

**Market Feasibility Analysis**  
**Fullerton Square Apartments**  
**Sylvester, Worth County, Georgia**

**Prepared for**  
**The Georgia Department of Community Affairs**

**July 2006**

## Table of Contents

<b>I.</b>	<b>Executive Summary</b> .....	<b>3</b>
<b>II.</b>	<b>Introduction</b> .....	<b>8</b>
<b>III.</b>	<b>Location and Neighborhood Context</b> .....	<b>10</b>
A.	Site and Project Description .....	10
B.	Shopping.....	10
C.	Medical .....	10
D.	Senior Center.....	11
<b>IV.</b>	<b>Socio-Economic and Demographic Content</b> .....	<b>12</b>
A.	Economic Context.....	14
B.	Household and Population Trends .....	21
C.	Household and Population Trends .....	22
C.	Demographic Characteristics .....	26
D.	Income Characteristics .....	31
<b>V.</b>	<b>Supply Analysis</b> .....	<b>35</b>
A.	Area Housing Stock .....	35
B.	Rental Market .....	38
C.	Proposed Developments.....	46
<b>VI.</b>	<b>Findings and Conclusions</b> .....	<b>47</b>
A.	Findings .....	47
B.	Affordability Analysis .....	51
D.	DCA Demand Calculations .....	54
E.	DCA Estimates and Capture Rates by Floorplan and Income .....	58
F.	Project Feasibility.....	59
G.	Absorption Estimate.....	61
	<b>Appendix 1 Underlying Assumptions and Limiting Conditions</b> .....	<b>62</b>
	<b>Appendix 2 Analyst Certification</b> .....	<b>64</b>
	<b>Appendix 3 Resumes</b> .....	<b>65</b>
	<b>Appendix 4 DCA Market Study Checklist</b> .....	<b>67</b>
	<b>Appendix 5 Community Photos and Profiles</b> .....	<b>71</b>

## List of Tables

Table 1	Project Specific Rent and Income Limits, Fullerton Square .....	9
Table 2	Neighborhood Amenities, Fullerton Square .....	8
Table 3	Proposed Unit Configuration and Rents .....	9
Table 4	At Place Employment, Worth County 1990-2005 .....	14
Table 5	Employment by Sector, Worth County 2005.....	16
Table 6	Employment by Sector Change, Worth County 2001-2005 .....	16
Table 7	Top 10 Employers, Worth County .....	17
Table 8	Labor Force and Unemployment Rates, Worth County .....	20
Table 9	Trends in Population and Households, PMA and tri-county market area .....	23
Table 10	Trends in Senior Population and Households, Primary Market Area .....	24
Table 11	Worth County Building Permits, 1990 - 2005.....	25
Table 12	2000 Age Distribution .....	27
Table 13	2000 Households by Household Type .....	28
Table 14	Dwelling Units by Occupancy Status .....	29
Table 15	Occupancy Status, Householders 62+ .....	30
Table 16	2000 Households by Tenure & Age of Householder.....	31
Table 17	2005 Income Distribution, PMA and Tri-County Market Area.....	33
Table 18	2005 & 2010 HH Income for HHs 62+, Primary and Tri-County Market Areas.....	34
Table 19	2000 Renter Households by Number of Units.....	35
Table 20	2000 Census Rent Distribution.....	36
Table 21	Year Property Built .....	37
Table 22	Rental Summary, Market Rate Rental Communities.....	40
Table 23	Rental Summary, Subsidized Rental Communities.....	40
Table 24	Common Area Amenities of Surveyed Communities .....	41
Table 25	Features of Rental Communities in Primary Market Area .....	43
Table 26	Salient Characteristics, PMA Rental Communities .....	43
Table 27	Adjusted Rent Comparison, Fullerton Square .....	44
Table 28	2008 Affordability Analysis for Fullerton Square .....	53
Table 29	Cost Burdened and Substandard Calculation .....	55
Table 30	Overall Demand Estimates.....	56
Table 31	Detailed Gross Demand Estimates.....	57
Table 32	Demand Estimates and Capture Rates by Floorplan and Income Level .....	58

## List of Figures

Figure 1	Site Photos.....	1
Figure 2	Surrounding Land Use Photos .....	2
Figure 3	Range of Net Rents.....	45
Figure 4	Product Position, Fullerton Square.....	60

## List of Maps

Map 1	Site Location, Fullerton Square .....	5
Map 2	Neighborhood Amenities, Fullerton Square .....	7
Map 3	Primary Market Area .....	13
Map 4	Major Employers .....	18
Map 5	Survryed Rental Communities .....	39

## I. Executive Summary

---

Real Property Research Group, Inc. has been retained by The Georgia Department of Community Affairs (DCA) to conduct a market feasibility analysis of Fullerton Square Apartments. Fullerton Square Apartments will be a newly constructed LIHTC rental community consisting of 30 senior oriented rental units. Eighty percent of the units will be tax credit and targeted to renters earning no more than 30 percent and 50 percent of the Area Median Income. The remaining 20 percent of the units will be market rate, unencumbered by maximum rents and tenant incomes. The subject property will be a newly constructed rental community located on the northwest corner of the intersection of North Isabella Street and King Street in northern Sylvester, Worth County, Georgia.

Field work and data collection was conducted in June 2006. The site, comparables, and market area were visited on June 4, 2006 by Tad Scepaniak, Regional Director. The Executive Summary follows and is based on DCA's market study guidelines.

- 1. Market Demand and demand trends for the proposed, existing or rehabilitated units given the existing and proposed economic conditions of the area.**
  - a. Affordability analysis and DCA demand estimates indicate adequate demand to support the proposed units at Fullerton Square.
  - b. Worth County's employment base has been cyclical over the past 15 years with several years of employment gain and loss. Overall, the number employed in Worth County is unchanged since 1990.
  - c. Although one-half to one percentage point above the state rate, unemployment in Worth County's unemployment has moved been 4.3 percent and 5.6 percent over the past seven years.
- 2. Stabilization projections for the subject property until a sustaining occupancy level of 93% can be achieved for the project. If stabilization projections for the subject differ significantly from historical data, an explanation must be given.**

- a. We have estimated that Fullerton Square Apartments should be able to lease up at a minimum rate of 4 units per month. At this rate, the project would be able to achieve 95 percent occupancy within an approximate 7 month period.
- b. We believe that Fullerton Square apartments should be able to maintain an occupancy level of 95 percent after initial lease up.
- c. This absorption estimate and sustained occupancy is supported by existing rental communities in Worth County and the calculated demand estimates.

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

- a. As noted above, we have estimated that the subject property will lease approximately 4 units per month.
- b. The proportion of monthly absorption is expected to be similar to the overall unit distribution of the proposed unit mix. Average monthly absorption by bedroom size is 1.5 one bedroom units and 2.5 two bedroom units.

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

- a. Few multi-family rental communities in the primary market area. The only LIHTC communities, one of which is senior oriented, also have project-based rental assistance through Rural Development.
- b. Overall, the primary market area's rental stock appears stable. The overall vacancy rate in the primary market area is less than five percent. Only one of the surveyed communities reported vacant units. The one senior community has a waiting list of 20+ people.

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

- a. The proposed LIHTC rents (all income targets and bedroom sizes) are priced below the rents at both market rate communities. Given the product to be constructed and proposed amenities, Fullerton Square will be competitive with the communities.
- b. The estimated market rents for the proposed units at Fullerton Square are \$406 and \$498 for one and two bedroom units, respectively.
- c. Market advantages for the LIHTC units average 37 percent for the 50 percent units and 30 percent for the 60 percent units. The proposed market

rate rents at Fullerton Square are 16 to 28 percent below the estimated market rent.

- d. The proposed rents appear reasonable and appropriate.

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

- a. The proposed amenities, including appliance package, will be superior to all rental communities in the primary market area. Interior amenities will include a dishwasher, washer/dryer connections, and patios and balconies.
- b. Community amenities will include outdoor picnic/sitting areas, fitness center, community room, and a computer center.
- c. The amenities planned at Fullerton Square are extensive and exceed all existing rental communities in the primary market area. Furthermore, these amenities will specifically address the needs of older renters.

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

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

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

- a. The calculated capture rates for the proposed units at Fullerton Square all fall below these thresholds.
- b. The overall capture rates are 27.2 percent for all LIHTC units, 6.3 percent for market rate units, and 23.4 percent for all units. Capture rates by floorplan range from 3.6 percent to 13.3 percent.

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

- a. The primary market area's household base is expected relatively unchanged through 2010 with a minor household loss. The senior household base is expected to increase through 2010.
- b. The proposed product and rents will be competitive in the primary market area. Fullerton Square will be comparable in terms of appeal and amenities to rental communities with rents above the proposed rents.
- c. Based on affordability and demand estimates, sufficient demand exists to support the renovated units at Fullerton Square.
- d. The vacancy rates in the primary market area are stable. We believe that Fullerton Square will be able to maintain occupancy of 95 percent.
- e. We believe the product is properly positioned and will be well received in the primary market area. Fullerton Square will fill a void for rental units targeting low to moderate income senior renter households.

## 10. Summary Table

Unit Size	AMI Target	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Avg. Market Rent*	Proposed Rents
<b>1 Bedroom</b>	50%	6	51	0	51	11.7%	8 Months	\$406	\$265
	60%	3	65	0	65	4.6%	6 Months	\$406	\$300
	Market	3	81	0	81	3.7%	4 Months	\$406	\$340
	1BR Total	12	97	0	97	12.4%	8 Months	\$406	\$293
<b>2 Bedroom</b>	50%	6	56	0	56	10.7%	7 Months	\$498	\$310
	60%	9	68	0	68	13.3%	8 Months	\$498	\$330
	Market	3	84	0	84	3.6%	6 Months	\$498	\$360
	2BR Total	18	94	0	94	19.1%	8 Months	\$498	\$328

\*Estimated Market Rent for One Bedroom Units

Proposed Project Capture Rate LIHTC Units	27.2%
Proposed Project Capture Rate Market Rate Units	6.3%
Proposed Project Capture Rate All Units	23.4%
Proposed Project Stabilization Period	8 Months

## II. Introduction

---

Real Property Research Group, Inc. has been retained by The Georgia Department of Community Affairs (DCA) to conduct a market feasibility analysis of Fullerton Square Apartments. Fullerton Square Apartments will be a newly constructed LIHTC rental community consisting of 30 units. Fullerton Square will be Housing for Older Persons (HOP) community targeting householders age 55 and older.

The majority (80 percent) of the units at Fullerton Square Apartments will benefit from Low Income Housing Tax Credits with units targeting renter households at 50 percent and 60 percent of the Area Median Income. The remaining twenty percent of the units will be market rate without rent or income restrictions. Fullerton Square's 30 units will be contained within one three-story residential building. The proposed unit sizes at Fullerton Square are 821 square feet for the one bedroom units and 1,093 square feet for the two bedroom units. All of the units will have one bathroom.

HUD has computed a 2006 median household income of \$46,100 for the Albany MSA, in which the subject site is located. Based on that median income adjusted for household size, the maximum income limit and minimum income requirement is computed for each floorplan in Table 1. The minimum income limit is calculated assuming 45% of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes for LIHTC units are generally calculated assuming 1.5 persons per bedroom. DCA requires that the maximum income limit for all unit sizes not exceed the two bedroom household limit.

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

**Table 1 Project Specific Rent and Income Limits, Fullerton Square**

Unit Type	Building Type	AMI Level	Units	# Bed	# Bath	Average Size	Net Rent	Rent/Sq Ft
LIHTC	Garden	50%	6	1	1	821	\$265	\$0.32
LIHTC	Garden	50%	6	2	1	1,093	\$310	\$0.28
LIHTC	Garden	60%	3	1	1	821	\$300	\$0.37
LIHTC	Garden	60%	9	2	1	1,093	\$300	\$0.27
Market Rate	Garden	80%	3	1	1	821	\$340	\$0.41
Market Rate	Garden	80%	3	2	1	1,093	\$360	\$0.33
<b>Total/Avg.</b>			<b>30</b>			<b>984</b>	<b>\$305</b>	<b>\$0.31</b>

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

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

### III. Location and Neighborhood Context

---

#### **A. Site and Project Description**

Fullerton Square Apartments will be located in northern Sylvester, approximately one mile from downtown. The subject property is a flat and wooded parcel in a residential portion of Worth County. The property is bordered to the north by Hughes Street and Worth Middle School, to the east by Isabella Street and Sylvester Waster Gas Light, to other south by King Street and single-family detached homes, and to the west by Teresan Apartments.

Access to the property will be available at an entrance on North Isabella Street, just north of King Street. Both Isabella Street and King Street are residential side streets with light traffic. Accessibility problems are not anticipated.

Fullerton Square Apartments is compatible with surrounding land uses as the predominate land use within one-half mile of the site is residential, predominately moderate value single-family detached homes. Sylvester has few multi-family rental communities, none of which are located within one-half mile of the subject property. Neighboring non-residential land uses include Worth Middle School, Worth Primary School, Sylvester Elementary School, and Sylvester Water Gas Light. The electrical substation is a less-than-desirable neighboring land use, but will not affect the ability of Fullerton Square to lease its units.

Fullerton Square will be located in a residential neighborhood in northern Sylvester with numerous community amenities within one mile of the subject property including retail, a public library, the local senior center, and a medical facility.

**Figure 1 Site Photos**



***View of site facing west.***



***View of site facing northwest***



*View of site facing southwest from Hughes Street.*

**Figure 2 Surrounding Land Use Photos**



*Sylvester Elementary School, southeast of subject site.*



*View of Sylvester Water Gas Light, east of subject site.*

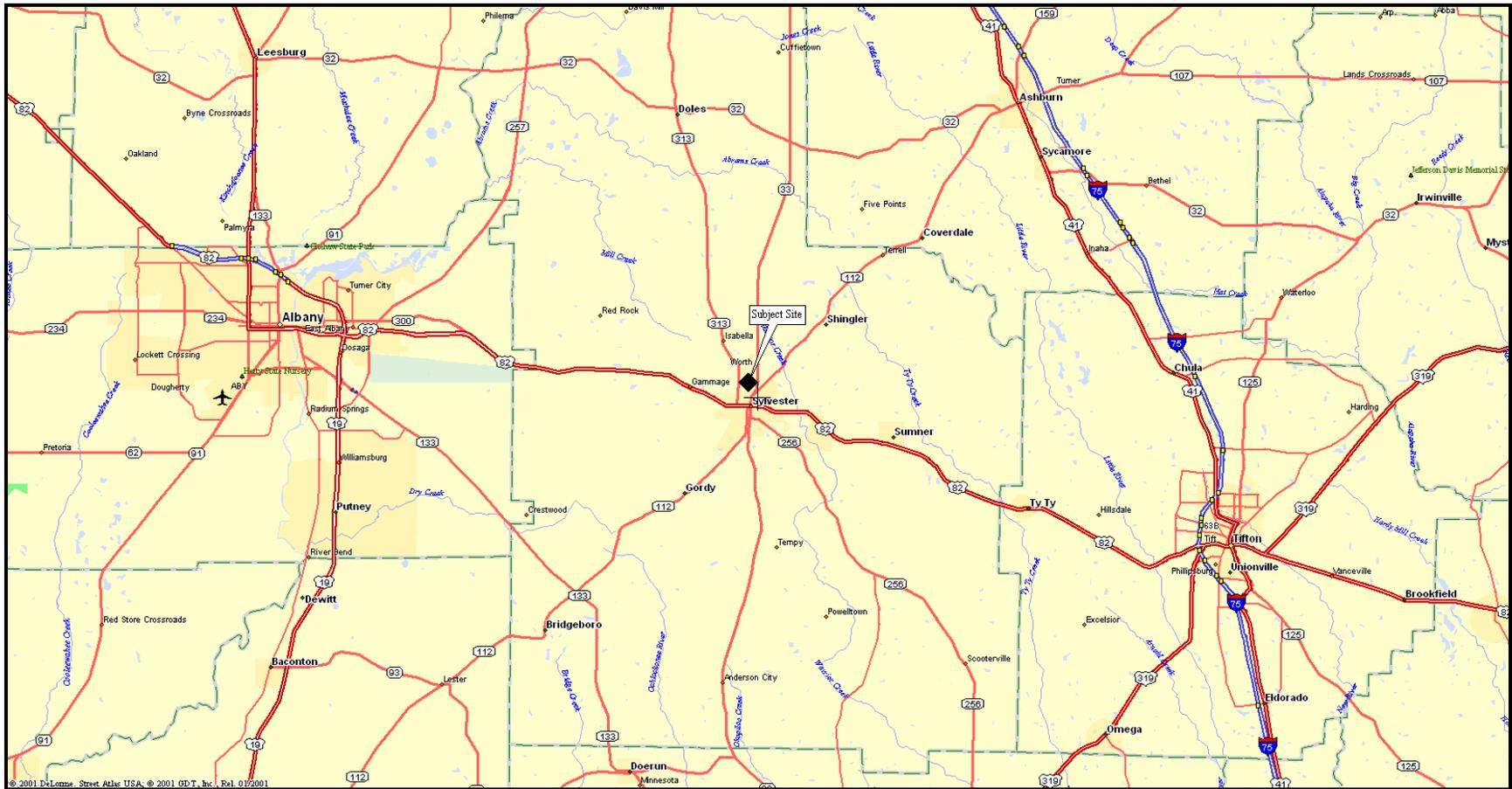


*View of single-family detached home south of site on King Street.*



*View of Teresan Apartments, west of subject site.*

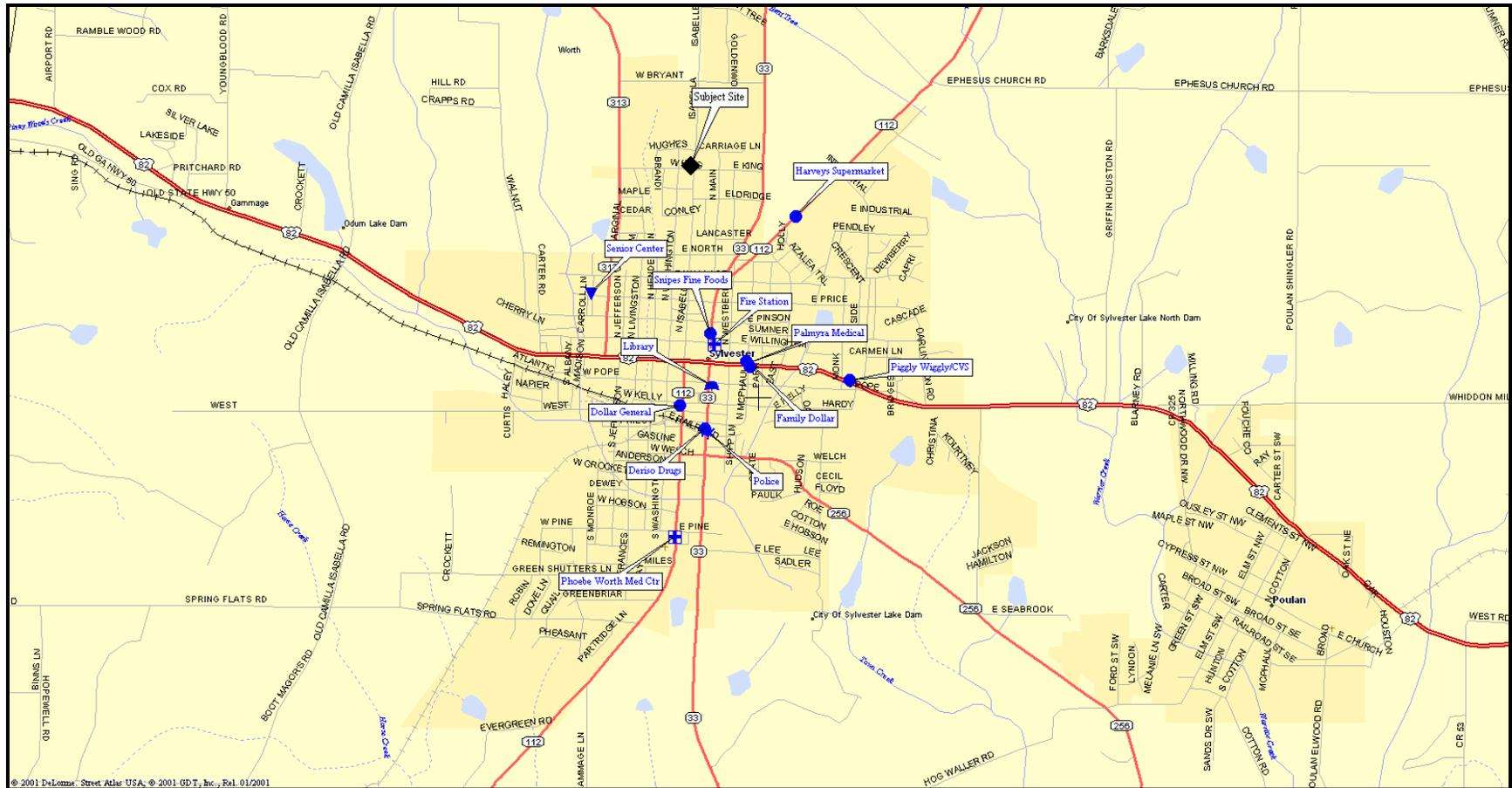
Map 1 Site Location, Fullerton Square



© 2001 DeLorme Street Atlas USA. © 2001 GDT, Inc. Rel. 01/2001



**Map 2 Neighborhood Amenities, Fullerton Square**



**Table 2 Neighborhood Amenities, Fullerton Square**

Establishment	Type	Address	Distance
Harvey's Supermarket	Grocery	502 Ashburn Hwy	0.5 mile
Sylvester Pediatrics	Medical Clinic	203 W Kelly St	0.6 mile
Snipes Fine Foods	Grocery	509 N Main St	0.8 mile
Worth County Fire Department	Fire Station	203 E Willingham St	0.8 mile
Sylvester Senior Center	Senior Center	710 W Price St	0.8 mile
Family Dollar	Retail	305 E Franklin St	0.9 mile
Palmyra Family Medicine	Medical Office	407 N Mcphaul St	1.0 mile
Margaret Jones Library	Public Library	205 E Pope St	1.0 mile
Piggly Wiggly	Grocery	631 E Franklin St	1.1 miles
Dollar General	Retail	115 W Kelly St	1.1 miles
CVS Pharmacy	Drug Store	625 E Franklin St	1.1 miles
Sylvester Police Department	Police	102 S Main St	1.3 miles
Deriso Drugs	Drug Store	111 N Main St	1.3 miles
Phoebe Worth Medical Center	Hospital	807 S Isabella St	2.0 miles

Fullerton Square is located in a residential neighborhood surrounded by single-family detached homes, public schools, and the Sylvester Water Gas Light. Access to the property will be via an entrance on North Isabella Street, just north of King Street. Most of Sylvester's multi-family rental stock is located to the south of the subject property.

The newly constructed rental community will include 30 one and two bedroom units in a three-story mid-rise building featuring a common and secure entrance. The construction will be wood frame with hardi plank and brick exteriors. The unit mix will include 12 one bedroom units with 821 square feet and 18 two bedroom units with 1,093 square feet. All of the units will have on bathroom.

Each of the newly constructed units at Fullerton Square will feature:

- Full kitchens including an electric range, a refrigerator with icemaker, a garbage disposal, and a dishwasher.
- Wall-to-wall carpeting in the bedrooms, living room, dining room and hallways. The kitchen, entry and bathrooms will feature scuff-resistant vinyl flooring.
- Washer and dryer connections.
- Electric central heat (heat pump) and air conditioning.
- Hard-wired smoke detectors and fire suppression systems.

Common area amenities will include community gathering areas, an exercise/fitness center, and a furnished library. Exterior amenities will include a large covered pavilion with barbeque facilities and outdoor sitting areas.

The proposed rents and unit configuration is shown below in Table 3. The rents shown will include the cost of trash removal.

**Table 3 Proposed Unit Configuration and Rents**

Unit Type	Building Type	AMI Level	Units	# Bed	# Bath	Average Size	Net Rent	Rent/Sq Ft
LIHTC	Garden	50%	6	1	1	821	\$265	\$0.32
LIHTC	Garden	50%	6	2	1	1,093	\$310	\$0.28
LIHTC	Garden	60%	3	1	1	821	\$300	\$0.37
LIHTC	Garden	60%	9	2	1	1,093	\$300	\$0.27
Market Rate	Garden	80%	3	1	1	821	\$340	\$0.41
Market Rate	Garden	80%	3	2	1	1,093	\$360	\$0.33
<b>Total/Avg.</b>			<b>30</b>			<b>984</b>	<b>\$305</b>	<b>\$0.31</b>

## **B. Shopping**

Most of Sylvester's commercial development is located along United States Highway 82, also known as Franklin Street. Franklin Street is accessible from the subject via Isabella Street. Retail development located within one mile of the subject site includes Family Dollar, Harvey's Supermarket, and Snipes Food Stores. Larger retailers just beyond one mile from the subject site include Piggly Wiggly and CVS Pharmacy.



*Piggly Wiggly*

## **C. Medical**

Phoebe Worth Medical Center, located at 807 South Isabella Street in Sylvester joined the Phoebe Putney Health System in 2001. The hospital offers a complete line of medical services including a 24-hour emergency center, medical-surgical care, obstetrics, pediatrics, and women's health services. Phoebe Worth Medical Center is the largest medical provider in Worth County and located two miles from the subject property.

Sylvester County is also served by smaller medical clinics, several of which are located within one to two miles of the subject site with the closest being Palmyra Medical Clinic.



*Phoebe Worth Medical Center*

#### **D. Senior Center**

Sylvester is served by the Shipp Senior Center, located three-quarters of a mile west of the subject property. The Shipp Senior Center offers a variety of service and activities for Sylvester and Worth County's senior residents including recreational programs, education seminars, and meals on wheels.

#### IV. Socio-Economic and Demographic Content

---

The primary market area for Fullerton Square Apartments comprises the census tracts in Worth County including the municipalities of Sylvester, Poulan, and Sumner. The approximate boundaries of the primary market area and their approximate distance from the subject site are:

**North:** Turner County/Crisp County (18.1 miles).

**East:** Tift County (10.9 miles)

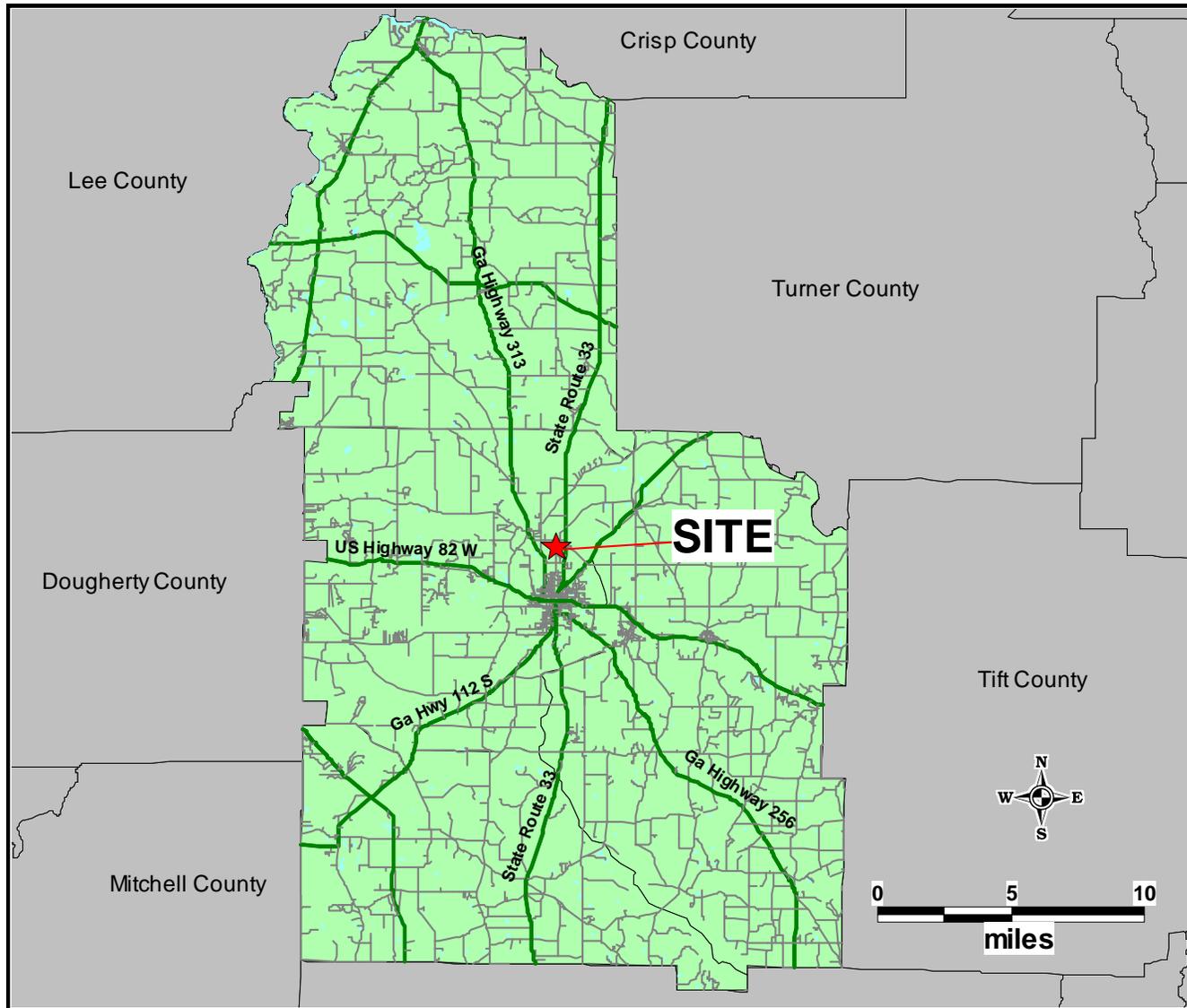
**South:** Colquitt County (14.8 miles)

**West:** Dougherty County/Mitchell County/Lee County (3.2 miles)

Given the lack of affordable senior oriented rental housing in the region, we expect that Fullerton Square will attract tenants from the entire county. Sylvester is the county seat and households are used to traveling there for goods and services. Demographic data on Worth, Turner, and Tift Counties, identified as the tri-county market area, is included for comparison purposes. Demand estimates will be shown only for the primary market area.

The primary market area includes year 2000 census tracts 9501, 9502, 9504, 9505, and 9506. A map of this market area is shown on page 13.

Map 3 Primary Market Area

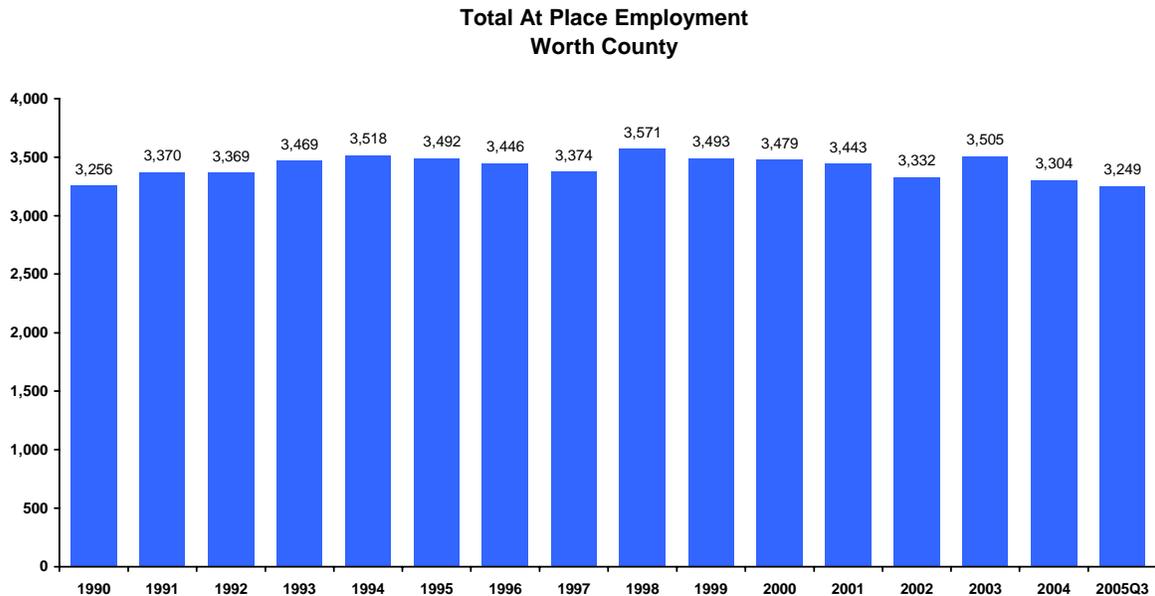


## A. Economic Context

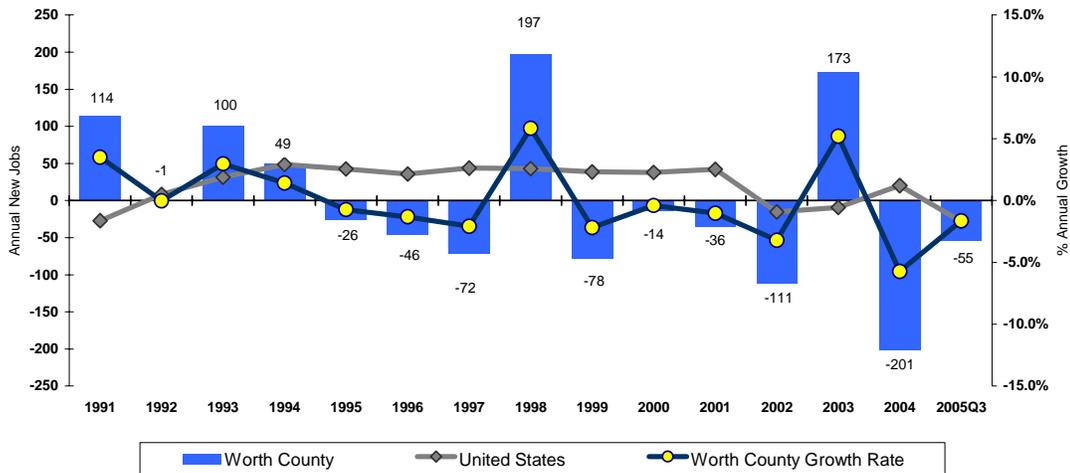
Worth County's total employment had stagnant, experiencing cyclical trends over the past sixteen years with five years of net growth and ten years of net employment loss. Total at-place employment of 3,249 through the third quarter of 2005 represents a net loss of 7 jobs from 1990's job base. The county's job base reached a high point of 3,571 in 1998, but has since decreased during six of the past seven years. Actual job loss has been minimal as the net job loss since 1989 is only 322 jobs or 42 jobs per year (Table 4).

On a percentage basis, job growth in Worth County has been generally lower than national employment growth. Worth County's rate of job growth during its peak years of 1991, 1998, and 2003 was well above national growth rate.

**Table 4 At Place Employment, Worth County 1990-2005**



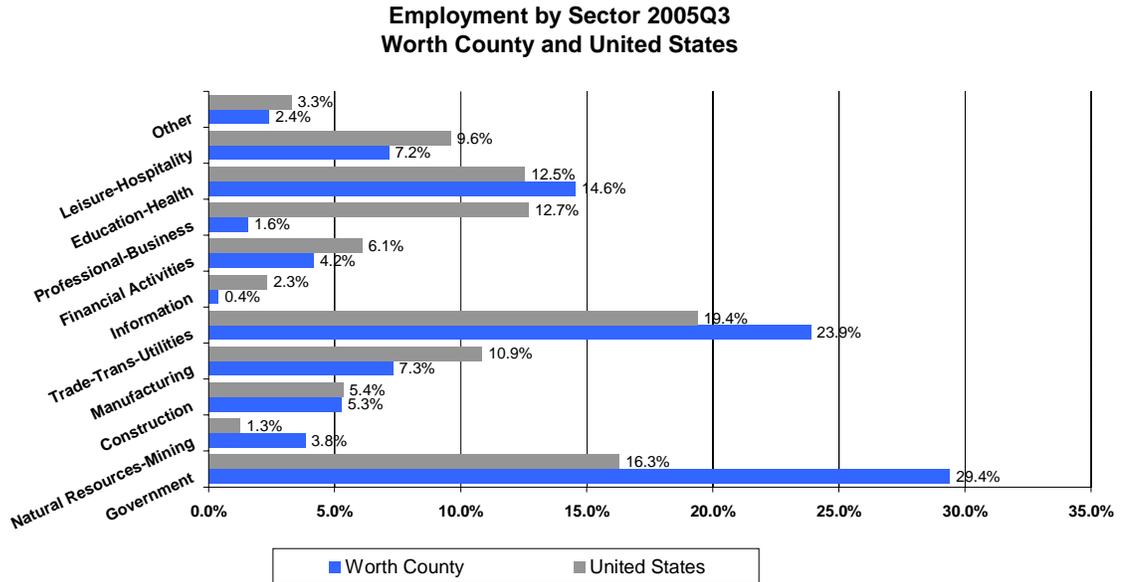
### Employment Growth Worth County and US



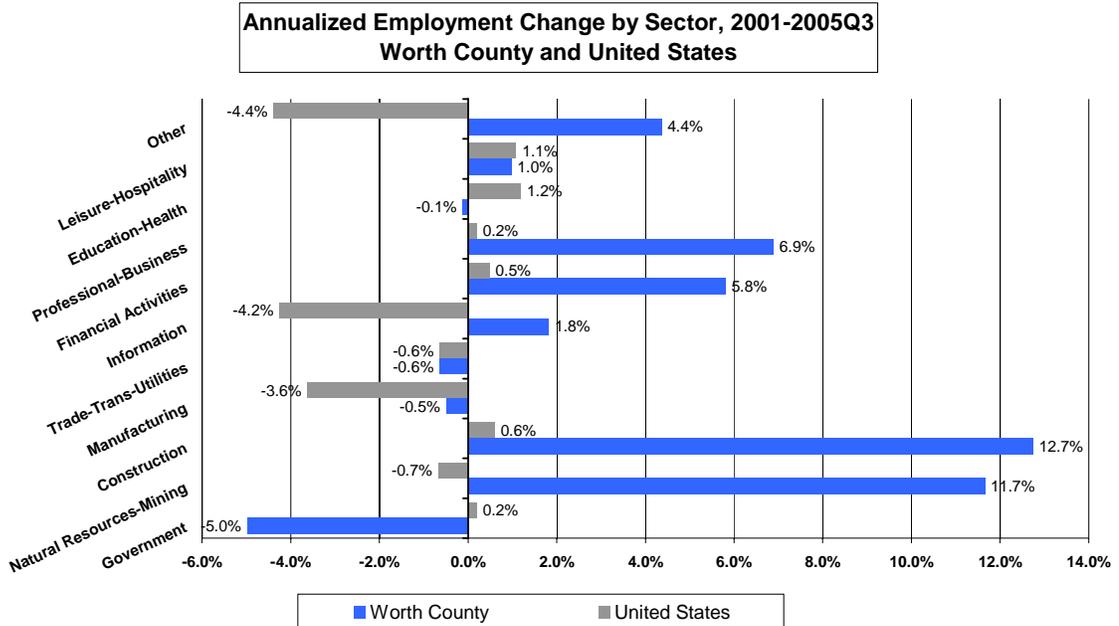
The trade-transportation-utilities and government sectors comprise a larger percentage of Worth County’s employment than national figures (Table 5). These two employment sectors account for 53.3 percent of the county job base compared to a 35.7 percent national figure. Worth County also has a higher percentage of its jobs in the education-health and natural resources-mining sectors, although these two sectors are less significant in terms of percentage of the employment base.

Between 2001 and the third quarter of 2005, four sectors experienced net losses in total employment (Table 6) and five sectors experienced net increases. The most significant job loss was among the government sector with an annual job loss of 5 percent per year. The remaining three sectors reporting a loss in total employment decreased by 0.6 percent or less per year. Five sectors experienced a net increase over the past four years including construction and natural resources-mining with annual increased in excess of 11.5 percent. More modest increases of 4.4 to 6.9 percent were experienced in three larger employment sectors.

**Table 5 Employment by Sector, Worth County 2005**



**Table 6 Employment by Sector Change, Worth County 2001-2005**



Three of the five largest employers in Worth County are related to the peanut industry, earning Worth County the title of “Peanut Capital of the World” (Table 7). ConAgra Food Products is the manufacturer of Peanut Pan Peanut Butter. Every jar of Peanut Pan Peanut Butter is manufactured in Sylvester. The major employers add to the

manufacturing and trade-transportation-utilities sectors of the economy. Other major employers include the county's medical center a distribution center for a major auto parts company.

**Table 7 Top 10 Employers, Worth County**

<b>Number</b>	<b>NAME</b>	<b>Type</b>
1	ConAgra	Food Products
2	Birdsong Peanut	Peanut Shelling
3	Phoebe-Worth Hospital	Medical
4	NAPA Distribution	Auto Parts
5	Universal Blanchers	Peanut Shelling

Source: Worth County Chamber of Commerce

Map 4 Major Employers



The labor force in Worth County increased during 10 of 15 years between 1990 and 2005, resulting in a net increase of 1,413 or 15.5 percent. Decreases in the labor force have always been followed by significant gains. The labor force increased by an additional 200 or 2 percent during the first quarter of 2006 (Table 8).

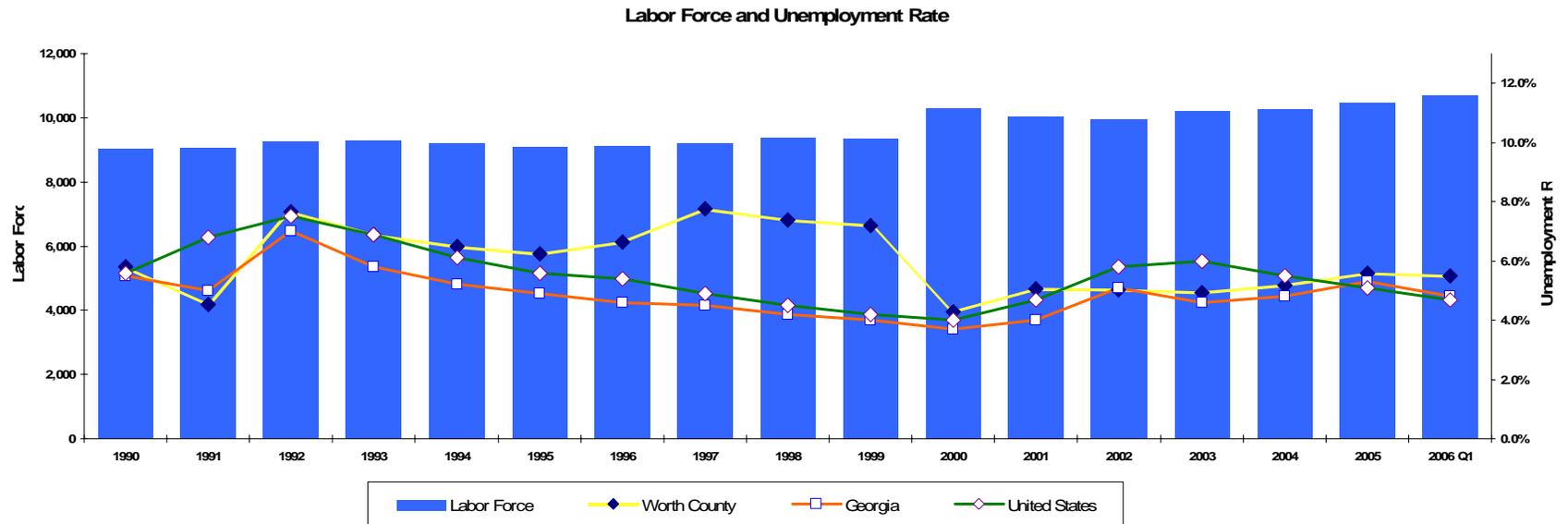
The unemployment rate in Worth County has historically been above than the state figures while following similar trends. Over the past four years, the county's unemployment rate has remained less than one-half percentage point above the state figure. The unemployment rate has increased during 2004 and 2005, but decreased to 5.5 percent through the first quarter of 2006 (Table 8). The unemployment rate in Worth County is both healthy and stable.

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

**Table 8 Labor Force and Unemployment Rates, Worth County**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006 Q1
Labor Force	9,029	9,055	9,258	9,284	9,215	9,093	9,115	9,218	9,395	9,355	10,321	10,053	9,942	10,183	10,253	10,442	10,670
Employment	8,505	8,644	8,549	8,645	8,618	8,526	8,509	8,503	8,702	8,683	9,879	9,545	9,441	9,681	9,721	9,860	10,084
Unemployment	524	411	709	639	597	567	606	715	693	672	442	508	501	502	532	582	586
Unemployment Rate																	
Worth County	5.8%	4.5%	7.7%	6.9%	6.5%	6.2%	6.6%	7.8%	7.4%	7.2%	4.3%	5.1%	5.0%	4.9%	5.2%	5.6%	5.5%
Georgia	5.5%	5.0%	7.0%	5.8%	5.2%	4.9%	4.6%	4.5%	4.2%	4.0%	3.7%	4.0%	5.1%	4.6%	4.8%	5.3%	4.8%
United States	5.6%	6.8%	7.5%	6.9%	6.1%	5.6%	5.4%	4.9%	4.5%	4.2%	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.7%

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



## **B. Household and Population Trends**

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

The primary market area's population increased by 2,222 or 11.3 percent between 1990 and 2000. By comparison, the tri-county market area's population increased 10.3 percent during the same time period. From 2000 to 2005, the total population in the primary market area is estimated to have decreased by 126 or 0.6 percent. The tri-county market area's population increased by 1,734 or 2.5 percent people during the same five-year time period.

Household growth exceeded population growth on a percentage basis in both geographies between 1990 and 2000. The PMA gained 1,211 households between the 1990 and 2000 Census counts, while the tri-county market area grew by 3,383 households (Table 9). These changes equate to a 176 percent increase in the primary market area and a 15.1 percent increase in the tri-county market area. The annual compounded rates of household growth were 1.6 percent in the PMA and 1.4 percent in tri-county market area.

Estimates show that the PMA's household count increased by 100 or 1.2 percent between 2000 and 2005 compared to an increase of 989 households or 3.9 percent in the tri-county market area.

Recent population and household trends are projected to continue through 2010 with the primary market area's household base expected to increase by 6 households or 0.1 percent annually.

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

## **C. Household and Population Trends**

Demographic projections show that the primary market area's household base age 55 and over is estimated to have increased or 8.9 percent between 2000 and 2005 (Table 10). Nearly two-thirds of this household growth has been among householders age 62 and older. Householders age 55-61 account for 37.5 percent of the senior household growth between 2000 and 2005.

Claritas projections for future growth show that senior households aged 55 and older will increase by 8.7 percent through 2010. The increase among all householders age 62 and older will be slightly lower at 8.0 percent. Annual household increases are projected at 57 householders age 55 and older and 36 householders age 62 and older.

**Table 9 Trends in Population and Households, PMA and tri-county market area**

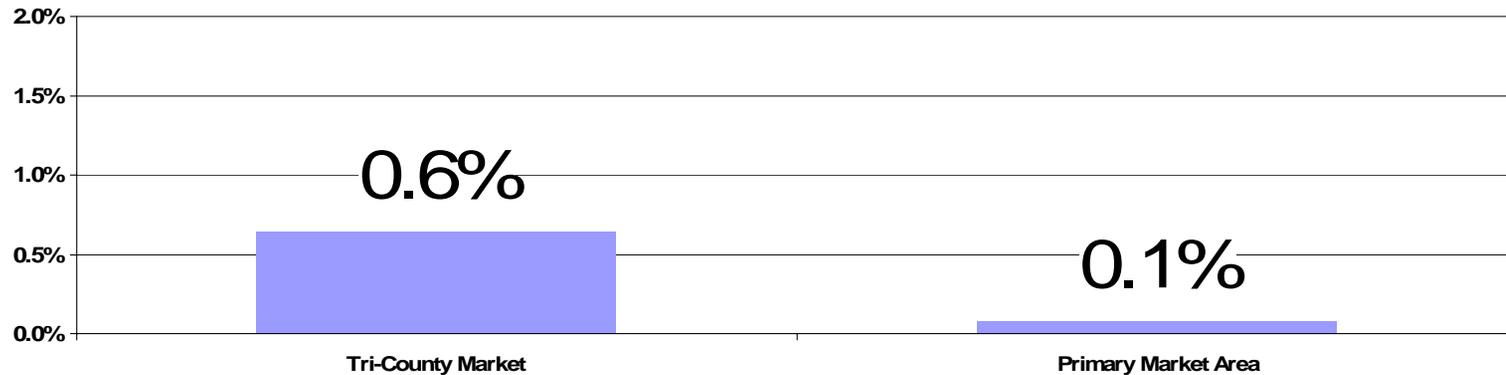
Tri-County Market					Change 1990 to 2000				Change 2000 to 2005				Change 2005 to 2010			
	1990	2000	2005	2010	Total		Annual		Total		Annual		Total		Annual	
					#	%	#	%	#	%	#	%	#	%	#	%
Population	63,446	69,878	71,612	73,317	6,432	10.1%	643	1.0%	1,734	2.5%	347	0.5%	1,705	2.4%	341	0.5%
Group Quarters	1,793	1,878	1,905	1,933												
Households	22,122	25,460	26,449	27,316	3,338	15.1%	334	1.4%	989	3.9%	198	0.8%	867	3.3%	173	0.6%
Average HH Size	2.79	2.67	2.64	2.61												

Primary Market Area					Change 1990 to 2000				Change 2000 to 2005				Change 2005 to 2010			
	1990	2000	2005	2010	Total		Annual		Total		Annual		Total		Annual	
					#	%	#	%	#	%	#	%	#	%	#	%
Population	19,745	21,967	21,841	21,676	2,222	11.3%	222	1.1%	-126	-0.6%	-25	-0.1%	-165	-0.8%	-33	-0.2%
Group Quarters	127	208	211	214												
Households	6,895	8,106	8,206	8,238	1,211	17.6%	121	1.6%	100	1.2%	20	0.2%	32	0.4%	6	0.1%
Average HH Size	2.85	2.68	2.64	2.61												

Note: Annual change is compounded rate.

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

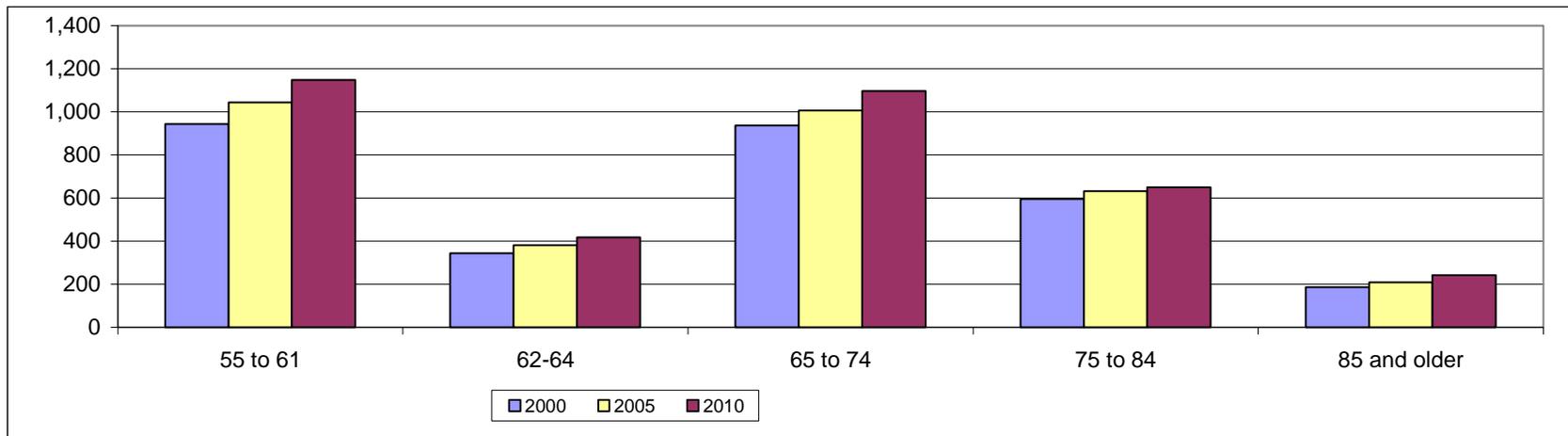
**Annual Household Growth Rate 2005-2010**



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

Primary Market Area Age of Householder	Change 2000 to 2005						Change 2005 to 2010							
	2000		2005		2010		Total		Annual		Total		Annual	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
55 to 61	943	31.4%	1,043	31.9%	1,148	32.3%	100	10.7%	20	2.0%	105	10.0%	21	1.9%
62-64	343	11.4%	380	11.6%	418	11.8%	37	10.7%	7	2.0%	38	10.0%	8	1.9%
65 to 74	937	31.2%	1,006	30.8%	1,096	30.8%	69	7.4%	14	1.4%	90	8.9%	18	1.7%
75 to 84	594	19.8%	631	19.3%	649	18.3%	37	6.2%	7	1.2%	18	2.9%	4	0.6%
85 and older	185	6.2%	209	6.4%	242	6.8%	24	13.0%	5	2.5%	33	15.8%	7	3.0%
<b>Householders 55+</b>	<b>3,002</b>	<b>100.0%</b>	<b>3,269</b>	<b>100.0%</b>	<b>3,553</b>	<b>100.0%</b>	<b>267</b>	<b>8.9%</b>	<b>53</b>	<b>1.7%</b>	<b>284</b>	<b>8.7%</b>	<b>57</b>	<b>1.7%</b>
<b>Householders 62 +</b>	<b>2,059</b>		<b>2,226</b>		<b>2,405</b>		<b>167</b>	<b>8.1%</b>	<b>33</b>	<b>1.6%</b>	<b>179</b>	<b>8.0%</b>	<b>36</b>	<b>1.6%</b>

Source: U.S. Census 2000, Claritas Data Service, Real Property Research Group, Inc.



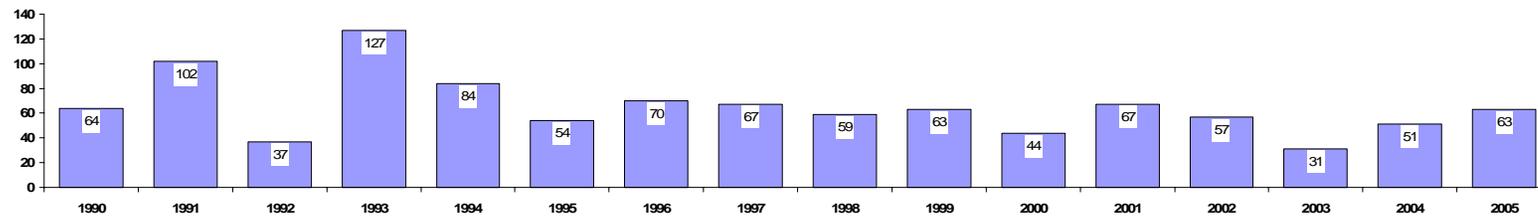
Local building permit activity is another measure of growth in a geographic area. Permit data reported in the U.S. Census Bureau's C-40 Report indicate steady permit activity in Worth County since 1990. The county experienced peaks in permit activity in 1991 and 1993. On average, 65 residential units were granted permits annually between 1990 and 2005 (Table 11). Annual building permit activity of 65 units is lower than annual household growth of 87 between 1990 and 2005. Over ninety percent of units permitted were either single-family or duplex units.

**Table 11 Worth County Building Permits, 1990 - 2005**

Worth County	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1990-2005	Annual
Single Family	9	37	29	42	84	54	60	67	59	63	44	63	57	31	51	63	813	51
Two Family	2	44	4	70	0	0	0	0	0	0	0	0	0	0	0	0	120	8
3 - 4 Family	4	21	4	15	0	0	4	0	0	0	0	4	0	0	0	0	52	3
5 or more Family	49	0	0	0	0	0	6	0	0	0	0	0	0	0	0	0	55	3
Total	64	102	37	127	84	54	70	67	59	63	44	67	57	31	51	63	1,040	65

Source: US Census Bureau, C-40 Building Permit Reports.  
 \*2005 total units based on estimates from previous years

**Total Housing Units Permitted  
1990 - 2005**



## C. Demographic Characteristics

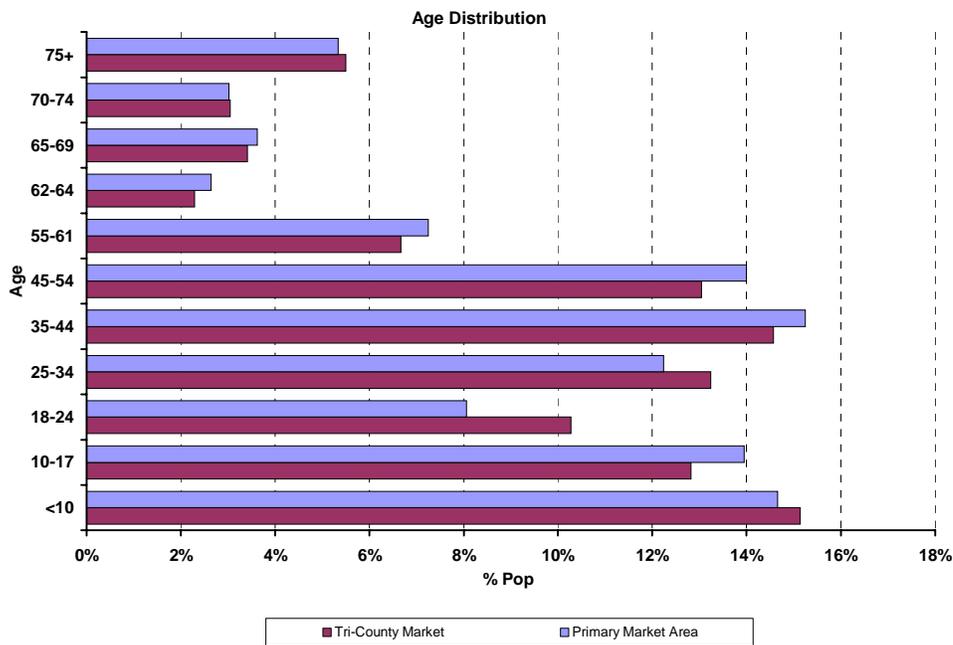
The 2000 Census population distribution by age indicates that the primary market area is older than the tri-county market area. The primary market area has an equal or higher percentage of its population in each age classification between 35 and 74. The tri-county market area has a higher percentage in three of four classifications under the age of 35 and age 75 and older (Table 12).

Over half of the householders in the primary market area (55.6 percent) and the tri-county market area (52.6 percent) are married (Table 13). The primary market area has a higher percentage of households with children present compared to the tri-county area. Single-parent households account for 32.5 percent of PMA's households with children and 35 percent of tri-county market area households with children. The primary market area has larger percentages of single person households and non-married households without children.

**Table 12 2000 Age Distribution**

	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
Under 10 years	10,579	15.1%	3,220	14.7%
10-17 years	8,961	12.8%	3,064	13.9%
18-24 years	7,177	10.3%	1,770	8.1%
25-34 years	9,252	13.2%	2,688	12.2%
35-44 years	10,182	14.6%	3,349	15.2%
45-54 years	9,112	13.0%	3,075	14.0%
55-61 years	4,657	6.7%	1,592	7.2%
62-64 years	1,601	2.3%	580	2.6%
65-69 years	2,383	3.4%	795	3.6%
70-74 years	2,130	3.0%	663	3.0%
75 and older	3,844	5.5%	1,171	5.3%
<b>TOTAL</b>	<b>69,878</b>	<b>100.0%</b>	<b>21,967</b>	<b>100.0%</b>

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

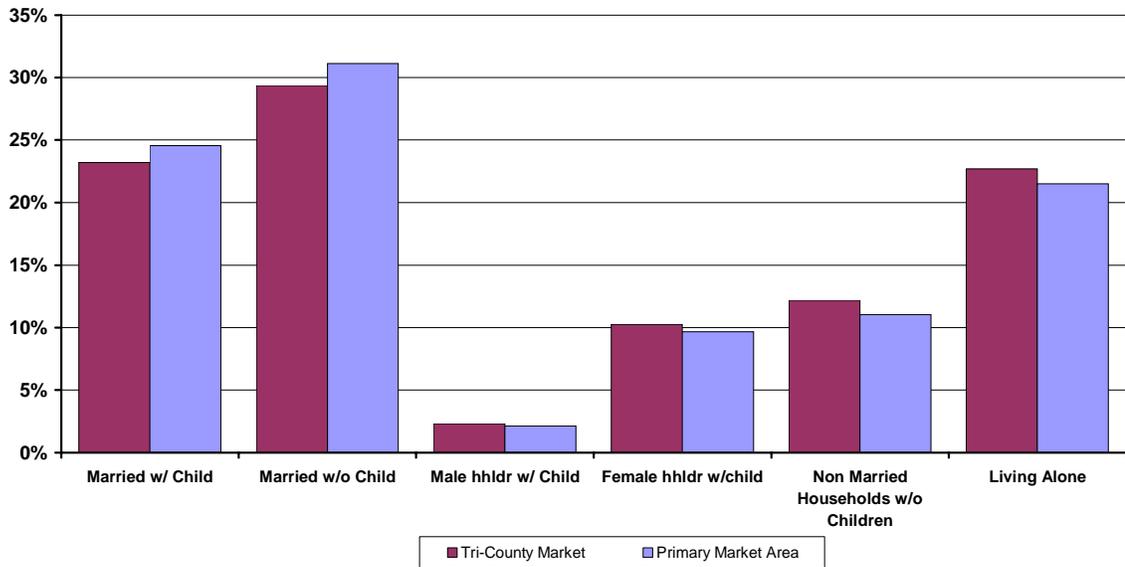


**Table 13 2000 Households by Household Type**

	Tri-County Market		Primary Market Area	
	#	%	#	%
Married w/ Child	5,908	23.2%	1,990	24.5%
Married w/o Child	7,475	29.4%	2,522	31.1%
Male hhldr w/ Child	587	2.3%	173	2.1%
Female hhldr w/child	2,607	10.2%	783	9.7%
Non Married Households w/o Children	3,105	12.2%	896	11.1%
Living Alone	5,778	22.7%	1,742	21.5%
<b>Total</b>	<b>25,460</b>	<b>100.0%</b>	<b>8,106</b>	<b>100.0%</b>

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

**Households by Household Type**



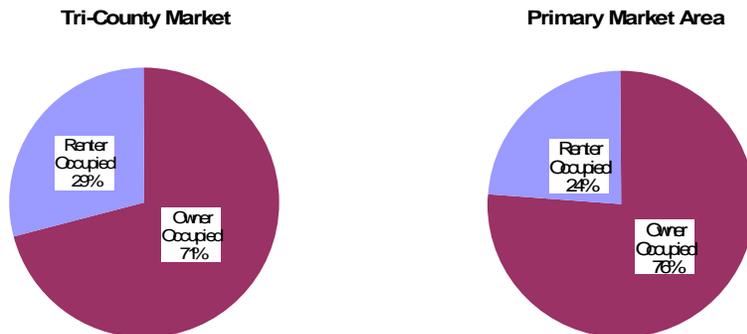
Most households in the primary market area and tri-county market area own their home. In 2000, 23.8 percent of the householders in the PMA were renters (Table 14). In comparison, 29.3 percent of tri-county market area householders rented.

Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The senior renter percentage is 17.2 percent in the primary market area and 19.3 percent in tri-county market area (Table 15).

**Table 14 Dwelling Units by Occupancy Status**

2000 Households	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
Owner Occupied	18,007	70.7%	6,179	76.2%
Renter Occupied	7,453	29.3%	1,927	23.8%
<b>Total Occupied</b>	<b>25,460</b>	<b>100.0%</b>	<b>8,106</b>	<b>100.0%</b>
Total Vacant	2,953		980	
<b>TOTAL UNITS</b>	<b>28,413</b>		<b>9,086</b>	

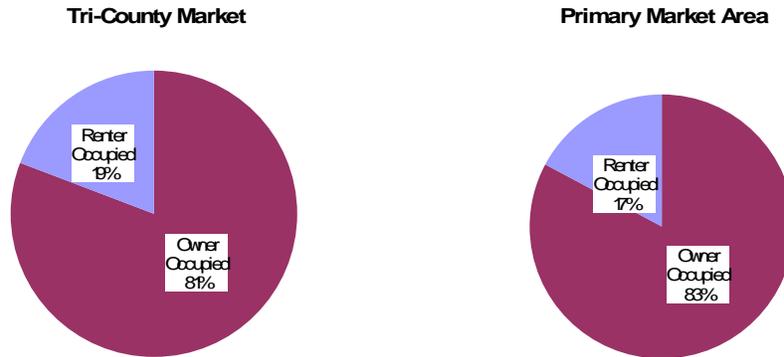
Source: U.S. Census of Population and Housing, 2000.



**Table 15 Occupancy Status, Householders 62+**

Senior Households 62 and over 2000 Households	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
Owner Occupied	5,094	80.7%	1,706	82.8%
Renter Occupied	1,215	19.3%	354	17.2%
<b>Total Occupied</b>	<b>6,309</b>	<b>100.0%</b>	<b>2,059</b>	<b>100.0%</b>

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



Comparing the age of householders shows a disparity among owner and renter households. Among owner householders, the primary market area has a higher percentage of adult householders age 35 to 64 years and age 85 and older. Among renter households, the primary market area has a higher percentage in each age bracket age 35 and older (Table 16). In the primary market area, 40.5 percent of owner householders and 25.9 percent of renter households are age 55 and older.

**Table 16 2000 Households by Tenure & Age of Householder**

<b>Owner Households</b>	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	433	2.4%	129	2.1%
25-34 years	2,416	13.4%	800	12.9%
35-44 years	3,832	21.3%	1,349	21.8%
45-54 years	3,970	22.0%	1,398	22.6%
55-64 years	3,040	16.9%	1,088	17.6%
65-74 years	2,370	13.2%	791	12.8%
75 to 84 years	1,552	8.6%	479	7.8%
85+ years	394	2.2%	145	2.3%
<b>Total</b>	<b>18,007</b>	<b>100%</b>	<b>6,179</b>	<b>100%</b>

<b>Renter Households</b>	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	1,113	14.9%	198	10.3%
25-34 years	1,877	25.2%	443	23.0%
35-44 years	1,609	21.6%	434	22.5%
45-54 years	1,152	15.5%	353	18.3%
55-64 years	654	8.8%	198	10.3%
65-74 years	524	7.0%	146	7.6%
75 to 84 years	383	5.1%	115	6.0%
85+ years	141	1.9%	40	2.1%
<b>Total</b>	<b>7,453</b>	<b>100%</b>	<b>1,927</b>	<b>100%</b>

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

## D. Income Characteristics

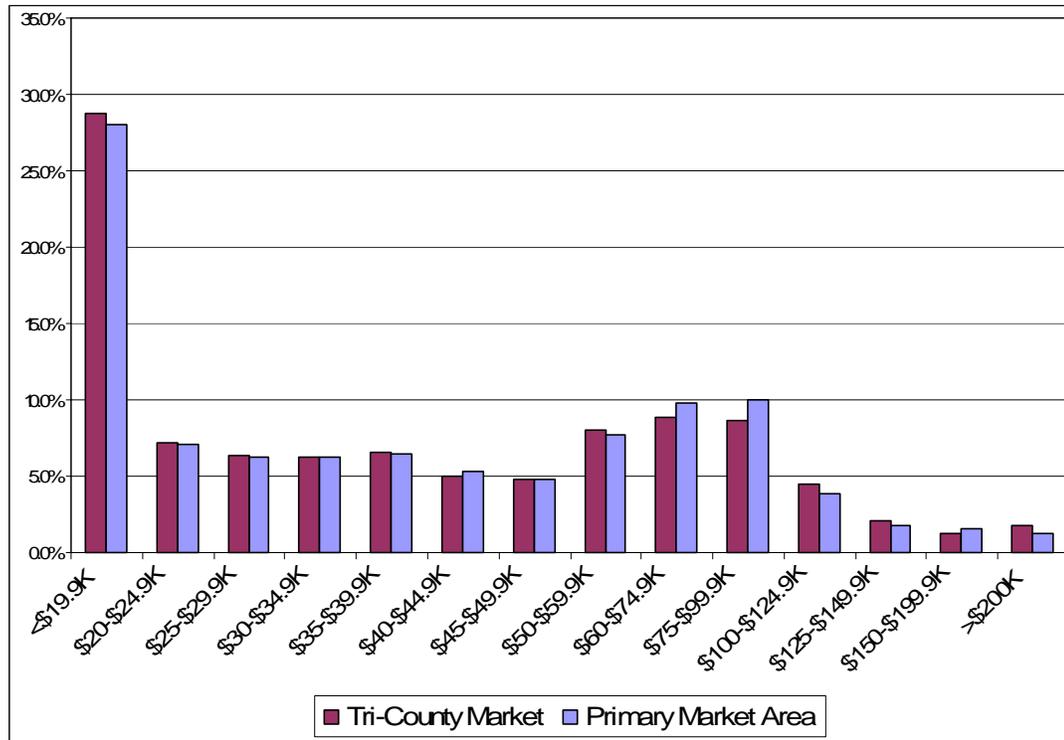
Based on census data, Claritas estimates that the median household income for all householders in the primary market area in 2005 is \$36,790 (Table 17), 1.7 percent above the tri-county market area of \$36,162. Among senior householders age 62 and older, the 2005 estimated median income in the market area is \$23,522, which is nearly 70 percent of the overall median (Table 18). Within the market area, 41.2 percent of all senior households earn less than \$20,000. An additional 18 percent of senior households earn between \$20,000 and \$30,000.

Claritas projects that the median income for householders age 65 and older in the market area will increase 13.1 percent by 2010 to \$26,601. In 2010 income distributions will skew slightly higher as 36.5 percent of households 65 and older will have an annual income of less than \$20,000 and approximately 17.9 percent will have an annual income between \$20,000 and \$30,000 (Table 18).

**Table 17 2005 Income Distribution, PMA and Tri-County Market Area**

		Tri-County Market		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$20,000	7,608	28.8%	2,300	28.0%
	\$20,000	1,892	7.2%	585	7.1%
	\$25,000	1,673	6.3%	513	6.3%
	\$30,000	1,650	6.2%	516	6.3%
	\$35,000	1,728	6.5%	528	6.4%
	\$40,000	1,312	5.0%	436	5.3%
	\$45,000	1,275	4.8%	395	4.8%
	\$50,000	2,117	8.0%	629	7.7%
	\$60,000	2,330	8.8%	804	9.8%
	\$75,000	2,283	8.6%	817	10.0%
	\$100,000	1,198	4.5%	315	3.8%
	\$125,000	563	2.1%	142	1.7%
	\$150,000	344	1.3%	127	1.5%
	\$200,000 over	476	1.8%	99	1.2%
<b>Total</b>		<b>26,449</b>	<b>100.0%</b>	<b>8,206</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$36,162</b>		<b>\$36,790</b>	

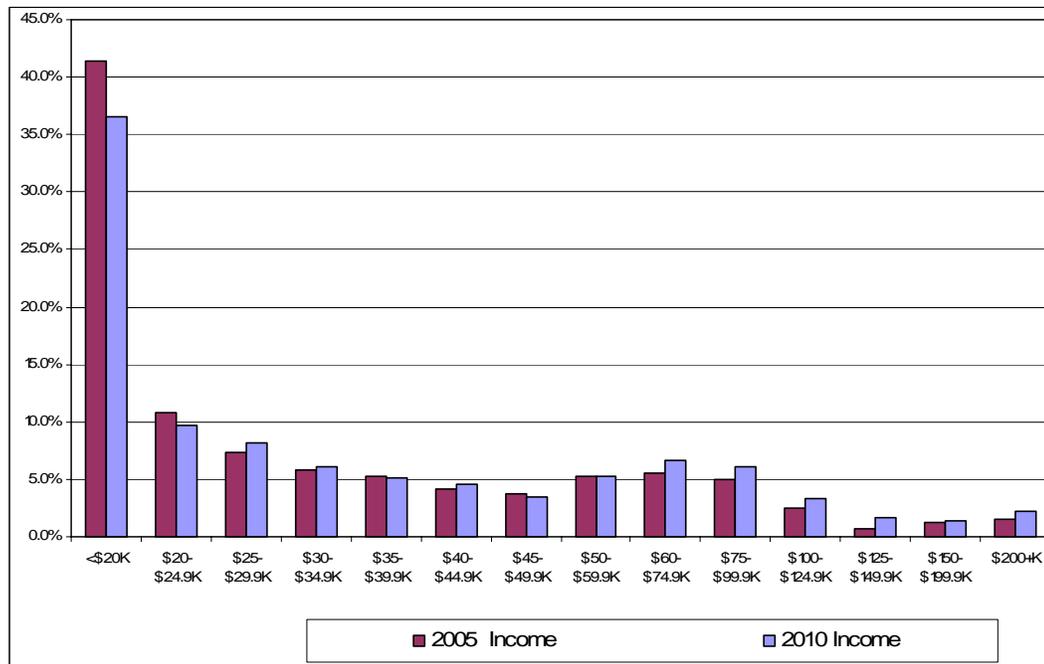
Source: Claritas, Inc, Estimates, RPRG, Inc.



**Table 18 2005 & 2010 HH Income for HHs 62+, Primary and Tri-County Market Areas**

		2005 Household Income		2010 Household Income	
		Number	Percent	Number	Percent
less than	\$20,000	921	41.4%	879	36.5%
	\$20,000	239	10.7%	233	9.7%
	\$25,000	162	7.3%	197	8.2%
	\$30,000	128	5.8%	145	6.0%
	\$35,000	116	5.2%	123	5.1%
	\$40,000	93	4.2%	110	4.6%
	\$45,000	82	3.7%	83	3.4%
	\$50,000	117	5.2%	127	5.3%
	\$60,000	125	5.6%	160	6.6%
	\$75,000	111	5.0%	145	6.0%
	\$100,000	56	2.5%	81	3.4%
	\$125,000	15	0.7%	39	1.6%
	\$150,000	26	1.2%	32	1.3%
	\$200,000 over	34	1.5%	53	2.2%
<b>Total</b>		<b>2,226</b>	<b>100.0%</b>	<b>2,405</b>	<b>100.0%</b>
<b>Median Income</b>		<b>\$23,522</b>		<b>\$26,601</b>	

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



## V. Supply Analysis

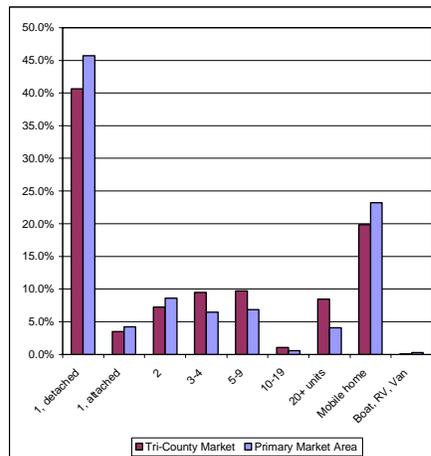
### A. Area Housing Stock

The primary market area has a higher percentage of its rental units in less dense structure types compared to the tri-county market area (Table 19). The primary market area had a higher percentage of its rental units with less than three units, which includes single-family detached homes, townhomes, duplexes, and mobile homes. The tri-county market area had a higher percentage of its rental units in all structures with three or more units. Nearly two-thirds of the primary market area's rental units are contained within either single-family detached homes or mobile homes. Structures with five or more units contained only 11.5 percent of the rental units in the primary market area and 19.3 percent of the rental units in tri-county market area.

**Table 19 2000 Renter Households by Number of Units**

Renter Occupied	Tri-County Market		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	3,037	40.7%	882	45.7%
1, attached	260	3.5%	82	4.2%
2	541	7.2%	166	8.6%
3-4	708	9.5%	125	6.5%
5-9	725	9.7%	132	6.8%
10-19	79	1.1%	11	0.6%
20+ units	633	8.5%	79	4.1%
Mobile home	1,483	19.9%	448	23.2%
Boat, RV, Van	5	0.1%	5	0.3%
<b>TOTAL</b>	<b>7,471</b>	<b>100.0%</b>	<b>1,930</b>	<b>100.0%</b>

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



The rent distribution from the 2000 Census shows that the median rent is \$238 in the primary market area and \$290 in the tri-county market area (Table 20). According to this distribution, nearly forty percent of renter householders in the primary market area paid less than \$200 per month, compared to 26 percent in the tri-county market area. Nearly thirty percent of renters in the primary market area paid between \$250 and \$400, the general range of rents at Fullerton Square.

The median year built among owner occupied housing units is 1980 in the primary market area and 1978 in the tri-county market area. The median year built among renter occupied households is 1971 for the primary market area and 1973 for tri-county market area. According to the 2000 Census, just over ten percent of the rental units in both areas were built between 1990 and 2000.

**Table 20 2000 Census Rent Distribution.**

	Tri-County Market		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Less than \$200	1,741	26.0%	633	38.6%
\$200 to \$299	1,804	26.9%	485	29.6%
\$300 to \$399	1,597	23.8%	244	14.9%
\$400 to \$499	905	13.5%	178	10.8%
\$500 to \$599	324	4.8%	45	2.7%
\$600 to \$699	140	2.1%	26	1.6%
\$700 to \$799	90	1.3%	14	0.9%
\$800 and over	100	1.5%	16	1.0%
<b>TOTAL</b>	6,701	100.0%	1,641	100.0%
<b>Median Rent</b>	\$290		\$238	
Renters paying rent	6,701	91.2%	1,641	87.8%
No cash rent	646	8.8%	228	12.2%
<b>Total Renters</b>	7,347	100.0%	1,869	100.0%

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

**Table 21 Year Property Built**

Renter Occupied	Tri-County Market		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	48	0.6%	0	0.0%
1995 to 1998	476	6.4%	92	4.8%
1990 to 1994	526	7.0%	109	5.6%
1980 to 1989	1,487	19.9%	398	20.6%
1970 to 1979	1,799	24.1%	434	22.5%
1960 to 1969	970	13.0%	261	13.5%
1950 to 1959	1,026	13.7%	308	16.0%
1940 to 1949	544	7.3%	166	8.6%
1939 or earlier	595	8.0%	162	8.4%
<b>TOTAL</b>	<b>7,471</b>	<b>100.0%</b>	<b>1,930</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1973</b>		<b>1971</b>	

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

Owner Occupied	Tri-County Market		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	754	4.2%	252	4.1%
1995 to 1998	2,637	14.7%	917	14.8%
1990 to 1994	2,140	11.9%	850	13.8%
1980 to 1989	3,207	17.8%	1,101	17.8%
1970 to 1979	3,410	19.0%	1,184	19.2%
1960 to 1969	2,362	13.1%	865	14.0%
1950 to 1959	1,495	8.3%	479	7.8%
1940 to 1949	847	4.7%	194	3.1%
1939 or earlier	1,137	6.3%	334	5.4%
<b>TOTAL</b>	<b>17,989</b>	<b>100.0%</b>	<b>6,176</b>	<b>100.0%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1978</b>		<b>1980</b>	

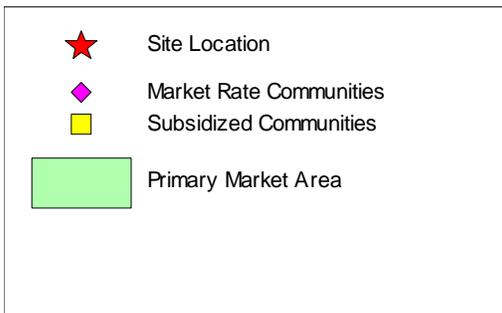
Source: U.S. Census of Population and Housing, 2000, STF3.

## **B. Rental Market**

Few multi-family rental communities exist in the primary market area. For the purposes of this analysis, we surveyed four multi-family rental communities including two market rate properties and two deeply subsidized properties. Although not reserved for senior renters, the market rate properties are the most comparable to the proposed units at Fullerton Square as the rent paid at the deeply subsidized communities is based on a percentage of each tenant's income. Only one of the surveyed rental communities, Azalea Place, offers units reserved for senior renters. This deeply subsidized community offers 49 one bedroom units and currently has a waiting list of 20+ people. A profile sheet of each community is attached as Appendix 5. The location of each community is shown on Map 5.

The two market rate communities combine to offer 64 units of which 3 units or 4.7 percent were reported vacant. All of the vacant units were at Teresan Apartments, an older community adjacent to the subject site. The newer and well maintained Lakeview Apartments had none of its forty units vacant (Table 22). The two deeply subsidized communities offer a combined 121 units with no vacancies. The waiting list for these units exceeds 30 people (Table 23). The one senior oriented community, Azalea Place, had no vacancies among 49 units and a waiting list of 20+ people. None of the surveyed communities are currently offering rental incentives.

**Map 5 Surveyed Rental Communities**



**Table 22 Rental Summary, Market Rate Rental Communities**

Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
<b>Subject Property - 50% AMI</b>		<b>Garden</b>	<b>12</b>				<b>\$310</b>	
<b>Subject Property - 60% AMI</b>		<b>Garden</b>	<b>12</b>				<b>\$330</b>	
<b>Subject Property - Market Rate</b>		<b>Garden</b>	<b>6</b>				<b>\$360</b>	
Lakeview		Townhouse	40	0	0.0%	\$485		None
Teresan Apts		Garden	24	3	12.5%	\$450		None
<b>Total/Average</b>			<b>64</b>	<b>3</b>	<b>4.7%</b>		<b>\$468</b>	

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

Source: Field Survey, Real Property Research Group, Inc. June, 2006.

**Table 23 Rental Summary, Subsidized Rental Communities**

Name	Type	Units	Vacant	Vac. Rate	Wait List
Azalea Place*	Garden	49	0	0.0%	10 people
Kingsway I	Garden/TH	60	0	0.0%	20 people
Kingsway II	Garden/TH	12	0	0.0%	yes
Total		121	0	0.0%	

\*Senior Property

Given the relatively small size and age of the rental communities in the primary market area, included amenities are minimal (Table 24). Lakeview offers a swimming pool and a playground, while Teresan does not offer recreational amenities. Neither of the deeply subsidized communities offers significant amenities. The proposed amenities at Fullerton Square will exceed the amenities offered at these two market rate communities and will specifically address the needs of an older tenant base. The proposed project's amenities including a community room, a fitness room, a computer room, and outdoor picnic/sitting areas will be unmatched in the primary market area.

**Table 24 Common Area Amenities of Surveyed Communities**

Community	Community Amenities					
	Clubhouse	Fitness Room	Pool	Playground	Tennis	Business Center
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Lakeview	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Teresan Apts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. June, 2006.

The two market rate communities only include the cost of only trash removal in the price of rent (Table 25). Fullerton Square will also include the same utility costs. Included amenities are dishwashers, patios/balconies, and washer/dryer connections.

The majority of the surveyed rental units are two bedroom units as Teresan offers only four three-bedroom units. Neither of the market rate properties offers one bedroom units. Many of the deeply subsidized units are one bedroom. The proposed unit mix of one and two bedroom units will be appealing to the target population of renter householders age 55 and older.

The street rents at the existing communities have been adjusted to account for rental incentives and the inclusion of utilities to compute net rent. The average net rent among the surveyed communities is \$479 for a two bedroom unit and \$462 for a three bedroom unit. The three bedroom average is lower than the two bedroom average as the higher priced community, Lakeview, does not offer three bedroom units. Neither of these market rate communities offers one bedroom units.

In order to better understand how the proposed rents compare with the rental market, the rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. Given the limited number of competitive properties in the primary market area and the amount of data available from these properties, we have made adjustments for age of the property and additional bedrooms. Neither of the market rate communities offers one bedroom units, thus we adjusted the two bedroom rents. According to our adjustment calculations (Table 27), the market rents for the proposed units at Fullerton Square are \$406 for a one bedroom unit and \$498 for a two bedroom unit. Market advantages for the LIHTC units average 37 percent for the 50 percent units and 30 percent for the 60 percent units. The proposed market rate rents at Fullerton Square are 16 to 28 percent below the estimated market rent. The proposed rents appear reasonable and achievable.

**Table 25 Features of Rental Communities in Primary Market Area**

Community	Heat Type	Utilities included in Rent						Dishwasher	Microwave	Parking	In Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject Property	Electric	☐	☐	☐	☐	☐	☒	Standard		Free Surface Parking	Hook Ups
Lakeview	Electric	☐	☐	☐	☐	☐	☒	Standard		Free Surface Parking	Hook Ups
Teresan Apts	Electric	☐	☐	☐	☐	☐	☒	Select Units		Free Surface Parking	Standard - Full

Source: Field Survey, Real Property Research Group, Inc. June, 2006.

**Table 26 Salient Characteristics, PMA Rental Communities**

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units			Three Bedroom Units				
			Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 50% AMI	Garden	12	6	\$265	821	\$0.32	6	\$310	1,093	\$0.28				
Subject Property - 60% AMI	Garden	12	3	\$300	821	\$0.37	9	\$330	1,093	\$0.30				
Subject Property - Market Rate	Garden	6	3	\$340	821	\$0.41	3	\$360	1,093	\$0.33				
Lakeview	Townhouse	40					40	\$496	1,150	\$0.43				
Teresan Apts	Garden	24					20	\$461			4	\$462		
<b>Average / Total</b>		<b>64</b>						<b>\$479</b>	<b>1,150</b>	<b>\$0.42</b>		<b>\$462</b>		

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

Source: Field Survey, Real Property Research Group, Inc. June, 2006.

**Table 27 Adjusted Rent Comparison, Fullerton Square**

**One Bedroom Units**

Project Name	Subject Site	Lakeview	Teresan
Total Units	30	40	24
Building Type	Mid-Rise	Townhouse	Garden
Street Rent	\$265, \$300, \$340	\$496	\$461
<b>Adjustments</b>		+ -	+ -
Year Built	2008	1999	1985
Average Square Footage	821	\$7	\$17
Utilities			
Bedroom Adjustment		-\$100	-\$100
Location			
Condition/Design/Appeal			\$20
Amenities			\$10
<b>Net Adjustment</b>		-\$93	-\$53
<b>Market Rent</b>	<b>\$406</b>	\$403	\$408
<b>Market Advantage</b>	<b>11% to 54%</b>		
<b>Market Rent Per Sq. Foot</b>	<b>\$0.49</b>		

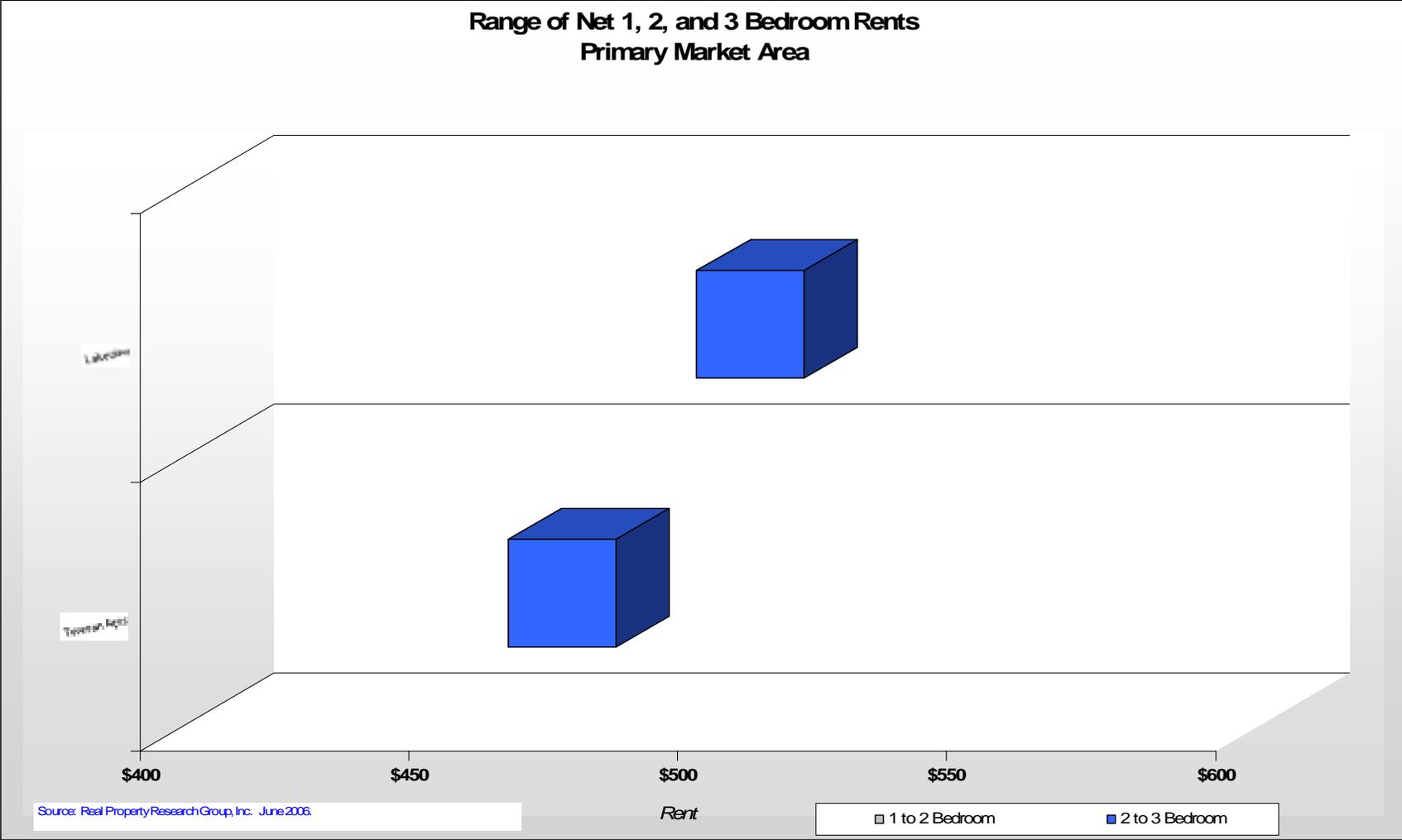
**Two Bedroom Units**

Project Name	Subject Site	Lakeview	Teresan
Total Units	30	40	24
Building Type	Mid-Rise	Townhouse	Garden
Street Rent	\$310, \$330, \$360	\$496	\$461
<b>Adjustments</b>		+ -	+ -
Year Built	2008	1999	1985
Average Square Footage	1,093	1,150	\$17
Utilities		-\$14	
Bedroom Adjustment			
Location			
Condition/Design/Appeal			\$20
Amenities			\$10
<b>Net Adjustment</b>		-\$8	\$47
<b>Market Rent</b>	<b>\$498</b>	\$489	\$508
<b>Market Advantage</b>	<b>7% to 54%</b>		
<b>Market Rent Per Sq. Foot</b>	<b>\$0.46</b>		

**Market Advantage Summary**

Income Targeting	1BR Market Advantage	2BR Market Advantage
30 Percent LIHTC Units	35%	38%
50 Percent LIHTC Units	26%	34%
Market Rate Unit	16%	28%

Figure 3 Range of Net Rents



The low number of rental communities in the primary market does not produce a wide range of net rents (Figure 3). The two market rate communities in the primary market area offer two and three bedroom units ranging from \$475 to \$575.

### **C. Proposed Developments**

According to the Worth County Zoning Department and the Worth County Economic Development Authority, no new multi-family rental communities are planned in the primary market area.

## VI. Findings and Conclusions

---

### A. Findings

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

#### **The subject property is a suitable location for rental housing**

- Fullerton Square Apartments is located in northern Sylvester, surrounded by well maintained single-family detached homes, public schools, and Teresan Apartments.
- Access to the property will be available via an entrance on North Isabella Street just north of King Street. Both are residential side streets with light traffic and accessibility problems are not anticipated.
- Fullerton Square Apartments is compatible with surrounding land uses. The subject property is primarily surrounded by single-family detached homes and three public schools. The property is bordered to the north by Hughes Street and Worth Middle School, to the east by Isabella Street and Sylvester Waster Gas Light, to the south by King Street and single-family detached homes, and to the west by Teresan Apartments.
- Fullerton Square will be located in residential neighborhood in northern Sylvester with numerous community amenities within one mile of the subject property including retail, medical, the local senior center, and a public library.

#### **Worth County has a stable, though somewhat stagnant economy.**

- Worth County's total employment had been cyclical over the past sixteen years with five years of net growth and ten years of net employment loss. Total at-place employment of 3,249 through the third quarter of 2005 represents a net loss of 7 jobs from 1990's job base.
- The county's job base reached a high point of 3,571 in 1998, but has since decreased during six of the past seven years. Actual job loss has been minimal as the net job loss since 1989 is only 322 jobs or 42 jobs per year.

- The trade-transportation-utilities and government sectors comprise a much larger percentage of Worth County's employment when compared to the national figures. These two employment sectors account for 53.3 percent of the county job base compared to a 35.7 percent national figure.
- Three of the five largest employers in Worth County are related to the peanut industry, including Conagra the makers of Peter Pan Peanut Butter. Sylvester is the only manufacturing facility and primary distribution center for Peter Pan Peanut Butter.
- Although not growing, Worth County's economy appears stable. The large percentage of jobs in government and the peanut industry (not prone to large swings) has helped stabilize the county employment base.

**After experiencing some growth through the 1990's, the primary market area is projected to experience minor population and household decreases through 2010. The senior household base is expected to increase through 2010.**

- The primary market area's population increased by 2,222 or 11.3 percent between 1990 and 2000. By comparison, the tri-county market area's population increased 10.3 percent during the same time period. From 2000 to 2005, the total population in the primary market area is estimated to have decreased by 126 or 0.6 percent. The tri-county market area's population increased by 1,734 or 2.5 percent people during the same five-year time period.
- Household growth exceeded population growth on a percentage basis in both geographies between 1990 and 2000. The PMA gained 1,211 households between the 1990 and 2000 Census counts, while the tri-county market area grew by 3,383 households. These changes equate to a 176 percent increase in the primary market area and a 15.1 percent increase in the tri-county market area.
- Estimates show that the PMA's household count increased by 100 or 1.2 percent between 2000 and 2005 compared to an increase of 989 households or 3.9 percent in the tri-county market area.
- The primary market area's household base age 55 and over is estimated to have increased or 8.9 percent between 2000 and 2005. Nearly two-thirds of this household

growth has been among householders age 62 and older. Householders age 55-61 account for 37.5 percent of the senior household growth between 2000 and 2005.

- Claritas projections for future growth show that senior households aged 55 and older will increase by 8.7 percent through 2010. The increase among all householders age 62 and older will be slightly lower at 8.0 percent.

**The primary market area's households are generally older and more affluent than tri-county market area.**

- The primary market area has an equal or higher percentage of its population in each age classification between 35 and 74. The tri-county market area has a higher percentage in three of four classifications under the age of 35 and age 75 and older.
- Over half of the householders in the primary market area (55.6 percent) and the tri-county market area (52.6 percent) are married. The primary market area has a higher percentage of households with children present compared to the tri-county area. Single-parent households account for 32.5 percent of PMA's households with children and 35 percent of tri-county market area households with children.
- Most households in the primary market area and tri-county market area own their home. In 2000, 26.9 percent of the householders in the PMA were renters. In comparison, 23.8 percent of tri-county market area householders rented. Among householders age 62 and older, the renter percentages in both areas are lower than among all households. The senior renter percentage is 17.2 percent in the primary market area and 19.3 percent in tri-county market area.
- Based on census data, Claritas estimates that the median household income for all householders in the primary market area in 2005 is \$36,790, 1.7 percent above the tri-county market area of \$36,162.
- Among senior householders age 62 and older, the 2005 estimated median income in the market area is \$23,522, which is nearly 70 percent of the overall median. Within the market area, 41.2 percent of all senior households earn less than \$20,000. An additional 18 percent of senior households earn between \$20,000 and \$30,000.

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

- Nearly two-thirds of the primary market area's rental units are contained within single-family or mobile homes. Structures with five or more units contained only 11.5 percent of the rental units in the primary market area and 19.3 percent of the rental units in tri-county market area.
- The rent distribution from the 2000 Census shows that the median rent is \$238 in the primary market area and \$290 in the tri-county market area (Table 20). According to this distribution, nearly forty percent of renter householders the primary market area paid less than \$200 per month, compared to 26 percent in the tri-county market area. Nearly thirty percent of renters in the primary market area paid between \$250 and \$400, the general range of rents at Fullerton Square. *It is unlikely that rental rates have increased significantly in Worth County over the past six years.*
- The two market rate communities combine to offer 64 units of which 3 units or 4.7 percent were reported vacant. The two deeply subsidized communities offer a combined 121 units with no vacancies. The waiting list for these units exceeds 30 people. The one senior oriented community, Azalea Place, had no vacancies among 49 units and a waiting list of 20+ people
- Included amenities are minimal in the primary market area. The proposed community and unit amenities at Fullerton Square exceed all of the existing multi-family rental communities in the primary market area. Scattered site rental units do not offer the same community amenities as a multi-family rental community.
- The estimated market rents for the proposed units at Fullerton Square are \$406 for a one bedroom unit and \$498 for a two bedroom unit.
- Market advantages for the LIHTC units average 37 percent for the 50 percent units and 30 percent for the 60 percent units. The proposed market rate rents at Fullerton Square are 16 to 28 percent below the estimated market rent. The proposed rents appear reasonable and achievable.

## B. Affordability Analysis

To understand the depth of the rental market for affordable housing in the primary market area, we have conducted an affordability analysis for the proposed units (Table 28). This capture rate reflects the percentage of income-qualified households in the market that the subject property must capture in order to gain full occupancy.

- To calculate the income distribution for 2008, we projected incomes based on Claritas' income distributions for 2005 and 2010, and the relationship of owner/renter incomes by income cohort from the 2000 Census. The maximum income limits are based on DCA's requirements. We have assumed maximum income limits based on 1.5 persons for the one bedroom units and 2.0 persons for the two bedroom units.
- Using a 40 percent rent burden criteria, we determined that the gross one bedroom rent (\$369) for the 50 percent one bedroom units would be affordable to households earning a minimum of \$11,070, which includes 1,873 senior households (62+) in the primary market area.
- Based on the 2006 HUD income limits for households at 50 percent of median income, the maximum income allowed for a one bedroom unit in this market would be \$18,100. We estimate that 1,512 senior households within the primary market area have incomes above that maximum.
- Subtracting the 1,512 households with incomes above the maximum income from the 1,873 households that could afford to rent this unit, we compute that 361 senior households are within the band of being able to afford the proposed rent. The proposed 6 fifty percent one bedroom units would require a capture rate of 1.7 percent of all qualified senior households. Among senior renter households, the capture rate for this floorplan is 6.9 percent.
- Using the same methodology, we determined the band of qualified senior households for each of the other bedroom types offered in the community.
- Given the income requirements of each unit type and the overlap of income bands, project wide affordability bands were calculated. Looking at all 30 units,

the project will need to absorb 3.0 percent of the 1,012 senior households that earn between \$11,070 and \$34,730 in the primary market area. For renter households, the 30 proposed units must capture 16 percent of the age and income qualified renter households. While somewhat high, this affordability capture rate is reasonable given the lack of any competitive projects addressing this target market.

- Affordability by floorplan indicates a sufficient number of income-qualified households for all floorplans.

**Table 28 2008 Affordability Analysis for Fullerton Square**

	One Bedroom Units			Two Bedroom Units		
50% Units	<b>Base Price</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Base Price</b>	<b>Minimum</b>	<b>Maximum</b>
	Number of Units	6		Number of Units	6	
	Net Rent	\$265		Net Rent	\$310	
	Gross Rent	\$369		Gross Rent	\$446	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$11,070	\$18,100	Income Range	\$13,380	\$21,700
	Range of Qualified Hslds	1,873	1,512	Range of Qualified Hslds	1,758	1,329
	# Qualified Households		361	# Qualified Households		429
	<b>Unit Total HH Capture Rate</b>		<b>1.7%</b>	<b>Unit Total HH Capture Rate</b>		<b>1.4%</b>
	Range of Qualified Renters	267	180	Range of Qualified Renters	239	144
# Qualified RenterHouseholds		87	# Qualified RenterHouseholds		95	
<b>Unit Renter HH Capture Rate</b>		<b>6.9%</b>	<b>Unit Renter HH Capture Rate</b>		<b>6.3%</b>	
60% Units	<b>Base Price</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Base Price</b>	<b>Minimum</b>	<b>Maximum</b>
	Number of Units	3		Number of Units	9	
	Net Rent	\$300		Net Rent	\$330	
	Gross Rent	\$404		Gross Rent	\$466	
	% Income Spent for Shelter	40%		% Income Spent for Shelter	40%	
	Income Range	\$12,120	\$21,720	Income Range	\$13,980	\$26,040
	Range of Qualified Hslds	1,821	1,328	Range of Qualified Hslds	1,728	1,133
	# Qualified Households		493	# Qualified Households		595
	<b>Unit Total HH Capture Rate</b>		<b>0.6%</b>	<b>Unit Total HH Capture Rate</b>		<b>1.5%</b>
	Range of Qualified Renters	254	144	Range of Qualified Renters	232	117
# Qualified RenterHouseholds		110	# Qualified RenterHouseholds		115	
<b>Unit Renter HH Capture Rate</b>		<b>2.7%</b>	<b>Unit Renter HH Capture Rate</b>		<b>7.8%</b>	
80% Units	<b>Base Price</b>	<b>Proposed</b>	<b>Maximum</b>	<b>Base Price</b>	<b>Proposed</b>	<b>Maximum</b>
	Number of Units	3		Number of Units	3	
	Net Rent	\$340		Net Rent	\$360	
	Gross Rent	\$444		Gross Rent	\$496	
	% Income for Shelter	40%		% Income for Shelter	40%	
	Income	\$13,320	\$28,960	Income	\$14,880	\$34,720
	Range of Qualified Hslds	1,761	1,029	Range of Qualified Hslds	1,684	862
	# Qualified Households		733	# Qualified Households		822
	<b>Unit Total HH Capture Rate</b>		<b>0.4%</b>	<b>Unit Total HH Capture Rate</b>		<b>0.4%</b>
	Range of Qualified Renters	240	102	Range of Qualified Renters	221	79
# Qualified RenterHouseholds		137	# Qualified RenterHouseholds		142	
<b>Unit Renter HH Capture Rate</b>		<b>2.2%</b>	<b>Unit Renter HH Capture Rate</b>		<b>2.1%</b>	

Total Households Gross Capture Rate			Total Households		Capture Rate
Number of Units			Band of Qualified HHs	# Qualified HHs	
50% Units	12	Income	\$11,070	\$21,700	544
		HHs	1,873	1,329	
60% Units	12	Income	\$12,120	\$26,040	688
		HHs	1,821	1,133	
80% Units	6	Income	\$13,320	\$34,720	899
		HHs	1,761	862	
Tax Credit Units	24	Income	\$11,070	\$26,040	740
		HHs	1,873	1,133	
Total Units	30	Income	\$11,070	\$34,720	1,012
		HHs	1,873	862	1,012

Renter Households Gross Capture Rate			Renter Households		Capture Rate
Number of Units			Band of Qualified HHs	# Qualified HHs	
50% Units	12	Income	\$11,070	\$21,700	122
		HHs	267	144	
60% Units	12	Income	\$12,120	\$26,040	137
		HHs	254	117	
80% Units	6	Income	\$13,320	\$34,720	161
		HHs	240	79	
Tax Credit Units	24	Income	\$11,070	\$26,040	150
		HHs	267	117	
Total Units	30	Income	\$11,070	\$34,720	188
		HHs	267	79	188

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

## **D. DCA Demand Calculations**

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

DCA's HOP and senior demand methodology consists of four components. The first is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to US Census data, the percentage of renter occupied households in the primary market area that are "substandard" is 8.0 percent (Table 29).

The second component of demand is population growth. This number is the number of age and income qualified renter households anticipated to move into the market area between 2000 and 2008.

The third component of demand is cost burdened renters, which is defined as those renter households age 62+ paying more than 40 percent of household income for housing costs. According to Census data, 21.5 percent of primary market area renter households age 65+ are categorized as cost burdened (Table 29)

The final component of demand is from homeowners converting to rental housing. There is a lack of detailed local or regional information regarding the movership of elderly homeowners to rental housing. According to the American Housing Survey conducted for the U.S. Census Bureau in 2000, 4.31 percent of elderly households move each year. Of those moving within the past twelve months, 39.15 percent moved from owned to rental housing. Given the lack of local information, this source is considered to be the most current and accurate.

Demand from the primary market area is increased by 15 percent to account for secondary market area demand.

DCA considers units that have been constructed or renovated since 1999 to have an impact on the future demand for new development. For this reason, the comparable units constructed within the past four years and those planned within the primary market area are subtracted from the estimate of demand. No such units were identified in the primary market area. .

The overall capture rates (Table 30) and capture rates by floorplan (Table 32) indicate sufficient demand to support the proposed units. The overall capture rates are 27.2 percent, 6.3 percent, and 23.4 percent for LIHTC, market rate, and all units, respectively. Capture rates by floorplan range from 0.6 percent to 20.9 percent.

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

**Table 29 Cost Burdened and Substandard Calculation**

Renter Cost Burden Primary Market Area			Substandardness Primary Market Area	
<b>Total Households</b>			<b>2000 Households</b>	
Less than 10.0 percent	183	9.8%	<b>Owner occupied:</b>	
10.0 to 14.9 percent	280	15.0%	Complete plumbing facilities:	6,151
15.0 to 19.9 percent	195	10.4%	1.00 or less occupants per room	5,920
20.0 to 24.9 percent	214	11.4%	1.01 or more occupants per room	184
25.0 to 29.9 percent	149	8.0%	<b>Lacking complete plumbing facilities:</b>	<b>47</b>
30.0 to 34.9 percent	97	5.2%	Overcrowded or lacking plumbing	231
35.0 to 39.9 percent	103	5.5%	<b>Renter occupied:</b>	
40.0 to 49.9 percent	92	4.9%	Complete plumbing facilities:	1,859
50.0 percent or more	304	16.3%	1.00 or less occupants per room	1,707
Not computed	252	13.5%	1.01 or more occupants per room	117
<b>Total</b>	<b>1,869</b>	<b>100.0%</b>	<b>Lacking complete plumbing facilities:</b>	<b>35</b>
<b>&gt; 35% income on rent</b>	<b>499</b>	<b>30.9%</b>	Overcrowded or lacking plumbing	152
<b>Households 55+</b>			<b>Substandard Housing</b>	<b>383</b>
Less than 20.0 percent	146	24.5%	<b>% Total Stock Substandard</b>	<b>4.7%</b>
20.0 to 24.9 percent	87	14.6%	<b>% Rental Stock Substandard</b>	<b>8.0%</b>
25.0 to 29.9 percent	80	13.4%		
30.0 to 34.9 percent	57	9.5%		
35.0 percent or more	134	22.4%		
Not computed	93	15.6%		
<b>Total</b>	<b>597</b>	<b>100.0%</b>		
<b>&gt; 35% income on rent</b>	<b>134</b>	<b>26.6%</b>		
<b>&gt; 40% income on rent</b>		<b>21.1%</b>		
<b>Households 65+</b>				
Less than 20.0 percent	88	21.4%		
20.0 to 24.9 percent	65	15.8%		
25.0 to 29.9 percent	69	16.7%		
30.0 to 34.9 percent	39	9.5%		
35.0 percent or more	97	23.5%		
Not computed	54	13.1%		
<b>Total</b>	<b>412</b>	<b>100.0%</b>		
<b>&gt; 35% income on rent</b>	<b>97</b>	<b>27.1%</b>		
<b>&gt; 40% income on rent</b>		<b>21.5%</b>		

Source: 2000 U.S. Census

**Table 30 Overall Demand Estimates**

<b>Primary Market Area Demand (HOP)</b>	<b>LIHTC Units</b>	<b>Market Rate Units</b>	<b>Total Units</b>
Substandard Households	28	28	28
Renter Household Growth	47	47	47
Cost Burdened Renter HH's	76	76	76
Homeowners becoming Renters	39	39	39
Demand (HH 62+)	190	190	190
Renter Demand HH 55-61 (10 percent)	15	15	48
Total PMA Demand	205	205	238
Secondary Demand (15%)	31	31	36
Total Project Demand	<b>236</b>	<b>236</b>	<b>274</b>
% Income Qualified	37.4%	40.1%	46.8%
<b>Income Qualified Demand</b>	<b>88</b>	<b>95</b>	<b>128</b>
Recent and Pipeline Units	0	0	0
<b>Net Demand</b>	<b>88</b>	<b>95</b>	<b>128</b>
Units in Subject Property	24	6	30
<b>Capture Rate</b>	27.2%	6.3%	23.4%

**Table 31 Detailed Gross Demand Estimates**

**Demand from Substandard Households**

2000 Households (62+)		Substandard Percentage		2000 Substandard Households (62+)
2,059	times	8.03%	equals	165
2000 Substandard Households (62+)		% of Renters Per Census (62+)		2000 Substandard Renter Households (62+)
165	times	17.18%	equals	28

**Demand from Household Growth**

2008 Households (62+)		2000 Households (62+)		Household Change (62+)
2,331	minus	2,059	equals	272
Household Change (62+)		% of Renters Per Census (62+)		Renter Household Change (62+)
272	times	17.18%	equals	47

**Demand from Cost Burdened Renters**

2000 Households (62+)		% of Renters Per Census (62+)		2000 Renter Households (62+)
2,059	times	17.18%	equals	354
2000 Renter Households (62+)		% Cost Burdened		2000 Cost Burdened Renter Households (62+)
354	times	21.50%	equals	76

**Demand for Tax Credit Units from Homeowners Becoming Renters**

2008 Households (62+)		% Moving within 12 Months		2008 Households 62+ Likely to Move
2,331	times	4.31%	equals	100
2008 Households 62+ Likely to Move		% of those moving from owned to rental housing		2008 Households 62+ Moving to Rental Housing
100	times	39.15%	equals	39

## E. DCA Estimates and Capture Rates by Floorplan and Income

**Table 32 Demand Estimates and Capture Rates by Floorplan and Income Level**

	LIHTC (50% Units)	
	1-BR	2-BR
Substandard Households	28	28
Renter Household Growth	47	47
Cost Burdened Renter HH's	76	76
Homeowners becoming Renters	39	39
Demand (HH 62+)	190	190
Renter Demand HH 55-61 (10 percent)	15	15
Total PMA Demand	205	205
Secondary Demand (15%)	31	31
Total Project Demand	236	236
% Income Qualified	21.6%	23.7%
Income Qualified Demand	51	56
Recent and Pipeline Units	0	0
Net Demand	51	56
Units in Subject Property	6	6
Capture Rate	11.7%	10.7%

	LIHTC (60% Units)	
	1-BR	2-BR
Substandard Households	28	28
Renter Household Growth	47	47
Cost Burdened Renter HH's	76	76
Homeowners becoming Renters	39	0
Demand (HH 62+)	190	151
Renter Demand HH 55-61 (10 percent)	15	15
Total PMA Demand	205	166
Secondary Demand (15%)	31	31
Total Project Demand	236	236
% Income Qualified	27.5%	28.7%
Income Qualified Demand	65	68
Recent and Pipeline Units	0	0
Net Demand	65	68
Units in Subject Property	3	9
Capture Rate	4.6%	13.3%

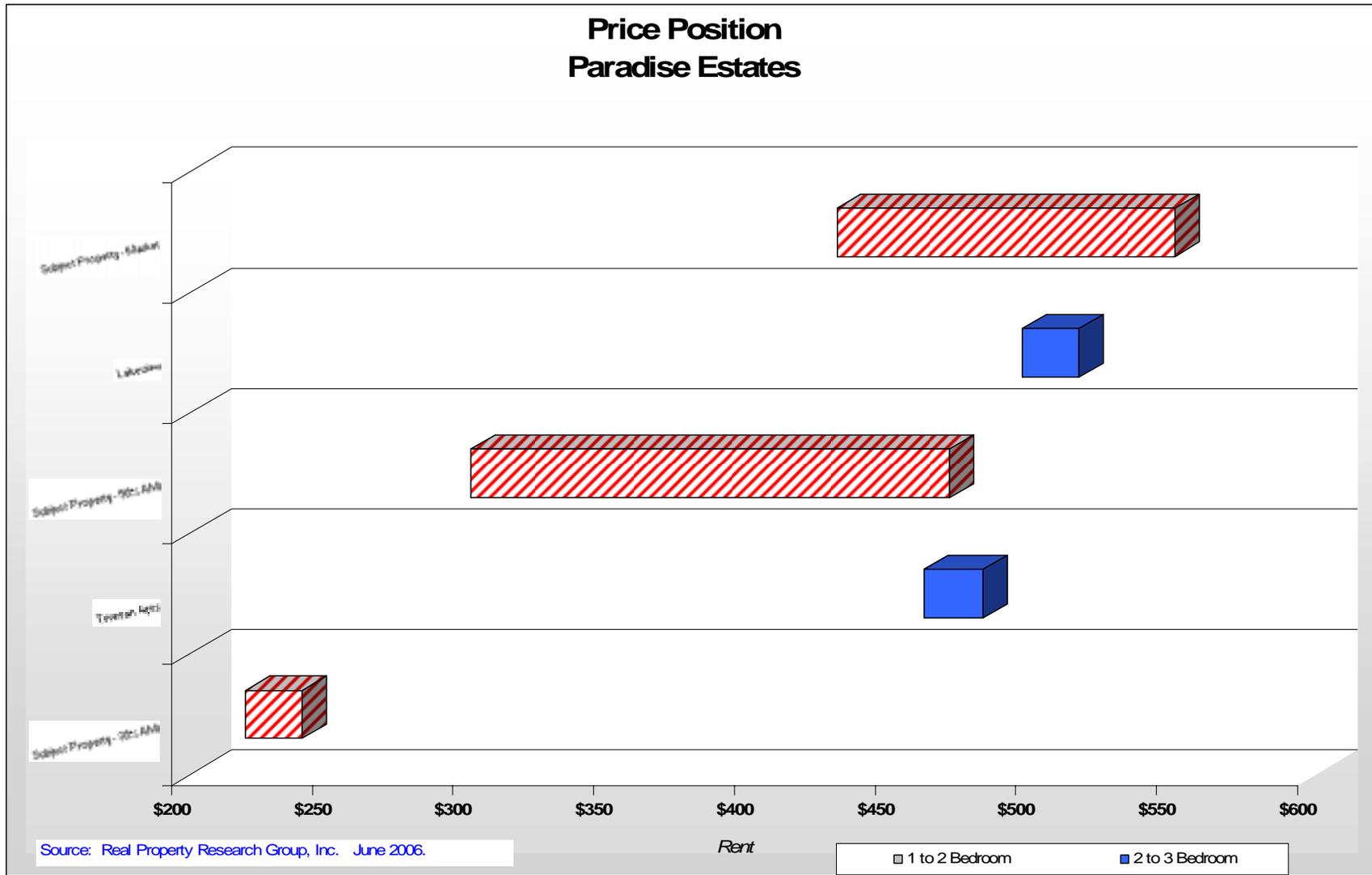
	Market Rate (80% Units)	
	1-BR	2-BR
Substandard Households	28	28
Renter Household Growth	47	47
Cost Burdened Renter HH's	76	76
Homeowners becoming Renters	39	0
Demand (HH 62+)	190	151
Renter Demand HH 55-61 (10 percent)	15	15
Total PMA Demand	205	166
Secondary Demand (15%)	31	31
Total Project Demand	236	236
% Income Qualified	34.3%	35.5%
Income Qualified Demand	81	84
Recent and Pipeline Units	0	0
Net Demand	81	84
Units in Subject Property	3	3
Capture Rate	3.7%	3.6%

## F. Project Feasibility

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

- **Community Design:** Fullerton Square will be one of the more attractive rental communities in the primary market area. The only existing community offering a similar level of curb appeal is Lakeview.
- **Location:** The subject property is located in an established residential portion of northern Sylvester. The subject property is convenient to shopping, education, health care, and area traffic arteries.
- **Amenities:** The proposed Fullerton Square will offer an amenities package unmatched in the primary market. None of the existing rental communities offer as many community and unit amenities as planned at Fullerton Square. Scattered site rental units will also offer fewer communities than a traditional multi-family rental community.
- **Unit Mix:** The unit mix distribution of the 30 units at Fullerton Square Apartments of one and two bedroom units will appeal to senior renter households. Few non-heavily subsidized one bedroom units exist in the primary market area.
- **Unit Size:** Fullerton Square' proposed unit sizes of 821 square feet for a one bedroom unit and 1,093 for a two bedroom unit will be competitive in the primary market area.
- **Price:** The proposed rents appear to be appropriately priced (Figure 4). All proposed rent levels (tax credit and market) are priced below the two market rate communities in the primary market area. Both the affordability analysis and census rent distribution show a sufficient number of renters able and willing to pay the proposed rents. The proposed rents are reasonable and appropriate.
- **Demand:** The affordability analysis and DCA demand estimates indicate sufficient demand to support the proposed development.

Figure 4 Product Position, Fullerton Square



## G Absorption Estimate

None of the existing rental communities provided information regarding lease-up rates. In cases where lease rates of comparable communities is not available, absorption rate estimates are based on:

- Vacancy Rate – the overall vacancy rate in the primary market area is less than five percent. Three of the four communities were 100 percent occupied. The waiting list for deeply subsidized communities exceeds 30 people, including 20 people at a senior oriented community.
- Demand – the affordability analysis and DCA capture rates indicated sufficient demand to support the proposed development.
- Product Appeal – the proposed development will be one of the most appealing communities in the primary market area given the community design and proposed amenities.

We believe that given the proposed design characteristics, extensive amenities/services, strong demand estimates, competitive rents, and stable rental market and assuming an aggressive, professional marketing campaign, Fullerton Square Apartments should be able to lease up at a minimum rate of **4 units per month**. At this rate, Fullerton Square will reach stabilization within seven to eight months.

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

## Appendix 1 Underlying Assumptions and Limiting Conditions

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

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

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

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

## Appendix 2 Analyst Certification

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

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



---

Tad Scepaniak  
Regional Director  
Real Property Research Group, Inc.

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

## Appendix 3 Resumes

---

### TAD SCEPANIAK

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

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

#### **Areas of Concentration:**

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

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

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

#### **Education:**

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

---

ROBERT M. LEFENFELD

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

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

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

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

### **Areas of Concentration:**

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

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

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

### **Education:**

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

## Appendix 4 DCA Market Study Checklist

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

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

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



Signed: \_\_\_\_\_

Date: June 30, 2006

Tad Scepianiak

### A. Executive Summary

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

### B. Project Description

	Project address, legal description and location. <i>A legal description is not provided as it was not available. Legal descriptions are not considered a concern regarding feasibility or appeal of the site.</i>	Page	10
2	Number of units by unit type.	Page	9
3	Unit size, # of bedrooms and structure type (i.e. townhouse, garden apartment, etc).	Page	9
4	Rents and Utility Allowance*.	Page	9
5	Existing or proposed project based rental assistance.	Page	9
6	Proposed development amenities (i.e. washer/dryer hookups, dishwasher etc.).	Page	9-10
7	For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property.	Page	n/a
8	Projected placed in service date.	Page	61
9	Construction type: New Construction/Rehab/Adaptive Reuse, etc.	Page	1, 4, 9

10	Occupancy Type: Family, Elderly, Housing for Older Persons, Special Needs, etc.	Page	1
11	Special Population Target (if applicable).	Page	1

---

### C. Site Evaluation

1	Date of Inspection of Subject Property by Market Analyst.	Page	III
2	Physical features of Subject Property and Adjacent Uses.	Page	10
3	Subject Photographs (front, rear, and side elevations as well as street scenes).	Page	1
4	Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject.	Page	7, 9
5	Developments in vicinity to subject and proximity in miles (Identify developments surrounding subject on all sides) - zoning of subject and surrounding uses.	Page	10, 7, 9
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject.	Page	39
7	Road or infrastructure improvements planned or under construction in the PMA.	Page	11
8	Comment on access, ingress/egress and visibility of subject.	Page	10
9	Any visible environmental or other concerns .	Page	11
10	Overall conclusions of site and their marketability.	Page	10

### D. Market Area

1	Map identifying Subject's Location within PMA .	Page	13
2	Map identifying Subject's Location within SMA, if applicable.	Page	N/A

### E. Community Demographic Data

	Data on Population and Households Five Years Prior to Market Entry, and Projected Five Years Post-Market Entry. <i>Population and household estimates are given for 1990, 2000, 2005, and 2010. Household estimates for 2007 are used in the demand calculations. All projections for future years are based on historical data from the 2000 census and Claritas projections. The annual compounded growth rate would be the same between 2000 and 2002 as it would be for between 2000 and 2005 or between 2002 and 2007, etc. The bench mark years and a five year projection are considered the most accurate population and household estimates. Additional estimates can be provided, however were omitted in an effort to simplify this section. Estimates of household growth for various years are used throughout the report in the demand, affordability and capture rate analyses.</i>	Page	23, 53, 56
--	--	------	------------

#### 1. Population Trends

a.	Total Population.	Page	23
b.	Population by Age Group.	Page	27
c.	Number of elderly and non-elderly (for elderly projects).	Page	27
d.	If a special needs is proposed, additional information for this segment.	Page	N/A

#### 2. Household Trends

a.	Total number of households and average household size.	Page	23
b.	Households by tenure (# of owner and renter households).	Page	29
	Elderly by tenure, if applicable.		29

c.	Households by Income (Elderly, if applicable, should be allocated separately).	Page	34
d.	Renter households by # of persons in the household.	Page	

### 3. Employment Trend

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%)).	Page	16
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	17
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	20
d.	Map of the site and location of major employment concentrations.	Page	18
e.	Overall conclusions.	Page	20

### F. Project Specific Demand Analysis

1	Income Restrictions - uses applicable incomes and rents in the development's tax application.	Page	9
2	Affordability - Delineation of Income Bands *.	Page	9, 53, 56
3	Comparison of market rates of competing properties with proposed subject market rent.	Page	40, 43, 60
4	Comparison of market rates of competing properties with proposed LIHTC rents.	Page	40, 43, 60
5	Demand Analysis Using Projected Service Date (within 2 years).	Page	54 - 58
a.	New Households Using Growth Rates from Reputable Source.	Page	54 - 58
b.	Demand from Existing Households. (Combination of rent overburdened and substandard)	Page	54 - 58
c.	Elderly Households Converting to Rentership (applicable only to elderly).	Page	54 - 58
d.	Deduction of Supply of "Comparable Units".	Page	54 - 58
e.	Capture Rates for Each Bedroom Type.	Page	58

### G. Supply Analysis

a.	Comparative chart of subject amenities and competing properties.	Page	41, 43
b.	Supply & analysis of competing developments under construction & pending.	Page	46
c.	Comparison of competing developments (occupancy, unit mix and rents).	Page	40, 43
d.	Rent Comparable Map (showing subject and comparables).	Page	39
e.	Assisted Projects in PMA *. Multi-Family Building Permits issued in PMA in last two years. <i>The most recent building permit data is provided for Worth County. As with unemployment data, building permits are only available for counties and municipalities. Given that the PMA includes all or portions of several permit issuing entities, it would be impossible to determine which of these permits are located in the PMA. The primary market area's activity is considered comparable to county activity.</i>	Page	43
f.		Page	25

\* PHA properties are not considered comparable with LIHTC units.

### H. Interviews

Names, Title, and Telephone # of Individuals Interviewed. *Data obtained through interviews is used throughout the report including in the upcoming competition sections and the rental summary. Many of the interviews with planning personnel occur in person; therefore a phone number is not available. Data obtained through interviews with property managers is presented in the rental analysis section and the profile sheets at the end of the report.*

Page Various

**I. Conclusions and Recommendations**

- a. Conclusion as to Impact of Subject on PMA.
- b. Recommendation as to Subject's Viability in PMA.

Page 61

Page 59, 61

**J. Signed Statement**

- a. Signed Statement from Analyst.

Page 64

**K. Comparison of Competing Properties**

Page

- a. Provided under separate cover.

## Appendix 5 Community Photos and Profiles

# Lakeview

## Multifamily Community Profile

505 N. Main Street  
Sylvester, GA

CommunityType: Market Rate - General

Structure Type: Townhouse

40 Units      0.0% Vacant (0 units vacant) as of 6/19/2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$496	1,150	\$0.43	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input checked="" type="checkbox"/>

**Features**

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

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

### Comments

Floorplans (Published Rents as of 6/19/2006) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
TH / Townhouse	--	2	2.5	32	\$488	1,150	\$0.42	Market	6/19/06	0.0%	--	\$496	--
Duplex / Duplex	--	2	2	8	\$475	1,150	\$0.41	Market					

### Adjustments to Rent

Incentives:  
None.

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

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

© 2006 Real Property Research Group, Inc.  
(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.

# Teresan Apts

## Multifamily Community Profile

1202 N. Washington Street  
Sylvester, GA

CommunityType: Market Rate - General

Structure Type: Garden

24 Units      12.5% Vacant (3 units vacant) as of 6/19/2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	83.3%	\$461	--	--	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	16.7%	\$462	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

### Comments

Floorplans (Published Rents as of 6/19/2006) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	20	\$450	--	--	Market	6/19/06	12.5%	--	\$461	\$462
Garden	--	3	1	4	\$450	--	--	Market					

### Adjustments to Rent

Incentives:	
—	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>

© 2006 Real Property Research Group, Inc.  
(1) Effective Rent is Published Rent, net of utilities and concessions. (2) Published Rent is rent as quoted by management.