

PROFESSIONAL MARKET STUDY  
FOR THE CREEKSIDE APARTMENTS  
A PROPOSED LIHTC/TAX EXEMPT BOND  
FAMILY DEVELOPMENT

LOCATED IN:  
EAST POINT, FULTON COUNTY, GA

PREPARED FOR:  
GEORGIA DEPARTMENT of COMMUNITY AFFAIRS  
OFFICE of AFFORDABLE HOUSING  
60 Executive Park South, NE  
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## INTRODUCTION

The proposed Tax Exempt Bond multi-family development will target LIHTC eligible households in the East Point/College Park area of Fulton County, Georgia.

The market study assignment was to ascertain market demand for a proposed acquisition/rehab multi-family LIHTC/Tax Exempt Bond development to be known as the **Creekside Apartments**, for the Georgia Department of Community Affairs, Office of Affordable Housing, under the following scenario:

### Project Mix

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
0BR/1b	136	Na	408-435
1BR/1b	204	Na	640-750
1BR/1.5b	1	Na	750
2BR/1.5b	87	Na	1,085
2BR/2b	28	Na	980
2BR/2.5b	26	Na	1,240
3BR/2b	24	Na	1,250
3BR/2.5b	101	Na	1500-1600
<b>Total</b>	<b>607*</b>		

\*1-unit is non revenue producing

### Project Rents:

The proposed development will target approximately 100% of the units at 60% or below of area median income (AMI). Rent includes trash removal.

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
0BR/1b	136	\$535	\$61	\$596
1BR/1b	116	\$655	\$88	\$743
1BR/1b	88	\$675	\$88	\$763
1BR/1.5b	1	\$690	\$88	\$778
2BR/1.5b	87	\$765	\$113	\$878
2BR/2b	28	\$750	\$113	\$863

PROPOSED PROJECT RENTS @ 60% AMI				
2BR/2.5b	25	\$785	\$113	\$898
3BR/2b	24	\$865	\$136	\$1001
3BR/2.5b	100	\$890	\$136	\$1026
3BR/2.5b	1	\$887	\$136	\$1023

\*Provided by applicant.

In addition, there are several terms that will be used throughout the study, which have very specific meanings within the program assisted framework, but which may have other meanings in other contexts. Two sets of terms in particular are identified here to avoid confusion in the study.

#### **Type of Project Rent Structure:**

- Conventional - also referred to as "market rate", reflects projects which are developed without any program funding from public or private sources, using equity and conventional finance. Rents are established by the owner, typically without regulatory constraints.
- Assisted - projects that use some form of program financing designed to make rents more affordable. The financing may include federal and state grant, loan or loan guarantee programs; the Low Income Housing Tax Credit program, direct rental assistance and in some cases private grants or preferential loans.
- Subsidized - projects that have direct rental assistance, which allows tenants to pay only an affordable proportion of their income for rent, with the balance paid by another agency (usually governmental). These subsidies are project-based; that is, the subsidies are attached to the units. Tenant-based subsidies are carried by the tenants, who may use them in assisted or conventional projects. Note: all subsidized projects are also assisted projects, but not all assisted projects are subsidized.

#### **Rent Inclusions:**

- Gross Rent - refers to the total rent payment, including utilities. (Cable and telephone utilities are excluded from this definition.) Gross rents are usually identified as a monthly rent. Gross rents are used in the study for program usage such as LIHTC maximum rents or HUD Fair Market Rents.
- Net Rent - sometimes known as "street rent", involves the rent paid to the landlord, and usually excludes some or all utilities. Net rents are used in comparisons with

conventional projects, and are also usually identified as a monthly rent.

- Utility Allowance - is the amount of the Gross Rent not included in the Net Rent, and reflects the estimated amount a tenant will have to pay out-of-pocket for utilities.

As a final terminology note, capture rate and penetration rate are used interchangeably in this study. They refer to the proportion of a defined total pool of tenants that a specific project must capture (or the degree to which the project must penetrate the total pool) in order to be fully occupied. Different capture rates will be calculated for different market pools - for example, the capture rate applied to the total income-qualified renter base will be different from the capture rate applied to a annual target demand pool. Both are used in this study.

The analyst performed an in-depth, on-site analysis in the market area, surrounding neighborhoods, and the site. Personal interviews were conducted with local area real estate professionals and other persons knowledgeable in the local area housing market.

Among sources utilized and cited throughout the study are the U.S. Census of Population and Housing, the Georgia Department of Labor, the Metro Atlanta Chamber of Commerce, the City of East Point, the US Department of Housing and Urban Development and pertinent information and materials collected from local professional real estate sources and subject related service providers.

Other, specific elements of the methodology are discussed in the text of the study.

## STATEMENT OF CONTINGENT AND LIMITING CONDITIONS

1. The consultant declares that he does not have, and will not have the future, any material interest in the proposed project, and that there is no identity between him and the client of the study. Further, the consultant declares that the payment of the study fee is in no way contingent upon a favorable study conclusion, nor upon approval of the project by any agency before or after the fact. The analyst certifies that no attempt was made to contact the applicant directly for any information in the market study.
2. The information on which this analysis of conditions in East Point, College Park, Atlanta and Fulton County has been obtained from the most pertinent and current available sources, and every reasonable effort has been made to insure its accuracy and reliability. However, the consultant assumes no responsibility for inaccuracies in reporting by any of the Federal, State, or Municipal agencies cited, nor for any data withheld or erroneously reported by private sources cited during the normal course of a thorough investigation. The consultant reserves the right to alter conclusions on the basis of any discovered inaccuracies.
3. No opinion of a legal or engineering nature is intentionally expressed or implied.
4. The fee charged for this study does not include payment for testimony nor further consultation.
5. This analysis assumes a free and fair real estate market place, with no constraints imposed by any market element based on race, age or gender, except for age / handicapped eligibility established by law for units designated by elderly households and the handicapped.
6. The consultant affirms that a member of the firm made a physical inspection of the site and market area, and that information has been used in the full assessment of the need and demand for new rental units.

---

**Jerry M. Koontz, Principal  
Koontz and Salinger**

**SECTION A**

**EXECUTIVE SUMMARY**

**1. GA-DCA Quantitative Demand Matrix:**

- The capture rates by income segment and bedroom mix are considered to be a positive indicator of demand support for the proposed 2BR and 3BR units within the subject development. The overall project capture rate for the LIHTC segment of the proposed development is 28.6%, which is indicative of positive quantitative demand support. However, the capture rates for the subject Studio and 1BR units suggest caution with this segment of the existing bedroom mix, in particular the large number of Studio units.

Capture Rates by Bedroom Type & Income Targeting							
Unit Size	Income Limits	Units Proposed	Net Demand	Capture Rate	Absorption	AvgLIHTC Rent	Proposed Net Rent
0BR	60% AMI	136	212	65.2%	*	\$480	\$535
1BR	60% AMI	205	531	38.6%	*	\$610	\$655
1BR	60% AMI				*	\$610	\$675
1BR/1.5b	60% AMI				*	Na	\$690
2BR	60% AMI	141	849	16.6%	*	\$695	\$750
2BR	60% AMI				*	\$695	\$765
2BR/2.5b	60% AMI				*	Na	\$785
3BR	60% AMI	125	531	23.5%	*	\$830	\$865
3BR	60% AMI				*	Na	\$890
3BR/2.5b	60% AMI				*	Na	\$887

- \*Absorption rate analysis and stabilized occupancy rate analysis are subject to the recommendations proposed for the subject.

## 2. Recommendation & Conclusion:

- Based upon the analysis and the conclusions of each of the report sections, it is recommended that the proposed application **proceed forward, subject to the following recommendations and changes in the proposed project parameters** and most importantly subject to an extensive and professional rehab process.

## 3. Appropriateness of Project Parameters

### Bedroom Mix

- The subject bedroom mix is not considered to be appropriate. At present, the LIHTC market is in need of larger bedroom sizes, as indicated by the capture rate analysis, as well as by statements made by most of the interviewed LIHTC apartment managers in the PMA.

It is recommended that the number of Studio units presently offered by the subject be restructured to one of the following scenarios:

- (a) eliminate both buildings of Studio units,
- (b) eliminate 1 building of Studios and alter the other building in which Studio units are collapsed into large 1BR units, or
- (c) eliminate 1 building of Studios and keep the other building (as a worst case scenario) and advertise it to a niche market.

Note: Option A is considered to be the best case scenario and Option B is considered to be a second best case scenario.

### Proposed Net Rents

- The proposed subject net rents are at the ceiling of what area LIHTC rents can afford - owing to household budgets. The recently built Laurel Ridge and Village Highlands new construction LIHTC properties suggest that the proposed subject property net rents are attainable, with 20% to 30% Section 8 voucher support.
- However, the several recent acquisition/rehab LIHTC properties suggest a need for a lower rent ceiling than that proposed by the subject. Several ac/rehab LIHTC have had to reduce rents, or offer rent concessions owing to the fact that market support for once higher rents waned or the initial rent structured was improperly set.
- It is recommended that the applicant have a built in scenario in which budget support is maintained by

offering lower rents in order of \$25 or more by bedroom type. The use of this scenario might not be necessary owing to: (1) the excellent site location, (2) an enhanced professional marketing plan and a having a professional management team, (3) a reduction in the number of Studio units.

### Unit Sizes

- In the area of unit size, by bedroom type, the subject will offer very competitive unit sizes, based on the proposed floor plans, in particular for the 2BR and 3BR units. The 1BR units at 640 sf are a little undersized and by default if the Studio units are eliminated would be targeting potential renters willing to reside in a small unit (like a Studio).

### Unit Amenities

- Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the unit amenity package as indicated on page 2.
  - In addition it is recommended that the mini-blinds not be the traditional mini-blinds typically used in a LIHTC property but instead be either vertical blinds or hard vinyl horizontal blinds utilized . These types of blinds would be more costly up-front but in the long term prove to be a worthwhile investment in the area of replacement costs and length of use as units turnover.
  - Offer as an option the ability to rent a stack washer/dryer unit for those units with hook-ups.

### Development Amenities

- Overall, the subject will be competitive to very competitive with all of the existing program assisted and market rate apartment properties in the market regarding the development amenity package as indicated on page 2.
  - In addition it is recommended that the central laundry be totally rehabed and not eliminated. Many LIHTC households cannot afford washer/dryer units owing to budget constraints and will be in need of a central laundry. Note: It is recommended that the contract for the maintenance of the central laundry not be tied to a long period of time.
  - Management is considering controlling access to the subject property from both Desert Drive and Washington Road. This is considered to be a good idea. Granted if someone wants to get in illegally they will but a

controlled access does create a psychological barrier to some and is considered by many to be a good marketing device. Note: It is recommended that management have on-staff a person who can do basic repairs and more importantly daily/weekly update of the gates as the biggest problem with them are breakdowns. In addition, it is recommended that the subject property have security cameras in-place throughout the property. A card swipe or card press entry system is not considered to be necessary.

- Given the fact that the adjacent Laurel Ridge LIHTC property has a swimming pool it is recommended that the subject maintain the presence of a swimming pool. Particularly given the overall size in terms of number of units of the subject, and the recommended re-targeting of the development to serving families and working class households.

### **Demographic Targeting**

- 
- At present the subject targets the general population including a large number of 1 person households.

- It is recommended that the subject target large families / households and focus on creating a property in which the retention factor has a "kid" connection. In order to do this the subject should consider having an after school child care center within computer lab and homework monitoring, several tot lots, controlled access, perimeter fencing, security cameras and lighting. Note: It is recommended that the subject have a full time social service activities director on staff. This one key staff person could be responsible for long-term tenant retention of households with children occupying 2BR and 3BR units and assisting tenants with property based social activities and more importantly assisting tenants with participation in local, state and federal assistance programs, rules and regulations in order to better work ones way "up the latter".

- It is recommended that the clubhouse/community building have a fitness room.

## **MARKET STUDY FOLLOWS**

**SECTION B**  
**PROPOSED PROJECT DESCRIPTION**

The proposed Low Income Housing Tax Credit (LIHTC)/ Tax Exempt Bond multi-family acquisition/rehab development will target the general population in East Point, Atlanta and Fulton County, Georgia. The subject property is located at 3200 Desert Drive, within the East Point city limits.

The market study assignment was to ascertain market demand for a proposed acquisition/rehab multi-family development to be known as the **Creekside Apartments**, for the Georgia Department of Community Affairs, Office of Affordable Housing, under the following scenario:

**Project Description**

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Heated sf)	Unit Size (Gross sf)
0BR/1b	136	Na	408-435
1BR/1b	204	Na	640-750
1BR/1.5b	1	Na	750
2BR/1.5b	87	Na	1,085
2BR/2b	28	Na	980
2BR/2.5b	26	Na	1,240
3BR/2b	24	Na	1,250
3BR/2.5b	101	Na	1500-1600
Total	607*		

\*1-unit is non revenue producing

The proposed acquisition/rehab development project design comprises 38 two-story residential buildings. The development includes a separate building comprising a managers office, central laundry and community area.

The proposed *Occupancy Type* is for the **General Population** and is not age restricted.

**Project Rents:**

The proposed development will target approximately 100% of the units at 60% or below of area median income (AMI). Rent includes trash removal.

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
0BR/1b	136	\$535	\$61	\$596
1BR/1b	116	\$655	\$88	\$743
1BR/1b	88	\$675	\$88	\$763
1BR/1.5b	1	\$690	\$88	\$778
2BR/1.5b	87	\$765	\$113	\$878
2BR/2b	28	\$750	\$113	\$863
2BR/2.5b	25	\$785	\$113	\$898
3BR/2b	24	\$865	\$136	\$1001
3BR/2.5b	100	\$890	\$136	\$1026
3BR/2.5b	1	\$887	\$136	\$1023

\*Provided by applicant.

**Amenity Package (still in process of determination)**

The development might include the following amenity package:

**Unit Amenities**

- range
- disposal
- central air\*
- smoke alarms
- carpet
- patio/balcony
- microwave
- refrigerator
- dish washer
- cable ready
- washer/dryer hook-ups
- mini-blinds
- ceiling fans
- \* wall a/c for studio units

**Development Amenities**

- on-site management
- laundry room
- equipped computer ctr
- swimming pool
- community area
- picnic/grill area w/pavilion
- equipped playground

The estimated projected date/year that Creekside will be placed in service after the rehab process is December 31, 2009.

**SECTION C**

**SITE & NEIGHBORHOOD  
EVALUATION**

The site of the proposed LIHTC/Tax Exempt Bond acquisition/rehab apartment development is located at 3200 Desert Drive, approximately .2 miles south of Camp Creek Parkway and .3 miles east of I-285. The site is located in the extreme southwestern portion of

East Point, within the city limits. Specifically, the site is located in Census Tract 113.04, Census Block Group 1, Census Blocks 1014, 1016, 1017, 1023, and Zip Code 30344. See Site Map, page 9.

Note: The site/subject is located within a Qualified Census Tract (QCT).

Street and highway accessibility are very good relative to the site. Ready access is available from the site to the following: major retail trade and service areas, employment opportunities, local health care providers and area churches. All major facilities in the PMA can be accessed within a 15 to 25-minute drive. At the time of the market study, no significant infrastructure development was in progress within the vicinity of the site/subject.

**Site / Subject Characteristics**

The approximately 31-acre, polygon shaped tract is presently occupied by the Regency Park apartment complex. Regency Park was built in 1969 and initially comprised three phases. One phase was sold and at present the development comprises two phases as a combination LIHTC/Market Rate complex. Regency Park has 607-units. Since 2005, the property has targeted 40% target of the units at 60% AMI under the LIHTC program and the remaining 60% at market. At the time of the survey 213-units were vacant. 32 of the 213 vacant units are "down" units primarily owing to mold issues. The majority of the remaining vacant units are purposely vacant owing to a management/owner decision. Overall the last year the property has had a typical occupancy rate in the 60's.

The present rent schedule, by bedroom type for Regency Park is:

<u>Bedroom Type</u>	<u>Size sf</u>	<u>Rent</u>
Studio	408	\$452
Studio	435	\$452
1BR/1b Garden	640	\$534
1BR/1b Garden	673	\$485
1BR/1.5b TH	750	\$559
2BR/1.5b Garden	736	\$479
2BR/1.5b TH	921	\$529
2BR/2b Garden	980	\$523
2BR/1.5b TH	1075	\$577
2BR/2.5b TH	1240	\$720
3BR/2.5b TH	1500	\$659
3BR/2b Garden	1250	\$756

Source: On-site Manager.

The site/subject is considered to be very marketable and buildable, subject to a complete renovation/rehab process. In addition, this assessment is subject to both environmental and engineering studies. All public utility services are available to the tract and excess capacity exists.

The subject is not located within a flood plain and appears to drain well. However, that area presently containing the swimming pool and tennis court is now more susceptible to poor drainage issues owing to the additional water diverted to the nearby creek.

### **Neighborhood Description / Characteristics**

The overall character of the neighborhood in the immediate vicinity of the site can be defined as a mixture of land use including: multi-family residential and nearby and commercial and highway business use.

Directly north of the subject is the Colony at Camp Creek apartment property. At one time this was one of the three phases of Regency Park, but it was sold several years ago and recently rehabed. Further north along Camp Creek Parkway is commercial development.

Directly west is the I-285 perimeter highway, followed by the large Camp Creek Marketplace shopping center, located at the intersection of Camp Creek Parkway and I-285. Presently at this intersection several new motels and restaurants are under construction.

Directly south of the tract is a new LIHTC multi-family development, Laurel Ridge. Laurel Ridge is a 276-unit development that was built in 2006. At the time of the survey the property was reported to be 96% occupied. Also south of the subject is a small retail trade center located along Washington Street. Further south along Washington Street are several conventional apartment properties, a fire station and an elementary school.

Directly east of the tract is mostly commercial development along Washington Road and Camp Creek Parkway. There are several large conventional apartment properties located within 1 mile of the subject to the east.

The pictures on the following pages are of the site and surrounding land uses within the immediate vicinity of the site.



(1) - Regency Park buildings with townhouse units.



(2) - Regency Park building with garden units.



(3) - Regency Park building with studio units.



(4) - Regency Park clubhouse.



(5) - Regency Park central laundry, presently closed for use.



(6) - Interior views of model units.

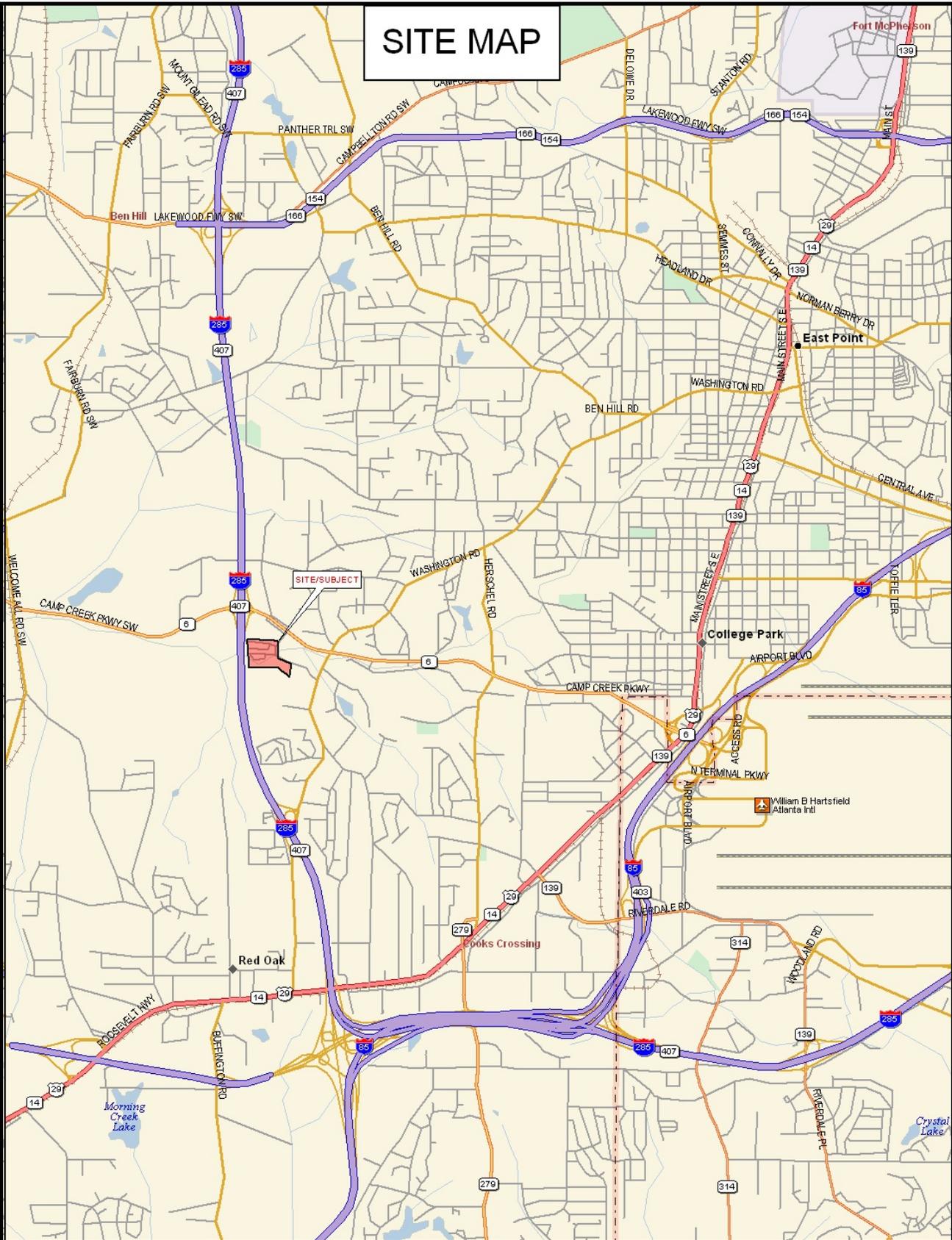


(7) - The Colony at Camp Creek Apartments, north of the subject.



(8) - Laurel Ridge (LIHTC) Apartments, west of the subject.

# SITE MAP



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**Access to Services**

The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

<b>Points of Interest</b>	<b>Distance from Subject</b>
Access to Camp Creek Parkway	.1
Access to I-285	.3
Fire Station	.3
Brookview Elementary School	.5
Camp Creek Marketplace Shopping Center (Publix Grocery)	.6
Grocery Store	1.5
Mount Olive Elementary School	1.6
Jamestown Shopping Center	2.3
Woodland Middle School	2.5
GA International Convention Center	2.5
Access to I-85	2.8
Hartsfield Atlanta Airport	3.0
Post Office	3.1
Greenbriar Shopping Mall	3.3
McClarín High School	3.5
Downtown College Park	3.5
Downtown East Point	5.0
South Fulton Medical Hospital	6.0
Atlanta Central Business District	11.0

**Note:** Distance from subject is in tenths of miles and are approximated.



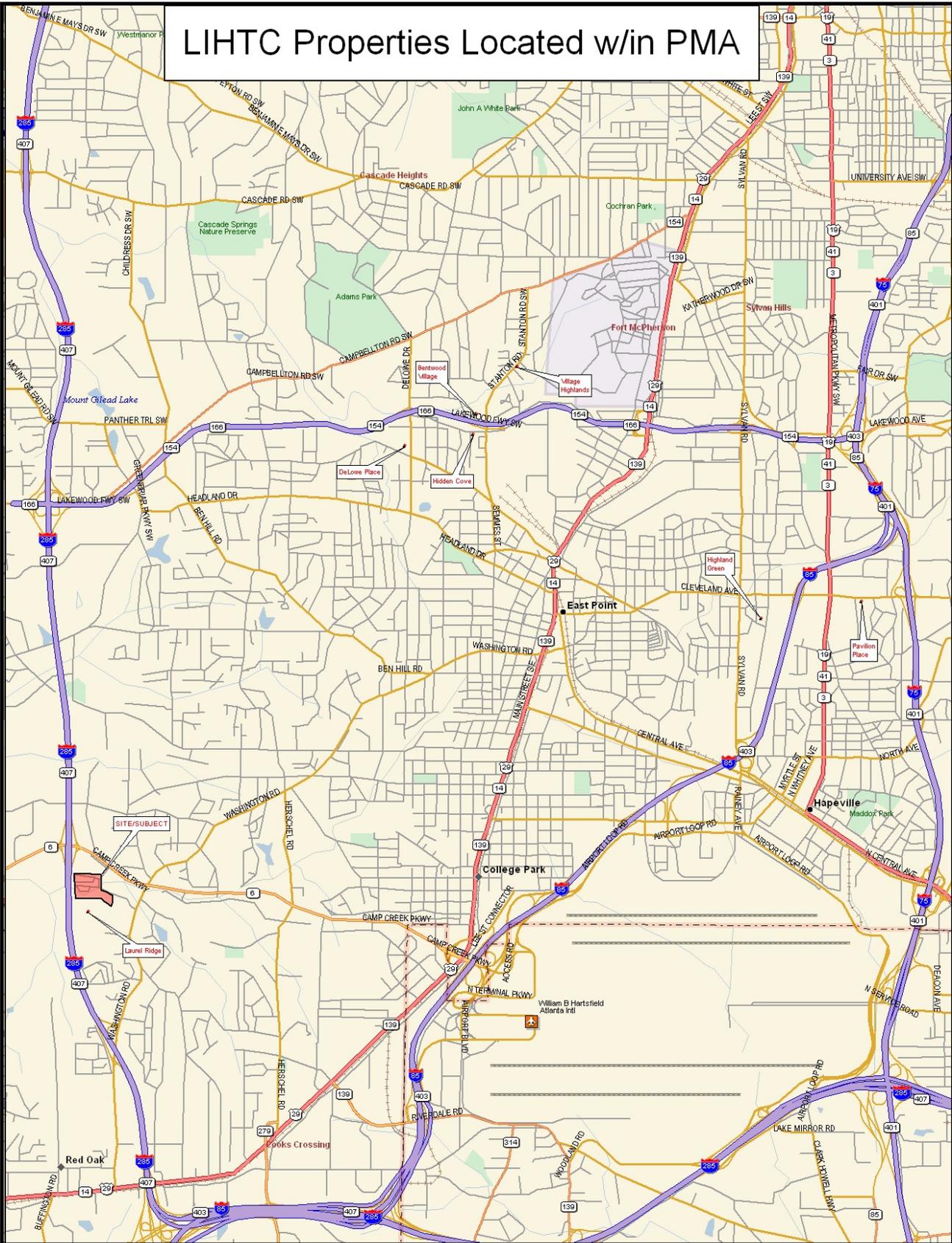
**Program Assisted Apartments in the PMA**

At present there are at least seven existing LIHTC family apartment complexes located within the PMA. A map (on the next page) exhibits the LIHTC family properties within the PMA in relation to the site.

<b>Project Name</b>	<b>Street Address</b>	<b>Program Type</b>	<b>Number of Units</b>	<b>Distance from Site</b>
Bentwood Village	1035 Allison Court	LIHTC a/r	560	7.0
DeLowe Place	2360 DeLowe Drive	LIHTC a/r	150	4.0
Heritage Green	2891 Springdale Road	LIHTC a/r	109	7.2
Hidden Cove	1900 Stanton Road	LIHTC a/r	88	5.0
Laurel Ridge	2900 Laurel Ridge Way	LIHTC nc	276	.2
Pavilion Place	532 Cleveland Avenue	LIHTC a/r	240	7.5
Village Highlands	1931 Stanton Road	LIHTC nc	258	5.6

\*a/r - acquisition/rehab    nc - new construction

# LIHTC Properties Located w/in PMA



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MN (4.2° W)



## SUMMARY

The field visits for the site, subject and surrounding market area were between November 26 and 29, 2007. The site inspector was Mr. Jerry M. Koontz.

The overall character of the neighborhood within the immediate vicinity of the site can be defined as a mixture of land use including: multi-family residential, nearby major highway and commercial use, and vacant land use. The site is located in the extreme southwestern portion of East Point, within the city limits.

At present, the site comprises the physical location of the Regency Park Apartments, built in 1969.

Access to the site is available off Desert Drive, as well as Washington Road. Desert Drive is a short residential connector which connects the site/subject with Camp Creek Parkway to the north and Washington Road to the east. Desert Drive is a very low density road with a speed limit of 25 miles per hour. Washington Road is a low to medium density traveled road, with a speed limit of 45 miles per hour in the immediate vicinity of the site. Also, the location of the site/subject off both Desert Drive and Washington Road does not present problems of egress and ingress to the site/subject.

The site offers good accessibility and linkages to area services and facilities. The areas surrounding the site appeared to be void of most negative externalities (including noxious odors, close proximity to power lines, close proximity to rail lines and junk yards). Note: The good accessibility to the site/subject is at present both a positive and a negative. The negative is owing to uncontrolled walk-in and drive-in traffic into the subject by persons considered to be undesirable and potentially harmful to the property.

The site in relation to the subject and the surrounding roads is very agreeable to signage, in particular to passing traffic along Washington Road.

Overall, the field research revealed the following strengths and weaknesses of the subject in relation to subject marketability. In the opinion of the analyst, the site of the subject is considered appropriate as a multi-family development.

<b>SITE/SUBJECT ATTRIBUTES:</b>	
<b>STRENGTHS</b>	<b>WEAKNESSES</b>
Good accessibility to services, trade, and area schools	No controlled access to the subject
Good linkages to area road system	
Nearby road speed and noise is acceptable	
Surrounding land uses are acceptable	

**SECTION D**

**MARKET AREA DESCRIPTION**

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly

**considers** the **location** and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography as well as local interviews with key respondents regarding market specific input relating to market area delineation.

**Primary Market Area**

Based upon field research in East Point, College Park, Atlanta and a 5 to 10 mile area, along with an assessment of relevant items including: the competitive environment, transportation and employment patterns, the site location and physical, natural and political barriers, the Primary Market Area (PMA) for the proposed multi-family development consists of the following Census Tracts:

- 74, 75, 77.02, 105.07, 105.11, 106.01, 106.03, 106.04,
- 107, 108, 109, 110, 111, 112.01, 112.02, 113.01, 113.03,
- and 114.

(See Primary Market Area Map)

Note: Interviews with managers and assistant managers of the Regency Park, Laurel Ridge, Brentwood Village, Pavilion Place, Colonial Square, The Woods at Glenrose, Heritage Green and Hidden Cove LIHTC and combination LIHTC/Market Rate apartment developments confirmed that significant market support for the proposed development would include primarily the East Point and College Park areas of Fulton County, as well as the southern and southwestern portions of the City of Atlanta and with an extensive secondary market extending out to the southeastern portion of Atlanta within the I-285 perimeter and that area north of East Point to the I-20 barrier.

The PMA is bounded as follows:

North	Lakewood Parkway
East	I-75 and Hartsfield Airport
South	a 2-mile extension beyond I-285 & Hartsfield Airport
West	a 2 to 3-mile extension beyond I-285

East Point is the largest populated place within the PMA, representing approximately 51.5% of the total population within the PMA. For the most part, East Point functions as a large bedroom community to the City of Atlanta, the surrounding major employment nodes, as well as to the Hartsfield-Jackson Atlanta International Airport.

Transportation access to the PMA and within the PMA is excellent. I-285, I-75 and I-85 are the major north/south connectors and I-285, the Camp Creek Parkway and the Lakewood Parkway (SR 154/166) are the major east/west connectors. Access to I-285 is about .3 miles west of the subject and access to I-85 is about 2.5 miles to the east.

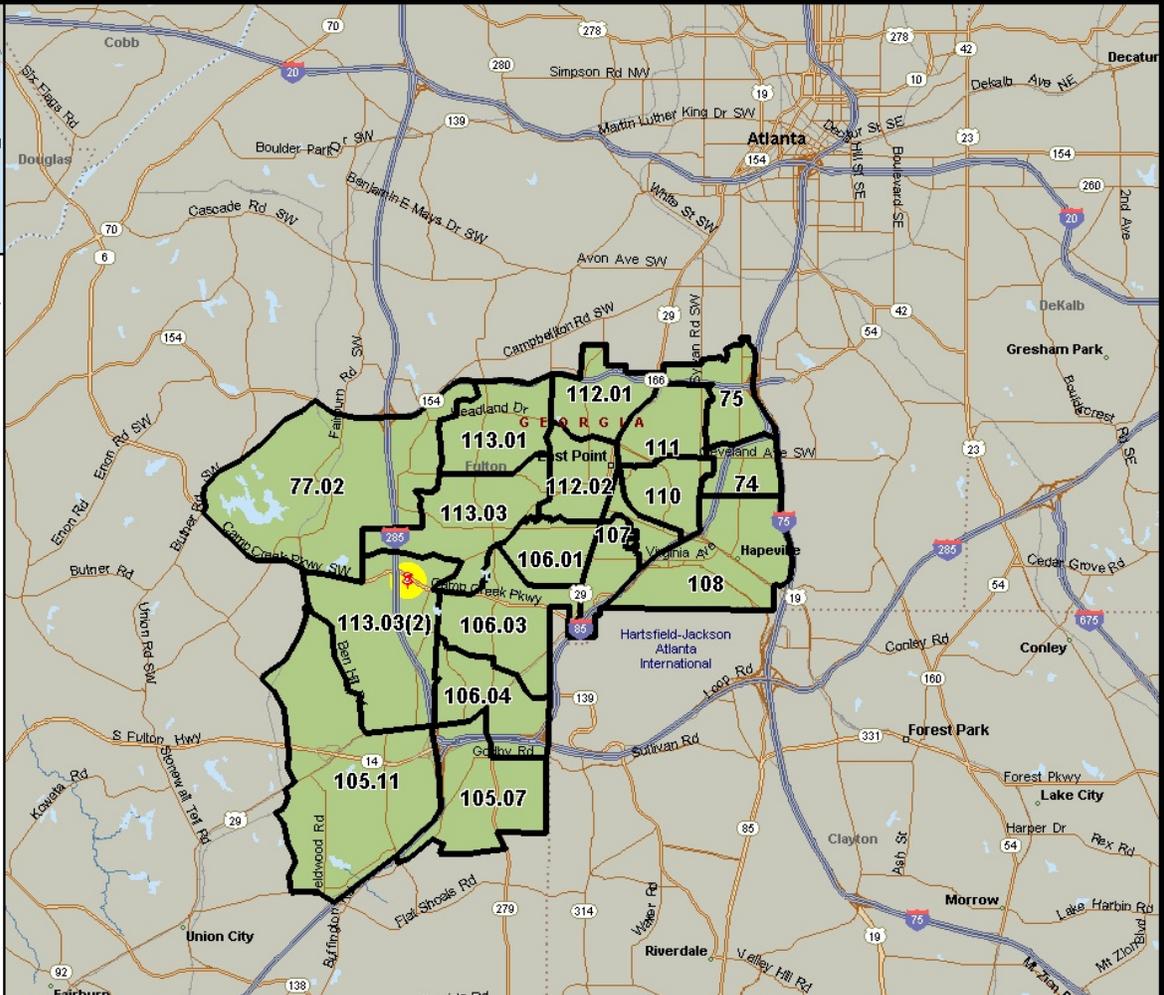
### **Secondary Market Area**

The Secondary Market Area (SMA) consists of that area beyond the Primary Market Area. Demand for the development from the SMA is considered to be good to very good. Typically, 5% to 25% of program assisted apartment complexes are occupied by tenants from outside the PMA. It is estimated that the subject will attract 15% to 25% of its tenant base from outside the PMA. Note: The demand methodology in this market study utilized a predetermined GA-DCA market study guideline factor of 15%.



- Pushpins
- Subject

- Primary Market Area
- 105.07
- 105.11
- 106.01
- 106.03
- 106.04
- 107
- 108
- 109
- 110
- 111
- 112.01
- 112.02
- 113.01
- 113.03
- 113.03(2)
- 74
- 75
- 77.02



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## SECTION E

### COMMUNITY DEMOGRAPHIC DATA

Tables 1 through 7 exhibit indicators of trends in total population and household growth, for the East Point PMA.

#### **Population Trends**

Table 1, exhibits the change in **total** population in the East Point PMA and Fulton County between 1990 and 2011. The year 2009 is estimated to be the first year of availability for occupancy of the subject property. The year 2006 has been established as the base year for the purpose of estimating new household growth demand, as measured by age and tenure in accordance with the 2007 GA-DCA Market Study Guidelines.

The PMA exhibited significant total population losses during the 1990's, at almost 2% per year. Population losses over the next several years are forecasted for the PMA at a comparable rate of decline, represented by a rate of decline ranging between 1.95% to 2.05% per year. Note: The majority of the decline has been concentrated in the northern and eastern sections of the PMA. These areas have suffered from out-migration, areas of high crime, areas of limited employment opportunities and areas in which there has been a limited introduction of new residential supply (versus loss of existing supply). It is estimated that approximately 51.5% of the PMA population is located within the City of East Point.

Fulton County exhibited significant total population gains during the 1990's, at over 2.5% per year. The majority of the gain has occurred in the northern portion of the county. Population gains over the next several years are forecasted for the County at a very, very reduced rate of gain.

#### **Population Projection Methodology:**

The forecast total population was interpolated (between 2006 and 2011) for a 2009 estimate.

The Claritas data was used in the forecast of total population, within the PMA and county. In addition, the Georgia Office of Planning & Budget 2015 forecast and the ESRI projections were used as a cross check to the Claritas forecasts, but not in lieu of.

Sources: (1) 1990 and 2000 US Census, and 2001 - 2006 US Census estimates.

(2) Georgia 2010-2015 Residential Population Project of Georgia Counties, Source: Georgia Governor's Office of Planning and Budget (as of December, 2004).

(3) ESRI 2005/2006 and 2010/2011 Projections, 17<sup>th</sup> & 18<sup>th</sup> Editions.

(4) Claritas 2006 and 2011 HISTA Projections, Ribbon Demographics.

Table 1					
Total Population Trends and Projections: Atlanta, East Point, East Point PMA and Fulton County					
<b>Atlanta</b>					
Year	Population	Total Change	Percent	Annual Change	Percent
1990	394,017	-----	-----	-----	-----
2000	416,474	+22,457	+ 5.70	+ 2,246	+ 0.57
2006	486,411	+69,937	+ 16.79	+11,656	+ 2.80
<b>East Point</b>					
1990	34,402	-----	-----	-----	-----
2000	39,595	+5,193	+ 15.10	+ 519	+ 1.51
2006	42,204	+2,609	+ 6.59	+ 435	+ 1.10
<b>East Point PMA</b>					
1990	114,628	-----	-----	-----	-----
2000	93,746	-20,882	- 18.22	-2,088	- 1.82
2006	82,169	-11,577	- 12.35	-1,930	- 2.06
2009*	77,391	- 4,778	- 5.81	-1,593	- 1.94
2011	74,206	- 3,185	- 4.12	-1,593	- 2.06
<b>Fulton County</b>					
1990	648,951	-----	-----	-----	-----
2000	816,006	+167,055	+ 25.74	+16,706	+ 2.57
2006	813,532	- 2,474	- 0.30	- 412	- 0.05
2009*	813,875	+ 343	+ 0.04	+ 114	+ 0.01
2011	814,103	+ 228	+ 0.03	+ 114	+ 0.01

\* 2009 - Estimated year that project is placed in service.

Calculations - Koontz and Salinger. November, 2007.

Table 2 exhibits the change in population by age group in the East Point PMA between 2000 and 2011.

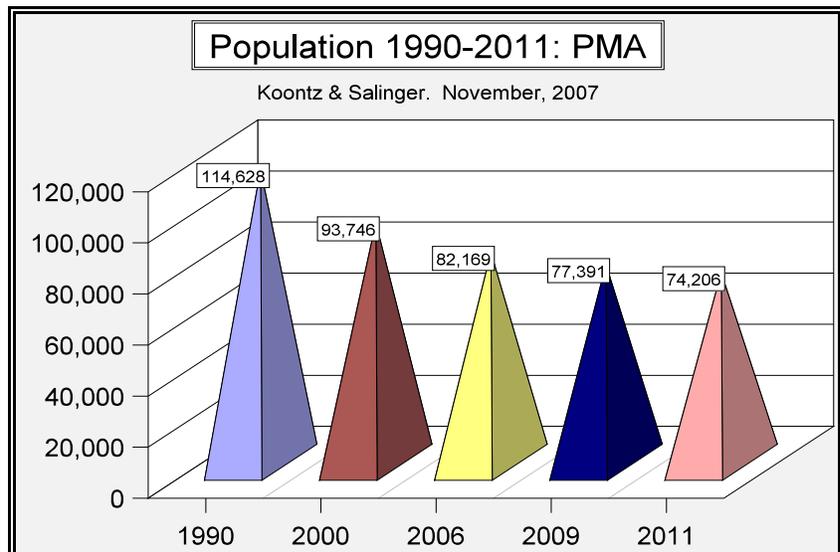
Table 2 Population by Age Groups: East Point PMA, 2000 - 2011						
	2000 Number	2000 Percent	2011 Number	2011 Percent	Change Number	Change Percent
<b>Age Group</b>						
0 - 4	7,656	8.17	5,652	7.62	-2,004	-26.18
5 - 17	19,415	20.71	14,006	18.87	-5,409	-27.86
18 - 24	11,373	12.13	7,807	10.52	-3,566	-31.35
25 - 44	29,780	31.77	20,972	28.26	-8,808	-29.58
45 - 54	11,908	12.70	10,190	13.73	-1,718	-14.43
55 - 64	6,223	6.64	8,224	11.08	+2,001	+32.15
65 +	7,391	7.88	7,355	9.91	- 36	- 0.49

Sources: 2000 Census of Population, Georgia.  
Claritas 2011 HISTA Projections, Ribbon Demographics.  
Koontz and Salinger. November, 2007.

Table 2 revealed that population is forecasted to decrease in all of the displayed age groups in the PMA between 2000 and 2011, with the exception of the 55 to 64 age group. The decrease is forecasted to be significant in the primary renter age group: of 18 to 44, at almost 30%. Overall, a significant portion of the total PMA population is in the target property primary renter group of 18 to 44, representing around 39% of the total population.

Between 2000 and 2011 total population is projected to decrease in the PMA at a significant rate of decline at approximately 2% per year. The majority of the decrease has been in the eastern and northern portions of the PMA, owing primarily to losses in housing stock.

The figure to the right presents a graphic display of the numeric change in population in the PMA between 1990 and 2011.



## HOUSEHOLD TRENDS & CHARACTERISTICS

Tables 3 exhibits the change in total households in the Columbus PMA between 2000 and 2011. The significant decrease in household formations in the PMA has continued over a 10 year period and is reflective of the continuing decline in population.

The increase in the rate of persons per household has continued over the last 10 years and is projected to continue at a much reduced rate of increase between 2000 and 2011 in the PMA. The rate of change is based upon: (1) the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and the dynamics of roommate scenarios.

The forecast for group quarters is based on trends in the last two censuses. In addition, it includes information collected from local sources as to conditions and changes in group quarters' supply since the 2000 census.

<b>Table 3</b>					
<b>Household Formations: 1990 to 2011</b>					
<b>East Point PMA</b>					
<b>Year / Place</b>	Total Population	Population In Group Quarters	Population In Households	Persons Per Household <sup>1</sup>	Total Households <sup>2</sup>
1990	114,628	1,080	113,548	2.5834	43,953
2000	93,746	1,183	92,563	2.6539	34,878
2006	82,169	1,050	81,119	2.6919	30,135
2009	77,391	1,015	76,376	2.7129	28,153
2011	74,206	1,000	73,206	2.7283	26,832

Sources: Claritas, 2006 and 2011 Projections.

\_\_\_\_\_ 1990 and 2000 Census of Population, Georgia.\_

Calculations: Data was interpolated between 2006 and 2011 and estimated for 2009. Koontz & Salinger. November, 2007.

<sup>1</sup>Continuation of the 1990 to 2000 persons per household rate of change.

<sup>2</sup>Population in Households divided by persons per unit count.

**Table 4**

**Households by Tenure, by Person Per Household  
East Point PMA, 2000 - 2011**

Households	Owner				Renter			
	2000	2011	Change	% 2011	2000	2011	Change	% 2011
1 Person	3,573	3,039	- 534	26.25%	6,683	5,434	-1,249	35.62%
2 Person	4,492	3,656	- 836	31.59%	4,968	3,239	-1,729	21.23%
3 Person	2,390	2,004	- 386	17.31%	3,796	2,613	-1,183	17.13%
4 Person	1,847	1,532	- 315	13.24%	2,643	1,813	- 812	12.00%
5+Person	1,659	1,344	- 315	11.61%	2,827	2,140	- 687	14.03%
Total	13,961	11,575	-2,386	100%	20,917	15,257	-5,660	100%

Sources: 2000 Census of Population, Georgia.  
Claritas 2011 HISTA Projections, Ribbon Demographics.  
Koontz and Salinger. November, 2007.

Table 4 indicates that in 2009 approximately 95% of the renter-occupied households in the East Point PMA contain 1 to 5 persons (the target group by household size).

The majority of these households are:

- couples, roommates,
- single head of households with children, and
- families with children.

Noticeable decreases in renter households by size were exhibited by 1, 2 and 3 persons per household. Note: Moderate decreases were exhibited in all of the other renter household sizes. One person households are typically attracted to both 1 and 2 bedroom rental units and 2 and 3 person households are typically attracted to 2 bedroom units, and to a lesser degree three bedroom units. It is estimated that between 25% and 30% of the renter households in the PMA fit the bedroom profile for a 3BR unit. Given the proposed income targeting, rent positioning of the subject and 2000 and 2011 trends, the appropriate estimate is considered to be 30% versus 25%.

Table 5 exhibits households in the East Point PMA by owner-occupied and renter-occupied tenure. The 2000 to 2011 projected trend supports a change in the tenure ratio slightly favoring owner-occupied households on a percentage basis.

Overall, a moderate to significant net numerical loss is forecasted for both owner-occupied tenure and a very significant decline is forecasted in renter-occupied households in the PMA.

<p style="text-align: center;"><b>Table 5</b></p> <p style="text-align: center;"><b>Households by Tenure: 2000-2011</b></p> <p style="text-align: center;"><b>East Point PMA</b></p>					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
<b>PMA</b>					
2000	34,878	13,961	40.03	20,917	59.97
2006	30,135	12,602	41.82	17,533	58.18
2009	28,153	11,986	42.57	16,167	57.43
2011	26,832	11,575	43.14	15,257	56.86

Sources: 2000 Census of Population, Georgia.  
 Claritas 2011 HISTA Projections, Ribbon Demographics.  
 Koontz and Salinger. November, 2007.

Table 6 exhibits building permit data between 2000 and 2007. The permit data is for Atlanta.

Between 2000 and September, 2007, 62,767 permits were issued in Atlanta, of which, 53,677 or approximately 86% were multi-family units, both owner-occupied and renter-occupied.

<p style="text-align: center;"><b>Table 6</b></p> <p style="text-align: center;"><b>New Housing Units Permitted:</b></p> <p style="text-align: center;"><b>City of Atlanta</b></p> <p style="text-align: center;"><b>2000-2007<sup>1</sup></b></p>					
Year	Net Total <sup>2</sup>	1 Unit	2 Units	3-4 Units	5+ Units
2000	5,819	803	54	18	4,944
2001	6,794	781	64	4	5,945
2002	6,649	759	116	19	5,755
2003	6,893	980	136	37	5,740
2004	9,726	1,356	198	40	8,132
2005	7,974	1,564	74	25	6,311
2006	10,779	1,842	86	24	8,827
2007	8,133	1,005	48	40	7,040
<b>Total</b>	<b>62,767</b>	<b>9,090</b>	<b>776</b>	<b>207</b>	<b>52,694</b>

<sup>1</sup>Sources: New Privately Owned Housing Units Authorized In Permit Issuing Places, 2000 - 2007, U.S. Department of Commerce, C-40 Construction Reports. U.S. Census Bureau.

<sup>2</sup>Net total equals new SF and MF dwellings units.

## **HOUSEHOLD INCOME TRENDS & CHARACTERISTICS**

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents and/or the availability of deep subsidy rental assistance (RA) for USDA-RD developments.

The estimate of the upper income limit is based on the most recent set of HUD Median Income Guidelines for five person households (the maximum household size for a 3BR unit, for the purpose of establishing income limits) in the Atlanta Metropolitan Area (which includes Fulton County, Georgia) at 60% of the area median income (AMI).

Tables 7A and 7B exhibit renter households, by income group, in the East Point PMA in 2000 and 2006, forecasted to 2011.

The projection methodology is based on Claritas forecasts for households, by tenure, by age and by income group for the year 2006 and 2011, with a base year data set of 2000 (US Census). A 2009 estimate was interpolated based on the trend between the 2006 and 2011 data sets and utilized within the quantitative demand methodology.

Note: The data set used in Table 7A and 7B is from Claritas and Ribbon Demographics.

Tables 7A and 7B exhibit renter-occupied households, by income in the East Point PMA in 2000, estimated to 2006, and projected to 2011.

<b>Table 7A</b>				
<b>East Point PMA: Renter-Occupied Households, by Income Groups</b>				
Households by Income	2000 Number	2000 Percent	2006 Number	2006 Percent
Under \$10,000	3,994	19.09	3,047	17.38
10,000 - 20,000	4,100	19.60	3,014	17.19
20,000 - 30,000	4,568	21.84	3,524	20.10
30,000 - 40,000	3,054	14.60	2,617	14.93
40,000 - 50,000	1,936	9.26	1,730	9.87
50,000 - 60,000	1,177	5.63	1,229	7.01
60,000 +	2,088	9.98	2,372	13.53
<b>Total</b>	<b>20,917</b>	<b>100%</b>	<b>17,533</b>	<b>100%</b>

<b>Table 7B</b>				
<b>East Point PMA: Renter-Occupied Households, by Income Groups</b>				
Households by Income	2006 Number	2006 Percent	2011 Number	2011 Percent
Under \$10,000	3,047	17.38	2,462	16.14
10,000 - 20,000	3,014	17.19	2,421	15.87
20,000 - 30,000	3,524	20.10	2,701	17.70
30,000 - 40,000	2,617	14.93	2,264	14.84
40,000 - 50,000	1,730	9.87	1,668	10.93
50,000 - 60,000	1,229	7.01	1,109	7.27
60,000 +	2,372	13.53	2,632	17.25
<b>Total</b>	<b>17,533</b>	<b>100%</b>	<b>15,257</b>	<b>100%</b>

Sources: 2000 Census of Population, Georgia.  
 Claritas, HISTA Data, Ribbon Demographics.  
 Koontz and Salinger. November, 2007.

## **Income Threshold Parameters**

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60 percent or below of area median income.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies and one bedrooms, 1 person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom. (Note that estimated rents must be net of utility allowances.)
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2007 HUD Income Guidelines were used.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

**Analyst Note:** The subject will comprise 607 studio, one, two and three bedroom units. The recommended maximum number of people per unit is:

0BR - 1 person  
1BR - 1 and 2 persons  
2BR - 2, 3 and 4 persons  
3BR - 3, 4, 5 and 6 persons

**Analyst Note:** As long as the unit in demand is income qualified there is no minimum number of people per unit.

The proposed development will target 100% of the units at 60% or below of area median income (AMI).

The lower portion of the target income range is set by the proposed subject 0BR, 1BR, 2BR and 3BR rents at 60% AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property's intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income to rent. GA-DCA has set the estimate for non elderly applications at 35%.

The proposed 0BR net rent at 60% AMI is \$535. The estimated utility costs is \$61. The proposed 0BR gross rent at 60% AMI is \$596.

The proposed 1BR net rents at 60% AMI range between \$655 and \$690. The estimated utility costs is \$88. The proposed 1BR gross rent at 60% AMI range between \$743 and \$778.

The proposed 2BR net rent at 60% AMI range between \$765 and \$785. The estimated utility costs is \$113. The proposed 2BR gross rent at 60% AMI range between \$878 and \$898.

The proposed 3BR net rent at 60% AMI range between \$865 and \$890. The estimated utility costs is \$136. The proposed 3BR gross rent at 60% AMI range between \$1001 and 1026.

Based on the proposed gross rents the lower income limits at 60% AMI were established at \$20,435 and \$34,320. The overall threshold lower income limit at 60% AMI is \$20,435, owing to the large number of proposed studio units.

The AMI at 60% for 1 to 5 person households in the Atlanta MSA (which includes Fulton County) follows:

	<b><u>60%</u></b> <b><u>AMI</u></b>
1 Person -	<b>\$29,880</b>
2 Person -	<b>\$34,200</b>
3 Person -	<b>\$38,460</b>
4 Person -	<b>\$42,720</b>
5 Person -	<b>\$46,140</b>

Source: 2007 HUD Median Income Guidelines.

The overall income range for the targeting of income eligible households at 60% AMI is \$20,435 to \$46,140.

## **SUMMARY**

### **Target Income Range - Subject Property - by Income Targeting Scenario**

The overall **Target Income Range** for the proposed subject property targeting households at 60% AMI is \$20,435 to \$46,140.

It is projected that in 2009 approximately **39%** of the renter households in the PMA were in the subject property 60% AMI LIHTC target income group.

## ECONOMIC & EMPLOYMENT TRENDS

The economic trends reflect the ability of the area to create and sustain growth, and job formation is typically the primary motivation for positive net in-migration.

Tables 8 through 13 exhibit labor force trends by employment, changes in employment sectors and changes in average annual weekly wages for Fulton County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

<b>Table 8</b>			
<b>Civilian Labor Force and Employment Trends, Fulton County: 2000, 2006 and 2007</b>			
	2000	2006	2007*
Civilian Labor Force	431,874	472,795	483,889
Employment	417,210	449,640	461,255
Unemployment	14,664	23,155	22,634
Rate of Unemployment	3.4%	4.9%	4.7%

\* based on 1<sup>st</sup> 10-months of the year

<b>Table 9</b>				
<b>Change in Employment, Fulton County</b>				
Years	# Total	# Annual*	% Total	% Annual*
2000 - 2006	+32,430	+4,633	+ 7.77	+ 1.11
2006 - 2007	+11,615	Na	+ 2.58	Na

\* Rounded

Na - Not applicable

Sources: Georgia Labor Force Estimates, 2000 - 2007. Georgia Department of Labor, Workforce Information Analysis.

Koontz and Salinger. November, 2007.

## Employment Trends

**Table 10**  
**Employment Change and Rates of Unemployment, Fulton County**

Year	Number Employed	Change Over Previous Year	Unemployment Rate
2000	417,210	-----	3.4
2001	423,702	+ 6,492	4.1
2002	420,232	- 3,470	5.4
2003	421,248	+ 1,016	5.3
2004	427,383	+ 6,135	5.1
2005	434,881	+ 7,498	5.6
2006	449,640	+ 14,759	4.9
2007 (01)	457,953	-----	4.9
2007 (02)	458,688	+ 735	4.5
2007 (03)	462,065	+ 3,377	4.2
2007 (04)	458,396	- 3,669	4.3
2007 (05)	459,651	+ 1,255	4.4
2007 (06)	460,762	+ 1,111	5.0
2007 (07)	463,070	+ 2,308	5.1
2007 (08)	461,977	- 1,093	4.8
2007 (09)	463,497	+ 1,520	4.8
2007 (10)	466,487	+ 2,990	4.8

<b>Table 11</b> <b>Average Monthly Covered Employment by Sector,</b> <b>Fulton County, 2005 and 2006</b>							
Year	Total	Con	Mfg	T	FIRE	HCSS	G
2005	740718	22,717	33,835	100,828	70,061	57,248	100947
2006	774510	24,324	36,345	108,160	74,988	60,498	101104
05-06 # Ch.	33792	+1607	+2,510	+7,332	+4,927	+3,250	+ 157
05-06 % Ch.	+4.6	+ 7.1	+ 7.4	+ 7.3	+ 7.0	+ 5.7	+ 0.2

% Ch. 2005 to 2006 = % Increase/Decrease

Note: Con - Construction; Mfg - Manufacturing; T - Retail and Wholesale Trade; FIRE - Finance, Insurance and Real Estate; HCSS - Health Care and Social Services; G - Federal, State & Local Government

Sources: Georgia Labor Force Estimates, 2000 - 2007. Georgia Department of Labor, Workforce Information Analysis.

Koontz and Salinger. November, 2007.

Table 12, exhibits average annual weekly wages in 2005 and 2006 in the major employment sectors in Fulton County. The rate of change in wages has for the most part matched or exceeded the recent rate of inflation, as measured by the consumer price index (CPI) for about one-third of the employment sectors and has decreased or stabilized for about half. It is estimated that the majority of workers in the service and trade sectors in 2008 will have average weekly wages between \$425 and \$950.

<b>Table 12</b>				
<b>Average Annual Weekly Wages, 2005 and 2006</b>				
<b>Fulton County</b>				
Employment Sector	2005	2006	% Numerical Change	Annual Rate of Change
Total	\$1050	\$1074	+ 24	+ 2.3
Construction	\$1022	\$1077	+ 55	+ 5.4
Manufacturing	\$1208	\$1266	+ 58	+ 4.8
Wholesale Trade	\$1390	\$1461	+ 71	+ 5.1
Retail Trade	\$ 540	\$ 551	+ 11	+ 2.0
Transportation & Warehouse	\$ 910	\$ 891	- 19	- 2.1
Finance	\$1712	\$1823	+ 111	+ 6.5
Real Estate Leasing	\$1068	\$1150	+ 82	+ 7.7
Health Care Services	\$ 930	\$ 942	+ 12	+ 1.3
Leisure & Hospitality	\$ 401	\$ 417	+ 16	+ 4.0
Federal Government	\$1271	\$1289	+ 18	+ 1.4
State Government	\$ 839	\$ 869	+ 30	+ 3.6
Local Government	\$ 789	\$ 803	+ 14	+ 1.8

Sources: Georgia Department of Labor, Workforce Information Analysis, Covered Employment, Wages and Contributions, 2005 and 2006.

Koontz and Salinger. November, 2007.

## Major Employers

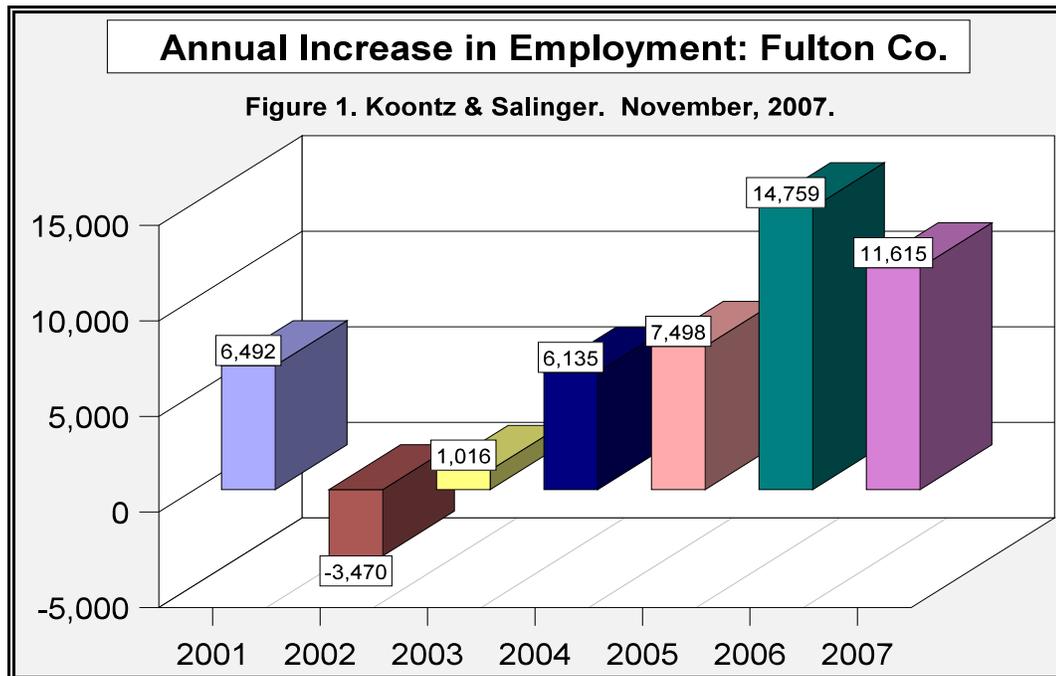
The major employers in Metro Atlanta are listed in Table 13.

<b>Table 13</b>		
<b>Major Employers</b>		
<b>Firm</b>	<b>Product/Service</b>	<b>Employees</b>
Gwinnett County	School System	27,197
Emory University	Education	21,797
Delta	Transportation	19,235
Publix	Grocery	16,855
Kroger	Grocery	15,500
Bellsouth	Telecommunications	15,500
Walmart	Retail Trade	14,700
DeKalb County	School System	14,500
US Postal Service	Mail System	14,000
Home Depot	Retail Trade	13,184
Cobb County	School System	13,000
Fulton County	School System	10,892
UPS	Express Document Service	10,500
Wellstar	Healthcare	10,112
Atlanta City	Government	7,934
SunTrust Banks	Finance	7,768
Lockheed Martin	Defense Contractor	7,531
IBM	Computer Services	7,500
Northside Hospital	Healthcare	7,100
Georgia Tech	University	7,075
Clayton County	School System	6,826
Atlanta Public	School System	6,702
US Center for Disease Control	Disease Prevention	6,500
Wachovia	Finance	6,000
Turner Broadcasting	News & Entertainment	5,959
Cox Enterprises	Publishing	5,606
The Southern Company	Energy Company	5,490

Sources: Metro Atlanta Chamber of Commerce, Research Department.

## SUMMARY

The economic situation for Fulton County is statistically represented by employment activity, both in workers and jobs. As represented in Tables 8-13, Fulton County has experienced mostly significant employment gains from the mid part of the new decade onward. Employment losses were experienced between 2001 and 2002, primarily in the manufacturing sector of the local economy. Over the last two years, significant net gains in employment levels have been the norm in Fulton County.



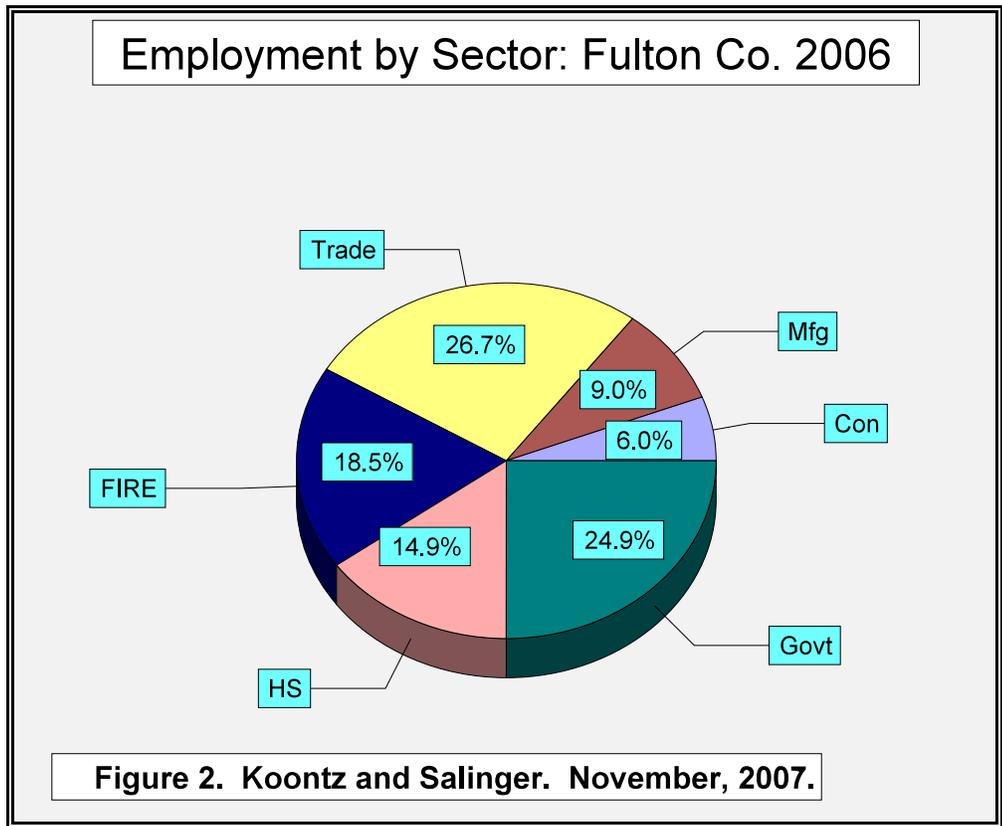
As represented in Figure 1 (and Table 9), between 2000 and 2006, the average increase in employment was approximately 4,635 workers or around +1.1% per year. The rate of employment gain between 2006 and 2007, was very significant at over 2.5%, representing a net increase of over 11,600 workers.

The Atlanta/Fulton County economy is extremely well diversified with an excellent mixture of service, trade, government and manufacturing employment opportunities. In addition to that, the immediate area relative to the subject is home to one of the largest airports in the world, physically, and the largest in the world in terms of air travel business, Hartsfield-Jackson Atlanta International Airport.

Hartsfield-Jackson Atlanta International Airport is responsible for approximately 56,000 airline, ground transportation, concessionaire, security, and local and federal government jobs. The total airport payroll is around \$2.4 billion, resulting in a direct and indirect economic impact of around \$5.6 billion on the local and regional economy.

Other major employers located within 3-miles of the subject include: (1) the Camp Creek Marketplace shopping center, (2) the Greenbriar Regional Mall, (3) several area industrial parks, and (4) the Georgia International Convention Center.

Figure 2 exhibits employment by sector in Fulton County in 2006. The top employment sectors in the County are: manufacturing, trade, government and service. The forecast for 2007 is for the manufacturing sector to either stabilize or decrease slightly. The forecast for the service, trade and government sectors is for an increase in employment.



**Local Economy - Relative to Subject & Impact on Housing Demand**

The Atlanta / Fulton County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the excellent location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work. In particular, a reasonable commute to the airport as well as to the Downtown Central Business District of Atlanta (11-miles north).

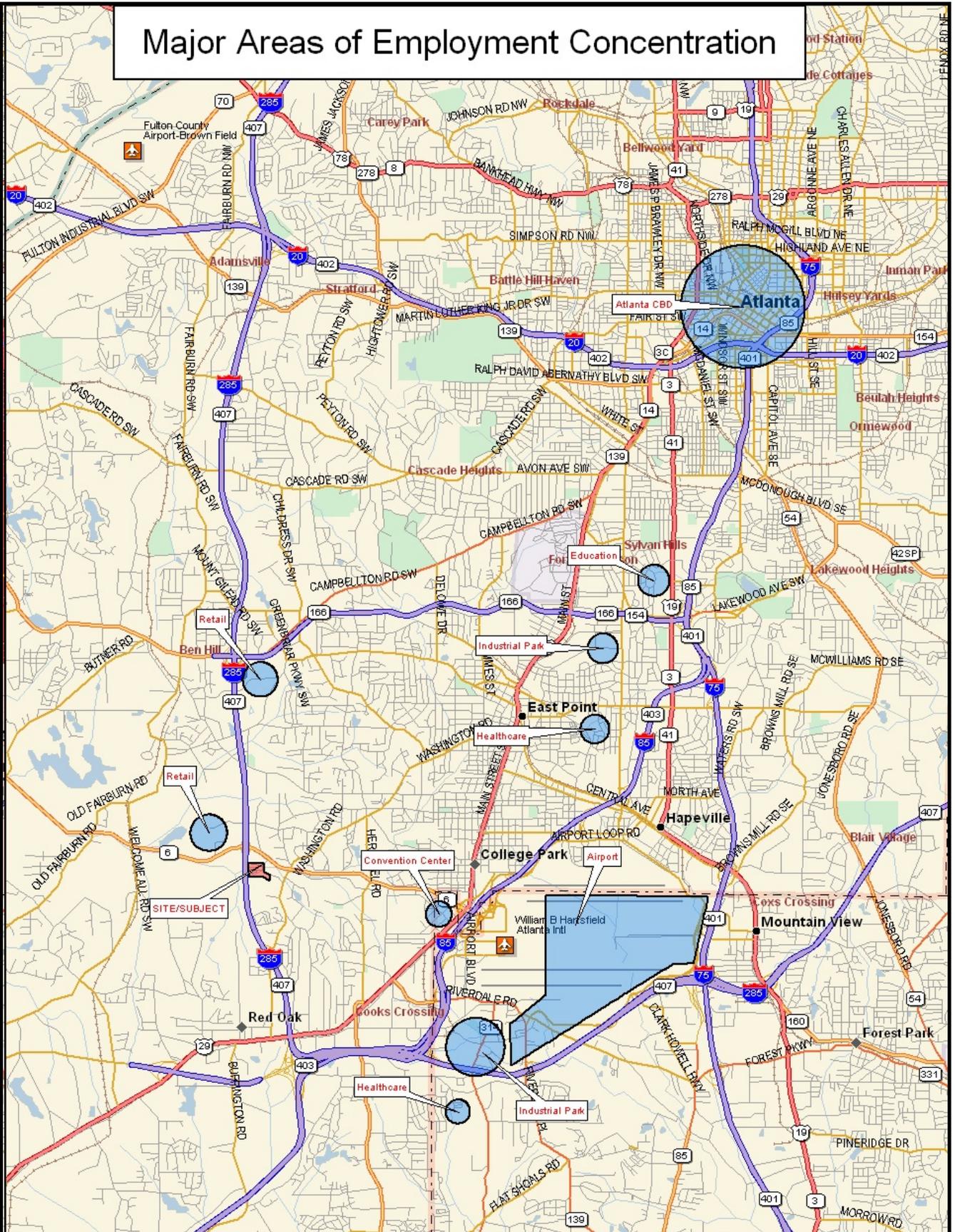
In summary, the forecast of economic growth into 2007 is considered to be extremely positive. Employment growth for 2008 is

expected to be more moderate as the area economy works out the negative impacts of: (1) Fort McPherson and Fort Gillem closing, (2) the Ford Motor plant closing (in 2007), (3) the upcoming closing of the GM plant (in 2008) and (4) the slow down in residential development owing to the present mortgage crisis.

However, there are enough positive signs at present signaling that the local economy will continue to grow at an overall positive rate into 2008. This in turn will assist in the strengthening of the overall demand for rentals by younger households and to give support for local landlords to increase rents on an annual basis as overall supply versus demand tightens. The increase in demand support will be strengthened as fewer home buying households will qualify for entry level homes and unfortunately there will be an increase in new tenants owing to an increase in local area foreclosures. An increase in net rents will be (or should be) commensurate to the increase in the CPI more so to changes in area wage rates.

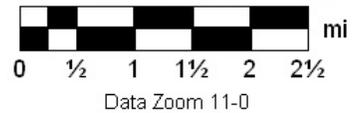
A map of the major employment concentrations in the PMA is exhibited on the next page.

# Major Areas of Employment Concentration



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**SECTION F**

**PROJECT-SPECIFIC  
DEMAND ANALYSIS**

This analysis examines the area market demand in terms of a specified GA-DCA demand methodology. This incorporates several sources of income eligible demand, including demand from new renter household growth and demand from

existing renter households already residing within the PMA. In addition, given the amount of substandard and overcrowded housing conditions that still exists in the PMA market, the potential demand from substandard housing will be examined.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimated projected year that the subject will be placed in service of 2009.

In this section, the effective project size is 607-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 7A and 7B from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered within the context of the current market conditions. This analysis assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like-kind competitive supply. In this case discriminated by age and income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted family apartment projects in the market area.

## Effective Demand Pool

In this methodology, there are three basic sources of demand for an apartment project to acquire potential tenants:

- \* net household formation (normal growth),
- \* existing renters who are living in substandard housing, and
- \* existing renters who choose to move to another unit, typically based on affordability (rent overburdened), project location and features.

As required by the most recent set of GA-DCA Market Study Guidelines, several adjustments are made to the basic model. The methodology adjustments are:

- (1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the 2007 to 2009 forecast period,
- (2) taking into consideration like-kind competition introduced into the market between 2000 and 2007, and
- (3) for secondary market area demand (a 15% adjustment factor).

Note: The secondary market area adjustment factor is pre determined and specified in the most current GA-DCA Market Study Guideline instructions.

## Growth

For the PMA, forecast housing demand through household formation totals a minus 1,982 households over the 2006 to 2009 forecast period. By definition, were this to be growth it would equal demand for new housing units. This demand would further be qualified by tenure and income range to determine how many would belong to the subject target income group. During the 2006 to 2009, forecast period it is calculated that minus 1,366 or approximately 69% of the decline in new household formations would be renters.

Based on 2009 income forecasts, minus 533 new renter households fall into the 60% AMI target income segment of the proposed subject property.

## **Demand from Existing Renters that are In Substandard Housing**

The most current and reliable data from the US Census regarding substandard housing is the 2000 census. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. In 2000, 188 households were living in renter-occupied dwelling units without complete plumbing facilities in the PMA and 1,475 households were living in renter-occupied dwellings in over crowded conditions. The total number of existing renters that were in substandard housing based on the 2000 Census was 1,663.

Based on a field analysis of the East Point PMA and immediate surrounding areas, along with an examination of the trends in substandard data between the 1990 and 2000 censuses, it is estimated that in 2009 there are 1,000 renter households in substandard housing conditions in the PMA.

Based on 2009 income forecasts, 390 substandard renter households fall into the target income segment of the proposed subject property at 60% AMI.

## **Demand from Existing Renters that are Rent Overburdened**

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent\*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. Forecasting this percentage estimate forwarded into 2009 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households (in 2009) have remained the same since 2000. That is approximately 45% of the renters with incomes in the 60% AMI target income segments are rent overburdened.

\*Note: HUD and the US Census define a rent over burdened household at 30% of income to rent.

In the PMA it is estimated that 2,662 existing renter households are rent overburdened and fall into the 60% AMI target income segment of the proposed subject property.

### **Total Effective Tenant Pool - PMA**

The potential demand from these sources (in the PMA) total 2,519 households/units at 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

### **Secondary Market Area Adjustment (15% factor)**

The following is in the 2007 GA-DCA Market Study Guidelines: "To accommodate for the secondary market area, the Demand from Existing Qualified Households within the primary market area will be multiplied by 115% to account for demand from the secondary market area." The 15% adjustment factor is applied to all of the **combined** demand estimates (regardless of tenure) as detailed in the overall demand methodology.

The secondary market area adjustment factor increased demand by 378 households at 60% AMI.

### **Total Effective Tenant Pool - PMA & SMA**

The potential demand from the demand methodology sources from both the PMA and SMA total 2,897 households/units at 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from both the PMA and SMA.

These estimates of demand were adjusted for the introduction of new like-kind supply into the PMA between the 2004 to 2009 forecast period. Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

The final segmentation process of the demand methodology was to subject out like-kind competition/supply in the PMA built as a LIHTC property or acquired and rehabed as a LIHTC property since 2004. In the case of the subject, like-kind supply includes other LIHTC and/or LIHTC/Home family developments, USDA-RD Section 515 family developments and HUD 221 (d4) family developments. Note: Since 2004, three like-kind competitive family apartment developments have been introduced into the PMA. In 2004, Pavilion Place with 240-units was introduced within the PMA as a LIHTC property. In 2005, Village Highlands with 258-units was introduced within the PMA as a LIHTC property. In 2006, Laurel Ridge with 276-units was introduced within the PMA as a LIHTC property. Taking these complex into consideration reduced the target demand pool to 2,123.

## Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct competitive supply under construction and/or in the pipeline for development must be taken into consideration. According to local sources and documentation, no other program assisted multi-family apartment development supply targeting the non elderly population is under construction or in the permitted pipeline for development within the PMA. Source: Interviews with existing area LIHTC apartment managers and a review of approved applications presented to GA-DCA between 2005 and 2007 within the Atlanta, East Point and College Park markets.

Note: At present, there is an elderly LIHTC property under construction at the intersection of Stanton Road and Campbellton Road. In addition, Robins Crest, a conventional apartment property located about .7 miles south of the subject is developing a second phase. Neither of these properties is considered to be competitive with the subject development.

The segmented, effective demand pool for the proposed LIHTC acquisition/rehab development is summarized in Table 14.

**Table 14**

**Quantitative Demand Estimate: East Point PMA**

	AMI
● <u>Demand from New Growth - Renter Households</u>	<u>60%</u>
Total Projected Number of Households (2009)	16,167
Less: Current Number of Households (2006)	<u>17,533</u>
Change in Total Renter Households	-1,366
% of Renter Households in Target Income Range	<u>39%</u>
Total Demand from New Growth	- 533
● <u>Demand from Substandard Housing with Renter Households</u>	
Number of Households in Substandard Housing (2000)	1,663
Number of Households in Substandard Housing (2009)	1,000
% of Substandard Households in Target Income Range	<u>39%</u>
Number of Income Qualified Renter Households	<b>390</b>
● <u>Demand from Existing Renter Households</u>	
Number of Renter Households (2009)	16,167
Minus substandard housing segment	1,000
Net Number of Existing Renter Households	15,167
% of Households in Target Income Range	<u>39%</u>
Number of Income Qualified Renter Households	5,915
Proportion Income Qualified (that are Rent Overburden)	<u>45%</u>
<b>Total</b>	<b>2,662</b>
● <u>Net Total Demand from the PMA</u>	<b>2,519</b>
● <u>Secondary Market Area Adjustment</u>	
Net Total Demand	2,519
Adjustment Factor of 15%	<u>15%</u>
Demand from SMA Adjustment	<b>378</b>
● <u>Gross Total Demand (PMA &amp; SMA)</u>	2,897
Minus New Supply of Competitive Units (2000-2007)	<u>- 774</u>
● <u>Gross Total Demand (Renter, Owner, Non Tenure &amp; SMA)</u>	<b>2,123</b>

**Capture Rate Analysis** (Two Scenarios)

Scenario 1 - Assumption is that the subject property is 100% vacant at the time of the rehab process.

	60%
● <u>Capture Rate</u>	<u>AMI</u>
Number of Units in Subject Development	607
Number of Income Qualified Households	2,123
Required Capture Rate	<b>28.6%</b>

Scenario 2 - Assumption is that the subject property is 60% vacant at the time of the rehab process. That is the property retains 40% of the existing tenants and all are tax credit eligible.

	60%
● <u>Capture Rate</u>	<u>AMI</u>
Number of Units in Subject Development unoccupied	364
Number of Income Qualified Households	2,123
Required Capture Rate	<b>17.2%</b>

● Total Demand by Bedroom Mix

The bedroom mix analysis is for Scenario 1 only.

It is estimated that approximately 10% of the target group fits the profile for a Studio unit, 25% for a 1BR unit, 40% of the target group fits the profile for a 2BR unit, and 25% of the target group is estimated to fit a 3BR unit profile. Source: Table 4 and Survey of the Competitive Environment.

**Total Demand by Bedroom Type (at 60% AMI)**

0BR	-	212
1BR	-	531
2BR	-	849
3BR	-	531
Total	-	2,123

	<u>Total Demand</u>	New <u>Supply*</u>	<u>Net Demand</u>	Units <u>Proposed</u>	Capture <u>Rate</u>
0BR	212	0	212	136	65.2%
1BR	531	0	531	205	38.6%
2BR	849	0	849	141	16.6%
3BR	531	0	531	125	23.5%

\* At present there is no supply of income restricted rental units under construction or in the approved pipeline for development targeting the non elderly population.

## **Absorption Rate Analysis**

Absorption rate analysis and stabilized occupancy rate analysis are subject to the recommendations proposed for the subject. In addition, these analyses are subject to the retention of at least 40% to 50% of the existing tenants.

Once the applicant and GA-DCA have concluded on a final unit and development amenity package for the proposed development, along with a final total project size, then a more accurate analysis of absorption can be made.

## **Overall Impact to the Rental Market**

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Given the current rental market vacancy rate within the PMA and the forecasted strength of demand for the expected entry of the subject in 2009, it is estimated that the introduction of the proposed development will probably have little to no long term negative impact on the PMA program assisted apartment market. Those existing LIHTC properties with severe vacancy issues could still have the same issues in 2009 regardless of the introduction of new supply. Any imbalance caused by initial tenant turnover is expected to be temporary, i.e., less than / up to 1 year. (Note: This expectation is contingent upon neither catastrophic natural nor economic forces effecting the Fulton County apartment market and local economy in 2009.)

**SECTION G**

**COMPETITIVE ENVIRONMENT &  
SUPPLY ANALYSIS**

This section of the report evaluates the general rental housing market conditions in the PMA, for both program assisted properties and market rate properties. Part I of the survey focused upon the existing program assisted properties within the PMA. Part II consisted of a sample survey of conventional

apartment properties in the PMA. The analysis includes individual summaries and pictures of properties as well as an overall summary rent reconciliation analysis.

The Fulton County apartment market is representative of an urban apartment market, with a very sizable mixture of small to large apartment properties as well as a very sizable mixture of conventional properties and program assisted properties. Most of the upscale newer market rate apartment properties are located within northern sections of the County, as well as the Downtown area of Atlanta. Much of the program assisted LIHTC rental stock and older market rate stock is located near the Downtown and that area south of the Downtown and I-20 towards the southern loop of the I-285 perimeter.

**Survey of the Competitive Environment - LIHTC Supply**

- \* Eleven LIHTC family properties, representing 2,267-units, were surveyed within or adjacent to the PMA, in detail.
- \* At the time of the survey, the overall estimated vacancy rate of the surveyed program assisted LIHTC family properties was approximately 9%. Almost 47% of the vacant LIHTC units were at two of the 11 properties, Brentwood Village (a very large rehabed property that actually comprises three apartment communities) and Summerdale. The overall vacancy rate of the other surveyed LIHTC properties is 7%.
- \* The bedroom mix of the surveyed LIHTC apartment properties is 25.5% 1BR, 55.5% 2BR, and 19% 3BR.
- \* The survey of the LIHTC family apartment market exhibited the following: median, average, and range of net rents, by bedroom type, in the area competitive environment:

<b>LIHTC Competitive Environment - Net Rents (60% AMI)</b>			
<b>BR/Rent</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	\$610	\$525	\$425-\$660
2BR/1b	\$620	\$550	\$475-\$680
2BR/2b	\$695	\$650	\$550-\$790
3BR/2b	\$830	\$710	\$690-\$895

Source: Koontz & Salinger. December, 2007

\* The sizes of the units vary widely. Listed below are the average, median and range of the unit sizes, by bedroom type for the surveyed LIHTC properties:

<b>LIHTC Competitive Environment - Unit Size, by Bedroom</b>			
<b>Bedroom Type</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	770	700	480-900
2BR/1b	915	890	740-1036
2BR/2b	1085	1000	850-1105
3BR/2b	1200	1060	1028-1302

Source: Koontz & Salinger. December, 2007

\* The estimated rent per square foot data for the surveyed LIHTC properties, by bedroom type is:

<b>LIHTC Competitive Environment - Rent Per SF</b>			
<b>Bedroom Type</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	\$.79	\$.75	\$.73-\$.89
2BR/1b	\$.68	\$.62	\$.64-\$.66
2BR/2b	\$.64	\$.65	\$.65-\$.71
3BR/2b	\$.69	\$.67	\$.67-\$.69

Source: Koontz & Salinger. December, 2007

### **Survey of the Competitive Environment - Market Rate Supply**

\* Thirteen market rate properties, representing 3,046 units, were surveyed within or adjacent to the PMA, in detail. Several key factors in the PMA market rate apartment market include:

\* At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties was approximately 17.5%. Approximately 65% of the vacant conventional units were at two of the 13 properties, Wynterbrook (a large property that is presently in the process of litigation and many of the vacant units are a result of this situation) and Huntingwood Point (a large property presently in the process of rehab, with forced vacant units in order to renovate). The overall vacancy rate of the other surveyed conventional properties is 8%.

\* The bedroom mix of the surveyed conventional apartment properties is 26% 1BR, 65% 2BR, and 9% 3BR. Note: The estimate for 1BR units includes a few studio units.

\* The survey of the market rate apartment market exhibited the following: median, average, and range of net rents, by bedroom type, within the area competitive environment:

<b>Conventional Rate Competitive Environment - Net Rents</b>			
<b>BR/Rent</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	\$540	\$555	\$440-\$710
2BR/1b	\$590	\$590	\$525-\$780
2BR/2b	\$675	\$665	\$539-\$800
3BR/2b	\$800	\$780	\$625-\$1200

Source: Koontz & Salinger. December, 2007

\* The sizes of the units vary widely. Listed below are the average, median and range of the unit sizes, by bedroom type for the surveyed market rate properties:

<b>Conventional Competitive Environment - Unit Size, by Bedroom</b>			
<b>Bedroom Type</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	760	750	689-840
2BR/1b	935	945	818-1100
2BR/2b	1090	1035	812-1250
3BR/2b	1320	1200	1005-1600

Source: Koontz & Salinger. December, 2007

\* The estimated rent per square foot data for the surveyed market rate properties, by bedroom type is:

<b>Conventional Competitive Environment - Rent Per SF</b>			
<b>Bedroom Type</b>	<b>Average</b>	<b>Median</b>	<b>Range</b>
1BR/1b	\$.71	\$.74	\$.64-\$.85
2BR/1b	\$.63	\$.62	\$.64-\$.71
2BR/2b	\$.62	\$.64	\$.64-\$.66
3BR/2b	\$.61	\$.65	\$.62-\$.75

Source: Koontz & Salinger. December, 2007

## Summary

\* The most comparable LIHTC properties in the survey relative to the subject were it to be a new construction development would be Laurel Ridge and Village Highlands. As an acquisition/rehab development the most comparable LIHTC properties to the subject are: Brentwood Village, Heritage Green and Pavilion Place.

\* The most comparable market rate properties are those located within 1-mile of the subject: Robins Crest, The Diplomat, Southern Heights, Southern Lakes, Highland Square and Wynterbrook.

## Fair Market Rents

The 2008 Fair Market Rents for the Atlanta MSA (which includes Fulton County, GA) are as follows:

Efficiency	=	\$ 684
1 BR Unit	=	\$ 741
2 BR Unit	=	\$ 824
3 BR Unit	=	\$1003
4 BR Unit	=	\$1094

\*Fair Market Rents are gross rents (include utility costs)

Source: [www.huduser.org](http://www.huduser.org)

Table 15, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed LIHTC apartment properties in the PMA competitive environment.

Table 15											
SURVEY OF PMA LIHTC APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	607	341	141	125	213	\$535-\$690	\$750-\$785	\$865-\$890	408-750	980-1240	1250-1600
Laurel Ridge	276	70	110	96	22	\$660	\$775-\$790	\$860-\$875	787	1059	1270
Brentwood Village	506	259	168	79	59	\$425-\$475	\$475-\$675	\$700	480-698	740-948	1028
Colonial Square	192	--	172	20	0	--	\$650-\$760	\$725-\$805	--	750	950
Pavilion Place	240	28	208	4	19	\$505	\$395-\$645	\$450-\$725	700	1034	1184
Heritage Greene	109	60	41	8	6	\$290-\$575	\$355-\$675	\$399-\$780	555-745	947	1057
Hidden Cove	88	17	51	17	10	\$545	\$549	\$699	680	860	920
Summerdale	244	Na	Na	Na	35	\$495-\$545	\$570-\$643	\$690-\$750	500	850-1050	1065
DeLowe Place	150	6	108	36	15	\$450	\$500-\$580	\$600-\$635	742	942	1146
Wells Court	62	--	62	--	10	--	\$405-\$640	--	--	844-890	--
Woods @ Glenrose	142	30	52	60	5	\$535	\$625	\$650	900	1036	1105
Village Highlands	258	48	148	62	20	\$650	\$699	\$895	789	1146	1302
<b>Total*</b>	<b>2267</b>	<b>518</b>	<b>1120</b>	<b>382</b>	<b>201</b>						

\* - Excludes the subject property

Na - Not available

Note: 0BR units are included in the 1BR count

Source: Koontz and Salinger. December, 2007.

Table 16, exhibits the project size, bedroom mix, number of vacant units (at time of the survey), net rents and unit sizes of the surveyed market rate apartment properties in the PMA competitive environment.

Table 16											
SURVEY OF PMA MARKET RATE APARTMENT COMPLEXES											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	607	341	141	125	213	\$535- \$690	\$750- \$785	\$865- \$890	408- 750	980- 1240	1250 1600
Caribu	166	54	104	8	17	\$440- \$480	\$525	\$625	745- 800	845	1086
The Diplomat	124	5	109	10	12	\$550	\$625	\$780	689	812- 1036	1226
Evergreen	200	--	160	4	6	--	\$630	\$730	--	818	1005
Highland S	175	37	76	62	Na	\$550	\$650	1200	825	1114	1550
Harmony	169	56	105	8	13	\$489	\$539	\$685	840	950	1104
Southern Heights	336	176	160	--	20	\$529- \$555	\$589- \$659	--	710- 840	980- 1020	--
Southern Lakes	375	115	254	6	45	\$535- \$600	\$605- \$760	\$845	730- 750	920- 1250	1600
Park @ Greenbriar	209	Na	Na	Na	8	\$690- \$710	\$780- \$800	\$930- \$985	700- 800	940- 1150	1200- 1560
Lakewood	299	Na	Na	Na	24	\$565	\$665	\$765	696	1020	1300
Wynterbrook	300	72	180	48	186	\$615	\$740	\$820	805	1130	1336
Chastain	157	2	154	--	20	\$550	\$595	--	500	1100	--
Huntingwood	376	Na	Na	Na	124	\$505	\$545	\$690	660	943	1175
Robins Crest	160	Na	Na	Na	Na	\$670	\$770	\$860	748	1010	1200
<b>Total*</b>	<b>3,046</b>	<b>517</b>	<b>1302</b>	<b>182</b>	<b>475</b>						

\* - Excludes the subject property                      0BR units are included in the 1BR count                      Na - Not available

Source: Koontz and Salinger. December, 2007.

Table 17, exhibits the key amenities of the subject and the surveyed LIHTC apartment properties. Note: The amenity package for the subject is still subject to change. The information presented below for the subject is preliminary and based on an interview with on-site management.

Table 17													
SURVEY OF PMA LIHTC APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x	x		x	x	x	x	x	x	x	x	x
Laurel Ridge	x	x	x		x	x		x	x	x	x	x	x
Brentwood	x	x			x	x	x	x	x	x	x	x	
Colonial Sq	x	x	x			x		x	x	x	x		s
Pavilion Pl	x	x				x	x	x	x	x	x		
Heritage Green	x	x			x	x	x	x	x	x	x	x	x
Hidden Cove	x		x		x	x	x	x	x	x	x	x	
Summerdale	x	x				x	x	x	x	x	x		x
DeLowe Pl						x	x	x	x	x	x		x
Wells Ct						x	x	x	x	x	x		x
Woods @Glenrose	x					x	x	x	x	x	x		x
Village Highlands	x	x	x		x	x	x	x	x	x	x	x	x

s - some

Source: Koontz and Salinger. December, 2007.

Key: A - On-Site Mgmt      B - Central Laundry      C - Pool  
 D - Tennis Court      E - Playground/Rec Area      F - Dishwasher  
 G - Disposal      H - W/D Hook-ups      I - A/C  
 J - Cable Ready      K - Mini-Blinds      L - Community Rm/Exercise Rm  
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

Table 18, exhibits the key amenities of the subject and the surveyed Market Rate apartment properties.

Table 18													
SURVEY OF PMA MARKET RATE APARTMENT COMPLEXES													
UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x	x		x	x	x	x	x	x	x	x	x
Caribu		x				x		x	x	x	x		
Diplomat	x	x	x		x	x		x	x	x	x		x
Evergreen	x	x			x	x	x	x	x	x	x		x
Highland Square	x	x	x		x	x	x	x	x	x	x		x
Harmony		x			x	x		x	x	x	x		
Southern Heights	x	x	x		x	x	x	x	x	x	x	x	x
Southern Lakes	x	x	x		x	x	x	x	x	x	x	x	x
Park @ Greenbriar	x	x	x		x	x	x	x	x	x	x	x	x
Lakewood	x	x	x		x	x	x	x	x	x	x		x
Wynterbrook	x	x	x		x	x		x	x	x	x	x	x
Chastain	x	x				x			x	x	x		x
Huntingwood	x	x	x		x	x	x		x	x	x		
Robins Crest	x		x		x	x	x	x	x	x	x	x	x

Source: Koontz and Salinger. December, 2007.

Key: A - On-Site Mgmt      B - Central Laundry      C - Pool  
 D - Tennis Court      E - Playground/Rec Area      F - Dishwasher  
 G - Disposal      H - W/D Hook-ups      I - A/C  
 J - Cable Ready      K - Mini-Blinds      L - Community Rm/Exercise Rm  
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

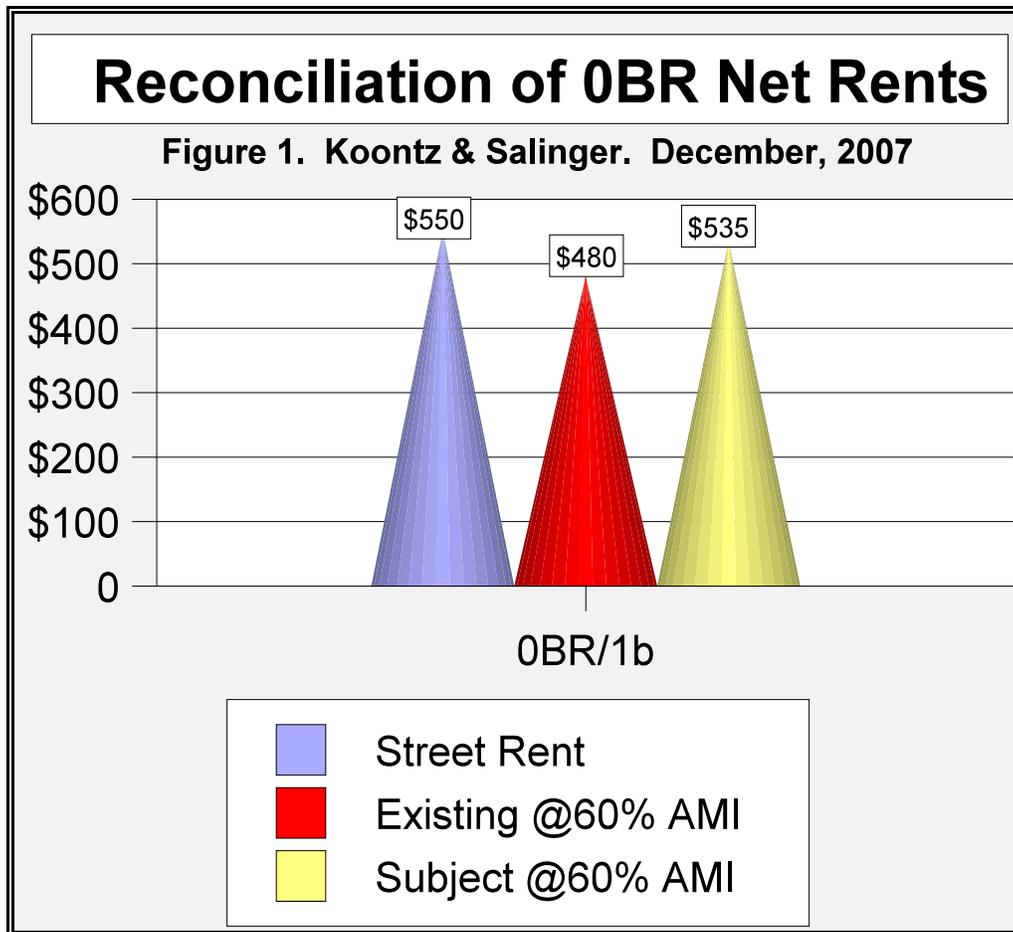
**Reconciliation of Net Rents - Studio Units**

The survey of the competitive environment revealed the following market based findings regarding net rents for Studio units . Figure 1 below exhibits the estimated average conventional (street) net rents and existing LIHTC net rents (at 60% AMI) for Studio units in relation to the proposed subject property Studio unit net rent at 60% AMI.

<b>Data Set</b>	<b>Market Rate</b>	<b>Existing PMA</b>	<b>Proposed</b>
<u>Bedroom Type</u>	<u>Street Rent</u>	<u>Rent @60% AMI</u>	<u>Subject Rents at 60% AMI</u>
0BR/1b	\$550*	\$480	\$535

\* includes all utilities

Figure 1, reveals that the proposed subject 0BR/1b net rent at 60% AMI is approximately 11% greater than the comparable/competitive 0BR/1b net rents at 60% AMI. The proposed subject 0BR/1b net rent at 60% AMI is very likely greater than existing market rate Studio rents, owing to the fact the surveyed supply of Studio units have net rents that include all utilities.



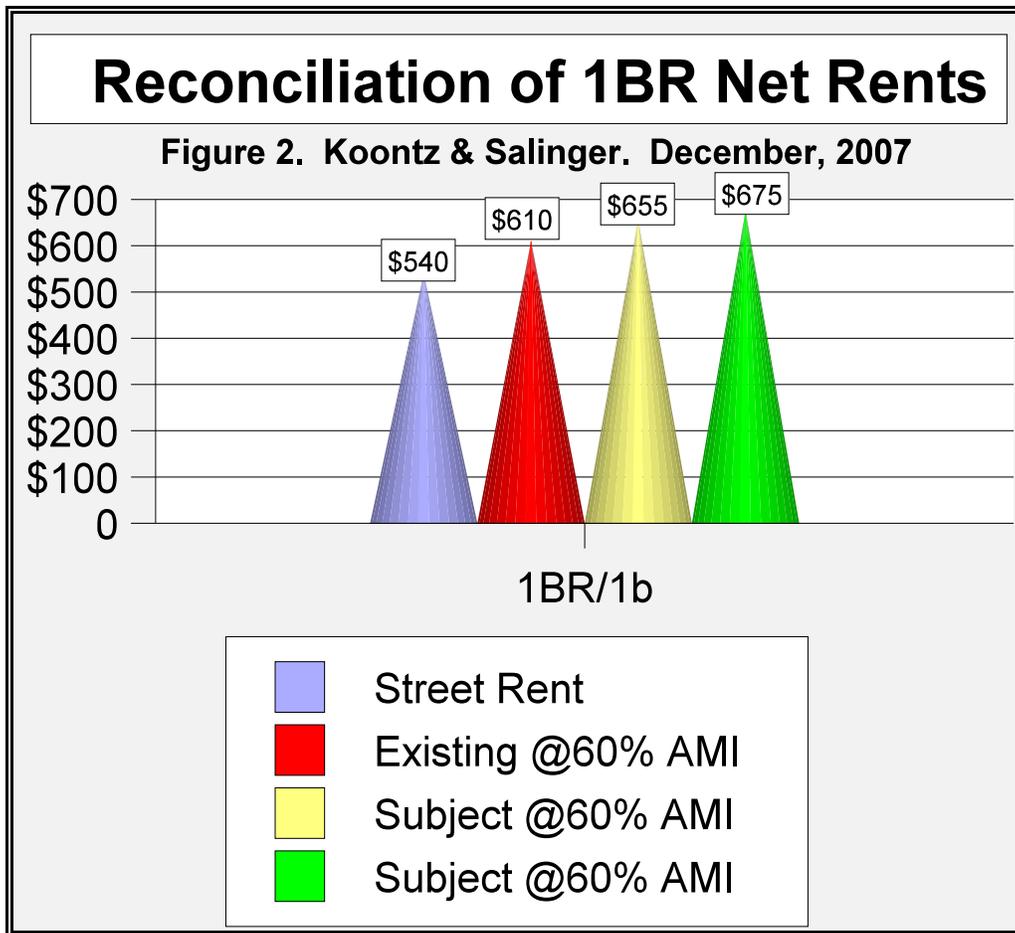
**Reconciliation of Net Rents - 1BR Units**

The survey of the competitive environment revealed the following market based findings regarding net rents for 1BR units . Figure 2 below exhibits the estimated average conventional (street) net rents and existing LIHTC net rents (at 60% AMI) for 1BR units in relation to the proposed subject property 1BR unit net rents at 60% AMI.

<b>Data Set</b>	<b>Market Rate</b>	<b>Existing PMA</b>	<b>Proposed</b>
<u>Bedroom Type</u>	<u>Street Rent</u>	<u>Rent @60% AMI</u>	<u>Subject Rents at 60% AMI</u>
1BR/1b	\$540*	\$610*	\$655 & \$675

\* average net rent

Figure 2, reveals that the proposed subject 1BR/1b net rents at 60% AMI are approximately 7% to 11% greater than the comparable/competitive 1BR/1b net rents at 60% AMI. The proposed subject 1BR/1b net rents at 60% AMI are approximately 20% to 25% greater than the comparable/competitive market rate 1BR/1b net rents.



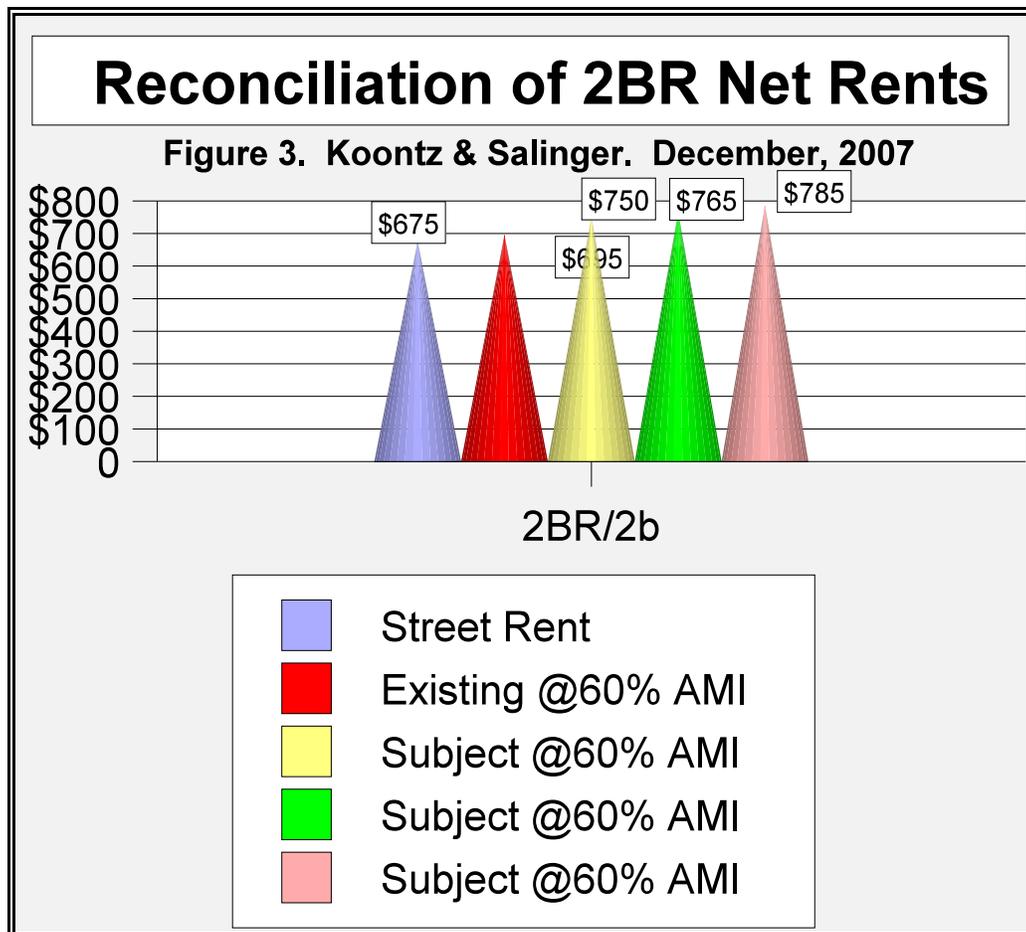
**Reconciliation of Net Rents - 2BR Units**

The survey of the competitive environment revealed the following market based findings regarding net rents for 2BR units . Figure 3 below exhibits the estimated average conventional (street) net rents and existing LIHTC net rents (at 60% AMI) for 2BR units in relation to the proposed subject property 2BR unit net rents at 60% AMI.

<b>Data Set</b>	<b>Market Rate</b>	<b>Existing PMA</b>	<b>Proposed</b>
<u>Bedroom Type</u>	<u>Street Rent</u>	<u>Rent @60% AMI</u>	<u>Subject Rents at 60% AMI</u>
2BR/2b	\$675*	\$695*	\$750 \$765 \$785

\* average net rent

Figure 3, reveals that the proposed subject 2BR/2b net rents at 60% AMI are approximately 8% to 13% greater than the comparable/competitive 2BR/2b net rents at 60% AMI. The proposed subject 2BR/2b net rents at 60% AMI are approximately 11% to 16% greater than the comparable/competitive market rate 2BR/2b net rents.



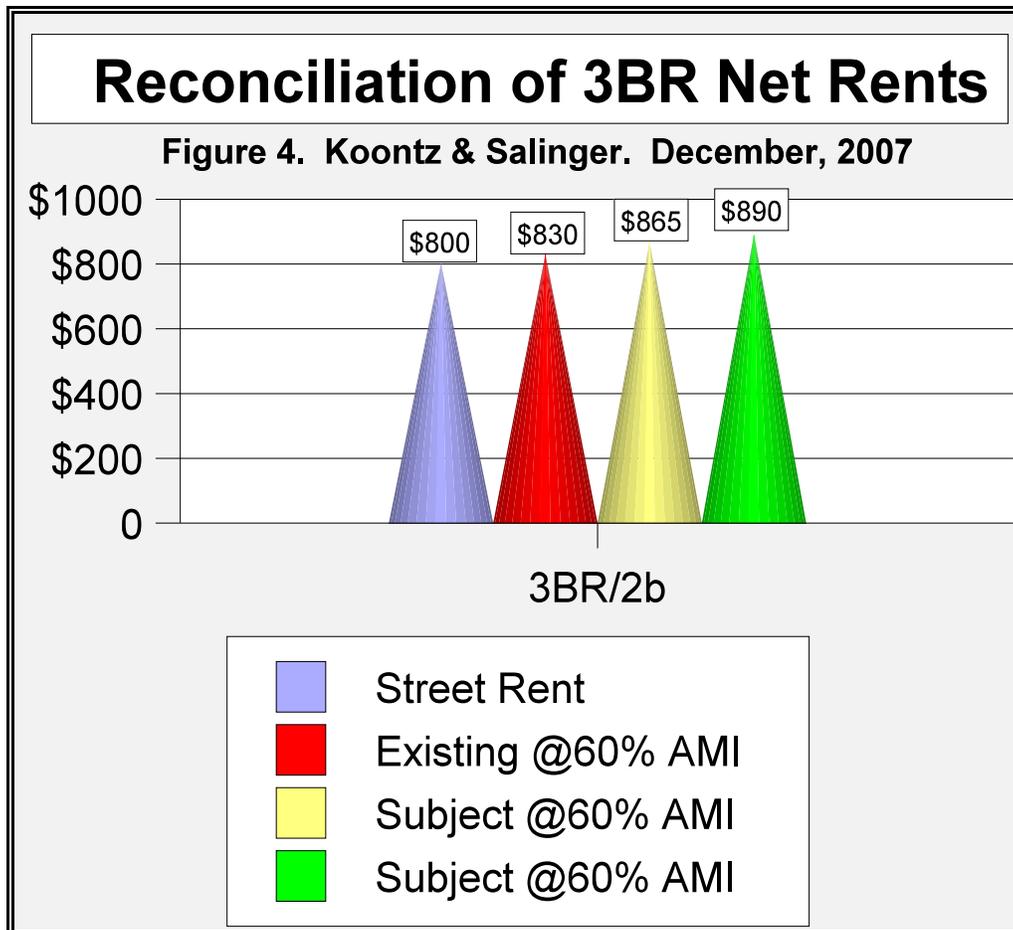
**Reconciliation of Net Rents - 3BR Units**

The survey of the competitive environment revealed the following market based findings regarding net rents for 3BR units . Figure 4 below exhibits the estimated average conventional (street) net rents and existing LIHTC net rents (at 60% AMI) for 3BR units in relation to the proposed subject property 3BR unit net rents at 60% AMI.

<b>Data Set</b>	<b>Market Rate</b>	<b>Existing PMA</b>	<b>Proposed</b>
<u>Bedroom Type</u>	<u>Street Rent</u>	<u>Rent @60% AMI</u>	<u>Subject Rents at 60% AMI</u>
3BR/2b	\$800*	\$830*	\$865 & \$890

\* average net rent

Figure 4, reveals that the proposed subject 3BR/2b net rents at 60% AMI are approximately 4% to 7% greater than the comparable/competitive 2BR/2b net rents at 60% AMI. The proposed subject 3BR/2b net rents at 60% AMI are approximately 8% to 11% greater than the comparable/competitive market rate 3BR/2b net rents.



The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information.

A map showing the location of the surveyed LIHTC properties is provided on page 13. A map showing the location of the surveyed Market Rate properties is provided on page 81.

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**Survey of the Competitive Environment - LIHTC**

1. Laurel Ridge, 2900 Laurel Ridge Way, East Point (404) 761-0191

**Contact:** Jennifer Mason, (11/27/07)  
**Date Built:** 2006  
**Contact Type:** In-person interview

**Type:** LIHTC - 100%@60% AMI  
**Condition:** Excellent

<u>Unit Type</u>	<u>Number</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	70	\$660	787	\$.84	*
2BR/2b	110	\$775-\$790	1059	\$.73-\$.75	*
3BR/2b	96	\$860-\$875	1270	\$.68-\$.69	*
Total	276				22

**Typical Occupancy Rate:** 96%  
**Security Deposit:** \$87  
**Utilities Included:** trash

**Waiting List:** Yes ("small")  
**Concessions:** No  
**Turnover:** 4-5 per mo.

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Clubhouse	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	Yes	Picnic Area	Yes

**Design:** 2 & 3 story walk-up

**Remarks:** 20% Section 8 voucher holders; controlled access, business ctr, microwaves in units, 2BR units in most demand; opened in 11/07, by 5/07 was 96% occupied



2. Brentwood Villages, 1035 Allison Ct, Atlanta (404) 768-6344

**Contact:** Ms Gayla Williams (11/29/07)  
**Date Built:** 1964 Rehab 2000 & 2007  
**Contact Type:** In person interview

**Type:** LIHTC Rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
0BR/1b	4	\$475	480	\$.99	1
1BR/1b	255	\$425-\$475	584-698	\$.68-\$.73	24
2BR/1b	48	\$475	740	\$.64	13
2BR/1.5b	72	\$495-\$550	802-900	\$.61-\$.62	20
2BR/2b	48	\$650-\$675	873-948	\$.71-\$.74	0
3BR/2b	79	\$700	1028	\$.68	1
Total	506				59

**Typical Occupancy Rate:** low 80's  
**Security Deposit:** \$250  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** 2-story & townhouse;  
**Remarks:** 40% of the units have Section 8 vouchers



3. Colonial Square, 2637 Old Hapeville Rd, Atlanta (404) 767-1894

**Contact:** Ms Vernia Bell (11/29/07)  
**Date Built:** 1974 Rehab 1998  
**Contact Type:** In person interview

**Type:** LIHTC Rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent</u> <u>50% &amp; 60%</u>	<u>Market Rate</u> <u>Rent</u>	<u>Size</u> sf	<u>Vacant</u>
2BR/1.5b	72	\$650		750	0
2BR/1.5b	65	\$680		750	0
2BR/1.5b	35		\$760	750	0
3BR/2.5b	7	\$725		950	0
3BR/2.5b	9	\$745		950	0
3BR/2.5b	4		\$805	950	0
Total	192				0

**Typical Occupancy Rate:** low 90's  
**Security Deposit:** \$300  
**Utilities Included:** water, sewer, trash

**Waiting List:** Yes ("small")  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Some

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** townhouse w/controlled access  
**Remarks:** 76 units have Section 8 vouchers



4. Pavilion Place, 532 Cleveland Avenue, Atlanta (404) 767-1556

**Contact:** Michelle (11/29/07)  
**Date Built:** 1966 Rehab 2004  
**Contact Type:** In person interview

**Type:** LIHTC Rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent</u>		<u>Market Rate</u>	<u>Size sf</u>	<u>Vacant</u>
		<u>30%</u>	<u>50% &amp; 60%</u>	<u>Rent</u>		
1BR/1b	17		\$505		700	1
1BR/1b	5		\$505		700	0
1BR/1b	6			\$505	700	0
2BR/1b	21	\$395			1034	1
2BR/1b	105		\$625		1034	9
2BR/1b	40		\$635		1034	4
2BR/1b	42			\$645	1034	4
3BR/2b	1	\$450			1184	0
3BR/2b	1		\$695		1184	0
3BR/2b	1		\$710		1184	0
3BR/2b	1			\$725	1184	0
Total	240					19

**Typical Occupancy Rate:** low 80's

**Waiting List:** No

**Security Deposit:** Na

**Concessions:** Yes

**Utilities Included:** water, sewer, trash

**Turnover:** 10 per month

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** 2 story walk-up

**Remarks:** 30%-40% Section 8 voucher holders; 2BR & 3BR in most demand



5. Heritage Green, 2891 Springdale Road, Atlanta (404) 768-1158

**Contact:** Ms Dee Smith (11/29/07)  
**Date Built:** 1970 Rehab 2003  
**Contact Type:** In person interview

**Type:** LIHTC Rehab  
**Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent</u>		<u>Market Rate</u>	<u>Size sf</u>	<u>Vacant</u>
		<u>30%</u>	<u>&amp; 50% &amp; 60%</u>	<u>Rent</u>		
0BR/1b	1	\$290			555	0
0BR/1b	2		\$495		555	0
0BR/1b	1			\$495	555	0
1BR/1b	8	\$301			745	0
1BR/1b	26		\$550		745	3
1BR/1b	11			\$563	745	0
1BR/1b	11			\$575	745	0
2BR/1b	6	\$355			947	0
2BR/1b	19		\$630		947	0
2BR/1b	8			\$660	947	0
2BR/1b	8			\$675	947	2
3BR/2b	1	\$399			1057	0
3BR/2b	3		\$720		1057	1
3BR/2b	2			\$740	1057	0
3BR/2b	2			\$780	1057	0
Total	109					6

**Typical Occupancy Rate:** 90's  
**Security Deposit:** \$225  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes (2's & 3's)	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** 2 story walk-up / controlled access  
**Remarks:** 0 units have Section 8 voucher holders; business center



6. Hidden Cove, 1900 Stanton DeLowe, East Point (404) 209-1598

**Contact:** Ms Katrina Henry (11/29/07)  
**Date Built:** 1964 rehab 1998  
**Contact Type:** In person interview

**Type:** LIHTC/rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	17	\$545	680	\$.80	*
2BR/1b	51	\$549	860	\$.64	*
3BR/1b	17	\$699	920	\$.76	*
Total	88				10

**Typical Occupancy Rate:** low 80's  
**Security Deposit:** Na  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** Yes (2Br-units)  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No (available)	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	No	Clubhouse	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** 2 and 3-story w/controlled access  
**Remarks:** 10% of the units have Section 8 vouchers; special for 2BR units



7. Summerdale Commons, 2745 Old Hapeville Rd, Atlanta

**Contact:** Mr. Kent ( 11/19/07)  
**Date Built:** 1975 Rehab 1998  
**Contact Type:** Telephone interview

**Type:** LIHTC Rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent 50% &amp; 60%</u>	<u>Market Rate Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	*	\$495		500	*
1BR/1b	*	\$525		500	*
1BR/1b	*		\$545	500	*
2BR/2b	*	\$570 \$578		850-1050	*
2BR/2b	*	\$590 \$598		850-1050	*
2BR/2b	*		\$620-\$643	850-1050	*
3BR/2b	*	\$690		1065	*
3BR/2b	*	\$690		1065	*
3BR/2b	*		\$750	1065	*
Total	244				35

**Typical Occupancy Rate:** 85%      **Waiting List:** No  
**Security Deposit:** \$250-\$350      **Concessions:** No  
**Utilities Included:** water, sewer, trash      **Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** 2 story walk-up  
**Remarks:** 9 units are occupied by Section 8 voucher holders



8. Delowe Place, 2360 Delowe Dr, East Point

(404) 762-9871

**Contact:** Ms. Renee or Robin ( 11/21/07)

**Type:** LIHTC Rehab

**Date Built:** 1971 Rehab 1999

**Condition:** Good

**Contact Type:** Telephone interview

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent</u> <u>50% &amp; 60%</u>	<u>AMI Rate</u> <u>80%</u>	<u>Size</u> sf	<u>Vacant</u>
1BR/1b	6	\$450		742	3
2BR/1b	26		\$580	942	9
2BR/1b	26	\$500		942	0
2BR/2b	56	\$550		942	0
3BR/2b	24	\$600		1146	3
3BR/2b	12	\$635		1146	0
Total	150				15

**Typical Occupancy Rate:** Na

**Waiting List:** No

**Security Deposit:** Na

**Concessions:** No

**Utilities Included:** water, sewer, trash

**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	No	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** 2 story

**Remarks:** 6 of the units have Section 8 vouchers



9. Wells Court, 1856 Wells Dr, Atlanta

(404) 349-2437

**Contact:** Ms Bessie Barkley (11/21/07)  
**Date Built:** Na Rehab 1995  
**Contact Type:** Telephone interview

**Type:** LIHTC Rehab  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>AMI Rent</u>			<u>Market Rate Rent</u>	<u>Size sf</u>	<u>Vacant</u>
		<u>30%</u>	<u>&amp; 50%</u>	<u>&amp; 60%</u>			
2BR/1b	62	\$405	\$600	\$640	\$705	844-890	10
		4	24	28	6		
Total	109						10

**Typical Occupancy Rate:** mid 90's  
**Security Deposit:** Na  
**Utilities Included:** water, sewer, trash

**Waiting List:** Yes - (5)  
**Concessions:** No  
**Turnover:** "low"

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	No	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** 2 story

**Remarks:** 12 of the units have Section 8 vouchers



10. Woods at Glenrose, 50 Mt Zion Rd, Atlanta

(888) 793-1264

**Contact:** Ms Collier (11/29/07)

**Type:** LIHTC/rehab

**Date Built:** 1969 rehab 1997

**Condition:** Very Good

**Contact Type:** In person interview

<u>Unit Type</u>	<u>Number</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	30	\$535	900	\$.59	1
2BR/1b	52	\$625	1036	\$.60	2
2BR/1.5b	60	\$650	1105	\$.59	2
Total	142				5

**Typical Occupancy Rate:** low 90's

**Waiting List:** No

**Security Deposit:** \$200

**Concessions:** No

**Utilities Included:** water, sewer, trash

**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes (office)_	Pool	No
Laundry Room	No	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** 2-story

**Remarks:** 40% of the units have Section 8 vouchers



11.Village Highlands, 1931 Stanton Rd, East Point (404) 209-9008

**Contact:** Ms Lori Seliager (11/29/07)  
**Date Built:** 2005  
**Contact Type:** Telephone interview

**Type:** LIHTC  
**Condition:** Excellent

<u>Unit Type</u>	<u>Number</u>	<u>60% AMI Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	48	\$650	789	\$.82	7
2BR/2b	148	\$699	1146	\$.61	8
3BR/2b	62	\$895	1302	\$.69	5
Total	258				20

**Typical Occupancy Rate:** Na  
**Security Deposit:** \$199  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes (office)_	Pool	Yes
Laundry Room	Yes	Clubhouse	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	No	Picnic Area	Yes

**Design:** 2 & 3-story walk-up  
**Remarks:** 30% of the units have Section 8 vouchers; business center



**Survey of the Competitive Environment - Market Rate**

1. Caribu Apartments, 2001 Sylvan Rd (888) 793-5168

**Contact:** Anita, Mgr (11/19/07)  
**Date Built:** 1964  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	20	\$440	745	\$.59	0
1BR/1b	34	\$480	800	\$.60	0
2BR/1b	104	\$525	845	\$.62	17
3BR/2b	8	\$625	1086	\$.58	0
Total	166				17*

\*13 of 17 are "down" units in need of rehab

**Typical Occupancy Rate:** low 90's  
**Security Deposit:** Na  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** Yes  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	No	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Tennis Court	No

**Design:** 2-story walk-up  
**Remarks:** no Section 8 vouchers; \$100 move-in special



2. The Diplomat Apartments, 2700 Camp Creek Pkwy (404) 761-1112

**Contact:** Leasing Consultant (11/19/07)  
**Date Built:** 1973  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	5	\$550	689	\$.80	*
2BR/2b	5	\$625	812	\$.77	*
2BR/2b	104	\$625	1036	\$.60	*
3BR/2b	10	\$780	1226	\$.64	*
Total	124				12

**Typical Occupancy Rate:** low 90's  
**Security Deposit:** \$200  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Tennis Court	No

**Design:** townhouse / controlled access  
**Remarks:**



3. Evergreen Village Apartments, 445 Cleveland Ave (888) 793-5168

**Contact:** Theresa, Mgr (11/20/07)  
**Date Built:** 1974 rehab 1997  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
2BR/1b	160	\$630	818	\$.77	6
3BR/2b	40	\$730	1005	\$.73	0
Total	200				6

**Typical Occupancy Rate:** low 90's  
**Security Deposit:** %200+  
**Utilities Included:** water, sewer, trash  
**Waiting List:** No  
**Concessions:** Yes  
**Turnover:** 1-3 per mo

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Tennis Court	No

**Design:** 2-story walk-up

**Remarks:** accepts Section 8 vouchers; offers rent concession for 1<sup>st</sup> month



4. Highland Square, 2800 Camp Creek Pkwy (404) 209-0047

**Contact:** Manager, (11/20/07)  
**Date Built:** 1968 rehab 1976  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1.5b	37	\$550	825	\$.67	*
2BR/1.5b	76	\$650	1114	\$.58	*
3BR/2.5b	62	\$1200	1550	\$.77	*
Total	175				Na

**Typical Occupancy Rate:** Na  
**Security Deposit:** Na  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up & townhouse / controlled access  
**Remarks:**



5. Harmony Apartment Homes, 1870 Myrtle Dr (888) 793-5168

**Contact:** Tasha, Assist Mgr (11/30/07)  
**Date Built:** 1975  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	56	\$489	840	\$.58	3
2BR/1b	50	\$539	950	\$.57	8
2BR/2b	55	\$539	950	\$.57	1
3BR/2b	8	\$679-\$689	1104	\$.62	1
Total	169				13

**Typical Occupancy Rate:** 92%  
**Security Deposit:** \$300  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	No	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up  
**Remarks:**



6. Southern Heights, 2900 Camp Creek Pkwy (404) 762-9691

**Contact:** Ms. Alma, Mgr (11/29/07)  
**Date Built:** 1974  
**Contact Type:** In person interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	162	\$529	710	\$.75	*
1BR/1b	14	\$555	840	\$.66	*
2BR/1b	32	\$589	980	\$.60	*
2BR/1.5b	64	\$639	1000	\$.64	*
2BR/2b	32	\$649	1020	\$.64	*
2BR/2b	32	\$659	1020	\$.55	*
Total	336				20

**Typical Occupancy Rate:** 94%  
**Security Deposit:** \$350  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** Yes  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up / controlled access  
**Remarks:** special on administrative fee; flat fee for water included in the rent (1BR \$30, 2BR \$40)



7. Southern Lakes, 4001 Lakemont Drive

(404) 559-8177

**Contact:** Ms. Adrienne (11/29/07)  
**Date Built:** 1973  
**Contact Type:** In person interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	75	\$535	730	\$.73	*
1BR/1b	20	\$575	750	\$.77	*
1BR/1b	20	\$600	750	\$.80	*
2BR/1.5b	84	\$605	920	\$.66	*
2BR/1.5b	40	\$660	1112	\$.59	*
2BR/2.5b	16	\$690	1146	\$.60	*
2BR/2.5b	42	\$720	1156	\$.62	*
2BR/2b	72	\$760	1250	\$.61	*
3BR/2.5b	6	\$845	1600	\$.53	*
Total	375				45

**Typical Occupancy Rate:** high 80's  
**Security Deposit:** \$350  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** Yes  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes (2's&3's)	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	Yes

**Design:** two-story walk-up & townhouse  
**Remarks:** special on rent; flat fee for water included in the rent  
(1BR \$35; 2BR \$45; 3BR \$45)



8. Park @ Greenbriar, 3000 Continental Colony Pkwy (888) 793-5168

**Contact:** Travis, Lsg Consultant (11/30/07)

**Type:** Market Rate

**Date Built:**

**Condition:** Very Good

**Contact Type:** Telephone interview

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	*	\$690	700	\$.99	5
1BR/1.5b	*	\$710	800	\$.89	0
2BR/1.5b	*	\$800	1150	\$.70	0
2BR/1b	*	\$780	940	\$.83	0
2BR/2b	*	\$790	990	\$.80	3
3BR/2b	*	\$930	1200	\$.78	0
3BR/2.5b	*	\$985	1560	\$.63	0
Total	209				8

**Typical Occupancy Rate:** 95%

**Waiting List:** No

**Security Deposit:** \$54

**Concessions:** No

**Utilities Included:** gas, trash

**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up

**Remarks:** natural gas included in the rent; fireplace in some units



9. Park at Lakewood Apartments, 1991 Delowe Dr (888) 793-5168

**Contact:** Sonya, Lsg Mgr (11/30/07)  
**Date Built:** 1964  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	*	\$565	696	\$.81	14
2BR/1.5b	*	\$665	1020	\$.65	0
3BR/2.5b	*	\$765	1300	\$.59	10
Total	299				24

**Typical Occupancy Rate:** Na  
**Security Deposit:** \$150-\$300  
**Utilities Included:** water, sewer, trash

**Waiting List:** Na  
**Concessions:** Yes  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up / controlled access

**Remarks:** most of the units are 2's & 3's; rent specials until year end



10. Wynterbrook Apartments, 2600 Camp Creek Pkwy (888) 793-5168

**Contact:** Gussie (11/29/07)  
**Date Built:** 1972  
**Contact Type:** In person interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	72	\$615	805	\$.76	*
2BR/1.5b	180	\$740	1130	\$.65	*
3BR/2.5b	48	\$820	1336	\$.61	*
Total	300				186*

\* see remarks

**Typical Occupancy Rate:** Na  
**Security Deposit:** Na  
**Utilities Included:** trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Some
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up

**Remarks:** high number of vacant units owing to the fact that the complex is presently in a litigation process; flat fee for water is - (1BR \$28; 2BR \$38; 3BR \$48); property will soon be sold



11. Chastain Manor Apartments, 1631 Stanton Rd (888) 793-5168

**Contact:** Ms Rodriguez, Mgr (12/3/07)  
**Date Built:** 1985  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
0BR/1b	2	\$550	500	\$1.10	0
2BR/1b	154	\$595	1100	\$.54	20
4BR/2b	1	\$980	1600	\$.61	0
Total	157				20

**Typical Occupancy Rate:** low 90's  
**Security Deposit:** \$300  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	Yes

**Amenities - Project**

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	No
Storage	No	Picnic Area	No

**Design:** two-story

**Remarks:** all utilities included in the studio units; 6-units have a Section 8 voucher holder; new name Spanish Oaks



12. Huntingwood Point, 2902 Campbellton Rd (404) 344-6080

**Contact:** Tracy, Lsg Consultant (12/3/07)  
**Date Built:** 1973  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	*	\$505	660	\$.77	*
2BR/1.5b	*	\$545	943	\$.58	*
3BR/2b	*	\$690	1175	\$.59	*
Total	376				124

**Typical Occupancy Rate:** 70%  
**Security Deposit:** \$100  
**Utilities Included:** water, sewer, trash

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

**Amenities - Project**

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Clubhouse	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

**Design:** two-story walk-up

**Remarks:** some of the vacant units are "down" as the property is in the process of renovation; 2BR units are in most demand



13. Robins Crest Apts, 4171 Robins Crest Ln (866) 490-4987

**Contact:** Sean, Lsg Consultant (12/3/07)  
**Date Built:** 1993 rehab in 2003  
**Contact Type:** Telephone interview

**Type:** Market Rate  
**Condition:** Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size</u> sf	<u>Rent</u> <u>Per SF</u>	<u>Vacant</u>
1BR/1b	*	\$670	748	\$.90	"a few"
2BR/2b	*	\$770	1010	\$.76	0
3BR/2b	*	\$860	1200	\$.72	"a few"
Total	160				Na

**Typical Occupancy Rate:** 95%  
**Security Deposit:** \$150-\$250  
**Utilities Included:** Na

**Waiting List:** No  
**Concessions:** No  
**Turnover:** Na

**Amenities - Unit**

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

**Amenities - Project**

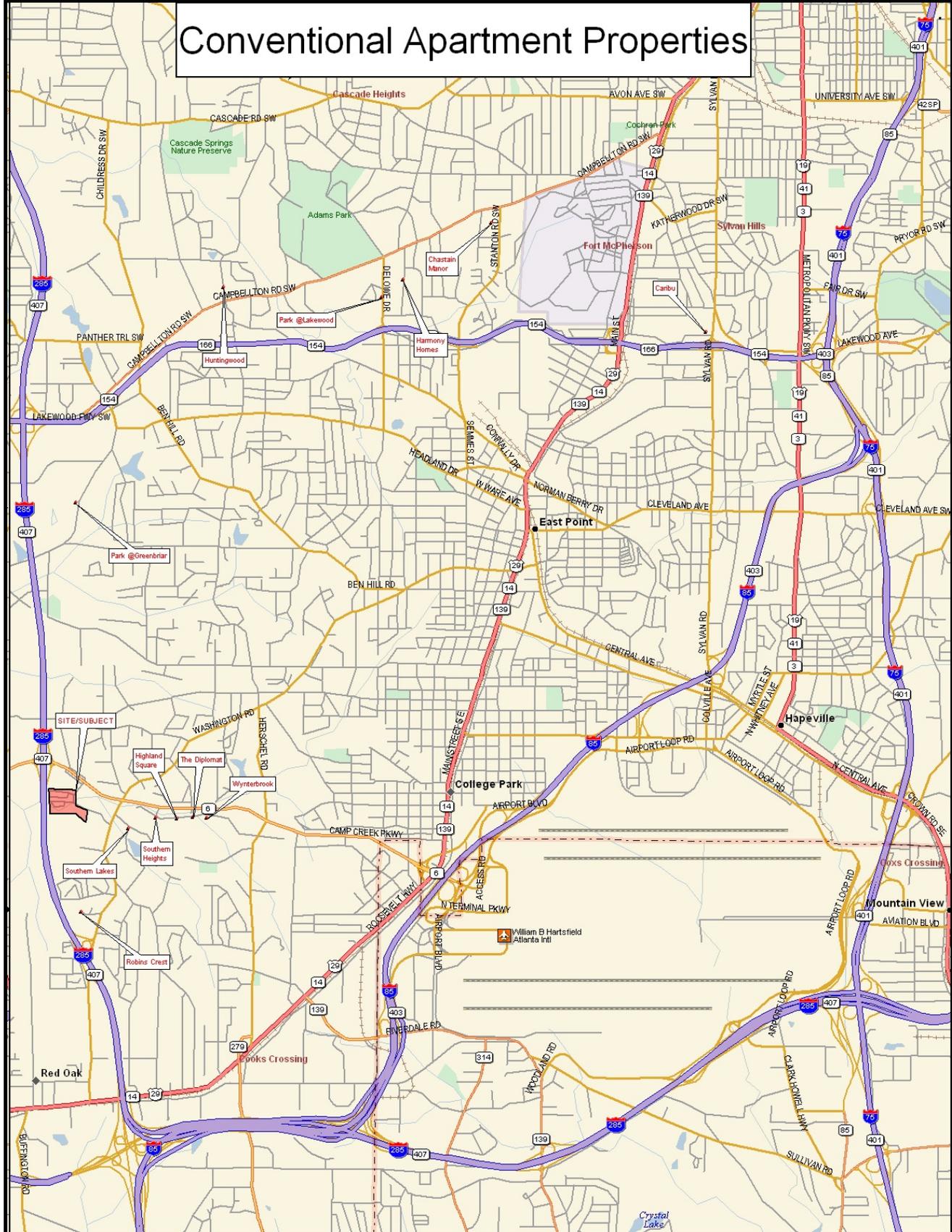
On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	No	Clubhouse	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	Yes

**Design:** two-story walk-up / controlled access

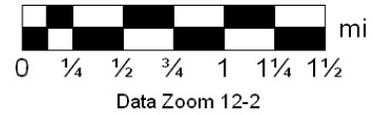
**Remarks:** microwaves, sunrooms



# Conventional Apartment Properties



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## SECTION H

### INTERVIEWS

The following are observations and comments relating to the subject property. They were obtained via a survey of local contacts interviewed during the course of the market study research process.

In most instances the project parameters of the proposed development were presented to the "key contact", in particular: the proposed site location, project size, bedroom mix, income targeting and net rents. The following statements/comments were made:

(1) - Ms. Vernia B. Bell, HCCP, the manager of the Colonial Square acquisition/rehab LIHTC apartments was interviewed (in person), (404) 599-0015. *Ms. Bell stated that she was familiar with the location of the subject property and stated that it is an excellent location. Ms Bell is of the opinion that the subject location would do well as a LIHTC program targeting families. Ms Bell made several suggestions regarding proposed subject unit and development amenity package.*

(2) - The Assistant Manager (Michelle), of the Pavilion Place acquisition/rehab LIHTC apartments was interviewed (in person), (404) 767-1556. *Michelle stated that she was familiar with the location of the subject property and stated that it is an excellent location. She is of the opinion that the subject location would do well as a LIHTC program targeting families and thought that the 2BR and 3BR units would rent well. She made several suggestions regarding proposed subject unit and development amenity package.*

(3) - Ms. Katrina Henry, the assistant manager of the Hidden Cove Crossing acquisition/rehab LIHTC apartments was interviewed (in person). *Ms. Henry stated that "there is a need" for additional LIHTC program assisted family housing serving the southside area of Atlanta and Fulton County. She stated that she was familiar with the location of the subject property and stated that it is an excellent location. She made several suggestions regarding proposed subject unit and development amenity package.*

(4) - Ms. Collier, Manager, of the Woods at Glenrose acquisition/rehab LIHTC apartments was interviewed (in person), (888)793-1264. *Ms Collier stated that she was familiar with the location of the subject property and stated that it is an excellent location. She is of the opinion that the subject location would do well as a LIHTC program targeting families and thought that the 3BR units would rent well, subject to good management. She made several suggestions regarding proposed subject unit and development amenity package.*

(5) - Ms. Gayla Williams, the manager of the acquisition/rehab LIHTC Brentwood Village apartments was interviewed (in person), (404)768-6344. *Ms. Williams stated that the proposed development would be well received by the market, given its location. However, in her opinion, the large number of studio units and 1BR units could be a problem. She made several suggestions regarding proposed subject unit and development amenity package*

**SECTION I**

**CONCLUSIONS &  
RECOMMENDATION**

As proposed in Section B of this study, it is of the opinion of the analyst, based on the findings in the market study that the Creekside Apartments (a proposed acquisition/rehab LIHTC / Tax Exempt Bond property) should proceed forward with the development process, subject to the following recommendations.

**Detailed Support of Recommendation**

1. Product Mix - It is recommended that the proposed project size and bedroom mix be reexamined for potential re-configuration. See Executive Summary for detailed analysis.
2. Assessment of rents - In the opinion of the analyst, the proposed net rents, by bedroom type are at the maximum ceiling for proper placement. These rents are subject to a re-configuring of the bedroom mix, re-focusing the demographic target group, the overall renovation process and the final unit and development amenity package. See Executive Summary for detailed analysis.
3. The current apartment market is **not** representative of an over saturated market, for well maintained, well amenitized and professionally managed properties.
4. Stabilized occupancy, subsequent to initial lease-up, is forecasted to be 90% or higher, subject to the recommendations as detailed in the Executive Summary.
5. The site location is considered to be excellent and very marketable, subject to the recommendations as detailed in the Executive Summary.

**SECTION J**  
**ANALYST QUALIFICATIONS**

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental

agencies.

**JERRY M. KOONTZ**

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.  
B.A. Economics 1980 Florida Atlantic Un.  
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC  
  
1983-1985, Market Research Staff Consultant, Stephens Associates, an consulting firm in real estate development and planning. Raleigh, NC  
  
1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.  
  
1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

AREAS OF EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 24+ years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d)(4) programs, conventional single-family and multi-family developments, personal care boarding homes, motels and shopping centers.

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**Market Analyst Certification and Checklist**

I understand that by initializing (or checking) the following items, I am stating those items are included and/or addressed in the report. If an item is not checked, a full explanation is included in the report.

The report was written 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: \_\_\_\_\_

**A. Executive Summary**

Market demand for subject property given the economic conditions of the area	Page	vii
Projected Stabilized Occupancy Level and Timeframe	Page	Na
Appropriateness of unit mix, rent and unit sizes	Page	Na
Appropriateness of interior & exterior amenities including appliances	Page	ix
Location & distance of subject property in relation to local amenities	Page	10
Discussion of capture rates in relationship to subject	Page	vii
Conclusion regarding the strength of the market for the subject	Page	vii

**B. Project Description**

Project address, legal description and location	Page	1
Number of units by unit type	Page	1
Unit size, # of bedrooms & structure type	Page	1
Rents & Utility Allowance	Page	2
Existing or proposed project based rental assistance	Page	Na
Proposed development amenities	Page	2
For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property	Page3&Appen	
Projected placed in service date	Page	2
Construction type	Page	1
Occupancy type	Page	1
Special Population Target (if applicable)	Page	Na

**C. Site Evaluation**

Date of Inspection of Subject Property by Market Analyst	Page	14
Physical features of Subject Property and Adjacent Uses	Page 3 & 4	
Subject Photographs	Page 5 - 8	
Map identifying location of subject as well as closets facilities	Page	11

Developments in vicinity to subject & proximity in miles	Page	12
Map identifying existing low-income housing within the PMA	Page	13
Road or infrastructure improvements planned or under construction	Page	3
Comment on access, ingress/egress and visibility of subject	Page	14
Any visible environmental or other concerns	Page	14
Overall conclusions of site and their marketability	Page	14

**D. Market Area**

Map identifying Subject's Location within PMA	Page	17
Map identifying Subject's Location within SMA, if applicable	Page	Na

**E. Community Demographic Data**

Data on Population & Households Five Years Prior to Market Entry and Projected Five Years Post-Market Entry	Page	18
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**1. Population Trends**

a. Total Population	Page	18&19
b. Population by Age Group	Page	20
c. Number of elderly & non elderly (for elderly projects)	Page	Na
d. Special needs, additional information	Page	Na

**2. Household Trends**

Elderly by tenure, if applicable

a. Total number of households & average household size	Page	21
b. Households by tenure (# of owner & renter households)	Page	23
c. Households by Income	Page	25&26
d. Renter households by # of persons in the household	Page	22

**3. Employment Trends**

a. Employment by industry	Page	30
b. Major employers, product or service, total employees, expansions	Page	32
c. Contractions, New planned employers, and impact on employment	Page	33
d. Unemployment trends for the PMA & County for last 2 to 4 years	Page	29
e. Map of the site & location of major employment concentrations	Page	36
f. Overall conclusions	Page	33

**F. Project Specific Demand Analysis**

Income Restrictions - per development's application	Page	27&28
Affordability - Delineation of Income Bands	Page	27&28
Comparison of market rents of competing projects with the subject market rents	Page	Na
Comparison of market rents of competing projects with proposed LIHTC rents	Page	53-56
Demand Analysis Using Projected Service Date (within 2 years)	Page	37-44
a. New Households Using Growth Rates from Reputable Source	Page	38
b. Demand from Existing Households	Page	39
c. Elderly Households Converting to Rentership	Page	Na
d. Elderly Households Relocating to the Market	Page	Na
e. Deduction of Supply of "Comparable Units"	Page	31
f. Capture Rates for Each Bedroom Type	Page	43

g. Anticipated Absorption period for the property Page 44

**G. Supply Analysis**

Comparative chart of subject amenities & competing projects Page 51&52  
Supply & analysis of competing developments under construction Page 41  
and pending  
Comparison of competing developments Page 49&50  
Rent Comparable Map (showing subject & comparables) Page 13&81  
Rental Assisted Projects in PMA Page 58-68  
Multi-family Building Permits issued in PMA in last two years Page 24

**H. Interviews**

Names, Title, and Telephone # of Individuals Interviewed Page 83

**I. Conclusions & Recommendations**

Conclusion as to Impact of Subject on PMA Page 84  
Recommendation as to Subject's Viability in PMA Page Exe  
Summary

**J. Signed Statement**

Signed Statement from Analyst Page 86&87

**APPENDIX A**

**FORECAST DATA BASE**

**CURRENT SUBJECT RENTS**

**CURRENT SUBJECT RENT ROLL**