated.

Villas on Forsyth Apartments is compatible with surrounding land uses, as the predominate land use within one-quarter mile of the site is residential, including two affordable rental housing communities. Villas on Forsyth will be located on the eastern edge of Barnesville with numerous community amenities within one mile of the subject property including retail, the Barnesville Civic Center, the local senior center, and a U.S. Post Office. Additional amenities including police and fire protection and medical care are located within 1.5 miles of the subject property.

Figure 1 Site Photos



View of site facing north.



View of site facing southeast.



View of site facing southwest from entrance to Pine View Apartments. .



View of for-sale sign on subject property.

Figure 2 Surrounding Land Use Photos



Pine View Apartments, adjacent to west side of subject property.



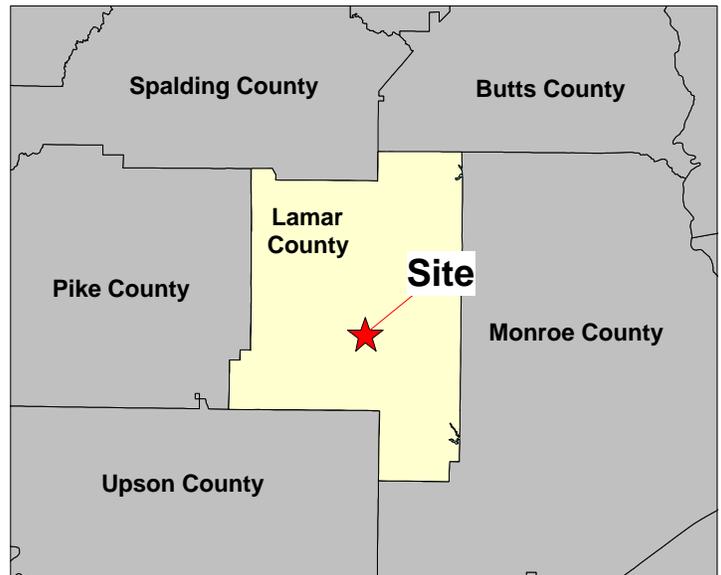
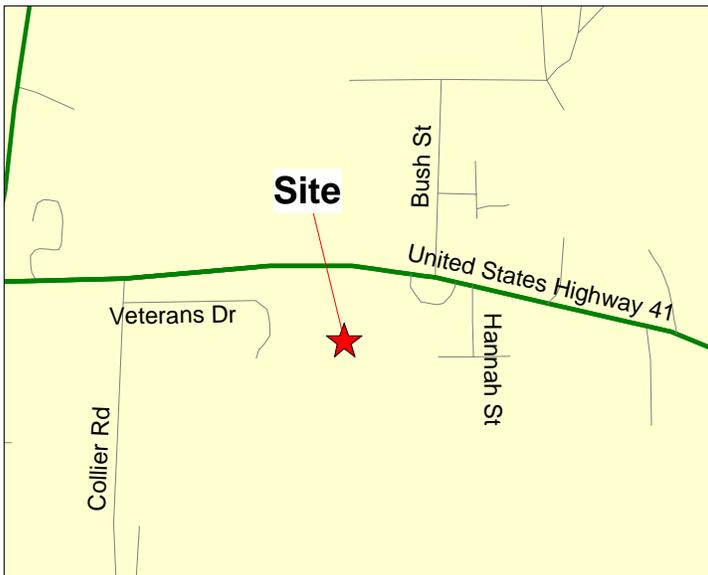
South Oak Apartments, adjacent to east side of subject property.



View of Forsyth Street facing east, site on right.



View of Forsyth Street facing west.



Map 1
Site Location
Lamar County, GA

Map 2 Neighborhood Amenities, Villas on Forsyth

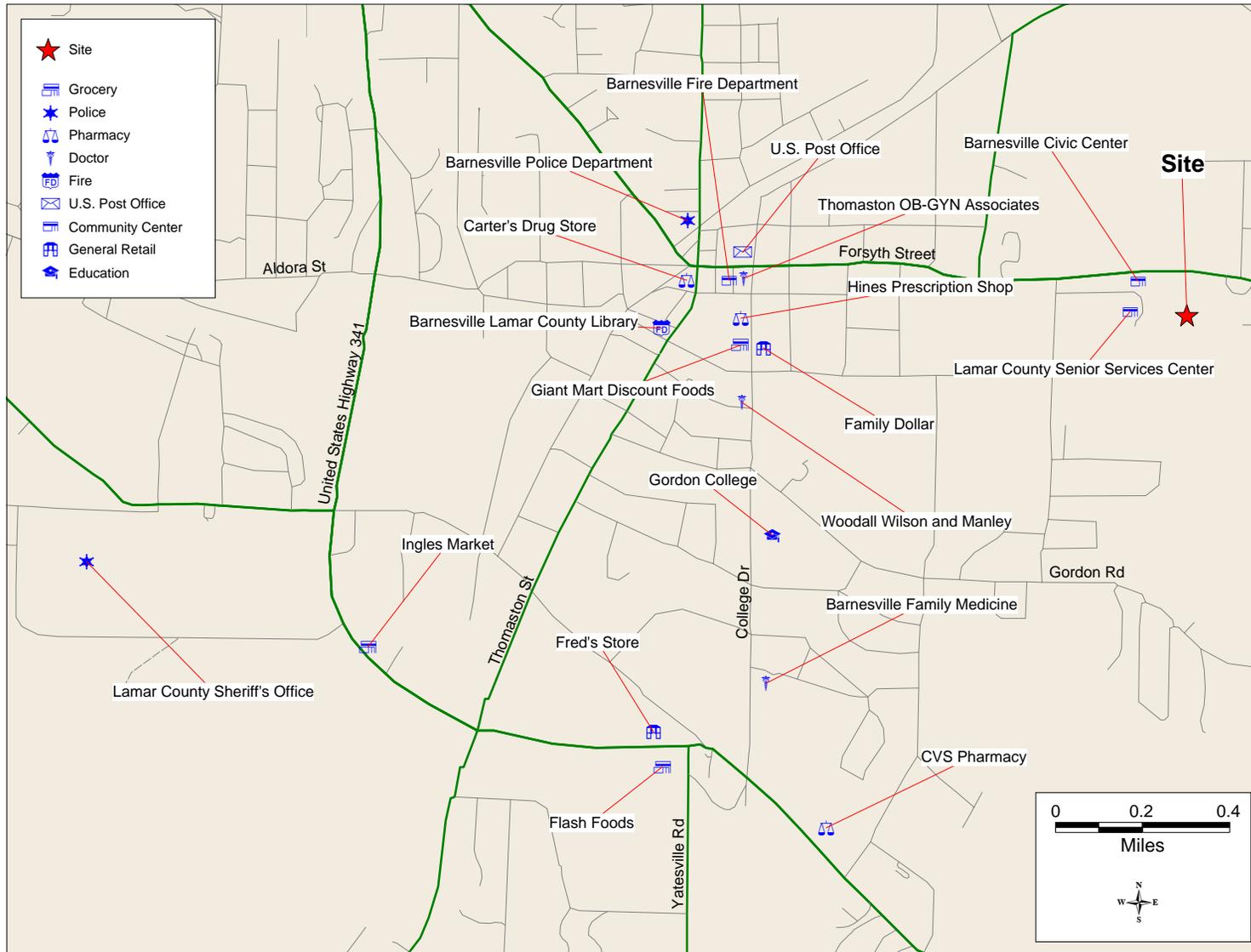


Table 3 Neighborhood Amenities, Villas on Forsyth

Establishment	Type	Address	Distance
Barnesville Civic Center	Community Services	685 Forsyth St	0.1 mile
Lamar County Senior Services Center	Senior Services	106 Veterans Dr	0.3 mile
Giant Mart Discount Foods	Grocery	335 College Dr	1 mile
Hines Prescription Shop	Pharmacy	329 College Dr	1 mile
Thomaston Ob-Gyn Assoc.	Doctor's Office	133 Forsyth St	1 mile
U.S. Post Office	U.S. Mail	138 Forsyth St	1 mile
Family Dollar	General Retail	337 College Dr	1 mile
Carter's Drug Store	Pharmacy	203 Main St	1.1 miles
Barnesville Police Department	Police	100 Mill St	1.1 miles
Barnesville Fire Department	Fire	111 Forsyth St	1.1 miles
Woodall Wilson and Manley	Doctor's Office	101 Houston St	1.1 miles
Barnesville Lamar County Library	Library	401 Thomaston St	1.2 miles
Gordon College	State College	419 College Dr	1.3 miles
Barnesville Family Medicine	Doctor's Office	526 College Dr	1.3 miles
CVS Pharmacy	Pharmacy	912 Highway 341 S	1.5 miles
Fred's Store	General Retail	790 Highway 341 S	1.6 miles
Flash Foods	Grocery	771 Highway 341 S	1.7 miles
Ingles Market	Grocery	625 Highway 341 S	2.1 miles
Lamar County Sheriff's Office	Police	121 Roberta Dr	2.3 miles

Source: Real Property Research Group, Inc.

The Villas on Forsyth site is located on the eastern edge of the more densely developed portion of Barnesville in a residential neighborhood. The site is positioned between two general occupancy rental communities and within one mile of many community amenities. Access to the property will be via an entrance on Forsyth Street. No impediments to convenient ingress/egress were identified. Traffic along Forsyth Street (U.S. Highway 41) is likely to decrease with the completion of the Barnesville Truck By-Pass, construction of which is ongoing and expected to be completed within the next 12-18 months. This eastern by-pass will connect with Forsyth Street east of the subject property.

C. Shopping

Most of Barnesville's commercial development is located along United States Highways 41 and 341. Significant commercial development exists near the intersection of U.S. 41 (Forsyth Street) and College Street including Giant Mart, Family Dollar, NAPA Auto Parts, and several restaurants. Although some stores are within reasonable walking distance of the subject property, Forsyth Street is not served by sidewalks.



Giant Mart on College Street

D. Medical

Three full-service hospitals are located within 20 miles of Barnesville including Monroe County Hospital in Forsyth (12.2 miles), Spalding Regional in Griffin (14.3 miles), and Upson Regional Hospital in Thomaston (15.6 miles). Barnesville is served by several smaller medical clinics including Community Medical Center and Barnesville Family Medicine, which is located within one and a half mile of the subject site.

E. Senior Center

Barnesville and Lamar County is served by the Lamar County Senior Services Center, located within one-half mile of the subject property. Services offered by the senior center including congregate meals, home delivered meals (Meals of Wheels), educational seminars, and recreational activities.

IV. Socio-Economic and Demographic Content

The primary market area for Villas on Forsyth Apartments comprises the three census tracts in Lamar County and a portion of two surrounding counties. The boundaries of the primary market area and their approximate distance from the subject site are:

North: Spalding County (8.7 miles)

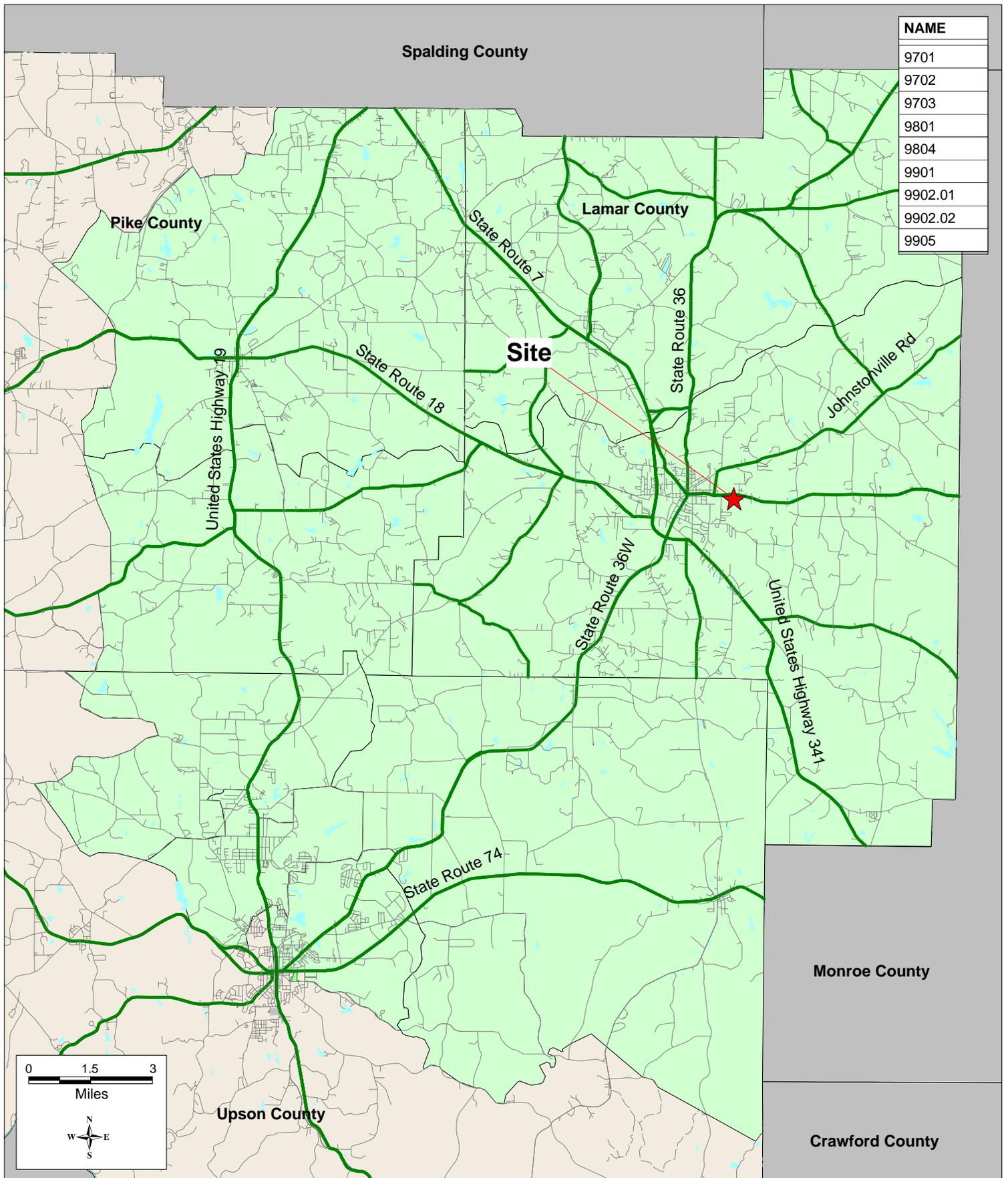
East: Monroe County (5.2 miles)

South: Downtown Thomaston (13.8 miles)

West: Reidsboro Road (15.4 miles)

This primary market area includes two similarly sized municipalities of Zebulon (Pike County) and Thomaston (Upson County). Larger cities such as Griffin to the north and Forsyth to the east were not included in the primary market. Given the lack of affordable senior oriented rental housing in the region and relatively small geographic size of Lamar County, we expect that Villas on Forsyth will attract tenants from beyond county borders. Demographic data on Lamar, Pike, and Upson Counties, identified as the tri-county market area, is included for comparison purposes. Demand estimates will be shown only for the primary market area.

The primary market area includes year 2000 census tracts 9701, 9702, and 9703 in Lamar County; 9801 and 9804 in Pike County, and 9901, 9902.01, 9902.02, and 9905 in Upson County. A map of this market area is shown on page 16.



NAME
9701
9702
9703
9801
9804
9901
9902.01
9902.02
9905

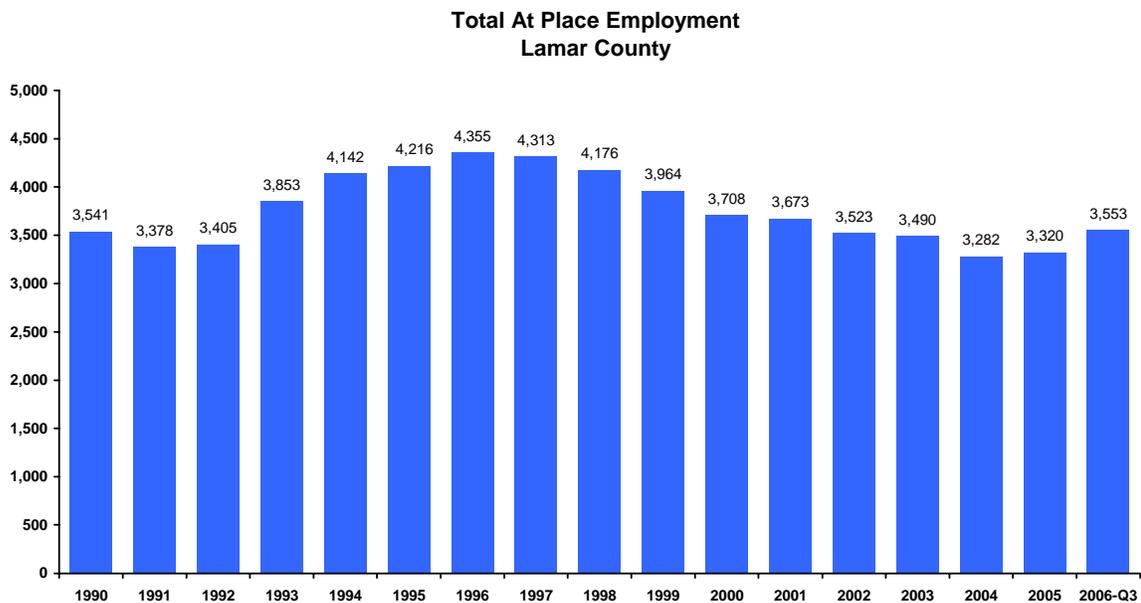
Map 2
Primary Market Area
Lamar, Pike, and Upson County

A. Economic Context

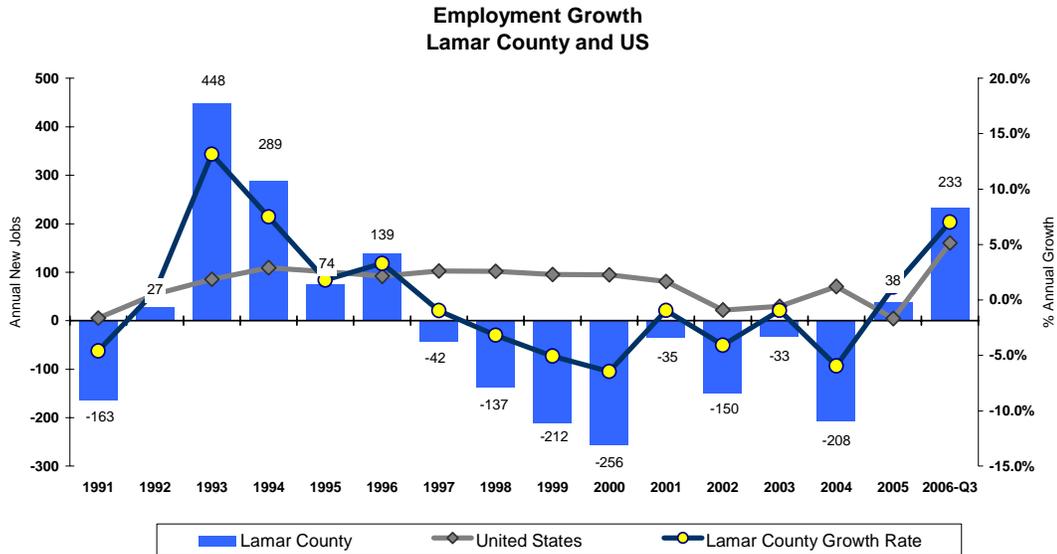
Lamar County's total employment has experienced cyclical trends over the past sixteen years with seven years of net growth and nine years of net employment loss. Overall, at-place employment has remained unchanged as total at-place employment of 3,553 through the third quarter of 2006 represents an increase of 12 jobs or 0.3 percent over 1990's job total. The county's job base reached a high point of 4,355 in 1996, but decreased during the next eight years to 3,282 in 2004. Lamar County has added jobs each of the past two years (Table 4).

On a percentage basis, job growth in Lamar County has been generally lower than national employment growth. Lamar County's rate of job growth during its peak years of 1993, 1994, and 2006 was above national growth rate.

Table 4 At Place Employment, Lamar County 1990-2006



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

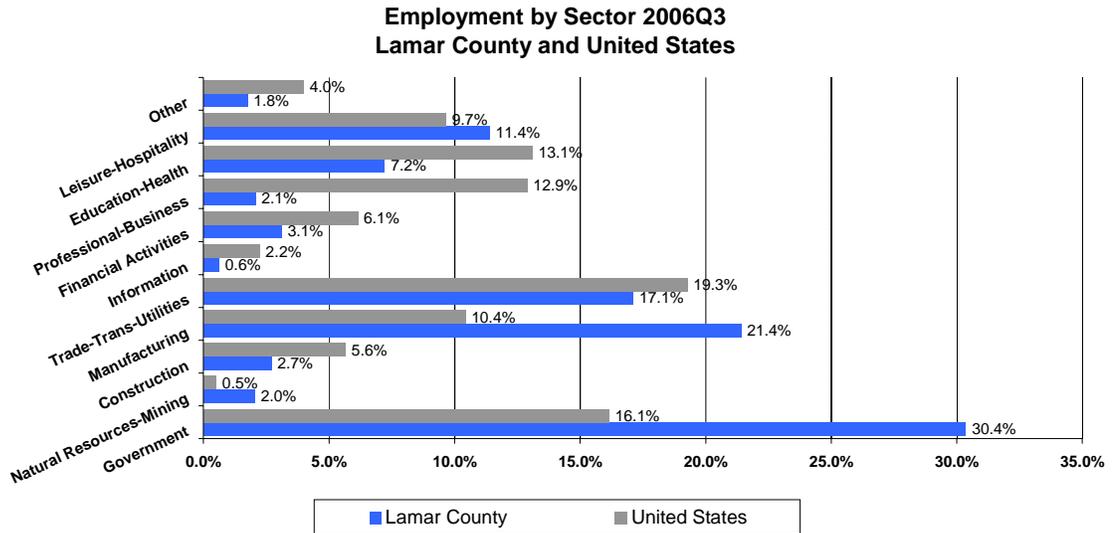


Source: U.S. Department of Labor, Bureau of Labor Statistics

The manufacturing and government sectors constitute the majority of jobs in Lamar County. These two sectors account for 51.8 percent of the jobs in Lamar County, nearly double the 26.5 percent national average (Table 5). Lamar County also has higher percentages of jobs in the leisure-hospitality and natural resources- mining sectors, however the differences are minor. Lamar County has a much lower percentage of its job base in the education-health, professional-business, and financial activities sectors which is common in rural counties.

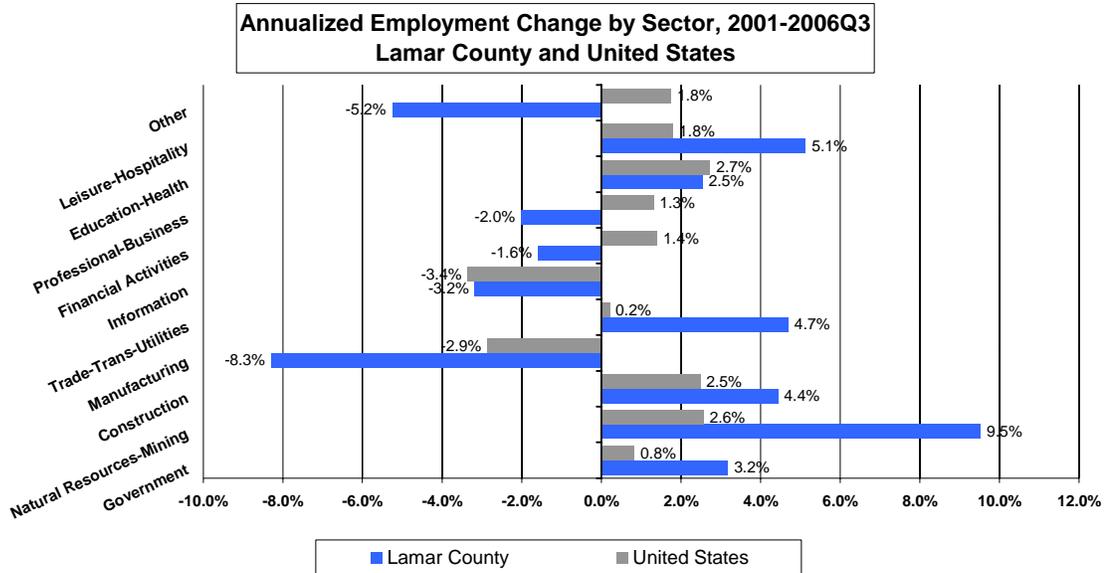
As shown previously in Table 4, total at place employment has remained relatively unchanged between 2001 and 2006. During this time period, six employment sectors increased and five employment sectors decreased. The most significant sector increase was the 3.2 percent annual increase of the government sector, the county's largest. Larger growth rates among smaller sectors, such as the 9.5 percent increase in natural resources-mining. The second largest sector in terms of total employment, manufacturing, has lost jobs at an average annual rate of 8.3 percent. The other four sectors losing jobs were among the smaller sectors (Table 6).

Table 5 Employment by Sector, Lamar County 2006



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

Table 6 Employment by Sector Change, Lamar County 2001-2006



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

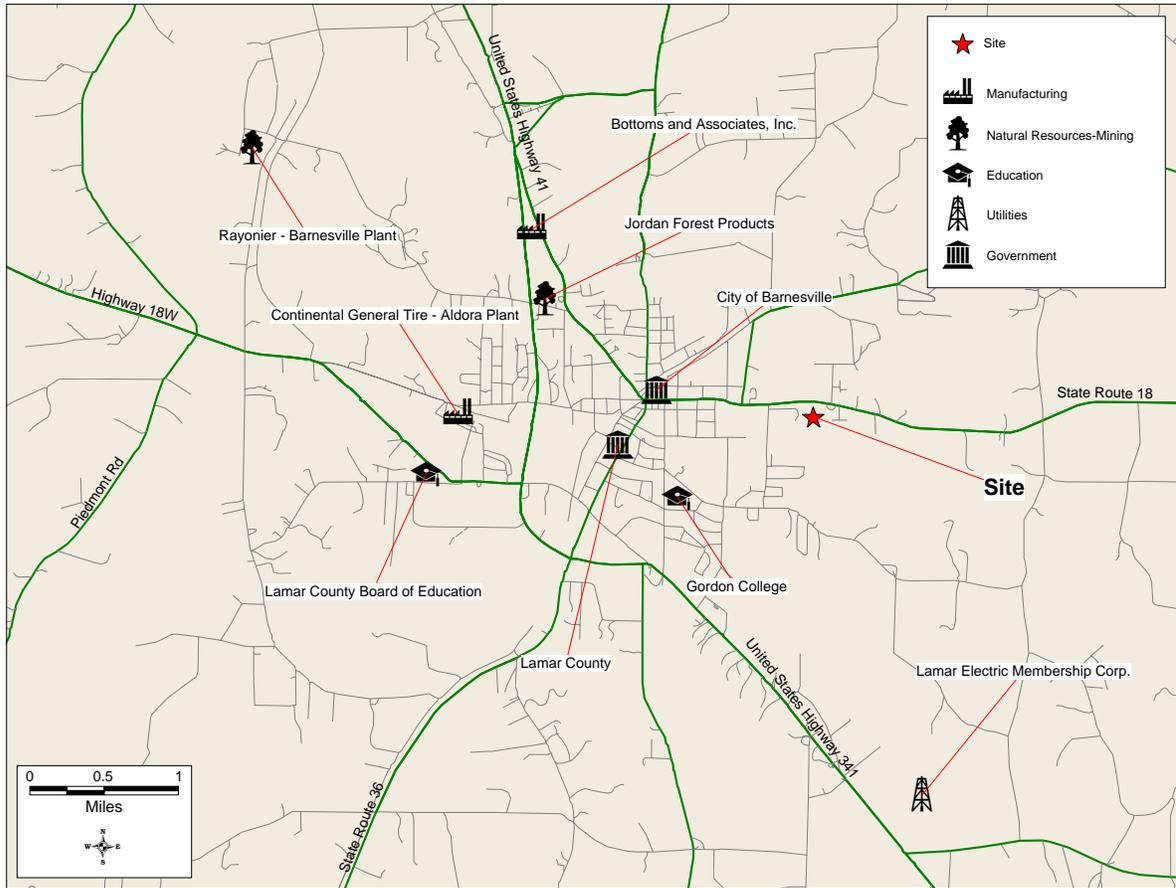
Major employers in Lamar County are representative of the prominent at-place employment sectors (Table 7). Five of the nine largest employers are either manufacturing or government entities.

Table 7 Top Employers, Lamar County

Rank	NAME	Industry
1	Continental General Tire - Aldora Plant	Manufacturing
2	Jordan Forest Products	Natural Resources - Mining
3	Rayonier - Barnesville Plant	Natural Resources - Mining
4	Bottoms and Associates, Inc.	Manufacturing
5	Gordon College	Education
6	Lamar County Board of Education	Education
7	Lamar Electric Membership Corporation	Utilities
8	City of Barnesville	Government
9	Lamar County	Government

Source: Barnesville - Lamar County Chamber of Commerce

Map 4 Major Employers



The labor force in Lamar County increased during 10 of 15 years between 1990 and 2006, resulting in a net increase of 1,880 or 30.0 percent. Decreases in the labor force have always been followed by rebounds. The labor force increased by an additional 100 or 2 percent during the first quarter of 2007 (Table 8).

The unemployment rate in Lamar County has historically been above than the state figures while following similar trends. Over the past five years, the county's unemployment rate has remained approximately one percentage point above the state figure. The unemployment rate has increased during 2004 and 2005, but decreased to 4.7 percent through the first quarter of 2007 (Table 8). The unemployment rate in Lamar County is both healthy and stable.

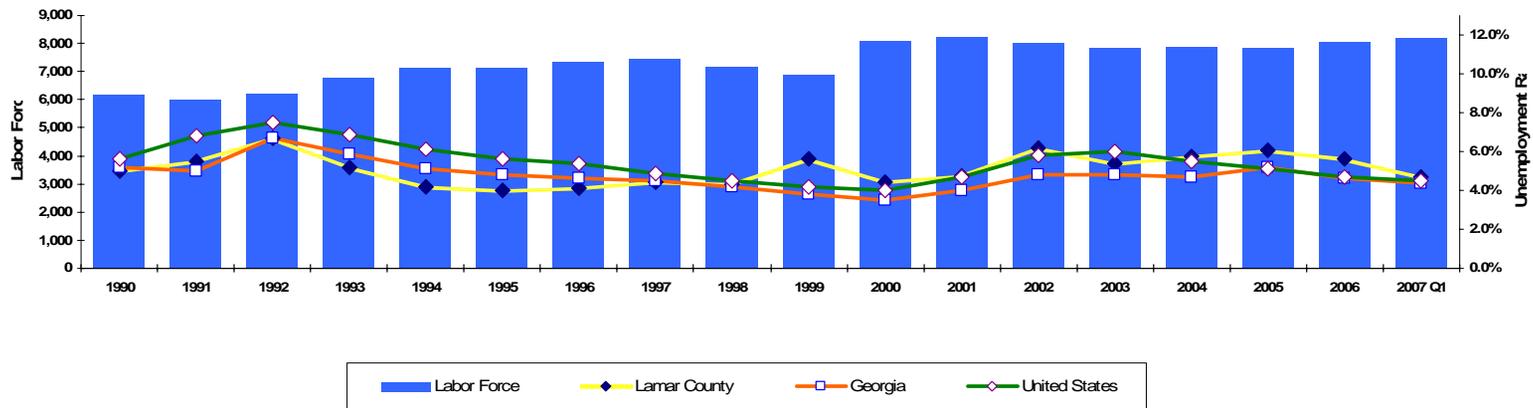
Based on the stable and low unemployment rate, we do not believe local economics will negatively impact the ability of Villas on Forsyth to lease its units.

Table 8 Labor Force and Unemployment Rates, Lamar County

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Labor Force	6,180	6,013	6,223	6,805	7,126	7,154	7,362	7,433	7,182	6,874	8,084	8,212	7,996	7,821	7,860	7,834	8,060
Employment	5,871	5,683	5,807	6,452	6,828	6,867	7,059	7,101	6,871	6,489	7,726	7,822	7,503	7,400	7,409	7,359	7,609
Unemployment	309	330	416	353	298	287	303	332	311	385	358	390	493	421	451	475	451
Unemployment Rate																	
Lamar County	5.0%	5.5%	6.7%	5.2%	4.2%	4.0%	4.1%	4.5%	4.3%	5.6%	4.4%	4.7%	6.2%	5.4%	5.7%	6.1%	5.6%
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%	4.6%
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%	4.7%

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

Labor Force and Unemployment Rate



B. Household and Population Trends

The population and household statistics for the primary market area and tri-county market area are based on the 1990 and 2000 Census counts. Estimates and projections were developed by Claritas, Inc., a national data vendor.

The primary market area's population increased by 5,227 or 15.1 percent between 1990 and 2000. By comparison, the tri-county market area's population increased 15.4 percent during the same time period. From 2000 to 2007, the total population in the primary market area is estimated to have increased by 2,327 or 5.8 percent. The tri-county market area's population increased by 3,734 or 6.5 percent during the same seven-year time period.

Household growth exceeded population growth on a percentage basis in both geographies. The PMA gained 2,038 households between the 1990 and 2000 Census counts, while the tri-county market area grew by 3,083, households (Table 9). These changes equate to a 16.1 percent increase in the primary market area and a 17.0 percent increase in the tri-county market area. The annual compounded rates of household growth were 1.1 percent in the PMA and tri-county market area.

Estimates show that the PMA's household count increased by 1,146 or 7.8 percent between 2000 and 2007 compared to an increase of 1,691 households or 8.0 percent in the tri-county market area.

Recent population and household trends are projected to continue through 2012 with the primary market area's household base expected to increase by 137 households or 0.9 percent annually.

The average household size has decreased since 1990 in both the primary market area and the tri-county market area. The market area's households are the same size as the tri-county's, on average.

C. Older Household and Population Trends

Demographic projections show that the primary market area's household base age 55 and over is estimated to have increased by 9.6 percent between 2000 and 2007 (Table 10). Half of this household growth has been among householders age 62 and older. On a percentage basis, household growth has been faster among the younger senior householders.

Claritas projections for future growth show that senior households aged 55 and older will increase by 13.3 percent through 2012. The increase among all householders age 62 and older will be faster at 14.1 percent. Annual household increases are projected at 165 householders age 55 and older and 119 householders age 62 and older. Household growth rates among senior householders are significantly faster than among total householders.

Table 9 Trends in Population and Households, PMA and Tri-County Market Area

Tri-County Market Area					Total		Annual		Total		Annual		Total		Annual	
	1990	2000	2007	2012	#	%	#	%	#	%	#	%	#	%	#	%
Population	49,562	57,197	60,931	63,470	7,635	15.4%	764	1.4%	3,734	6.5%	533	0.9%	2,539	4.2%	508	0.8%
Group Quarters	863	1,597	1,425	1,446												
Households	18,106	21,189	22,880	23,923	3,083	17.0%	308	1.6%	1,691	8.0%	242	1.1%	1,043	4.6%	209	0.9%
Average HH Size	2.69	2.62	2.60	2.59												

Primary Market Area					Change 1990 to 2000		Change 2000 to 2007		Change 2007 to 2012		Change 2007 to 2012		Change 2007 to 2012			
	1990	2000	2007	2012	Total	Annual										
Population	34,614	39,841	42,168	43,738	5,227	15.1%	523	1.4%	2,327	5.8%	332	0.8%	1,570	3.7%	314	0.7%
Group Quarters	522	1,208	993	985												
Households	12,630	14,668	15,814	16,499	2,038	16.1%	204	1.5%	1,146	7.8%	164	1.1%	685	4.3%	137	0.9%
Average HH Size	2.70	2.63	2.60	2.59												

Note: Annual change is compounded rate.

Source: 1990 and 2000 Censuses of Population and Housing; Claritas, RPRG Estimates

Annual Household Growth Rate 2007-2012

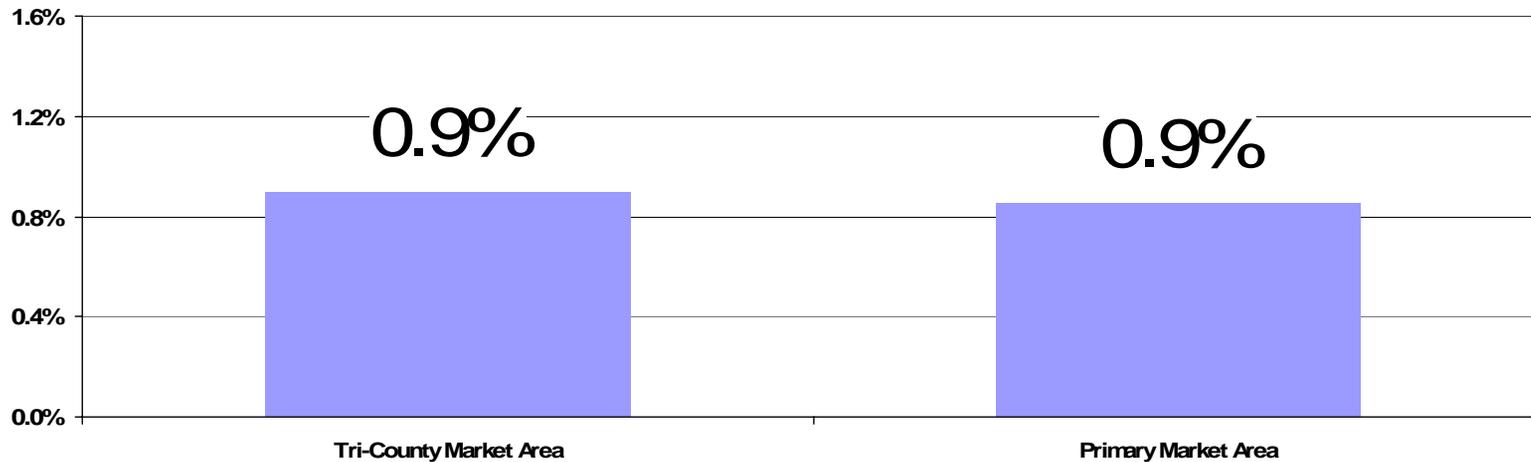
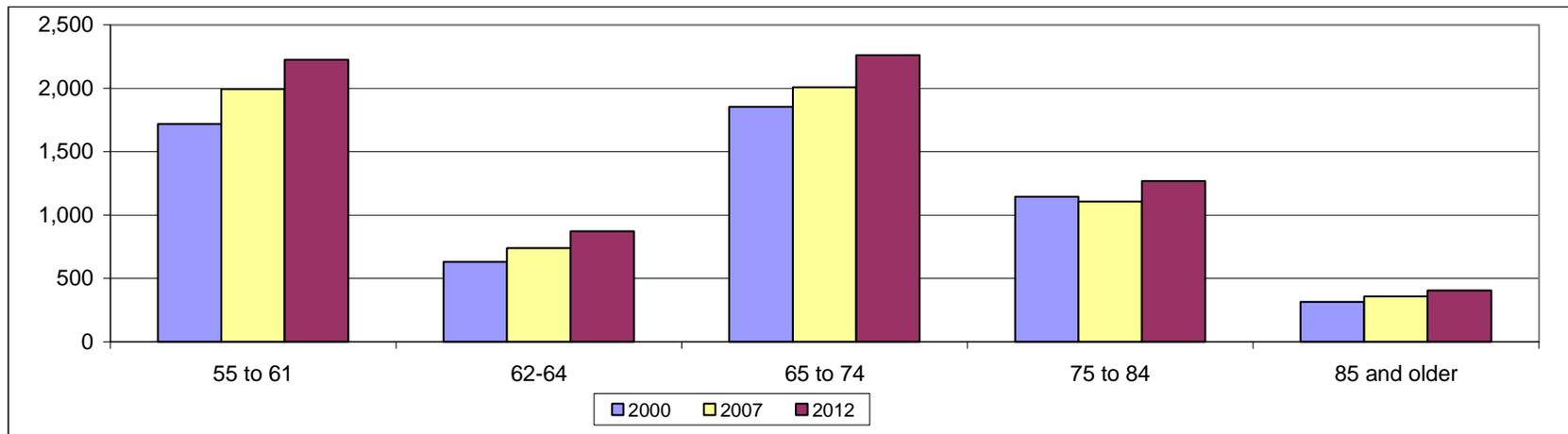


Table 10 Trends in Senior Population and Households, Primary Market Area

Primary Market Area							Change 2000 to 2007				Change 2007 to 2012				
	Age of Householder	2000		2007		2012		Total		Annual		Total		Annual	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
55 to 61	1,717	30.3%	1,992	32.1%	2,224	31.6%	275	16.0%	39	2.1%	232	11.6%	46	2.2%	
62-64	630	11.1%	740	11.9%	872	12.4%	110	17.5%	16	2.3%	132	17.8%	26	3.3%	
65 to 74	1,854	32.8%	2,008	32.4%	2,261	32.2%	154	8.3%	22	1.1%	253	12.6%	51	2.4%	
75 to 84	1,145	20.2%	1,106	17.8%	1,269	18.1%	-39	-3.4%	-6	-0.5%	163	14.7%	33	2.8%	
85 and older	314	5.5%	358	5.8%	404	5.7%	44	14.0%	6	1.9%	46	12.8%	9	2.4%	
Householders 55+	5,660	100.0%	6,204	100.0%	7,030	100.0%	544	9.6%	78	1.3%	826	13.3%	165	2.5%	
Householders 62 +	3,943		4,212		4,806		269	6.8%	38	0.9%	594	14.1%	119	2.7%	

Source: 2000 Census of Population and Housing; Claritas, Inc., RPRG Estimates

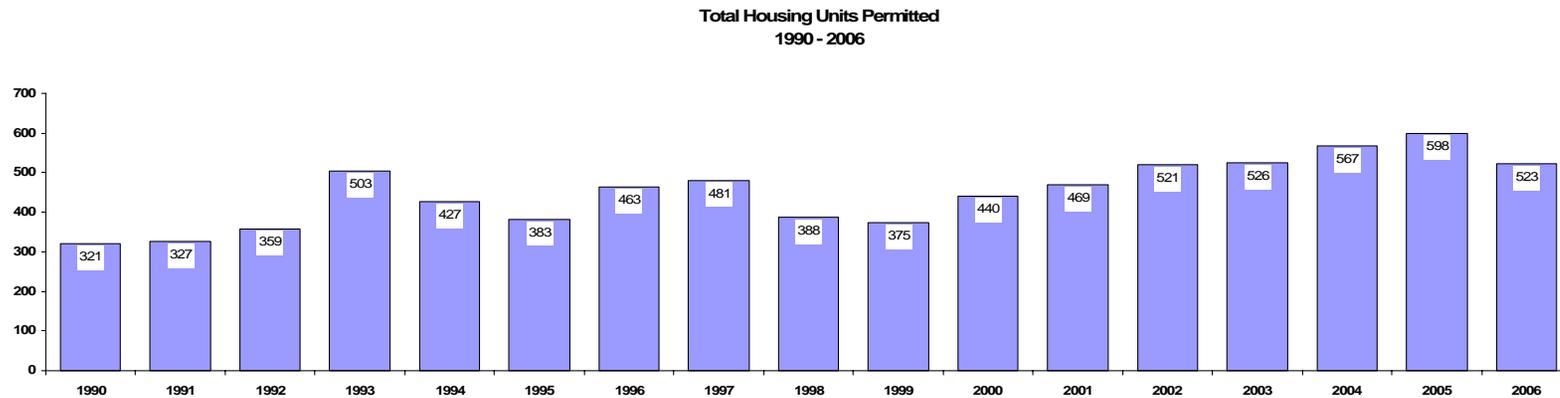


Local building permit activity is another measure of growth in a geographic area. Permit data reported in the U.S. Census Bureau's C-40 Report indicate steady permit activity in the tri-county market area since 1990. The tri-county area has experienced an increase in building permit activity over the past five years. On average, 451 residential units were granted permits annually between 1990 and 2006 (Table 11). Annual building permit activity of 451 units is higher than annual household growth of 308 between 1990 and 2000. Over ninety percent of units permitted were single-family detached homes.

Table 11 Tri-County Market Area Building Permits, 1990 - 2006

Tri-County Market Area	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	1990-2006	Annual
Single Family	310	300	359	486	358	331	376	392	358	344	411	406	456	475	538	572	513	6,985	411
Two Family	4	14	0	8	14	32	44	30	20	16	16	12	20	8	4	16	4	262	15
3 - 4 Family	7	7	0	9	11	8	3	43	0	3	3	6	8	14	4	4	6	136	8
5 or more Family	0	6	0	0	44	12	40	16	10	12	10	45	37	29	21	6	0	288	17
Total	321	327	359	503	427	383	463	481	388	375	440	469	521	526	567	598	523	7,671	451

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



D. Demographic Characteristics

Claritas' 2007 population distribution by age indicates that the primary market area is older than the tri-county market area. The primary market area has an equal or higher percentage of its population in each age classification between 18 and 74 years. The tri-county market area has a higher percentage under the age of 18 and age 75 and older (Table 12). Individuals age 65 and older account for 12.5 percent of the primary market area's population, compared to 13.0 percent in tri-county market area.

Over half of the householders in the primary market area (55.6 percent) and the tri-county market area (55.7 percent) are married (Table 13). Children are present in one-third of the households in both areas with the primary market area having a slightly higher occurrence of children. Single-parent households account for thirty percent of households with children in both the primary market area and tri-county market area. The primary market area has a smaller percentage of single person households and a similar percentage of non-married households without children.

Table 12 2007 Age Distribution

	Tri-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Under 10 years	7,560	12.4%	5,130	12.2%
10-17 years	6,885	11.3%	4,715	11.2%
18-24 years	5,850	9.6%	4,099	9.7%
25-34 years	8,606	14.1%	5,956	14.1%
35-44 years	8,836	14.5%	6,167	14.6%
45-54 years	8,616	14.1%	6,097	14.5%
55-64 years	6,656	10.9%	4,745	11.3%
65-74 years	4,440	7.3%	3,115	7.4%
75 and older	3,482	5.7%	2,145	5.1%
TOTAL	60,931	100.0%	42,168	100.0%
Median Age	36		36	

Source: Claritas, Inc, Estimate, Real Property Research Group, Inc.

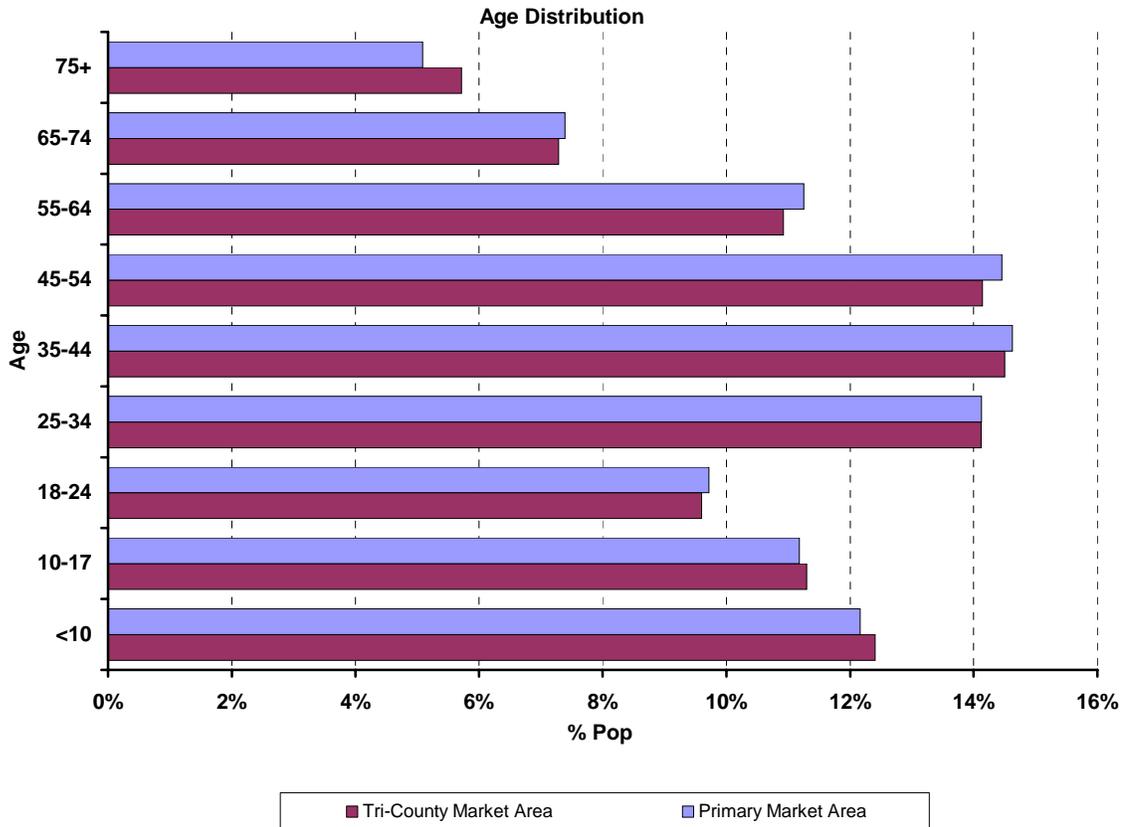
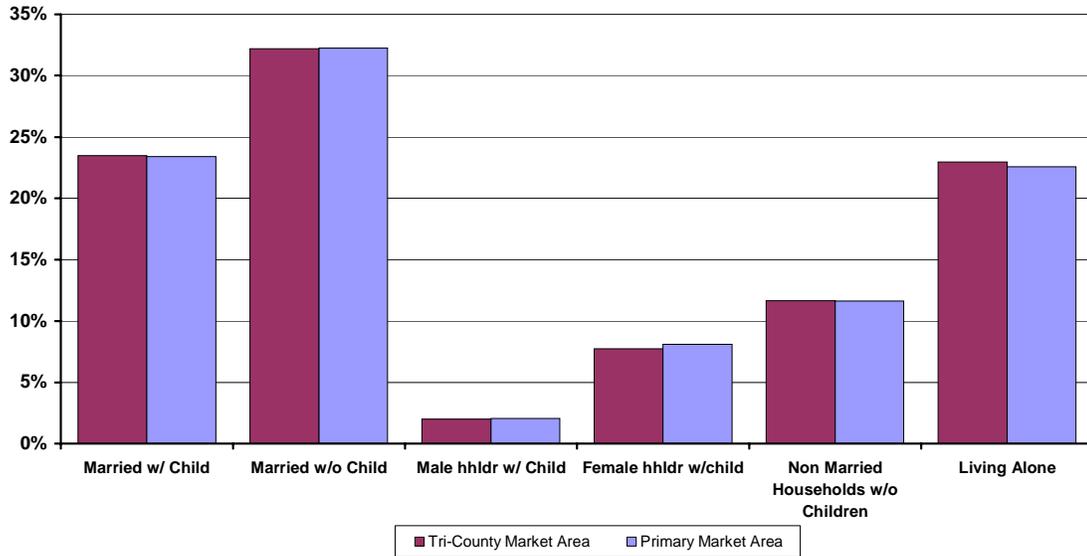


Table 13 2000 Households by Household Type

	Tri-County Market Area		Primary Market Area	
	#	%	#	%
Married w/ Child	5,370	23.5%	3,701	23.4%
Married w/o Child	7,365	32.2%	5,099	32.2%
Male hhldr w/ Child	458	2.0%	326	2.1%
Female hhldr w/child	1,772	7.7%	1,279	8.1%
Non Married Households w/o Children	2,664	11.6%	1,838	11.6%
Living Alone	5,251	23.0%	3,571	22.6%
Total	22,880	100.0%	15,814	100.0%

Source: Claritas, Inc., U.S. Census of Population and Housing, 2000, Estimates, RPRG

Households by Household Type



Most households in the primary market area and tri-county market area own their home. In 2007, 26.5 percent of the householders in the PMA were renters (Table 14). In comparison, 26.1 percent of tri-county market area householders rented. Renter percentages are expected to decrease slightly in both areas over the next five years.

Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The senior renter percentage is 17.5 percent in the primary market area and 17.9 percent in tri-county market area (Table 15).

Table 14 Dwelling Units by Occupancy Status

Tri-County Market Area	2000		2007		2012	
Housing Units	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	15,500	73.2%	16,919	73.9%	17,818	74.5%
Renter Occupied	5,689	26.8%	5,961	26.1%	6,105	25.5%
Total Occupied	21,189	100.0%	22,880	100.0%	23,923	100.0%
Total Vacant	1,640		2,413		2,508	
TOTAL UNITS	22,829		25,293		26,431	

Primary Market Area	2000		2007		2012	
Housing Units	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	10,658	72.7%	11,630	73.5%	12,225	74.1%
Renter Occupied	4,010	27.3%	4,184	26.5%	4,274	25.9%
Total Occupied	14,668	100.0%	15,814	100.0%	16,499	100.0%
Total Vacant	1,095		1,660		1,725	
TOTAL UNITS	15,763		17,474		18,224	

Source: U.S. Census, Claritas, Inc, Estimates, Real Property Research Group, Inc.

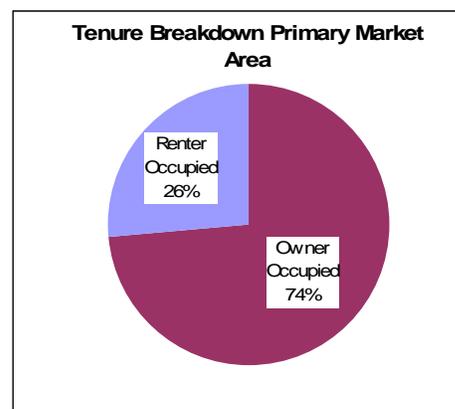
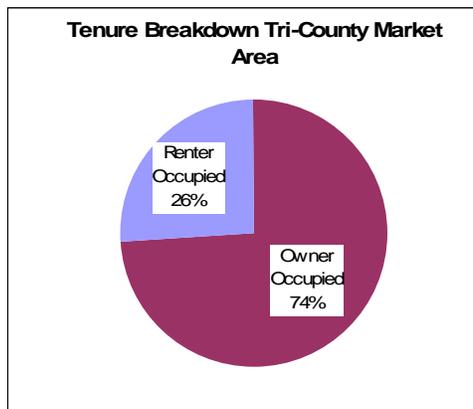
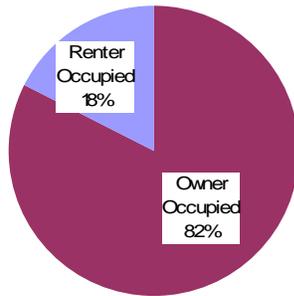


Table 15 Occupancy Status, Householders 62+

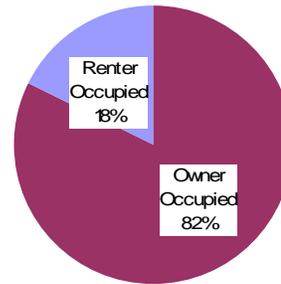
Senior Households 62 and over 2007 Households	Tri-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Owner Occupied	5,063	82.5%	3,457	82.1%
Renter Occupied	1,077	17.5%	755	17.9%
Total Occupied	6,140	100.0%	4,212	100.0%

Source: Claritas, Inc, Estimates, Real Property Research Group, Inc.

Tri-County Market Area



Primary Market Area



Among owner householders, the primary market area has a higher percentage of its householders between the ages of 25 and 34 and between 45 and 74 years. Among renter households, the primary market area has a higher percentage under age 25 and in three of four age classifications between 45 and 84 years (Table 16). In the primary market area, 43.9 percent of owner householders and 26.2 percent of renter households are age 55 and older.

Table 16 2007 Households by Tenure & Age of Householder

Owner Households	Tri-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	313	1.9%	222	1.9%
25-34 years	2,220	13.1%	1,552	13.4%
35-44 years	3,240	19.2%	2,194	18.9%
45-54 years	3,683	21.8%	2,549	21.9%
55-64 years	3,247	19.2%	2,261	19.5%
65-74 years	2,418	14.3%	1,669	14.4%
75 to 84 years	1,335	7.9%	895	7.7%
85+ years	437	2.6%	281	2.4%
Total	16,893	100%	11,624	100%

Renter Households	Tri-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	630	10.5%	463	11.1%
25-34 years	1,525	25.5%	1,058	25.2%
35-44 years	1,231	20.6%	837	20.0%
45-54 years	1,023	17.1%	735	17.5%
55-64 years	686	11.5%	471	11.2%
65-74 years	477	8.0%	339	8.1%
75 to 84 years	298	5.0%	211	5.0%
85+ years	117	1.9%	77	1.8%
Total	5,987	100%	4,190	100%

Source: Claritas, Inc, Estimates, Real Property Research Group, Inc.

E. Income Characteristics

Based on census data, Claritas estimates that the median household income for all householders in the primary market area in 2007 is \$41,783 (Table 17), \$107 or 0.3 percent above the \$41,676 median in the tri-county market area. Among senior householders age 62 and older, the 2007 estimated median income in the market area is \$29,718, which is over 70 percent of the overall median (Table 18). Within the market area, 36.2 percent of all senior households earn less than \$20,000. An additional 14.2 percent of senior households earn between \$20,000 and \$30,000.

Claritas projects that the median income for householders age 62 and older in the market area will increase 14.8 percent by 2012 to \$29,718. In 2012 income distributions will skew slightly higher as 31.8 percent of households 62 and older will have an annual income of less than \$20,000 and approximately 13.2 percent will have an annual income between \$20,000 and \$30,000 (Table 18).

Table 17 2007 Income Distribution, PMA and Tri-County Market Area

		Tri-County Market Area		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$25,000	6,716	29.4%	4,589	29.0%
	\$25,000	1,511	6.6%	1,059	6.7%
	\$30,000	1,348	5.9%	922	5.8%
	\$35,000	1,443	6.3%	1,021	6.5%
	\$40,000	1,259	5.5%	886	5.6%
	\$45,000	1,338	5.8%	982	6.2%
	\$50,000	2,227	9.7%	1,615	10.2%
	\$60,000	2,454	10.7%	1,669	10.6%
	\$75,000	2,270	9.9%	1,516	9.6%
	\$100,000	1,103	4.8%	757	4.8%
	\$125,000	467	2.0%	332	2.1%
	\$150,000	352	1.5%	250	1.6%
	\$200,000	392	1.7%	216	1.4%
	over				
Total		22,880	100.0%	15,814	100.0%
Median Income		\$41,676		\$41,783	

Source: Claritas, Inc, Estimates, Real Property Research Group, Inc.

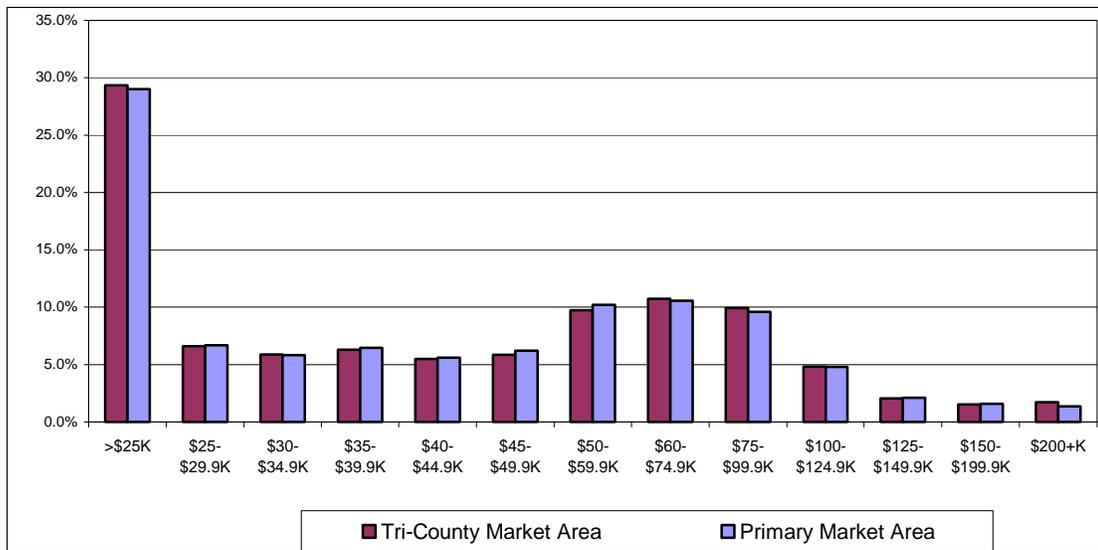
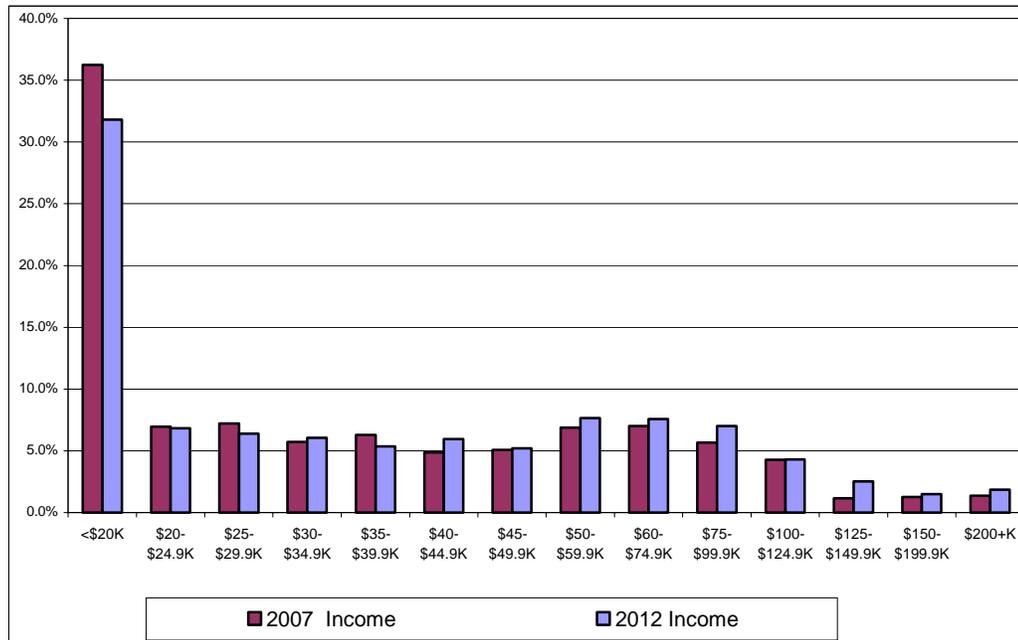


Table 18 2007 & 2012 HH Income for HHs 62+, Primary and Tri-County Market Areas

		2007 Household Income		2012 Household Income	
		Number	Percent	Number	Percent
less than	\$20,000	1,526	36.2%	1,529	31.8%
	\$20,000	293	7.0%	328	6.8%
	\$25,000	304	7.2%	307	6.4%
	\$30,000	241	5.7%	290	6.0%
	\$35,000	265	6.3%	257	5.4%
	\$40,000	205	4.9%	286	6.0%
	\$45,000	214	5.1%	250	5.2%
	\$50,000	290	6.9%	368	7.7%
	\$60,000	295	7.0%	364	7.6%
	\$75,000	239	5.7%	337	7.0%
	\$100,000	180	4.3%	207	4.3%
	\$125,000	49	1.2%	121	2.5%
	\$150,000	53	1.3%	71	1.5%
	\$200,000 over	58	1.4%	89	1.9%
Total		4,212	100.0%	4,806	100.0%
Median Income		\$29,718		\$34,124	

Source: U.S. Census 2000, Claritas, Inc. Projections, RPRG, Inc.



V. Project-Specific Demand Analysis

A. 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 19). This capture rate reflects the percentage of income-qualified households in the market that the subject property must capture in order to gain full occupancy.

- To calculate the income distribution for 2009, we projected incomes based on Claritas' income distributions for 2007 and 2012, and the relationship of owner/renter incomes by income cohort from the 2000 Census. The maximum income limits are based on DCA's requirements. We have assumed maximum income limits based on 1.5 persons for the one bedroom units and 2.0 persons for the two bedroom units.
- Using a 40 percent rent burden criteria, we determined that the gross one bedroom rent (\$396) for the lower priced 50 percent one bedroom units would be affordable to households earning a minimum of \$11,880, which includes 3,473 senior householders (62+) in the primary market area.
- Based on the 2007 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 \$19,350. We estimate that 2,884 senior households within the primary market area have incomes above that maximum.
- Subtracting the 2,844 households with incomes above the maximum income from the 3,473 households that could afford to rent this unit, we compute that 628 senior households are within the band of being able to afford the proposed rent. The proposed 9 fifty percent one bedroom units would require a capture rate of 1.4 percent of all qualified senior households. Among senior renter households, the capture rate for this floorplan is 6.0 percent.
- Using the same methodology, we determined the band of qualified senior households for each of the other bedroom types offered in the community.

- Given the income requirements of each unit type and the overlap of income bands, project wide affordability bands were calculated. Looking at all 42 units, the project will need to absorb 2.9 percent of the 1,436 senior households that earn between \$11,880 and \$33,040 in the primary market area. For renter households, the 42 proposed units must capture 13.5 percent of the age and income qualified renter households. While somewhat high, this affordability capture rate is reasonable given the lack of any available senior oriented rental communities.
- Affordability by floorplan indicates a sufficient number of income-qualified households for all floorplans.

Table 19 2009 Affordability Analysis for Villas on Forsyth

	One Bedroom Units			Two Bedroom Units		
50% Units	Base Price	Minimum	Maximum	Base Price	Minimum	Maximum
	Number of Units	9		Number of Units	9	
	Net Rent	\$285		Net Rent	\$330	
	Gross Rent	\$396		Gross Rent	\$471	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$11,880	\$19,350	Income Range	\$14,130	\$20,650
	Range of Qualified Hslds	3,473	2,844	Range of Qualified Hslds	3,260	2,756
	# Qualified Households		628	# Qualified Households		504
	Unit Total HH Capture Rate		1.4%	Unit Total HH Capture Rate		1.8%
	Range of Qualified Renters	512	362	Range of Qualified Renters	462	343
# Qualified RenterHouseholds		150	# Qualified RenterHouseholds		119	
Unit Renter HH Capture Rate		6.0%	Unit Renter HH Capture Rate		7.6%	
50% Units	Base Price	Minimum	Maximum	Base Price	Minimum	Maximum
	Number of Units	7		Number of Units	7	
	Net Rent	\$355		Net Rent	\$415	
	Gross Rent	\$466		Gross Rent	\$556	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$13,980	\$19,350	Income Range	\$16,680	\$20,650
	Range of Qualified Hslds	3,274	2,844	Range of Qualified Hslds	3,049	2,756
	# Qualified Households		430	# Qualified Households		293
	Unit Total HH Capture Rate		1.6%	Unit Total HH Capture Rate		2.4%
	Range of Qualified Renters	465	362	Range of Qualified Renters	411	343
# Qualified RenterHouseholds		103	# Qualified RenterHouseholds		68	
Unit Renter HH Capture Rate		6.8%	Unit Renter HH Capture Rate		10.2%	
60% Units	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum
	Number of Units	1		Number of Units	1	
	Net Rent	\$450		Net Rent	\$450	
	Gross Rent	\$591		Gross Rent	\$591	
	% Income for Shelter	40%		% Income for Shelter	40%	
	Income	\$17,730	\$24,780	Income	\$17,730	\$24,780
	Range of Qualified Hslds	2,968	2,507	Range of Qualified Hslds	2,968	2,507
	# Qualified Households		461	# Qualified Households		461
	Unit Total HH Capture Rate		0.2%	Unit Total HH Capture Rate		0.2%
	Range of Qualified Renters	392	294	Range of Qualified Renters	392	294
# Qualified RenterHouseholds		98	# Qualified RenterHouseholds		98	
Unit Renter HH Capture Rate		1.0%	Unit Renter HH Capture Rate		1.0%	
80% Units	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum
	Number of Units	5		Number of Units	4	
	Net Rent	\$400		Net Rent	\$450	
	Gross Rent	\$511		Gross Rent	\$591	
	% Income for Shelter	40%		% Income for Shelter	40%	
	Income	\$15,330	\$30,960	Income	\$17,730	\$33,040
	Range of Qualified Hslds	3,152	2,141	Range of Qualified Hslds	2,968	2,037
	# Qualified Households		1,011	# Qualified Households		932
	Unit Total HH Capture Rate		0.5%	Unit Total HH Capture Rate		0.4%
	Range of Qualified Renters	436	221	Range of Qualified Renters	392	201
# Qualified RenterHouseholds		214	# Qualified RenterHouseholds		191	
Unit Renter HH Capture Rate		2.3%	Unit Renter HH Capture Rate		2.1%	

Gross Capture Rate by Income Group			Total Households				Capture Rate	Renter Households				Capture Rate
Number of Units			Band of Qualified HHs		# Qualified HHs	Band of Qualified HHs		# Qualified HHs				
50% Units	32	Income	\$11,880	\$20,650	717	4.5%	\$11,880	\$20,650	170	18.9%		
		HHs	3,473	2,756			512	343				
60% Units	1	Income	\$17,730	\$24,780	461	0.2%	\$17,730	\$24,780	98	1.0%		
		HHs	2,968	2,507			392	294				
80% Units	9	Income	\$15,330	\$33,040	1,116	0.8%	\$15,330	\$33,040	235	3.8%		
		HHs	3,152	2,037			436	201				
Total LIHTC Units	33	Income	\$11,880	\$24,780	966	3.4%	\$11,880	\$24,780	219	15.1%		
		HHs	3,473	2,507			512	294				
Total Units	42	Income	\$11,880	\$33,040	1,436	2.9%	\$11,880	\$33,040	312	13.5%		
		HHs	3,473	2,037			512	201				

Source: 2000 U.S. Census, Estimates, Real Property Research Group, Inc.

B. DCA Demand Calculations

The Georgia Department of Community Affairs' demand methodology for Housing for Older Persons (HOP) communities is based on householders age 62 and older, rather than those age 55 and older. Based on market data, including input from developers and market analysts, DCA has concluded that a relatively low percentage of HOP units are leased to householders age 55-61, yet this age sub-bracket is often equal to or greater than households with householder 62+. The inclusion of all households with householder age 55+ can inflate demand estimates. As a result, the demand methodologies for both HOP and Elderly communities are based on householders age 62 and older. HOP communities are credited with increased demand of 10 percent of renter demand components (not homeowner conversion).

DCA's HOP and elderly demand methodology consists of four components. The first is household growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2000 (base year) and 2009 (estimated placed-in-service).

The next component of demand is income qualified renter households living in substandard housing conditions. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to US Census data, the percentage of renter occupied households in the primary market area living in "substandard" conditions is 6.5 percent (Table 20).

The third component of demand is cost burdened renters, which is defined as those renter households age 62+ paying more than 40 percent of household income for housing costs. According to Census data, 31.6 percent of primary market area renter households age 65+ are categorized as cost burdened (Table 20). This percentage is applied to the household base age 62 and older.

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 2000, 4.31 percent of elderly households move each year. Of those moving within the past twelve months, 39.15 percent moved from owned to rental housing. 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.

DCA considers units that have been constructed or renovated since 1999 to have an impact on the future demand for new development. For this reason, the comparable units constructed within the past seven years and those planned within the primary market area are subtracted from the estimate of demand. No such units were identified in the primary market area. Logan Senior Village, located in Thomaston, is not within the boundaries of the primary market area.

The overall capture rates (Table 21) and capture rates by floorplan (Table 22) indicate sufficient demand to support the proposed units. The overall capture rates are 21.3 percent, 5.4 percent, and 19.0 percent for LIHTC, market rate, and all units, respectively. Capture rates by floorplan range from 1.4 percent to 26.6 percent.

The capture rates for all of these demand calculations – LIHTC units, market rate units, and total units and by floorplan – indicate that there is sufficient demand to support the proposed units at Villas on Forsyth.

Table 20 Cost Burdened and Substandard Calculation

Renter Cost Burden and Substandardness Primary Market Area					
Rent Cost Burden			Substandardness		
Total Households			Total Households		
Less than 10.0 percent	256	6.7%	Owner occupied:		
10.0 to 14.9 percent	562	14.8%	Complete plumbing facilities:	10,597	
15.0 to 19.9 percent	519	13.7%	1.00 or less occupants per room	10,375	
20.0 to 24.9 percent	413	10.9%	1.01 or more occupants per room	189	
25.0 to 29.9 percent	311	8.2%	Lacking complete plumbing facilities:	33	
30.0 to 34.9 percent	217	5.7%	Overcrowded or lacking plumbing	222	
35.0 to 39.9 percent	211	5.6%	Renter occupied:		
40.0 to 49.9 percent	277	7.3%	Complete plumbing facilities:	3,939	
50.0 percent or more	515	13.6%	1.00 or less occupants per room	3,678	
Not computed	512	13.5%	1.01 or more occupants per room	158	
Total	3,793	100.0%	Lacking complete plumbing facilities:	103	
			Overcrowded or lacking plumbing	261	
> 35% income on rent	1,003	30.6%	Substandard Housing	483	
Households 55+			% Total Stock Substandard	3.3%	
Less than 20.0 percent	286	28.0%	% Rental Stock Substandard	6.5%	
20.0 to 24.9 percent	93	9.1%			
25.0 to 29.9 percent	79	7.7%			
30.0 to 34.9 percent	86	8.4%			
35.0 percent or more	296	29.0%			
Not computed	181	17.7%			
Total	1,021	100.0%			
> 35% income on rent	296	35.2%			
> 40% income on rent		29.5%			
Households 65+					
Less than 20.0 percent	149	23.8%			
20.0 to 24.9 percent	52	8.3%			
25.0 to 29.9 percent	46	7.3%			
30.0 to 34.9 percent	52	8.3%			
35.0 percent or more	181	28.9%			
Not computed	146	23.3%			
Total	626	100.0%			
> 35% income on rent	181	37.7%			
> 40% income on rent		31.6%			

Table 21 Overall Demand Estimates and Capture Rates

<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>	\$11,880	\$17,730	\$15,330	\$11,880	\$11,880
<i>Maximum Income Limit</i>	\$20,650	\$24,780	\$33,040	\$24,780	\$33,040
<i>(A) Renter Income Qualification Percentage</i>	22.7%	13.2%	31.5%	29.3%	41.7%
1.) Demand from New Renter Households <i>Calculation: (C-B)*F*A</i>	20	12	28	26	37
Plus					
2.) Demand from Substandard Housing <i>Calculation: B*D*F*A</i>	10	6	14	13	19
Plus					
3.) Demand from Rent Over-burdened Households <i>Calculation: B*E*F*A</i>	51	29	70	65	93
Plus					
4.) Homeowners Converting to Renters <i>Calculation: B*G*A</i>	15	9	21	19	28
Equals					
Primary Market Area Elderly Demand (HH 62+)	96	56	134	124	177
Plus					
HFOP Demand (10% of components 1, 2, and 3)	8	5	11	10	15
Equals					
Primary Market Area HFOP Demand	105	61	145	135	192
Plus					
Secondary Market Demand (15%)	16	9	22	20	29
Equals					
Total Demand	120	70	167	155	221
Less					
Comparable Units	0	0	0	0	0
Equals					
Net Demand	120	70	167	155	221
Proposed Units	32	1	9	33	42
Capture Rate	26.6%	1.4%	5.4%	21.3%	19.0%

Table 22 Demand Estimates and Capture Rates by Floorplan and Income Level

Demand by Income Level

HH at 50% AMI	1 Bedroom	2 Bedroom
Demand - HH Growth	89	89
Plus		
Demand - Substandard	46	46
Plus		
Demand - Rent Over-Burdened	223	223
Plus		
Demand - Homeowners	67	67
Plus		
HFOP Demand	13	13
Plus		
Secondary Demand	66	66
Equals		
Total Demand	504	504
Times		
Income Qualification	20.1%	15.9%
Equals		
Income Qualified Demand	101	80
Less		
Comparable Units	0	0
Equals		
Net Demand	101	80
Proposed Units	16	16
Capture Rate	15.8%	20.0%

HH at 60% AMI		2 Bedroom
Demand - HH Growth		89
Plus		
Demand - Substandard		46
Plus		
Demand - Rent Over-Burdened		223
Plus		
Demand - Homeowners		67
Plus		
HFOP Demand		13
Plus		
Secondary Demand		66
Equals		
Total Demand		504
Times		
Income Qualification		13.2%
Equals		
Income Qualified Demand		66
Less		
Comparable Units		0
Equals		
Net Demand		66
Proposed Units		1
Capture Rate		1.5%

HH at 80% AMI	1 Bedroom	2 Bedroom
Demand - HH Growth	89	89
Plus		
Demand - Substandard	46	46
Plus		
Demand - Rent Over-Burdened	223	223
Plus		
Demand - Homeowners	67	67
Plus		
HFOP Demand	13	13
Plus		
Secondary Demand	66	66
Equals		
Total Demand	504	504
Times		
Income Qualification	28.7%	25.6%
Equals		
Income Qualified Demand	145	129
Less		
Comparable Units	0	0
Equals		
Net Demand	145	129
Proposed Units	5	4
Capture Rate	3.5%	3.1%

VI. Supply Analysis

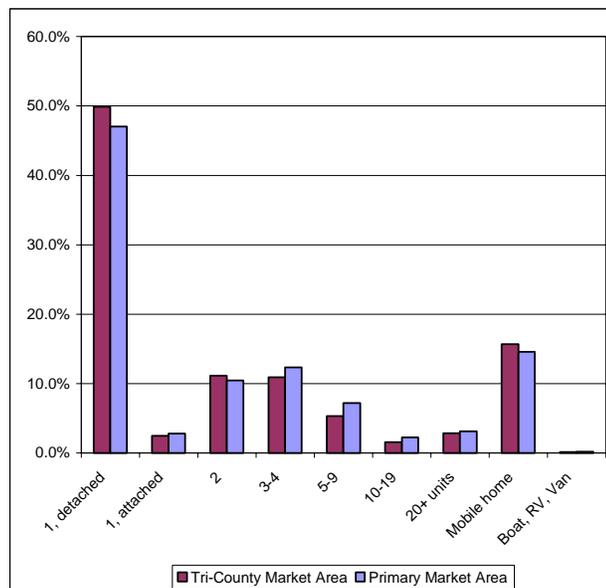
A. Area Housing Stock

Rental housing in both the primary market area and the tri-county market area has historically been addressed by low-density structures types, typical of most rural markets (Table 23). Nearly three-quarters of the rental units in both areas were comprised of single-family detached homes, townhomes, duplexes, or mobile homes. Structures with five or more units accounted for 12.6 percent of the primary market area's rental units and 9.8 percent of the rental units in the tri-county market area.

Table 23 2000 Renter Households by Number of Units

Renter Occupied	Tri-County Market Area		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	2,833	49.9%	1,878	47.0%
1, attached	141	2.5%	111	2.8%
2	633	11.1%	419	10.5%
3-4	619	10.9%	492	12.3%
5-9	302	5.3%	288	7.2%
10-19	89	1.6%	89	2.2%
20+ units	163	2.9%	126	3.2%
Mobile home	892	15.7%	583	14.6%
Boat, RV, Van	8	0.1%	8	0.2%
TOTAL	5,680	100.0%	3,994	100.0%

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



The median year built among owner occupied housing units is 1977 in the primary market area and the tri-county market area. The median year built among renter occupied households is 1971 for the primary market area and 1969 for tri-county market area. According to the 2000 Census, approximately 17 percent of the rental units in both areas was built between 1990 and 2000.

Table 24 Year Property Built

Renter Occupied	Tri-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	162	2.9%	117	2.9%
1995 to 1998	380	6.7%	289	7.2%
1990 to 1994	374	6.6%	274	6.9%
1980 to 1989	826	14.5%	645	16.1%
1970 to 1979	1,050	18.5%	798	20.0%
1960 to 1969	911	16.0%	645	16.1%
1950 to 1959	711	12.5%	452	11.3%
1940 to 1949	505	8.9%	290	7.3%
1939 or earlier	761	13.4%	484	12.1%
TOTAL	5,680	100.0%	3,994	100.0%
MEDIAN YEAR BUILT	1969		1971	

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

Owner Occupied	Tri-County Market Area		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	648	4.2%	467	4.4%
1995 to 1998	1,934	12.5%	1,332	12.5%
1990 to 1994	1,801	11.6%	1,209	11.3%
1980 to 1989	2,552	16.5%	1,831	17.2%
1970 to 1979	2,956	19.1%	2,208	20.7%
1960 to 1969	1,595	10.3%	1,154	10.8%
1950 to 1959	1,202	7.8%	721	6.8%
1940 to 1949	855	5.5%	466	4.4%
1939 or earlier	1,966	12.7%	1,278	12.0%
TOTAL	15,509	100.0%	10,666	100.0%
MEDIAN YEAR BUILT	1977		1977	

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

B. Rental Market

For the purposes of this analysis, we surveyed 13 multi-family rental communities in or near the primary market area including three senior oriented communities and ten general occupancy rental communities. Only four of these thirteen communities, including one senior property, offer units without deep project-based rental subsidies. The rent paid at the deeply subsidized communities is based on a percentage of each tenant's income and published contract rents are not an accurate representation of individual contribution toward housing costs. A profile sheet of each community is attached as Appendix 5. The location of each community is shown on Map 5.

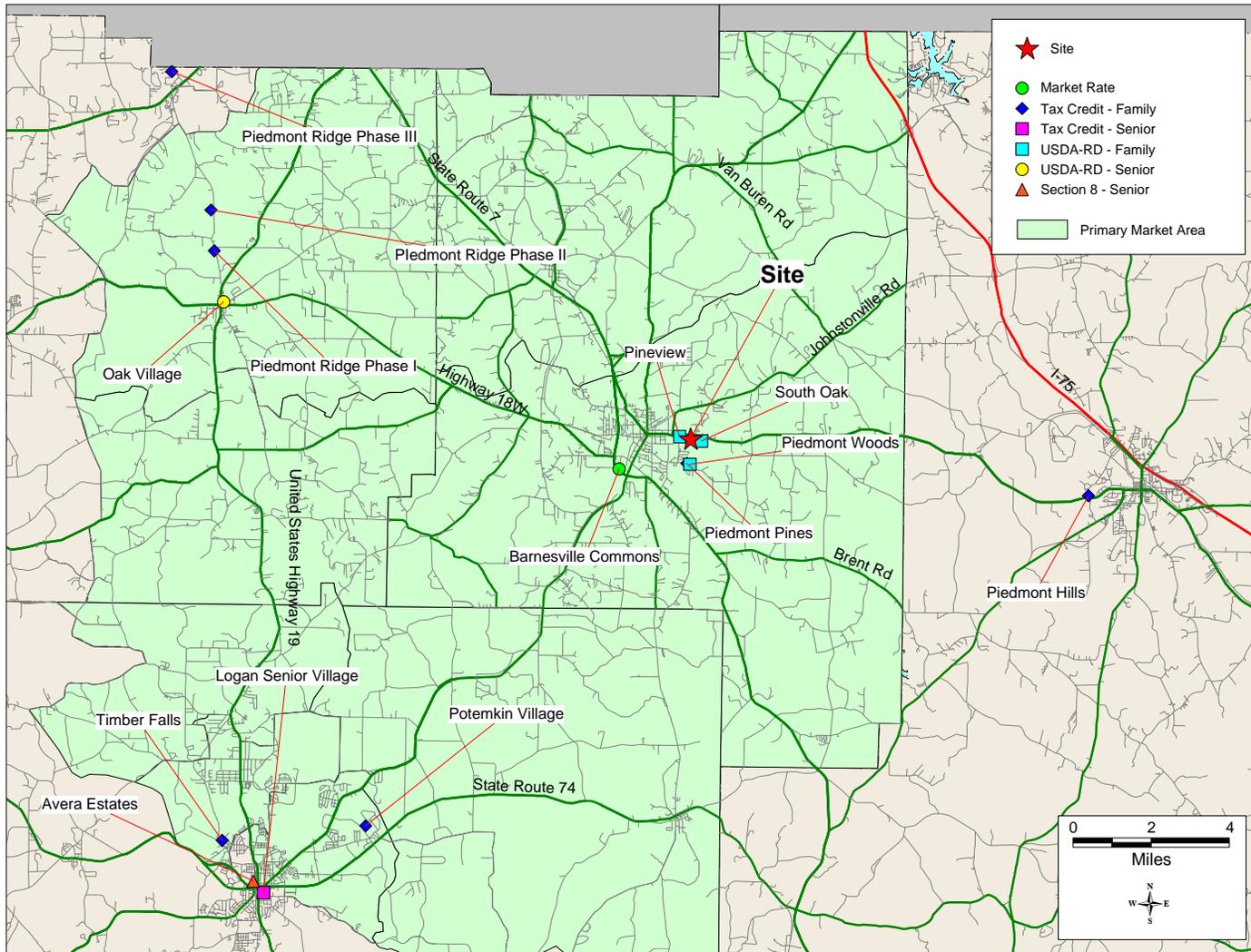
The three senior communities surveyed include one tax credit community, one Rural Development community with USDA Rental Assistance, and one community with project-based Section 8 rental assistance (Table 25). The tax credit community, Logan Senior Village, is the most comparable rental community in the region and it consists of one and two bedroom units reserved for renters earning no more than 50 percent and 60 percent of the Area Median Income. At the time of our survey, one of 56 units was reported vacant, a rate of 1.8 percent. According to the property manager, a waiting list exists for both one and two bedroom units; thus the vacancy was recent and likely to be filled quickly. The rents at Logan Senior Village are the same for the 50 percent and 60 percent units and are similar to the proposed 50 percent rents at Villas on Forsyth. The other two senior communities have project-based rental subsidies and have no vacancies among 64 units. Overall, only one of 120 senior oriented rental units was reported vacant, a rate of 0.8 percent.

Three general occupancy properties were identified in or near the primary market area without deep rental subsidies including one market rate community and two tax credit properties (Table 26). Although not reserved or targeted for senior renters, these general occupancy communities can provide an overview of market conditions and achievable rent levels in the primary market area. The two general occupancy LIHTC communities reported 3 of 75 units vacant, a rate of 4.0 percent. The one market rate community, Barnesville Commons, reported 32 of 66 units vacant for a rate of 48.5 percent. According to the property manager of this community, the increased vacancies are due to the large number of student renters from nearby Gordon College. The vacancies at this community are higher during June and July and are not an accurate reflection on market conditions.

The rents at the LIHTC communities are comparable to the proposed 50 percent rents at Villas on Forsyth. The market rate rents (two bedroom) are well above the proposed two bedroom rents at Villas on Forsyth.

We also identified seven general occupancy communities with project-based rental subsidies, which in most cases is Rural Development with UDSA rental assistance. Four of these communities also have tax credits (Table 27). The tenant-paid rent at these deeply subsidized communities is based on a percentage of each tenant's income. The published "contract" or "market" rent is not an accurate representation of market conditions; therefore, these rents are not used as an evaluation tool for proposed LIHTC units without project-based rental assistance. These deeply subsidized communities combine to offer 261 units of which 9 units or 3.4 percent were reported vacant. No one property reported more than two units vacant.

Map 5 Surveeyed Rental Communities



Map 6 Subsidized Rental Communities

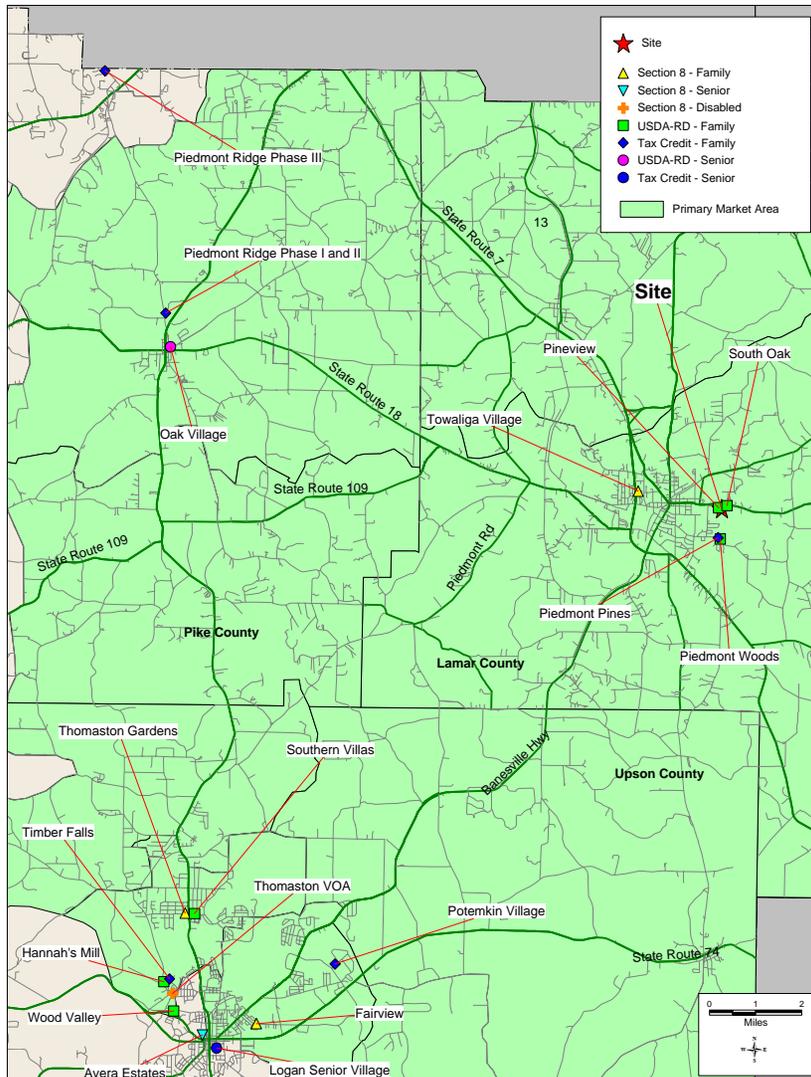


Table 25 Rental Summary, Senior Rental Communities

Community	Type	Total Units	Vacant Units	Vacancy Rate	One Bedroom Units			Two Bedroom Units				
					Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 50% AMI		18			9	\$285	831	\$0.34	9	\$330	1,099	\$0.30
Subject Property - 50% AMI		14			7	\$355	831	\$0.43	7	\$415	1,099	\$0.38
Subject Property - 60% AMI		1					831	\$0.00	1	\$450	1,099	\$0.41
Subject Property - Market		9			5	\$400	831	\$0.48	4	\$450	1,099	\$0.41

Tax Credit Communities:

Logan Senior Village	Mix	56	1	1.8%	37	\$280	950	\$0.29	19	\$335	1,250	\$0.27
	50% units	26			17	\$280	950	\$0.29	9	\$335	1,250	\$0.27
	60% units	30			20	\$280	950	\$0.29	10	\$335	1,250	\$0.27

Deep Subsidy Communities:

Oak Village	Mix	24	0	0.0%	20	\$404			4	\$447		
	USDA-RD	24	0	0.0%	20	\$404			4	\$447		
*Avera Estates	Mid-Rise	40	0	0.0%	30	\$898						
Community also has 10 efficiency units	Section 8	40	0	0.0%	30	\$898						

Overall Total		120	1	0.8%	87	\$527	950	\$0.56	23	\$391	1,250	\$0.31
Unsubsidized Total/Average		56	1	1.8%								
% of Total		100.0%			72.5%				19.2%			

*Rents are contract rents of PBRA, actual rents paid by tenants are dependant on income
 (1) Rent is adjusted, net of utilities and incentives.

Source: Phone Survey, Real Property Research Group, Inc. June 2007.

Table 26 Rental Summary, LIHTC and Market Rate General Occupancy

Community	Type	Total Units	Vacant Units	Vacancy Rate	One Bedroom Units			Two Bedroom Units				
					Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 50% AMI		18			9	\$285	831	\$0.34	9	\$330	1,099	\$0.30
Subject Property - 50% AMI		14			7	\$355	831	\$0.43	7	\$415	1,099	\$0.38
Subject Property - 60% AMI		1			1	\$450			1	\$450	1,099	\$0.41
Subject Property - Market		9			5	\$400	831	\$0.48	4	\$450	1,099	\$0.41
Barnesville Commons	Townhouse	66	32	48.5%					66	\$581	1,052	\$0.55
*Potemkin Village - 50%/60% AMI	3-4 Family	28	0	0.0%					14	\$346		
*Timber Falls - 50% AMI	Garden	23	1	4.3%	4	\$287			11	\$327		
*Timber Falls - 60% AMI	Garden	24	2	8.3%	4	\$287			12	\$327		
Average / Total		141	35	24.8%		\$287				\$395	1,052	\$0.38
LIHTC Total		75	3	4.0%								
Unit Distribution		111			8				103			
% of Total		79%			7%				93%			

***Tax Credit Communities**

(1) Rent is adjusted, net of utilities and incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2007

Table 27 Rental Summary, Deeply Subsidized General Occupancy

Community	Type	Total Units	Total Units Vacant	Vacancy Rate	One Bedroom Units			Two Bedroom Units				
					Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 50% AMI		18			9	\$285	831	\$0.34	9	\$330	1,099	\$0.30
Subject Property - 50% AMI		14			7	\$355	831	\$0.43	7	\$415	1,099	\$0.38
Subject Property - 60% AMI		1			1	\$450			1	\$450	1,099	\$0.41
Subject Property - Market		9			5	\$400	831	\$0.48	4	\$450	1,099	\$0.41
South Oak	Mix	24	1	4.2%	8	\$419	760	\$0.55	16	\$470	948	\$0.50
*Piedmont Ridge Phase I and II - 60% AMI	Mix	48	1	2.1%	16	\$371	760	\$0.49	32	\$468	948	\$0.49
Piedmont Woods	Mix	24	1	4.2%	8	\$399	760	\$0.52	16	\$447	948	\$0.47
*Piedmont Pines - 60% AMI	Mix	36	1	2.8%	12	\$386	760	\$0.51	24	\$445	948	\$0.47
*Piedmont Ridge Phase III - 60% AMI	Mix	30	2	6.7%	6	\$438	610	\$0.72	24	\$438	912	\$0.48
*Piedmont Hills - 60% AMI	3-4 Family	51	2	3.9%	12	\$393	600	\$0.66	39	\$433	900	\$0.48
Pineview	Garden	48	1	2.1%	12	\$365	N/A	N/A	36	\$400	N/A	N/A
Average / Total		261	9	3.4%		\$396	708	\$0.56		\$443	934	\$0.47
Unit Distribution		261			74				187			
% of Total		100%			28%				72%			

***Rural Development Communities with Tax Credits**

(1) Rent is adjusted, net of utilities and incentives

Source: Field Survey, Real Property Research Group, Inc. June, 2007

Given the relatively small size of the senior rental communities in the primary market area, amenities offered are minimal (Table 28). Logan Senior Village offers a substantial number of amenities, but fewer than those proposed at Villas on Forsyth. The two deeply subsidized senior communities offer minimal amenities. The general occupancy communities offer amenities that were not designed for senior renters and are not considered comparable to the senior-specific amenities planned at Villas on Forsyth.

Table 28 Common Area Amenities of Senior Communities

Community	Multipurpose Room	Gardening	Walking Paths	Library	Shuffleborad	Pinic	Computer Center	Fitness Center
Subject Property	☒	☒	☒	☒	☒	☒	☒	☒
Avera Estates	☒	☐	☐	☐	☐	☐	☐	☐
Logan Senior Village	☒	☒	☒	☒	☐	☒	☒	☐
Oak Village	☒	☐	☐	☐	☐	☐	☐	☐

Source: Field Survey, Real Property Research Group, Inc. June, 2007

Two of the three senior oriented communities include only the cost of trash removal in the price of rent, comparable to the proposed Villas on Forsyth (Table 29). One of the deeply subsidized communities includes the cost of all utilities. The existing LIHTC community, Logan Village, is the only senior community to offer a dishwasher. Villas on Forsyth’s amenities will exceed all existing properties as it will include a dishwasher, microwave, and individual washer and dryers in each apartment.

In order to better understand how the proposed rents compare with the rental market, the rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. As this is an estimate of market rent, market rate communities are the most desirable comparables. In lieu of market rate communities, tax credit units are often used as the basis for this estimate. If LIHTC rents are the primary basis for the estimates market rent, the subject property cannot be expected to maintain a “rent advantage” over the estimate market rent. In these cases, the estimate market rent is simply a measurement of appropriateness. We have made a series of adjustments for amenities, utilities, condition, age, and unit size. These calculations are shown in Table 30 and the assumptions used are shown in Table 33.

The average proposed 50 percent tax credit one bedroom units will have a market advantage of 21.8 percent. The proposed market rate one bedroom units are positioned \$10 or 2.6 percent above the estimate of market rent. As this estimate of market rent includes two tax credit properties, this minor disparity is not considered to be negative. The proposed market rate rent for a one bedroom unit is comparable to the estimate of market rent. For two bedroom units, the proposed 50 percent rents are positioned 30.6 percent below the estimate of market rent. The proposed 60 percent LIHTC and the market rate units are positioned 8.2 percent below the estimate of market rent. The proposed rents relative to the estimate market rents indicate that they are reasonable and appropriate.

Table 29 Features of Rental Communities, Senior Communities

Community	Type	Heat Type	Heat	Cooking	Electric	Water	Trash	Dishwasher	Grab Bar	Emergency Pull
Subject Property	LIHTC - HFOP	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Standard
Avera Estates	Section 8 - Senior	Electric	<input checked="" type="checkbox"/>	None	Standard	Standard				
Logan Senior Village	LIHTC - HFOP	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Standard
Oak Village	USDA-RD - Senior	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	None	Standard	Standard

Source: Field Survey, Real Property Research Group, Inc. June, 2007

Table 30 Estimated Market Rent, One Bedroom Units

One Bedroom Units							
Subject Property	Comp #1		Comp #2		Comp #3		
Villas on Forsyth	Logan Senior Village		Timberfalls		Piedmont Pines		
Forsyth Street	319 S Bethel Street		700 Timberfalls Ct		825 Piedmont Woods Circle		
Barnesville, Lamar County	Thomaston	Upson	Thomaston	Upson	Barnesville	Lamar	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rents (50%, MKT)	\$320, \$400	\$280	\$0	\$287	\$0	\$386	\$0
Rent Concessions	None	None	\$0	None	\$0	None	\$0
Effective Rent	\$320, \$400	\$280		\$287		\$386	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	One-Story - Plex	Mid-Rise/Plex	\$0	Garden/TH	\$0	Townhouse	\$0
Year Built / Year Renovated	2009	2003	\$5	1999	\$8	1982	\$20
Total Units	42	56	\$0	47	\$0	36	\$0
Condition / Street Appeal	Above Average	Average	\$15	Average	\$15	Below Average	\$30
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0
Unit Interior Square Feet	831	950	(\$30)	0	\$0	760	\$18
Balcony / Patio / Porch	Y	Y	\$0	Y	\$0	Y	\$0
AC: (C)entral / (W)all / (N)one	C	C	\$0	C	\$0	W	\$5
Range / Refrigerator	Y/Y	Y/Y	\$0	Y/Y	\$0	Y/Y	\$0
Microwave / Dishwasher	Y/Y	N/Y	\$5	N/N	\$10	N/N	\$10
Washer / Dryer: In Unit	Y	N	\$25	N	\$25	N	\$25
Washer / Dryer: Hook-ups	Y	Y	\$0	Y	\$0	Y	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Y	Y	\$0	Y	\$0	Y	\$0
Fence/Gate	N	N	\$0	N	\$0	N	\$0
Club House / Meeting Rooms	Y	Y	\$0	Y	\$0	N	\$5
Walking Path/Garden Area	Y	N	\$5	N	\$5	N	\$5
Recreation Areas	Y	Y	\$0	Y	\$0	N	\$5
Computer Room / Bus. Center	Y	N	\$5	N	\$5	N	\$5
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	1	6	0	10	0
Sum of Adjustments B to D		\$60	(\$30)	\$68	\$0	\$128	\$0
Total Utility Adjustments		\$0	\$0	\$0	\$0	\$0	(\$10)
F. Total Summary							
Gross Total Adjustment		\$90		\$68		\$138	
Net Total Adjustment		\$30		\$68		\$118	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$310		\$355		\$504	
% of Street Rent		110.7%		123.7%		130.6%	
Estimated Market Rent		\$390					
Rent Advantage \$		\$70, -\$10					
Rent Advantage %		21.8%, -2.6%					

Table 31 Estimated Market Rent, Two Bedroom Units

Two Bedroom Units									
Subject Property	Comp #1			Comp #2		Comp #3		Comp #4	
Villas on Forsyth	Logan Senior Village			Timberfalls		Piedmont Pines		Barnesville Commons	
Forsyth Street	319 S Bethel Street			700 Timberfalls Ct		825 Piedmont Woods Circle		200 Southland Dr	
Barnesville, Lamar County	Thomaston	Upson	Thomaston	Upson	Barnesville	Lamar	Barnesville	Lamr	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rents (50%, MKT)	\$373, \$450, \$450	\$335	\$0	\$327	\$0	\$445	\$0	600	\$0
Rent Concessions	None	None	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$373, \$450, \$450	\$335		\$327		\$445		\$600	
<i>In parts B thru D, adjustments were made only for differences</i>									
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	One-Story - Plex	Mid-Rise/Plex	\$0	Garden/TH	\$0	Townhouse	\$0	Townhouse	\$0
Year Built / Year Renovated	2009	2003	\$5	1999	\$8	1982	\$20	2002	\$5
Total Units	42	56	\$0	47	\$0	36	\$0	66	\$0
Condition / Street Appeal	Above Average	Average	\$15	Average	\$15	Below Average	\$30	Excellent	(\$15)
Location	Above Average	Above Average	\$0	Above Average	\$0	Above Average	\$0	Excellent	(\$15)
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,099	1,250	(\$38)	0	\$0	948	\$38	1,052	\$12
Balcony / Patio / Porch	Y	Y	\$0	Y	\$0	Y	\$0	Y	\$0
AC: (C)entral / (W)all / (N)one	C	C	\$0	C	\$0	C	\$5	C	\$0
Range / Refrigerator	Y/Y	Y/Y	\$0	Y/Y	\$0	Y/Y	\$0	Y/Y	\$0
Microwave / Dishwasher	Y/Y	N/Y	\$5	N/N	\$10	N/Y	\$10	Y/Y	\$0
Washer / Dryer: In Unit	Y	N	\$25	N	\$25	N	\$25	N	\$25
Washer / Dryer: Hook-ups	Y	Y	\$0	Y	\$0	Y	\$0	Y	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Y	Y	\$0	Y	\$0	Y	\$0	Y	\$0
Fence/Gate	N	N	\$0	N	\$0	N	\$0	N	\$0
Club House / Meeting Rooms	Y	Y	\$0	Y	\$0	N	\$5	N	\$5
Walking Path/Garden Area	Y	N	\$5	N	\$5	N	\$5	N	\$5
Recreation Areas	Y	Y	\$0	Y	\$0	N	\$5	Y	\$0
Computer Room / Bus. Center	Y	N	\$5	N	\$5	N	\$5	N	\$5
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		6	1	6	0	10	0	6	2
Sum of Adjustments B to D		\$60	(\$38)	\$68	\$0	\$148	\$0	\$57	(\$30)
Total Utility Adjustments		\$0	\$0	\$0	\$0	\$0	(\$12)	\$0	(\$12)
F. Total Summary									
Gross Total Adjustment		\$98		\$68		\$160		\$99	
Net Total Adjustment		\$22		\$68		\$136		\$15	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$357		\$395		\$581		\$615	
% of Street Rent		106.6%		120.8%		130.6%		102.5%	
Estimated Market Rent		\$487							
Rent Advantage \$		\$114, \$37, \$37							
Rent Advantage %		30.6%, 8.2%, 8.2%							

Table 32 Market Advantage Summary

Market Advantage Summary				
	One Bedroom		Two Bedroom	
Type	\$	%	#	%
50% Units	\$70	21.8%	\$114	30.6%
60% Units			\$37	8.2%
Market Rate	-\$10	-2.6%	\$37	8.2%

Table 33 Market Rent Adjustment Key

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	Varies
Year Built / Year Renovated	\$0.75
Total Units	\$0.00
Condition / Street Appeal	\$15.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	Varies
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC: (C)entral / (W)all / (N)one	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	Varies
Fence/Gate	\$5.00
Club House / Meeting Rooms	\$5.00
Walking Path/Garden Area	\$5.00
Recreation Areas	\$5.00
Computer Room / Bus. Center	\$5.00

C. Proposed Developments

According to the Barnesville and Lamar County Planning Department, no new senior oriented affordable rental communities are planned in the primary market area. Sunny Grove is under construction south of the subject property on Gordon Road. Described as “Leisure Living”, Sunny Grove will be an assisted living community with extensive services included in the price of rent. These units will not be comparable with an affordable independent living rental community. Those able to afford the units at Sunny Grove would not be income qualified for a tax credit rental unit.

D. Interviews

Information gathered from interviews is used through a market study including the determination of market area, pipeline, location analysis, and need for additional rental housing. Individuals interviewed during the preparation of this market study include property managers, David Rose (City of Barnesville), Teresa Brown (Barnesville/Lamar County Chamber of Commerce), Lester McCard (Thomaston/Upson County Building/Zoning Department), and Kay King (Thomaston Community Development).

VI. Conclusions and Recommendations

A. Findings

Based on this review of economic and demographic characteristics of the primary market area and tri-county market area and competitive housing trends, we arrive at the following findings:

The subject property is a suitable location for rental housing

- Villas on Forsyth Apartments is located east of downtown Barnesville on the edge of the more established areas of town.
- The site is located within one mile of many community amenities, which are easily accessible.
- The site is compatible with surrounding land uses, which are primarily residential in nature.
- The subject site is comparable to most of the existing rental communities in the primary market area.

Lamar County has a stable, though somewhat stagnant economy.

- Overall, at-place employment has remained unchanged as total at-place employment of 3,553 through the third quarter of 2006 represents an increase of 12 jobs or 0.3 percent over 1990's job total.
- The county's job base reached a high point of 4,355 in 1996, but decreased during the next eight years to 3,282 in 2004. Lamar County has added jobs each of the past two years.
- The manufacturing and government sectors constitute the majority of jobs in Lamar County. These two sectors account for 51.8 percent of the jobs in Lamar County, nearly double the 26.5 percent national average.
- Although not growing, Lamar County's economy appears stable. The large percentage of jobs in government (not prone to large swings) has helped stabilize the county's employment base.

The primary market area and tri-county market area experienced moderate growth during the 1990s, trends likely to continue through 2012. Senior household growth is expected to outpace overall household growth.

- The primary market area's population increased by 5,227 or 15.1 percent between 1990 and 2000. By comparison, the tri-county market area's population increased 15.4 percent during the same time period. From 2000 to 2007, the total population in the primary market area is estimated to have increased by 2,327 or 5.8 percent. The tri-county market area's population increased by 3,734 or 6.5 percent during the same seven-year time period.
- Household growth exceeded population growth on a percentage basis in both geographies. The PMA gained 2,038 households between the 1990 and 2000 Census counts, while the tri-county market area grew by 3,083, households. These changes equate to a 16.1 percent increase in the primary market area and a 17.0 percent increase in the tri-county market area. The annual compounded rates of household growth were 1.1 percent in the PMA and tri-county market area.
- Estimates show that the PMA's household count increased by 1,146 or 7.8 percent between 2000 and 2007 compared to an increase of 1,691 households or 8.0 percent in the tri-county market area.
- The primary market area's household base age 55 and over is estimated to have increased by 9.6 percent between 2000 and 2007. Half of this household growth has been among householders age 62 and older. On a percentage basis, household growth has been faster among the younger senior householders.
- Claritas projections for future growth show that senior households aged 55 and older will increase by 13.3 percent through 2012. The increase among all householders age 62 and older will be faster at 14.1 percent. Annual household increases are projected at 165 householders age 55 and older and 119 householders age 62 and older.

The composition of the primary market area's population and householders is similar to that of the tri-county market area. The primary market area is slightly older and more affluent than the tri-county market area.

- The primary market area has an equal or higher percentage of its population in each age classification between 18 and 74 years. The tri-county market area has a higher percentage under the age of 18 and age 75 and older.
- Over half of the householders in the primary market area (55.6 percent) and the tri-county market area (55.7 percent) are married. Children are present in one-third of the households in both areas with the primary market area having a slightly higher occurrence of children.
- Most households in the primary market area and tri-county market area own their home. In 2007, 26.5 percent of the householders in the PMA were renters. In comparison, 26.1 percent of tri-county market area householders rented. Renter percentages are expected to decrease slightly in both areas over the next five years.
- Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The senior renter percentage is 17.5 percent in the primary market area and 17.9 percent in tri-county market area.
- Based on census data, Claritas estimates that the median household income for all householders in the primary market area in 2007 is \$41,783, \$107 or 0.3 percent above the \$41,676 median in the tri-county market area.
- Among senior householders age 62 and older, the 2007 estimated median income in the market area is \$29,718, which is over 70 percent of the overall median. Within the market area, 36.2 percent of all senior households earn less than \$20,000. An additional 14.2 percent of senior households earn between \$20,000 and \$30,000.

Few multi-family rental communities exist in the primary market area. Much of the rental stock is contained within individually owned single-family detached homes and mobile homes.

- Nearly three-quarters of the rental units in both areas were comprised of single-family detached homes, townhomes, duplexes, or mobile homes. Structures with five or more units accounted for 12.6 percent of the primary market area's rental units and 9.8 percent of the rental units in the tri-county market area.
- The three senior communities surveyed include one tax credit community, one Rural Development community with USDA Rental Assistance, and one community with

project-based Section 8 rental assistance. Overall, only one of 120 senior oriented rental units was reported vacant, a rate of 0.8 percent. The vacancy rate at the tax credit community was 1.8 percent.

- Several general occupancy communities were identified in the primary market area. The two general occupancy tax credit communities without project based rental assistance have an average vacancy rate of 4.0 percent. Seven general occupancy communities with project-based rental assistance from USDA or Section 8 have an average vacancy rate of 3.4 percent.
- Included amenities are minimal in the primary market area. The proposed community and unit amenities at Villas on Forsyth exceed all of the existing multi-family rental communities in the primary market area.
- The estimated market rents for the proposed units at Villas on Forsyth are \$490 for a one bedroom unit and \$487 for a two bedroom unit.
- The proposed tax credit rents are positioned below the estimates of market rent with market advantages ranging from 8.2 percent to 30.6 percent. The proposed market rate one bedroom units are positioned within \$10 of the estimate market rent, while the proposed market rate two bedroom units are priced 8.2 percent below the estimate of market rent.
- The proposed rents appear reasonable and appropriate.

Sufficient demand exists to support the proposed units.

- Affordability analysis shows a sufficient number of income qualified renter households to fill the proposed units. We calculated that 219 renter households (62+) are income qualified for the proposed LIHTC units and 235 households (62+) are income qualified for the market rate units. Accounting for overlap between the tax credit and market rate units, 312 renter households (62+) are income qualified for one or more of the proposed floorplans.
- Most of the units at Villas on Forsyth will be reserved for renters at or below 50 percent of the AMI. The 170 renter households (62+) income eligible for these units results in an AMI capture rate of 18.9 percent. This affordability capture rate would be

considered high in an urban market, but the subject property should be able to capture this percentage of income eligible renters given the lack of available senior oriented units in the primary market area.

- Capture rates based on DCA's demand methodology are 21.3 percent for all LIHTC units, 5.4 percent for all market rate units, and 19.0 percent for all units. The highest capture rate by income level is 26.6 percent among the 50 percent units. These capture rates are all within DCA's general range of acceptability.
- The subject property should be able to capture this percentage of the calculated demand.

B. Project Feasibility

Looking at the proposed Villas on Forsyth compared to existing rental alternatives in the market, the project's appeal and strength is as follows:

- **Community Design:** Villas on Forsyth will be one of the more attractive rental communities in the primary market area. The only existing community offering a similar level of curb appeal is Logan Senior Village, a portion of which is an adaptive re-use.
- **Location:** The subject property is located in an established residential portion of Barnesville. The subject property is convenient to shopping, health care, and area traffic arteries.
- **Amenities:** The proposed Villas on Forsyth will offer an amenities package unmatched in the primary market. None of the existing rental communities offer as many community and unit amenities as planned at Villas on Forsyth.
- **Unit Mix:** The unit mix distribution of the 42 units at Villas on Forsyth Apartments of one and two bedroom units will appeal to senior renter households.
- **Unit Size:** Villas on Forsyth's proposed unit sizes of 831 square feet for a one bedroom unit and 1,099 square feet for a two bedroom unit will be competitive in the primary market area.

- **Price:** The proposed rents appear to be appropriately priced based on existing rental communities and our estimate of market rent. The proposed rents appear reasonable and appropriate.
- **Demand:** The affordability analysis and DCA demand estimates indicate sufficient demand to support the proposed development.

C. Absorption Estimate

The newest property surveyed was Logan Senior Village, a senior LIHTC community built in 2003. The property manager was unable to provide exact data on lease up, but estimated that the property filled its 56 units in less than six months, resulting in an average absorption of 9 units per month. In addition to the experience of existing rental communities, absorption rate estimates are based on:

- Vacancy Rate – the overall vacancy rate in the primary market area is less than five percent. Among three senior communities, only one of 120 units were reported vacant, a rate of less than one percent.
- Demand – the affordability analysis and DCA capture rates indicated sufficient demand to support the proposed development.
- Product Appeal – the proposed development will be one of the most appealing communities in the primary market area given the community design and proposed amenities.

We believe that given the proposed design characteristics, extensive amenities/services, strong demand estimates, competitive rents, and stable rental market, and assuming an aggressive, professional marketing campaign, Villas on Forsyth Apartments should be able to lease up at a minimum rate of **5 units per month**. At this rate, Villas on Forsyth will reach stabilization (93 percent) within eight months.

We believe the product is properly positioned and will be well received in the primary market area. We do not believe that Villas on Forsyth will have a negative impact on existing rental communities in the primary market area given the low vacancy rate in the primary market area, low capture rates, and its relatively small size. Few of the rental units in the primary market area target senior renter households.

D. Final Conclusion

We recommend proceeding with the project as planned. The proposed 42 senior oriented units will help fill the void for senior oriented rental units targeting moderate income seniors rather than very-low income senior addressed by deeply subsidized communities. The demand estimates and capture rates detailed in this report are likely conservative as they are based in householders age 62 and older, rather than 55 and older. While it is true that few older renters age 55-61 would consider residing in a mid-rise senior community, a larger percentage of then older persons would consider the proposed single-story plex design of Villas on Forsyth.

We believe the proposed units at Villas on Forsyth will be well received in the primary market area and will be competitive with existing rental communities operating in the primary market area.

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 Certification

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.



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.

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.



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

Tad Scepianiak

Name

Principal

Title

June 12, 2007

Date

Appendix 3 Resumes

TAD SCEPANIAK

Mr. Scepaniak directs our Atlanta office. He has more than eleven 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 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.

Appendix 4 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 12, 2007

Tad Scepianiak

A. Executive Summary

1	Market demand for subject property given the economic conditions of the area.	Page VI
2	Projected Stabilized Occupancy Level and Timeframe.	Page IV
3	Appropriateness of unit mix, rent and unit sizes.	Page V
4	Appropriateness of interior and exterior amenities including Appliances.	Page V, VI
5	Location and distance of subject property in relationship to local amenities.	Page VI
6	Discussion of capture rates in relationship to subject.	Page VI, VIII
7	Conclusion regarding the strength of the market for subject.	Page VII, VIII

B. Project Description

Project address, legal description and location. *A legal description is not provided as it was not available. Legal descriptions are not considered a concern regarding feasibility or appeal of the site.*

1	Project address, legal description and location. <i>A legal description is not provided as it was not available. Legal descriptions are not considered a concern regarding feasibility or appeal of the site.</i>	Page 3
2	Number of units by unit type.	Page 4
3	Unit size, # of bedrooms and structure type (i.e. townhouse, garden apartment, etc).	Page 4
4	Rents and Utility Allowance*.	Page 2
5	Existing or proposed project based rental assistance.	Page 2
6	Proposed development amenities (i.e. washer/dryer hookups, dishwasher etc.).	Page 3
7	For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property.	Page n/a
8	Projected placed in service date.	Page 3
9	Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page 3

10	Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs, etc.	Page	3
11	Special Population Target (if applicable).	Page	3

C. Site Evaluation

1	Date of Inspection of Subject Property by Market Analyst.	Page	iii
2	Physical features of Subject Property and Adjacent Uses.	Page	3
3	Subject Photographs (front, rear, and side elevations as well as street scenes).	Page	5
4	Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject.	Page	11, 12
5	Developments in vicinity to subject and proximity in miles (Identify developments surrounding subject on all sides) - zoning of subject and surrounding uses.	Page	4, 11, 12
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject.	Page	48
7	Road or infrastructure improvements planned or under construction in the PMA.	Page	4
8	Comment on access, ingress/egress and visibility of subject.	Page	4
9	Any visible environmental or other concerns .	Page	4
10	Overall conclusions of site and their marketability.	Page	4

D. Market Area

1	Map identifying Subject's Location within PMA .	Page	16
2	Map identifying Subject's Location within SMA, if applicable.	Page	N/A

E. Community Demographic Data

	Data on Population and Households Five Years Prior to Market Entry, and Projected Five Years Post-Market Entry. <i>Population and household estimates are given for 1990, 2000, 2007, and 2012. Household estimates for 2009 are used in the demand calculations. The bench mark years and a five year projection are considered the most accurate population and household estimates. Additional estimates can be provided, however were omitted in an effort to simplify this section. Estimates of household growth for various years are used throughout the report in the demand, affordability, and capture rate analyses.</i>	Page	26, 39, 42
--	--	------	------------

1. Population Trends

a.	Total Population.	Page	26
b.	Population by Age Group.	Page	30
c.	Number of elderly and non-elderly (for elderly projects).	Page	30
d.	If a special needs is proposed, additional information for this segment.	Page	N/A

2. Household Trends

a.	Total number of households and average household size.	Page	26
b.	Households by tenure (# of owner and renter households). Elderly by tenure, if applicable.	Page	32 32
c.	Households by Income (Elderly, if applicable, should be allocated separately).	Page	36
d.	Renter households by # of persons in the household.	Page	N/A

3. Employment Trend

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%)).	Page	19
b.	Major employers, product or service, total employees, anticipated expansions, contractions in work forces, as well as newly planned employers and impact on employment in the PMA.	Page	20
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	23
d.	Map of the site and location of major employment concentrations.	Page	21
e.	Overall conclusions.	Page	22

F. Project Specific Demand Analysis

1	Income Restrictions - uses applicable incomes and rents in the development's tax application.	Page	2
2	Affordability - Delineation of Income Bands *.	Page	2, 39, 42
3	Comparison of market rates of competing properties with proposed subject market rent.	Page	50, 55,
4	Comparison of market rates of competing properties with proposed LIHTC rents.	Page	50, 55,
5	Demand Analysis Using Projected Service Date (within 2 years).	Page	40
a.	New Households Using Growth Rates from Reputable Source.	Page	40
b.	Demand from Existing Households. (Combination of rent overburdened and substandard)	Page	40 40
c.	Elderly Households Converting to Rentership (applicable only to elderly).	Page	40
d.	Deduction of Supply of "Comparable Units".	Page	42
e.	Capture Rates for Each Bedroom Type.	Page	43

G. Supply Analysis

a.	Comparative chart of subject amenities and competing properties.	Page	53, 55
b.	Supply & analysis of competing developments under construction & pending.	Page	59
c.	Comparison of competing developments (occupancy, unit mix and rents).	Page	50, 55
d.	Rent Comparable Map (showing subject and comparables).	Page	48
e.	Assisted Projects in PMA *. Multi-Family Building Permits issued in PMA in last two years. <i>The most recent building permit data is provided for the tri-county market area. As with unemployment data, building permits are only available for counties and municipalities. Given that the PMA includes all or portions of several permit issuing entities, it would be impossible to determine which of these permits are located in the PMA. The primary market area's activity is considered comparable to county activity.</i>	Page	46 28

H. Interviews	Page	59
----------------------	------	----

I. Conclusions and Recommendations

a.	Conclusion as to Impact of Subject on PMA.	Page	66
----	--	------	----

b. Recommendation as to Subject's Viability in PMA. Page 60, 64, 67

J. Signed Statement

a. Signed Statement from Analyst. Page 70

K. Comparison of Competing Properties Page

a. Provided under separate cover.

Appendix 5 NCAHMA Checklist

Component (*First occurring page is noted)	*Page(s)
1. Executive Summary	iii-vii
2. Concise description of the site and adjacent parcels	4
3. Project summary	3
4. Precise statement of key conclusions	60
5. Recommendations and/or modification to project discussion	67
6. Market strengths and weaknesses impacting project	64
7. Lease-up projection with issues impacting performance	66
8. Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents and utility allowances	2, 4
9. Utilities (and utility sources) included rent and paid by landlord or tenant?	2, 55
10. Project design description	3
11. Unit and project amenities; parking	3
12. Public programs included	2, 3,
13. Date of construction/preliminary completion	3
14. Reference to review/status of project plans	N/A
15. Target population description	3
16. Market area/secondary market area description	15
17. Description of site characteristics	4
18. Site photos/maps	5
19. Map of community services	11
20. Visibility and accessibility evaluation	4
21. Crime information	N/A
22. Population and household counts	26, 27
23. Households by tenure	32, 33
24. Distribution of income	35, 36
25. Employment by industry	2
26. Area major employers	20
27. Historical unemployment rate	23
28. Five-year employment growth	17
29. Typical wages by occupation	N/A
30. Discussion of commuting patterns of area workers	N/A
31. Existing rental housing discussion	44

32. Area building permits	28
33. Comparable property discussion	46
34. Comparable property profiles	80
35. Area vacancy rates, including rates for Tax Credit and government-subsidized	50, 51, 52
36. Comparable property photos	80
37. Identification of waiting lists	46
38. Narrative of subject property compared to comparable properties	46
39. Discussion of other affordable housing options including homeownership	N/A
40. Discussion of subject property on existing housing	64, 66
41. Map of comparable properties	48
42. Description of overall rental market including share of market-rate and affordable properties	46
43. List of existing and proposed LIHTC properties	46
44. Interviews with area housing stakeholders	59
45. Availability of Housing Choice Vouchers	N/A
46. Income levels required to live at subject site	2
47. Market rent and programmatic rent for subject	58
48. Capture rate for property	39, 42
49. Penetration rate for area properties	N/A
50. Absorption rate discussion	66
51. Discussion of future changes in housing population	60, if applicable
52. Discussion of risks or other mitigating circumstances impacting project projection	60, if applicable
53. Preparation date of report	Cover
54. Date of field work	iii
55. Certification	71
56. Statement of qualifications	72
57. Sources of data	Various
58. Utility allowance schedule	N/A

Appendix 6 Community Photos and Profiles

Avera Estates

Senior Community Profile

240 N Green St
Thomaston,GA

CommunityType: Deep Subsidy-Elderly

Structure Type: 3-Story Mid Rise

40 Units 0.0% Vacant (0 units vacant) as of 6/11/2007

Opened in 1990

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	25.0%	\$805	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	75.0%	\$833	--	--	Comm Rm: <input 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: Grabbar; Emergency Response						
Select Units: --						
Optional(\$): --						
Security: --						
Parking: Free Surface Parking						

Comments

Rents are contract rents for PBRA

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/11/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	Eff	1	10	\$860	--	--	Section 8	6/11/07	0.0%	\$833	--	--
	--	1	1	30	\$898	--	--	Section 8					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input checked="" type="checkbox"/> Cooking: <input checked="" type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input checked="" type="checkbox"/> Electricity: <input checked="" type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Logan Senior Village

Senior Community Profile

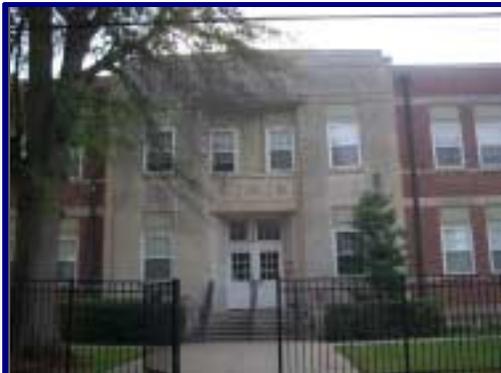
319 S Bethel Street
Thomaston, GA

CommunityType: LIHTC - Elderly

Structure Type: Mix

56 Units 1.7% Vacant (1 units vacant) as of 6/4/2007

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Gardening:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	63.8%	\$285	950	\$0.30	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	32.8%	\$341	1,250	\$0.27	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>

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

Select Units: --
Optional(\$): --
Security: --
Parking: Free Surface Parking

Comments

Waiting List - 7 for 2bdm units, 3 for 1 bdrm units

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/4/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	17	\$280	950	\$0.29	LIHTC/ 50%	6/4/07	1.7%	\$285	\$341	--
	--	1	1	20	\$280	950	\$0.29	LIHTC/ 60%					
	--	2	2	9	\$335	1,250	\$0.27	LIHTC/ 50%					
	--	2	2	10	\$335	1,250	\$0.27	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

Oak Village

Senior Community Profile

225 Jackson St
Zebulon,GA

CommunityType: Deep Subsidy-Elderly

Structure Type: 3-4 Family

24 Units 0.0% Vacant (0 units vacant) as of 6/11/2007

Opened in 1987

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	83.3%	\$409	--	--	Comm Rm: <input type="checkbox"/>	Library: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Arts&Crafts: <input type="checkbox"/>
Two	16.7%	\$453	--	--	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: In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Grabbar; Emergency Response						
Select Units: --						
Optional(\$): --						
Security: --						
Parking: Free Surface Parking						

Comments

USDA-Rural Development with all units having rental assistance

Property Manager: --

Owner: --

Floorplans (Published Rents as of 6/11/2007) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	20	\$404	--	--	--	6/11/07	0.0%	\$409	\$453	--
Single story	--	2	1	4	\$447	--	--	--					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Oak Village

GA231-010016

Barnesville Commons

Multifamily Community Profile

200 Southland Dr
Barnesville,GA

CommunityType: Market Rate - General

Structure Type: Townhouse

66 Units 48.5% Vacant (32 units vacant) as of 6/4/2007

Opened in 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	\$581	1,052	\$0.55	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; 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 6/4/2007) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	66	\$600	1,052	\$.57	--	6/4/07	48.5%	--	\$581	--

Adjustments to Rent

Incentives:

\$25 off per month

Utilities in Rent: Heat Fuel: Electric

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

Barnesville Commons

GA171-009986

© 2007 Real Property Research Group, Inc.

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

Piedmont Hills

Multifamily Community Profile

1001 W Main Street
Forsyth,GA

CommunityType: LIHTC - General

Structure Type: 3-4 Family

51 Units 3.9% Vacant (2 units vacant) as of 6/4/2007

Opened in 1977

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	23.5%	\$393	600	\$0.66	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	76.5%	\$433	900	\$0.48	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: 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 6/4/2007) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	12	\$388	600	\$0.65	LIHTC/ 60%	6/4/07	3.9%	\$393	\$433	--
Single story	--	2	1	39	\$427	900	\$0.47	LIHTC/ 60%					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Piedmont Pines

Multifamily Community Profile

825 Piedmont Woods Circle
Barnesvilles,GA

CommunityType: LIHTC - General

Structure Type: Mix

36 Units 2.8% Vacant (1 units vacant) as of 6/4/2007

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	33.3%	\$386	760	\$0.51	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	66.7%	\$445	948	\$0.47	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: 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

25 of 36 units have Rental Assistance

Floorplans (Published Rents as of 6/4/2007) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	12	\$386	760	\$0.51	LIHTC/ 60%	6/4/07	2.8%	\$386	\$445	--
Townhouse	--	2	1.5	24	\$445	948	\$0.47	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Piedmont Ridge Phase I and II

Multifamily Community Profile

225 W Williamson Rd
Zebulon,GA

CommunityType: LIHTC - General

Structure Type: Mix

48 Units 2.1% Vacant (1 units vacant) as of 6/4/2007

Opened in 1991

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	33.3%	\$371	760	\$0.49	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	66.7%	\$468	948	\$0.49	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: In Unit Laundry (Hook-ups); Central A/C						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

7 units have Rental Assistance

Floorplans (Published Rents as of 6/4/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Phase I / Single story	--	1	1	8	\$413	760	\$0.54	LIHTC/ 60%	6/4/07	2.1%	\$371	\$468	--
Phase II / Single story	--	1	1	8	\$330	760	\$0.43	LIHTC/ 60%					
Phase I / Townhouse	--	2	1.5	16	\$462	948	\$0.49	LIHTC/ 60%					
Phase II / Townhouse	--	2	1.5	16	\$474	948	\$0.50	LIHTC/ 60%					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>													

Piedmont Ridge Phase I and II

GA231-009992

Piedmont Ridge Phase III

Multifamily Community Profile

383 Williamson Zebulon Rd
Zebulon,GA

CommunityType: LIHTC - General

Structure Type: Mix

30 Units 6.7% Vacant (2 units vacant) as of 6/4/2007

Opened in 1996

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	20.0%	\$438	610	\$0.72	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	80.0%	\$438	912	\$0.48	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: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

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

Floorplans (Published Rents as of 6/4/2007) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	6	\$438	610	\$0.72	LIHTC/ 60%	6/4/07	6.7%	\$438	\$438	--
Townhouse	--	2	1.5	24	\$438	912	\$0.48	LIHTC/ 60%					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Piedmont Woods

Multifamily Community Profile

828 Piedmont Woods Circle
Barnesville, GA

Community Type: Deep Subsidy-General
Structure Type: Mix

24 Units 4.2% Vacant (1 units vacant) as of 6/4/2007

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	\$399	760	\$0.52	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	--	\$447	948	\$0.47	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: 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

13 units with Rental Assistance

Floorplans (Published Rents as of 6/4/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	--	\$399	760	\$0.52	--	6/4/07	4.2%	\$399	\$447	--
Townhouse	--	2	1.5	--	\$447	948	\$0.47	--					

Adjustments to Rent

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

Piedmont Woods

GA171-009982

Pine View

Multifamily Community Profile

699 Forsyth Street
Barnesville, GA

Community Type: Deep Subsidy-General

Structure Type: Garden

48 Units 2.1% Vacant (1 units vacant) as of 6/4/2007

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	25.0%	\$365	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	75.0%	\$400	--	--	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: Central A/C						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

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

Floorplans (Published Rents as of 6/4/2007) (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	\$365	--	--	--	6/4/07	2.1%	\$365	\$400	--
Garden	--	2	1	36	\$400	--	--	--					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Potemkin Village

Multifamily Community Profile

285 Knight Trail
Thomaston, GA

Community Type: LIHTC - General

Structure Type: 3-4 Family

28 Units

0.0% Vacant (0 units vacant) as of 6/4/2007

Opened in 1999

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	50.0%	\$346	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	50.0%	\$422	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input checked="" type="checkbox"/>	
Features						
Standard: In Unit Laundry (Hook-ups); Central A/C						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

50% and 60% LIHTC units with same rents

Floorplans (Published Rents as of 6/4/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	2	1	14	\$340	--	--	LIHTC	6/4/07	0.0%	--	\$346	\$422
Single story	--	3	2	14	\$415	--	--	LIHTC					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/>				Cooking: <input type="checkbox"/>				Wtr/Swr: <input type="checkbox"/>					
Hot Water: <input type="checkbox"/>				Electricity: <input type="checkbox"/>				Trash: <input checked="" type="checkbox"/>					

Potemkin Village

GA293-009988

© 2007 Real Property Research Group, Inc.

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

South Oak

Multifamily Community Profile

149 Cameron Circle
Barnesville, GA

Community Type: Deep Subsidy-General

Structure Type: Mix

24 Units

4.2% Vacant (1 units vacant) as of 6/4/2007

Opened in 1982



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	33.3%	\$419	760	\$0.55	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	66.7%	\$470	948	\$0.50	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: 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 6/4/2007) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	8	\$414	760	\$0.54	--	6/4/07	4.2%	\$419	\$470	--
Townhouse	--	2	1.5	16	\$465	948	\$0.49	--					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

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

South Oak

GA171-009987

© 2007 Real Property Research Group, Inc.

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

Timberfalls

Multifamily Community Profile

700 Timberfalls Ct
Thomaston, GA

Community Type: LIHTC - General

Structure Type: Garden

47 Units 6.4% Vacant (3 units vacant) as of 6/11/2007

Opened in 1999

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	17.0%	\$287	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	48.9%	\$327	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	34.0%	\$377	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input checked="" type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

--

Floorplans (Published Rents as of 6/11/2007) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	4	\$287	--	--	LIHTC/ 50%	6/11/07	6.4%	\$287	\$327	\$377
Garden	--	1	1	4	\$287	--	--	LIHTC/ 60%					
Garden	--	2	1	11	\$327	--	--	LIHTC/ 50%					
Garden	--	2	1	12	\$327	--	--	LIHTC/ 60%					
Garden	--	3	2	8	\$377	--	--	LIHTC/ 50%					
Garden	--	3	2	8	\$377	--	--	LIHTC/ 60%					
Adjustments to Rent													
Incentives: None													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/>				Cooking: <input type="checkbox"/>				Wtr/Swr: <input checked="" type="checkbox"/>					
Hot Water: <input type="checkbox"/>				Electricity: <input type="checkbox"/>				Trash: <input checked="" type="checkbox"/>					

Timberfalls

GA293-010014