

MARKET FEASIBILITY ANALYSIS

OF

**PARKWAY COURT
CURTIS PARKWAY
CALHOUN, GEORGIA 30701**

FOR

**MS. CHRISTIE CADE
GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
60 EXECUTIVE PARK SOUTH, NORTHEAST
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EFFECTIVE DATE

JULY 14, 2006

JOB REFERENCE NUMBER

**3144DL
GA #2006-046**



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INTRODUCTION

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit project to be developed in Calhoun, Georgia by Calhoun Affordable Housing Development, Inc. This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA).

B. METHODOLOGIES

Methodologies used by Vogt Williams & Bowen, LLC include the following:

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

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

- A detailed demographic and socioeconomic evaluation.
 - Interviews with area planners, realtors, and other individuals who are familiar with area growth patterns.
 - A drive-time analysis to the site.
 - Personal observations by the field analyst.
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by evaluation of unit mix, vacancies, rent levels, and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property.

- Two types of directly comparable properties are identified through the field survey. They include other Section 42 Low-Income Housing Tax Credit developments and market-rate developments that offer unit and project amenities similar to the proposed development. An in-depth evaluation of those two property types provides an indication of the potential of the proposed development.
- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics, and area growth perceptions. The demographic evaluation uses the most recently issued Census information, as well as projections that determine the characteristics of the market when the proposed project opens, and when it achieves a stabilized occupancy.
- Area building statistics and interviews with area officials familiar with area development provides identification of those properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, timing of the project, and its impact on the market and the proposed development.
- An analysis of the proposed project's market support from the number of income-appropriate households within the Site PMA based on GDCA's demand estimate guidelines. This capture rate analysis considers all income-qualified renter households. For senior projects, the market analyst is permitted to use conversion of homeowners to renters as an additional support component. Demand is conducted by bedroom type and targeted AMHI for the subject project. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- A determination of comparable market rent for the proposed subject development is conducted. Using a Rent Comparability Grid, the features of the proposed development are compared item by item with the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in a comparable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

C. REPORT LIMITATIONS

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

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D. SOURCES

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

- The 1990 and 2000 Census on Housing
- Claritas
- Applied Geographic Solutions
- Area Chamber of Commerce
- Georgia Department of Community Affairs
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local Housing Authority representatives
- Real Estate Center at Texas A&M University
- Ribbon Demographic - HISTA

SECTION A. EXECUTIVE SUMMARY

Based on the findings reported in our market study, it is our opinion that a market exists for the 65 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rent, amenities, or opening date may alter these findings. Following is a summary of our findings:

- The proposed project involves the new construction of Parkway Court Village, a 65-unit Low Income Housing Tax Credit (LIHTC) rental property in Calhoun, Georgia. This project will consist of 15 one-bedroom units, 38 two-bedroom units, and 12 three-bedroom units, targeting families with incomes up to 30%, 50%, and 60% of the Area Median Household Income (AMHI), as well as non-income-restricted market-rate renters. The project will be located at 401 Curtis Parkway in Calhoun, Gordon County, Georgia. The proposed Tax Credit collected rents range from \$205 for a one-bedroom unit to \$600 for a three-bedroom unit, while the market rents will range from \$450 to \$650 per unit.
- The subject site is a heavily wooded area in the eastern portion of Calhoun, Georgia. The site is situated along the eastern edge of Curtis Parkway, approximately 0.2 miles south of the Dews Pond Road and Curtis Parkway intersection and immediately west of Interstate 75. Located within Gordon County, Calhoun is 68.0 miles northwest of Atlanta, Georgia. The subject site is bordered to the west by a recently developed office park. The areas north of the site are largely residential, while the southern and eastern areas are primarily wooded and less developed.
- Based on our analysis contained in this report, it is our opinion that the 13 market-rate units will reach a stabilized occupancy of 93% within two months of opening, averaging an absorption rate between six and seven units per month. It is our opinion that the 52 LIHTC units will reach a stabilized occupancy of 93% within approximately four to five months of opening, with an average absorption rate of 10 to 12 units per month. This assumes aggressive marketing and pre-leasing will occur prior to the property opening.
- The subject will offer a high-quality, affordable rental-housing alternative for low-income families in the Calhoun area. Based on interviews with city officials and property managers, it was determined that there is currently a shortage of available affordable rental housing in the Calhoun area. This is evidenced in the extremely low vacancy rate and waiting lists in the rental market. There is a strong demand for the proposed rental units at the subject site.

- The proposed subject rents, ranging from \$282 to \$477 for a one-bedroom unit, \$340 to \$600 for a two-bedroom unit, and \$394 to \$724 for a three-bedroom unit will be among the highest priced rents in the market. However, the subject property will be superior to the existing family Tax Credit properties in terms of age, condition, quality, unit size and amenities.
- The unit sizes and number of bathrooms offered at this project is far superior to existing comparable projects in terms of unit size and number of bathrooms offered. The two full baths offered in every two-bedroom unit will give the subject site a competitive advantage over most competition in the market. As such, the unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing low-income units in the market.
- The amenity packages included at the proposed subject development will be superior to the competitive low-income projects. The subject development does not appear to be lacking any amenities that would hinder its marketability to operate as a Low-Income Housing Tax Credit project. In fact, the community amenities offered at the subject site, including a clubhouse with library, fitness center and computer center, children’s activity center, and 5,000 square foot open playing field, fitness center, playground, and gazebo/picnic area, are amenities not offered at the competitive properties in the market.
- The site is within 1.3 miles of the onramp to Interstate 75. The site’s location provides relative seclusion within the surrounding wooded area, while allowing convenient access to a variety of retail and restaurant options along State Route 156 to the north and State Route 53 to the south. In addition, according to the developer, the buildings have been set back from Interstate 75 a greater-than-required distance, and earth berms will be introduced that will lessen the severity of the noise. Further, “soundproof” windows will be installed in the appropriate locations that will meet the necessary Sound Transmission Class ratings. These windows, when appropriately specified and installed, will reduce interior sound to within acceptable levels. Overall, the subject property fits in well with the surrounding land uses and should contribute to the marketability of the site.
- The Calhoun Site PMA includes the city of Calhoun and much of the surrounding area. The boundaries of the Site PMA are the boundaries of Gordon County. This area is expected to represent support for approximately 85% of the subject site. Thus a secondary market area has not been determined in this analysis, as the additional 15% of support for the subject site will likely come from surrounding areas of Georgia

- According to statistics provided by the U.S. Department of Labor, Bureau of Labor Statistics, the 2000 Census, and Claritas demographic information, and based on interviews with representatives of the Gordon County/Calhoun Chamber of Commerce and Calhoun city officials, the Calhoun economy has been stable and is projected to remain stable throughout the next few years. Despite the slowdown of the manufacturing industry, other economic sectors in the area have experienced slow growth that counteracts any slight decline in manufacturing. Thus, the overall economy is expected to remain stable to slow growing in the Calhoun area for at least the next few years.
- This stability in the area economy is an indication of the continued demand for housing in the area. With modest economic growth in the area, the demand for housing is anticipated to increase proportionately over the next few years. Thus, the demand for housing is anticipated to remain as strong as current conditions.
- We conducted an on-site survey of 20 conventional properties totaling 903 units. Of these properties, 13 are non-subsidized (market-rate or Tax Credit) with 503 units. Among these non-subsidized units, 92.6% are occupied. Note five of the properties surveyed are single-family homes, two of which available for lease. If the single-family homes were not included, the overall occupancy rate for non-subsidized multifamily properties would be 95.2%. We consider this a high occupancy rate, and a positive indication of the strength of the non-subsidized conventional apartment market.
- Based on the market-driven rent analysis, it was determined that the present-day market-driven rents for units similar to the proposed subject development are \$580 for a one-bedroom unit, \$680 for a two-bedroom unit and \$760 for a three-bedroom unit.
- The following table compares the proposed collected rents at the subject site with market-driven rent for selected units.

BEDROOM TYPE	COLLECTED RENT		
	PROPOSED SUBJECT	MARKET-DRIVEN	PROPOSED RENT AS SHARE OF MARKET
ONE-BEDROOM	30% - \$205	\$580	35.3%
	50% - \$360		62.1%
	60% - \$400		69.0%
	MR - \$450		77.6%
TWO-BEDROOM	30% - \$240	\$680	35.3%
	50% - \$425		62.5%
	60% - \$500		73.5%
	MR - \$550		80.9%
THREE-BEDROOM	30% - \$270	\$760	35.5%
	50% - \$505		66.4%
	60% - \$600		78.9%
	MR - \$650		85.5%

- The proposed collected Tax Credit rents are 35.3% to 78.9% of market-driven and represent a 21.1% to 64.7% market rent advantage in the Calhoun Site PMA. In addition, the proposed market-rate rents are priced between 77.6% and 85.5% of market-driven, thus representing a 14.5% to 22.4% market rent advantage. Overall, the proposed rent levels represent a significant value in the Calhoun market.
- Based on the demand calculations found on page F-6 of this analysis, the capture rates for the proposed subject units range from 2.1% to 6.7%, with an overall Tax Credit capture rate of 6.1%. These capture rates are considered very good and a positive indication of the existing support base for the proposed subject units.
- The capture rates by bedroom type are excellent, ranging from 0.7% to 10.1% are indicators that there is sufficient support for the proposed subject units. It is important to note that the most conservative approach to demand has been used. For example, even though we have restricted the demand to only renter income-qualified households, the share applied to the number of income-qualified households represents the share of all renter households. In reality, at the proposed income levels, the share of renters is higher.

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	MEDIAN MARKET RENT	SUBJECT GROSS RENTS
ONE-BEDROOM (28.1%)	30%	2	73	0	73	2.7%	2 UPM	\$390	\$282
ONE-BEDROOM (28.1%)	50%	8	142	7	135	5.9%	1 UPM	\$390	\$437
ONE-BEDROOM (28.1%)	60%	3	188	13	175	1.7%	1 UPM	\$390	\$477
ONE-BEDROOM (28.1%)	MRR	2	320	30	290	0.7%	1 UPM	\$390	\$450
ONE-BEDROOM	TOTAL TAX	15	763	42	721	2.1%	5 UPM	\$390	\$282-\$477
TWO-BEDROOM (38.2%)	30%	4	99	0	99	4.0%	2 UPM	\$565	\$340
TWO-BEDROOM (38.2%)	50%	18	193	15	178	10.1%	1 UPM	\$565	\$525
TWO-BEDROOM (38.2%)	60%	8	256	20	236	3.4%	1 UPM	\$565	\$600
TWO-BEDROOM (38.2%)	MRR	8	435	15	420	1.9%	1 UPM	\$565	\$550
TWO-BEDROOM	TOTAL TAX	38	1,036	39	997	3.8%	5 UPM	\$565	\$340-\$600
THREE-BEDROOM (23.7%)	30%	1	61	0	61	1.6%	2 UPM	\$644	\$394
THREE-BEDROOM (23.7%)	50%	6	119	7	112	5.3%	1 UPM	\$644	\$629
THREE-BEDROOM (23.7%)	60%	2	159	5	154	1.3%	1 UPM	\$644	\$724
THREE-BEDROOM (23.7%)	MRR	3	270	0	270	1.1%	1 UPM	\$644	\$650
THREE-BEDROOM	TOTAL TAX	12	643	12	631	1.9%	5 UPM	\$644	\$394-\$724

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

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

- The capture rates for each bedroom type and targeted income level illustrated above are all considered good. It should be noted that due to the limited supply of rental housing in the area, there is a high demand in the Calhoun market. The subject site will likely experience a fast absorption period and maintain a high occupancy rate in the area.

PROPOSED PROJECT CAPTURE RATE LIHTC UNITS	6.1%
PROPOSED PROJECT CAPTURE RATE MARKET-RATE UNITS	1.2%
PROPOSED PROJECT CAPTURE RATE ALL UNITS	1.7%
PROPOSED PROJECT STABILIZATION PERIOD	10 TO 12 UNITS/MO.

SECTION B - PROJECT DESCRIPTION

The proposed project involves the new construction of Parkway Court Village, a 65-unit Low Income Housing Tax Credit (LIHTC) rental property in Calhoun, Georgia. This project will consist of 15 one-bedroom units, 38 two-bedroom units, and 12 three-bedroom units, targeting families with incomes up to 30%, 50%, and 60% of the Area Median Household Income (AMHI), as well as non-income-restricted market-rate renters. The project will be located at 401 Curtis Parkway in Calhoun, Gordon County, Georgia. The proposed Tax Credit collected rents range from \$205 for a one-bedroom unit to \$600 for a three-bedroom unit, while the market-rate rents will range from \$450 to \$650 per month. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

- 1. PROJECT NAME:** Parkway Court Village
- 2. PROPERTY LOCATION:** 401 Curtis Parkway
Calhoun, Georgia 30701
- 3. PROJECT TYPE:** New construction of a Low-Income Housing Tax Credit and market-rate project
- 4. UNIT CONFIGURATION AND RENTS:**

TOTAL UNITS	BEDROOM TYPE	BATHS	STYLE	SQUARE FEET	PERCENT OF AMHI	PROPOSED RENTS		
						COLLECTED	UTILITY ALLOWANCE	GROSS
2	ONE-BR.	1.0	GARDEN	1,033	30%	\$205	\$77	\$282
8	ONE-BR.	1.0	GARDEN	1,033	50%	\$360	\$77	\$437
3	ONE-BR.	1.0	GARDEN	913	60%	\$400	\$77	\$477
2	ONE-BR.	1.0	GARDEN	1,033	MRR	\$450	NA	\$450
2	TWO-BR.	2.0	GARDEN	1,153	60%	\$500	\$100	\$600
4	TWO-BR.	2.0	GARDEN	1,206	30%	\$240	\$100	\$340
18	TWO-BR.	2.0	GARDEN	1,206	50%	\$425	\$100	\$525
6	TWO-BR.	2.0	GARDEN	1,206	60%	\$500	\$100	\$600
8	TWO-BR.	2.0	GARDEN	1,206	MRR	\$550	NA	\$550
1	THREE-BR.	2.0	GARDEN	1,407	30%	\$270	\$124	\$394
6	THREE-BR.	2.0	GARDEN	1,407	50%	\$505	\$124	\$629
2	THREE-BR.	2.0	GARDEN	1,407	60%	\$600	\$124	\$724
3	THREE-BR.	2.0	GARDEN	1,407	MRR	\$650	NA	\$650
65								

Source: Developer (Calhoun Affordable Housing Development, Inc.)
AMHI – Area Median Household Income (Gordon County)

- 5. TARGET MARKET:** Families with incomes up to 30%, 50%, 60% AMHI and higher

6. PROJECT DESIGN:

Three two-story walk-up, residential buildings and one non-residential clubhouse building

7. PROJECTED OPENING DATE: 2008

8. UNIT AMENITIES:

- RANGE
- REFRIGERATOR
- DISWASHER
- MICROWAVE
- WASHER/DRYER HOOKUPS
- CENTRAL AIR CONDITIONING
- CARPET
- WINDOW BLINDS

9. COMMUNITY AMENITIES:

- CHILDREN'S ACTIVITY CENTER
- COMPUTER CENTER
- FITNESS CENTER
- WALKING PATH
- LAUNDRY FACILITY
- 5,000 SQ. FT. OPEN PLAYING FIELD
- LIBRARY
- CLUBHOUSE
- COVERED PAVILION WITH BARBECUE FACILITY
- TOT LOT AND PLAYGROUND
- ON-SITE MANAGEMENT

10. RESIDENT SERVICES:

- PART-TIME ACTIVITIES DIRECTOR
- MONTHLY ADULT EDUCATIONAL PROGRAMS
- HOMEBUYER EDUCATION SEMINARS

11. UTILITY RESPONSIBILITY:

The cost of water/sewer and trash collection will be included in the rent. Tenants are responsible for all of the following utilities:

- ELECTRIC HEAT
- ELECTRICITY
- ELECTRIC COOKING
- ELECTRIC HOT WATER

12. PARKING:

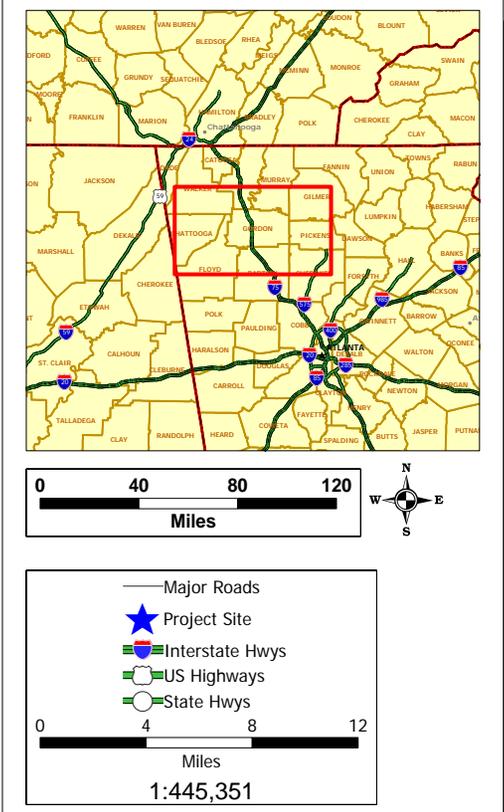
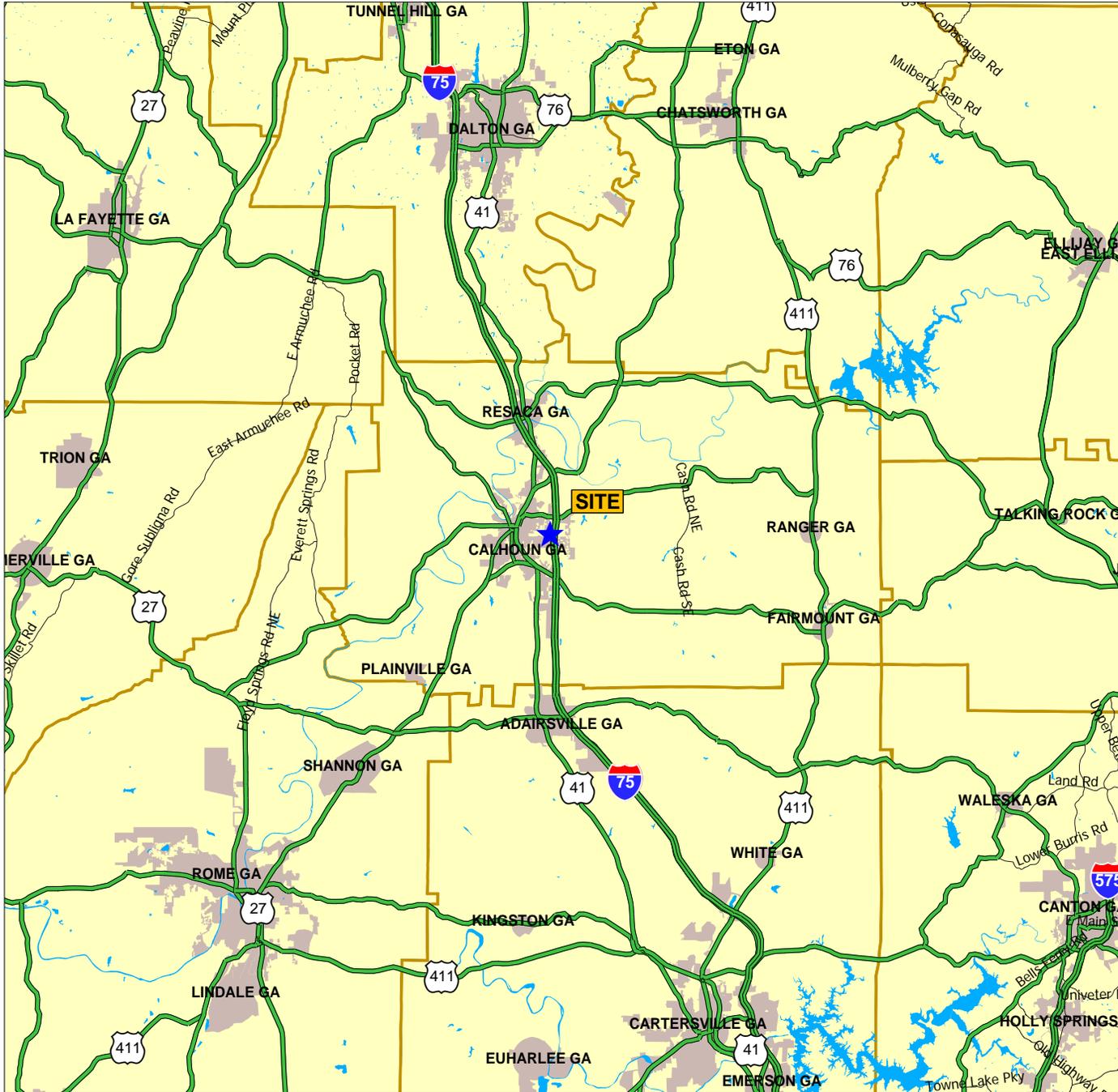
The subject site will offer a sufficient number of open lot parking spaces.

13. STATISTICAL AREA:

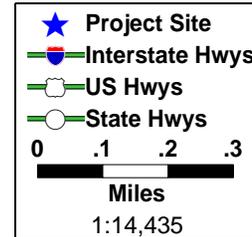
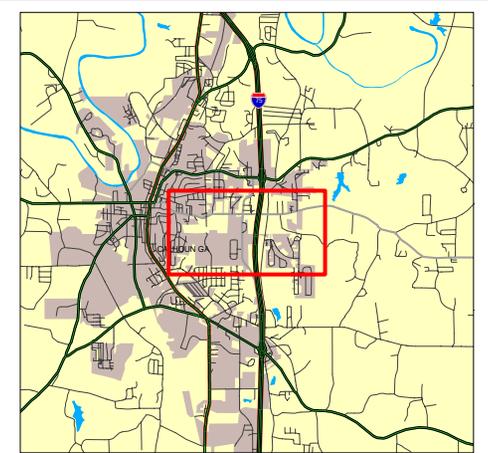
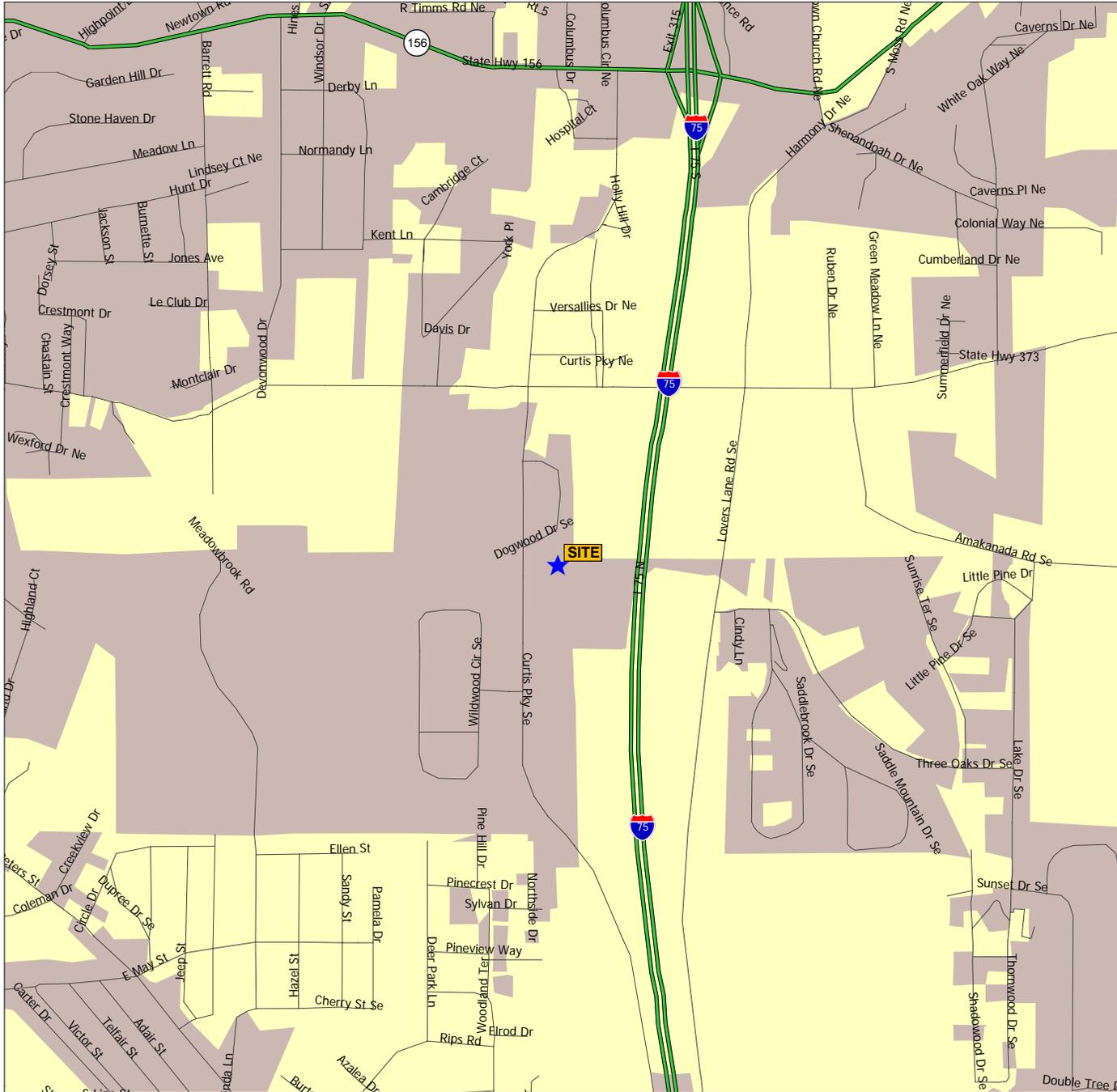
Non-metropolitan statistical area – Gordon County, Georgia (2006)

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

Calhoun, GA: Surrounding Region



Calhoun, GA: Site Neighborhood



SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is a heavily wooded area in the eastern portion of Calhoun, Georgia. The site is situated along the eastern edge of Curtis Parkway, approximately 0.2 miles south of the Dews Pond Road and Curtis Parkway intersection, and immediately west of I-75. Located within Gordon County, Calhoun is 68.0 miles northwest of Atlanta, Georgia. Michael Myers, an employee of Vogt Williams & Bowen, LLC, inspected the site and area apartments during the week of June 26, 2006.

2. SURROUNDING LAND USES

The subject site is bordered to the west by Curtis Parkway and a recently developed office park. The areas north of the site are largely residential, while the southern and eastern areas are primarily wooded and less developed. A detailed description of the adjacent land uses is as follows:

North -	A wooded area extends north of the site. Dogwood Drive, a two-lane residential roadway lined with single-family homes, borders the site to the northwest. A residential neighborhood in good condition is beyond Dogwood Drive. The Calhoun Church of Christ and Northwest Georgia Christian Academy are northeast of the site beyond the wooded area.
East -	Interstate Route 75 borders the site to the east. A wooded area is beyond Interstate Route 75.
South -	A wooded area extends south of the site. Curtis Parkway bisects the wooded area approximately 0.3 miles south of the site. This portion of Curtis Parkway is lined with various industrial and office buildings.
West -	Fred's grocery store is west of the site. A heavily wooded area separates the west and southwest portions of the site from Curtis Parkway, a two-lane roadway. A newly constructed Firehouse Gym, various medical offices, and general office spaces are beyond Curtis Parkway. The Calhoun Elementary and Primary School and a single-family home development, in excellent condition, are beyond the office park.

The site is within 1.3 miles of the onramp to Interstate 75. The site's location provides relative seclusion within the surrounding wooded area, while allowing convenient access to a variety of retail and restaurant options along State Route 156 to the north and State Route 53 to the south. In addition, according to the developer, the buildings have been set back from Interstate 75 a greater-than-required distance, and earth berms will be introduced that will lessen the severity of the noise. Further, "soundproof" windows will be installed in the appropriate locations that will meet, according to the developer, the necessary Sound Transmission Class ratings. These windows, when appropriately specified and installed, will reduce interior sound to within acceptable levels. Overall, the subject property fits in well with the surrounding land uses and should contribute to the marketability of the site.

3. VISIBILITY AND ACCESS

The subject property is located along Curtis Parkway, a two-lane moderate vehicular traffic roadway. There are no sidewalks lining Curtis Parkway. Pedestrian traffic in the area is light. Visibility of the site may be slightly obstructed by the surrounding wooded areas and by Fred's grocery store. Access to the site will be easily gained from either direction on Curtis Parkway. Access to Interstate 75 is only 1.3 miles north of the site. It is recommended that signage identifying the property be included along Curtis Parkway. Signage along the east side of the property facing I-75, will also contribute to the marketability of the property.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

a. Commercial/Retail Areas

The Calhoun area is served by numerous shopping opportunities. Fred's discount grocery store is adjacent to the western edge of the site. Home Depot, Dollar General, and a variety of small retail stores are located at the State Route 53 and Curtis Parkway intersection, within 3.0 miles south of the site. Indian Hills Shopping Center, 1.9 miles south of the site, offers a Goody's, Tractor Supply Company, Ingles grocery store, and a half a dozen shops. Kroger grocery store is 1.7 miles south of the site. Eckerd Pharmacy is 0.7 miles north of the site at the State Route 156 and Curtis Parkway intersection. Wal-Mart Supercenter is 1.9 miles south of the site. Prime Outlets, which offers over 80 specialty shops and outlet stores, is 3.2 miles south of the site. A variety of shops are also located in the downtown Calhoun shopping district, 1.5 miles west of the site.

b. Employers/Employment Centers

The subject site is within the Calhoun Central Business District, which has numerous employment opportunities. The largest area employers include: Mohawk Industries, 2.3 miles south; Shaw Industries, 2.2 miles south; Gordon Hospital, 0.6 miles north; Mannington Commercial, 3.2 miles south; Kobelco Construction American, 2.6 miles south; and North American Container Corporation, 4.4 miles south of the site. A list of the area's largest employers is included in the Economic Analysis Section of this report.

c. Recreation Areas and Facilities

Firehouse Gym is directly west of the site across Curtis Parkway. The Fairmount Community Center is 13.7 miles east of the site. There are two golf courses within 6.0 miles of the site. B&B Roller Skating Palace is 1.7 miles south of the site. The Calhoun Bowling Center is 0.6 miles north of the site. The City Swimming Pool and Recreation Park, which encompasses almost 100 acres and offers tennis courts, basketball courts, swimming, softball, and baseball fields, playground equipment, a walking track, a pavilion and picnic areas, and a gymnasium, is within 3.0 miles west of the site.

d. Entertainment Venues

There are several professional sports team located in Atlanta, approximately 68.0 miles southeast of Calhoun. There are several fast food restaurants within 3.0 miles south of the site along State Route 53. Martin Triple Movie Theater is 1.7 miles south of the site. The renovated Rooker Hotel in downtown Calhoun is now home to an art gallery, art studios, music and dance lessons, the Roland Hayes Museum, meeting rooms, and a catering kitchen. It also holds a 250-seat performance theater and many conference rooms.

e. Education Facilities

The Calhoun Public School District serves the subject site area. The elementary, middle, and high schools that serve the site are within 2.0 miles of the site.

The Coosa Valley Technical College, which has over 100 programs of study, is located 2.5 miles west from the site.

Dalton State College, which offers various certificate, associate, and bachelor's degrees, is 19.0 miles north of the site.

f. Social Services

The Calhoun City Hall, which includes most local government services, is located 1.5 miles west of the site. The Calhoun – Gordon County Public Library is 1.5 miles west of the site. The Gordon County Senior Center, which includes numerous social, educational, and counseling programs for elderly residents, is 0.7 miles northwest of the site. The U.S. Post Office is 1.6 miles west of the site.

g. Transportation Services

There is no public bus service to serve Calhoun or the surrounding communities. The Gordon County Transit is a door-to-door transportation service for local area residents. The site is conveniently located within 1.3 miles of Interstate 75. State Route 156 is within 1.1 miles north of the site, while State Route 53 is within 3.0 miles south of the site. The Tom B. David Airport, a local airstrip, is 3.2 miles south of the site.

h. Public Safety

The Calhoun Police Department maintains its main office 1.5 miles west of the site. The Calhoun Fire Department has stations 0.5 miles north of the site and 2.0 miles west of the site. Gordon Hospital is along Hospital Drive, just 0.6 miles north of the site.

5. CRIME ISSUES

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

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

It should be noted that aggregate indices for total crime, personal crime and property crime are not weighted indices, in that a murder is weighted no more heavily than petty theft. Thus caution should be used when using the aggregate indices.

Total crime risk for the Site PMA (Gordon County) is below the national average with an overall personal crime index of 34 and property crime index of 89.

	CRIME RISK INDEX
	SITE PMA (GORDON COUNTY)
TOTAL CRIME	66
PERSONAL CRIME	34
MURDER	88
RAPE	25
ROBBERY	17
ASSAULT	24
PROPERTY CRIME	89
BURGLARY	101
LARCENY	100
MOTOR VEHICLE THEFT	65

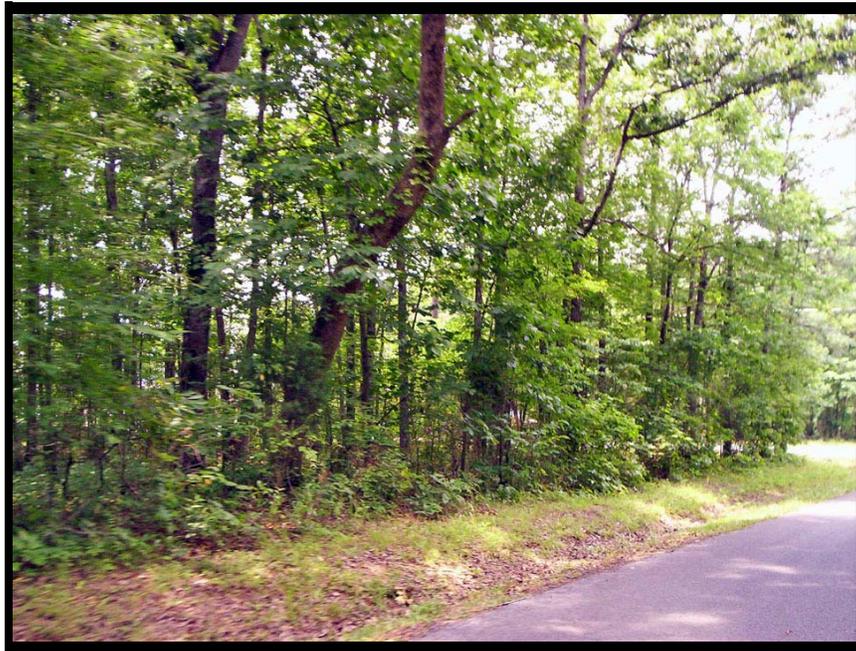
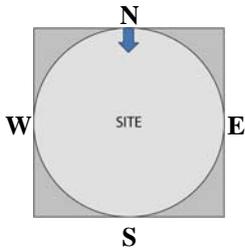
Source: Applied Geographic Solutions

It does not appear the site is not in a high crime neighborhood.

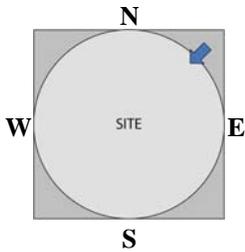
6. SITE PHOTOGRAPHS

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

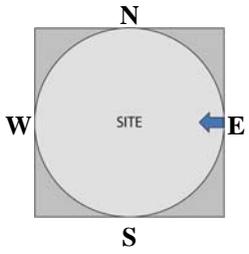
SITE PHOTOGRAPHS



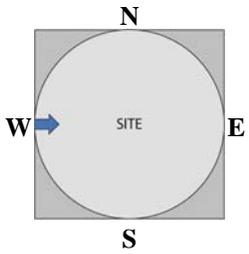
North view of site



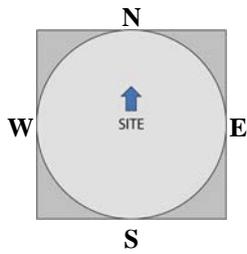
Northeast view of site



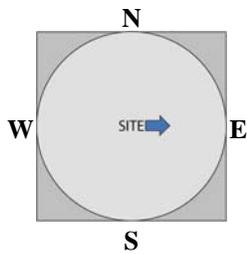
East view of site



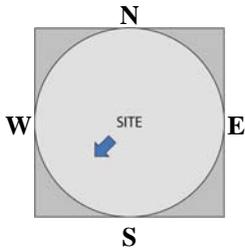
West view of site



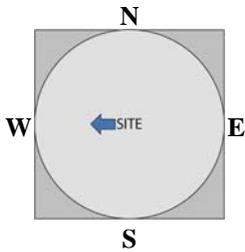
North view from site



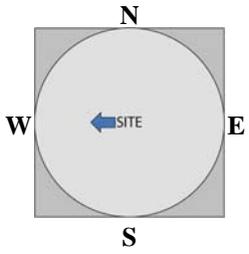
East view from site



Southwest view from site



West view from site

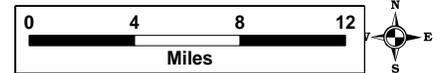
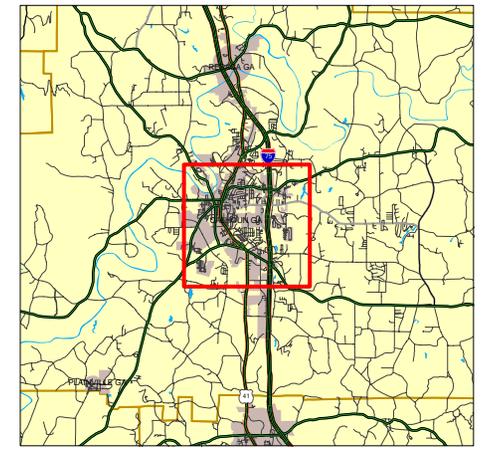


West view from Fred's store

7. COMMUNITY SERVICES MAP

A map illustrating the location of community services and the subject site is on the following page.

Calhoun, GA: Community Services



- Project Site
- Police
- Fire Department
- Hospital
- Shopping
- Post Office
- Park/Recreation
- Library
- Elementary School
- Middle School
- High School
- University/College
- City Government

0 .4 .8 1.2 Miles
1:35,184

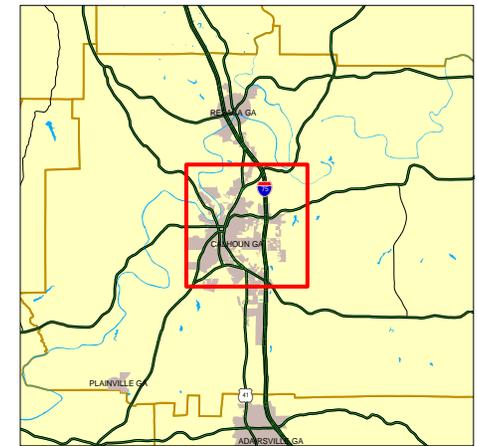
8. NEIGHBORHOOD DEVELOPMENTS/ZONING

The proposed project involves the new construction of 65 apartment units in a developing area of Calhoun. Nearby land uses include an office park, residential development, and wooded and less developed tracts of land, which are not considered to have a significant impact on the subject site. The subject site area is currently zoned for multifamily use, and this use is not expected to change.

9. MAP OF LOW-INCOME RENTAL HOUSING

A map illustrating the location of low-income rental housing projects (Tax Credit, Rural Development, HUD Section 8, and Public Housing) identified in the Site PMA is included on the following page.

Calhoun, GA: Low Income Rental Housing



- ★ Project Site
- Interstate Hwys
- US Hwys
- State Hwys
- Govt. Sub.
- Market Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt. Sub.

Miles
1:41,065

10. PLANNED ROAD OR INFRASTRUCTURE IMPROVEMENTS

According to area planning and zoning officials, there are no notable roads or other infrastructure projects underway or planned for the immediate site area. The subject site has convenient access to Interstate 75, US Highway 41 and State Route 156. The area is established and Georgia Power provides electric service, while water/sewer service is provided by the city of Calhoun.

11. VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

There were no visible environmental concerns regarding the site.

12. OVERALL SITE EVALUATION

The site is located within a developing area of eastern Calhoun, Georgia. The site is located within 1.3 miles of access to Interstate 75, the main thoroughfare connecting Calhoun to Atlanta. The surrounding land uses will have a positive impact on the marketability of the site. Visibility is considered average and access is considered good.

The site is within close proximity to shopping on State Route 53 to the south and State Route 156 to the north. Employment, recreational, entertainment, and education opportunities are all within close proximity to the site. Social services and public safety services are all within 1.5 miles of the site. The site has convenient access to two state routes and a major interstate. Overall, we consider the site's location and proximity to community services to have a positive impact on the marketability of the site.

SECTION D – PRIMARY MARKET AREA DELINEATION

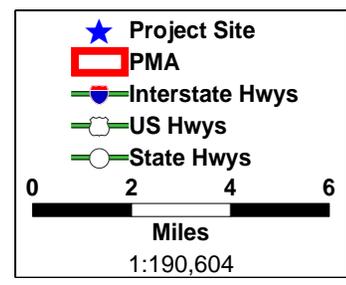
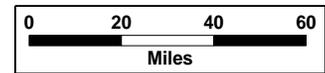
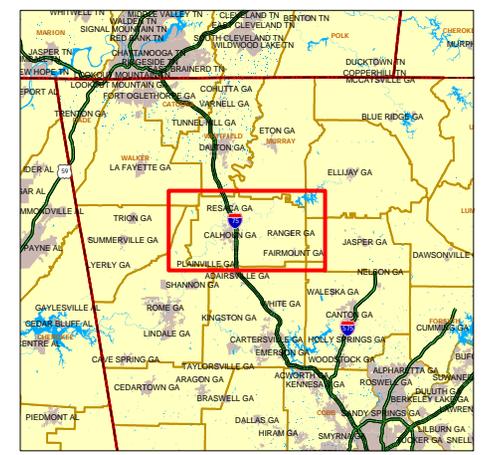
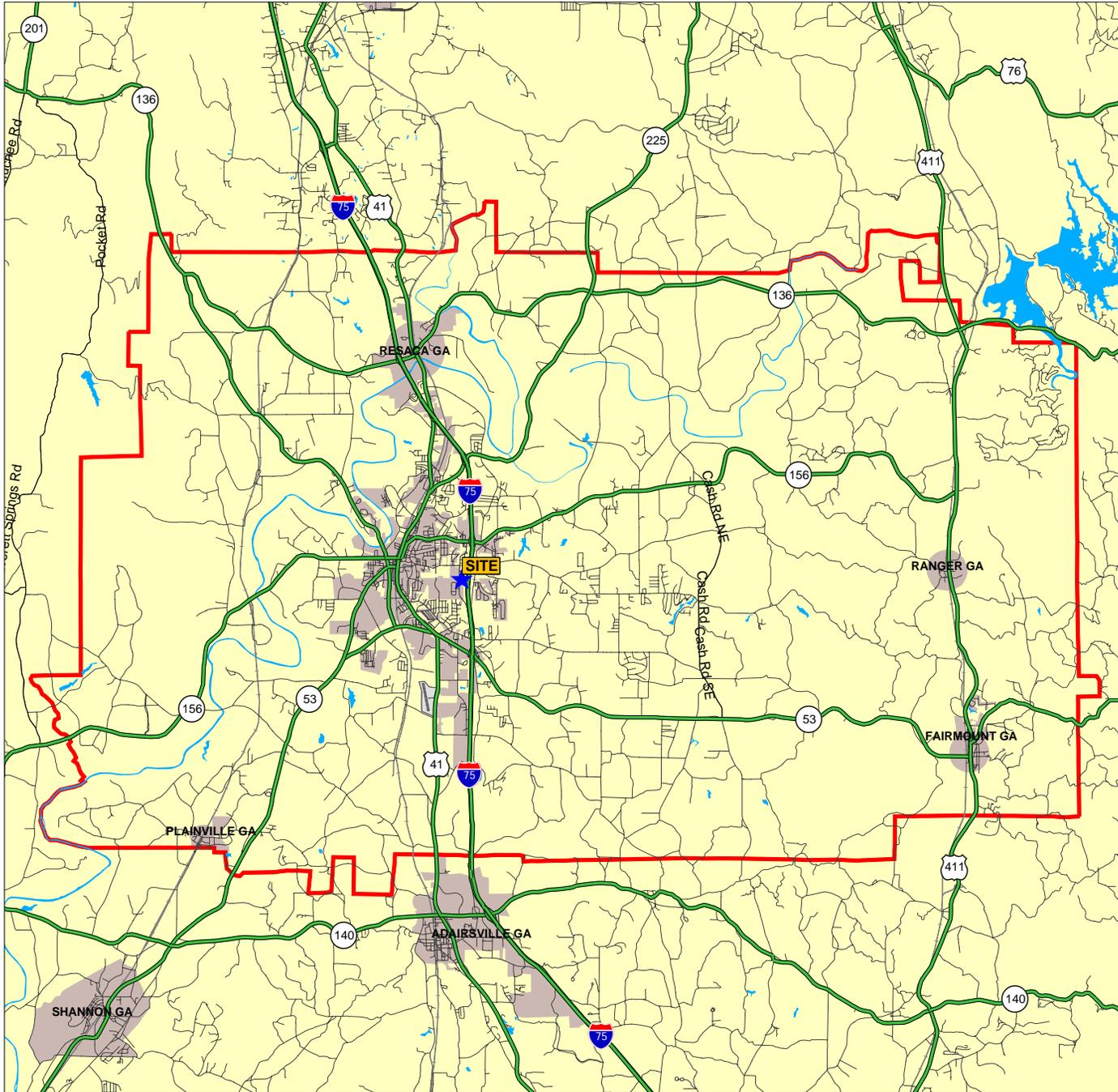
The Site Primary Market Area (PMA) is the geographical area from which 85% of the support for the proposed development is expected to originate. The Calhoun Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives, and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population. Joey Moore, Assistant Building Official at the Calhoun Planning Department, stated that most of the residents for the project would originate from within Gordon County. Jimmy Philips, President of the Gordon County Economic Development Department, stated that nearly all of the tenants for the proposed site would be from within the Gordon County limits. He noted the large flooring companies as a staple in Calhoun's economy and believed these workers would be a large majority of the residents living at the site.

The Calhoun Site PMA includes the city of Calhoun and much of the surrounding area. The boundaries of the Site PMA are the boundaries of Gordon County. The Site PMA for the proposed developments includes the census tracts 701, 702, 703, 704, 705, 706, 707, 708, and 709.

A small portion of support may originate from some of the outlying smaller communities in the area; however, we have not considered any secondary market area in this report.

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

Calhoun, GA: Primary Market Area



SECTION E – COMMUNITY DEMOGRAPHIC DATA & MARKET AREA ECONOMY

1. POPULATION TRENDS

The Calhoun Site PMA population base increased by 9,018 between 1990 and 2000. This represents a 25.7% increase over the 1990 total population, or an annual rate of 2.6%. The Site PMA population bases for 1990, 2000, 2005 (estimated), and 2008 (projected) are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2005 (ESTIMATED)	2008 (PROJECTED)
POPULATION	35,086	44,104	49,414	52,712
POPULATION CHANGE	-	9,018	5,310	3,298
PERCENT CHANGE	-	25.7%	12.0%	6.7%

Source: Census; Claritas; Vogt Williams & Bowen, LLC

It is projected that the total population will increase by 3,298 people, or 6.7%, between 2005 and 2008. The annual average change between 2000 and 2008 is 2.4%.

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

POPULATION BY AGE	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)		CHANGE 2005-2008	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
17 & UNDER	11,498	26.1%	12,906	26.1%	13,767	26.1%	861	6.7%
18 TO 24	4,184	9.5%	4,720	9.6%	4,776	9.1%	56	1.2%
25 TO 34	6,978	15.8%	7,791	15.8%	7,756	14.7%	-35	-0.4%
35 TO 44	6,863	15.6%	7,538	15.3%	8,045	15.3%	507	6.7%
45 TO 54	5,788	13.1%	6,276	12.7%	6,857	13.0%	581	9.3%
55 TO 64	4,119	9.3%	4,799	9.7%	5,403	10.3%	604	12.6%
65 TO 74	2,685	6.1%	3,102	6.3%	3,486	6.6%	384	12.4%
75 & HIGHER	1,989	4.5%	2,282	4.6%	2,621	5.0%	339	14.9%
TOTAL	44,104	100.0%	49,414	100.0%	52,712	100.0%	3,298	6.7%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

As the preceding table illustrates, nearly 53.5% of the population was between 25 and 65 years old in 2005. This age group is the prime group of potential renters for the subject site and will likely represent a significant amount of the tenants at the subject site.

2. HOUSEHOLD TRENDS

Within the Calhoun Site PMA, the total number of households increased by 3,390 (26.5%) between 1990 and 2000. This equates to an annual average of 2.7%. Household trends within the Calhoun Site PMA are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2005 (ESTIMATED)	2008 (PROJECTED)
HOUSEHOLDS	12,783	16,173	18,175	19,413
HOUSEHOLD CHANGE	-	3,390	2,002	1,238
PERCENT CHANGE	-	26.5%	12.4%	6.8%
AVERAGE HOUSEHOLD SIZE	2.7	2.7	2.7	2.7

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Total household growth was positive between 2000 and 2005, and is projected to continue to increase when in 2008 there will be a total of 19,413 households. This is an increase of 405 households annually on 2000 levels, and an annual rate of %.

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

HOUSEHOLDS BY AGE	2005 (ESTIMATED)		2008 (PROJECTED)		CHANGE 2005-2008	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
UNDER 25	970	5.3%	988	5.1%	18	1.9%
25 - 34	3,529	19.4%	3,483	17.9%	-46	-1.3%
35 - 44	3,919	21.6%	4,145	21.4%	226	5.8%
45 - 54	3,424	18.8%	3,707	19.1%	283	8.3%
55 - 64	2,836	15.6%	3,164	16.3%	328	11.6%
65 - 74	2,047	11.3%	2,279	11.7%	232	11.3%
75 - 84	1,138	6.3%	1,279	6.6%	141	12.4%
85 & HIGHER	312	1.7%	368	1.9%	56	18.1%
TOTAL	18,175	100.0%	19,413	100.0%	1,238	6.8%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Between 2005 and 2008 the greatest growth among household age groups is expected to be among households between the ages of 55 and 64, while all households groups over the age of 35 are expanding.

Households by tenure are distributed as follows:

TENURE	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
OWNER-OCCUPIED	11,606	71.8%	12,941	71.2%	13,783	71.0%
RENTER-OCCUPIED	4,567	28.2%	5,234	28.8%	5,630	29.0%
TOTAL	16,173	100.0%	18,175	100.0%	19,413	100.0%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Currently, 28.8% of all households within the Site PMA are renter-occupied.

The household size among renter households within the Site PMA, based on Census data and estimates, are distributed as follows:

PERSONS PER RENTER HOUSEHOLD	2000 (CENSUS)		2005 (ESTIMATED)	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
1 PERSON	1,262	27.6%	1,560	29.1%
2 PERSONS	1,175	25.7%	1,342	25.0%
3 PERSONS	878	19.2%	967	18.0%
4 PERSONS	640	14.0%	749	13.9%
5+ PERSONS	613	13.4%	749	13.9%
TOTAL	4,567	100.0%	5,366	100.0%

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

One- and two-person households comprise 54.1% of all renter households within the Site PMA. The proposed subject project will generally house one- to four-person households, which comprise 86.1% of all households. This is a high share of renter households and a good indication for support for the proposed development.

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

HOUSEHOLD INCOME	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN \$10,000	1,403	8.7%	1,451	8.0%	1,480	7.6%
\$10,000 - \$19,999	2,342	14.5%	2,281	12.6%	2,249	11.6%
\$20,000 - \$29,999	2,474	15.3%	2,492	13.7%	2,506	12.9%
\$30,000 - \$39,999	2,079	12.9%	2,260	12.4%	2,354	12.1%
\$40,000 - \$49,999	2,123	13.1%	2,254	12.4%	2,189	11.3%
\$50,000 - \$59,999	1,644	10.2%	1,753	9.6%	1,958	10.1%
\$60,000 - \$74,999	1,832	11.3%	2,114	11.6%	2,244	11.6%
\$75,000 - \$99,999	1,254	7.8%	1,850	10.2%	2,152	11.1%
\$100,000 & HIGHER	1,022	6.3%	1,720	9.5%	2,281	11.7%
TOTAL	16,173	100.0%	18,175	100.0%	19,413	100.0%
MEDIAN INCOME	\$38,965		\$42,893		\$45,238	

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Between 2000 and 2005, most of the household growth was among households with incomes of \$30,000 and higher.

The distribution of senior households (age 55+) by income within the Site PMA is summarized as follows:

HOUSEHOLD INCOME (55+)	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN \$10,000	881	16.2%	908	14.3%	949	13.4%
\$10,000 - \$19,999	1,299	23.8%	1,293	20.4%	1,339	18.9%
\$20,000 - \$29,999	839	15.4%	954	15.1%	1,082	15.3%
\$30,000 - \$39,999	529	9.7%	723	11.4%	819	11.6%
\$40,000 - \$49,999	589	10.8%	590	9.3%	606	8.5%
\$50,000 - \$59,999	281	5.2%	453	7.2%	542	7.6%
\$60,000 - \$74,999	431	7.9%	443	7.0%	532	7.5%
\$75,000 - \$99,999	296	5.4%	459	7.2%	525	7.4%
\$100,000 & HIGHER	304	5.6%	510	8.1%	695	9.8%
TOTAL	5,449	100.0%	6,333	100.0%	7,089	100.0%
MEDIAN INCOME	\$26,396		\$30,142		\$31,886	

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Between 2000 and 2005, most of the age 55+ household growth was among households with incomes between \$30,000 and \$39,999. This trend is expected to continue through 2008.

The following tables illustrate renter household income by household size for 2000, 2006 (estimated), and 2008 (projected) for the Site PMA:

RENTER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	423	115	63	67	24	692
\$10,000-\$20,000	365	281	119	87	78	931
\$20,000-\$30,000	252	213	265	129	112	972
\$30,000-\$40,000	95	180	166	133	90	665
\$40,000-\$50,000	78	156	100	100	55	490
\$50,000-\$60,000	0	103	67	85	80	335
\$60,000+	48	125	97	38	173	482
TOTAL	1,262	1,175	878	640	613	4,567

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS	2006 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	483	115	60	65	22	745
\$10,000-\$20,000	428	256	111	75	70	940
\$20,000-\$30,000	306	212	253	125	106	1,002
\$30,000-\$40,000	137	215	183	166	114	815
\$40,000-\$50,000	113	191	122	119	64	609
\$50,000-\$60,000	0	133	79	137	77	426
\$60,000+	94	220	158	61	296	829
TOTAL	1,560	1,342	967	749	749	5,366

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS	2008 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	500	110	59	65	21	753
\$10,000-\$20,000	446	243	106	70	65	930
\$20,000-\$30,000	319	205	251	124	99	998
\$30,000-\$40,000	145	222	195	171	119	853
\$40,000-\$50,000	117	189	116	116	67	605
\$50,000-\$60,000	0	150	87	150	86	474
\$60,000+	123	262	196	76	360	1,017
TOTAL	1,649	1,381	1,011	771	818	5,630

Source: Ribbon Demographics, Claritas

It is important to note that all of the demographics data within the Site PMA suggests a very positive growth in both population and households. Unemployment rates are low and the jobs in the area generate incomes well suited for affordable housing.

3. LABOR FORCE PROFILE

The labor force is relatively diversified; however, Manufacturing and Retail Trade comprise nearly two-thirds of the entire Calhoun Site PMA labor force. According to Claritas, employment in the Site PMA as of 2004 was distributed as follows:

SIC GROUP	ESTABLISHMENTS	PERCENT	EMPLOYEES	PERCENT
AGRICULTURE & NATURAL RESOURCES	39	2.2%	197	0.8%
MINING	0	0.0%	0	0.0%
CONSTRUCTION	112	6.2%	891	3.4%
MANUFACTURING	132	7.3%	10,880	42.1%
TRANSPORTATION & UTILITIES	73	4.1%	818	3.2%
WHOLESALE TRADE	97	5.4%	1,205	4.7%
RETAIL TRADE	494	27.5%	5,014	19.4%
F.I.R.E.	121	6.7%	619	2.4%
SERVICES	601	33.4%	4,830	18.7%
GOVERNMENT	104	5.8%	1,165	4.5%
NON-CLASSIFIABLE	26	1.4%	223	0.9%
TOTAL	1,799	100.0%	25,842	100.0%

Note: Due to the fact that this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. However, these employees are included in our labor force calculations because their places of employment are located within the Site PMA.

Source: 2000 Census; Claritas; Vogt Williams & Bowen, LLC

Typical wages by occupation for the Chattanooga MSA (the nearest MSA) and the state of Georgia are illustrated as follows:

TYPICAL WAGE BY OCCUPATION TYPE		
OCCUPATION TYPE	CHATTANOOGA MSA	GEORGIA
MANAGEMENT OCCUPATIONS	\$76,990	\$86,600
BUSINESS AND FINANCIAL OCCUPATIONS	\$53,580	\$57,540
COMPUTER AND MATHEMATICAL OCCUPATIONS	\$56,060	\$63,460
ARCHITECTURE AND ENGINEERING OCCUPATIONS	\$58,800	\$58,240
COMMUNITY AND SOCIAL SERVICE OCCUPATIONS	\$33,180	\$36,540
ART, DESIGN, ENTERTAINMENT, AND SPORTS MEDICINE OCCUPATIONS	\$32,640	\$42,020
HEALTHCARE PRACTITIONERS AND TECHNICAL OCCUPATIONS	\$54,800	\$55,530
HEALTHCARE SUPPORT OCCUPATIONS	\$22,960	\$21,850
PROTECTIVE SERVICE OCCUPATIONS	\$29,190	\$30,080
FOOD PREPARATION AND SERVING RELATED OCCUPATIONS	\$15,560	\$16,180
BUILDING AND GROUNDS CLEANING AND MAINTENANCE OCCUPATIONS	\$18,410	\$20,180
PERSONAL CARE AND SERVICE OCCUPATIONS	\$20,530	\$22,260
SALES AND RELATED OCCUPATIONS	\$28,440	\$31,310
OFFICE AND ADMINISTRATIVE SUPPORT OCCUPATIONS	\$26,710	\$28,500
CONSTRUCTION AND EXTRACTION OCCUPATIONS	\$33,150	\$32,340
INSTALLATION, MAINTENANCE AND REPAIR OCCUPATIONS	\$34,340	\$37,360
PRODUCTION OCCUPATIONS	\$26,640	\$27,500
TRANSPORTATION AND MOVING OCCUPATIONS	\$27,520	\$28,730

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

Most Chattanooga MSA annual average salaries range from \$15,560 to \$76,990, while most management and other white-collar jobs have annual average salaries of over \$60,046. The proposed Tax Credit units will target households with incomes between \$9,669 and \$33,060. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw support.

4. MAJOR EMPLOYERS

The ten largest employers within Gordon County comprise a total of 8,064 employees. These employers are summarized as follows:

INDUSTRY	BUSINESS TYPE	TOTAL EMPLOYED
MOHAWK INDUSTRIES	MANUFACTURING	3,000
SHAW INDUSTRIES	MANUFACTURING	1,750
COUNTY SCHOOLS	EDUCATION	485
GORDON HOSPITAL	HEALTHCARE	600
MANNINGTON	MANUFACTURING	592
BEAULIEU GROUP	MANUFACTURING	386
SPRINGS GLOBAL US, INC.	MANUFACTURING	360
KOBELCO CONSTRUCTION MACHINERY AMERICAN, LLC	MANUFACTURING	350
COUNTY GOVERNMENT	GOVERNMENT	341
NORTH AMERICAN CONTAINER CORP.	MANUFACTURING	200
	TOTAL	8,064

According to local Chamber of Commerce sources and Economic Development representatives, most of the major employers are stable. However, in March 2005, Mohawk Industries opened a 700,000 square foot distribution facility, which retained 485 jobs and is expected to add an additional 120 over the next three years. LG, a countertop manufacturer, built a 150,000 square foot manufacturing facility in 2005 that created an additional 75 jobs. Further, Nourison Corporation (rug manufacturer) recently broke ground on a 300,000 square foot distribution facility. It is anticipated this addition will create approximately 50 new jobs.

Other planned developments include the State Route 153 overpass, which is planned for expansion over Interstate 75. Additionally, a new interchange is planned at Union Town Road, which will connect to Interstate 75.

5. EMPLOYMENT TRENDS

The employment base has increased by 12.2% over the past five years in Gordon County, outpacing the Georgia average of 8.0%.

The following illustrates the total employment base for Gordon County and Georgia.

YEAR	TOTAL EMPLOYMENT	
	GORDON COUNTY	GEORGIA
1997	20,371	3,751,699
1998	20,320	3,861,646
1999	21,296	3,951,684
2000	23,611	4,095,362
2001	22,449	4,112,868
2002	23,068	4,118,606
2003	23,602	4,159,543
2004	24,324	4,230,639
2005	24,942	4,346,289
2006*	25,183	4,440,233

*Through May 2006

As the preceding illustrates, the Gordon County employment base has increased by 4,812 employees since 1997.

The unemployment rate in Gordon County has remained between 3.3% and 5.5%, but has been equal to or below the state average since 2002. Employment rates for Gordon County and Georgia are illustrated as follow:

YEAR	UNEMPLOYMENT RATE	
	GORDON COUNTY	GEORGIA
1997	5.5%	4.5%
1998	4.5%	4.2%
1999	4.8%	3.8%
2000	3.3%	3.5%
2001	5.2%	4.0%
2002	4.9%	4.9%
2003	4.7%	4.8%
2004	4.5%	4.8%
2005	4.9%	5.3%
2006*	4.6%	4.7%

*Through May 2006

The historically low unemployment rate for Gordon County is a positive indicator of the economic stability of the area.

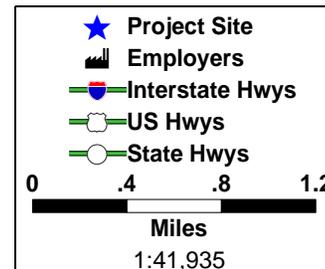
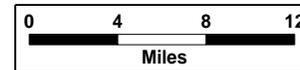
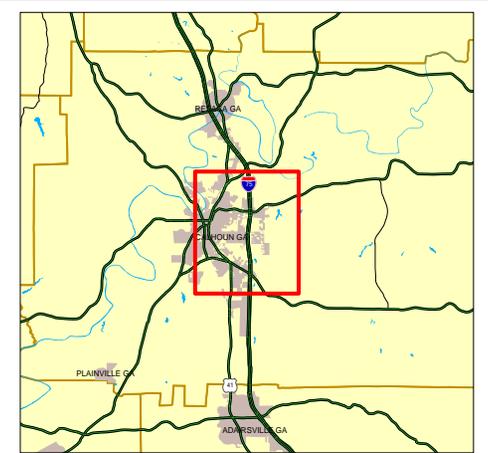
6. ECONOMIC FORECAST

According to statistics provided by the U.S. Department of Labor, Bureau of Labor Statistics, the 2000 Census, and Claritas demographic information, and based on interviews with representatives of the Gordon County/Calhoun Chamber of Commerce and Calhoun city officials, the Calhoun economy has been stable and is projected to remain stable throughout the next few years. Despite the slowdown of the manufacturing industry, other economic sectors in the area have experienced slow growth that counteracts any slight decline in manufacturing. Thus, the overall economy is expected to remain stable to slow growing in the Calhoun area for at least the next few years.

This stability in the area economy is an indication of the continued demand for housing in the area. With modest economic growth in the area, the demand for housing is anticipated to increase proportionately over the next few years. Thus, the demand for housing is anticipated to remain as strong as current conditions.

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

Calhoun, GA: Employment Centers



SECTION F – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is within Gordon County, which has a median household income of \$50,300 for 2006. The subject property will be restricted to households with incomes of up to 30%, 50%, and 60% of AMHI for Gordon County, and will also have non-income-restricted market-rate units for rent. The following table summarizes the maximum allowable income by household size for Gordon County at 30%, 50%, and 60% of AMHI.

HOUSEHOLD SIZE	MAXIMUM ALLOWABLE INCOME		
	30%	50%	60%
ONE-PERSON	\$10,710	\$17,850	\$21,420
TWO-PERSON	\$12,240	\$20,400	\$24,480
THREE-PERSON	\$13,770	\$22,950	\$27,540
FOUR-PERSON	\$15,300	\$25,500	\$30,600
FIVE-PERSON	\$16,530	\$27,550	\$33,060

a. Maximum Income Limits

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is \$33,060.

Although there are no maximum income limits for market-rate units, for the purpose of this analysis we have assumed that tenants in the Calhoun Site PMA will likely not live in the subject rental units if their income is above \$60,000 per year. With HISTA data, we can identify the number of higher income renter households in the Site PMA.

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent to income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent to income ratio permitted for family projects is 35% and 40% for senior projects.

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$282 (at 30% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$3,384.

Applying a 35% rent to income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$9,669.

The subject site will also contain 13 non-income-restricted market-rate units. Assuming management qualifies tenants at a 27% rent to income ratio, the minimum income required to live in the market-rate units at the subject site will be \$23,422, as the lowest proposed market-rate, one-bedroom units, will be priced at \$527 (gross) per month.

c. Income-Appropriate Range

Based on the preceding analyses, the income-appropriate range required for living at the proposed project with units built to serve households at 30%, 50%, and 60% of AMHI and higher, is as follows:

UNIT TYPE	INCOME RANGE	
	MINIMUM	MAXIMUM
TAX CREDIT (LIMITED TO 30% OF AMHI)	\$9,669	\$16,530
TAX CREDIT (LIMITED TO 50% OF AMHI)	\$14,983	\$27,550
TAX CREDIT (LIMITED TO 60% OF AMHI)	\$16,354	\$33,060
MARKET-RATE	\$23,422	\$60,000

2. METHODOLOGY

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

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2000 renter household census data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as Claritas or the State Data Center. This household projected must be limited to the target population, age and income group and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units are comprised of three- and four- bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand*

analysis, which does not take this into account, may overestimate demand.). Note that our calculations have been reduced to only include renter-qualified households.

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent. Based on the 2000 Census, 22.6% of the renter households in the city of Calhoun were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both households that are rent overburdened or living in substandard housing. Based on the 2000 Census, 13.7% of all households were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).*
- **Elderly Homeowners likely to convert to rentership:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly tax credit housing. This segment should not account for more than 20% of total demand. Due to the difficulty of extrapolating elderly (65 and over) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band in order to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis.*

- **Elderly Households relocating from the following situations may also be considered in determining demand:**

- a) *Seniors relocating from other areas outside the Primary or Secondary Market area.*
- b) *Children subsidizing rents for their parents.*
- c) *Seniors moving from their children's homes that they had been living with.*

If an analyst utilizes these factors in his calculation of demand, specific documentation must be included in support of his conclusions. These factors may not account for more than 20% of the total demand.

- **Housing For Older Persons Rental Demand** *will be calculated at 10% of the Elderly Qualified Rental Households demand for the Primary Market Area.*
 - **Demand for HFOP** *will be based on the Gross demand for Elderly Households plus the rental demand for HFOP.*
 - *The maximum income limit for senior developments will be limited to two-person households regardless of the bedroom type proposed.*
- c. **To accommodate for the Secondary Market Area, the Demand from Existing Qualified Households within the Site Primary Market Area will be multiplied by 15% to account for demand from the Secondary Market Area.** *GDCA recommends that the analyst be conservative when developing the Primary Market Area so as to not overstate market demand due to this multiplier effect.*

Within the Site PMA we identified one family LIHTC property (Eastgate Apartments) that was funded and/or built during the projection period (1999 to current). There was also one family LIHTC property (Forest Heights) that was rehabilitated during the projection period. In order to determine if the rehab units will directly compete with the subject and be counted as part of the net supply, a weighting factor of between zero and one has been assigned to each of four factors (location, affordability, property type and quality). The total comparability factor is then applied to each bedroom type for all income levels to determine the number of units to be allocated to the existing property.

REHAB COMPARABILITY ANALYSIS			
COMPARABLE 1 FOREST HEIGHTS I		PERCENT	COMMENTS
1	LOCATION	0.0	5.8 MILES FROM SITE
2	AFFORDABILITY	0.0	LIHTC/RD 515
3	PROPERTY TYPE	1.0	GARDEN & TOWNHOME
4	QUALITY	0.5	INFERIOR TO SITE AT "B-"
	COMPARABILITY FACTOR	1.5	1*2*3*4

Based on the analysis above, Forest Heights I will compete with the proposed subject project. A comparability factor of 37.5% ($1.5/2.0=37.5\%$) has been applied to the total number of units at Forest Heights I. LIHTC properties built or funded since 1999 are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT/ RENOVATED	LIHTC UNITS	UNITS AT TARGETED AMHI			
				30% AMHI	40% AMHI	50% AMHI	60% AMHI
19	EASTGATE APTS.	1999	48	-	-	29	19
7	FOREST HEIGHTS I	1983/2005	50 (19)*	-	-	-	50 (19)*

*37.5% comparability factor applied

The competing properties have a total of 67 Tax Credit units. Note the property manager at Eastgate Apartments was unable to provide an accurate breakdown of the number of 50% and 60% units. Therefore, the above is an estimated distribution. These directly comparable Tax Credit units are included in our demand analysis. In addition, we found 45 market rate units in the Site PMA that offer units and rents similar to the proposed rents at the subject property.

In order to avoid overstating demand, units with Rental Assistance were not included in the demand analysis.

The following is a summary of our demand calculations:

DEMAND COMPONENT	PERCENT OF MEDIAN HOUSEHOLD INCOME				
	30% (\$9,669 TO \$16,530)	50% (\$14,983 TO \$27,550)	60% (\$16,354 TO \$33,060)	OVERALL TAX CREDIT (\$9,669 TO \$33,060)	MARKET- RATE (\$23,422 TO \$60,000)
DEMAND FROM NEW HOUSEHOLDS (AGE- AND INCOME-APPROPRIATE)	632 – 639 = -7	1,220 – 1,228= -8	1,598 – 1,594 = 4	2,214 – 2,216 = -2	2,588 – 2,508 = 80
+					
DEMAND FROM EXISTING HOUSEHOLDS (RENTER IN SUBSTANDARD HOUSING)	639 X 13.7% = 88	1,228 X 13.7% = 168	1,594 X 13.7% = 218	2,216 X 13.7% = 304	2,508 X 13.7% = 344
+					
DEMAND FROM EXISTING HOUSEHOLDS (RENT OVERBURDENED)	639 X 22.6% = 144	1,228 X 22.6% = 278	1,594 X 22.6% = 360	2,216 X 22.6% = 501	2,508 X 22.6% = 567
+					
DEMAND FROM SECONDARY MARKET AREA (15% OF DEMAND FROM EXISITNG QUALIFIED HOUSEHOLDS IN SITE PMA)	34	66	87	121	149
=					
DEMAND SUBTOTAL	259	504	669	924	1,140
+					
DEMAND FROM EXISTING HOUSEHOLDS (ELDERLY HOMEOWNER CONVERSION)	N/A	N/A	N/A	N/A	N/A
+					
DEMAND FROM EXISTING HOUSEHOLDS (ELDERLY HOMEOWNER RELOCATION)	N/A	N/A	N/A	N/A	N/A
+					
DEMAND FROM EXISTING HFOP RENTAL HOUSEHOLDS	N/A	N/A	N/A	N/A	N/A
=					
TOTAL DEMAND	259	504	669	924	1,140
-					
SUPPLY (DIRECTLY COMPARABLE UNITS BUILT AND/OR FUNDED SINCE 1999)	0	29	38	67	45
=					
NET DEMAND	259	475	631	857	1,095
PROPOSED UNITS	7	32	13	52	13
CAPTURE RATE	2.7%	6.7%	2.1%	6.1%	1.2%

N/A-Not Applicable (subject project is not age-restricted)

Pursuant to GDCA/GHFA guidelines, this analysis has been refined by factoring the number of large households (4+ persons) within the Site PMA. Since the proposed site will include 12 three-bedroom units (18.5% of the total), we have based demand on the 2000 Census projections to the 2008 distribution of persons per unit among all renter households. The following is our estimated share of demand by bedroom type within the Site PMA:

ESTIMATED DEMAND BY BEDROOM	
BEDROOM TYPE	PERCENT
ONE-BEDROOM	28.1%
TWO-BEDROOM	38.2%
THREE-BEDROOM	23.7%
FOUR-BEDROOM	10.0%
TOTAL	100.0%

Applying these shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as follows. Note this excludes 10% support for four-bedroom since the subject property will contain only include one-, two- and three-bedroom units.

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	MEDIAN MARKET RENT	SUBJECT GROSS RENTS
ONE-BEDROOM (28.1%)	30%	2	73	0	73	2.7%	2 UPM	\$390	\$282
ONE-BEDROOM (28.1%)	50%	8	142	7	135	5.9%	1 UPM	\$390	\$437
ONE-BEDROOM (28.1%)	60%	3	188	13	175	1.7%	1 UPM	\$390	\$477
ONE-BEDROOM (28.1%)	MRR	2	320	30	290	0.7%	1 UPM	\$390	\$450
ONE-BEDROOM	TOTAL TAX	15	763	42	721	2.1%	5 UPM	\$390	\$282-\$477
TWO-BEDROOM (38.2%)	30%	4	99	0	99	4.0%	2 UPM	\$565	\$340
TWO-BEDROOM (38.2%)	50%	18	193	15	178	10.1%	1 UPM	\$565	\$525
TWO-BEDROOM (38.2%)	60%	8	256	20	236	3.4%	1 UPM	\$565	\$600
TWO-BEDROOM (38.2%)	MRR	8	435	15	420	1.9%	1 UPM	\$565	\$550
TWO-BEDROOM	TOTAL TAX	38	1,036	39	997	3.8%	5 UPM	\$565	\$340-\$600
THREE-BEDROOM (23.7%)	30%	1	61	0	61	1.6%	2 UPM	\$644	\$394
THREE-BEDROOM (23.7%)	50%	6	119	7	112	5.3%	1 UPM	\$644	\$629
THREE-BEDROOM (23.7%)	60%	2	159	5	154	1.3%	1 UPM	\$644	\$724
THREE-BEDROOM (23.7%)	MRR	3	270	0	270	1.1%	1 UPM	\$644	\$650
THREE-BEDROOM	TOTAL TAX	12	643	12	631	1.9%	5 UPM	\$644	\$394-\$724

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

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

The capture rates by bedroom type are excellent, ranging from 0.7% to 10.1% are indicators that there is sufficient support for the proposed subject units.

3. ABSORPTION PROJECTIONS

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow GDCA/GHFA guidelines that assume a 2008 opening date for the site, we also assume that initial units at the site will be available for rent in early 2008.

Based on our analysis contained in this report, it is our opinion that the 13 market-rate units will reach a stabilized occupancy of 93% within two months of opening, averaging an absorption rate between six and seven units per month. This assumes aggressive marketing and pre-leasing will occur prior to the property opening.

It is our opinion that the 52 LIHTC units will reach a stabilized occupancy of 93% within approximately four to five months of opening, with an average absorption rate of 10 to 12 units per month.

SECTION G – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

Based on the 2000 Census, rental housing comprises 4,567 units, or 28.2% of the entire housing stock. The distribution of the area housing stock in 2000 and 2005 are summarized on the following table:

HOUSING TYPE	2000 CENSUS		2005 (ESTIMATED)	
	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT
TOTAL OCCUPIED	16,173	94.3%	18,175	94.4%
OWNER-OCCUPIED	11,606	71.8%	12,941	71.2%
RENTER-OCCUPIED	4,567	28.2%	5,234	28.8%
VACANT	972	5.7%	1,086	5.6%
TOTAL	17,145	100.0%	19,261	100.0%

Based on the 2000 Census, of the 17,145 total households in the market, 5.7% were vacant. The share of renters and owners in the market has remained virtually unchanged over the last five years.

We conducted an on-site survey of 20 rental properties totaling 903 units. Of these properties, 13 are non-subsidized (market-rate or Tax Credit) with 503 units. Among these non-subsidized units, 92.6% are occupied. Note five of the properties surveyed are single-family homes, two of which available for lease. If the single-family homes were not included, the overall occupancy rate for non-subsidized multifamily properties would be 95.2%. We consider this a good occupancy rate, and a positive indication of the strength of the non-subsidized conventional apartment market.

There are also seven government-subsidized projects in the market with a total of 400 units. These units have an overall occupancy rate of 100.0%. These projects operate under various programs including HUD Section 8 and Public Housing.

The non-government subsidized apartment market is summarized as follows:

UNIT TYPE	NUMBER OF UNITS	SHARE OF UNITS	VACANT UNITS	VACANCY RATE	MEDIAN GROSS RENT
STUDIO	53	10.5%	9	17.0%	\$270
1-BEDROOM	223	44.3%	18	8.1%	\$390
2-BEDROOM/ 1.0 BATH	84	16.7%	2	2.4%	\$546
2-BEDROOM/ 1.5 BATH	126	25.0%	6	4.8%	\$565
3-BEDROOM/ 1.0 BATH	2	0.4%	1	50.0%	\$794
3-BEDROOM/ 2.0 BATH	15	3.0%	1	6.7%	\$644
TOTAL	503	100.0%	37	7.4%	

The distribution of units by bedroom type is weighted towards smaller unit types, with over 96% of the apartment market consisting of studio, one- and two-bedroom units. The proposed subject property will consist of one-bedroom/one-bath units, two-bedroom/two-bath units and three-bedroom/two-bath units. The demand for these unit types appears fairly high with 8.1% vacant one-bedroom units and 6.7% vacant three-bedroom/two-bath units. It is important to note the existing two-bedroom units in the market contain only one to 1.5 baths, while the proposed subject property will contain two baths.

We rated each property surveyed on a scale of A through E. All market-rate properties were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping, and grounds appearance). Following is a distribution of market-rate properties by quality rating, units, and vacancies.

MARKET-RATE			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A	3	59	5.1%
A-	1	1	100.0%
B+	1	1	0.0%
B	3	171	14.6%
B-	3	175	4.6%
C+	1	1	0.0%

Vacancies are the highest among properties with B or lower, with the exception of the one A- single-family home that is currently for lease. Note, the 14.6% vacancy rate also includes a single-family home that is currently for lease.

Following is a distribution of Tax Credit properties by quality rating, units, and vacancies.

TAX CREDIT			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A	2	47	0.0%
B+	1	48	0.0%

The subject project is anticipated to have a quality rating of A. This improved quality should enhance the subject project's marketability.

2. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject project will include 65 total units, of which 13 units will be non-income-restricted market-rate, and 52 will be Low-Income Housing Tax Credit (LIHTC) units. We identified six Low-Income Housing Tax Credit within the Calhoun PMA. Eastgate Apartments is the only directly comparable project operating solely under the Tax Credit program. Forest Hills, Forest Heights I and II and Calhoun Gardens contain additional government subsidies (Rural Development

515 with Rental Assistance and HUD Section 8), allowing tenants to pay 30% of their monthly gross income towards rent. Furthermore, 60% of the units at Calhoun Gardens are targeted towards senior households and Catoosa Senior Village has all units age-restricted to seniors aged 55 and older. Typically senior projects are not considered comparable to family projects; however, we have included these projects with senior units in this comparable analysis due to the lack of existing family-oriented comparable projects. Although Forest Hills, Forest Heights I and II, and Calhoun Gardens will not be directly comparable to the subject site, we have included them in the following competitive analysis, as there are no comparable market-rate rentals charging rents within 10% of the subject rent levels.

These competitive properties and the proposed subject development are summarized as follows. (Note: information regarding property address and phone number, contact name, date of contact, and utility responsibility is included in Addendum A-Field Survey of Conventional Rentals of this report):

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	PHYSICAL CONDITION	TARGET MARKET
SITE	PARKWAY COURT VILLAGE	2008	52*	-	EXCELLENT	FAMILIES 30%, 50%, 60% AMHI
6	FOREST HILLS	1989	50	100.0%	GOOD	FAMILIES 60% AMHI
7	FOREST HEIGHTS I	1983/2005	50	100.0%	GOOD	FAMILIES 60% AMHI
8	FOREST HEIGHTS II	1987	52	100.0%	GOOD	FAMILIES 60% AMHI
14	CALHOUN GARDENS	1977/2005	76	100.0%	EXCELLENT	FAMILIES & SENIORS 60% AMHI
17	CATOOSA SENIOR VILLAGE	2003	47**	100.0%	EXCELLENT	SENIORS (55+) 50% AMHI
19	EASTGATE APTS.	1999	48	100.0%	GOOD	FAMILIES 60% AMHI

*Does not include 13 Market-Rate units

**Does not include 13 Market-Rate units

The comparable properties have a combined occupancy rate of 100.0% and maintain waiting lists ranging from three months to twelve months, indicating a high demand for affordable rental units in the area. Eastgate Apartments, the only non-subsidized family Tax Credit property, maintains a three-month waiting list. Note Forest Hills and Forest Heights I and II were built in the 1980s, while Calhoun Gardens was built in the 1970s. Although Forest Heights I and Calhoun Gardens were both renovated in 2005, the subject site will have a notably more aesthetically appealing appearance than the existing rental projects available.

Gross rents for the competing projects and the proposed rents at the subject site as well as their unit mix and vacancies by bedroom are listed in the following table:

MAP I.D.	PROJECT NAME	GROSS RENT (NUMBER OF UNITS/VACANCIES)			SPECIALS/ CONCESSIONS
		ONE-BR.	TWO-BR.	THREE-BR.	
SITE	PARKWAY COURT VILLAGE	\$282-\$477 (13/-)	\$340-\$600 (30/-)	\$394-\$724 (9/-)	NONE
6	FOREST HILLS*	\$392-\$512 (14/0)	\$450-\$614 (36/0)	-	NONE
7	FOREST HEIGHTS I*	\$430-\$500 (20/0)	\$486-\$576 (30/0)	-	NONE
8	FOREST HEIGHTS II*	\$400-\$550 (16/0)	\$472-\$662 (36/0)	-	NONE
14	CALHOUN GARDENS*	\$481-\$516 (49/0)	\$579 (22/0)	\$631 (5/0)	NONE
17	CATOOSA SENIOR VILLAGE	\$392 (28/0)	\$475 (32/0)	-	NONE
19	EASTGATE APTS.	\$421 (12/0)	\$546 (24/0)	\$644 (12/0)	NONE

*Listed rents are contract, basic and market rents, as these projects operate under either a HUD Section 8 or RD 515 subsidy

The proposed subject Tax Credit rents, ranging from \$282 to \$477 for a one-bedroom unit, \$340 to \$600 for a two-bedroom unit, and \$394 to \$724 for a three-bedroom unit, generally fall within the rent range of the other affordable rental alternatives in the market. It should be noted, however, the subject property will be superior to the existing family Tax Credit properties in terms of age, condition, quality, unit size and amenities.

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

MAP I.D.	PROJECT NAME	SQUARE FOOTAGE			NUMBER OF BATHS		
		ONE-BR.	TWO-BR.	THREE-BR.	ONE-BR.	TWO-BR.	THREE-BR.
SITE	PARKWAY COURT VILLAGE	913-1,033	1,153-1,206	1,407	1.0	2.0	2.0
6	FOREST HILLS	700	875-910	-	1.0	1.0-1.5	-
7	FOREST HEIGHTS I	700	875-910	-	1.0	1.0-1.5	-
8	FOREST HEIGHTS II	700	910	-	1.0	1.5	-
14	CALHOUN GARDENS	600	800	975	1.0	1.0	2.0
17	CATOOSA SENIOR VILLAGE	762	1,002	-	1.0	1.0	-
19	EASTGATE APTS.	684	829	1,100	1.0	1.0	2.0

The unit sizes and number of bathrooms offered at this project is far superior to existing comparable projects in terms of unit size and number of bathrooms offered. The two full baths offered in every two-bedroom unit will give the subject site a competitive advantage over most competition in the market. As such, the unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing low-income units in the market.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market.

**COMPARABLE PROPERTIES AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

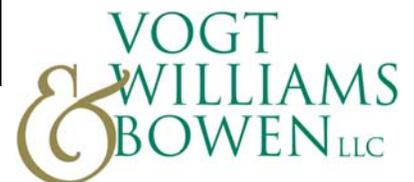
MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	FIREPLACE	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	OTHER
SITE	X	X		X		X	X		C		X							B		
17	X	X		X	X		X		C		X	X						B	X	
19	X	X		X			X		C		X							B		
6	X	X					X		C		X	X						B		
7	X	X		X	X	X	X		C		X	X						B		
8	X	X					X		C		X	X						B		
14	X	X	X	X	X		X		C		S		X					B	X	

█ MARKET-RATE
█ MARKET-RATE/TAX CREDIT
█ MARKET-RATE/GOVERNMENT-SUBSIDIZED
█ MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
█ TAX CREDIT
█ TAX CREDIT/GOVERNMENT-SUBSIDIZED
█ GOVERNMENT-SUBSIDIZED

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



**COMPARABLE PROPERTIES AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	PROJECT AMENITIES															OTHER				
	POOL	ON-SITE MNGT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	LAKE	ELEVATOR	SECURITY GATE	BUSINESS CENTER		CAR WASH AREA	PICNIC AREA	CONCIERGE SERVICE	SOCIAL SERVICES
SITE		X	X	X		X		X							X		X		X	WALKING PATH PLAYING FIELD
17		X	X	X	A	X							X		X		X			WALKING TRAIL PUTTING GREEN
19		X	X	X	A			X		X							X			
6		X	X					X									X			
7		X	X					X									X			
8		X	X					X									X			
14		X	X		A	X		X									X			

MARKET-RATE
MARKET-RATE/TAX CREDIT
MARKET-RATE/GOVERNMENT-SUBSIDIZED
MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
TAX CREDIT
TAX CREDIT/GOVERNMENT-SUBSIDIZED
GOVERNMENT-SUBSIDIZED

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



The amenity packages included at the proposed subject development will be superior to the competitive low-income projects. The subject development does not appear to be lacking any amenities that would hinder its marketability to operate as a Low-Income Housing Tax Credit project. In fact, the community amenities offered at the subject site, including a clubhouse with library, fitness center and computer center, children’s activity center, and 5,000 square foot open playing field, on-site management, playground, and gazebo/picnic area, are amenities typically not offered at the competitive properties in the market.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the existing low-income properties within the market, it is our opinion that the proposed subject development will be very competitive in the Calhoun market and have a competitive advantage over most existing product.

The anticipated occupancy rates of the existing comparable Tax Credit developments following renovations at the subject site are as follows:

PROJECT	CURRENT OCCUPANCY RATE	ANTICIPATED OCCUPANCY RATE THROUGH 2008
FOREST HILLS	100.0%	100.0%
FOREST HEIGHTS I	100.0%	100.0%
FOREST HEIGHTS II	100.0%	100.0%
CALHOUN GARDENS	100.0%	100.0%
CATOOSA SENIOR VILLAGE	100.0%	100.0%
EASTGATE APTS.	100.0%	96.0%+

Development of the subject site is expected to have little, if any effect on the future occupancies of the competing Tax Credit projects, particularly given the fully occupied units and lengthy waiting lists at each of the comparable properties. Forest Hills, Forest Heights I and II, and Calhoun Gardens operate under the HUD Section 8 and RD 515 programs, allowing tenants to pay 30% of their income towards rent. Catoosa Senior Village is age-restricted to households 55 and older. Thus, these projects are not anticipated to be adversely impacted by the subject site. Eastgate Apartments has a current waiting list of three months and will likely incur limited vacancies from the development of the subject site.

Market-rate Units

The proposed project will include 13 market-rate units among its 65 units. The proposed project will be of the highest quality and will offer the most comprehensive amenity package in the market. There is a limited supply of newer, quality market-rate multifamily developments in the Site PMA. Furthermore, there are no market-rate multifamily developments offering three-bedroom units. Therefore, we identified two multifamily properties and one single-family rental house within the PMA that offered quality, rents, age and features most comparable to the subject project. These competitive properties and the proposed subject development are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	CONCESSIONS	DISTANCE TO SITE
SITE	PARKWAY COURT VILLGE	2008	13	-	NONE	-
1	NEWTOWN APTS.	2000	45	95.6%	NONE	2.2 MILES
4	HARLAN ST. AND E. LINE ST.	1990	40	92.5%	NONE	2.1 MILES
13	518 PETERS ST.	1998	1	0.0%	NONE	2.8 MILES

The comparable properties have a combined occupancy rate of 93.0%. Note this includes the single-family rental house located at 518 Peters Street that is currently available for lease.

Collected rents and unit mixes for units at the competing projects and the proposed rents at the subject site are listed in the following table:

MAP I.D.	PROJECT NAME	COLLECTED RENT (NUMBER OF UNITS/VACANT)		
		ONE-BR.	TWO-BR.	THREE-BR.
SITE	PARKWAY COURT VILLGE	\$450 (2)	\$550 (8)	\$650 (3)
1	NEWTOWN APTS.	\$410 (30)	\$535 (15)	-
4	HARLAN ST. AND E. LINE ST.	\$580 (12)	\$660 (28)	-
13	518 PETERS ST.	-	-	\$800 (1)

The proposed subject rents, \$450 for a one-bedroom unit, \$550 for a two-bedroom unit and \$650 for a three-bedroom unit are priced within the range of existing market-rate units in the market, and appear appropriate for the market. This will enable the proposed market-rate units to be very competitive in the market. When the superior quality and features and large unit sizes are also considered, it appears that the proposed market-rate units at the subject site will be perceived as a value in the market.

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

MAP I.D.	PROJECT NAME	SQUARE FOOTAGE			NUMBER OF BATHS		
		ONE-BR.	TWO-BR.	THREE-BR.	ONE-BR.	TWO-BR.	THREE-BR.
SITE	PARKWAY COURT VILLGE	1,033	1,206	1,407	1.0	2.0	2.0
1	NEWTOWN APTS.	700	975	-	1.0	1.5	-
4	HARLAN ST. AND E. LINE ST.	500	625	-	1.0	1.0	-
13	518 PETERS ST.	-	-	1,110	-	-	2.0

The proposed development will offer the largest sized units when compared with the most competitive projects in the market. The number of baths offered at the subject site is equal to superior to most market-rate units in the market. As such, the unit sizes and number of baths will enable the proposed units at the site to compete well with the comparable market-rate units in the market.

The following table compares the amenities of the subject development with the most comparable projects in the market.

**COMPARABLE PROPERTIES AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

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

MAP ID	PROJECT AMENITIES																OTHER			
	POOL	ON-SITE MNGT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	LAKE	ELEVATOR	SECURITY GATE	BUSINESS CENTER	CAR WASH AREA		PICNIC AREA	CONCIERGE SERVICE	SOCIAL SERVICES
SITE		X	X	X		X		X							X		X		X	WALKING PATH PLAYING FIELD
4			X																	
13																				

MARKET-RATE
MARKET-RATE/TAX CREDIT
MARKET-RATE/GOVERNMENT-SUBSIDIZED
MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
TAX CREDIT
TAX CREDIT/GOVERNMENT-SUBSIDIZED
GOVERNMENT-SUBSIDIZED

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



The two comparable multifamily market-rate projects in the Calhoun Site PMA are relatively small projects. As such, these projects, along with the single-family home, do not offer many project amenities. Thus, the subject community will have a competitive advantage over these properties based on the comprehensive amenities package offered, which includes a clubhouse with on-site management, laundry facility, fitness center, business center and fitness center, social services, and picnic area.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed subject development will be competitive with and actually superior to these properties.

3. SUMMARY OF ASSISTED PROJECTS

There are a total of eight federally subsidized and/or Tax Credit apartment developments in the Calhoun Site PMA. They are summarized as follows:

MAP I.D.	PROJECT NAME	TYPE	YEAR BUILT/RENOVATED	TOTAL UNITS	OCCUP.	COLLECTED RENTS		
						ONE-BR.	TWO-BR.	THREE-BR.
6	FOREST HILLS	TGS	1989	50	100.0%	\$270-\$390	\$295-\$450	-
7	FOREST HEIGHTS I	TGS	1983/2005	50	100.0%	\$305-\$375	\$330-\$414	-
8	FOREST HEIGHTS II	TGS	1987	52	100.0%	\$275-\$425	\$305-\$495	-
9	SPRING VALLEY	GSS	1985	40	100.0%	\$285-\$458	\$315-\$501	-
14	CALHOUN GARDENS	TGS	1977/2005	76	100.0%	\$394-\$429	\$468	\$485
17	CATOOSA SENIOR VILLAGE	MRT	2003	47*	100.0%	\$285	\$335	-
18	PINE RIDGE I & II	GSS	1986	60	100.0%	\$320-\$450	\$355-\$565	\$400-\$625
19	EASTGATE APTS.	TAX	199	48	100.0%	\$335	\$435	\$500
TOTAL				423	100.0%			

*Does not include 13 Market-Rate units
 OCCUP-Occupancy
 TAX-Tax Credit
 SUB.-Subsidized

There are a total of 423 federally subsidized and/or Tax Credit units in the PMA. The overall occupancy is 100.0%, indicating a very strong market among these types of apartments. The proposed project offers no subsidized units, and therefore will not be competitive with federally subsidized projects.

4. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that five small multifamily projects are planned for the area. These planned developments are summarized as follows:

PROJECT NAME (LOCATION)	DEVELOPER	PROJECT TYPE	TOTAL UNITS	PROJECT SPECIFICS	DEVELOPMENT STATUS	ANTICIPATED OPENING DATE
P&P PROPERTIES (107 CREEKSIDE DR.)	P&P PROPERTIES	RENTAL – MARKET-RATE	4	TWO-BR.	APPROVED AND UNDER CONSTRUCTION	LATE SUMMER 2006
100 & 105 NATHAN CIRCLE	GREG BONNER	RENTAL – MARKET RATE 2 FOUR-PLEXES	8	TWO-BR.	APPROVED AND UNDER CONSTRUCTION	LATE SUMMER 2006
315 & 325 HENDERSON BEND RD.	RANDY FREEMAN	RENTAL – MARKET-RATE 2 FOUR-PLEXES	8	TWO-BR.	APPROVED AND UNDER CONSTRUCTION	EARLY FALL 2006
106 NATHAN CIRCLE	FRANK GENTRY	RENTAL – MARKET-RATE FOUR-PLEX	4	TWO-BR.	APPROVED AND UNDER CONSTRUCTION	EARLY FALL 2006
106 & 109 CREEKSIDE DRIVE	GREG BONNER	RENTAL – MARKET-RATE 2 THREE-PLEXES	6	TWO-BR.	APPROVED AND UNDER CONSTRUCTION	EARLY FALL 2006

According to Joey Moore at the Calhoun Planning Department, market-rate rental units similar to the planned unit typically have rents of \$400 to \$500 per month. However, these units typically are smaller in unit size, around 950 square feet and will not offer any project amenities. However, these units will be directly comparable to the market-rate units at the subject, as they will offer two-bedroom affordable rental units similar in price. However, the competitive impact will be diminished due to the fact that these units will already be built and leased by the anticipated opening date of the subject property.

5. MARKET-DRIVEN RENT ADVANTAGE

We identified three market-rate properties within the Calhoun Site PMA that we consider most comparable to the proposed subject development. As previously stated, there are a limited number of comparable market-rate properties from which to choose. Furthermore, the Calhoun rental market has a small share of three-bedroom rentals. Thus, we selected the three most comparable projects in the area that were available. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note for the purpose of this analysis we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

MAP I.D.	PROJECT NAME	TOTAL UNITS	YEAR BUILT	OCC. RATE	UNIT MIX		
					ONE-BR.	TWO-BR.	THREE-BR.
SITE	PARKWAY COURT VILLGE*	13	2008	-	2	8	3
1	NEWTOWN APTS.	45	2000	95.6%	30	15	-
4	HARLAN ST. AND E. LINE ST.	40	1990	92.5%	12	28	-
13	518 PETERS ST.	1	1998	0.0%	-	-	1

Occ. – Occupancy

*Only Market-rate units in total

The three selected market-rate projects have a combined total of 86 units with an overall occupancy rate of 93.0%. None of the properties are currently offering concessions.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject's FHA #:

		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Parkway Court Village		Newtown Apts.		Harlan St. & E. Line St.		518 Peters St.		Project		Project Name	
401 Curtis Parkway		265 Newtown Rd. NE		Harlan St. & E. Line St.		518 Peters St.		Address		Address	
Calhoun, GA		Calhoun, GA		Calhoun, GA		Calhoun, GA		City, State		City, State	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$410		\$580		\$800					
2	Date Surveyed	Jun-06		Jun-06		Jun-06					
3	Rent Concessions	none		none		none					
4	Occupancy for Unit Type	93%	(\$7)	92%	(\$8)	0%					
5	Effective Rent & Rent/ sq. ft	\$403	0.5757	\$572	1.14	\$800	0.72				
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	2 WU		1 STY		1 STY					
7	Yr. Built/Yr. Renovated	2008	\$8	1990	\$18	1998	\$10				
8	Condition /Street Appeal	excellent		good	\$15	excellent					
9	Neighborhood	good		good		good					
10	Same Market?	Y		Y		Y					
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		3	(\$80)				
12	# Baths	1		1		2	(\$30)				
13	Unit Interior Sq. Ft.	973	\$55	500	\$95	1110	(\$27)				
14	Balcony/ Patio	N		N		Y	(\$5)				
15	AC: Central/ Wall	C		W	\$10	C					
16	Range/Refrigerator/Icemaker	R/RF		R/RF		R/RF					
17	Microwave/ Dishwasher	M/D	\$5	N	\$20	D	\$5				
18	Washer/Dryer	HU/L		L	\$15	HU	\$5				
19	Floor Coverings	C		C		C					
20	Window Coverings	B		B		B					
21	Intercom	N		N		N					
22	Garbage Disposal	N		N		Y	(\$5)				
23	Ceiling Fan	N		N		N					
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0					
25	On-Site Management	Y	\$10	N	\$10	N	\$10				
26	Security	N		N		N					
27	Club House	Y	\$5	N	\$5	N	\$5				
28	Pool/ Recreation Areas	F	\$5	N	\$5	N	\$5				
29	Computer Room	Y	\$3	N	\$3	N	\$3				
30	Picnic Area	Y	\$3	N	\$3	N	\$3				
31	Playground	Y	\$3	N	\$3	N	\$3				
32	Library	Y	\$3	N	\$3	N	\$3				
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		Y/E	(\$26)	N/E					
34	Cooling (in rent?/ type)	N/E		Y/E	(\$33)	N/E					
35	Cooking (in rent?/ type)	N/E		Y/E	(\$6)	N/E					
36	Hot Water (in rent?/ type)	N/E		Y/E	(\$19)	N/E					
37	Other Electric	N		Y		N					
38	Cold Water/ Sewer	Y/Y	\$23	Y/Y		N/N	\$23				
39	Trash /Recycling	Y/N	\$15	Y/N		N/N	\$15				
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	10		13		10	5				
41	Sum Adjustments B to D	\$100		\$205		\$52	(\$147)				
42	Sum Utility Adjustments	\$38			(\$84)	\$38					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$138	\$138	\$121	\$289	(\$57)	\$237				
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$541		\$693		\$743					
45	Adj Rent/Last rent		134%		121%		93%				
46	Estimated Market Rent	\$580	\$0.60	← Estimated Market Rent/ Sq. Ft							

Appraiser's Signature

Date

Attached are explanations of:

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:

Manually

Using HUD's Excel form

Rent Comparability Grid

Unit Type → **TWO BEDROOM**

Subject's FHA #:

		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Parkway Court Village		Newtown Apts.		Harlan St. & E. Line St.		518 Peters St.		Project		Project Name	
401 Curtis Parkway		265 Newtown Rd. NE		Harlan St. & E. Line St.		518 Peters St.		Address		Address	
Calhoun, GA		Calhoun, GA		Calhoun, GA		Calhoun, GA		City, State		City, State	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$535		\$660		\$800					
2	Date Surveyed	Jun-06		Jun-06		Jun-06					
3	Rent Concessions	none		none		none					
4	Occupancy for Unit Type	93%	(\$7)	92%	(\$8)	0%					
5	Effective Rent & Rent/sq. ft	\$528	0.5415	\$652	1.04	\$800	0.72				
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	2 WU		1 STY		1 STY					
7	Yr. Built/Yr. Renovated	2008	\$8	1990	\$18	1998	\$10				
8	Condition /Street Appeal	excellent		good	\$15	excellent					
9	Neighborhood	good		good		good					
10	Same Market?	Y		Y		Y					
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		3	(\$40)				
12	# Baths	2	\$15	1	\$30	2					
13	Unit Interior Sq. Ft.	1180	\$41	625	\$111	1110	\$14				
14	Balcony/ Patio	N		N		Y	(\$5)				
15	AC: Central/ Wall	C		W	\$10	C					
16	Range/Refrigerator/Icemaker	R/RF		R/RF		R/RF					
17	Microwave/ Dishwasher	M/D	\$5	N	\$20	D	\$5				
18	Washer/Dryer	HU/L		L	\$15	HU	\$5				
19	Floor Coverings	C		C		C					
20	Window Coverings	B		B		B					
21	Intercom	N		N		N					
22	Garbage Disposal	N		N		Y	(\$5)				
23	Ceiling Fan	N		N		N					
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0					
25	On-Site Management	Y	\$10	N	\$10	N	\$10				
26	Security	N		N		N					
27	Club House	Y	\$5	N	\$5	N	\$5				
28	Pool/ Recreation Areas	F	\$5	N	\$5	N	\$5				
29	Computer Room	Y	\$3	N	\$3	N	\$3				
30	Picnic Area	Y	\$3	N	\$3	N	\$3				
31	Playground	Y	\$3	N	\$3	N	\$3				
32	Library	Y	\$3	N	\$3	N	\$3				
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		Y/E	(\$34)	N/E					
34	Cooling (in rent?/ type)	N/E		Y/E	(\$43)	N/E					
35	Cooking (in rent?/ type)	N/E		Y/E	(\$8)	N/E					
36	Hot Water (in rent?/ type)	N/E		Y/E	(\$25)	N/E					
37	Other Electric	N		Y		N					
38	Cold Water/ Sewer	Y/Y	\$30	Y/Y		N/N	\$30				
39	Trash /Recycling	Y/N	\$15	Y/N		N/N	\$15				
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	11		14		11	3				
41	Sum Adjustments B to D	\$101		\$251		\$66	(\$50)				
42	Sum Utility Adjustments	\$45			(\$110)	\$45					
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$146	\$146	\$141	\$361	\$61	\$161				
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$674		\$793		\$861					
45	Adj Rent/Last rent		128%		122%		108%				
46	Estimated Market Rent	\$680	\$0.58	← Estimated Market Rent/ Sq. Ft							

Appraiser's Signature

Date

Attached are explanations of :

- a. why & how each adjustment was made
- b. how market rent was derived from adjusted rents
- c. how this analysis was used for a similar unit type

Grid was prepared:

Manually

Using HUD's Excel form

Based on the preceding Rent Comparability Grids, it was determined that the present-day market-driven rents for units similar to the proposed subject development are \$580 for a one-bedroom unit, \$680 for a two-bedroom unit and \$760 for a three-bedroom unit.

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

BEDROOM TYPE	COLLECTED RENT		
	PROPOSED SUBJECT	MARKET-DRIVEN	PROPOSED RENT AS SHARE OF MARKET
ONE-BEDROOM	30% - \$205	\$580	35.3%
	50% - \$360		62.1%
	60% - \$400		69.0%
	MR - \$450		77.6%
TWO-BEDROOM	30% - \$240	\$680	35.3%
	50% - \$425		62.5%
	60% - \$500		73.5%
	MR - \$550		80.9%
THREE-BEDROOM	30% - \$270	\$760	35.5%
	50% - \$505		66.4%
	60% - \$600		78.9%
	MR - \$650		85.5%

MR – Market-rate

The proposed collected Tax Credit rents are 35.3% to 78.9% of market-driven and represent a 21.1% to 64.7% market rent advantage in the Calhoun Site PMA. In addition, the proposed market-rate rents are priced between 77.6% and 85.5% of market-driven, thus representing a 14.5% to 22.4% market rent advantage. Overall, the proposed rent levels represent a significant value in the Calhoun market.

6. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. This is the actual rent paid by tenants and does not consider utilities paid by tenants. The rent reported is typical and does not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between six and 16 years ago. As such, we have adjusted the rents at the selected properties by \$8 to \$18 to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have a quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have either superior or an inferior quality to the subject development.
11. All of the selected properties have two-bedroom units. For those projects lacking either one- or three-bedroom units, we have used the two-bedroom units and made adjustments to reflect the difference in the number of bedrooms offered.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made \$15 adjustments per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the competitive properties.
13. There is a wide range of unit sizes (square footage) among the selected properties. We have made adjustments of \$0.20 per square foot to the rents of each project that had different unit sizes compared to the subject site. Where there is a range of unit sizes, we have used an average square footage or the square footage of the most similar style unit.
- 14.- 23. The proposed subject project will offer a unit amenity package similar to the selected properties. However, we have made numerous adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a superior project amenities package including a clubhouse with on-site management, library, fitness center and business center. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

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

SECTION H – INTERVIEWS

As discussed in *Section D – Primary Market Area Delineation*, the determination of the Primary Market Area for the proposed project was based on interviews with the with area leasing and real estate agents, government officials, and economic development representatives to establish the boundaries of the geographical area from which most of the support for the proposed development is expected to originate.

Lana, the property manager at Eastgate Apartments stated there is a demand for affordable housing in the Calhoun area. Her property is currently 100% occupied with a waiting list of three months.

Jimmy Philips, the President of the Gordon County Economic Development Office, was contacted in order to gather economic data such as major employer numbers and information on job growth in the city of Calhoun and Gordon County economy. This information is important in determining the amount of anticipated growth the area is projected to incur over the next few years, which could affect the demand for housing.

Finally, Joey Moore, the Assistant Building Official in the Calhoun Planning Department, was also contacted in order to gather information regarding any new housing developments as well as infrastructure changes that may be taking place in the future. The general consensus was that there is very high demand in the Calhoun area for rental housing, especially affordable rental housing, such as the subject site.

SECTION I – RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 65 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rent, amenities, or opening date may alter these findings.

The subject site will offer the most competitive amenities packages and the largest unit sizes and number of bathrooms in the Calhoun rental market. Thus, given the proposed rent levels, the subject site will likely represent a significant value in the market.

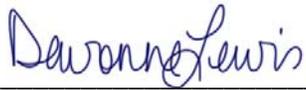
Given the limited number of available affordable rental units within the Site PMA, the proposed project will offer a housing alternative to low-income households that is not readily available. As shown Project Specific Demand Analysis section of this report, with capture rates ranging from 0.7% to 10.1% of income-qualified households in the market, there is sufficient support for the proposed development. Given the extremely high occupancy levels in the market, it is our opinion that the proposed project will have minimal, if any, impact on the existing Tax Credit developments in the Site PMA.

The subject development does not appear to be lacking any amenities or features that would hinder its marketability to operate as a Low-Income Housing Tax Credit project. Therefore, we do not recommend any changes to the proposed subject project.

SECTION J - SIGNED STATEMENT

I affirm that I, or an individual employed by my company, have made a physical inspection of the market area and that information has been used in the full study of the need and demand for new rental units. To the best of my knowledge, the market **can** support the demand shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in the Georgia Department of Community Affairs rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

Certified:



Davonne Lewis
Market Analyst
Date: July 14, 2006



Michael Myers
Market Analyst
Date: July 14, 2006



Patrick Bowen
Partner
Date: July 14, 2006

SECTION K - QUALIFICATIONS

1. THE COMPANY

Vogt Williams & Bowen, LLC is a real estate research firm established to provide accurate and insightful market forecasts for a broad range client base. The three principals of the firm, Robert Vogt, Tim Williams, and Patrick Bowen have a combined 40 years of real estate market feasibility experience throughout the United States.

Serving real estate developers, syndicators, lenders, state housing finance agencies, and the U.S. Department of Housing and Urban Development (HUD), the firm provides market feasibility studies for affordable housing, market-rate apartments, condominiums, senior housing, student housing, and single-family developments.

2. THE STAFF

Robert Vogt has conducted and reviewed over 5,000 market analyses over the past 26 years for market-rate and Low-Income Housing Tax Credit apartments, as well as studies for single-family, golf course/residential, office, retail and elderly housing throughout the United States. Mr. Vogt is a founding member and the chairman of the National Council of Affordable Housing Market Analysts, a group formed to bring standards and professional practices to market feasibility. He is a frequent speaker at many real estate and state housing conferences. Mr. Vogt has a bachelor's degree in finance, real estate, and urban land economics from The Ohio State University.

Tim Williams has over 20 years of sales and marketing experience, and over six years in the real estate market feasibility industry. He is a frequent speaker at state housing conferences and an active member of the National Council of State Housing Agencies and the National Housing and Rehabilitation Association. Mr. Williams has a bachelor's degree in English from Hobart and William Smith College.

Patrick Bowen has prepared and supervised market feasibility studies for all types of real estate products including affordable family and senior housing, multifamily market-rate housing, and student housing for more than seven years. He has also prepared various studies for submittal as part of HUD 221(d) 3 & 4, HUD 202 developments, and applications for housing for Native Americans. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from The University of West Florida.

Brian Gault has conducted fieldwork and analyzed real estate markets for more than six years in nearly 40 states. In this time, Mr. Gault has conducted a broad range of studies including Low-Income Housing Tax Credit, luxury market-rate apartments, comprehensive community housing assessment, Hope VI redevelopment, student housing analysis, condominium communities, and mixed-use developments. Mr. Gault has his bachelor's degree in public relations from The Ohio University Scripps School of Journalism.

K. David Adamescu has conducted real estate market research and analysis over the past four years for a broad range of products including Low-Income Housing Tax Credit apartments, market-rate apartments, student-targeted housing, condominiums, single-family housing, mixed-use developments, and commercial office space. Mr. Adamescu has participated in over 100 market feasibility studies with sites located in more than 30 states. Mr. Adamescu holds a bachelor's degree in Economics and Masters of City and Regional Planning (with emphasis in urban economics) from The Ohio State University.

Nancy Patzer has been consulting in the areas of economic and community development and housing research for the past nine years. Ms. Patzer has been employed by a number of research organizations including Community Research Partners, United Way of Central Ohio, Retail Planning Associates, the city of Columbus, and Boulevard Strategies. Ms. Patzer has analyzed or conducted field research for over 75 housing markets across the United States. She holds a Bachelor of Science, Journalism degree from the E.W. Scripps School of Journalism, Ohio University.

Davonne Lewis has more than eight years of professional experience in the real estate and construction business. Previously Vice President of a national real estate consulting firm, her experience includes supervising and preparing market feasibility studies for low-income housing. Ms. Lewis has prepared many market studies in numerous states throughout the country and also has a background in the management and administration of real estate construction and real estate appraisal companies. Ms. Lewis was educated at Hardin-Simmons University in Abilene, Texas where she obtained a Bachelor of Behavioral Science degree and is a member of the National Council of Affordable Housing Market Analysts and the Real Estate Council of Austin.

Charlotte Bergdorf has over four years of professional experience in real estate market analysis and has prepared market analyses for Tax Credit syndicators, housing finance agencies, housing authorities, banks, investment banking companies, and real estate developers in many states across the country. Ms. Bergdorf attended the University of Wisconsin-Parkside in Kenosha, earning a bachelor's degree in English with a concentration in writing and has additional experience in journalism. Ms. Bergdorf is also a member of the National Council of Affordable Housing Market Analysts.

David Twehues holds a bachelor's degree in Geographic Information Systems (GIS) and a master's degree in Quantitative and Statistical Methods from The Ohio State University. He has contributed mapping and demographic products to over 250 community development market studies. Mr. Twehues has extensive knowledge in the field of statistics, including experience in mathematical modeling and computer programming, and has two years of experience using GIS in multiple report formats.

Christopher T. Bunch has eight years of professional experience in real estate, including three years experience in the real estate market research field. Mr. Bunch, who holds an Ohio Real Estate Appraisal License, is responsible for preparing market feasibility studies and rent comparability studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

Andrew W. Mazak has three years of experience in the real estate market research field. He has conducted and participated in market feasibility studies in numerous markets throughout the United States. Mr. Mazak attended Capital University in Columbus, Ohio, where he graduated with a bachelor's degree in Business Management and Marketing.

June Davis is an administrative assistant with 15 years experience in market feasibility. Ms. Davis has overseen production on over 1,000 market studies for projects throughout the United States.

Field Staff – Vogt Williams & Bowen, LLC maintains a field staff of professionals experienced at collecting critical on-site real estate data. Each member has been fully trained to evaluate site attributes, area competitors, trends in the market, economic characteristics, and a wide range of issues impacting the viability of real estate development.

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

CALHOUN, GEORGIA

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

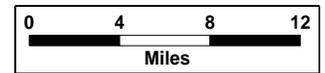
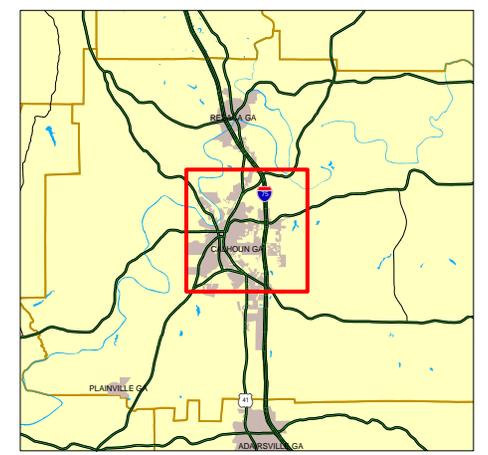
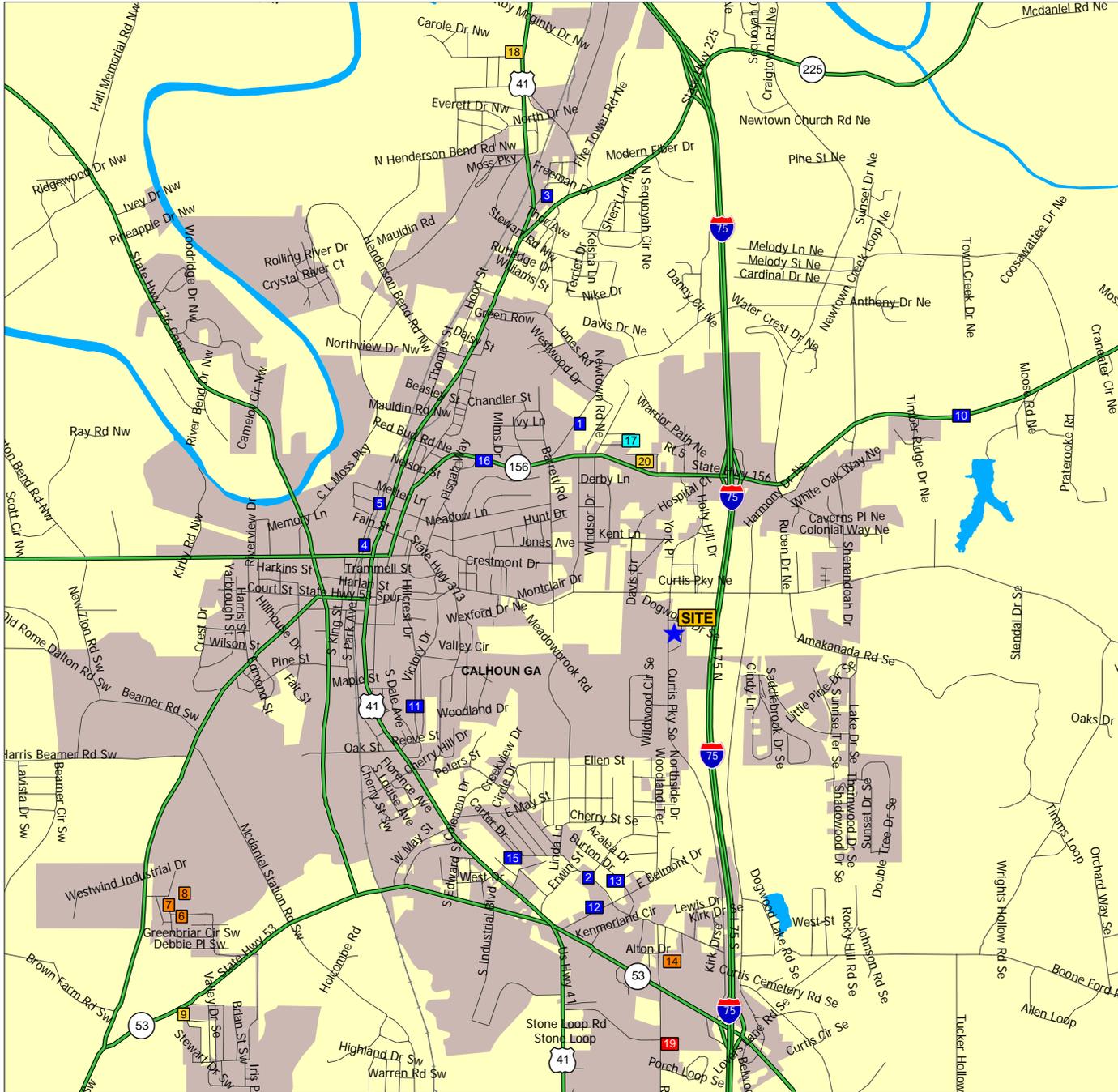
The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designed as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

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

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

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

Calhoun, GA: Apartment Locations



- ★ Project Site
- Interstate Hwys
- US Hwys
- State Hwys
- Govt. Sub.
- Market Rate
- Market Rate/Tax Credit
- Tax Credit
- Tax Credit/Govt. Sub.

Miles
1:41,065

**MAP IDENTIFICATION LIST
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	PROJECT NAME	PROJECT TYPE	YEAR BUILT	TOTAL UNITS	VACANT	OCCUPANCY RATE
1	NEWTOWN APTS.	MRR	2000	45	2	96%
2	PARK BROOK APTS.	MRR	1977	98	4	96%
3	CHEROKEE APTS.	MRR	1980	9	0	100%
4	HARLAN ST. & E. LINE ST.	MRR	1990	40	3	93%
5	210 GORDON AVE.	MRR	1977	1	0	100%
6	FOREST HILLS	TGS	1989	50	0	100%
7	FOREST HEIGHTS I	TGS	1983	50	0	100%
8	FOREST HEIGHTS II	TGS	1987	52	0	100%
9	SPRING VALLEY	GSS	1985	40	0	100%
10	2348 RED BUD RD.	MRR	1966	1	0	100%
11	113 VICTORY DR.	MRR	1971	1	0	100%
12	117 E. BELMONT DR.	MRR	1969	1	1	0%
13	518 PETERS ST.	MRR	1998	1	1	0%
14	CALHOUN GARDENS	TGS	1977	76	0	100%
15	CALHOUN LODGE	MRR	1982	130	22	83%
16	GARDEN HEIGHTS	MRR	1977	68	4	94%
17	CATOOSA SENIOR VILLAGE	MRT	2003	60	0	100%
18	PINE RIDGE I & II	GSS	1986	60	0	100%
19	EASTGATE APTS.	TAX	1999	48	0	100%
20	CARRIAGE HOUSE	GSS	1980	72	0	100%

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE
MRR	11	395	37	90.6%
MRT	1	60	0	100.0%
TAX	1	48	0	100.0%
TGS	4	228	0	100.0%
GSS	3	172	0	100.0%

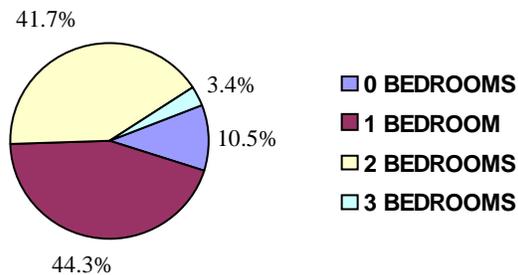
■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**DISTRIBUTION OF
UNITS AND VACANCIES
CALHOUN, GEORGIA
JUNE 2006**

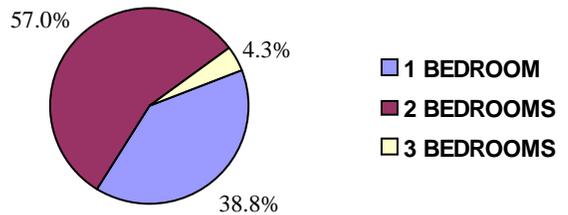
NON-SUBSIDIZED UNITS						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	53	10.5%	9	17.0%	\$270
1	1	223	44.3%	18	8.1%	\$390
2	1	84	16.7%	2	2.4%	\$546
2	1.5	126	25.0%	6	4.8%	\$565
3	1	2	0.4%	1	50.0%	\$794
3	2	15	3.0%	1	6.7%	\$644
TOTAL		503	100.0%	37	7.4%	
SUBSIDIZED UNITS						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	155	38.8%	0	0.0%	
2	1	120	30.0%	0	0.0%	
2	1.5	108	27.0%	0	0.0%	
3	1	4	1.0%	0	0.0%	
3	2	13	3.3%	0	0.0%	
TOTAL		400	100.0%	0	0.0%	
GRAND TOTAL		903	-	37	4.1%	

DISTRIBUTION OF UNITS BY BEDROOM TYPE

NON-SUBSIDIZED



SUBSIDIZED



**PROJECT LISTING
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
1	NEWTOWN APTS. 265 NEWTOWN RD. NE CALHOUN, GA 30701 (706) 629-6539	Project Type MRR Year Built 2000 Year Renovated Floors 1,2 Total Units 45 Occupancy Rate 95.6%	Contact VICKY CONTACT IN PERSON Quality Rating A	MANAGER ESTIMATED UNIT MIX & SQUARE FOOTAGE; \$140/MONTH IF MANAGEMENT PAYS UTILITIES (OPTIONAL)
2	PARK BROOK APTS. 511 PETERS ST. CALHOUN, GA 30701 (706) 625-6900	Project Type MRR Year Built 1977 Year Renovated Floors 2 Total Units 98 Occupancy Rate 95.9%	Contact SONYA CONTACT IN PERSON Quality Rating B-	YEAR BUILT & UNIT MIX ESTIMATED; TOWNHOMES HAVE GAS HEAT & HOT WATER; 2-BR UNITS HAVE W/D HOOKUPS
3	CHEROKEE APTS. 113 CHEROKEE DR. CALHOUN, GA 30701 (706) 629-1677	Project Type MRR Year Built 1980 Year Renovated Floors 2 Total Units 9 Occupancy Rate 100.0%	Contact REBECCA BROWN CONTACT IN PERSON Quality Rating B-	YEAR BUILT & SQUARE FOOTAGE ESTIMATED
4	HARLAN ST. & E. LINE ST. HARLAN ST. & E. LINE ST. CALHOUN, GA 30701 (706) 625-8294	Project Type MRR Year Built 1990 Year Renovated Floors 1 Total Units 40 Occupancy Rate 92.5%	Contact WHITTENBURG PROP. CONTACT IN PERSON Quality Rating B	WEEKLY RENT; YEAR BUILT & SQUARE FOOTAGE ESTIMATED
5	210 GORDON AVE. 210 GORDON AVE. CALHOUN, GA 30701 (770) 547-0629	Project Type MRR Year Built 1977 Year Renovated 2003 Floors 1 Total Units 1 Occupancy Rate 100.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating B+	SINGLE-FAMILY HOME; SQUARE FOOTAGE, YEAR RENOVATED & YEAR BUILT ESTIMATED
10	2348 RED BUD RD. 2348 RED BUD RD. CALHOUN, GA 30701 (706) 625-0613	Project Type MRR Year Built 1966 Year Renovated Floors 1 Total Units 1 Occupancy Rate 100.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating C+	SINGLE-FAMILY HOME; YEAR BUILT & SQUARE FOOTAGE ESTIMATED
11	113 VICTORY DR. 113 VICTORY DR. CALHOUN, GA 30701 (706) 260-1562	Project Type MRR Year Built 1971 Year Renovated Floors 1 Total Units 1 Occupancy Rate 100.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating B	SINGLE-FAMILY HOME; YEAR BUILT & SQUARE FOOTAGE ESTIMATED

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**PROJECT LISTING
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
12	117 E. BELMONT DR. 117 E. BELMONT DR. CALHOUN, GA 30701 (706) 625-8294	Project Type MRR Year Built 1969 Year Renovated 2000 Floors 1 Total Units 1 Occupancy Rate 0.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating A-	SINGLE-FAMILY HOME; YEAR BUILT, YEAR RENOVATED, & SQ. FT. EST.; RENOVATIONS INCLUDE REFINISHED FLOORS & NEW APPLIANCES
13	518 PETERS ST. 518 PETERS ST. CALHOUN, GA 30701 (706) 625-8294	Project Type MRR Year Built 1998 Year Renovated Floors 1 Total Units 1 Occupancy Rate 0.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating A	SINGLE-FAMILY HOME; YEAR BUILT & SQUARE FOOTAGE ESTIMATED
15	CALHOUN LODGE 200 S. LINE ST. CALHOUN, GA 30701 (706) 629-1884	Project Type MRR Year Built 1982 Year Renovated Floors 2 Total Units 130 Occupancy Rate 83.1%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating B	WEEKLY RENT; BUILT IN THREE PHASES: 1982, 1998, & 2000; OCCUPANCY VARIES DUE TO WEEKLY RENT, USUALLY 85%-97% OCCUPIED
16	GARDEN HEIGHTS 465 RED BUD NE CALHOUN, GA 30701 (706) 629-7868	Project Type MRR Year Built 1977 Year Renovated Floors 2 Total Units 68 Occupancy Rate 94.1%	Contact MS. KENNY CONTACT IN PERSON Quality Rating B-	YEAR BUILT & SQUARE FOOTAGE ESTIMATED
17	CATOOSA SENIOR VILLAGE 98 TIMMS RD. NE CALHOUN, GA 3071 (706) 624-3431	Project Type MRT Year Built 2003 Year Renovated Floors 2 Total Units 60 Occupancy Rate 100.0%	Contact RUBY CONTACT IN PERSON Quality Rating A Waiting List 30 HOUSEHOLDS	TAX CREDIT @ 50% AMHI (47 UNITS); MARKET-RATE (13 UNITS); 100% SENIOR (55+); ACCEPTS HCV (2); AMENITIES: EXERCISE CLASSES & HORSESHOES
19	EASTGATE APTS. 420 RICHARDSON RD. SE CALHOUN, GA 30701 (706) 602-4952	Project Type TAX Year Built 1999 Year Renovated Floors 1,2 Total Units 48 Occupancy Rate 100.0%	Contact LANA CONTACT IN PERSON Quality Rating B+ Waiting List 3 MONTHS	TAX CREDIT @ 50% & 60% AMHI; CONTACT DID NOT KNOW BREAKDOWN BY AMHI, BUT STATED THAT RENTS ARE THE SAME AT 50% & 60%
6	FOREST HILLS FOREST HILLS CIR. CALHOUN, GA 30701 (706) 625-4511	Project Type TGS Year Built 1989 Year Renovated Floors 1,2 Total Units 50 Occupancy Rate 100.0%	Contact MARTHA CONTACT IN PERSON Quality Rating B- Waiting List 3 MONTHS	GOVERNMENT-SUBSIDIZED, RD 515 & TAX CREDIT @ 60% AMHI; SQUARE FOOTAGE ESTIMATED; ACCEPTS RA (7 UNITS)

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**PROJECT LISTING
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
7	FOREST HEIGHTS I 153 FOREST HEIGHTS CIR. CALHOUN, GA 30701 (706) 625-4068	Project Type TGS Year Built 1983 Year Renovated 2005 Floors 1,2 Total Units 50 Occupancy Rate 100.0%	Contact MARTHA CONTACT IN PERSON Quality Rating B- Waiting List 3 MONTHS	GOVERNMENT-SUBSIDIZED, RD 515 & TAX CREDIT @ 60% AMHI; SQUARE FOOTAGE ESTIMATED; ACCEPTS RA (5 UNITS)
8	FOREST HEIGHTS II 153 FOREST HEIGHTS CIR. CALHOUN, GA 30701 (706) 625-4511	Project Type TGS Year Built 1987 Year Renovated Floors 1,2 Total Units 52 Occupancy Rate 100.0%	Contact MARTHA CONTACT IN PERSON Quality Rating B Waiting List 3 MONTHS	GOVERNMENT-SUBSIDIZED, RD 515 & TAX CREDIT @ 60% AMHI; SQUARE FOOTAGE ESTIMATED; ACCEPTS RA (9 UNITS)
14	CALHOUN GARDENS 110 RICHARDSON RD. CALHOUN, GA 30701 (706) 629-0941	Project Type TGS Year Built 1977 Year Renovated 2005 Floors 1 Total Units 76 Occupancy Rate 100.0%	Contact STEVE CONTACT IN PERSON Quality Rating A Waiting List 6-12 MONTHS	GOVERNMENT-SUBSIDIZED, HUD SECTION 8 & TAX CREDIT @ 60% AMHI; 60% SENIOR; SQUARE FOOTAGE EST.; 2- & 3-BR UNITS HAVE W/D HOOKUPS
9	SPRING VALLEY 200 SPRING VALLEY DR. CALHOUN, GA 30701 (706) 625-4068	Project Type GSS Year Built 1985 Year Renovated Floors 1,2 Total Units 40 Occupancy Rate 100.0%	Contact MARTHA CONTACT IN PERSON Quality Rating B- Waiting List 3 MONTHS	GOVERNMENT-SUBSIDIZED, RD 515; SQUARE FOOTAGE ESTIMATED
18	PINE RIDGE I & II 1386 U.S. HIGHWAY 41 N CALHOUN, GA 30701 (706) 625-0541	Project Type GSS Year Built 1986 Year Renovated Floors 2 Total Units 60 Occupancy Rate 100.0%	Contact RENNA CONTACT IN PERSON Quality Rating B- Waiting List 4-5 MONTHS	GOVERNMENT-SUBSIDIZED, RD 515; ACCEPTS RA (21 UNITS); SQUARE FOOTAGE ESTIMATED
20	CARRIAGE HOUSE 980 RED BUD RD. NE CALHOUN, GA 30701 (706) 629-1393	Project Type GSS Year Built 1980 Year Renovated Floors 2 Total Units 72 Occupancy Rate 100.0%	Contact NO NAME GIVEN CONTACT IN PERSON Quality Rating C+ Waiting List 6-9 MONTHS	GOVERNMENT-SUBSIDIZED, HUD SECTIONS 8 & 236

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**UNIT AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	FIREPLACE	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	OTHER
1	X		C		X							B		
2	X		C		S	X						B		
3	X		C		X							B		
4		X	C									B		
5	X		C		X	X						B		
10	X		C		X	X						B		
11	X		W		X	X						B		
12	X		W		X	X		X	X			B		
13	X		W		X	X						B		
15		X	C									B		
16	X		C		X	X	X					B		
17	X		C		X	X						B	X	
19	X		C		X							B		
6	X		C		X	X						B		
7	X		C		X	X						B		
8	X		C		X	X						B		
14	X		C		S		X					B	X	
9	X		C		X							B		
18	X		C									B		
20	X		C									B		

MARKET-RATE
MARKET-RATE/TAX CREDIT
MARKET-RATE/GOVERNMENT-SUBSIDIZED
MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
TAX CREDIT
TAX CREDIT/GOVERNMENT-SUBSIDIZED
GOVERNMENT-SUBSIDIZED

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



**PROJECT AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	POOL	ON-SITE MNGT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	LAKE	ELEVATOR	SECURITY GATE	BUSINESS CENTER	CAR WASH AREA	PICNIC AREA	CONCIERGE SERVICE	SOCIAL SERVICES	OTHER	
1			X																		
2	X	X	X	X		X		X			X					X	X				
3																					
4			X																		
5																					
10																					
11																					
12																					
13																					
15		X	X																		
16		X																			
17		X	X	X	A	X							X		X		X				WALKING TRAIL PUTTING GREEN
19		X	X	X	A			X		X							X				
6		X	X					X									X				
7		X	X					X									X				
8		X	X					X									X				
14		X	X		A	X		X									X				
9								X													
18		X	X					X		X							X				
20		X	X					X													

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

○ - OPTIONAL



**PARKING OPTIONS AND OPTIONAL CHARGES
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	PARKING OPTIONS					OPTIONAL CHARGES					
	ATTACHED GARAGE	DETACHED GARAGE	OFF STREET PARKING	SURFACE PARKING	CARPORT	PARKING GARAGE	GARAGE	FURNISHED UNITS	VAULTED CEILINGS	VIEW/LOCATION	OTHER
1				X							
2				X							
3				X							
4				X							
5				X							
10		X		X							
11					X						
12		X		X							
13				X							
15				X							
16				X							
17				X							
19				X							
6				X							
7				X							
8				X							
14				X							
9				X							
18				X							
20				X							

MARKET-RATE	X - ALL UNITS
MARKET-RATE/TAX CREDIT	S - SOME UNITS
MARKET-RATE/GOVERNMENT-SUBSIDIZED	O - OPTIONAL
MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED	
TAX CREDIT	
TAX CREDIT/GOVERNMENT-SUBSIDIZED	
GOVERNMENT-SUBSIDIZED	



**UTILITIES AND APPLIANCES
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	UTILITIES												APPLIANCES							
	GENERAL ELECTRIC	TYPE OF HEAT	PAYOR HEAT	TYPE OF HOT WATER	PAYOR HOT WATER	TYPE OF COOKING	PAYOR COOKING	WATER	SEWER	TRASH PICK UP	PAYOR CABLE	INTERNET	TELEPHONE	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	OTHER
1	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X		X			
2	T	E	T	E	T	E	T	L	L	L	T	T	T	X	X		X			
3	T	E	T	E	T	E	T	L	L	L	T	T	T	X	X					
4	L	E	L	E	L	E	L	L	L	L	L	T	T	X	X					
5	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X		X	X		
10	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X					
11	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X					
12	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X					
13	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X		X	X		
15	L	E	L	E	L	E	L	L	L	L	L	L	L	X	X					
16	T	E	T	E	T	E	T	L	L	L	T	T	T	X	X		X			
17	T	E	T	E	T	E	T	T	T	L	T	T	T	X	X		X	X		
19	T	E	T	E	T	G	T	L	L	L	T	T	T	X	X		X			
6	T	E	T	E	T	E	T	T	T	T	T	T	T	X	X					
7	T	G	T	G	T	E	T	T	T	T	T	T	T	X	X		X	X	X	
8	T	G	T	G	T	E	T	T	T	T	T	T	T	X	X					
14	T	G	T	G	T	E	T	L	L	L	T	T	T	X	X	X	X	X		
9	T	G	T	G	T	E	T	T	T	T	T	T	T	X	X					
18	T	E	T	E	T	E	T	L	L	L	T	T	T	X	X					
20	T	G	T	G	T	E	T	L	T	L	T	T	T	X	X					

■ MARKET-RATE
■ MARKET-RATE/TAX CREDIT
■ MARKET-RATE/GOVERNMENT-SUBSIDIZED
■ MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■ TAX CREDIT
■ TAX CREDIT/GOVERNMENT-SUBSIDIZED
■ GOVERNMENT-SUBSIDIZED

T - TENANT
 L - LANDLORD

E - ELECTRIC
 G - GAS
 O - OTHER

X - ALL UNITS
 S - SOME UNITS
 O - OPTIONAL



**COLLECTED RENT DETAIL
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1 BR	2 BR	3 BR	4+ BR	1 BR	2 BR	3 BR	4+ BR
1		\$410					\$535		
2		\$335	\$455				\$500		
3							\$465		
4		\$580	\$660						
5				\$650					
10				\$600					
11				\$750					
12				\$760					
13				\$800					
15	\$320	\$440							
16		\$300					\$425		
17		\$285 to \$350	\$335 to \$375						
19		\$335	\$435	\$500					

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**SQUARE FOOT DETAIL
CALHOUN, GEORGIA
JUNE 2006**

MAP ID	GARDEN STYLE UNITS (SQ.FT)					TOWNHOUSE UNITS (SQ.FT.)			
	STUDIO	1 BR	2 BR	3 BR	4+ BR	1 BR	2 BR	3 BR	4+ BR
1		700					975		
2		750	915				1200		
3							1175		
4		500	625						
5				1100					
10				1000					
11				1300					
12				1275					
13				1110					
15	200	400							
16		600					875		
17		762	1002						
19		684	829	1100					
6		700	875				910		
7		700	875				910		
8		700					910		
14		600	800	975					
9		700					910		
18		550	700	825					
20		627	760	840					

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**PRICE PER SQUARE FOOT
CALHOUN, GEORGIA
JUNE 2006**

STUDIO UNITS

MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
15	CALHOUN LODGE	1	200	\$270	\$1.35

ONE-BEDROOM UNITS

MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	NEWTOWN APTS.	1	700	\$532	\$0.76
2	PARK BROOK APTS.	1	750	\$419	\$0.56
4	HARLAN ST. & E. LINE ST.	1	500	\$555	\$1.11
15	CALHOUN LODGE	1	400	\$390	\$0.98
16	GARDEN HEIGHTS	1	600	\$384	\$0.64
17	CATOOSA SENIOR VILLAGE	1	762	\$392 to \$457	\$0.51 to \$0.60
19	EASTGATE APTS.	1	684	\$421	\$0.62

TWO-BEDROOM UNITS

MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	NEWTOWN APTS.	1.5	975	\$699	\$0.72
2	PARK BROOK APTS.	1.5	915 to 1200	\$565 to \$619	\$0.52 to \$0.62
3	CHEROKEE APTS.	1.5	1175	\$584	\$0.50
4	HARLAN ST. & E. LINE ST.	1	625	\$635	\$1.02
16	GARDEN HEIGHTS	1.5	875	\$544	\$0.62
17	CATOOSA SENIOR VILLAGE	1	1002	\$475 to \$515	\$0.47 to \$0.51
19	EASTGATE APTS.	1	829	\$546	\$0.66

THREE-BEDROOM UNITS

MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	210 GORDON AVE.	2	1100	\$844	\$0.77
10	2348 RED BUD RD.	1	1000	\$794	\$0.79
11	113 VICTORY DR.	2	1300	\$944	\$0.73
12	117 E. BELMONT DR.	1	1275	\$954	\$0.75
13	518 PETERS ST.	2	1110	\$994	\$0.90
19	EASTGATE APTS.	2	1100	\$644	\$0.59

■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**AVERAGE GROSS RENT PER SQUARE FOOT
BY UNIT TYPE AND BEDROOM
CALHOUN, GEORGIA
JUNE 2006**

MARKET-RATE			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.81	\$0.73	\$0.79
TOWNHOUSE	\$0.00	\$0.61	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.55	\$0.56	\$0.59
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.77	\$0.67	\$0.64
TOWNHOUSE	\$0.00	\$0.61	\$0.00

**PROJECTS AND UNITS
BY QUALITY RATING
CALHOUN, GEORGIA
JUNE 2006**

MARKET-RATE PROJECTS AND UNITS

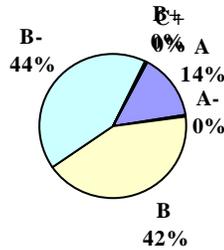
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT		
				ONE BR	TWO BR	THREE BR
A	3	59	5.1%	\$532	\$699	\$994
A-	1	1	100.0%	\$0	\$0	\$954
B+	1	1	0.0%	\$0	\$0	\$844
B	3	171	14.6%	\$390	\$635	\$944
B-	3	175	4.6%	\$384	\$565	\$0
C+	1	1	0.0%	\$0	\$0	\$794

TAX CREDIT PROJECTS AND UNITS

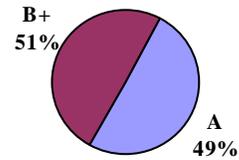
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT		
				ONE BR	TWO BR	THREE BR
A	2	47	0.0%	\$392	\$475	\$0
B+	1	48	0.0%	\$421	\$546	\$644

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



**DISTRIBUTION OF MARKET-RATE AND TAX CREDIT PROJECTS
BY UNITS AND YEAR BUILT
CALHOUN, GEORGIA
JUNE 2006**

YEAR RANGE	PROJECTS	UNITS	VACANT*	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1960	0	0	0	0.0%	0	0.0%
1960 to 1969	2	2	1	50.0%	2	0.4%
1970 to 1979	4	168	8	4.8%	170	33.4%
1980 to 1989	2	139	22	15.8%	309	27.6%
1990 to 1994	1	40	3	7.5%	349	8.0%
1995 to 1999	2	49	1	2.0%	398	9.7%
2000 to 2001	1	45	2	4.4%	443	8.9%
2002	0	0	0	0.0%	443	0.0%
2003	1	60	0	0.0%	503	11.9%
2004	0	0	0	0.0%	503	0.0%
2005	0	0	0	0.0%	503	0.0%
2006*	0	0	0	0.0%	503	0.0%
TOTAL	13	503	37	7.4%	503	100.0 %

**DISTRIBUTION OF MARKET-RATE AND TAX CREDIT PROJECTS
BY UNITS AND YEAR RENOVATED**

YEAR RANGE	PROJECTS	UNITS	VACANT*	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1960	0	0	0	0.0%	0	0.0%
1960 to 1969	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1994	0	0	0	0.0%	0	0.0%
1995 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2001	1	1	1	100.0%	1	50.0%
2002	0	0	0	0.0%	1	0.0%
2003	1	1	0	0.0%	2	50.0%
2004	0	0	0	0.0%	2	0.0%
2005	0	0	0	0.0%	2	0.0%
2006*	0	0	0	0.0%	2	0.0%
TOTAL	2	2	1	50.0%	2	100.0 %

* BOTH TABLES BASED ON SURVEY DATE OF JUNE 2006
NOTE: THE UPPER TABLE (DISTRIBUTION OF MARKET-RATE AND TAX CREDIT PROJECTS) INCLUDES ALL OF THE UNITS INCLUDED IN THE LOWER TABLE.



**DISTRIBUTION OF APPLIANCES
AND UNIT AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	17	100.0%	503
REFRIGERATOR	17	100.0%	503
ICEMAKER	1	5.9%	
DISHWASHER	9	52.9%	321
DISPOSAL	5	29.4%	62
MICROWAVE	1	5.9%	

UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	15	88.2%	333
AC - WINDOW	2	11.8%	170
FLOOR COVERING	17	100.0%	503
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	15	88.2%	333
PATIO/DECK/BALCONY	11	64.7%	231
CEILING FAN	2	11.8%	68
FIREPLACE	1	5.9%	1
BASEMENT	1	5.9%	1
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	17	100.0%	503
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	2	11.8%	60

* - DOES NOT INCLUDE UNITS WHERE APPLIANCES / AMENITIES ARE OPTIONAL; ONLY INCLUDES MARKET-RATE OR NON-GOVERNMENT SUBSIDIZED TAX CREDIT

**DISTRIBUTION OF PROJECT AMENITIES
CALHOUN, GEORGIA
JUNE 2006**

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	1	5.9%	98
ON SITE MANAGEMENT	9	52.9%	404
LAUNDRY	10	58.8%	421
CLUB HOUSE	3	17.6%	206
MEETING ROOM	3	17.6%	108
FITNESS CENTER	3	17.6%	158
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	6	35.3%	146
TENNIS COURT	0	0.0%	
SPORTS COURT	1	5.9%	48
STORAGE	1	5.9%	98
LAKE	0	0.0%	
ELEVATOR	1	5.9%	60
SECURITY GATE	0	0.0%	
BUSINESS CENTER	1	5.9%	60
CAR WASH AREA	1	5.9%	98
PICNIC AREA	7	41.2%	206
CONCIERGE SERVER	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

**RENT ANALYSIS
BY BEDROOM TYPE
CALHOUN, GEORGIA
JUNE 2006**

STUDIO UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$250 - \$274	53	100.0%	9	17.0%
TOTAL	53	100.0%	9	17.0%
MEDIAN GROSS RENT \$270				

ONE-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$550 - \$574	12	5.4%	1	8.3%
\$525 - \$549	30	13.5%	2	6.7%
\$500 - \$524	0	0.0%	0	0.0%
\$475 - \$499	0	0.0%	0	0.0%
\$450 - \$474	6	2.7%	0	0.0%
\$425 - \$449	0	0.0%	0	0.0%
\$400 - \$424	40	17.9%	0	0.0%
\$375 - \$399	135	60.5%	15	11.1%
TOTAL	223	100.0%	18	8.1%

MEDIAN GROSS RENT \$390

TWO-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$675 - \$699	15	7.1%	0	0.0%
\$650 - \$674	0	0.0%	0	0.0%
\$625 - \$649	28	13.3%	2	7.1%
\$600 - \$624	10	4.8%	1	10.0%
\$575 - \$599	9	4.3%	0	0.0%
\$550 - \$574	60	28.6%	3	5.0%
\$525 - \$549	56	26.7%	2	3.6%
\$500 - \$524	7	3.3%	0	0.0%
\$475 - \$499	25	11.9%	0	0.0%
TOTAL	210	100.0%	8	3.8%

MEDIAN GROSS RENT \$565

**RENT ANALYSIS
BY BEDROOM TYPE
CALHOUN, GEORGIA
JUNE 2006**

THREE-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$975 - \$999	1	5.9%	1	100.0%
\$950 - \$974	1	5.9%	1	100.0%
\$925 - \$949	1	5.9%	0	0.0%
\$900 - \$924	0	0.0%	0	0.0%
\$875 - \$899	0	0.0%	0	0.0%
\$850 - \$874	0	0.0%	0	0.0%
\$825 - \$849	1	5.9%	0	0.0%
\$800 - \$824	0	0.0%	0	0.0%
\$775 - \$799	1	5.9%	0	0.0%
\$750 - \$774	0	0.0%	0	0.0%
\$725 - \$749	0	0.0%	0	0.0%
\$700 - \$724	0	0.0%	0	0.0%
\$675 - \$699	0	0.0%	0	0.0%
\$650 - \$674	0	0.0%	0	0.0%
\$625 - \$649	12	70.6%	0	0.0%
TOTAL	17	100.0%	2	11.8%
MEDIAN GROSS RENT \$644				
GRAND TOTAL	503	100.0%	37	7.4%

**DISTRIBUTION OF UTILITIES
BY PROJECTS AND UNITS
CALHOUN, GEORGIA
JUNE 2006**

<u>UTILITY (WHO PAYS)</u>	<u>NUMBER OF PROJECTS</u>	<u>NUMBER OF UNITS</u>	<u>DISTRIBUTION OF UNITS</u>
HEAT			
LANDLORD			
ELECTRIC	2	170	18.8%
TENANT			
ELECTRIC	13	443	49.1%
GAS	5	290	32.1%
			<u>100.0 %</u>
COOKING FUEL			
LANDLORD			
ELECTRIC	2	170	18.8%
TENANT			
ELECTRIC	17	685	75.9%
GAS	1	48	5.3%
			<u>100.0 %</u>
HOT WATER			
LANDLORD			
ELECTRIC	2	170	18.8%
TENANT			
ELECTRIC	13	443	49.1%
GAS	5	290	32.1%
			<u>100.0 %</u>
ELECTRIC			
LANDLORD	2	170	18.8%
TENANT	18	733	81.2%
			<u>100.0 %</u>
WATER			
LANDLORD	9	601	66.6%
TENANT	11	302	33.4%
			<u>100.0 %</u>
SEWER			
LANDLORD	8	529	58.6%
TENANT	12	374	41.4%
			<u>100.0 %</u>
TRASH PICK UP			
LANDLORD	10	661	73.2%
TENANT	10	242	26.8%
			<u>100.0 %</u>

**UTILITY ALLOWANCES
GEORGIA DCA WEBSITE
JUNE 2006**

BR	UNIT TYPE	HEATING				WATER		COOKING		ELECTRIC	WATER	SEWER	TRASH	CABLE
		GAS	ELECTRIC	STEAM	OTHER	GAS	ELECTRIC	GAS	ELECTRIC					
0	GARDEN	\$20	\$19	\$0	\$0	\$14	\$14	\$5	\$4	\$24	\$8	\$9	\$15	\$25
1	GARDEN	\$29	\$26	\$0	\$0	\$19	\$19	\$8	\$6	\$33	\$11	\$12	\$15	\$25
1	TOWNHOUS	\$31	\$30	\$0	\$0	\$19	\$20	\$8	\$7	\$37	\$11	\$12	\$15	\$25
2	GARDEN	\$36	\$34	\$0	\$0	\$24	\$25	\$9	\$8	\$43	\$14	\$16	\$15	\$25
2	TOWNHOUS	\$42	\$38	\$0	\$0	\$24	\$25	\$9	\$8	\$48	\$14	\$16	\$15	\$25
3	GARDEN	\$45	\$41	\$0	\$0	\$29	\$30	\$11	\$10	\$62	\$17	\$19	\$15	\$25
3	TOWNHOUS	\$50	\$46	\$0	\$0	\$29	\$30	\$11	\$10	\$58	\$17	\$19	\$15	\$25
4	GARDEN	\$58	\$53	\$0	\$0	\$36	\$39	\$14	\$12	\$67	\$22	\$24	\$15	\$25
4	TOWNHOUS	\$64	\$58	\$0	\$0	\$36	\$39	\$14	\$12	\$74	\$22	\$24	\$15	\$25

ADDENDUM B. COMPARABLE PROPERTY PHOTOS

1

NEWTOWN APTS.



4

HARLAN ST. & E. LINE ST.



6

FOREST HILLS



7

FOREST HEIGHTS I



8

FOREST HEIGHTS II



13

518 PETERS ST.



14

CALHOUN GARDENS



17

CATOOSA SENIOR VILLAGE



19

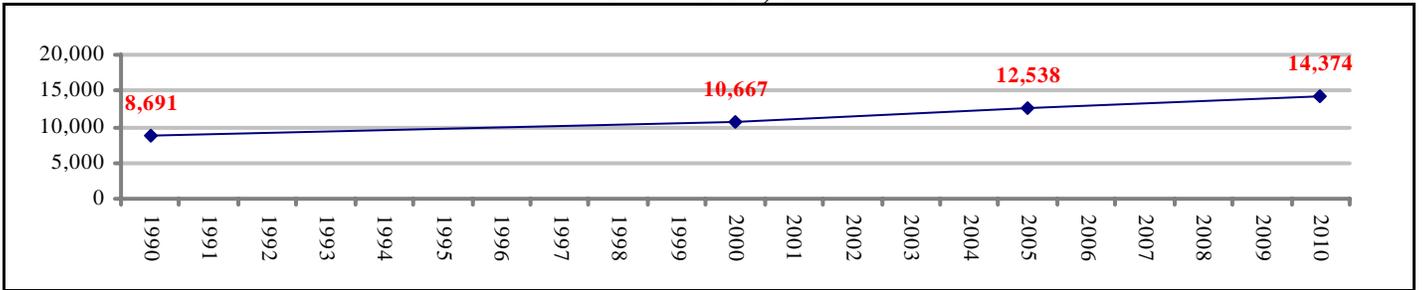
EASTGATE APTS.



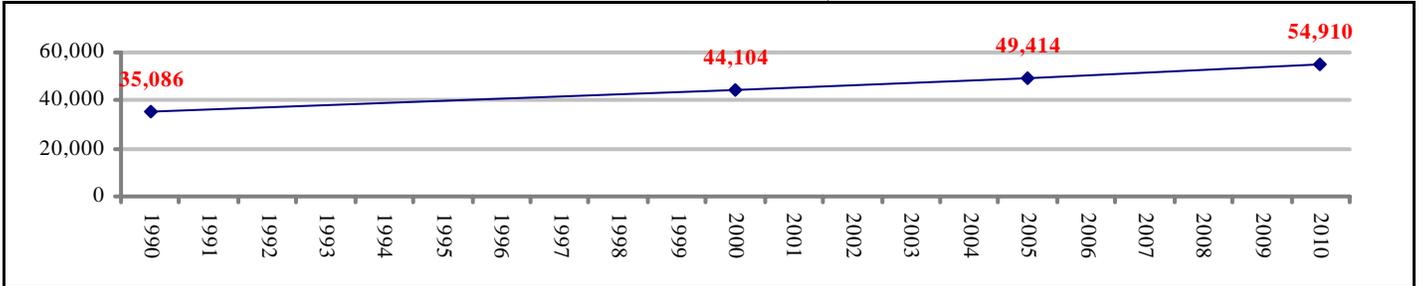
ADDENDUM C. AREA DEMOGRAPHICS

POPULATION - 1990, 2000(CENSUS), 2005(ESTIMATE), 2010(PROJECTION)

CALHOUN, GA



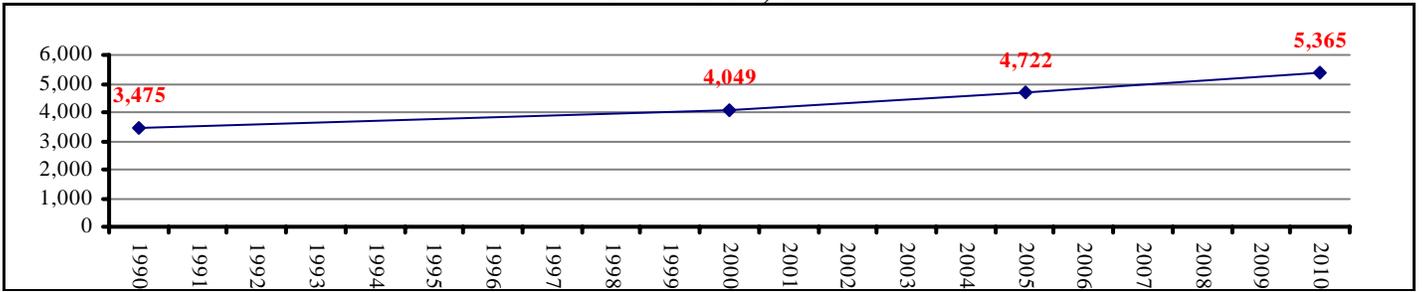
GORDON COUNTY, GA



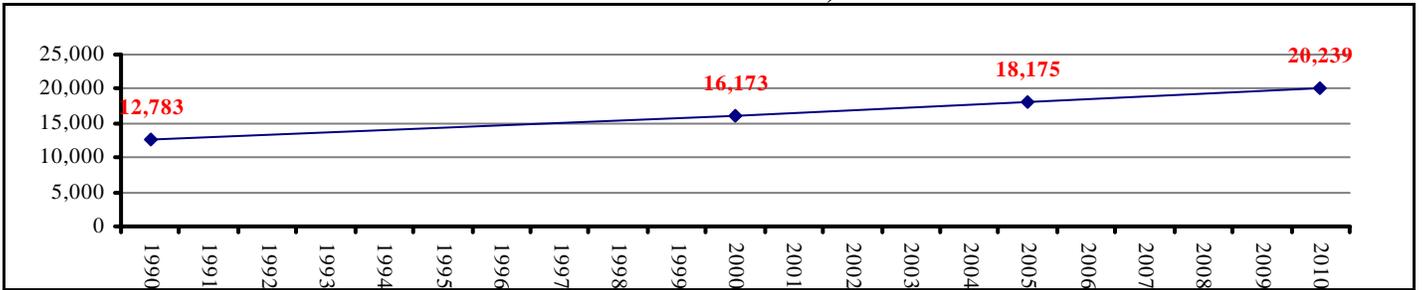
YEAR	CALHOUN, GA	GORDON COUNTY, GA
1990 CENSUS	8,691	35,086
2000 CENSUS	10,667	44,104
% CHANGE 1990 - 2000	22.7%	25.7%
AVG. ANNUAL CHANGE	198	902
2005 ESTIMATE	12,538	49,414
2010 PROJECTION	14,374	54,910
% CHANGE 2000 - 2010	34.8%	24.5%
AVG. ANNUAL CHANGE	412	1,201

HOUSEHOLDS - 1990, 2000(CENSUS), 2005(ESTIMATE), 2010(PROJECTION)

CALHOUN, GA



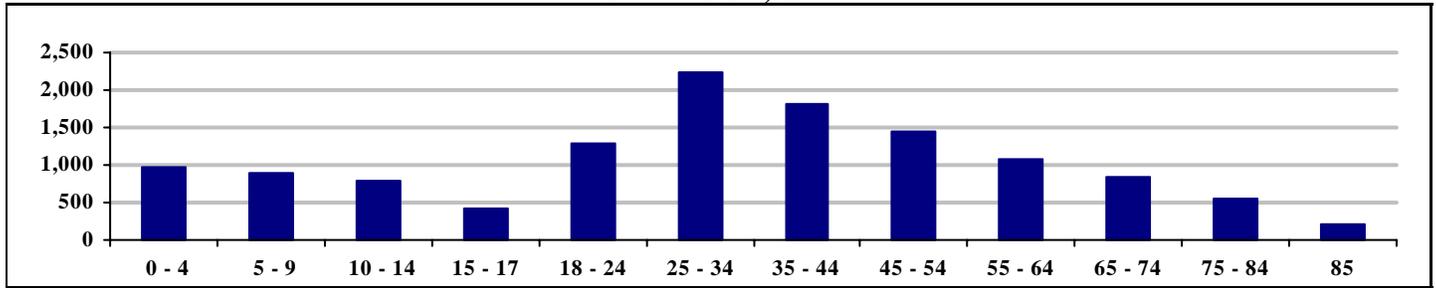
GORDON COUNTY, GA



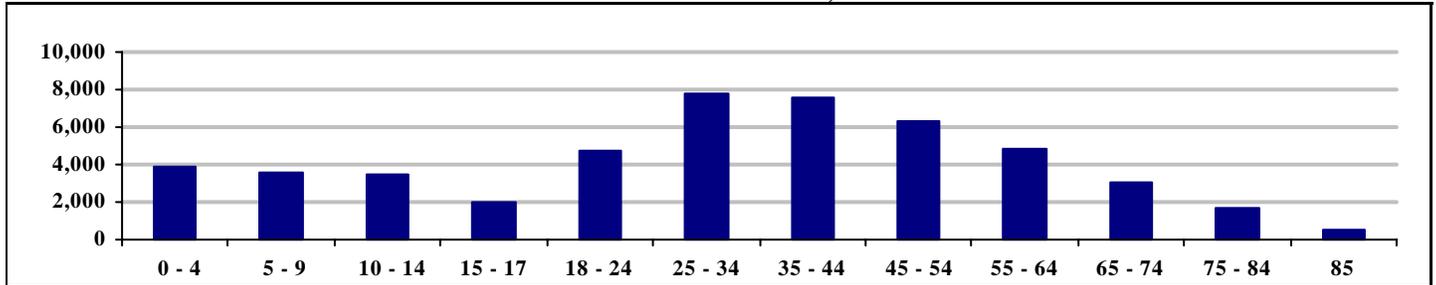
YEAR	CALHOUN, GA	GORDON COUNTY, GA
1990 CENSUS	3,475	12,783
2000 CENSUS	4,049	16,173
% CHANGE 1990 - 2000	16.5%	26.5%
AVG. ANNUAL CHANGE	57	339
2005 ESTIMATE	4,722	18,175
2010 PROJECTION	5,365	20,239
% CHANGE 2000 - 2010	32.5%	25.1%
AVG. ANNUAL CHANGE	146	452

POPULATION BY AGE GROUP - 2000 CENSUS

CALHOUN, GA



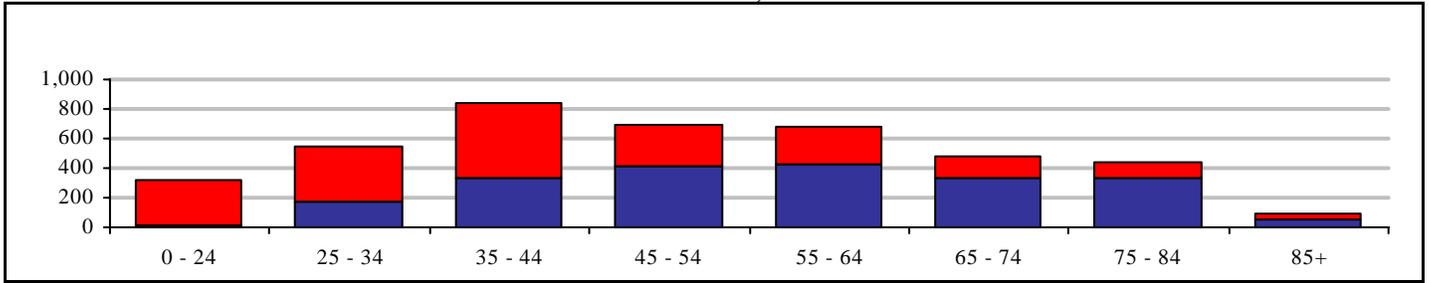
GORDON COUNTY, GA



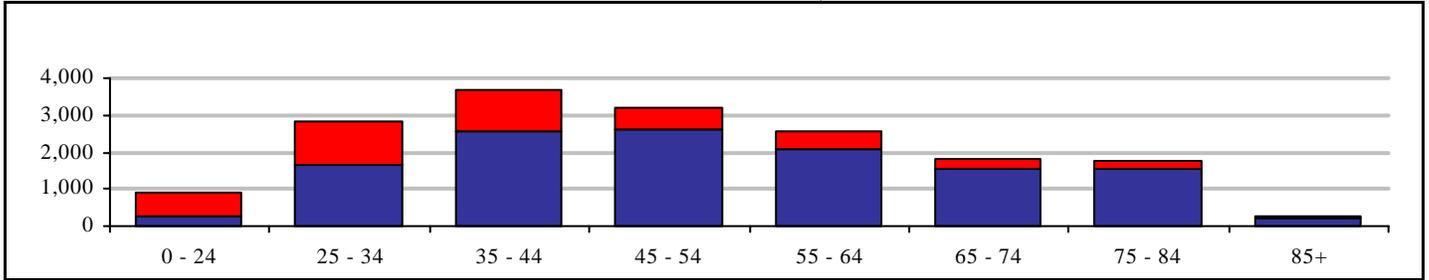
AGE GROUP	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
0 - 4	978	7.8%	3,887	7.9%
5 - 9	893	7.1%	3,554	7.2%
10 - 14	790	6.3%	3,474	7.0%
15 - 17	412	3.3%	1,991	4.0%
18 - 24	1,280	10.2%	4,720	9.6%
25 - 34	2,227	17.8%	7,791	15.8%
35 - 44	1,808	14.4%	7,538	15.3%
45 - 54	1,445	11.5%	6,276	12.7%
55 - 64	1,081	8.6%	4,799	9.7%
65 - 74	846	6.7%	3,102	6.3%
75 - 84	563	4.5%	1,719	3.5%
85 +	215	1.7%	563	1.1%
TOTAL	12,538	100 %	49,414	100 %

OWNER- AND RENTER-OCCUPIED HOUSING BY AGE OF HEAD OF HOUSEHOLD - 2000

CALHOUN, GA



GORDON COUNTY, GA



■ RENTER-OCCUPIED HOUSEHOLDS
■ OWNER-OCCUPIED HOUSEHOLDS



RENTER-OCCUPIED HOUSEHOLDS

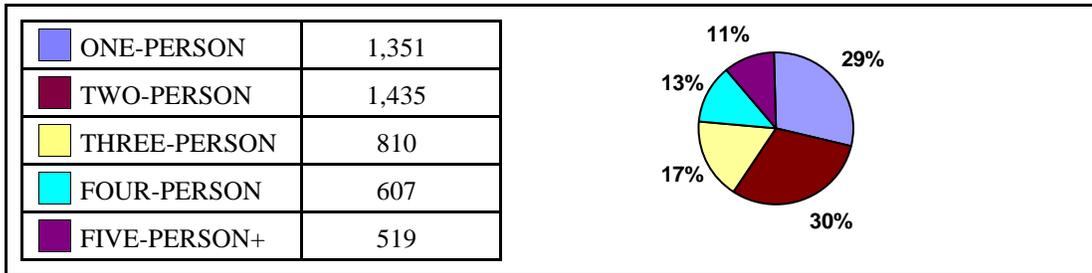
AGE GROUP	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
< 25	314	15.3%	613	13.4%
25 - 34	371	18.1%	1,172	25.6%
35 - 44	506	24.7%	1,135	24.8%
45 - 54	289	14.1%	605	13.2%
55 - 64	252	12.3%	487	10.7%
65 - 74	157	7.7%	300	6.6%
75 - 84	114	5.6%	213	4.7%
85 +	44	2.1%	47	1.0%
TOTAL	2,047	100 %	4,572	100 %

OWNER-OCCUPIED HOUSEHOLDS

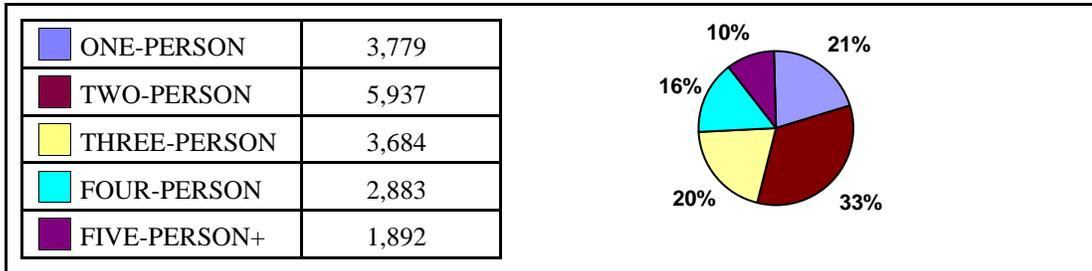
AGE GROUP	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
< 25	7	0.3%	270	2.2%
25 - 34	174	8.4%	1,653	13.3%
35 - 44	335	16.3%	2,570	20.7%
45 - 54	410	19.9%	2,610	21.0%
55 - 64	428	20.8%	2,057	16.6%
65 - 74	327	15.9%	1,530	12.3%
75 - 84	327	15.9%	1,530	12.3%
85 +	52	2.5%	209	1.7%
TOTAL	2,060	100 %	12,429	100 %

HOUSEHOLD SIZE - 2000 CENSUS

CALHOUN, GA



GORDON COUNTY, GA



HOUSEHOLD COMPOSITION - 2000 CENSUS

HOUSEHOLD TYPE	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
MARRIED COUPLE W/ CHILDREN	987	20.9%	4,943	27.3%
LONE MALE PARENT W/ CHILDREN	80	1.7%	393	2.2%
LONE FEMALE PARENT W/ CHILDREN	383	8.1%	1,130	6.3%
MARRIED COUPLE NO CHILDREN	1,253	26.5%	5,942	32.9%
LONE MALE PARENT NO CHILDREN	124	2.6%	385	2.1%
LONE FEMALE PARENT NO CHILDREN	271	5.7%	897	5.0%
NON-FAMILY MALE HEAD W/ CHILDREN	198	4.2%	385	2.1%
NON-FAMILY FEMALE HEAD W/ CHILDREN	75	1.6%	226	1.3%
LONE MALE HOUSEHOLDER	487	10.3%	1,559	8.6%
LONE FEMALE HOUSEHOLDER	864	18.3%	2,220	12.3%
TOTAL	4,722	100 %	18,080	100 %

POPULATION BY HOUSEHOLD COMPOSITION - 2000 CENSUS

POPULATION	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
IN FAMILY HOUSEHOLDS	8,471	81.5%	39,039	88.5%
IN NON-FAMILY HOUSEHOLDS	1,603	15.4%	4,634	10.5%
IN GROUP QUARTERS	320	3.1%	431	1.0%
TOTAL	10,394	100 %	44,104	100 %

POPULATION BY SINGLE RACE - 2000 CENSUS

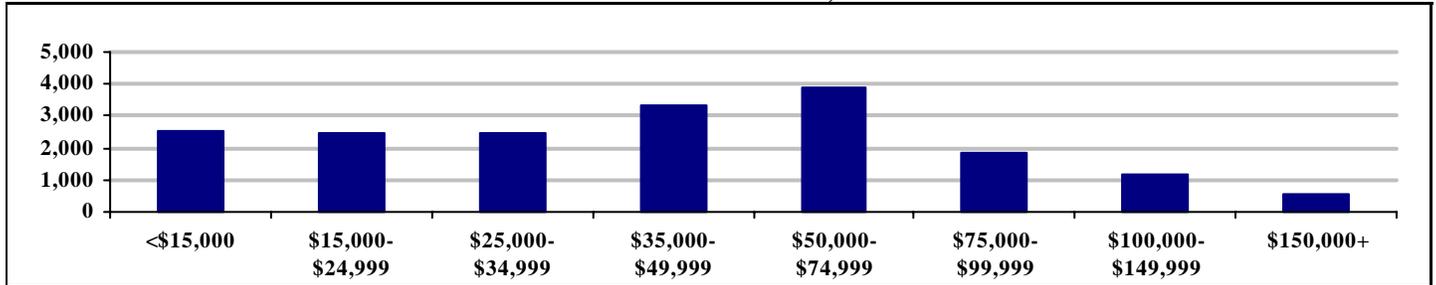
RACE	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
WHITE ALONE	7,807	88.3%	38,642	94.6%
BLACK OR AFRICAN AMERICAN	794	9.0%	1,511	3.7%
AMERICAN INDIAN/ALASKA NATIVE	22	0.2%	90	0.2%
ASIAN ALONE	106	1.2%	225	0.6%
HAWAIIAN/PACIFIC ISLANDER	3	0.0%	11	0.0%
SOME OTHER RACE ALONE	18	0.2%	23	0.1%
TWO OR MORE RACES	96	1.1%	334	0.8%
TOTAL	8,846	100 %	40,836	100 %

HOUSEHOLDS BY INCOME RANGE - 2000 CENSUS

CALHOUN, GA



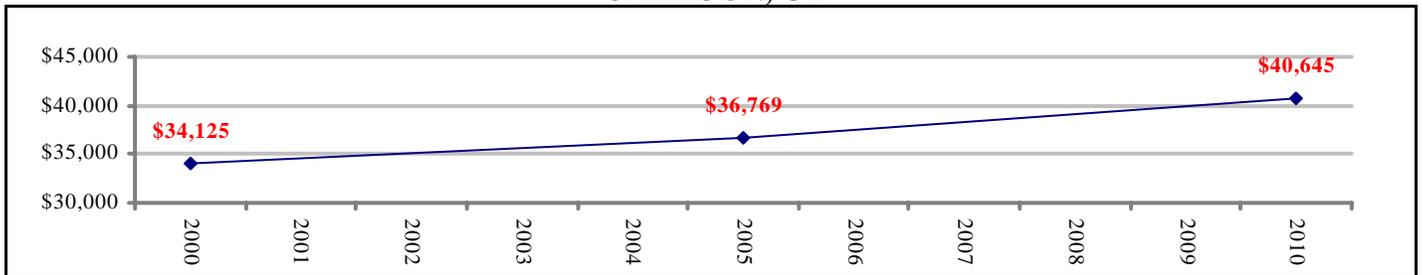
GORDON COUNTY, GA



ANNUAL HOUSEHOLD INCOME	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
< \$15,000	953	20.2%	2,524	13.9%
\$15,000 - \$24,999	633	13.4%	2,444	13.4%
\$25,000 - \$34,999	687	14.5%	2,452	13.5%
\$35,000 - \$49,999	746	15.8%	3,318	18.3%
\$50,000 - \$74,999	777	16.5%	3,867	21.3%
\$75,000 - \$99,999	417	8.8%	1,850	10.2%
\$100,000 - \$150,000	307	6.5%	1,189	6.5%
\$150,000 +	202	4.3%	531	2.9%
TOTAL	4,722	100 %	18,175	100 %

MEDIAN HOUSEHOLD INCOME - 1990, 2000(CENSUS), 2005(ESTIMATE), 2010(PROJECTION)

CALHOUN, GA



GORDON COUNTY, GA



	CALHOUN, GA	GORDON COUNTY, GA
2000 CENSUS	\$34,125	\$38,856
2005 ESTIMATE	\$36,769	\$42,538
% CHANGE 2000 - 2005	7.7%	9.5%
2010 PROJECTION	\$40,645	\$46,892
% CHANGE 2000 - 2010	10.5%	10.2%

AGE OF HEAD OF HOUSEHOLD BY ANNUAL HOUSEHOLD INCOME - 2000 CENSUS

CALHOUN, GA

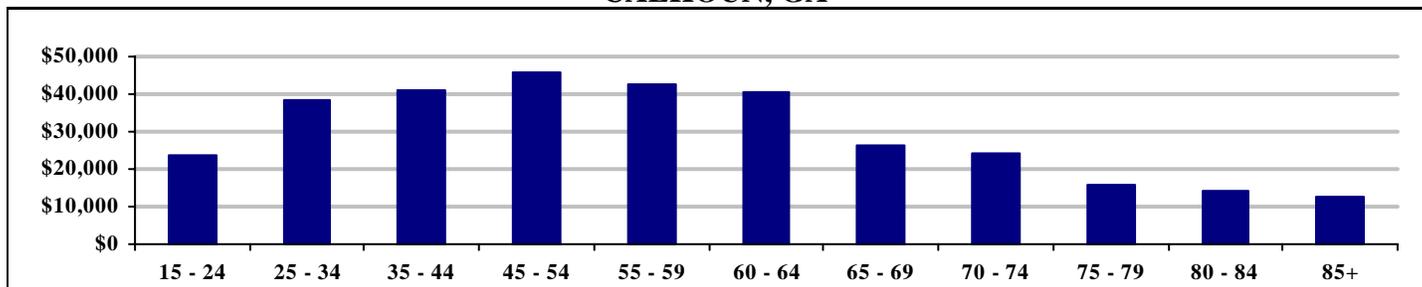
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	66 - 74	75 +
< \$9,999	11	37	66	42	129	136	143
\$10,000 - \$14,999	57	31	37	42	30	49	62
\$15,000 - \$24,999	104	85	98	79	63	54	82
\$25,000 - \$34,999	60	84	186	112	46	69	43
\$35,000 - \$49,999	65	113	116	126	148	67	10
\$50,000 - \$74,999	5	152	149	152	115	59	23
\$75,000 - \$99,999	9	13	109	88	78	0	8
\$100,000 - \$149,999	0	12	59	89	5	7	16
\$150,000 +	0	26	24	5	29	43	11
TOTAL	311	553	844	735	643	484	398

GORDON COUNTY, GA

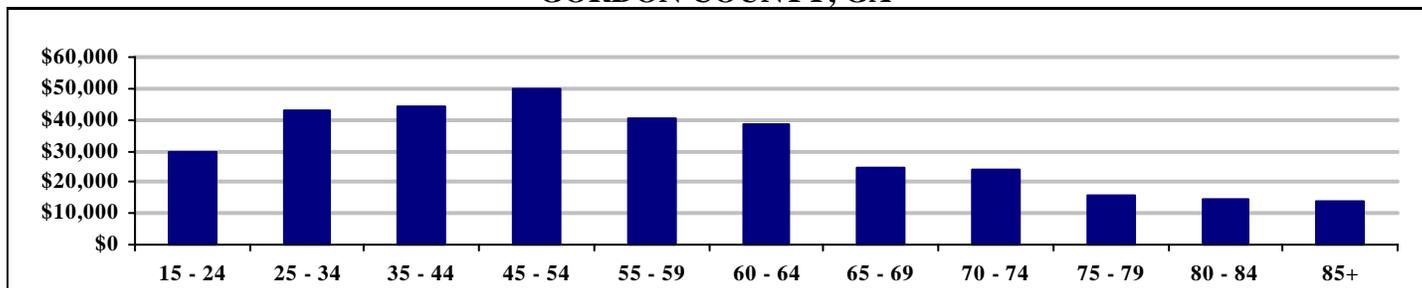
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	66 - 74	75 +
< \$9,999	31	142	179	167	255	290	336
\$10,000 - \$14,999	96	104	144	109	174	243	272
\$15,000 - \$24,999	186	378	386	357	399	344	292
\$25,000 - \$34,999	183	395	576	429	320	284	112
\$35,000 - \$49,999	220	784	739	584	502	249	59
\$50,000 - \$74,999	100	878	890	894	495	164	51
\$75,000 - \$99,999	14	157	371	415	226	33	36
\$100,000 - \$149,999	0	43	208	253	88	48	26
\$150,000 +	0	32	113	69	65	61	15
TOTAL	830	2,913	3,606	3,277	2,524	1,716	1,199

MEDIAN HOUSEHOLD INCOME BY AGE OF HEAD OF HOUSEHOLD - 2000 CENSUS

CALHOUN, GA



GORDON COUNTY, GA



AGE OF HEAD OF HOUSEHOLD	CALHOUN, GA	GORDON COUNTY, GA
15 - 24	\$23,527	\$29,595
25 - 34	\$38,347	\$42,644
35 - 44	\$41,082	\$44,013
45 - 54	\$45,705	\$49,732
55 - 59	\$42,798	\$40,210
60 - 64	\$40,625	\$38,242
65 - 69	\$26,375	\$24,885
70 - 74	\$24,038	\$23,732
75 - 79	\$15,862	\$15,824
80 - 84	\$14,250	\$14,741
85 +	\$12,500	\$13,603
MEDIAN HOUSEHOLD INCOME	\$34,125	\$38,856

EMPLOYMENT BY SIC CATEGORY (LARGEST 10 SIC CODES) - 2000 CENSUS

INDUSTRY	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
AGRICULTURE / NATURAL RESOURCES	78	0.4%	39	2.2%
NATURAL RESOURCE EXTRACTION	0	0.0%	0	0.0%
CONSTRUCTION	582	3.0%	112	6.2%
MANUFACTURING	8,211	41.9%	132	7.3%
TRANSPORTATION, UTILITIES	515	2.6%	73	4.1%
WHOLESALE TRADE	967	4.9%	97	5.4%
RETAIL TRADE	4,169	21.3%	494	27.5%
FINANCE, INSURANCE, REAL ESTATE	575	2.9%	121	6.7%
SERVICES	3,411	17.4%	601	33.4%
GOVERNMENT	963	4.9%	104	5.8%
NON-CLASSIFIABLE	132	0.7%	26	1.4%
TOTAL	19,603	100 %	1,799	100 %

RENTER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	57	2.8%	83	1.8%
1995 TO 1998	263	12.8%	502	11.0%
1990 TO 1994	194	9.5%	420	9.2%
1980 TO 1989	489	23.9%	1,138	24.9%
1970 TO 1979	493	24.1%	1,063	23.3%
1960 TO 1969	141	6.9%	367	8.0%
1940 TO 1959	306	14.9%	675	14.8%
1939 AND EARLIER	104	5.1%	324	7.1%
TOTAL	2,047	100 %	4,572	100 %

OWNER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	37	1.9%	470	4.1%
1995 TO 1998	180	9.3%	1,709	14.7%
1990 TO 1994	234	12.1%	1,748	15.1%
1980 TO 1989	369	19.1%	2,419	20.9%
1970 TO 1979	273	14.2%	2,012	17.3%
1960 TO 1969	319	16.5%	1,460	12.6%
1940 TO 1959	378	19.6%	1,209	10.4%
1939 AND EARLIER	139	7.2%	574	4.9%
TOTAL	1,929	100 %	11,601	100 %

UNITS IN STRUCTURE - 2000 CENSUS

UNITS	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
1-UNIT, DETACHED	2,466	60.1%	12,044	71.0%
1-UNIT, ATTACHED	0	0.0%	0	0.0%
2 TO 4 UNITS	607	14.8%	936	5.5%
5 TO 19 UNITS	672	16.4%	803	4.7%
20 UNITS OR MORE	338	8.2%	361	2.1%
MOBILE HOME	22	0.5%	2,777	16.4%
BOAT, RV, VAN, ETC	0	0.0%	50	0.3%
TOTAL	4,105	100 %	16,971	100 %

GROSS RENT PAID - 2000 CENSUS

GROSS RENT	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
LESS THAN \$300	387	18.9%	569	12.9%
\$300 - \$499	640	31.3%	1,539	34.9%
\$500 - \$749	819	40.0%	1,531	34.7%
\$750 - \$999	82	4.0%	240	5.4%
\$1,000 - \$1,499	51	2.5%	82	1.9%
\$1,500 - \$1,999	10	0.5%	10	0.2%
\$2,000 OR MORE	0	0.0%	0	0.0%
NO CASH RENT	58	2.8%	440	10.0%
TOTAL	2,047	100 %	4,411	100 %
MEDIAN GROSS RENT	\$491		\$486	

YEAR MOVED INTO RENTER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	888	43.4%	1,904	41.6%
1995 TO 1998	747	36.5%	1,783	39.0%
1990 TO 1994	183	8.9%	368	8.0%
1980 TO 1989	144	7.0%	308	6.7%
1970 TO 1979	53	2.6%	86	1.9%
1969 OR EARLIER	32	1.6%	123	2.7%
TOTAL	2,047	100 %	4,572	100 %

YEAR MOVED INTO OWNER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	CALHOUN, GA		GORDON COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	169	8.8%	1,307	11.3%
1995 TO 1998	499	25.9%	2,993	25.8%
1990 TO 1994	340	17.6%	2,127	18.3%
1980 TO 1989	408	21.2%	2,328	20.1%
1970 TO 1979	218	11.3%	1,526	13.2%
1969 OR EARLIER	295	15.3%	1,320	11.4%
TOTAL	1,929	100 %	11,601	100 %

HOUSING UNITS BUILDING PERMITS

CALHOUN, GA			
YEAR	UNITS IN SINGLE-FAMILY STRUCTURES	UNITS IN ALL MULTI-FAMILY STRUCTURES	TOTAL
2001	96	216	312
2002	110	163	273
2003	132	38	170
2004	111	109	220
2005	112	79	191
TOTAL	561	605	1,166

GORDON COUNTY, GA			
YEAR	UNITS IN SINGLE-FAMILY STRUCTURES	UNITS IN ALL MULTI-FAMILY STRUCTURES	TOTAL
2001	362	216	578
2002	404	165	569
2003	466	38	504
2004	436	115	551
2005	474	103	577
TOTAL	2,142	637	2,779

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

I also certify that a member of Vogt Williams & Bowen, LLC or I have inspected the property as well as all rent comparables.

Signed: 

Date: July 14, 2006

A. Executive Summary

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

B. Project Description

1	Project address, legal description and location	Page	B-1
2	Number of units by unit type	Page	B-1
3	Unit size, # of bedrooms and structure type (i.e. townhouse, garden apartment, etc)	Page	B-1
4	Rents and Utility Allowance*	Page	B-1
5	Existing or proposed project based rental assistance	Page	NA
6	Proposed development amenities (i.e. washer/dryer hookups, dishwasher etc.)	Page	B-2
7	For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property	Page	NA
8	Projected placed in service date	Page	B-2
9	Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page	B-1
10	Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs, etc.	Page	B-2
11	Special Population Target (if applicable)	Page	NA

* For the Atlanta MSA, for 60% income, rents are based on 54% rents

*Gross Rents are to be used for calculation of income bands

C. Site Evaluation

1	Date of Inspection of Subject Property by Market Analyst	Page	C-1
2	Physical features of Subject Property and Adjacent Uses	Page	C-1
3	Subject Photographs (front, rear, and side elevations as well as street scenes)	Page	C-6
4	Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject	Page	C-11
5	Developments in vicinity to subject and proximity in miles (Identify developments Surrounding subject on all sides) - zoning of subject and surrounding uses	Page	C-1
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject	Page	C-14
7	Road or infrastructure improvements planned or under construction in the PMA	Page	C-15
8	Comment on access, ingress/egress and visibility of subject	Page	C-2
9	Any visible environmental or other concerns	Page	C-2
10	Overall conclusions of site and their marketability	Page	C-2

D. Market Area

1	Map identifying Subject's Location within PMA	Page	D-1
2	Map identifying Subject's Location within SMA, if applicable	Page	D-2

E. Community Demographic Data

Data on Population and Households at Five Years Prior to Market Entry, and Projected Five Years Post-Market Entry, (2004, 2005 and 2010) *	Page	E-1
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** If using sources other than U.S. Census (I.e., Claritas or other reputable source of data), please include in Addenda*

1. Population Trends

a.	Total Population	Page	E-1
b.	Population by Age Group	Page	E-1
c.	Number of elderly and non-elderly (for elderly projects)	Page	NA
d.	If a special needs is proposed, additional information for this segment	Page	NA

2. Household Trends

a.	Total number of households and average household size	Page	E-2
b.	Households by tenure (# of owner and renter households) Elderly by tenure, if applicable	Page	E-2
c.	Households by Income (Elderly, if applicable, should be allocated separately)	Page	E-3
d.	Renter households by # of persons in the household	Page	E-4

3. Employment Trend

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%))	Page	E-5
b.	Major employers, product or service, total employees, anticipated expansions, contractions in work forces, as well as newly planned employers and impact on employment in the PMA	Page	E-7
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	E-8
d.	Map of the site and location of major employment concentrations.	Page	E-10
e.	Overall conclusions	Page	E-8

F. Project Specific Demand Analysis

1	Income Restrictions - uses applicable incomes and rents in the development's tax application.	Page	F-1
2	Affordability - Delineation of Income Bands *	Page	F-2
3	Comparison of market rates of competing properties with proposed subject market rent	Page	F-6
4	Comparison of market rates of competing properties with proposed LIHTC rents	Page	F-6
5	Demand Analysis Using Projected Service Date (within 2 years)	Page	F-4
a.	New Households Using Growth Rates from Reputable Source	Page	F-5
b.	Demand from Existing Households (Combination of rent overburdened and substandard)	Page	F-5
c.	Elderly Households Converting to Rentership (applicable only to elderly)	Page	NA
d.	Elderly Households Relocating to the Market (applicable only to elderly)		NA
e.	Deduction of Total of "Comparable Units"	Page	F-5
f.	Capture Rates for Each Bedroom Type	Page	F-6
g.	Anticipated Absorption period for the property	Page	F-7
	<i>* Assume 35% of gross income towards total housing expenses for family</i>		
	<i>* Assume 40% of gross income towards total housing expenses for elderly</i>		
	<i>* Assume 35% of gross income for derivation of income band for family</i>		
	<i>* Assume 40% of gross income for derivation of income band for elderly</i>		

G. Supply Analysis

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2.	Supply & analysis of competing developments under construction & pending	Page	G-13
3.	Comparison of competing developments (occupancy, unit mix and rents)	Page	G-3
4.	Rent Comparable Map (showing subject and comparables)	Page	C-14
5.	Assisted Projects in PMA*	Page	G-12
6.	Multi-Family Building Permits issued in PMA in last two years	Page	Addendum C-17

* PHA properties are not considered comparable with LIHTC units

H. Interviews

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I. Conclusions and Recommendations

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2. Recommendation as to Subject's Viability in PMA Page I-1

J. Signed Statement

1. Signed Statement from Analyst Page J-1

K. Qualifications

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Comparison of Competing Properties

Separate Letter addressing addition of more than one competing property.

Not
Applicable