

**Market Feasibility Analysis
Lincoln Heights Apartments
Valdosta, Lowndes County, Georgia**

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

June 2006

Table of Contents

I.	Executive Summary	4
II.	Introduction	9
III.	Location and Neighborhood Context	11
A.	Site and Project Description	11
B.	Shopping.....	11
C.	Medical	11
D.	Schools	12
IV.	Socio-Economic and Demographic Content	13
A.	Economic Context.....	15
B.	Growth Trends	22
C.	Demographic Characteristics	25
D.	Income Characteristics	30
V.	Supply Analysis	33
A.	Area Housing Stock	33
B.	Rental Market	36
C.	Proposed Developments.....	46
VI.	Findings and Conclusions	47
A.	Findings	47
B.	Affordability Analysis	51
D.	DCA Demand Calculations	54
E.	DCA Estimates and Capture Rates by Floorplan and Income	57
F.	Project Feasibility.....	59
G.	Absorption Estimate.....	62
	Appendix 1 Underlying Assumptions and Limiting Conditions	63
	Appendix 2 Analyst Certification	65
	Appendix 3 Resumes	66
	Appendix 4 DCA Market Study Checklist	68
	Appendix 5 Community Photos and Profiles	72

List of Tables

Table 1	Project Specific Rent and Income Limits, Lincoln Heights	10
Table 2	Neighborhood Amenities, Lincoln Heights	9
Table 3	Proposed Unit Configuration and Rents	10
Table 4	At Place Employment, Lowndes County 1990-2005	15
Table 5	Employment by Sector, Lowndes County 2005	17
Table 6	Employment by Sector Change, Lowndes County 2001-2005.....	17
Table 7	Top 10 Employers, Lowndes County	18
Table 8	Labor Force and Unemployment Rates, Lowndes County.....	21
Table 9	Trends in Population and Households, PMA and Lowndes County	23
Table 10	Lowndes County Building Permits, 1990 - 2005	24
Table 11	2000 Age Distribution	26
Table 12	2000 Households by Household Type	27
Table 13	Dwelling Units by Occupancy Status	28
Table 14	2000 Households by Tenure & Age of Householder	29
Table 15	2000 Household Size, Renter Households	30
Table 16	2005 Income Distribution, PMA and Lowndes County	31
Table 17	2005 Income by Tenure, PMA	32
Table 18	2000 Renter Households by Number of Units.....	33
Table 19	2000 Census Rent Distribution.....	34
Table 20	Year Property Built	35
Table 21	Rental Summary, Survryed Rental Communities.....	38
Table 22	Common Area Amenities of Surveyed Communities	40
Table 23	Features of Rental Communities in Primary Market Area	42
Table 24	Salient Characteristics, PMA Rental Communities	43
Table 25	Adjusted Rent Comparison, Lincoln Heights	44
Table 26	2008 Affordability Analysis for Lincoln Heights	53
Table 27	Cost Burdened and Substandard Calculation	55
Table 28	Recent and Pipeline Units	55
Table 29	Overall Demand Estimates	55
Table 30	Detailed Gross Demand Estimates.....	56
Table 31	Demand Estimates and Capture Rates by Floorplan and Income Level	57
Table 32	Demand by Floorplan and Income Level with HH Size	58

List of Figures

Figure 1	Site Photos.....	1
Figure 2	Surrounding Land Use Photos	3
Figure 3	Satellite Image of Subject Property	7
Figure 4	Range of Net Rents.....	45
Figure 5	Product Position, Lincoln Heights.....	61

List of Maps

Map 1	Site Location, Lincoln Heights	5
Map 2	Neighborhood Amenities, Lincoln Heights	8
Map 3	Primary Market Area	14
Map 4	Major Employers	19
Map 5	Competitive Rental Communities	37

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 Lincoln Heights Apartments. Lincoln Heights Apartments will be a newly constructed LIHTC rental community consisting of 80 general occupancy units. Seventy-eight percent of the units will be tax credit and targeted to renters earning no more than 30 percent, 50 percent, and 60 percent of the Area Median Income. The remaining 22 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 at the intersection of Morningside Drive and Bunche Drive in southern Valdosta, Lowndes County, Georgia.

Field work and data collection was conducted in June 2006. The site, comparables, and market area were visited on June 5, 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 Lincoln Heights.
 - b. Lowndes County's at place employment has experienced significant net growth since 1990. Overall, Lowndes County's at-place employment has increased by 16,651 or 52 percent since 1990.
 - c. The unemployment rate has increased each of the past three years, but remains a very healthy 4.1 percent, well below state and national levels.
- 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 Lincoln Heights Apartments should be able to lease up at a minimum rate of 12 units per month. At this rate, the project would be able to achieve 95 percent occupancy within an approximate 6 month period.
- b. We believe that Lincoln Heights 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 Lowndes County.

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 15 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 4 two bedroom units, 6 three bedroom units, and 2 four bedroom units.

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

- a. Only three of the 13 surveyed communities were Tax Credit. The remainder of the market area's rental stock is market rate communities.
- b. Overall, the primary market area's rental stock appears stable. The overall vacancy rate in the primary market area is less than two percent. The three LIHTC communities had a combined vacancy rate less than two percent.

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

- a. The average net rent among surveyed rental communities is \$551 for two bedroom units and \$634 for three bedroom units. The proposed LIHTC rents at Lincoln Heights are positioned below these averages.
- b. The estimated market rents for the proposed units at Lincoln Heights are \$610 for a two bedroom unit, \$718 for a three bedroom unit, and \$811 for a four bedroom unit. Each of the proposed units at Lincoln Heights will have a rent advantage. Average rent advantages range from 67 percent for the 30 percent LIHTC units to 13 percent for the market rate units.
- c. 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 or comparable 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 a swimming pool, a playground, fitness center, community room, and a computer center.
- c. The amenities planned at Lincoln Heights are extensive and competitive with similarly and higher priced market rate communities in the primary market area. These amenities are reasonable and appropriate. .

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

- a. Lincoln Heights will be located within close proximity to area amenities including shopping, healthcare facilities, and transportation.
- 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 Lincoln Heights all fall below these thresholds.
- b. The overall capture rates are 7.6 percent for all LIHTC units, 2.8 percent for market rate units, and 7.4 percent for all units. Capture rates by floorplan range from 0.3 percent to 10.9 percent. .

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

- a. The primary market area's household base is expected to grow at a modest pace through 2010.

- b. The proposed product and rents will be competitive in the primary market area. Lincoln Heights will be comparable in terms of appeal and amenities to rental communities with rents at or above the proposed LIHTC rents.
- c. Based on affordability and demand estimates, sufficient demand exists to support the renovated units at Lincoln Heights.
- d. The vacancy rates in the primary market area are stable. We believe that Lincoln Heights will be able to maintain occupancy of 95 percent. Several recently constructed rental communities have all experience rapid lease up. Despite the addition of five rental communities in two years, the primary market area's vacancy rate is less than two percent.
- e. We believe the product is properly positioned and will be well received in the primary market area.

10. Summary Table

Unit Size	AMI Target	Units	Total Demand	Supply	Net Demand	Capture Rate	Absorption*	Avg. Market Rent*	Proposed Rents
2 Bedroom	30%	4	129	2	127	3.1%	4 Months	\$551	\$225
	50%	15	194	56	138	10.9%	6 Months	\$551	\$429
	60%	1	361	11	350	0.3%	1 Month	\$551	\$429
	Market	5	453	0	453	1.1%	6 Months	\$551	\$525
	2BR Total	25	1,083	69	1,014	2.3%	6 Months	\$551	\$416
3 Bedroom	30%	7	193	5	188	3.7%	4 Months	\$634	\$250
	50%	9	176	49	127	7.1%	6 Months	\$634	\$510
	60%	1	321	9	312	0.3%	1 Month	\$634	\$525
	Market	8	394	0	394	2.0%	4 Months	\$634	\$625
	3BR Total	25	1,079	63	1,016	2.5%	6 Months	\$634	\$475
4 Bedroom	30%	2	168	0	168	1.2%	2 Months	\$811	\$260
	50%	9	138	0	138	6.5%	6 Months	\$811	\$549
	60%	0							
	Market	4	286	0	286	1.4%	4 Months	\$811	\$725
	4BR Total	15	1,017	0	1,017	1.5%	6 Months	\$811	\$557

Proposed Project Capture Rate LIHTC Units	7.6%
Proposed Project Capture Rate Market Rate Units	2.8%
Proposed Project Capture Rate All Units	7.4%
Proposed Project Stabilization Period	6 Months

*Estimated Market Rent for 4Br Units

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 Lincoln Heights Apartments. Lincoln Heights Apartments will be a newly constructed LIHTC rental community consisting of 80 units. The proposed development will be located less than one mile southeast of downtown Valdosta. The subject property is located at the intersection of Bunche Drive and Morningside Drive. The newly constructed rental community will be general occupancy in nature with an emphasis on moderate to large sized family renter households.

The majority (79 percent) of the units at Lincoln Heights Apartments will benefit from Low Income Housing Tax Credits with units targeting renter households at 30 percent, 50 percent, and 60 percent of the Area Median Income. The remaining twenty-one percent of the units will be market rate without rent or income restrictions. Lincoln Heights's 80 units will be contained within eleven two-story residential buildings. The proposed unit sizes at Lincoln Heights are 1,000 square feet for the two bedroom units, 1,200 square feet for the three bedroom units, and 1,350 square feet for the four bedroom units. The two-bedroom units will have one bathroom, while all three and four bedroom units will have two bathrooms.

HUD has computed a 2006 median household income of \$45,900 for the Valdosta 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 35% of income is spent on total housing cost (rent plus utilities). The maximum allowable incomes are calculated assuming 1.5 persons per bedroom, rounded up to the nearest whole number per DCA's requirements. The maximum tenant income limits are based on 1.5 persons per household, not rounded.

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, Lincoln Heights

Unit Type	AMI %	# Units	# Bed	Planned Net Rent	Utility Allowance	Planned Gross Rent	Maximum Gross Rent	Maximum Income	Minimum Income
LIHTC	30%	4	2	\$225	\$106	\$331	\$332	\$13,290	\$13,240
LIHTC	30%	7	3	\$250	\$129	\$379	\$384	\$15,930	\$15,160
LIHTC	30%	2	4	\$260	\$164	\$424	\$428	\$17,130	\$16,960
LIHTC	50%	15	2	\$429	\$106	\$535	\$554	\$22,150	\$21,400
LIHTC	50%	24	3	\$510	\$129	\$639	\$639	\$26,550	\$25,560
LIHTC	50%	9	4	\$549	\$164	\$713	\$714	\$28,550	\$28,520
LIHTC	60%	1	2	\$429	\$106	\$535	\$665	\$26,580	\$21,400
LIHTC	60%	1	3	\$525	\$129	\$654	\$767	\$31,860	\$26,160
Market Rate	80%	5	2	\$525	\$106	\$631	\$886	\$35,440	\$25,240
Market Rate	80%	8	3	\$625	\$129	\$754	\$1,023	\$42,480	\$30,160
Market Rate	80%	4	4	\$725	\$164	\$889	\$1,142	\$45,680	\$35,560

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

Lincoln Heights Apartments will be located in southern Valdosta, within one mile of downtown. The subject property is a flat and cleared parcel, bordered on three sides by single-family detached homes. The southern edge of the site is bordered by wooded land.

Access to the property will be available via Morningside Drive, which terminates at the subject property, just west of Bunche Drive. Both Bunche and Morningside Drive are residential side streets with light traffic. Accessibility problems are not anticipated.

Lincoln Heights Apartments is compatible with surrounding land uses. The subject property is bordered on three sides by single-family detached homes, most of which are of moderate value. Few multi-family rental communities are located within one-half mile of the subject site, but several are within one mile.

Lincoln Heights will be located in residential neighborhood in southern Valdosta with numerous community amenities within one mile of the subject property including retail, public schools, and a public library.

Figure 1 Site Photos



View of site facing north.



View of site facing northwest.



View of site facing west at terminus of Morningside Drive.



View site facing south.

Figure 2 Surrounding Land Use Photos



View of Morningside Drive facing east.

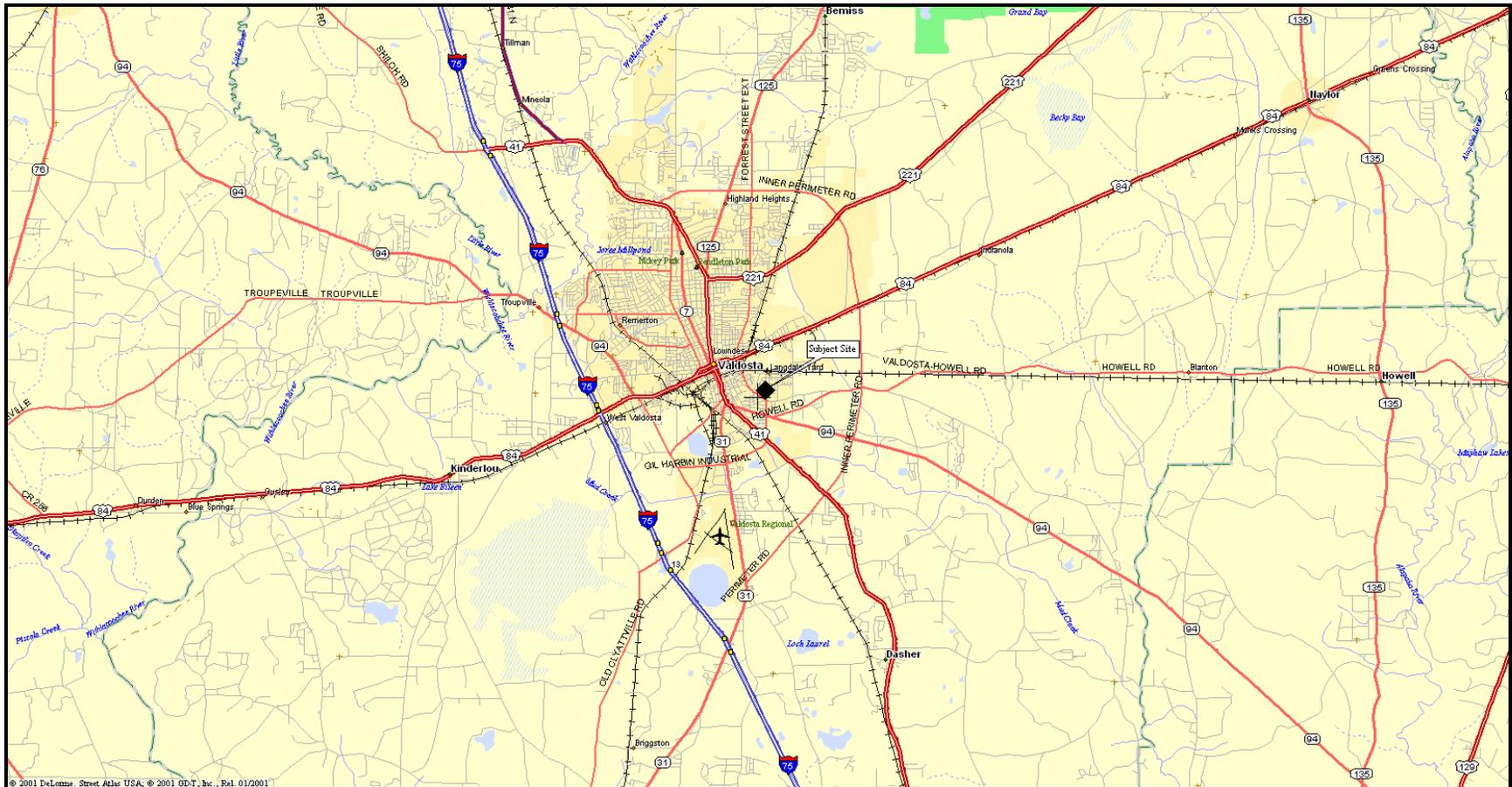


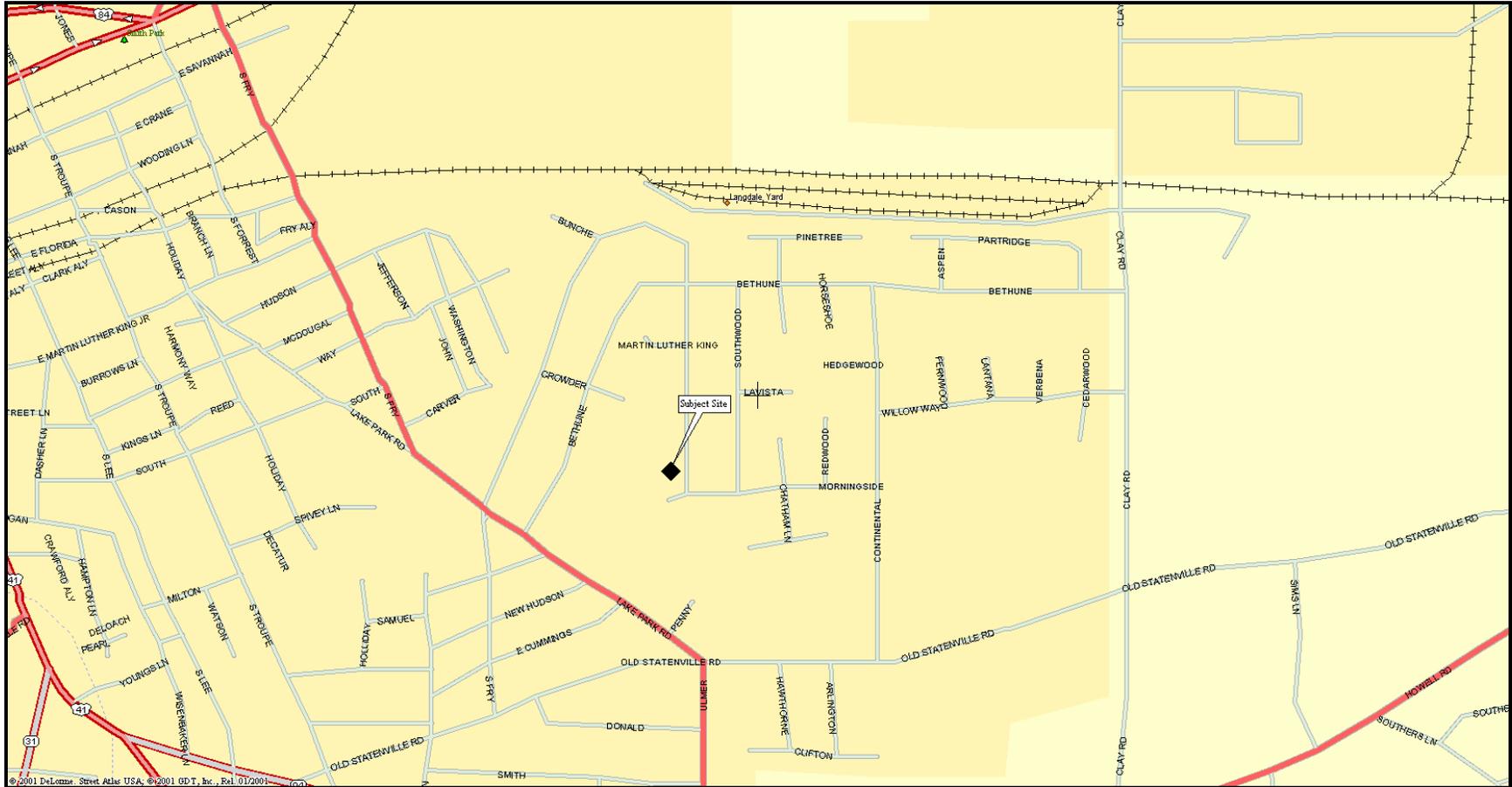
Bunche Drive facing north from intersection with Morningside Drive.



Single-family detached homes on Bunche Drive, north of subject site.

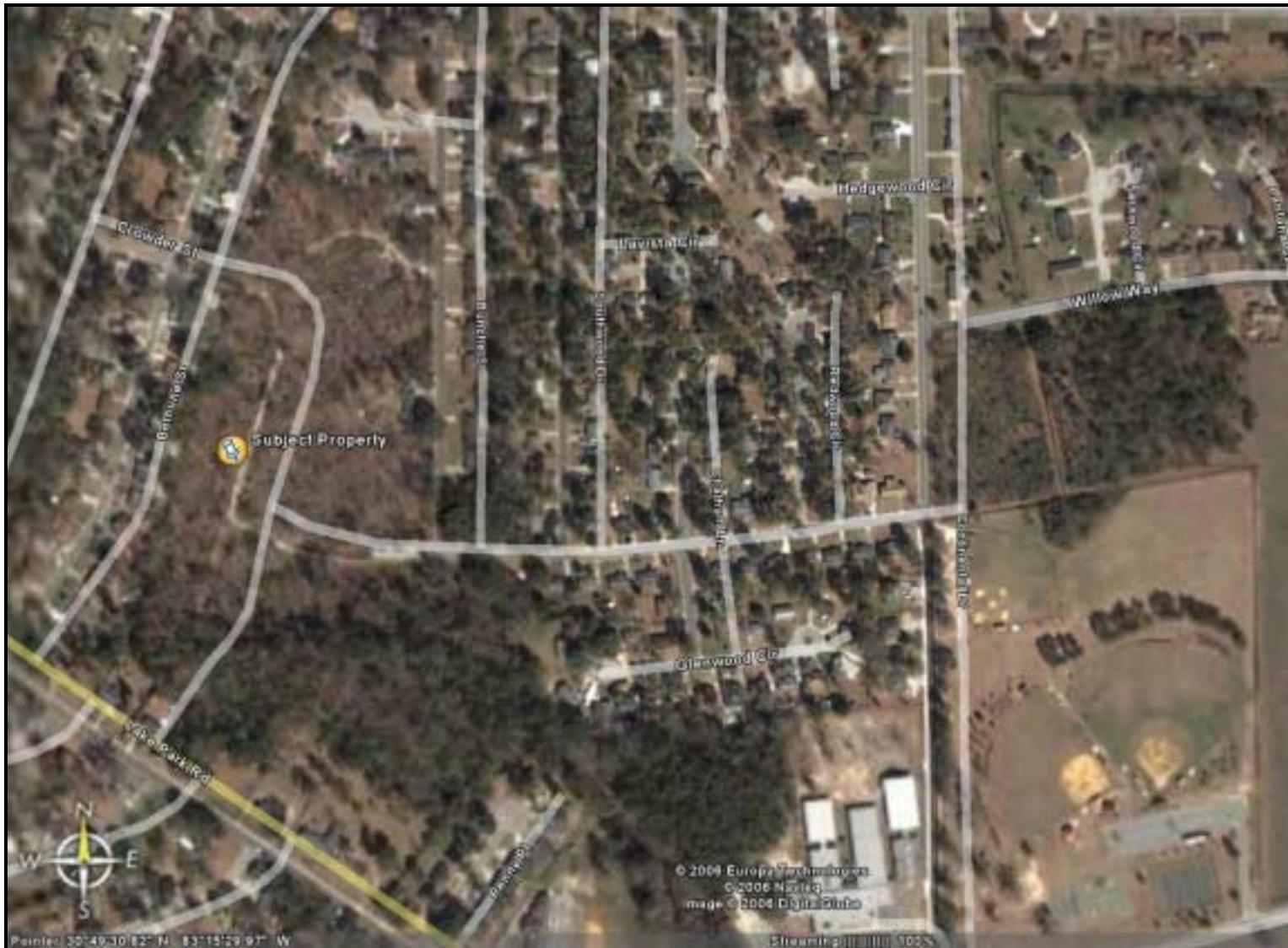
Map 1 Site Location, Lincoln Heights





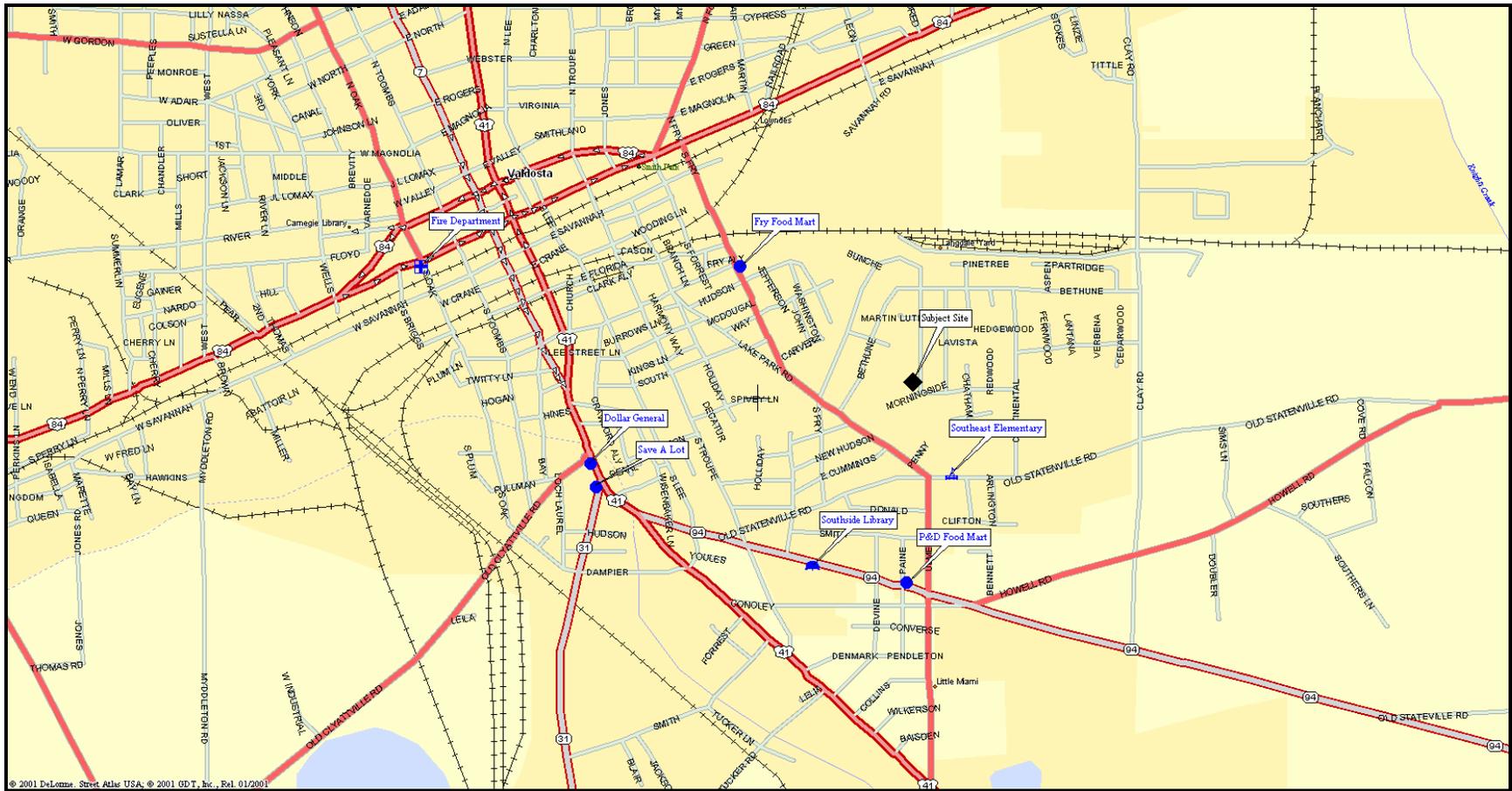
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Figure 3 *Satellite Image of Subject Property*



Satellite Image, Morningside Drive no longer connects to Crowder Street.

Map 2 Neighborhood Amenities, Lincoln Heights



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Table 2 Neighborhood Amenities, Lincoln Heights

Establishment	Type	Address	Distance
Southeast Elementary School	Public School	930 Old Statenville Rd	0.2 mile
P&D Food Mart	Convenience Store	700 Griffin Ave	0.4 mile
Fry Food Mart	Convenience Store	409 S Fry St	0.5 mile
Southside Library	Public Library	527 Griffin Ave	0.5 mile
Save A Lot	Grocery Store	808 Madison Hwy	0.9 mile
Dollar General	Retail	704 S Patterson St	0.9 mile
Family Dollar	Retail	512 E Central Ave	1.0 mile
Lowndes County Sheriff	Police	120 Prison Farm Rd	1.3 miles
Valdosta Fire Department	Fire	100 S Oak St	1.3 miles
Lowndes County Health South	Medical Clinic	312 N Patterson St	1.3 miles
Lowndes Middle School	Public School	2379 Copeland Rd	2.2 miles
South Georgia Medical Center	Hospital	2501 N Patterson St	3.0 miles
Lowndes High School	Public School	1112 N Saint Augustine Rd	3.7 miles

Lincoln Heights is located in a residential neighborhood surrounded by single-family detached homes on three sides. The fourth side of the site is bordered by wooded land. Access to the property will be from Morningside Drive, which ends at the subject property, just west of Bunche Drive. Non-residential uses within one mile of the subject property are generally located to the south of the site.

The newly constructed rental community will include 80 two, three, and four bedroom units in eleven two-story garden buildings. The community will feature a separate office/clubhouse building. The construction will be wood frame with vinyl siding and brick exteriors. The unit mix will include 25 two bedroom/one bathroom units with 1,000 square feet, 40 three bedroom/two bathroom units with 1,200 square feet, and 15 four bedroom/two bathroom units with 1,350 square feet.

Each of the newly constructed units at Lincoln Heights will feature:

- Full kitchens including an electric range, a refrigerator with icemaker, 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.
- A covered entry and a patio or balcony.
- Electric central heat (heat pump) and air conditioning.
- Hard-wired smoke detectors and fire suppression systems.

Common area amenities will include a separate community building featuring management offices, a fitness center, and a computer center. Exterior amenities will include a swimming pool, a playground, and a covered picnic pavilion.

The proposed rents and unit configuration is shown below in Table 3. The rents shown will include the cost of water/sewer and 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	30%	4	2	1	1,000	\$225	\$0.23
LIHTC	Garden	30%	7	3	2	1,200	\$250	\$0.21
LIHTC	Garden	30%	2	4	2	1,350	\$260	\$0.19
LIHTC	Garden	50%	15	2	1	1,000	\$429	\$0.43
LIHTC	Garden	50%	24	3	2	1,200	\$510	\$0.43
LIHTC	Garden	50%	9	4	2	1,350	\$549	\$0.41
LIHTC	Garden	60%	1	2	1	1,000	\$429	\$0.43
LIHTC	Garden	60%	1	3	2	1,200	\$525	\$0.44
Market Rate	Garden	80%	5	2	1	1,000	\$525	\$0.53
Market Rate	Garden	80%	8	3	2	1,200	\$625	\$0.52
Market Rate	Garden	80%	4	4	2	1,350	\$725	\$0.54
Total/Avg.			80			1,166	\$478	\$0.41

B. Shopping

The subject property is located within one mile of several scattered retailers including food marts/convenience stores and discounters. Retail establishments within one mile of the subject property include P&D Food Mart, Fry Food Mart, Family Dollar, and Dollar General.

Larger retailers including, Colonial Mall, are located north of downtown Valdosta within approximately four miles of the subject property. Belk, JCPenny and Sears anchor the 400,000 square foot mall with more than 65 other stores. An 112,000 square foot expansion including 4 "Big Box" anchors including Old Navy, Petsmart and Office Depot opened in the summer 2006.

C. Medical

The largest medical provider in Valdosta, South Georgia Medical Center, is a 335-bed, not for profit, regional referral hospital. A full-service, acute care hospital, SGMC provides a wide range of healthcare services. South Georgia Medical Center is located three miles from the subject site.

Several smaller medical providers are located within one to two miles of the subject property.



South Georgia Regional Medical Center

D. Schools

The Lowndes County Public School System is comprised of 11 schools including 7 elementary schools, two middle schools, and two high schools. Total school system enrollment for the 2005-2006 school year was 9,338. The closest schools to the subject property are Southeast Elementary School (0.2 mile), Lowndes Middle School (2.2 miles), and Lowndes High School (3.7 miles).

Colleges and universities in Valdosta include Valdosta State University, GMC Community College, Valdosta Technical College, and the South Georgia Regional Consortium.



Southeast Elementary School

IV. Socio-Economic and Demographic Content

The primary market area for Lincoln Heights Apartments comprises the census tracts in the southern two-thirds of Valdosta, roughly defined as the area east of Interstate 75 and south of U.S. Highway 221. The approximate boundaries of the primary market area and their approximate distance from the subject site are:

North: United States Highway 221 (2.3 miles).

East: Perimeter Highway (1.9 miles)

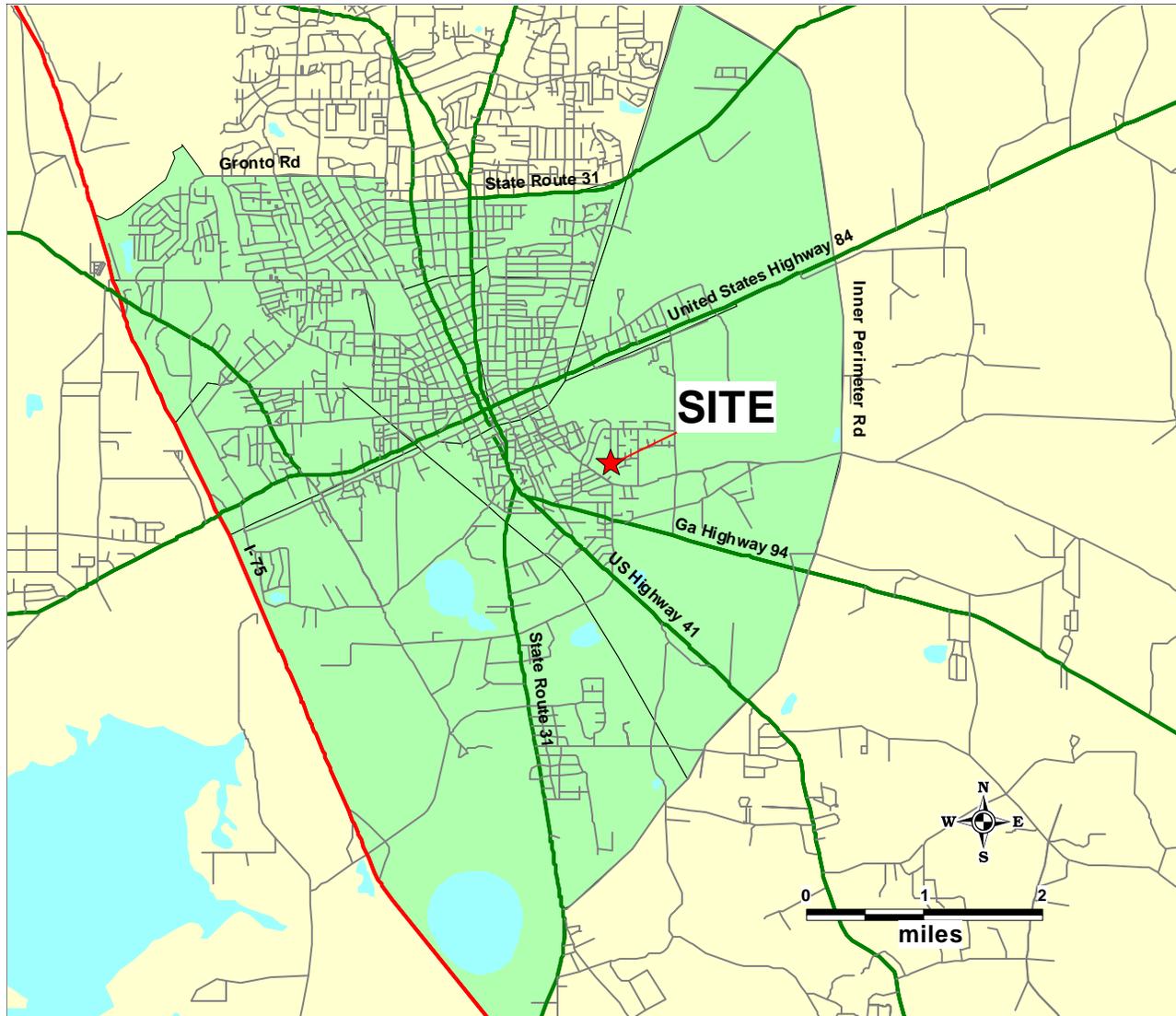
South: Perimeter Highway (3.2 miles)

West: Interstate 75 (3.2 miles)

The primary market includes the areas of Valdosta and Lowndes County that are most comparable to the immediate vicinity of the site. This primary market area includes most of Valdosta's rental housing stock, including several LIHTC communities. Residents of this primary market area would be likely to consider the subject site as an acceptable shelter location. The primary market area does not include the northernmost portions of Valdosta, as residents of this area would be less likely to move to southern Valdosta given disparity in quality of housing and commercial developments. Demographic data on Lowndes County 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 0106.03, 0112, 0111, 0105, 0108, 0110, 0113.02, 0113.01, 0109, and 0114.02. A map of this market area is shown on page 14.

Map 3 Primary Market Area

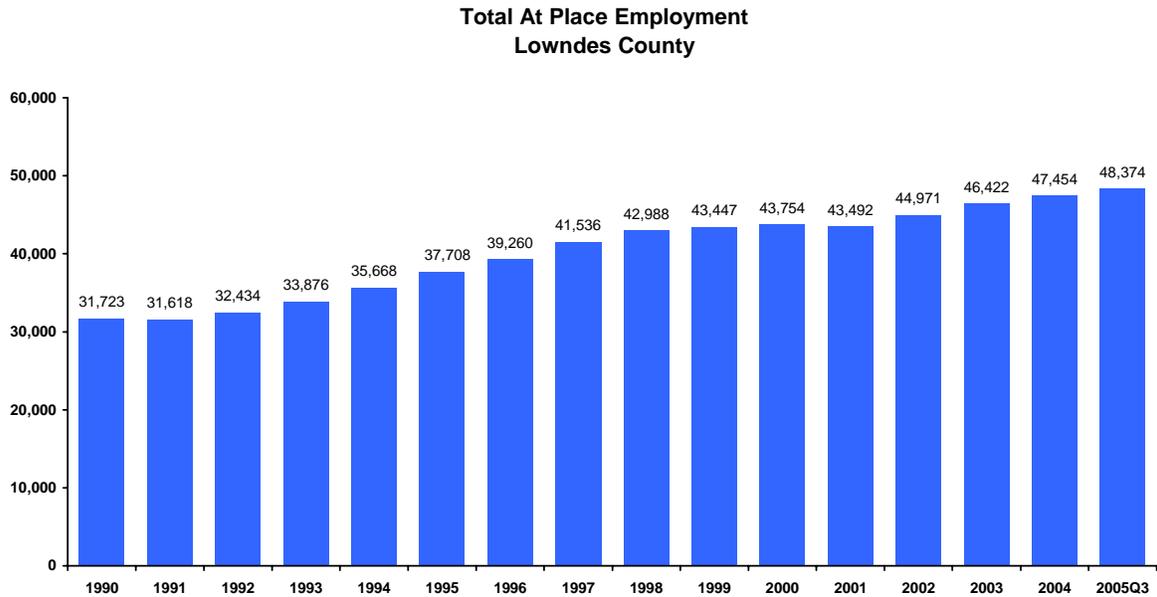


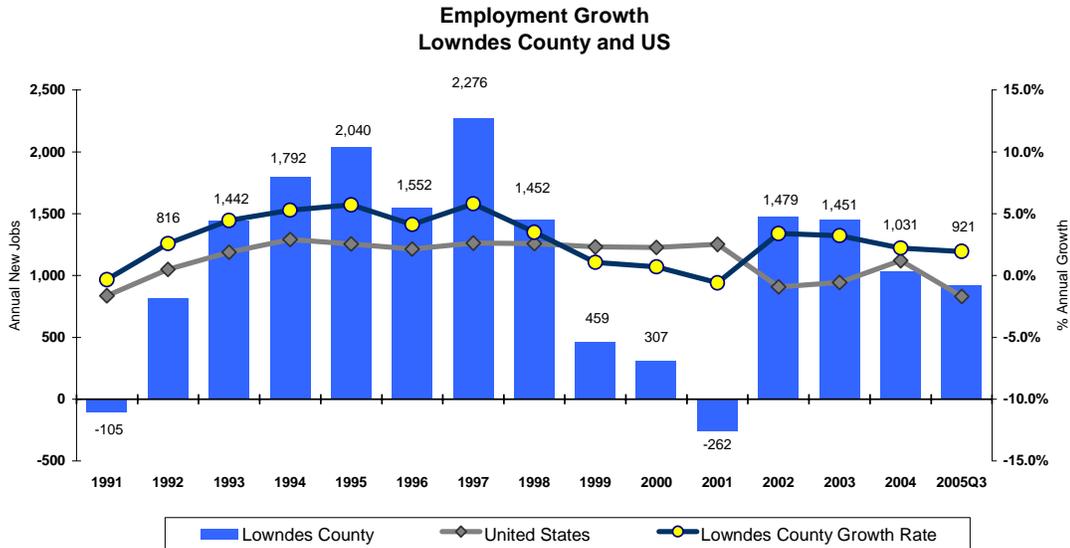
A. Economic Context

Lowndes County's at place employment has experienced significant net growth since 1990. Following a decrease in at-place employment in 1991, Lowndes County experienced employment growth during 13 of the next 14 years (Table 4). Overall, Lowndes County's at-place employment has increased by 16,651 or 52 percent since 1990. Spikes in employment growth were experienced between 1994 and 1998 and between 2002 and 2005. Remaining years achieved minimal employment increases.

On a percentage basis, job growth in Lowndes County has been generally higher than national employment growth in recent years, except during the 1999 to 2001 period when its job growth slipped below that of the nation.

Table 4 At Place Employment, Lowndes County 1990-2005





The trade-transportation-utilities and government sectors comprise a much larger percentage of Lowndes County's employment when compared to the national figures (Table 5). These two employment sectors account for 43.3 percent of the county job base compared to a 35.7 percent national figure. Lowndes County also has a higher percentage of its jobs in the leisure-hospitality and manufacturing sectors.

Between 2001 and the third quarter of 2005, only three sectors experienced a net loss in total employment (Table 6). Each of these three sectors is smaller with no more than 5.1 percent of total employment. The remaining seven sectors experienced a net gain in total employment, including a 2.2 percent annual increase in the manufacturing sector.

Table 5 Employment by Sector, Lowndes County 2005

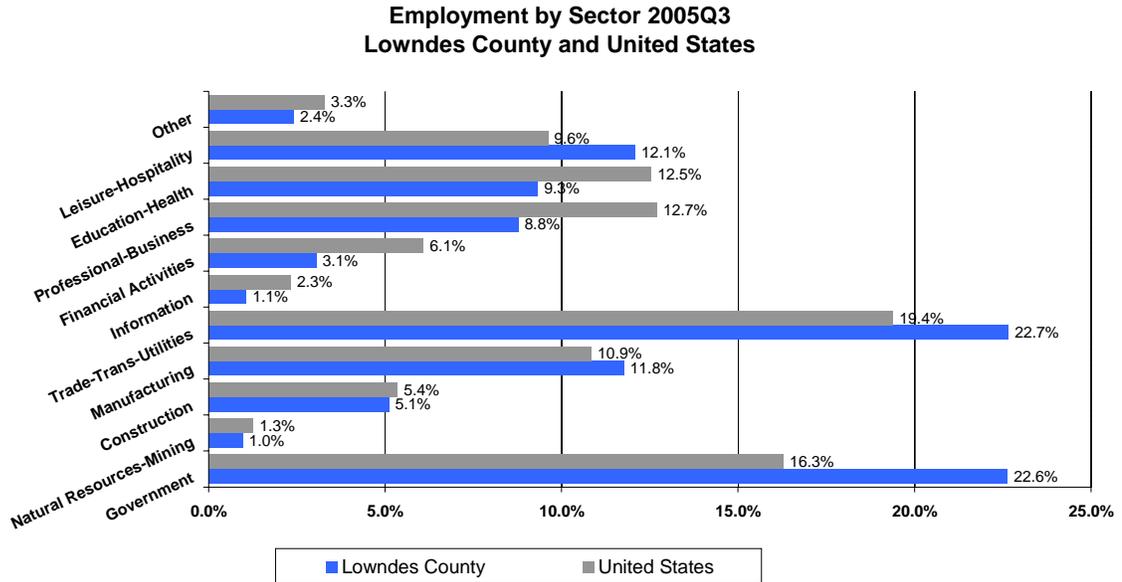
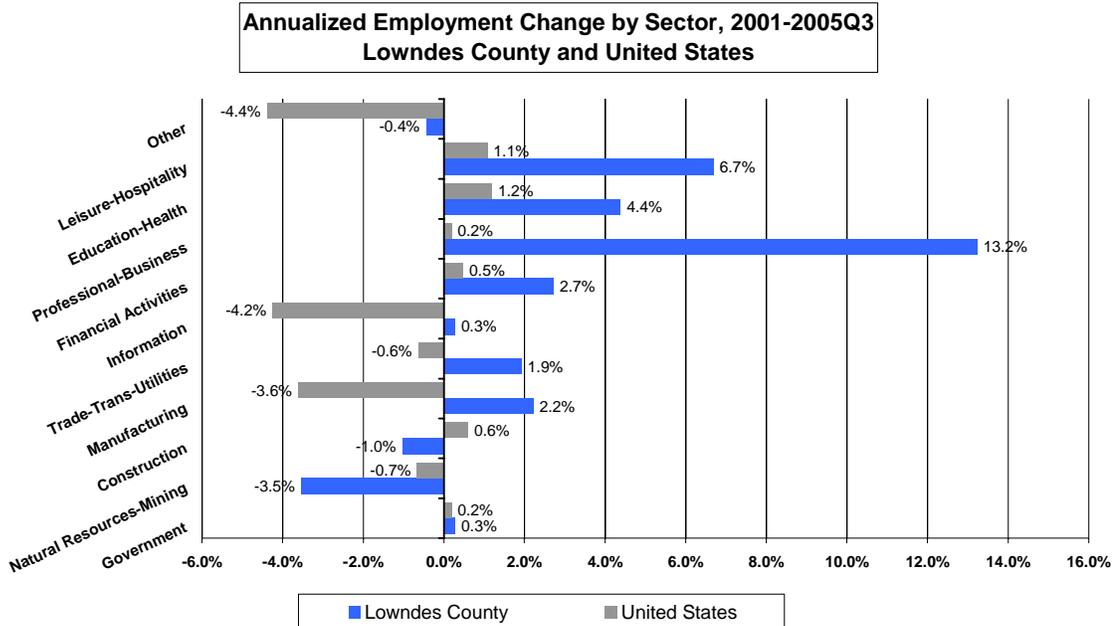


Table 6 Employment by Sector Change, Lowndes County 2001-2005



The largest employer in Lowndes County is Moody Air Force Base (Table 7). In fact, the 32,000 employees at Moody AFB accounts for two-thirds of the county's 2005 at-place employment (48,374). Other major employers include the regional medical center, public school systems, and local governments.

Moody Air Force Base will not be adversely impacted by the U.S. Department of Defense's Base Realignment and Closing (BRAC) of 2005. On the contrary the base will receive a net gain of 575 employees (670 new military and 95 fewer civilian employees).

Table 7 Top 10 Employers, Lowndes County

Rank	NAME	Employment
1	Moody Air Force Base	32,000
2	South Georgia Medical Center	2,350
3	Valdosta State University	1,460
4	Lowndes County School System	1,069
5	Valdosta City School System	950
6	Convergys Corp.	676
7	City of Valdosta	773
8	Lowndes County	500
9	Lowe's Distribution Center	500
10	Roadway Express	480
11	Packaging Corp. of America	359
12	Dillard's Distribution Center	350

Source: Valdosta-Lowndes Chamber of Commerce.

Map 4 Major Employers



The labor force in Lowndes County has increased each year since 1990. Overall, the county experienced a net labor force increase of 16,371 or 47.9 percent between 1990 and 2005. The labor force increased by an additional 1,100 during the first quarter of 2006 (Table 8).

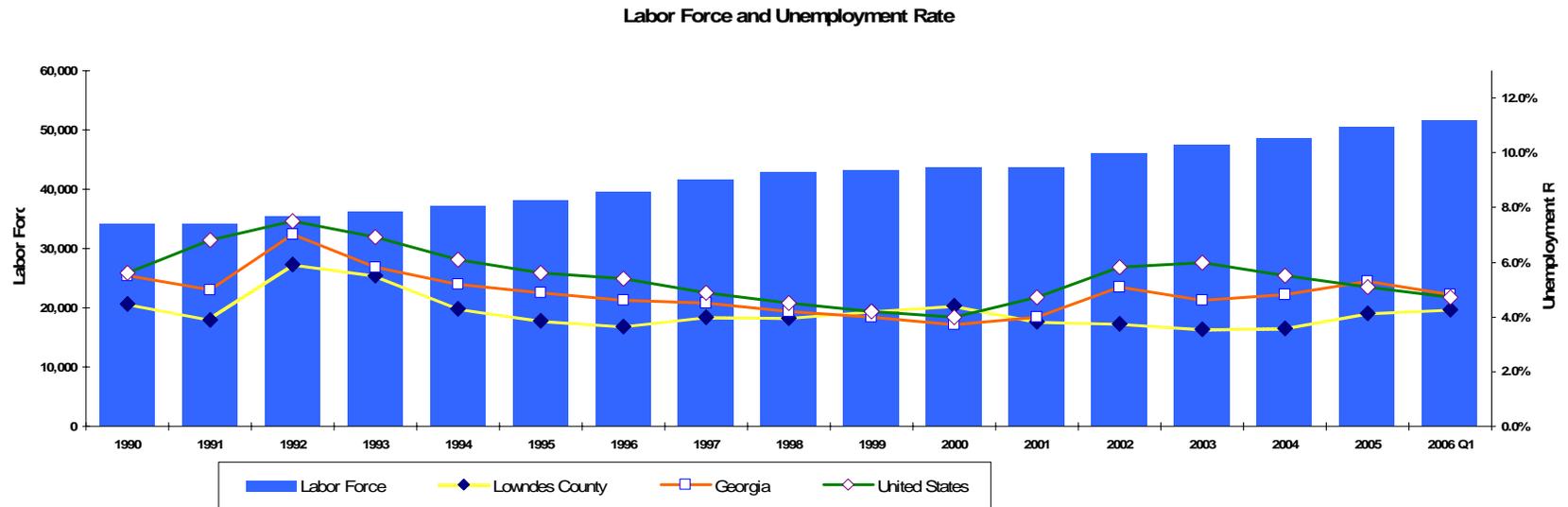
The unemployment rate in Lowndes County has historically been lower than the state rate while following similar trends. Over the past four years, the county's unemployment rate has remained about one percentage point below the state figure. The unemployment rate has increased each of the past three years, but remains a very healthy 4.1 percent (Table 8), well below state and national levels.

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

Table 8 Labor Force and Unemployment Rates, Lowndes County

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006 Q1
Labor Force	34,129	34,180	35,461	36,152	37,093	38,118	39,468	41,629	42,778	43,211	43,640	43,664	45,959	47,517	48,634	50,501	51,636
Employment	32,602	32,850	33,360	34,159	35,497	36,650	38,033	39,968	41,081	41,399	41,726	41,992	44,237	45,834	46,888	48,411	49,432
Unemployment	1,527	1,330	2,101	1,993	1,596	1,468	1,435	1,661	1,697	1,812	1,914	1,672	1,722	1,683	1,746	2,090	2,204
Unemployment Rate																	
Lowndes County	4.5%	3.9%	5.9%	5.5%	4.3%	3.9%	3.6%	4.0%	4.0%	4.2%	4.4%	3.8%	3.7%	3.5%	3.6%	4.1%	4.3%
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. Growth Trends

The population and household statistics for the primary market area and Lowndes County 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 remained virtually unchanged between 1990 and 2000 with a net loss of 23 persons. By comparison, Lowndes County's population increased 21.2 percent during the same time period. From 2000 to 2005, the total population in the primary market area is estimated to have decreased by 235 or 0.8 percent. Lowndes County's population increased by 4.3 percent or 3,954 people during the same five-year time period.

Despite population loss, the PMA gained 488 households between the 1990 and 2000 Census counts, while Lowndes County grew by 6,343 households (Table 9). These changes equate to a 4.4 percent increase in the primary market area and a 24.1 percent increase in Lowndes County. The annual compounded rates of household growth were 0.4 percent in the PMA and 2.2 percent in Lowndes County.

Estimates show that the PMA's household count increased by 47 or 0.4 percent between 2000 and 2005 compared to an increase of 1,917 households or 5.9 percent in Lowndes County. Annual increases were estimated at 9 households or 0.1 percent in the primary market area and 383 households or 1.1 percent in Lowndes County.

Recent population and household trends are projected to continue through 2010. The average household size has decreased since 1990 in both the primary market area and Lowndes County. The market area's households are smaller than the county's, on average.

Table 9 Trends in Population and Households, PMA and Lowndes County

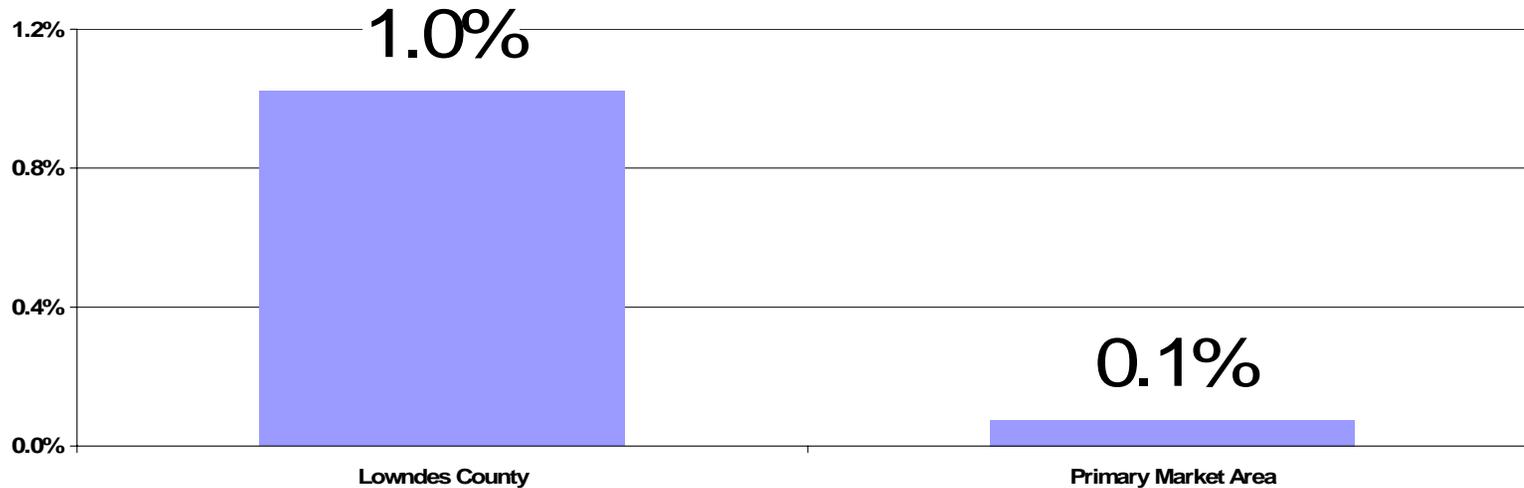
Lowndes County					Change 1990 to 2000				Change 2000 to 2005				Change 2005 to 2010			
					Total		Annual		Total		Annual		Total		Annual	
	1990	2000	2005	2010	#	%	#	%	#	%	#	%	#	%	#	%
Population	75,981	92,115	96,069	100,061	16,134	21.2%	1,613	1.9%	3,954	4.3%	791	0.8%	3,992	4.2%	798	0.8%
Group Quarters	4,331	6,824	6,925	7,031												
Households	26,311	32,654	34,571	36,375	6,343	24.1%	634	2.2%	1,917	5.9%	383	1.1%	1,804	5.2%	361	1.0%
Average HH Size	2.72	2.61	2.58	2.56												

Primary Market Area					Change 1990 to 2000				Change 2000 to 2005				Change 2005 to 2010			
					Total		Annual		Total		Annual		Total		Annual	
	1990	2000	2005	2010	#	%	#	%	#	%	#	%	#	%	#	%
Population	31,329	31,306	31,071	30,919	-23	-0.1%	-2	0.0%	-235	-0.8%	-47	-0.2%	-152	-0.5%	-30	-0.1%
Group Quarters	1,823	2,075	2,144	2,176												
Households	11,071	11,559	11,606	11,649	488	4.4%	49	0.4%	47	0.4%	9	0.1%	43	0.4%	9	0.1%
Average HH Size	2.67	2.53	2.49	2.47												

Note: Annual change is compounded rate.

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

Annual Household Growth Rate 2005-2010

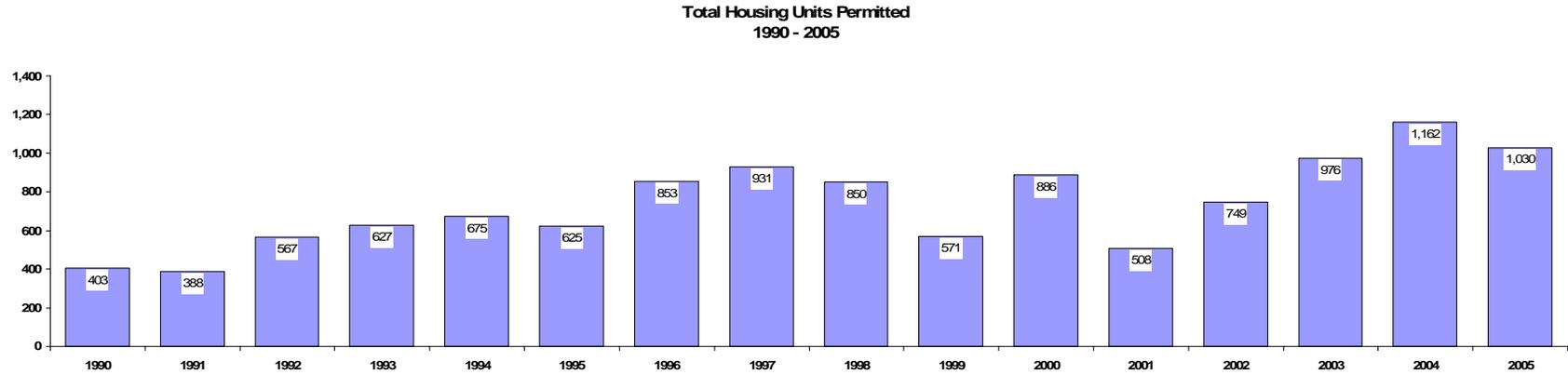


Local building permit activity is another measure of growth in a geographic area. Permit data reported in the U.S. Census Bureau's C-40 Report indicate cyclical permit activity in Lowndes County since 1990. The county experienced peaks in permit activity in 1997, 2000, and 2004. On the average, 738 residential units were granted permits annually between 1990 and 2005 (Table 10). More than 950 units were permitted during three of the past four years.

Table 10 Lowndes County Building Permits, 1990 - 2005

Lowndes County	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	1990-2005	Annual
Single Family	350	272	535	552	600	577	709	614	588	539	501	486	585	719	787	917	9,331	583
Two Family	4	4	20	26	28	28	40	14	16	2	8	0	8	8	12	44	262	16
3 - 4 Family	0	16	12	24	6	0	0	26	6	7	4	3	0	0	0	3	107	7
5 or more Family	49	96	0	25	41	20	104	277	240	23	373	19	156	249	363	66	2,101	131
Total	403	388	567	627	675	625	853	931	850	571	886	508	749	976	1,162	1,030	11,801	738

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



C. Demographic Characteristics

The 2000 Census population distribution by age indicates that the primary market area is impacted to a large degree by the proximity of Valdosta State University and Moody Air Force Base. Each of these establishments influences the 18-24 age bracket. The primary market area had 19.9 percent of its population within this range, compared to 15.9 percent in the county. In addition to this young adult bracket, the primary market area had a higher percentage of children under 10 and seniors age 70 and older (Table 11). Lowndes County had a higher percentage in each age classification between the ages of 25 and 68 years.

In terms of household types (Table 12), the marriage rate of 32.4 percent in the primary market area is well below the county's marriage rate of 48.5 percent. Despite the much lower marriage rate, the primary market has the same percentage of household with children as Lowndes County, 35.3 percent. Nearly half (47 percent) of the PMA's households with children are single-parent households, compared to one-third of county households. The primary market area has larger percentages of single person households and non-married households without children.

Table 11 2000 Age Distribution

	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
Under 10 years	13,395	14.5%	4,739	15.1%
10-17 years	10,739	11.7%	3,536	11.3%
18-24 years	13,900	15.1%	6,229	19.9%
25-34 years	14,642	15.9%	4,427	14.1%
35-44 years	14,168	15.4%	3,838	12.3%
45-54 years	10,466	11.4%	3,297	10.5%
55-61 years	4,813	5.2%	1,557	5.0%
62-64 years	1,721	1.9%	566	1.8%
65-69 years	2,550	2.8%	859	2.7%
70-74 years	2,063	2.2%	831	2.7%
75 and older	3,658	4.0%	1,427	4.6%
TOTAL	92,115	100.0%	31,306	100.0%

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

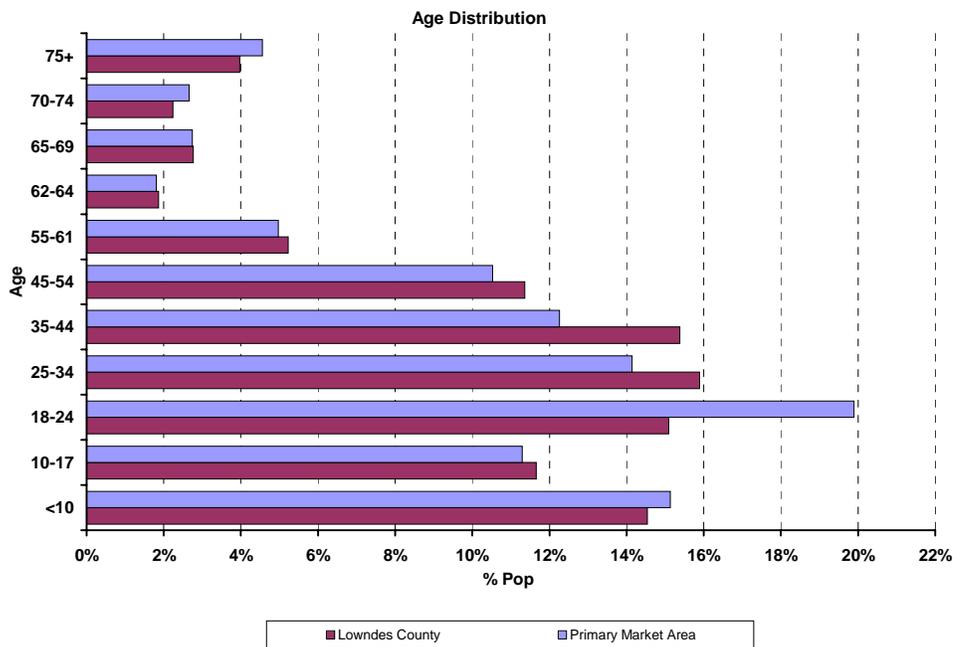
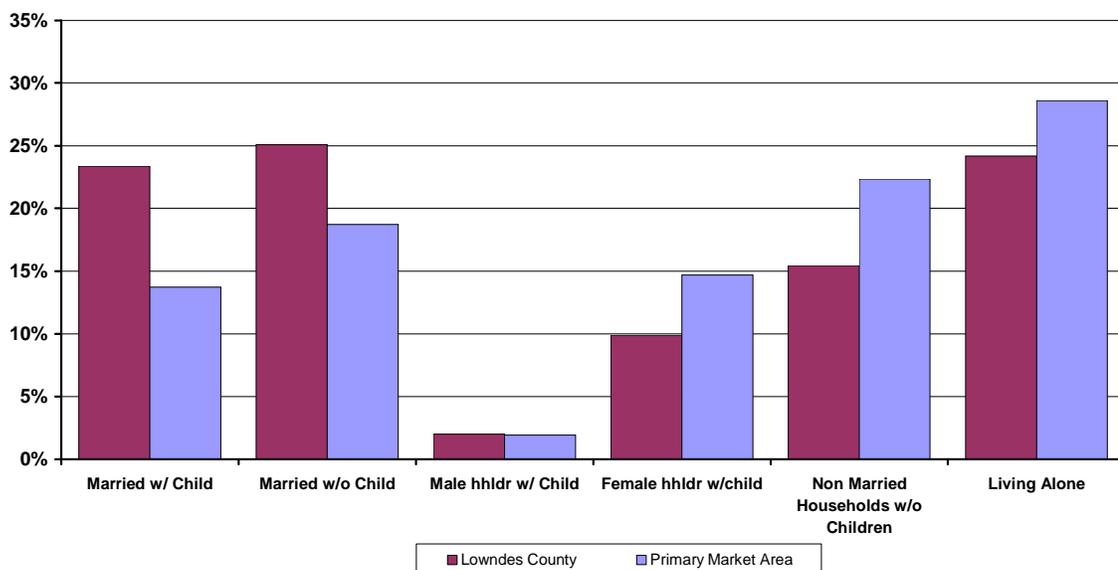


Table 12 2000 Households by Household Type

	Lowndes County		Primary Market Area	
	#	%	#	%
Married w/ Child	7,632	23.4%	1,586	13.7%
Married w/o Child	8,194	25.1%	2,164	18.7%
Male hhldr w/ Child	655	2.0%	223	1.9%
Female hhldr w/child	3,233	9.9%	1,698	14.7%
Non Married Households w/o Children	5,046	15.5%	2,583	22.3%
Living Alone	7,894	24.2%	3,305	28.6%
Total	32,654	100.0%	11,559	100.0%

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

Households by Household Type



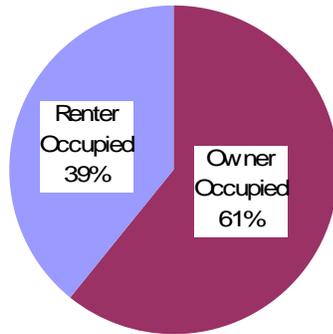
More than the half of the occupied housing units in the primary market area is rented. In 2000, 55 percent of the householders in the PMA were renters (Table 13). In comparison, 39.2 percent of Lowndes County householders rented.

Table 13 Dwelling Units by Occupancy Status

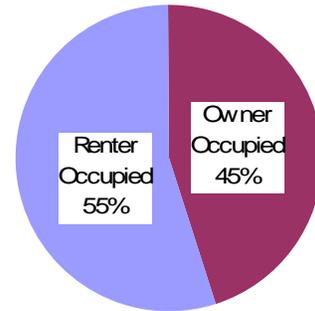
2000 Households	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
Owner Occupied	19,865	60.8%	5,207	45.0%
Renter Occupied	12,789	39.2%	6,352	55.0%
Total Occupied	32,654	100.0%	11,559	100.0%
Total Vacant	3,897		1,767	
TOTAL UNITS	36,551		13,326	

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

Lowndes County



Primary Market Area



Comparing the age of householders shows a disparity among owner and renter households. The primary market area has a higher percentage of its owner householders in each age classification age 55+. Among renter householders, the primary market area has a higher percentage under age 25 between age 45 and 64 (Table 14).

Table 14 2000 Households by Tenure & Age of Householder

Owner Households	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	495	2.5%	99	1.9%
25-34 years	2,915	14.7%	570	10.9%
35-44 years	4,645	23.4%	888	17.1%
45-54 years	4,300	21.6%	1,089	20.9%
55-64 years	3,156	15.9%	903	17.3%
65-74 years	2,538	12.8%	876	16.8%
75 to 84 years	1,465	7.4%	618	11.9%
85+ years	351	1.8%	164	3.1%
Total	19,865	100%	5,207	100%

Renter Households	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
Age of HHldr				
15-24 years	3,083	24.1%	1,627	25.6%
25-34 years	3,706	29.0%	1,727	27.2%
35-44 years	2,539	19.9%	1,178	18.5%
45-54 years	1,521	11.9%	827	13.0%
55-64 years	780	6.1%	436	6.9%
65-74 years	546	4.3%	304	4.8%
75 to 84 years	432	3.4%	186	2.9%
85+ years	182	1.4%	67	1.1%
Total	12,789	100%	6,352	100%

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

According to 2000 census data, over half of the renter households in both the primary market area (58.3 percent) and Lowndes County (58.7 percent) have either one or two persons (Table 15). Three person households account for 18-19 percent of all renter households. Nearly one-quarter (23.5 percent) of primary market area renter households have four or more persons, compared to 21.8 percent in the county.

Table 15 2000 Household Size, Renter Households

Renter Occupied	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
1-person household	3,924	30.7%	1,879	29.6%
2-person household	3,585	28.0%	1,819	28.7%
3-person household	2,483	19.4%	1,151	18.2%
4-person household	1,494	11.7%	748	11.8%
5-person household	914	7.1%	464	7.3%
6-person household	268	2.1%	182	2.9%
7-or-more-person household	121	0.9%	96	1.5%
TOTAL	12,789	100.0%	6,339	100.0%

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

D. Income Characteristics

Based on Claritas projections, the 2005 median income for all households living in the primary market area was \$24,469, \$12,179 or 33.2 percent lower than the Lowndes County median of \$36,648 (Table 16). The primary market area has a higher percentage of its householders earning less than \$25,000. Lowndes County has an equal or higher percentage in each income classification above \$25,000. The lower median income in the primary market area is due in part to the much higher renter percentage, as renters generally earn less than owners.

Based on Claritas income projections, the relationship between owner and renter incomes as recorded in the 2000 Census, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the primary market area as of 2005 is \$17,964, less than half of the owner household median of \$37,965 (Table 17). Over 64 percent of renter households earn less than \$25,000, compared to only 34 percent of owner households.

Table 16 2005 Income Distribution, PMA and Lowndes County.

		Lowndes County		Primary Market Area	
		Number	Percent	Number	Percent
less than	\$20,000	9,462	27.4%	4,894	42.2%
	\$20,000	2,447	7.1%	1,017	8.8%
	\$25,000	2,369	6.9%	770	6.6%
	\$30,000	2,284	6.6%	770	6.6%
	\$35,000	2,094	6.1%	662	5.7%
	\$40,000	1,495	4.3%	485	4.2%
	\$45,000	1,823	5.3%	561	4.8%
	\$50,000	3,059	8.8%	708	6.1%
	\$60,000	3,085	8.9%	721	6.2%
	\$75,000	3,028	8.8%	534	4.6%
	\$100,000	1,572	4.5%	198	1.7%
	\$125,000	712	2.1%	81	0.7%
	\$150,000	540	1.6%	74	0.6%
	\$200,000	601	1.7%	131	1.1%
	over				
Total		34,571	100.0%	11,606	100.0%
Median Income		\$36,648		\$24,469	

Source: Claritas, Inc,

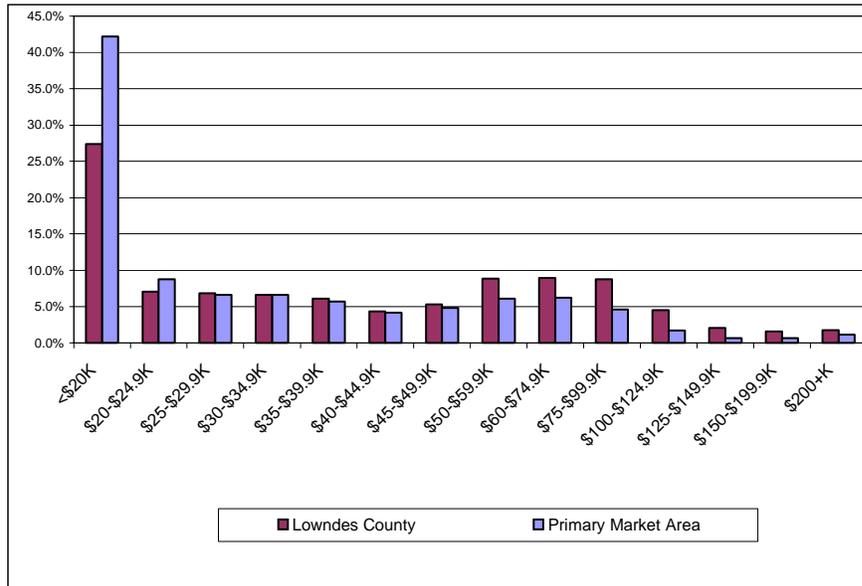


Table 17 2005 Income by Tenure, PMA

		Renter Household		Owner Households	
		<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
less than	\$25,000	4,132	64.8%	1,779	34.0%
	\$25,000	463	7.3%	307	5.9%
	\$30,000	463	7.3%	307	5.9%
	\$35,000	289	4.5%	373	7.1%
	\$40,000	212	3.3%	273	5.2%
	\$45,000	245	3.8%	316	6.0%
	\$50,000	185	2.9%	523	10.0%
	\$60,000	188	3.0%	533	10.2%
	\$75,000	112	1.8%	422	8.1%
	\$100,000	36	0.6%	162	3.1%
	\$125,000	15	0.2%	66	1.3%
	\$150,000	14	0.2%	60	1.2%
	\$200,000 over	24	0.4%	107	2.0%
Total		6,378	100.0%	5,228	100.0%
Median Income		\$17,964		\$37,965	

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

V. Supply Analysis

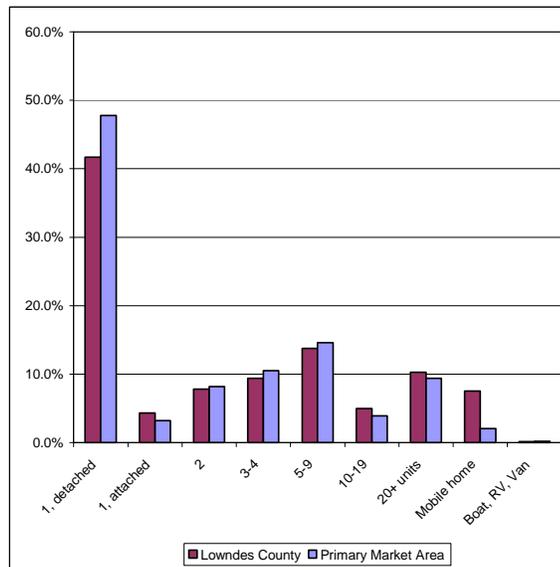
A. Area Housing Stock

Rental development in the primary market area is less dense than in Lowndes County (Table 18). The primary market area has a higher percentage of its rental units in single-family detached homes and structures with 3-9 units. Lowndes County has a higher percentage of townhomes, duplexes, mobile homes, and structures with 10 or more units. Structures with five or more units account for 27.9 percent of the rental units in the primary market area and 29.1 percent of the county's rental units.

Table 18 2000 Renter Households by Number of Units

Renter Occupied	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
1, detached	5,332	41.7%	3,029	47.8%
1, attached	555	4.3%	205	3.2%
2	1,002	7.8%	520	8.2%
3-4	1,201	9.4%	668	10.5%
5-9	1,764	13.8%	927	14.6%
10-19	635	5.0%	250	3.9%
20+ units	1,317	10.3%	595	9.4%
Mobile home	965	7.5%	132	2.1%
Boat, RV, Van	18	0.1%	13	0.2%
TOTAL	12,789	100.0%	6,339	100.0%

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



The rent distribution from the 2000 Census shows that the median rent is \$346 in the primary market area and \$387 in Lowndes County (Table 19). According to this distribution, 36.2 percent of renter householders in the primary market area paid a monthly contract rent between \$400 and \$700, which is the general range of proposed rents at Lincoln Heights. Over 60 percent of the renters in the primary market area paid less than \$400 for rent.

The median year built among owner occupied housing units is 1972 in the primary market area and 1977 in Lowndes County. The median year built among renter occupied households is 1964 for the primary market area and 1981 for Lowndes County. According to the 2000 Census, only 10.6 percent of the rental units in the primary market area and 32.3 percent of Lowndes County's rental units were built between 1990 and 2000.

Table 19 2000 Census Rent Distribution.

	Lowndes County		Primary Market Area	
	Number	Percent	Number	Percent
Less than \$400	6,258	53.1%	3,818	63.1%
\$400 to \$499	2,390	20.3%	1,239	20.5%
\$500 to \$599	1,354	11.5%	458	7.6%
\$600 to \$699	902	7.7%	300	5.0%
\$700 to \$799	495	4.2%	186	3.1%
\$800 to \$899	124	1.1%	21	0.3%
\$900 to \$999	81	0.7%	6	0.1%
\$1,000 to \$1,249	102	0.9%	14	0.2%
\$1,250 and over	79	0.7%	7	0.1%
TOTAL	11,785	100.0%	6,049	100.0%
Median Rent	\$387		\$346	
Renters paying rent	11,785	93.0%	6,049	95.6%
No cash rent	887	7.0%	279	4.4%
Total Renters	12,672	100.0%	6,328	100.0%

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

Table 20 Year Property Built

Renter Occupied	Lowndes County		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	238	1.9%	117	1.8%
1995 to 1998	1,466	11.5%	469	7.4%
1990 to 1994	1,212	9.5%	359	5.7%
1980 to 1989	2,816	22.0%	1,143	18.0%
1970 to 1979	2,943	23.0%	1,441	22.7%
1960 to 1969	1,648	12.9%	930	14.7%
1950 to 1959	1,213	9.5%	906	14.3%
1940 to 1949	615	4.8%	504	8.0%
1939 or earlier	638	5.0%	470	7.4%
TOTAL	12,789	100.0%	6,339	100.0%
MEDIAN YEAR BUILT	1977		1972	

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

Owner Occupied	Lowndes County		Primary Market Area	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
1999 to 2000	767	3.9%	68	1.3%
1995 to 1998	3,175	16.0%	241	4.6%
1990 to 1994	2,454	12.4%	246	4.7%
1980 to 1989	3,959	19.9%	499	9.6%
1970 to 1979	3,672	18.5%	1,033	19.8%
1960 to 1969	2,436	12.3%	1,032	19.8%
1950 to 1959	1,911	9.6%	1,168	22.4%
1940 to 1949	691	3.5%	423	8.1%
1939 or earlier	800	4.0%	510	9.8%
TOTAL	19,865	100.0%	5,220	100.0%
MEDIAN YEAR BUILT	1981		1964	

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

B. Rental Market

As part of this analysis, Real Property Research Group, Inc. surveyed 13 rental communities in the primary market area. Of those communities, only three offer LIHTC units. The remaining 10 communities are market rate without rent or tenant income restrictions. A profile sheet of each community is attached as. The location of each community is shown on Map 5.

The 13 surveyed rental communities combine to offer 1,310 rental units (Table 21). Twelve communities offer all garden style units and one offers both garden and townhouse units. The average year built/renovated of the surveyed rental communities is 1992. Five of the communities have been constructed since 2000, including one of the LIHTC communities.

Among the 1,310 units surveyed, 23 were reported vacant for an overall vacancy rate of 1.8 percent. Two of the three LIHTC communities reported no vacancies and the third has a vacancy rate below five percent. Both of these communities are located in the northern portion of the market area near Valdosta State University. Leasing agents indicated the vacancies are higher than normal and a result of the summer season. Overall, the primary market area's rental market is strong. Indicative of a strong rental market, none of the surveyed properties are offering rental incentives.

Map 5 Competitive Rental Communities

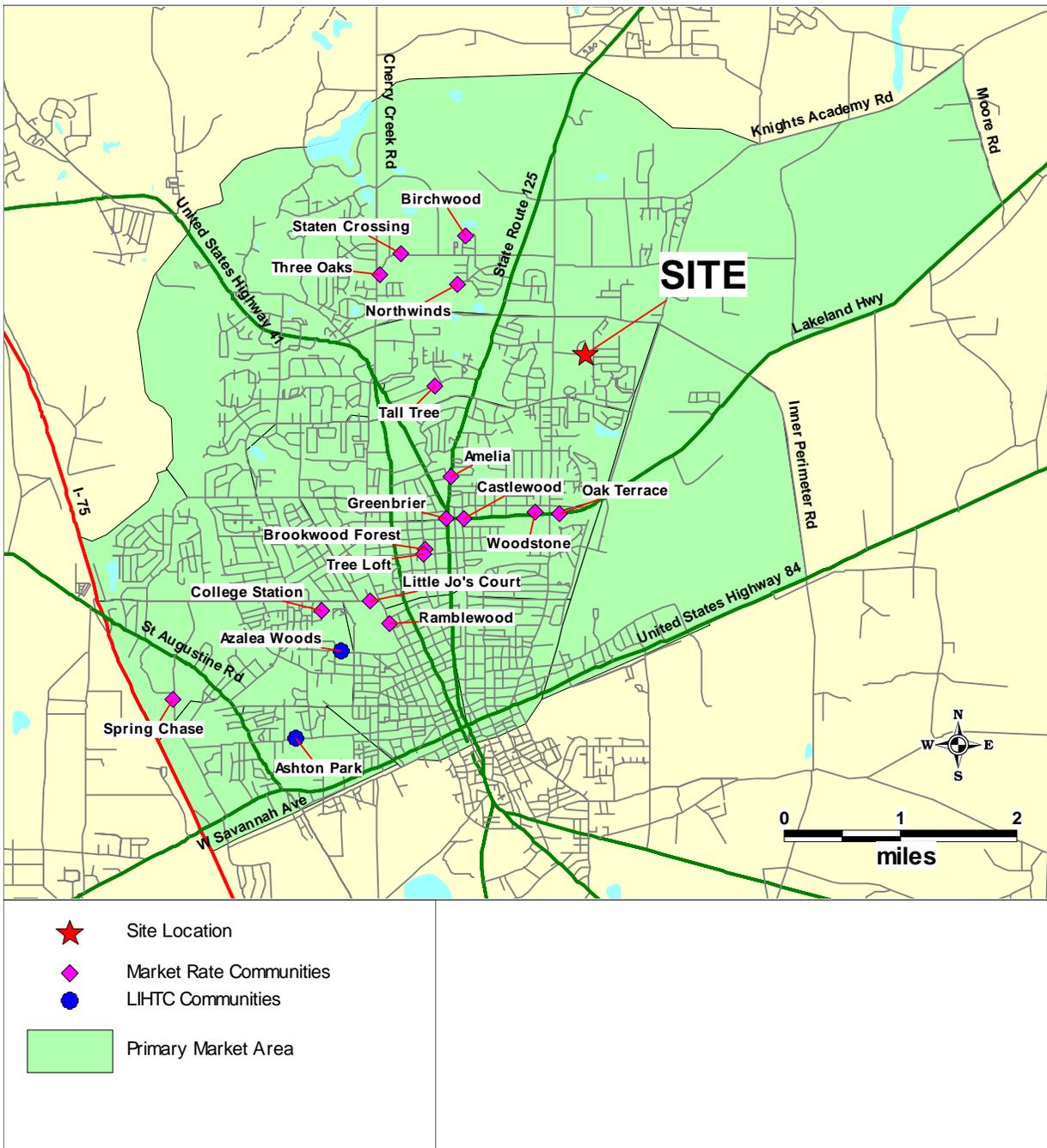


Table 21 Rental Summary, Survryed Rental Communities

Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Average 1BR Rent (1)	Average 2BR Rent (1)	Incentive
Subject Property - 30% AMI		Garden	9				\$225	
Subject Property - 50% AMI		Garden	48				\$429	
Subject Property - 60% AMI		Garden	2				\$429	
Subject Property - Market Rate		Garden	17				\$525	
Little Jo's Court	2001	Garden	24	0	0.0%		\$750	None
Spring Chase	1986	Garden	288	0	0.0%	\$551	\$653	None
College Station	2005	Garden	64	6	9.4%		\$650	None
Brookwood Forest	2005	Garden	56	7	12.5%		\$610	None
Castlewood	2006	Garden	64	0	0.0%	\$450	\$565	None
Woodstone	1976	Garden	305	0	0.0%	\$479	\$564	None
Oak Terrace	1983	Garden	80	1	1.3%	\$450	\$550	None
Ramblewood	1985	Garden	80	4	5.0%	\$450	\$543	None
Azalea Woods *	1983	Garden	81	0	0.0%	\$439	\$503	None
Brittany Woods *	2002	Garden	104	5	4.8%	\$338	\$400	None
Ashton Park *	1998	Garden	88	0	0.0%	\$340	\$399	None
Tree Loft	1996	Garden/TH	20	0	0.0%	\$520		None
Greenbrier	1970	Garden	56	0	0.0%	\$285		None
Total/Average	1992		1,310	23	1.8%	\$430	\$562	

(*) LIHTC Communities

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

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

Surveyed rental communities offer a wide range of common area amenities (Table 22). Amenities include community rooms (two properties), a swimming pool (eight properties), tennis courts (two properties), a fitness center (one property), and a playground (four properties). Three properties offer no recreational amenities, seven properties offer one or two amenities, and three properties offer three recreational amenities. The number of recreational amenities is generally proportionate to the rent level of the community. The proposed amenities at Lincoln Heights will position it directly competitive with the primary market area's top rental communities, an appropriate position given the proposed rents. The proposed project's amenities including a community room, a fitness room, a swimming pool, a computer room, and a playground will be matched only by higher priced market rate properties.

Table 22 Common Area Amenities of Surveyed Communities

Community	Community Amenities					
	Clubhouse	Fitness Room	Pool	Playground	Tennis	Computer Center
Subject Property	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Ashton Park	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Azalea Woods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brittany Woods	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brookwood Forest	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Castlewood	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
College Station	<input type="checkbox"/>					
Greenbrier	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Little Jo's Court	<input type="checkbox"/>					
Oak Terrace	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ramblewood	<input type="checkbox"/>					
Spring Chase	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tree Loft	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Woodstone	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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

The majority (9) of the 13 surveyed communities include the cost of water, sewer, and trash removal in the price of rent (Table 23). The remaining four communities include only the cost of trash removal. Dishwashers are present 11 of 13 surveyed communities and garbage disposals are included at most. The majority of the properties offer patios or balconies in most or all units. All of the communities include central laundry rooms and eight offer washer/dryer connections.

Among the 13 properties surveyed, one and two bedroom units are the most common as they are included at 11 properties. Three bedroom units are offered at eight of the properties. None of the properties offer four bedroom units. The unit breakdown at Lincoln Heights includes two, three, and four bedroom units, which will appeal to moderately sized to large families. The proposed four bedroom units will be priced at or

below many three bedroom units in the primary market. The proposed unit mix is comparable with the existing rental stock.

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 \$551 for a two bedroom unit and \$634 for a three bedroom unit. The average square footages are 929 and 1,182 for two and three bedroom units, respectively. The proposed two and three rents at Lincoln Heights are positioned below the overall average rents with larger square footages. The proposed LIHTC four bedroom units are priced below the overall three bedroom average rent. The proposed market rate four bedroom units are priced above the overall three bedroom average, but below three bedroom rents at comparable communities.

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. According to our adjustment calculations (Table 25), the market rents for the proposed units at Lincoln Heights are \$610 for a two bedroom unit, \$718 for a three bedroom unit, and \$811 for a four bedroom unit. Market advantages for the LIHTC units average 67 percent for the 30 percent units, 34 percent for the 50 percent units, and 28 for the 60 percent units. The proposed market rate rents at Lincoln Heights are 12 to 14 percent below the estimated market rent. The proposed rents appear reasonable and achievable.

Table 23 Features of Rental Communities in Primary Market Area

Community	Heat Type	Utilities included in Rent						Dishwasher	Microwave	Parking	In Unit Laundry	Storage
		Heat	Hot Water	Cooking	Electric	Water	Trash					
Subject Property	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	Standard - In Unit
Ashton Park	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups	Standard - In Unit
Azalea Woods	Natural Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking		
Brittany Woods	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking		Standard - In Unit
Brookwood Forest	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking		Standard - In Unit
Castlewood	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Select Units	
College Station	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	Standard - In Unit
Greenbrier	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Free Surface Parking		Standard - In Building
Little Jo's Court	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking		Standard - In Unit
Oak Terrace	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Select Units	
Ramblewood	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Standard	Standard	Free Surface Parking	Hook Ups	Standard - In Unit
Spring Chase	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	In Building/Fee
Tree Loft	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Select Units	Standard - In Unit
Woodstone	Electric	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Standard		Free Surface Parking	Hook Ups	

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

Table 24 Salient Characteristics, PMA Rental Communities

Community	Type	Total Units	One Bedroom Units			Two Bedroom Units			Three Bedroom Units			Four Bedroom Units						
			Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF	Units	Rent (1)	SF	Rent/SF
Subject Property - 30% AMI	Garden	9					2	\$225	1,000	\$0.23	3	\$250	1,200	\$0.21	4	\$260	1,350	\$0.19
Subject Property - 50% AMI	Garden	48					15	\$429	1,000	\$0.43	24	\$510	1,200	\$0.43	9	\$549	1,350	\$0.41
Subject Property - 60% AMI	Garden	2					1	\$429	1,000	\$0.43	1	\$525	1,200	\$0.44				
Subject Property - Market Rate	Garden	17					5	\$525	1,000	\$0.53	8	\$625	1,200	\$0.52	4	\$725	1,350	\$0.54
Little Jo's Court	Garden	24					24	\$756	1,000	\$0.76								
College Station	Garden	64					64	\$656	1,000	\$0.66								
Spring Chase	Garden	288	32	\$551	799	\$0.69	196	\$653	1,085	\$0.60	60	\$796	1,378	\$0.58				
Brookwood Forest	Garden	56					56	\$610	877	\$0.70								
Tree Loft	Garden/TH	20	8	\$520	700	\$0.74					12	\$840	1,500	\$0.56				
Castlewood	Garden	64		\$450	664	\$0.68		\$565	1,016	\$0.56		\$650	1,229	\$0.53				
Woodstone	Garden	305	64	\$479	550	\$0.87	218	\$564	937	\$0.60	23	\$710	1,230	\$0.58				
Ramblewood	Garden	80	64	\$460	576	\$0.80	16	\$554	864	\$0.64								
Oak Terrace	Garden	80	32	\$450	560	\$0.80	48	\$550	970	\$0.57								
Azalea Woods *	Garden	81	4	\$439			38	\$503			38	\$612						
Brittany Woods *	Garden	104	8	\$338	668	\$0.51	56	\$400	736	\$0.54	40	\$454	824	\$0.55				
Ashton Park * 60%	Garden	51	9	\$340	667	\$0.51	33	\$399	869	\$0.46	9	\$543	1,055	\$0.51				
Ashton Park * 50%	Garden	37	7	\$340	667	\$0.51	23	\$399	869	\$0.46	7	\$468	1,055	\$0.44				
Greenbrier	Garden	56	28	\$285														
Average / Total		1,310		\$423	650	\$0.65		\$551	929	\$0.59		\$634	1,182	\$0.54				
Unit Distribution		1,217	256				772				189							
% of Total		93%	21%				63%				16%							

(*) LIHTC Communities

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

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

Table 25 Adjusted Rent Comparison, Lincoln Heights

Rent Adjustment Analysis
Lincoln Heights

Two Bedroom Units

Project Name	Subject Site	Spring Chase	Castlewood	Woodstone
Total Units	80	288	64	305
Building Type	Garden	Garden	Garden	Garden
Street Rent	\$225, \$429, \$525	\$653	\$565	\$564
Adjustments				
		+	-	+
Year Built	2008	1986	2006	1976
Average Square Footage	1,000	1,085	1,016	937
		\$17	\$2	\$24
Utilities				
Rental Incentives/Specials				
Location				
Condition/Design/Appeal				
Amenities			\$10	\$5
Net Adjustment				
		-\$5	\$8	\$45
Market Rent	\$610	\$648	\$573	\$609
Market Advantage	14% to 63%			
Market Rent Per Sq. Foot	\$0.61			

Three Bedroom

Project Name	Subject Site	Spring Chase	Castlewood	Woodstone
Total Units	80	288	64	305
Building Type	Garden	Garden	Garden	Garden
Street Rent	\$250, \$510, \$525, \$625	\$796	\$650	\$710
Adjustments				
		+	-	+
Year Built	2008	1986	2006	1976
Average Square Footage	1,200	1,378	1,229	1,230
		\$17	\$2	\$24
Utilities				
Rental Incentives/Specials				
Location				
Condition/Design/Appeal				
Amenities			\$10	\$5
Net Adjustment				
		-\$28	\$4	\$22
Market Rent	\$718	\$768	\$654	\$732
Market Advantage	13% to 65%			
Market Rent Per Sq. Foot	\$0.60			

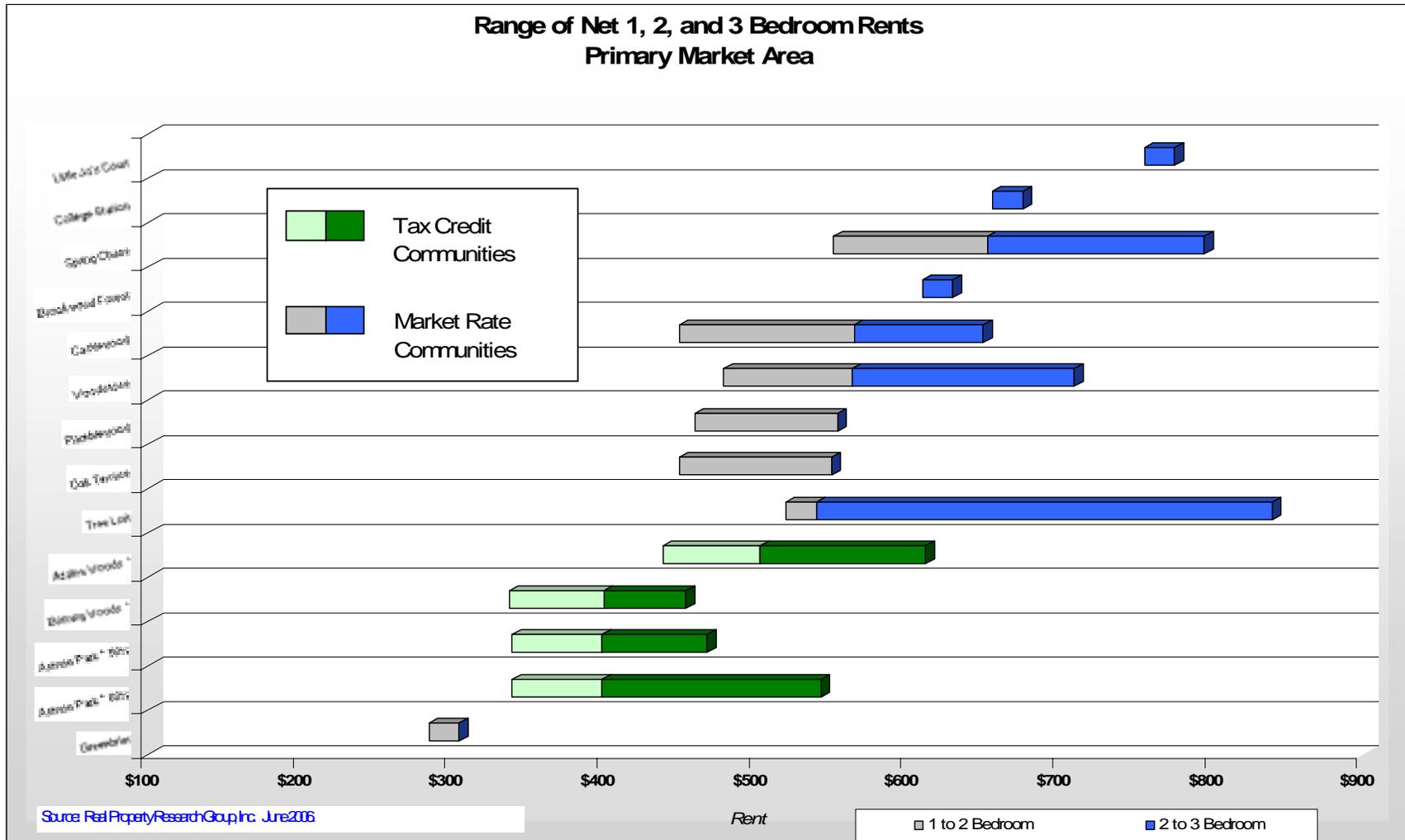
Four Bedroom

Project Name	Subject Site	Spring Chase	Castlewood	Woodstone
Total Units	80	288	64	305
Building Type	Garden	Garden	Garden	Garden
Street Rent	\$260, \$549, \$725	\$796	\$650	\$710
Adjustments				
		+	-	+
Year Built	2008	1986	2006	1976
Average Square Footage	1,350	1,506	1,326	1,236
		\$17	\$2	\$24
Utilities				
Bedroom Size				
Rental Incentives/Specials				
Location				
Condition/Design/Appeal				
Amenities			\$10	\$5
Net Adjustment				
		\$53	\$93	\$133
Market Rent	\$811	\$849	\$743	\$843
Market Advantage	12% to 73%			
Market Rent Per Sq. Foot	\$0.60			

Market Advantage Summary

Income Targeting	2BR Market Advantage	3BR Market Advantage	4BR Market Advantage
30 Percent LIHTC Units	63%	65%	73%
50 Percent LIHTC Units	30%	29%	42%
60 Percent LIHTC Units	30%	27%	
Market Rate Unit	14%	13%	12%

Figure 4 Range of Net Rents



As the figure on the preceding page illustrates, there are no breaks in the range of net rents in the primary market area. Price points are consistently covered by the existing rental stock. Classes of rental communities are not starkly defined in the primary market area. Tax credit units are among the lowest priced rental units in the primary market area, even those at 50 percent and 60 percent of the Area Median Income. The properties from Little Jo's Court to Spring Chase represent the top of the market with higher rents and more amenities/curb appeal.

C. Proposed Developments

According to the Valdosta Planning and Zoning Department, no new multi-family rental communities have been approved in the primary market area. A second phase of College Station is currently under construction. The units at this student-oriented community are expected to come on-line over the next six months. College Station offers all two bedroom units with rents more than \$100 above the proposed market rate rents at Lincoln Heights. This property will not compete with the units at Lincoln Heights.

VI. Findings and Conclusions

A. Findings

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

The subject property is a suitable location for rental housing

- Lincoln Heights Apartments is located in southern Valdosta, surrounded by moderate value single-family detached homes.
- Access to the property will be via Morningside Drive, which terminates at the subject property just west of Bunche Drive. Both Bunche and Morningside Drive are residential side streets with light traffic. Accessibility problems are not anticipated.
- Lincoln Heights Apartments is compatible with surrounding land uses. The subject property is bordered on three sides by single-family detached homes, most of which are of moderate value. Few multi-family rental communities are located within one-half mile of the subject site, but several are within one mile.
- Lincoln Heights will be located in residential neighborhood in southern Valdosta with numerous community amenities within one mile of the subject property including retail, public schools, and a public library.

Lowndes County has an established and growing economy with a stable outlook for future growth.

- Lowndes County's at place employment has experienced significant net growth since 1990. Overall, Lowndes County's at-place employment has increased by 16,651 or 52 percent since 1990.
- Spikes in employment growth were experienced between 1994 and 1998 and between 2002 and 2005. Remaining years achieved minimal employment increases.
- The trade-transportation-utilities and government sectors comprise a much larger percentage of Lowndes County's employment when compared to the national figures.

These two employment sectors account for 43.3 percent of the county job base compared to a 35.7 percent national figure.

- The largest employer in Lowndes County is Moody Air Force Base. In fact, the 32,000 employees at Moody AFB accounts for two-thirds of the county's 2005 at-place employment (48,374). Moody Air Force Base experienced a net increase in jobs through the U.S. Department of Defense's Base Realignment and Closing (BRAC) of 2005.
- Lowndes County's unemployment rate has increased each of the past three years, but remains a very healthy 4.1 percent, well below state and national levels.

As an established area of Lowndes County, the market area has not grown as fast as the county. While a minimal population loss was reported between 1990 and 2000, the primary market area is projected to experience household growth between 2000 and 2010.

- The primary market area's population remained virtually unchanged between 1900 and 2000 with a net loss of 23 persons. By comparison, Lowndes County's population increased 21.2 percent during the same time period. From 2000 to 2005, the total population in the primary market area is estimated to have decreased by 235 or 0.8 percent. Lowndes County's population increased by 4.3 percent or 3,954 people during the same five-year time period.
- Despite population loss, the PMA gained 488 households between the 1990 and 2000 Census counts, while Lowndes County grew by 6,343 households (Table 9). These changes equate to a 4.4 percent increase in the primary market area and a 24.1 percent increase in Lowndes County. The annual compounded rates of household growth were 0.4 percent in the PMA and 2.2 percent in Lowndes County.
- Estimates show that the PMA's household count increased by 47 or 0.4 percent between 2000 and 2005 compared to an increase of 1,917 households or 5.9 percent in Lowndes County. Annual increases were estimated at 9 households or 0.1 percent in the primary market area and 383 households or 1.1 percent in Lowndes County.
- Recent population and household trends are projected to continue through 2010. The average household size has decreased since 1990 in both the primary market area

and Lowndes County. The market area's households are smaller than the county's, on average.

The primary market area's households are generally younger and less affluent than Lowndes County.

- The 2000 Census population distribution by age indicates that the primary market area is influenced to a large degree by the proximity of Valdosta State University and Moody Air Force Base. Each of these establishments influences the 18-24 age bracket. The primary market area had 19.9 percent of its population within this range, compared to 15.9 percent in the county.
- In terms of household types (Table 12), the marriage rate of 32.4 percent in the primary market area is well below the county's marriage rate of 48.5 percent. Despite the much lower marriage rate, the primary market has the same percentage of household with children as Lowndes County, 35.3 percent. Nearly half (47 percent) of the PMA's households with children are single-parent households, compared to one-third of county households.
- More than the half of the occupied housing units in the primary market area is rented. In 2000, 55 percent of the householders in the PMA were renters. In comparison, 39.2 percent of Lowndes County householders rented.
- Based on Claritas projections, the 2005 median income for all households living in the primary market area was \$24,469, \$12,179 or 33.2 percent lower than the Lowndes County median of \$36,648. The primary market area has a higher percentage of its householders earning less than \$25,000. Lowndes County has an equal or higher percentage in each income classification above \$25,000.
- The median income of primary market area renter households of \$17,964 is less than half of the owner median of \$37,965. Over 64 percent of renter households earn less than \$25,000, compared to only 34 percent of owner households.

The rental stock in the primary market area includes a mixture of multi-family rental communities and less dense structures. A wide variety of property types and amenities are represented in the primary market area.

- The primary market area has a higher percentage of its rental units in single-family detached homes and structures with 3-9 units. Lowndes County has a higher percentage of townhomes, duplexes, mobile homes, and structures with 10 or more units. Structures with five or more units account for 27.9 percent of the rental units in the primary market area and 29.1 percent of the county's rental units.
- Among the 1,310 units surveyed, 23 were reported vacant for an overall vacancy rate of 1.8 percent. Two of the three LIHTC communities reported no vacancies and the third has a vacancy rate below five percent. Both of these communities are located in the northern portion of the market area near Valdosta State University. Leasing agents indicated the vacancies are higher than normal and a result of the summer season. Overall, the primary market area's rental market is strong.
- Among the 13 properties surveyed, one and two bedroom units are the most common as they are included at 11 properties. Three bedroom units are offered at eight of the properties. None of the properties offer four bedroom units. The unit breakdown at Lincoln Heights includes two, three, and four bedroom units, which will appeal to moderately sized to large families.
- The estimated market rents for the proposed units at Lincoln Heights are \$610 for a two bedroom unit, \$718 for a three bedroom unit, and \$811 for a four bedroom unit.
- The proposed LIHTC units are all priced at least 27 percent with the market advantage being much larger for the lower AMI units. The market advantage for the market rate units range from 12 to 14 percent for all unit types. 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 26). 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 that the average persons per bedroom be rounded to the nearest whole number. Therefore, instead of the standard of 1.5 persons per bedroom as outlined in Section 42 of the IRS code, we have assumed 2 persons for a one bedroom unit, 3 persons for two bedroom units, and 5 persons for three bedroom units.
- Using a 35 percent rent burden criteria, we determined that the gross one bedroom rent (\$331) for the 30 percent two bedroom units would be affordable to households earning a minimum of \$11,349, which includes 8,944 households in the primary market area.
- Based on the 2006 HUD income limits for households at 30 percent of median income, the maximum income allowed for a two bedroom unit (three person household) in this market would be \$13,290. We estimate that 8,476 households within the primary market area have incomes above that maximum.
- Subtracting the 8,476 households with incomes above the maximum income from the 8,944 households that could afford to rent this unit, we compute that 468 households are within the band of being able to afford the proposed rent. The proposed 4 thirty percent two bedroom units would require a capture rate of 0.9 percent of all qualified households. Among renter households, the capture rate for this floorplan is 1.1 percent.

- Using the same methodology, we determined the band of qualified 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 80 units, the project will need to absorb 1.4 percent of the 5,880 households that earn between \$11,349 and \$45,680 in the primary market area. For renter households, the 80 proposed units must capture 2.4 percent of the income qualified renter households.
- Affordability by floorplan indicates that there are a sufficient number of income-qualified households for all floorplans.

Table 26 2008 Affordability Analysis for Lincoln Heights.

	Two Bedroom Units			Three Bedroom Units			Four Bedroom Units					
30% Units	Base Price	Minimum	Maximum	Base Price	Minimum	Maximum	Base Price	Proposed	Maximum			
	Number of Units	4		Number of Units	7		Number of Units	2				
	Net Rent	\$225		Net Rent	\$250		Net Rent	\$260				
	Gross Rent	\$331		Gross Rent	\$379		Gross Rent	\$424				
	% Income Spent for Shelter	35%		% Income Spent for Shelter	35%		% Income for Shelter	35%				
	Income Range	\$11,349	\$13,290	Income Range	\$12,994	\$15,930	Income	\$14,537	\$17,130			
Range of Qualified Hslds	8,944	8,476	Range of Qualified Hslds	8,547	7,847	Band of Qualified Hslds	8,175	7,568				
# Qualified Households		468	# Qualified Households		700	# Qualified Households		607				
Unit Total HH Capture Rate		0.9%	Unit Total HH Capture Rate		1.0%	Unit Total HH Capture Rate		0.3%				
Range of Qualified Renters	4,153	3,800	Range of Qualified Renters	3,854	3,326	Range of Qualified Renters	3,573	3,116				
# Qualified RenterHouseholds		353	# Qualified RenterHouseholds		527	# Qualified RenterHouseholds		458				
Unit Renter HH Capture Rate		1.1%	Unit Renter HH Capture Rate		1.3%	Unit Renter HH Capture Rate		0.4%				
50% Units	Base Price	Minimum	Maximum	Base Price	Minimum	Maximum	Base Price	Proposed	Maximum			
	Number of Units	15		Number of Units	9		Number of Units	9				
	Net Rent	\$429		Net Rent	\$510		Net Rent	\$549				
	Gross Rent	\$535		Gross Rent	\$639		Gross Rent	\$713				
	% Income Spent for Shelter	35%		% Income Spent for Shelter	35%		% Income for Shelter	35%				
	Income Range	\$18,343	\$22,150	Income Range	\$21,909	\$26,550	Income	\$24,446	\$28,550			
Range of Qualified Hslds	7,286	6,463	Range of Qualified Hslds	6,512	5,633	Band of Qualified Hslds	5,997	5,309				
# Qualified Households		823	# Qualified Households		879	# Qualified Households		687				
Unit Total HH Capture Rate		1.8%	Unit Total HH Capture Rate		1.0%	Unit Capture Rate		1.3%				
Range of Qualified Renters	2,903	2,374	Range of Qualified Renters	2,401	1,920	Range of Qualified Renters	2,119	1,743				
# Qualified RenterHouseholds		529	# Qualified RenterHouseholds		480	# Qualified RenterHouseholds		376				
Unit Renter HH Capture Rate		2.8%	Unit Renter HH Capture Rate		1.9%	Unit Renter HH Capture Rate		2.4%				
60% Units	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum			
	Number of Units	1		Number of Units	1		Number of Units	1				
	Net Rent	\$429		Net Rent	\$525		Net Rent	\$654				
	Gross Rent	\$535		Gross Rent	\$654		Gross Rent	\$713				
	% Income for Shelter	35%		% Income for Shelter	35%		% Income for Shelter	35%				
	Income	\$18,343	\$26,580	Income	\$22,423	\$31,860	Income	\$24,446	\$31,860			
Range of Qualified Hslds	7,286	5,628	Range of Qualified Hslds	6,408	4,802	Range of Qualified Hslds	5,997	4,802				
# Qualified Households		1,657	# Qualified Households		1,606	# Qualified Households		1,606				
Unit Total HH Capture Rate		0.1%	Unit Total HH Capture Rate		0.1%	Unit Total HH Capture Rate		0.1%				
Range of Qualified Renters	2,903	1,917	Range of Qualified Renters	2,343	1,466	Range of Qualified Renters	2,119	1,437				
# Qualified RenterHouseholds		986	# Qualified RenterHouseholds		878	# Qualified RenterHouseholds		780				
Unit Renter HH Capture Rate		0.1%	Unit Renter HH Capture Rate		0.1%	Unit Renter HH Capture Rate		0.1%				
80% Units	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum	Base Price	Proposed	Maximum			
	Number of Units	5		Number of Units	8		Number of Units	4				
	Net Rent	\$525		Net Rent	\$625		Net Rent	\$725				
	Gross Rent	\$631		Gross Rent	\$754		Gross Rent	\$889				
	% Income for Shelter	35%		% Income for Shelter	35%		% Income for Shelter	35%				
	Income	\$21,634	\$35,440	Income	\$25,851	\$42,480	Income	\$30,480	\$45,680			
Range of Qualified Hslds	6,568	4,282	Range of Qualified Hslds	5,746	3,404	Band of Qualified Hslds	5,004	3,064				
# Qualified Households		2,286	# Qualified Households		2,342	# Qualified Households		1,940				
Unit Total HH Capture Rate		0.2%	Unit Total HH Capture Rate		0.3%	Unit Capture Rate		0.2%				
Range of Qualified Renters	2,431	1,195	Range of Qualified Renters	1,982	907	Range of Qualified Renters	1,576	796				
# Qualified RenterHouseholds		1,236	# Qualified RenterHouseholds		1,075	# Qualified RenterHouseholds		780				
Unit Renter HH Capture Rate		0.4%	Unit Renter HH Capture Rate		0.7%	Unit Renter HH Capture Rate		0.5%				
Gross Capture Rate by Income Group												
		Total Households				Renter Households						
Number of Units		Band of Qualified HHs		# Qualified HHs		Band of Qualified HHs		# Qualified HHs				
30% Units	13	Income HHs	\$11,349 \$17,130	8,944 7,568	1,376	0.9%	Capture Rate	\$11,349 \$17,130	4,153 3,116	1,037	1.3%	Capture Rate
50% Units	48	Income HHs	\$18,343 \$28,550	7,286 5,309	1,976	2.4%	Capture Rate	\$18,343 \$28,550	2,903 1,743	1,160	4.1%	Capture Rate
60% Units	2	Income HHs	\$18,343 \$31,860	7,286 4,802	2,484	0.1%	Capture Rate	\$18,343 \$31,860	2,903 1,466	1,437	0.1%	Capture Rate
80% Units	17	Income HHs	\$21,634 \$45,680	6,568 3,064	3,504	0.5%	Capture Rate	\$21,634 \$45,680	2,431 796	1,635	1.0%	Capture Rate
Total Units	80	Income HHs	\$11,349 \$45,680	8,944 3,064	5,880	1.4%	Capture Rate	\$11,349 \$45,680	4,153 796	3,357	2.4%	Capture Rate

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

D. DCA Demand Calculations

DCA's demand methodology consists of three 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 households in the primary market area that living in "substandard" conditions is 8.9 percent (Table 27).

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 final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to Census data, 41.1 percent of renter households are categorized as cost burdened. As the demand from this component is often overstated and includes households already counted as "substandard", we have assumed only two-thirds of the demand from cost burdened renters.

DCA requires that demand be calculated with several variations. Demand and capture rates are to be calculated for all low income units, all market rate units, on a floorplan basis, all units.

DCA considers units that have been constructed since the base year of the demand estimate (2000) to have an impact on the future demand for new development. For this reason, the units constructed since 1999 are subtracted from the gross demand estimate. Two such properties were identified in Lowndes County and are detailed in Table 28.

The overall capture rates are 7.6 percent for all LIHTC units, 2.9 percent for all market rate units, and 7.5 percent for all units (Table 31). Each of these capture rates is well below DCA threshold levels. Lincoln Heights will offer three bedroom sizes at four income levels, resulting in 12 individual capture rates by floorplan. Capture rates by floorplan range from 0.3 percent to 11.0 percent (Table 31), all of which are well below DCA's allowable levels.

As a large percentage of the units at Lincoln Heights will target large households, we have applied a household factor to the demand estimates by floorplan (Table 32). Although expectedly higher, these capture rates (0.5 percent to 42.9

percent) indicate sufficient larger renter households to support the proposed units at Lincoln Heights.

Table 27 Cost Burdened and Substandard Calculation

Rent Cost Burden			Substandardness	
Total Households			Total Households	
Less than 10.0 percent	316	5.0%	Owner occupied:	
10.0 to 14.9 percent	799	12.6%	Complete plumbing facilities:	5,137
15.0 to 19.9 percent	620	9.8%	1.00 or less occupants per room	4,986
20.0 to 24.9 percent	684	10.8%	1.01 or more occupants per room	151
25.0 to 29.9 percent	579	9.1%	Lacking complete plumbing facilities:	64
30.0 to 34.9 percent	398	6.3%	Overcrowded or lacking plumbing	215
35.0 to 39.9 percent	335	5.3%	Renter occupied:	
40.0 to 49.9 percent	509	8.0%	Complete plumbing facilities:	6,017
50.0 percent or more	1,525	24.1%	1.00 or less occupants per room	5,714
Not computed	563	8.9%	1.01 or more occupants per room	303
Total	6,328	100.0%	Lacking complete plumbing facilities:	256
			Overcrowded or lacking plumbing	559
> 35% income on rent	2,369	41.1%	Substandard Housing	774
			% Total Stock Substandard	6.75%
			% Rental Stock Substandard	8.91%

Source: 2000 U.S. Census

Table 28 Recent and Pipeline Units

Community	Total Units	30% Units			50% Units			60% Units		
		1-Br	2-Br	3-Br	1-Br	2-Br	3-Br	1-Br	2-Br	3-Br
Ashton Meadows	80				46	20		10	4	
Heron Lake I	71	2	5	2	10	29	15	1	5	2
Total	151	2	5	2	56	49	15	11	9	2

Table 29 Overall Demand Estimates

Primary Market Area Demand	LIHTC Units	Market Rate Units	Total Units
Substandard Households	566	566	566
Renter Household Growth	35	35	35
Cost Burdened Renter HH's	1,740	1,740	1,740
Total Demand	2,341	2,341	2,341
% Income Qualified	42.0%	25.6%	52.5%
Income Qualified Demand	984	599	1,229
Recent and Pipeline	151	0	151
Net Income Qualified Demand	833	599	1,078
Units in Subject Property	63	17	80
Capture Rate	7.6%	2.8%	7.4%

Table 30 Detailed Gross Demand Estimates

Demand from Substandard Households

2000 Households		Substandard Percentage		2000 Substandard Households
11,559	times	8.91%	equals	1,030
2000 Substandard Households		% of Renters Per Census		2000 Substandard Renter Households
1,030	times	54.95%	equals	566

Demand from Household Growth

2007 Households		2000 Households		Household Change
11,623	minus	11,559	equals	64
Household Change		% of Renters Per Census		Renter Household Change
64	times	54.95%	equals	35

Demand from Cost Burdened Renters

2000 Households		% of Renters Per Census		2000 Renter Households
11,559	times	54.95%	equals	6,352
2000 Renter Households		% Cost Burdened		2000 Cost Burdened Renter Households
6,352	times	41.09%	equals	2,610
2000 Cost Burdened Renter Households		% Considered Likely As Demand		Likely Demand from Cost Burdened
2,610	times	66.66%	equals	1,740

E. DCA Estimates and Capture Rates by Floorplan and Income

Table 31 Demand Estimates and Capture Rates by Floorplan and Income Level

	LIHTC (30% AMI) Units		
	2-BR	3-BR	4-BR
Substandard Households	544	544	544
Renter Household Growth	35	35	35
Cost Burdened Households	1,740	1,740	1,740
Total Demand	2,319	2,319	2,319
% Income Qualified	5.5%	8.3%	7.2%
Income Qualified Demand	128	191	166
Recent and Pipeline	2	5	2
Net Demand	126	186	164
Proposed Units	4	7	2
Capture Rate	3.2%	3.8%	1.2%

	LIHTC (50% AMI) Units		
	2-BR	3-BR	4-BR
Substandard Households	544	544	544
Renter Household Growth	35	35	35
Cost Burdened Households	1,740	1,740	1,740
Total Demand	2,319	2,319	2,319
% Income Qualified	8.3%	7.5%	5.9%
Income Qualified Demand	192	174	136
Recent and Pipeline	56	49	15
Net Demand	136	125	121
Proposed Units	15	9	9
Capture Rate	11.0%	7.2%	7.4%

	LIHTC (60% AMI) Units	
	2-BR	3-BR
Substandard Households	544	544
Renter Household Growth	35	35
Cost Burdened Households	1,740	1,740
Total Demand	2,319	2,319
% Income Qualified	15.4%	13.7%
Income Qualified Demand	358	318
Recent and Pipeline	11	9
Net Demand	347	309
Proposed Units	1	1
Capture Rate	0.3%	0.3%

	Market Rate Units		
	2-BR	3-BR	4-BR
Substandard Households	544	544	544
Renter Household Growth	35	35	35
Cost Burdened Households	1,740	1,740	1,740
Total Demand	2,319	2,319	2,319
% Income Qualified	19.3%	16.8%	12.2%
Income Qualified Demand	449	390	283
Recent and Pipeline	0	0	0
Net Demand	449	390	283
Proposed Units	5	8	4
Capture Rate	1.1%	2.1%	1.4%

Table 32 Demand by Floorplan and Income Level with HH Size

Demand with HH Size Factor

	LIHTC (30% AMI) Units			Household Sizes	
	2-BR	3-BR	4-BR	Bedrooms	Persons
Substandard Households	544	544	544	2	2-4
Renter Household Growth	35	35	35	3	3-6
Cost Burdened Households	1,740	1,740	1,740	4	4+
Total Demand	2,319	2,319	2,319		
HH Size Factor	58.7%	40.1%	23.5%		
% Income Qualified	5.5%	8.3%	7.2%		
Income Qualified Demand	75	77	39		
Recent and Pipeline	2	5	2		
Net Demand	73	72	37		
Proposed Units	4	7	2		
Capture Rate	5.5%	9.7%	5.4%		

	LIHTC (50% AMI) Units		
	2-BR	3-BR	4-BR
Substandard Households	544	544	544
Renter Household Growth	35	35	35
Cost Burdened Households	1,740	1,740	1,740
Total Demand	2,319	2,319	2,319
HH Size Factor	58.7%	40.1%	23.5%
% Income Qualified	8.3%	7.5%	5.9%
Income Qualified Demand	113	70	32
Recent and Pipeline	56	49	15
Net Demand	57	21	17
Proposed Units	15	9	9
Capture Rate	26.5%	42.9%	52.8%

	LIHTC (60% AMI) Units	
	2-BR	3-BR
Substandard Households	544	544
Renter Household Growth	35	35
Cost Burdened Households	1,740	1,740
Total Demand	2,319	2,319
HH Size Factor	58.7%	40.1%
% Income Qualified	15.4%	13.7%
Income Qualified Demand	210	128
Recent and Pipeline	11	9
Net Demand	199	119
Proposed Units	1	1
Capture Rate	0.5%	0.8%

	Market Rate Units		
	2-BR	3-BR	4-BR
Substandard Households	544	544	544
Renter Household Growth	35	35	35
Cost Burdened Households	1,740	1,740	1,740
Total Demand	2,319	2,319	2,319
HH Size Factor	58.7%	40.1%	23.5%
% Income Qualified	19.3%	16.8%	12.2%
Income Qualified Demand	263	157	67
Recent and Pipeline	0	0	0
Net Demand	263	157	67
Proposed Units	5	8	4
Capture Rate	1.9%	5.1%	6.0%

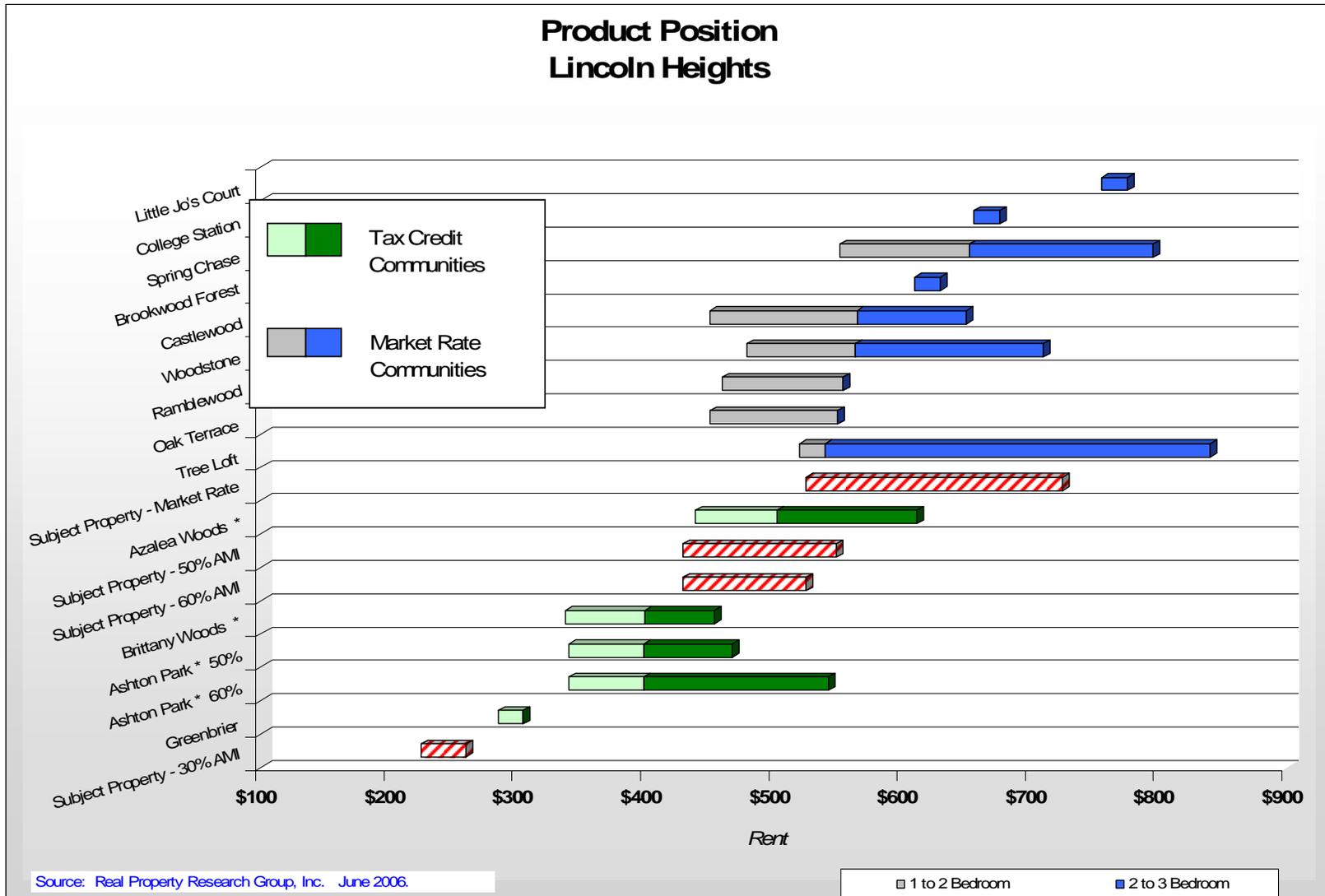
F. Project Feasibility

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

- **Community Design:** Lincoln Heights will be one of the more attractive rental communities in southern Valdosta. The proposed building and community design is very competitive with surveyed rental communities.
- **Location:** The subject property is located in an established residential portion of southern Valdosta. The subject property is convenient to shopping, education, health care, and area traffic arteries.
- **Amenities:** The proposed Lincoln Heights will offer competitive amenities. The proposed amenities are equal to or greater than nearly all of the primary market area's rental communities, including several at higher price points.
- **Unit Mix:** The unit mix distribution of the 80 units at Lincoln Heights Apartments will target moderately sized to larger rental households. This unit mix is appropriate and should be well received in the primary market area. The two bedroom units will appeal to single person householders or small to medium sized families, while the three and four bedroom units will appeal to larger families and those desiring additional space. The proposed unit mix is appropriate.
- **Unit Size:** Lincoln Heights's weighted average unit sizes of 1,000 square feet for a two bedroom unit, 1,200 for a two bedroom unit, and 1,350 for a four bedroom units are larger than the average square footages in the primary market area. The proposed price per square foot of all unit types is lower than most comparable and competitive rental communities.
- **Price:** The proposed 30 percent tax credit rents will be the lowest priced in the primary market area. The proposed 50 percent and 60 percent LIHTC units will be priced in the lower third of the range of net rent. The market rate rents are positioned in the middle of this range (Figure 5). These proposed rents will be competitive given the location, community design, competitive amenities, and the appeal of newly constructed units. The product proposed at Lincoln Heights is competitive with the communities priced at similar and higher price points. The proposed rents are reasonable and appropriate.

- **Demand:** The affordability analysis and DCA demand estimates indicate that there is sufficient demand to support the proposed development and the recently constructed units in the primary market area.

Figure 5 Product Position, Lincoln Heights



G Absorption Estimate

Five rental communities have been constructed in the primary market over the past two years.

- The most comparable of these communities to the subject unit is Heron Lake I. Heron Lake includes LIHTC units at 30 percent, 50 percent, and 60 percent of the AMI. According to the regional property manager, Heron Lake I began leasing in October 2005 and reached 95 percent occupancy by February 2006. In leasing 83 units in four months, Heron Lake averaged a monthly absorption of 21 units per month. Heron Lake is located outside of the primary market area in northern Valdosta.
- College Station (2005) average more than 20 per month for 64 student oriented units.
- Amelia (2006) averaged 12-15 units per month.
- Castlewood (2006) averaged 12-15 units per month.

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, Lincoln Heights Apartments should be able to lease up at a minimum rate of **12 units per month**. At this rate, Lincoln Heights will reach stabilization within six months.

We believe the product is properly positioned and will be well received in the primary market area. We do not believe that Lincoln Heights 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, continued household growth, and its relatively small size.

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: 
Tad Scepianiak

Date: June 30, 2006

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 11
2	Number of units by unit type.	Page 10
3	Unit size, # of bedrooms and structure type (i.e. townhouse, garden apartment, etc).	Page 10
4	Rents and Utility Allowance*.	Page 10
5	Existing or proposed project based rental assistance.	Page 10
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 62
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	11
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	8, 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	11, 8, 9
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject.	Page	37
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	11
9	Any visible environmental or other concerns .	Page	11
10	Overall conclusions of site and their marketability.	Page	11

D. Market Area

1	Map identifying Subject's Location within PMA .	Page	14
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, 55
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1. Population Trends

a.	Total Population.	Page	23
b.	Population by Age Group.	Page	26
c.	Number of elderly and non-elderly (for elderly projects).	Page	26
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). Elderly by tenure, if applicable.	Page	28 N/A

c.	Households by Income (Elderly, if applicable, should be allocated separately).	Page	N/A
d.	Renter households by # of persons in the household.	Page	30

3. Employment Trend

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%)).	Page	17
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	18
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	21
d.	Map of the site and location of major employment concentrations.	Page	19
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	10
2	Affordability - Delineation of Income Bands *.	Page	10, 53, 55
3	Comparison of market rates of competing properties with proposed subject market rent.	Page	38, 43, 61
4	Comparison of market rates of competing properties with proposed LIHTC rents.	Page	38, 43, 61
5	Demand Analysis Using Projected Service Date (within 2 years).	Page	54 - 57
a.	New Households Using Growth Rates from Reputable Source.	Page	54 - 57
b.	Demand from Existing Households. (Combination of rent overburdened and substandard)	Page	54 - 57
c.	Elderly Households Converting to Rentership (applicable only to elderly).	Page	54 - 57
d.	Deduction of Supply of "Comparable Units".	Page	54 - 57
e.	Capture Rates for Each Bedroom Type.	Page	57

G. Supply Analysis

a.	Comparative chart of subject amenities and competing properties.	Page	40, 42
b.	Supply & analysis of competing developments under construction & pending.	Page	46
c.	Comparison of competing developments (occupancy, unit mix and rents).	Page	38, 43
d.	Rent Comparable Map (showing subject and comparables).	Page	37
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 Lowndes 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	24

* 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 62
Page 59, 62

J. Signed Statement

- a. Signed Statement from Analyst.

Page 65

K. Comparison of Competing Properties

Page

- a. Provided under separate cover.

Appendix 5 Community Photos and Profiles

Ashton Park

Multifamily Community Profile

1315 River Street
Valdosta, GA

CommunityType: LIHTC - General

Structure Type: Garden

88 Units 0.0% Vacant (0 units vacant) as of 6/15/2006

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	18.2%	\$345	667	\$0.52	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	63.6%	\$405	869	\$0.47	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	18.2%	\$517	1,055	\$0.49	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input checked="" type="checkbox"/>	

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

Comments

Property has wait list of approximately 40 people.
Picnic area with gazebos on property.

Floorplans (Published Rents as of 6/15/2006) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	9	\$340	667	\$0.51	LIHTC/ 60%	6/15/06	0.0%	\$345	\$405	\$517
Garden	--	1	1	7	\$340	667	\$0.51	LIHTC/ 50%					
Garden	--	2	2	33	\$399	869	\$0.46	LIHTC/ 60%					
Garden	--	2	2	23	\$399	869	\$0.46	LIHTC/ 50%					
Garden	--	3	2	9	\$543	1,055	\$0.51	LIHTC/ 60%					
Garden	--	3	2	7	\$468	1,055	\$0.44	LIHTC/ 50%					

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

Ashton Park

GA185-009066

Azalea Woods

Multifamily Community Profile

811 West Mary Street
Valdosta, GA

Community Type: LIHTC - General

Structure Type: Garden

81 Units 0.0% Vacant (0 units vacant) as of 6/15/2006

Opened in 1983



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	4.9%	\$439	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	46.9%	\$503	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	46.9%	\$612	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Central A/C; Patio/Balcony; Carpet / Vinyl/Linoleum

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Property is changing gas units over to electric as each unit becomes available.
Property has a 2 year waiting list.

Floorplans (Published Rents as of 6/15/2006) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	4	\$439	--	--	LIHTC/ 50%	6/15/06	0.0%	\$439	\$503	\$612
Garden	--	2	1	38	\$503	--	--	LIHTC/ 50%					
Garden	--	3	2	38	\$612	--	--	LIHTC/ 50%					

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Natural Gas &

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Brittany Woods

Multifamily Community Profile

1150 Old Statenville Road
Valdosta, GA

Community Type: LIHTC - General

Structure Type: Garden

104 Units 4.8% Vacant (5 units vacant) as of 6/15/2006

Last Major Rehab in 2002 Opened in 1979



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	7.7%	\$338	668	\$0.51	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.8%	\$400	736	\$0.54	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	38.5%	\$454	824	\$0.55	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

Standard: Central A/C; Patio/Balcony; Storage (In Unit); Carpet / Ceramic

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

71 units reserved for Section 8.
4 units vacant - Section 8

Floorplans (Published Rents as of 6/15/2006) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$338	668	\$0.51	LIHTC/ 60%	6/15/06	4.8%	\$338	\$400	\$454
Garden	--	2	1	56	\$400	736	\$0.54	LIHTC/ 60%					
Garden	--	3	1	40	\$454	824	\$0.55	LIHTC/ 60%					

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Electric

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

Brittany Woods

GA185-009067

Brookwood Forest

Multifamily Community Profile

1700 Williams Street
Valdosta, GA 31602

CommunityType: Market Rate - General

Structure Type: Garden

56 Units 12.5% Vacant (7 units vacant) as of 6/20/2006

Last Major Rehab in 2005 Opened in 1967



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	100.0%	\$610	877	\$0.70	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Ceramic

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

Comments

Floorplans (Published Rents as of 6/20/2006) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Garden	--	2	1	56	\$610	877	\$0.70	Market	6/20/06	12.5%	--	\$610	--	

Adjustments to Rent

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

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Castlewood

Multifamily Community Profile

700 East Park Avenue
Valdosta, GA 31603

CommunityType: Market Rate - General

Structure Type: Garden

64 Units 0.0% Vacant (0 units vacant) as of 6/20/2006

Last Major Rehab in 2006 Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$450	664	\$0.68	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$565	1,016	\$0.56	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$650	1,229	\$0.53	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum

Select Units: In Unit Laundry

Optional(\$): --

Security: --

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

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/20/2006) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$450	664	\$0.68	Market	6/20/06	0.0%	\$450	\$565	\$650
Garden	--	2	2	--	\$565	1,016	\$0.56	Market					
Garden	--	3	2	--	\$650	1,229	\$0.53	Market					

Adjustments to Rent

Incentives:
None.

Utilities in Rent: Heat Fuel: Electric

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

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College Station

Multifamily Community Profile

1400 Baytree Drive
Valdosta, GA 31601

CommunityType: Market Rate - General

Structure Type: Garden

64 Units 9.4% Vacant (6 units vacant) as of 6/20/2006

Opened in 2005



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	\$656	1,000	\$0.66	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

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

Select Units: --

Optional(\$): --

Security: Unit Alarms

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

A pool and pool house are currently under construction and is expected to be completed by early 2007.
Residents have access to all amenities at the Amelia Apartments (clubhouse, pool & playground).

Floorplans (Published Rents as of 6/20/2006) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	64	\$650	1,000	\$0.65	Market	6/20/06	9.4%	--	\$656	--

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Electric

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

College Station

GA185-009088

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Greenbrier

Multifamily Community Profile

1707 N. Ashley Street
Valdosta, GA

Community Type: **Market Rate - General**

Structure Type: **Garden**

56 Units 0.0% Vacant (0 units vacant) as of 6/20/2006

Last Major Rehab in 1970 Opened in 1945

Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	50.0%	\$260	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$285	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Ceiling Fan; Central A/C; Carpet / Vinyl/Linoleum						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: --			
Fee: --			Fee: --			
Property Manager: --						
Owner: --						

Comments

You must be 21 or older to live in this community.

Floorplans (Published Rents as of 6/20/2006) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	Eff	1	28	\$260	--	--	Market	6/20/06	0.0%	\$285	--	--
Garden	--	1	1	28	\$285	--	--	Market					

Adjustments to Rent

Incentives:

None.

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

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

Little Jo's Court

Multifamily Community Profile

310 Baytree Road
Valdosta, GA

Community Type: Market Rate - General

Structure Type: Garden

24 Units 0.0% Vacant (0 units vacant) as of 6/15/2006

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	100.0%	\$756	1,000	\$0.76	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features

Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Ceramic

Select Units: --

Optional(\$): --

Security: --

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

2 People on waiting list.

Residents can use all amenities at the Amelia Apartments.

Floorplans (Published Rents as of 6/15/2006) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	24	\$750	1,000	\$0.75	Market	6/15/06	0.0%	--	\$756	--

Adjustments to Rent

Incentives:

None.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Little Jo's Court

GA185-009065

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Oak Terrace

Multifamily Community Profile

1639 E. Park Avenue
Valdosta, GA 31602

CommunityType: Market Rate - General

Structure Type: Garden

80 Units 1.3% Vacant (1 units vacant) as of 6/20/2006

Opened in 1983



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One	40.0%	\$450	560	\$0.80	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	60.0%	\$550	970	\$0.57	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Carpet / Vinyl/Linoleum

Select Units: In Unit Laundry

Optional(\$): --

Security: Unit Alarms

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

Property Manager: --
Owner: --

Comments

\$200 Security Deposit required.

Floorplans (Published Rents as of 6/20/2006) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program
Garden	--	1	1	32	\$450	560	\$0.80	Market
Garden	--	2	1	48	\$550	970	\$0.57	Market

Historic Vacancy & Eff. Rent (1)

Date	%Vac	1BR \$	2BR \$	3BR \$
6/20/06	1.3%	\$450	\$550	--

Adjustments to Rent

Incentives:
None.

Utilities in Rent: Heat Fuel: Electric

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

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

Ramblewood

Multifamily Community Profile

3131 N. Oak Street
Valdosta, GA 31602

CommunityType: Market Rate - General

Structure Type: Garden

80 Units 5.0% Vacant (4 units vacant) as of 6/20/2006

Opened in 1985



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	80.0%	\$455	576	\$0.79	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	20.0%	\$549	864	\$0.64	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

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

Comments

Floorplans (Published Rents as of 6/20/2006) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program
Garden	--	1	1	64	\$450	576	\$0.78	Market
Garden	--	2	2	16	\$543	864	\$0.63	Market

Historic Vacancy & Eff. Rent (1)

Date	%Vac	1BR \$	2BR \$	3BR \$
6/20/06	5.0%	\$455	\$549	--

Adjustments to Rent

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

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

Spring Chase

Multifamily Community Profile

1601 Norman Drive
Valdosta, GA 31601

CommunityType: Market Rate - General

Structure Type: Garden

288 Units 0.0% Vacant (0 units vacant) as of 6/20/2006

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	11.1%	\$551	799	\$0.69	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	68.1%	\$653	1,085	\$0.60	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	20.8%	\$796	1,378	\$0.58	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features

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

Select Units: Ceiling Fan

Optional(\$): --

Security: --

Parking 1: Free Surface Parking Parking 2: Detached Garage
Fee: -- Fee: \$90

Property Manager: --
Owner: --

Comments

Floorplans (Published Rents as of 6/20/2006) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$660	1,126	\$0.59	Market	6/20/06	0.0%	\$551	\$653	\$796
Garden	--	1	1	24	\$515	690	\$0.75	Market					
Garden	--	2	2	92	\$690	1,226	\$0.56	Market					
Garden	--	2	1	104	\$620	960	\$0.65	Market					
Garden	--	3	2	54	\$790	1,376	\$0.57	Market					
Garden	--	3	2	6	\$845	1,400	\$0.60	Market					

Adjustments to Rent

Incentives:
None.

Utilities in Rent: Heat Fuel: Electric

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

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

Tree Loft

Multifamily Community Profile

1700 Williams Street

Community Type: Market Rate - General

Structure Type: Garden/TH

20 Units 0.0% Vacant (0 units vacant) as of 6/20/2006

Last Major Rehab in 1996 Opened in 1972



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	40.0%	\$520	700	\$0.74	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	60.0%	\$840	1,500	\$0.56	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features
 Standard: Dishwasher; Disposal; Ceiling Fan; Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit); Carpet / Ceramic

Select Units: In Unit Laundry

Optional(\$): --

Security: --

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

Property Manager: --
 Owner: --

Comments

Laundry hook-ups are in the 3 BR Townhouses only.
 There is a waiting list approximately 6 months out.

Floorplans (Published Rents as of 6/20/2006) (2) Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$520	700	\$0.74	Market	6/20/06	0.0%	\$520	--	\$840
TH / Townhouse	--	3	2	12	\$840	1,500	\$0.56	Market					

Adjustments to Rent

Incentives:
 None.

Utilities in Rent: Heat Fuel: Electric

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

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Woodstone

Multifamily Community Profile

1503 E. Park Avenue
Valdosta, GA 31602

CommunityType: Market Rate - General

Structure Type: Garden

305 Units 0.0% Vacant (0 units vacant) as of 6/20/2006

Opened in 1976



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	21.0%	\$479	550	\$0.87	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	71.5%	\$564	937	\$0.60	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	7.5%	\$710	1,230	\$0.58	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features

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

Select Units: --

Optional(\$): --

Security: Unit Alarms

Parking 1: Free Surface Parking
Fee: --

Parking 2: --
Fee: --

Property Manager: --
Owner: --

Comments

Community has a waiting list.
\$200 Security Deposit.

Floorplans (Published Rents as of 6/20/2006) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	64	\$479	550	\$0.87	Market	6/20/06	0.0%	\$479	\$564	\$710
Garden	--	2	2	54	\$605	1,050	\$0.58	Market					
Garden	--	2	1	164	\$550	900	\$0.61	Market					
Garden	--	3	2	23	\$710	1,230	\$0.58	Market					

Adjustments to Rent

Incentives:

Community offers \$20/mos military and

Utilities in Rent: Heat Fuel: Electric

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

Woodstone

GA185-009082