

MARKET FEASIBILITY ANALYSIS

OF

**LONE MOUNTAIN VILLAGE
CHAPMAN ROAD
RINGGOLD, GEORGIA 30736**

FOR

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INTRODUCTION

A. PURPOSE

The purpose of this report is to evaluate the market feasibility of a proposed Low-Income Housing Tax Credit project for seniors age 55+ to be developed in Ringgold, Georgia by Mr. Jerry Braden of the Braden Group. This market feasibility analysis complies with the requirements established by the Georgia Department of Community Affairs/Georgia Housing and Finance Authority (GDCA/GHFA).

B. METHODOLOGIES

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

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

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

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

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

C. REPORT LIMITATIONS

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

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D. SOURCES

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

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

SECTION A. EXECUTIVE SUMMARY

Based on the findings reported in our market study, it is our opinion that a market exists for the 56 Tax Credit or market-rate units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rent, amenities, or opening date may alter these findings. Following is a summary of our findings:

The proposed project involves the new construction of the 56-unit Lone Mountain Village apartment property in Ringgold, Georgia. The project will be developed using Low-Income Housing Tax Credits and target older adult (age 55+) households with incomes of up to 60% of AMHI as well as market-rate renters with no maximum income limitation. The proposed Tax Credit collected rents range from \$312 to \$340, and market-rate rents range from \$325 to \$365. The project will feature numerous amenities that will make it very marketable to seniors, such as elevators and washer/dryer hookups.

Catoosa County and the Ringgold Site PMA have an employment base concentrated in three main sectors: Services, Retail Trade, and Manufacturing, which comprise more than 75% of the workforce in the Site PMA. Propex Corporation recently bought out SI Corporation, a fabric manufacturer that had employed approximately 2,200 people. Currently Propex Corporation has 3,000 employees. The Catoosa County School System is also growing, as population and households in the area continue to grow. Other large area employers are perceived as stable. Employment has grown steadily in the area and unemployment has remained between 2.6% and 4.0%, indicating a stable, growing local economy. Tourism is also vital to the local area and serves to bring more than 800,000 tourists to the Chickamauga and Chattanooga National Military Park each year.

Given a stable and growing local economy, as well as a stable base of large employers, we anticipate that demand for housing will grow as the Site PMA continues to grow in population and households. This will result in increased demand for housing in the future, including affordable rental housing such as what the subject site will offer. Note that since the site will mainly target households of retirement age, the local economy is less of a factor in the demand for senior housing.

With an anticipated placed in service date of December 31, 2007, we assume initial units at the site will actually begin renting in January 2008. Based on our analysis in this report, it is our opinion that the 12 market-rate units will reach a stabilized occupancy of 93% within three months of opening, averaging an absorption rate of approximately three to four units per month, and the 44 LIHTC units will reach a stabilized occupancy of 93% within five to six months of opening, with an average absorption rate of seven to nine units per month.

The proposed subject project will include 44 Tax Credit units that target senior households age 55 or older. We identified two Low-Income Housing Tax Credit projects that target seniors; however, both properties are located outside the Site PMA, and therefore are not included in our demand analysis. However, these two existing senior LIHTC projects are considered comparable with the proposed subject development in that they target households with incomes similar to those that will be targeted at the subject site, and have been used for comparison purposes only. It is important to note that because these projects are outside the Site PMA, they have been assigned Map I.D.'s 901 and 902. These competitive properties and the proposed subject development are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	LIHTC UNITS	OCCUPANCY RATE	PHYSICAL CONDITION	TARGET MARKET
SITE	LONE MOUNTAIN VILLAGE	2008	44*	-	EXCELLENT	SENIORS (55+) 50%, 60% AMHI
901**	ROSSVILLE SENIOR VILLAGE	2003	48*	100.0%	VERY GOOD	SENIORS (55+) 50%, 60% AMHI
902**	WOODLAND SENIOR	2003	52	100.0%	GOOD	SENIORS (55+) 45%, 50%, 60% AMHI

*Does not include 12 market-rate units

** Note these projects are located outside the Site PMA

The two comparable senior properties have a combined occupancy rate of 100.0%. Note that Rossville Senior Village has 71 households on the waiting list, while Woodland Senior does not have a waiting list.

The proposed subject rents, \$414 for a one-bedroom unit and \$469 for a two-bedroom unit will be very competitively priced with the other senior LIHTC units nearby, particularly given the inferior quality and features of these competing projects. The proposed development will offer the largest unit sizes (square footage) when compared with the existing senior LIHTC projects in the area. The unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing low-income units in the market.

The amenity packages included at the proposed subject development will be very competitive with the competing low-income projects. In fact, the subject project will offer features such as a shuffleboard court, putting green, computer center, and gazebo that are not typically offered in the market or at the comparable properties.

Using HUD Rent Comparability Grids, it was determined that the market-driven rents for units similar to the proposed subject development are \$505 for a one-bedroom unit and \$625 for a two-bedroom unit. The proposed collected rents are 54.4% to 64.5% of market-driven rents and appear to be excellent values for the subject market.

The subject site is located at the northwestern portion of Ringgold. Surrounding land uses include single-family homes, multifamily apartments, undeveloped land, and various commercial land uses that line U.S. Highway 41. The site is within good proximity to every-day shopping locations along U.S. Highway 41. This serves as the major commercial corridor for the city containing most of its shopping, dining, and entertainment offerings.

Ringgold is located in the central portion of Catoosa County, which is in the northwest portion of the State of Georgia. Ringgold has close proximity and great access to U.S. Highway 41, State Route 151, State Route 2, and Interstate 75. This access is essential as Ringgold has easy connection to other surrounding communities.

Capture rates of the proposed units by bedroom type and AMHI targeted are as follows:

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	MEDIAN MARKET RENT	SUBJECT GROSS RENTS
ONE-BR (50.0%)	50%	14	92	0	92	15.2%	2/MO	\$529	\$414
	60%	4	133	0	133	3.0%	2/MO	\$529	\$414
	MR	6	208	0	208	2.9%	2/MO	\$529	\$427
ONE-BEDROOM	TOTAL	24	328	0	328	7.3%	6/MO	\$529	-
TWO-BR (45.0%)	50%	9	82	0	82	11.0%	1.5/MO	\$677	\$469
	60%	17	120	0	120	14.2%	3/MO	\$677	\$469
	MR	6	187	0	187	3.2%	1.5/MO	\$677	\$494
TWO-BEDROOM	TOTAL	32	295	0	295	10.8%	6/MO	\$677	-
THREE-BR (5.0%)	50%	0	9	0	9	-	-	-	-
	60%	0	13	0	13	-	-	-	-
	MR	0	20	0	20	-	-	-	-
THREE-BEDROOM	TOTAL	0	32	0	32	-	-	-	-

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

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

The capture rates by bedroom type are excellent to moderate, ranging from 2.9% for one-bedroom market-rate units to 15.2% for the one-bedroom units at 50% AMHI. These capture rates are indicators that there is sufficient support for the proposed subject units.

PROPOSED PROJECT CAPTURE RATE LIHTC UNITS	16.5%
PROPOSED PROJECT CAPTURE RATE MARKET-RATE UNITS	2.9%
PROPOSED PROJECT CAPTURE RATE ALL UNITS	8.5%
PROPOSED PROJECT STABILIZATION PERIOD	5 TO 6 MO.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the existing low-income and market-rate comparable properties in the market, it is our opinion that the proposed subject development will be very competitive with these properties and will offer an excellent value, especially at the proposed rents, which are very low for the Ringgold Site PMA.

Development of the subject site is expected to have little impact on occupancy rates at the existing comparables, although given the site's larger unit sizes and superior location, we expect the site will be more desirable than Woodland Senior, which could create some vacancies at this project. With 71 households on the waiting list at Rossville Senior Village, this project is expected to have a continuing high occupancy rate.

SECTION B - PROJECT DESCRIPTION

The proposed project involves the new construction of the 56-unit Lone Mountain Village apartment property in Ringgold, Georgia. The project will be developed using Low-Income Housing Tax Credits and target older adult (age 55+) households with incomes of up to 60% of AMHI as well as market-rate renters with no maximum income limitation. The proposed Tax Credit collected rents range from \$312 to \$340, and market-rate rents range from \$325 to \$365. Additional details of the subject project are as follows:

A. PROJECT DESCRIPTION

1. **PROJECT NAME:** Lone Mountain Village
2. **PROPERTY LOCATION:** Chapman Road
Ringgold, Georgia 30736
3. **PROJECT TYPE:** New construction of a Low-Income Housing Tax Credit project
4. **UNIT CONFIGURATION AND RENTS:**

TOTAL UNITS	BEDROOM TYPE	BATHS	STYLE	SQUARE FEET	PERCENT OF AMHI	PROPOSED RENTS		
						COLLECTED	UTILITY ALLOWANCE	GROSS
14	1	1	GARDEN	760	50%	\$312	\$102	\$414
4	1	1	GARDEN	760	60%	\$312	\$102	\$414
6	1	1	GARDEN	760	MR	\$325	N/A	\$325
9	2	1	GARDEN	1,002	50%	\$340	\$129	\$469
17	2	1	GARDEN	1,002	60%	\$340	\$129	\$469
6	2	1	GARDEN	1,002	MR	\$365	N/A	\$365
56								

Source: Developer (The Braden Group)
 AMHI – Area Median Household Income (Chattanooga, TN – GA MSA)
 MR – Market-rate
 N/A – Not applicable

5. **TARGET MARKET:** Low- to moderate-income older adults (age 55+)
6. **PROJECT DESIGN:** A total of three two-story, elevator-equipped buildings and a clubhouse
7. **ORIGINAL YEAR BUILT:** Not applicable
8. **PROJECTED OPENING DATE:** January 2008

9. UNIT AMENITIES:

- REFRIGERATOR
- RANGE
- DISHWASHER
- GARBAGE DISPOSAL
- EMERGENCY CALL SYSTEM
- STORAGE ROOMS
- CARPET
- CENTRAL AIR CONDITIONING
- WINDOW BLINDS
- WASHER/DRYER HOOKUPS
- PATIO/BALCONY

10. COMMUNITY AMENITIES:

- CLUBHOUSE (1,949 SQ. FT.)
- ON-SITE MANAGEMENT
- LAUNDRY ROOMS
- LIBRARY
- GAZEBO
- SHUFFLEBOARD COURT
- ELEVATORS
- MEETING ROOM
- COMPUTER ROOM
- PUTTING GREEN
- FITNESS CENTER
- PICNIC AREA
- COMMUNITY GARDEN AREA
- WALKING PATH

11. RESIDENT SERVICES:

- BI-WEEKLY VAN SERVICE
- SOCIAL PROGRAMS
- SEMI-MONTHLY MOVIES
- COMPUTER TRAINING
- RECREATIONAL PROGRAMS

12. TENANT UTILITY RESPONSIBILITY:

- ELECTRIC HEAT
- ELECTRIC WATER HEAT
- WATER
- ELECTRIC COOKING
- ELECTRIC
- SEWER

13. RENTAL ASSISTANCE: None

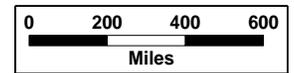
14. PARKING: The subject site will offer 84 open lot parking spaces.

15. CURRENT PROJECT STATUS: Not applicable

16. STATISTICAL AREA: Chattanooga, TN-GA MSA (2006)

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

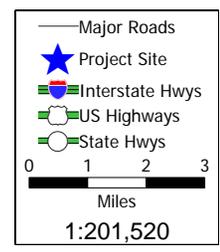
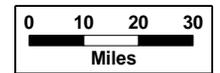
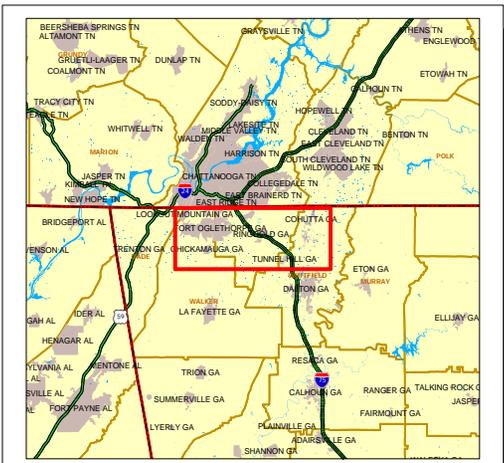
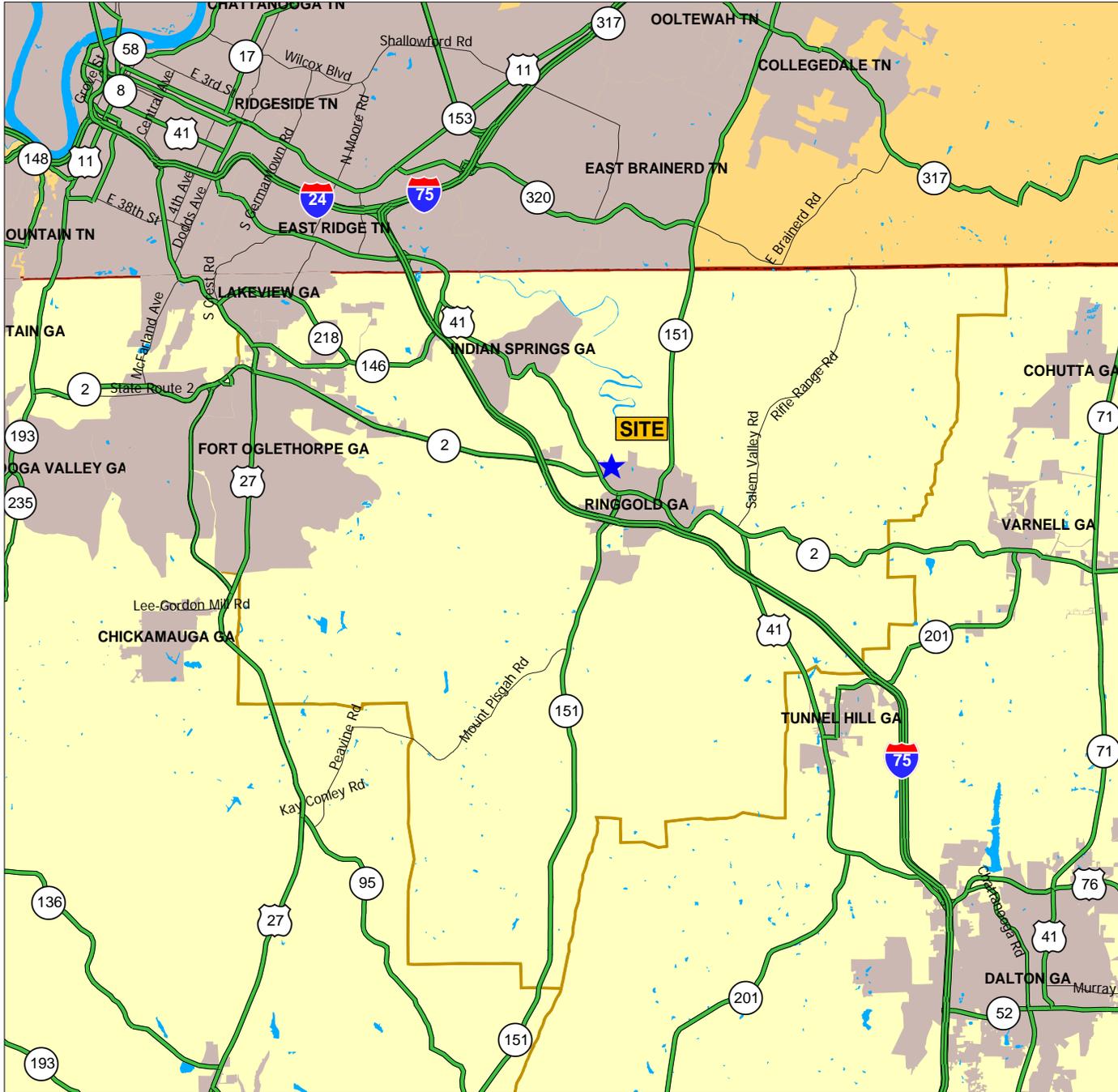
State of Georgia

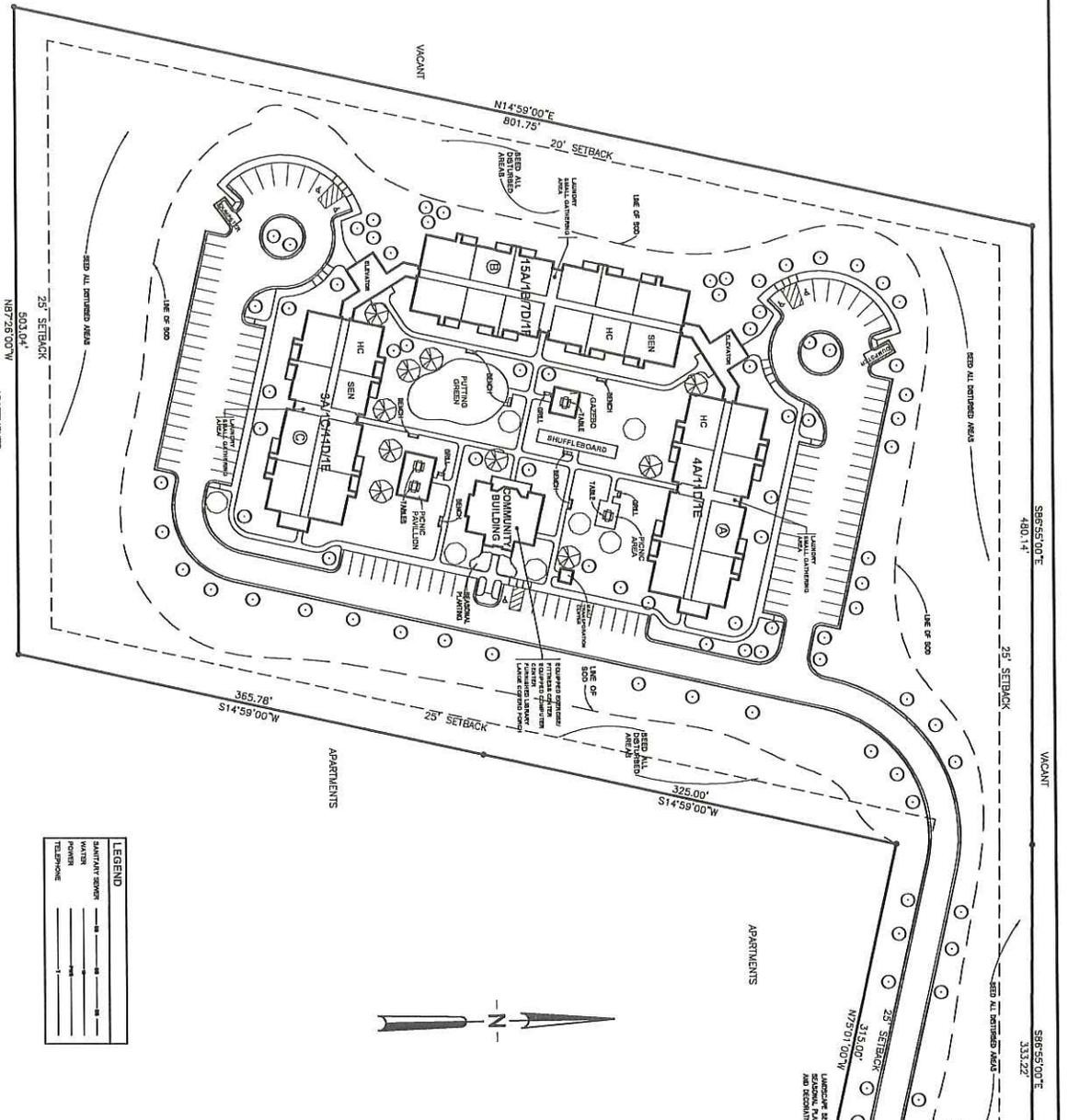


- ★ Project Site
- Interstate Hwys
- US Highways
- State Hwys

1:3,318,923

Ringgold, GA: Surrounding Region





SCHEMATIC SITE PLAN

SCALE: 1"=40'

LEGEND

LANDSCAPE	---
WALKWAY	---
WATER	---
POWER	---
TELEPHONE	---

OWNER/DEVELOPER
 LONE MOUNTAIN VILLAGE, L.P.
 3000 W. WINDY HILL ROAD
 SUDBURYVILLE, GEORGIA 30134

ARCHITECT
 MCKEAN & ASSOCIATES, ARCHITECTS, LLC
 1001 GUYTON AVENUE
 MONTGOMERY, ALABAMA 36105

EXTERIOR MATERIALS AND SITE DESIGN

- EXTERIOR WALL FACES IN EXCESS OF 40% BRICK
- NEW SHUTTERS AND DECORATIVE VENTILATION ELEMENTS
- COVERED ENTRIES TO ALL BUILDINGS AND UNITS
- UPGRADED WINDOWS AND FRENCH DOORS
- UPGRADED INTERIOR DOORS WITH LEVER HARDWARE
- FRONT ENTRY TO BE DELINEATED WITH AN ATTRACTIVE, PERMANENT, ILLUMINATED ENTRY SIGN AND DECORATIVE FENCING.
- SUBSTANTIAL LANDSCAPE UPGRADE FEATURES ARE INDICATED ON THE PLAN SUCH AS LARGER TREES, BERMS AND BENCHES TO BE PLANTED IN LANDSCAPE AREAS AND TRANSPORTATION CENTER
- REPLANTING 3" CALIBER TREES INTEGRATED WITH THE LANDSCAPING

OPTIONAL ENERGY and INDOOR AIR QUALITY

- ATTIC INSULATION TO BE R-38
- ARI RATED HEAT PUMP (HSFP 8.0 FOR BOTH HP 1.5 TON UNITS AND HP 2.0 TON UNITS)
- ARI RATED SEER 14
- HVAC DUCTWORK LOCATED IN CONDIONED SPACE
- HVAC FRESH AIR INTAKE BEFORE THE RETURN AIR INTRODUCTION
- UPPER FLOOR/STAIRWELL FLOORS WITH LOWER FLOOR ELEVATED FROM THE NEPA STANDARDS
- CEILING FANS IN LIVING ROOMS, AND ALL BEDROOMS

ACCESSIBILITY STANDARDS

- ALL UNITS AND ALL COMMUNITY FACILITIES, INCLUDING PARKING LOTS AND RECREATIONAL AREAS, WILL BE ACCESSIBLE TO THE DISABLED IN ACCORDANCE WITH FEDERAL LAW. THERE WILL BE AN ACCESSIBLE ROUTE FROM THE DRIVEWAY TO EACH FLOOR PLANING LOT AND COMMUNITY AREA.
- ALL UNITS DESIGNATED AND EQUIPPED WITH FRONT LOADING WASHERS AND DRYERS
- ALL MULTIFAMILY UNITS ON ALL FLOORS INCORPORATE THE DESIGNING OF BATHROOM AND REFRIGERATOR DRAWERS SHALL BE A MINIMUM 32" CLEAR OPENING, ALL INTERIOR PASSAGWAYS SHALL BE A MINIMUM OF 36" WIDE, AND EACH UNIT SHALL PROVIDE AT LEAST ONE ACCESSIBLE MEANS OF EGRESS/ACCESS WITH NO-STEP ENTRY
- FINAL PLANS AND SPECIFICATIONS WILL BE REVIEWED BY A PROFESSIONAL ACCESSIBILITY CONSULTANT TO DETERMINE THAT ALL FEDERAL, STATE AND DCA ACCESSIBILITY GUIDELINES ARE ACCURATELY INCORPORATED INTO PROJECT DESIGN.

REQUIRED PROJECT/UNIT AMENITIES

- HVAC SYSTEMS
- ONE RECREATION AREA - SHUFFLE BOARD
- ON-SITE LAUNDRY W/ ONE WASHER UNITS PER EACH UNIT EVERY 25
- COMMUNITY BUILDING WITH A COMMUNITY ROOM & LEASING OFFICE
- SHARED GATHERING AREA - COVERED PORCHES AT COMMUNITY BUILDING

ADDITIONAL REQUIRED AMENITIES FOR SENIOR PROJECTS

- INSTALLED ELEVATORS (2)
- WALKWAY OVERPASSING AREAS
- ADAPTABLE: THE UNITS ARE ACCESSIBLE & ADAPTABLE
- ALL UNITS EQUIPPED W/ AN INSTALLED CALL SYSTEM W/ BUZZER/BELL AND LIGHT TO THE EXTERIOR.

ADDITIONAL OPTIONAL AMENITIES

- PONIC AREA W/ TABLE & GRILL
- EQUIPPED PLAY COURT - PUTTING GREEN
- LABOR COVERED PAVILION WITH PUNIC TABLES AND GRILL
- EQUIPPED EXERCISE/FITNESS CENTER
- EQUIPPED COMPUTER CENTER
- FURNISHED LIBRARY
- CONCRETE BUILT-IN FIRE SPRINKLER SYSTEM IN EVERY UNIT
- COMMUNITY BUILDING, INCLUDING EXTERIOR AUDIO AND VISUAL SYSTEM
- IN-SINK DISPOSAL
- BUILT-IN DISHWASHER
- WASHERS & DRYER HOODING IN ALL UNITS
- CONFORMANCE TO THE REQUIRED ON-SITE LAUNDRY

LEGEND

UNIT TYPE	COUNT
UNIT 1 - ONE BEDROOM - HANDICAP	22 UNITS
UNIT 2 - ONE BEDROOM - STANDARD	11 UNITS
UNIT 3 - TWO BEDROOM - STANDARD	20 UNITS
UNIT 4 - TWO BEDROOM - HANDICAP	1 UNITS
UNIT 5 - TWO BEDROOM - SENIOR APARTS	1 UNITS
TOTAL UNITS	65 UNITS

SITE DATA

PARKING SPACES	64
SITE AREA	700 SQUARE FEET
ZONING	R-3

SITE LEGEND

- NEW TREE 2" CALIBER SHOE OR UNDER STORY TREE
- NEW 1/2" CALIBER LARGE SHADETREE
- 3" CALIBER REPLANTED SHOE TREE (7 TOTAL)
- SEASONAL PLANTING AREAS

LONE MOUNTAIN VILLAGE
 RINGGOLD, GEORGIA

MCKEAN & ASSOCIATES
 ARCHITECTS, LLC
 MONTGOMERY, ALABAMA

CONTACT
 DANA WINGERT
 1401 WINDY HILL STREET
 RINGGOLD, GEORGIA 30136
 (770) 387-5533

MARK S. KALLETTE
 DEBRA K. GOWEN COMPANY
 CARTERSVILLE, GEORGIA, 30130
 (770) 387-5533

PAVLO L. PRINSON
 1001 GUYTON AVENUE
 MONTGOMERY, ALABAMA 36105
 (205) 597-7427

NOT APPLICABLE

REVISIONS

DATE	DESCRIPTION
05-04-06	

Project No: 05-308
Date: 05-04-06
Drawn By: edm
Checked By: RLM
Sheet No: SL-1

Sheet Title:
 SCHEMATIC SITE PLAN

STATE OF GEORGIA
 Roy L. Mckean
 REGISTERED ARCHITECT

SECTION C – SITE DESCRIPTION AND EVALUATION

1. LOCATION

The subject site is undeveloped land totaling approximately 10.0 acres at the northwest portion of Ringgold, Georgia in Catoosa County. The site is located 16.7 miles southeast of Chattanooga, Tennessee and 103.6 miles northwest of Atlanta, Georgia. The site will be located off Chapman Road, east of U.S. Highway 41. Dan Grenawitzke, an employee of Vogt Williams & Bowen, LLC, inspected the site and area apartments during the week of June 26, 2006.

2. SURROUNDING LAND USES

The subject site is located at the northwestern portion of Ringgold. Surrounding land uses include single-family homes, multifamily apartments, undeveloped land, and various commercial land uses that line U.S. Highway 41. Adjacent land uses are detailed as follows:

North -	A heavily wooded area is directly north of the subject site. Beyond the wooded area is vacant land, followed by scattered single-family homes in good condition.
East -	The rural, two-lane Chapman Road borders the site entrance to the east. A wooded area, along with Woodland Manor Apartments, borders the site to the east. Further east are Mountain Creek Estates and Creekview Estates, two newer-looking subdivisions with good condition single-family homes.
South -	A wooded area borders the site to the south. Further south are multifamily apartments followed by U.S. Highway 41.
West -	A heavily wooded area borders the site to the west. U.S. Highway 41 is beyond the wooded area. This is a major arterial for the area with many commercial developments, including Sonic, RCP Medical Center, Capital Bank, and Battlefield Business Center.

Currently, the site is located within a growing portion of Ringgold with good access to U.S. Highway 41. Multifamily apartments and single-family homes are both in close proximity to the subject site. Access to U.S. Highway 41 is crucial as it offers the businesses and shops people need as everyday essentials.

3. VISIBILITY AND ACCESS

The subject site is located off Chapman Road in the northwest portion of Ringgold. The site has good access to U.S. Highway 41, State Route 2, and Interstate 75. However, note that there is no stoplight at the intersection of Chapman Road and U.S. Highway 41, just a stop sign. We highly recommend that the developer encourage the city to install a traffic signal at this intersection to increase the site's accessibility, particularly since the site will target seniors, many of which are likely still drivers. Visibility is minimal, as traffic along Chapman Road is light to moderate. We recommend the developer place signage at the intersection of U.S. Highway 41 and Chapman Road, as well as along Chapman Road, south of the newer single-family homes, to help identify the subject site.

4. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

a. Commercial/Retail Areas

The city of Ringgold is not supported by many shopping opportunities. Access to U.S. Highway 41 provides some shopping opportunities, but they are largely essentials or small retail shops. Ingles and Shop-Rite, two large grocery stores, are located within 1.7 miles of the subject site. The nearest shopping center is Gateway Business and Shopping Center, located 4.0 miles northwest. The next shopping center is Brainerd Village, located 7.1 miles northwest of the site in Chattanooga, Tennessee. A Wal-Mart Supercenter is 4.8 miles northwest of the site in Fort Oglethorpe. There are five banks within 1.9 miles of the site. Also, two pharmacies are located within 3.0 miles of the site.

b. Employers/Employment Centers

The largest area employers include Catoosa County School System, Hutcheson Medical Center, Shaw Industries, and Wal-Mart. All of these employers are within 2.0 miles of the subject site. A list of the area's largest employers is included in the "Economic Analysis" section of this report.

c. Recreation Areas and Facilities

KOA Chattanooga South is a park located within 1.3 miles of the site. This is the closest park to the site. Neary Park is also in Ringgold, 2.0 miles from the site. Ringgold Community Center is located within 1.6 miles of the site. The nearest YMCA is 7.1 miles from the site in Chattanooga, Tennessee.

d. Entertainment Venues

Ringgold offers limited entertainment, but many people travel to nearby Chattanooga, Tennessee for additional opportunities. Various restaurants are located throughout the city of Ringgold. Marquee Movies is the closest movie theater, located 8.4 miles away in Chattanooga, Tennessee. The nearest arts center is located 11.4 miles from the site in Chattanooga. Sixth Cavalry Museum is located in Fort Oglethorpe, 7.2 miles northwest of the site.

e. Education Facilities

The Catoosa County School District serves the subject site area. Boynton Elementary School is located 1.3 miles southwest of the subject site, with approximately 590 students. Ringgold Middle School is located 1.5 miles southeast of the subject site and has an enrollment of approximately 1,330 students. Ringgold High School is located 1.6 miles southeast of the subject site and has around 1,370 students.

f. Social Services

Ringgold City Hall, which includes most local government services, is located on Tennessee Street, approximately 1.9 miles from the subject site. Catoosa County Library, also located in Ringgold, is 3.3 miles from the site. The Catoosa County Nutrition Center offers meals and activities for seniors, and is located in Ringgold, less than 2.0 miles from the site.

g. Transportation Services

The city of Ringgold provides Catoosa Trans Aid (CTA), a public bus system. The office for this transportation service is located on Catoosa Circle in Ringgold. This transportation is available Monday to Friday from 8:00 a.m. to 5:00 p.m. for all citizens of Catoosa County. This transportation system is small with only seven busses, so appointments in a 24-hour advance are required for service. Trips for doctor appointments, therapy, and other medical trips are provided five days a week, and shopping for two days a week.

h. Public Safety

The Ringgold Police Department is located 1.7 miles from the site. Catoosa County Fire Department, located in Ringgold, is 2.1 miles from the site. Ringgold Medical Center is 1.7 miles from the site, but Hutcheson Medical Center, the larger medical center serving the area, is located in Fort Oglethorpe, 7.4 miles from the site.

5. CRIME ISSUES

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

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

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

Total crime risk for the Ringgold Site PMA is well below the national average with an overall personal crime index of 26 and property crime index of 53. Total crime risk for Catoosa County is below the national average with indices for personal and property crime of 26 and 53, respectively.

	CRIME RISK INDEX	
	SITE PMA	CATOOSA COUNTY
TOTAL CRIME	42	42
PERSONAL CRIME	26	26
MURDER	25	25
RAPE	35	35
ROBBERY	16	16
ASSAULT	31	31
PROPERTY CRIME	53	53
BURGLARY	44	44
LARCENY	68	68
MOTOR VEHICLE THEFT	43	43

Source: Applied Geographic Solutions

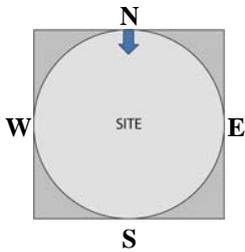
6. SITE PHOTOGRAPHS

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

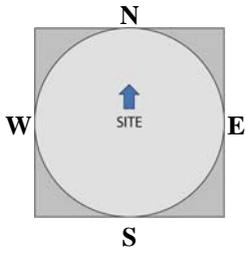
SITE PHOTOGRAPHS



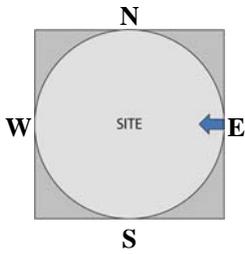
Entryway



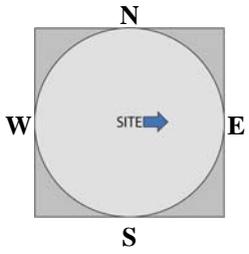
North view of site



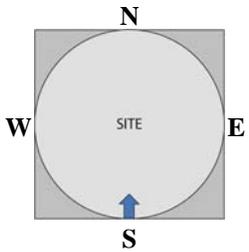
North view from site



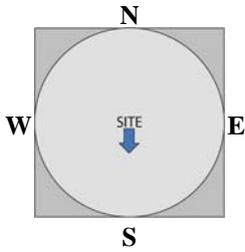
East view of site



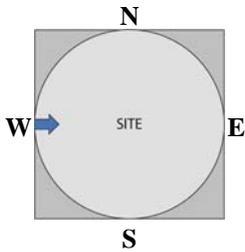
East view from site



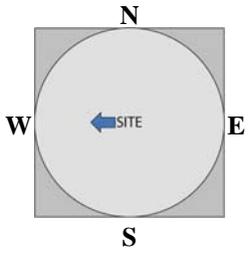
South view of site



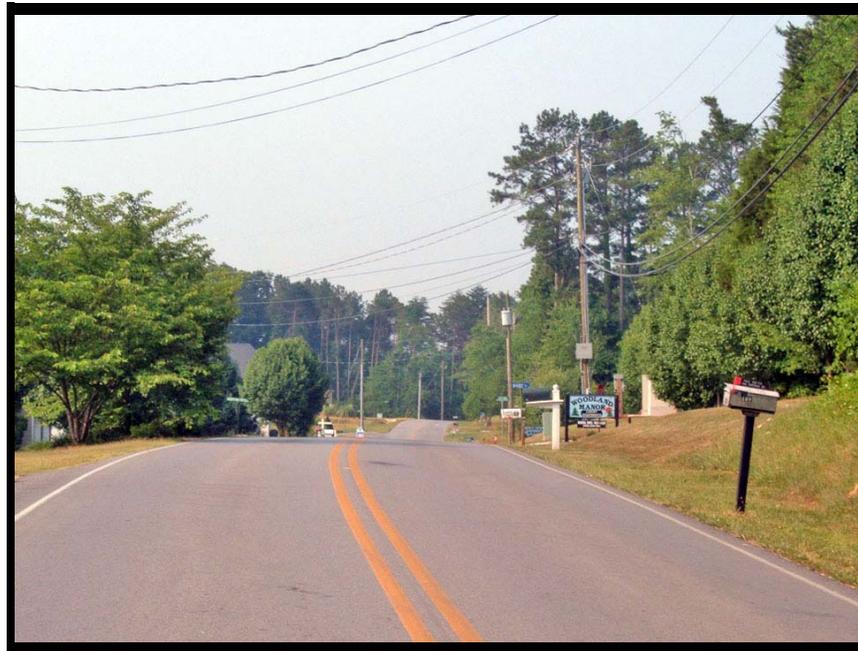
South view from site



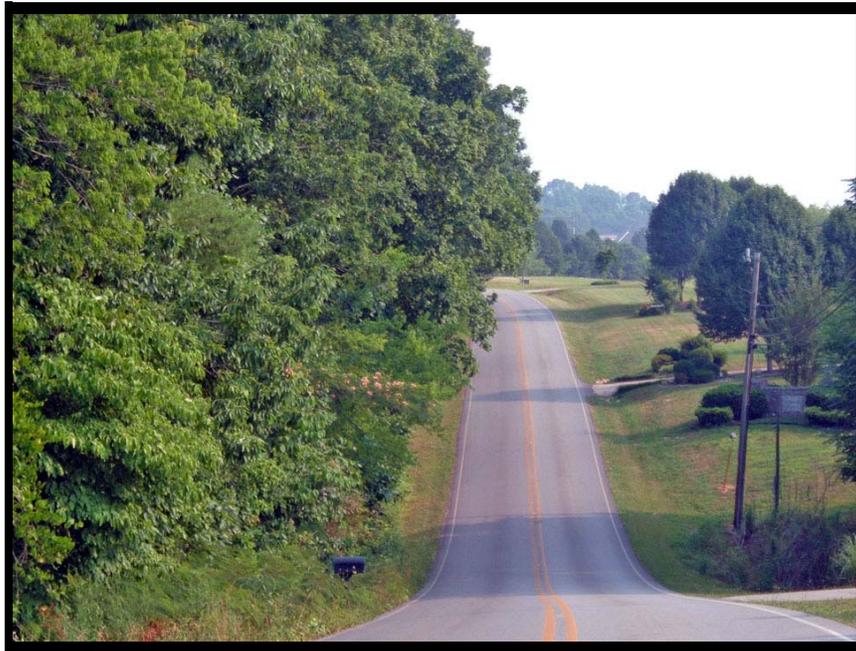
West view of site



West view from site



Streetscape-North end view

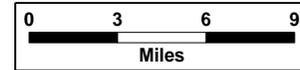
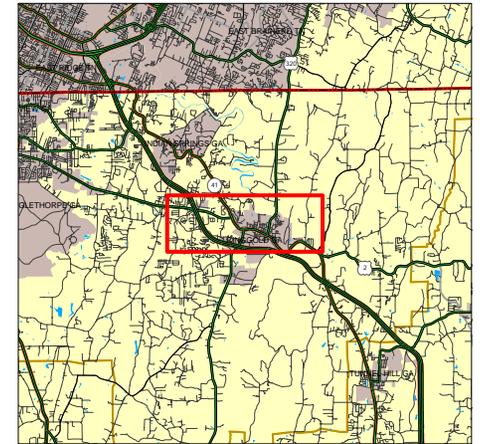
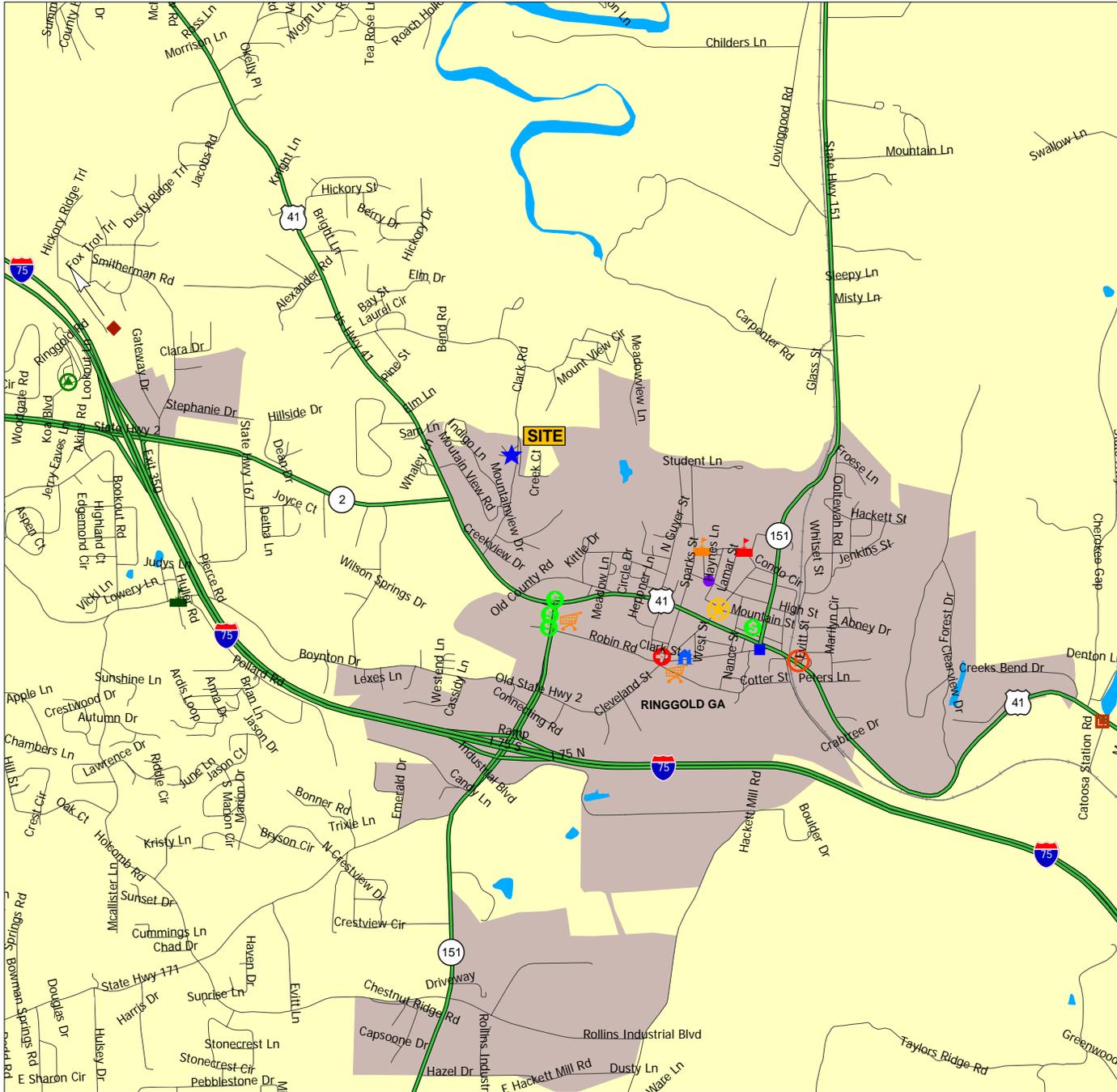


Streetscape-South end view

7. COMMUNITY SERVICES MAP

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

Ringgold, GA: Community Services



- Project Site
 - Police
 - Fire Department
 - Med Center
 - Shopping
 - Grocery
 - Post Office
 - Park/Recreation
 - Library
 - Elementary School
 - Middle School
 - High School
 - Bank
 - City Government
 - Community Center
- 0 .3 .6 .9
Miles
1:29,638

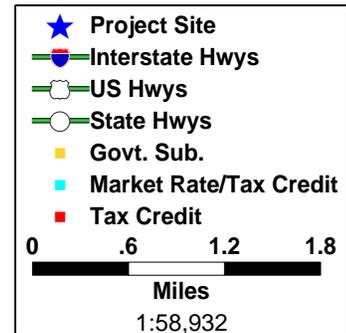
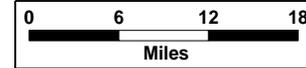
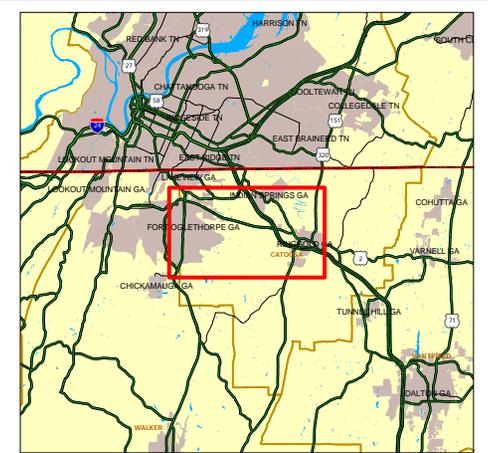
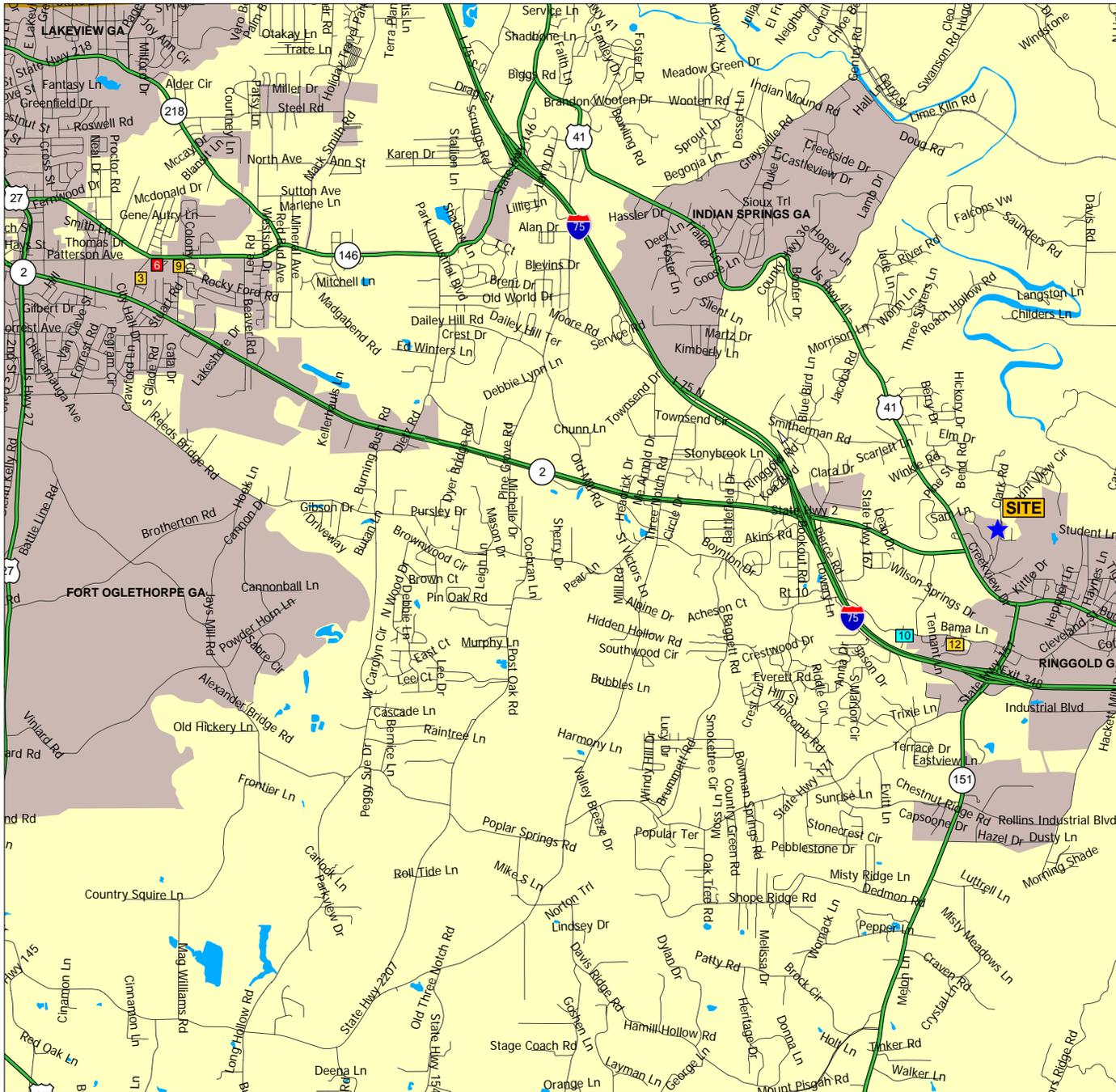
8. NEIGHBORHOOD DEVELOPMENTS/ZONING

The proposed project involves the new construction of 56 apartment units in a developing area of Ringgold. Nearby land uses include single-family homes, two multifamily projects, undeveloped land, and various commercial land uses that line U.S. Highway 41, which are considered to have a positive impact on the subject site's appeal. The area is currently zoned for multifamily use, and this use is not expected to change.

9. MAP OF LOW-INCOME RENTAL HOUSING

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

Ringgold, GA: Low Income Rental Housing



10. PLANNED ROAD OR INFRASTRUCTURE IMPROVEMENTS

According to area planning and zoning officials, there are no notable roads or other infrastructure projects underway or planned for the immediate site area. The subject site has convenient access to U.S. Highway 41, State Route 2, and Interstate 75. The site area is developing. Electric service is provided by Georgia Power Company, natural gas service is provided by Commerce Energy, and water/sewer service is provided by the city of Ringgold.

11. VISIBLE ENVIRONMENTAL OR OTHER CONCERNS

There were no visible environmental concerns regarding the site.

12. OVERALL SITE EVALUATION

The city of Ringgold is located approximately 16.0 miles south of Chattanooga, Tennessee, the closest large city. Residents from Ringgold travel to Chattanooga for additional shopping and entertainment opportunities, as Ringgold is a small town that does not possess a significant amount of recreational, entertainment, medical, or shopping opportunities.

The site is within good proximity to every-day shopping locations along U.S. Highway 41. This serves as the major commercial corridor for the city containing most of its shopping, dining, and entertainment offerings.

Ringgold is located in the central portion of Catoosa County, which is in the northwest portion of the State of Georgia. Ringgold has close proximity and great access to U.S. Highway 41, State Route 151, State Route 2, and Interstate 75. This access is essential as Ringgold has easy connection to other surrounding communities.

SECTION D – PRIMARY MARKET AREA DELINEATION

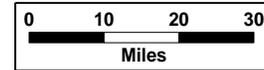
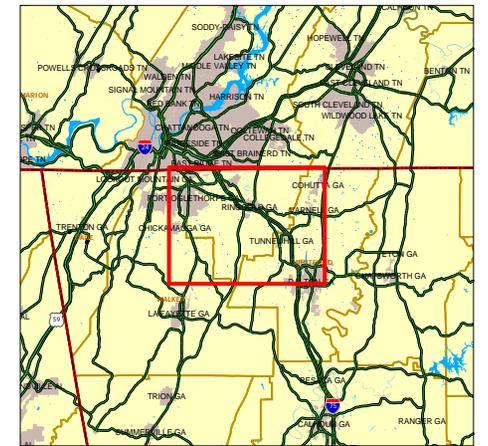
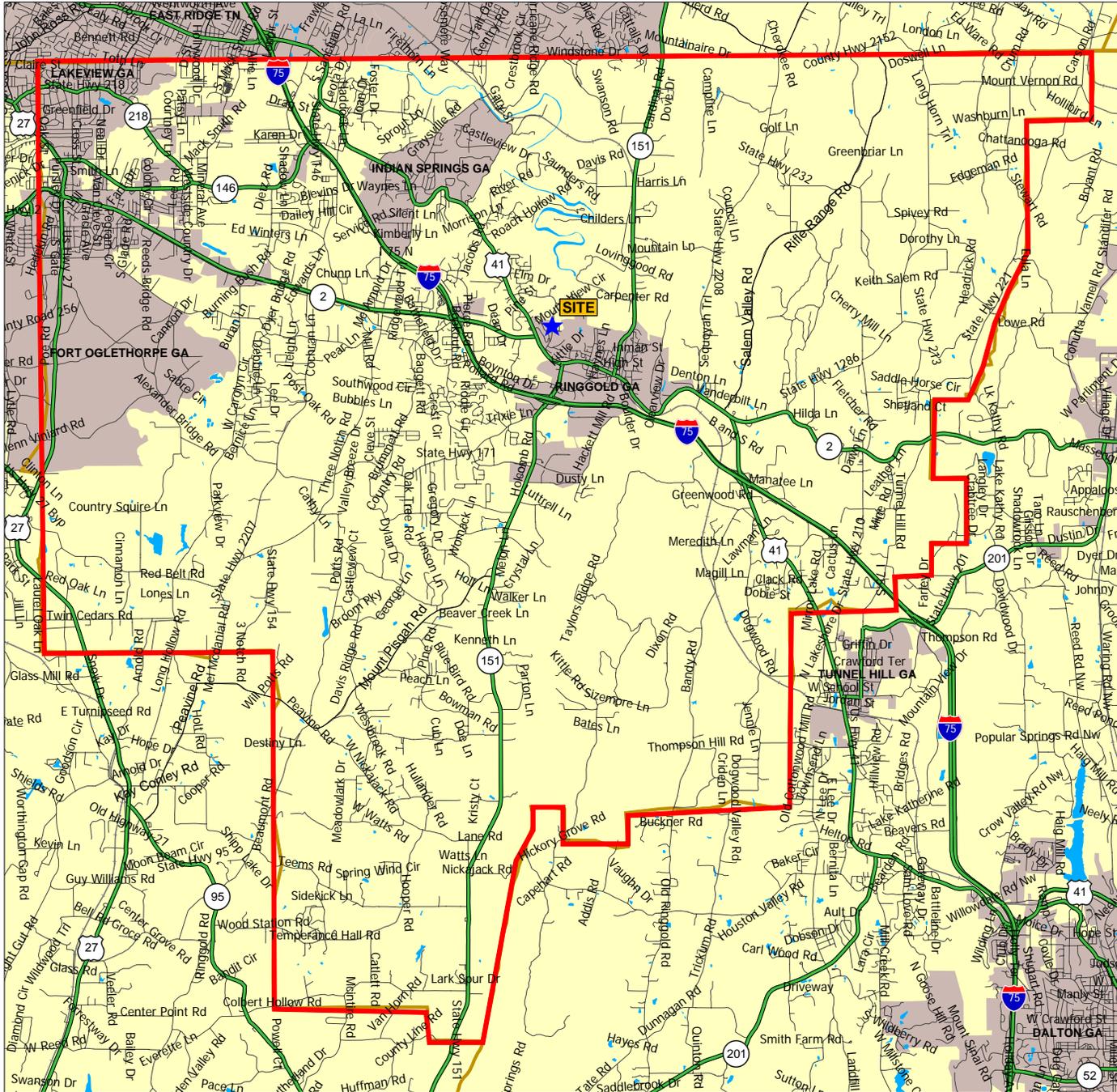
The Site Primary Market Area (PMA) is the geographical area from which 85% of the support for the proposed development is expected to originate. The Ringgold Site PMA was determined through interviews with area leasing and real estate agents, government officials, economic development representatives, and personal observations by our analysts. The personal observations by our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Ringgold Site PMA includes the entire area of the city of Ringgold, as well as nearby rural areas of Catoosa County, including Indian Springs, as well as portions of Rossville and Fort Oglethorpe. The Site PMA for the proposed developments includes the census tracts 301, 302, 303, 304.01, 304.02, 305, 306, and 307. The boundaries of the Site PMA include the Tennessee/Georgia state line to the north and the Catoosa county line to the east, south, and west.

The state line is used as the boundary to the north, as people would not move to Ringgold from the Chattanooga area. The Site PMA did not extend further east or south, as these areas are less developed rural areas that are not expected to provide support for the site. These excluded areas include Varnell, Dalton, Tunnel Hill, and Mount Vernon. Dalton is more developed, and is known as the carpet capital. This city was excluded, as people would not typically move to Ringgold from Dalton. Given the proximity of the site to the Fort Oglethorpe area, it is anticipated that seniors living outside the Site PMA would be attracted to the proposed project and would move to Ringgold for secure, high quality senior housing.

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

Ringgold, GA: Primary Market Area



- ★ Project Site
- PMA
- I Interstate Hwys
- U US Hwys
- S State Hwys

Miles
1:117,422

SECTION E – COMMUNITY DEMOGRAPHIC DATA & MARKET AREA ECONOMY

1. POPULATION TRENDS

The Ringgold Site PMA population base increased by 10,818 between 1990 and 2000. This represents a 25.4% increase over the 1990 total population, or an annual rate of 2.5%. This is significant population growth for this area. The Site PMA population base for 1990, 2000, 2005 (estimated), and 2008 (projected) are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2005 (ESTIMATED)	2008 (PROJECTED)
POPULATION	42,599	53,417	60,549	64,984
POPULATION CHANGE	-	10,818	7,132	4,435
PERCENT CHANGE	-	25.4%	13.4%	7.3%

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

It is projected that the total population will increase by 4,435 people, or 7.3%, between 2005 and 2008. This follows a 13.4% increase between 2000 and 2005. The average annual change between 2000 and 2008 is 2.6%.

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

POPULATION BY AGE	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)		CHANGE 2005-2008	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
17 & UNDER	13,789	25.8%	15,011	24.8%	15,649	24.1%	638	4.3%
18 TO 24	4,345	8.1%	5,432	9.0%	5,890	9.1%	458	8.4%
25 TO 34	7,842	14.7%	8,563	14.1%	8,618	13.3%	55	0.6%
35 TO 44	8,618	16.1%	9,395	15.5%	9,819	15.1%	424	4.5%
45 TO 54	7,305	13.7%	8,339	13.8%	9,243	14.2%	904	10.8%
55 TO 64	5,174	9.7%	6,289	10.4%	7,192	11.1%	903	14.4%
65 TO 74	3,787	7.1%	4,290	7.1%	4,838	7.4%	548	12.8%
75 & HIGHER	2,557	4.8%	3,230	5.3%	3,735	5.7%	505	15.6%
TOTAL	53,417	100.0%	60,549	100.0%	64,984	100.0%	4,435	7.3%

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

As the preceding table illustrates, the population age 55+ will experience the greatest shares of growth between 2005 and 2008. The senior population age 55 or older is expected to increase by 1,956 people, or 14.2% over the next few years. This is substantial senior population growth.

2. HOUSEHOLD TRENDS

Within the Ringgold Site PMA, the total number of households increased by 4,681 (29.6%) between 1990 and 2000. This equates to an annual average of 3.0%. Household trends within the Ringgold Site PMA are summarized as follows:

	YEAR			
	1990 (CENSUS)	2000 (CENSUS)	2005 (ESTIMATED)	2008 (PROJECTED)
HOUSEHOLDS	15,799	20,480	23,468	25,299
HOUSEHOLD CHANGE	-	4,681	2,988	1,831
PERCENT CHANGE	-	29.6%	14.6%	7.8%
AVERAGE HOUSEHOLD SIZE	2.7	2.6	2.6	2.6

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

Total household growth was significant between 2000 and 2005, and is projected to continue to increase rapidly until in 2008 there will be a total of 25,299 households. This is an increase of 602 households annually over 2000 levels, at an annual rate of 2.8%

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

HOUSEHOLDS BY AGE	2005 (ESTIMATED)		2008 (PROJECTED)		CHANGE 2005-2008	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
UNDER 25	1,145	4.9%	1,235	4.9%	90	7.9%
25 - 34	4,052	17.3%	4,042	16.0%	-10	-0.3%
35 - 44	5,056	21.5%	5,236	20.7%	180	3.6%
45 - 54	4,621	19.7%	5,073	20.1%	452	9.8%
55 - 64	3,713	15.8%	4,207	16.6%	494	13.3%
65 - 74	2,779	11.8%	3,104	12.3%	325	11.7%
75 - 84	1,649	7.0%	1,866	7.4%	217	13.2%
85 & HIGHER	452	1.9%	535	2.1%	83	18.5%
TOTAL	23,467	100.0%	25,298	100.0%	1,831	7.8%

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

Between 2005 and 2008 the greatest growth among household age groups will be among households between the ages 55 and 64. Senior households age 55+ are projected to increase by 1,119, or 13.7% between 2005 and 2008.

Households by tenure are distributed as follows:

TENURE	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
OWNER-OCCUPIED	15,782	77.1%	18,017	76.8%	19,386	76.6%
RENTER-OCCUPIED	4,698	22.9%	5,451	23.2%	5,912	23.4%
TOTAL	20,480	100.0%	23,468	100.0%	25,299	100.0%

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

Currently, 23.2% of all households within the Site PMA are renter-occupied. Note that the share of renter households is gradually increasing.

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

PERSONS PER RENTER HOUSEHOLD	2000 (CENSUS)		2005 (ESTIMATED)	
	HOUSEHOLDS	PERCENT	HOUSEHOLDS	PERCENT
1 PERSON	1,665	35.4%	2,046	37.5%
2 PERSONS	1,212	25.8%	1,347	24.7%
3 PERSONS	760	16.2%	846	15.5%
4 PERSONS	628	13.4%	750	13.8%
5+ PERSONS	432	9.2%	462	8.5%
TOTAL	4,698	100.0%	5,451	100.0%

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

One- and two-person households comprise 62.2% of all renter households within the Site PMA in 2005. Among senior renter households age 55 or older, the share of one- and two-person households is 92.1%.

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

HOUSEHOLD INCOME	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN \$10,000	1,897	9.3%	1,967	8.4%	2,007	7.9%
\$10,000 - \$19,999	2,684	13.1%	2,670	11.4%	2,653	10.5%
\$20,000 - \$29,999	2,897	14.1%	2,914	12.4%	2,903	11.5%
\$30,000 - \$39,999	2,770	13.5%	2,797	11.9%	2,862	11.3%
\$40,000 - \$49,999	2,783	13.6%	2,886	12.3%	2,853	11.3%
\$50,000 - \$59,999	2,307	11.3%	2,547	10.9%	2,703	10.7%
\$60,000 - \$74,999	2,023	9.9%	2,786	11.9%	3,079	12.2%
\$75,000 - \$99,999	1,882	9.2%	2,473	10.5%	2,930	11.6%
\$100,000 & HIGHER	1,237	6.0%	2,428	10.3%	3,310	13.1%
TOTAL	20,480	100.0%	23,468	100.0%	25,300	100.0%
MEDIAN INCOME	\$39,975		\$44,930		\$47,873	

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

Between 2005 and 2008, most of the household growth will be among households with incomes of \$50,000 and higher.

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

HOUSEHOLD INCOME (55+)	2000 (CENSUS)		2005 (ESTIMATED)		2008 (PROJECTED)	
	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
LESS THAN \$10,000	1,106	15.4%	1,129	13.1%	1,217	12.5%
\$10,000 - \$19,999	1,388	19.4%	1,453	16.9%	1,520	15.6%
\$20,000 - \$29,999	1,205	16.8%	1,307	15.2%	1,389	14.3%
\$30,000 - \$39,999	919	12.8%	1,118	13.0%	1,220	12.6%
\$40,000 - \$49,999	772	10.8%	858	10.0%	994	10.2%
\$50,000 - \$59,999	564	7.9%	743	8.6%	818	8.4%
\$60,000 - \$74,999	449	6.3%	699	8.1%	875	9.0%
\$75,000 - \$99,999	436	6.1%	601	7.0%	752	7.7%
\$100,000 & HIGHER	332	4.6%	685	8.0%	928	9.6%
TOTAL	7,171	100.0%	8,593	100.0%	9,713	100.0%
MEDIAN INCOME	\$28,919		\$33,707		\$35,767	

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

Between 2000 and 2005, most of the household growth was among households with incomes between \$50,000 and higher. This trend is expected to continue through 2008.

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

RENTER HOUSEHOLDS	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	601	211	54	70	22	958
\$10,000-\$20,000	445	261	172	61	130	1,070
\$20,000-\$30,000	296	198	212	134	94	934
\$30,000-\$40,000	224	185	127	106	48	691
\$40,000-\$50,000	70	184	95	99	39	486
\$50,000-\$60,000	28	74	36	72	48	257
\$60,000+	0	100	64	86	52	302
TOTAL	1,665	1,212	760	628	432	4,698

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS	2006 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	718	197	57	69	22	1,063
\$10,000-\$20,000	547	255	156	61	118	1,137
\$20,000-\$30,000	366	210	221	129	86	1,011
\$30,000-\$40,000	279	204	141	97	44	765
\$40,000-\$50,000	146	211	104	166	38	666
\$50,000-\$60,000	48	101	51	82	58	341
\$60,000+	1	206	139	167	109	621
TOTAL	2,104	1,385	870	771	475	5,605

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS	2008 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	756	191	56	70	21	1,094
\$10,000-\$20,000	562	248	143	58	115	1,126
\$20,000-\$30,000	390	213	213	123	86	1,024
\$30,000-\$40,000	305	213	144	100	46	807
\$40,000-\$50,000	152	213	95	187	37	684
\$50,000-\$60,000	52	116	54	97	70	389
\$60,000+	1	252	176	212	145	787
TOTAL	2,218	1,445	883	846	520	5,912

Source: Ribbon Demographics, Claritas

The following tables illustrate senior (age 55+) renter household income by household size for 2000, 2005, and 2008 for the Site PMA:

RENTER HOUSEHOLDS 55+	2000 CENSUS					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	404	47	2	12	2	467
\$10,000-\$20,000	133	93	2	2	6	235
\$20,000-\$30,000	98	88	7	0	0	192
\$30,000-\$40,000	54	34	0	0	0	88
\$40,000-\$50,000	13	33	0	9	0	54
\$50,000-\$60,000	0	9	0	10	0	19
\$60,000+	0	10	14	15	7	46
TOTAL	701	313	25	47	15	1,101

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS 55+	2006 ESTIMATED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	447	39	2	10	2	500
\$10,000-\$20,000	172	88	3	3	6	272
\$20,000-\$30,000	117	104	9	0	0	230
\$30,000-\$40,000	89	42	1	1	1	133
\$40,000-\$50,000	44	31	0	70	0	145
\$50,000-\$60,000	0	17	0	8	0	25
\$60,000+	0	32	42	27	21	122
TOTAL	869	352	58	118	30	1,427

Source: Ribbon Demographics, Claritas

RENTER HOUSEHOLDS 55+	2008 PROJECTED					
	1-PERSON	2-PERSON	3-PERSON	4-PERSON	5+-PERSON	TOTAL
\$0-\$10,000	468	39	2	10	2	522
\$10,000-\$20,000	186	93	4	3	8	293
\$20,000-\$30,000	129	111	10	0	0	250
\$30,000-\$40,000	100	45	1	1	1	148
\$40,000-\$50,000	48	36	0	85	0	170
\$50,000-\$60,000	0	17	0	9	0	26
\$60,000+	0	39	50	31	27	148
TOTAL	931	380	67	140	38	1,557

Source: Ribbon Demographics, Claritas

Data from the preceding tables is used in our demand analysis.

3. LABOR FORCE PROFILE

The labor force in the Site PMA is concentrated primarily among three sectors: Services, Retail Trade, and Manufacturing, which combined comprise more than 75% of the Ringgold Site PMA labor force. According to Claritas, employment in the Site PMA as of 2005 was distributed as follows:

SIC GROUP	ESTABLISHMENTS	PERCENT	EMPLOYEES	PERCENT
AGRICULTURE & NATURAL RESOURCES	38	2.2%	171	0.9%
MINING	1	0.1%	22	0.1%
CONSTRUCTION	131	7.6%	868	4.5%
MANUFACTURING	85	4.9%	2,629	13.6%
TRANSPORTATION & UTILITIES	72	4.2%	871	4.5%
WHOLESALE TRADE	78	4.5%	597	3.1%
RETAIL TRADE	434	25.1%	4,710	24.4%
F.I.R.E.	139	8.0%	1,142	5.9%
SERVICES	658	38.0%	7,234	37.5%
GOVERNMENT	81	4.7%	983	5.1%
NON-CLASSIFIABLE	14	0.8%	88	0.5%
TOTAL	1,731	100.0%	19,315	100.0%

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

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

Typical wages by occupation for the Chattanooga MSA are illustrated as follows:

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

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

Most Chattanooga MSA annual average blue collar or service sector salaries range from \$15,560 to \$34,340, while most management and other white-collar jobs have annual average salaries of more than \$50,000. The proposed project will target households with incomes of \$12,420 and higher. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw support. Note that wages in the area are less of a concern for the subject site, which will be age-restricted to seniors 55 or older. We expect that the majority of the residents at the proposed project will be retirees who are no longer active in the workforce.

4. MAJOR EMPLOYERS

The five largest employers within Catoosa County comprise a total of 7,762 employees. These employers are summarized as follows:

INDUSTRY	BUSINESS TYPE	TOTAL EMPLOYED
PROPEX CORPORATION	TEXTILES, CARPETS AND RUGS	3,000
CATOOSA COUNTY SCHOOL SYSTEM	EDUCATION	1,700
HUTCHESON MEDICAL CENTER	HEALTH	1,500
SHAW INDUSTRIES	TEXTILES, CARPETS AND RUGS	1,112
WAL-MART	RETAIL	450
TOTAL		7,762

According to Catoosa County Chamber of Commerce sources, Propex Corporation recently bought out SI Corporation, a fabric manufacturer that had employed approximately 2,200 people. Currently Propex Corporation has 3,000 employees, but the chamber sources could not provide information on if there had been any layoffs as a result of the buyout. The Catoosa County School System is also growing, as population and households in the area continue to grow somewhat rapidly. This growth for the local schools is expected to continue over the foreseeable future. The other large area employers are perceived as stable at this time.

Besides a strong base in manufacturing, service, and retail sector employment, which includes, textiles manufacturing, education, and healthcare, tourism is also a very important aspect of the area economy, as the site is within approximately 12 miles of the Chickamauga and Chattanooga National Military Park. This park attracts approximately 800,000 visitors annually and is a significant source of revenue for the local area as a result of the numerous lodging and retail businesses that attract tourists in the nearby area.

5. EMPLOYMENT TRENDS

The employment base has increased by 14.2% over the past five years in Catoosa County, outpacing the Georgia average of 8.0% over the same period.

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

YEAR	TOTAL EMPLOYMENT	
	CATOOSA COUNTY	GEORGIA
1997	24,305	3,751,699
1998	25,015	3,861,646
1999	26,334	3,951,684
2000	29,032	4,095,362
2001	29,374	4,112,868
2002	30,486	4,118,606
2003	31,599	4,159,543
2004	32,647	4,230,639
2005	32,943	4,346,289
2006*	33,543	4,440,233

*Through May

As the preceding illustrates, the Catoosa County employment base has increased every year since 1997, growing by 9,238 employees, or 38.0% in less than 10 years. However, it is important to note that a significant portion of this increase occurred between 1998 and 2000.

The unemployment rate in Catoosa County has remained between 2.6% and 4.0% since 1997, well below the Georgia average unemployment rate. Unemployment rates for Catoosa County and Georgia are illustrated as follow:

YEAR	UNEMPLOYMENT RATE	
	CATOOSA COUNTY	GEORGIA
1997	3.9%	4.5%
1998	3.9%	4.2%
1999	3.0%	3.8%
2000	2.6%	3.5%
2001	2.9%	4.0%
2002	3.2%	4.9%
2003	3.2%	4.8%
2004	3.4%	4.8%
2005	4.0%	5.3%
2006*	3.9%	4.7%

*Through May

The historically low unemployment rate for Catoosa County is an excellent indicator of the economic fortitude of the area, which continues to grow economically and demographically.

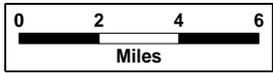
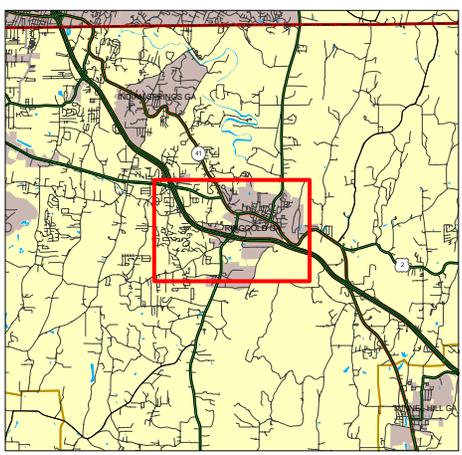
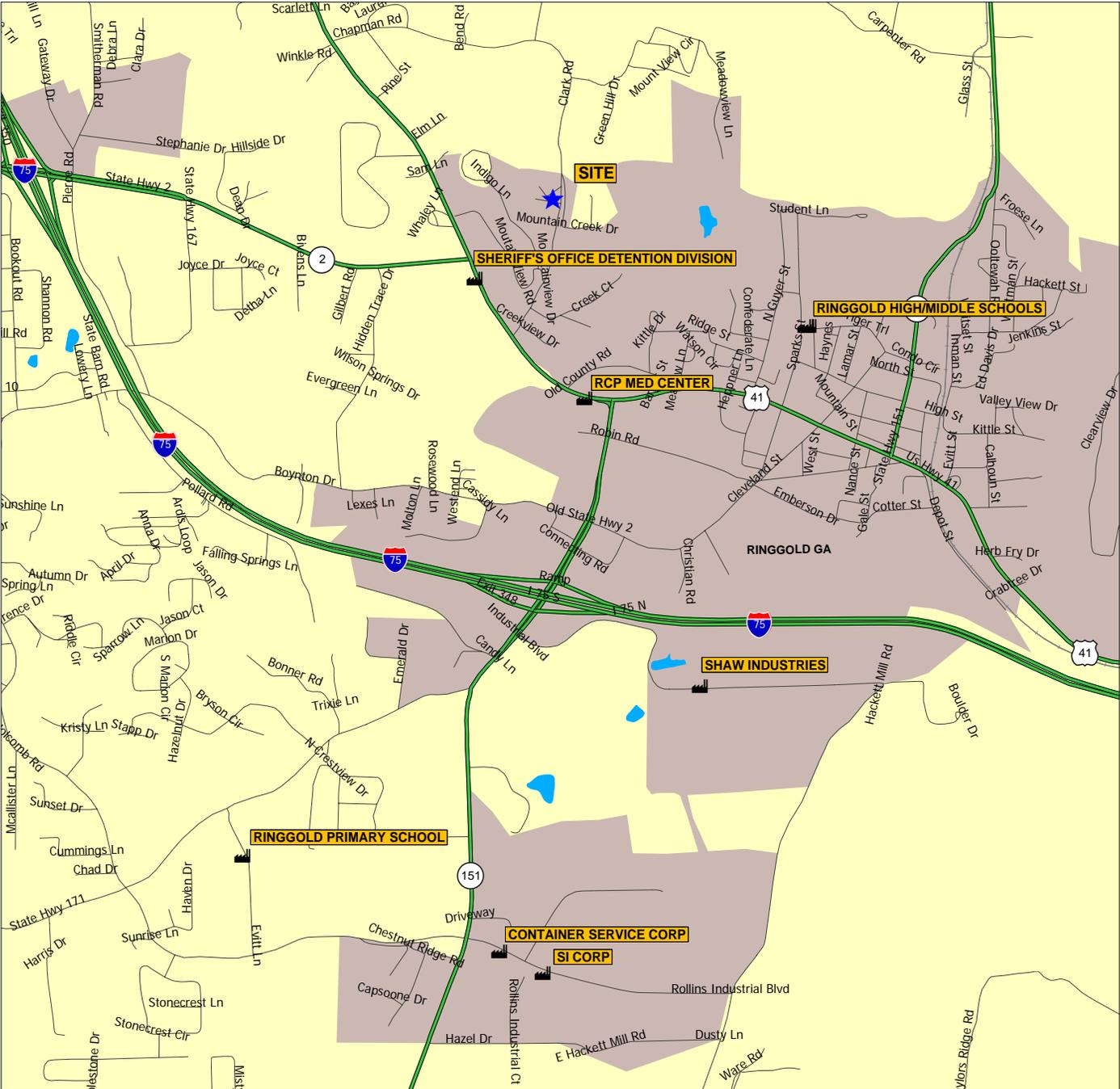
6. ECONOMIC FORECAST

Catoosa County and the Ringgold Site PMA have an employment base concentrated in three main sectors: Services, Retail Trade, and Manufacturing, which comprise more than 75% of the workforce in the Site PMA. Propex Corporation recently bought out SI Corporation, a fabric manufacturer that had employed approximately 2,200 people. Currently Propex Corporation has 3,000 employees. The Catoosa County School System is also growing, as population and households in the area continue to grow. Other large area employers are perceived as stable. Employment has grown steadily in the area and unemployment has remained between 2.6% and 4.0%, indicating a stable, growing local economy. Tourism is also vital to the local area and serves to bring more than 800,000 tourists to the Chickamauga and Chattanooga National Military Park each year.

Given a stable and growing local economy, as well as a stable base of large employers, we anticipate that demand for housing will grow as the Site PMA continues to grow in population and households. This will result in increased demand for housing in the future, including affordable rental housing such as what the subject site will offer. Note that since the site will mainly target households of retirement age, the local economy is less of a factor in the demand for senior housing.

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

Ringgold, GA: Employment Centers



- ★ Project Site
- Employers
- Interstate Hwys
- US Hwys
- State Hwys

Miles
1:21,737

SECTION F – PROJECT-SPECIFIC DEMAND ANALYSIS

1. DETERMINATION OF INCOME ELIGIBILITY

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

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

The subject site is in Catoosa County, in the Chattanooga, Tennessee-Georgia MSA, which has a four-person median household income of \$52,500 for 2006. The LIHTC units at the subject property will be restricted to households with incomes of up to 50% and 60% of AMHI for the Chattanooga MSA. The following table summarizes the maximum allowable income by household size for the Chattanooga MSA at 50% and 60% of AMHI.

HOUSEHOLD SIZE	MAXIMUM ALLOWABLE INCOME	
	50%	60%
ONE-PERSON	\$18,400	\$22,080
TWO-PERSON	\$21,000	\$25,200
THREE-PERSON	\$23,650	\$28,380
FOUR-PERSON	\$26,250	\$31,500
FIVE-PERSON	\$28,350	\$34,020

a. Maximum Income Limits

The largest proposed units (two-bedroom) at the subject site are expected to house up to two-person senior households. As such, the maximum allowable income at the subject site is \$25,200.

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

b. Minimum Income Requirements

Leasing industry standards typically require households to have rent to income ratios of 27% to 40%. Pursuant to GDCA/GHFA market study guidelines, the maximum rent to income ratio permitted for older person (age 55+) and elderly (age 62+) projects is 40%, and for family projects is 35%.

The proposed Low-Income Housing Tax Credit units will have a lowest gross rent of \$414 (at 50% and 60% of AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$4,968.

Applying a 40% rent to income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$12,420.

Applying a 27% rent to income ratio for the proposed market-rate units yields a minimum household income of \$18,975 for the site’s proposed market-rate units.

c. Income-Appropriate Range

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

UNIT TYPE	INCOME RANGE	
	MINIMUM	MAXIMUM
TAX CREDIT (LIMITED TO 50% OF AMHI)	\$12,420	\$21,000
TAX CREDIT (LIMITED TO 60% OF AMHI)	\$12,420	\$25,200
MARKET-RATE	\$18,975	\$60,000

2. METHODOLOGY

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

- a. **Demand from New Household: New units required in the market area due to projected household growth from migration into the market and growth from existing households in the market should be determined.** *This should be determined using 2000 renter household census data and projecting forward to the anticipated placed in service date of the project using a growth rate established from a reputable source such as Claritas or the State Data Center. This household projected must be limited to the target population, age and income group*

*and the demand for each income group targeted (i.e. 50% of median income) must be shown separately. In instances where a significant number (more than 20%) of proposed units are comprised of three and four bedroom units, please refine the analysis by factoring in the number of large households (generally 5+ persons). A demand analysis, which does not take this into account, may overestimate demand.). Note that our calculations have been reduced to only include **renter-qualified** households.*

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

- **Rent overburdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development.** *In order to achieve consistency in methodology, all analysts should assume that the rent overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent. Based on the 2000 Census, 34.1% of the Tax Credit eligible renter households were rent-overburdened and 4.0% of the market-rate eligible households were rent overburdened. These households have been included in our demand analysis.*
- **Households living in substandard housing (i.e. units that lack complete plumbing or that are overcrowded).** *Households in substandard housing should be determined based on age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The analyst is encouraged to be conservative in his/her estimate of demand from both households that are rent overburdened or living in substandard housing. Based on the 2000 Census, 3.2% of renter households were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).*
- **Elderly Homeowners likely to convert to rentership:** *GDCA recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly tax credit housing. This segment should not account for more than 20% of total demand. Due to the difficulty of extrapolating elderly (62 and over) owner households from elderly renter households, analyst may use the total figure for elderly households in the appropriate income band in order to derive this demand figure. Data from interviews with property managers of active projects regarding renters who have come from homeownership should be used to refine the analysis.*

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

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

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

- **Housing For Older Persons Rental Demand** *will be calculated at 10% of the Elderly Qualified Rental Households demand for the Primary Market Area.*
- **Demand for HFOP** *will be based on the Gross demand for Elderly Households plus the rental demand for HFOP.*
- *The maximum income limit for Senior developments will be limited to two-person households regardless of the bedroom type proposed.*
- c. **To accommodate for the Secondary Market Area, the Demand from Existing Qualified Households within the Primary Market Area will be multiplied by 115% to account for demand from the Secondary Market Area.** *GDCA recommends that the analyst be conservative when developing the Primary Market Area so as to not overstate market demand due to this multiplier effect.*

Within the boundaries of the Site PMA there were no senior LIHTC properties identified that have been funded, built, or rehabilitated under the Tax Credit program since 1999. Thus, there is no supply to be deducted when calculating demand for the proposed project.

The following is a summary of our demand calculations:

DEMAND COMPONENT	PERCENT OF MEDIAN HOUSEHOLD INCOME			
	50% (\$12,420 TO \$21,000)	60% (\$12,420 TO \$25,200)	OVERALL (\$12,420 TO \$25,200)	MARKET-RATE (\$18,975 TO \$60,000)
DEMAND FROM NEW HOUSEHOLDS (AGE- AND INCOME-APPROPRIATE)	247 – 197 = 50	352 – 278 = 74	352 – 278 = 74	624 – 377 = 247
+				
DEMAND FROM EXISTING HOUSEHOLDS (RENTER IN SUBSTANDARD HOUSING)	197 X 3.2% = 6	278 X 3.2% = 9	278 X 3.2% = 9	377 X 3.2% = 12
+				
DEMAND FROM EXISTING HOUSEHOLDS (RENT OVERBURDENED)	197 X 34.1% = 67	278 X 34.1% = 95	278 X 34.1% = 95	377 X 4.0% = 15
+				
DEMAND FROM EXISTING HOUSEHOLDS (ELDERLY HOMEOWNER CONVERSION)	24*	35*	35*	55*
+				
DEMAND FROM EXISTING HFOP RENTAL HOUSEHOLDS	12	18	18	28
=				
DEMAND SUBTOTAL	159	231	231	361
+				
DEMAND FROM SECONDARY MARKET AREA (115% OF DEMAND FROM EXISITNG QUALIFIED HOUSEHOLDS IN SITE PMA)	24	35	35	54
=				
TOTAL DEMAND	183	266	266	415
-				
SUPPLY (DIRECTLY COMPARABLE UNITS BUILT AND/OR FUNDED SINCE 1999)	0	0	0	0
=				
NET DEMAND	183	266	266	415
PROPOSED UNITS	23	21	44	12
CAPTURE RATE	12.6%	7.9%	16.5%	2.9%

* Note that demand is actually significantly higher, and the 20% of demand maximum share has been applied

The capture rates for the various targeted income levels range from 2.9% to 16.5%, and are considered excellent to moderate capture rates.

Based on our survey of conventional apartments, as well as the distribution of bedroom types in balanced markets, the estimated share of senior demand by bedroom type is distributed as follows:

ESTIMATED DEMAND BY BEDROOM	
BEDROOM TYPE	PERCENT
ONE-BEDROOM	50.0%
TWO-BEDROOM	45.0%
THREE-BEDROOM	5.0%
TOTAL	100.0%

Applying these shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as follows:

BEDROOM SIZE (SHARE OF DEMAND)	TARGET % OF AMHI	SUBJECT UNITS	TOTAL DEMAND*	SUPPLY**	NET DEMAND	CAPTURE RATE	ABSORPTION	MEDIAN MARKET RENT	SUBJECT GROSS RENTS
ONE-BR (50.0%)	50%	14	92	0	92	15.2%	2/MO	\$529	\$414
	60%	4	133	0	133	3.0%	2/MO	\$529	\$414
	MR	6	208	0	208	2.9%	2/MO	\$529	\$427
ONE-BEDROOM	TOTAL	24	328	0	328	7.3%	6/MO	\$529	-
TWO-BR (45.0%)	50%	9	82	0	82	11.0%	1.5/MO	\$677	\$469
	60%	17	120	0	120	14.2%	3/MO	\$677	\$469
	MR	6	187	0	187	3.2%	1.5/MO	\$677	\$494
TWO-BEDROOM	TOTAL	32	295	0	295	10.8%	6/MO	\$677	-
THREE-BR (5.0%)	50%	0	9	0	9	-	-	-	-
	60%	0	13	0	13	-	-	-	-
	MR	0	20	0	20	-	-	-	-
THREE-BEDROOM	TOTAL	0	32	0	32	-	-	-	-

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

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

The capture rates by bedroom type are excellent to moderate, ranging from 2.9% for one-bedroom market-rate units to 15.2% for the one-bedroom units at 50% AMHI. These capture rates are indicators that there is sufficient support for the proposed subject units.

3. ABSORPTION PROJECTIONS

For the purposes of this analysis, we assume the absorption period at the site begins as soon as the first units are available for occupancy. With an anticipated placed in service date of December 31, 2007, we assume initial units at the site will actually be begin renting in January 2008.

Based on our analysis contained in this report, it is our opinion that the 12 market-rate units will reach a stabilized occupancy of 93% within three months of opening, averaging an absorption rate of approximately three to four units per month.

It is our opinion that the 44 LIHTC units will reach a stabilized occupancy of 93% within five to six months of opening, with an average absorption rate of seven to nine units per month.

SECTION G – RENTAL HOUSING ANALYSIS (SUPPLY)

1. OVERVIEW OF RENTAL HOUSING

Based on the 2000 Census, rental housing comprises 4,698 units, or 22.9% of the occupied housing. The distribution of the area housing stock in 2000 and 2005 are summarized on the following table:

HOUSING TYPE	2000 CENSUS		2005 (ESTIMATED)	
	HOUSING UNITS	PERCENT	HOUSING UNITS	PERCENT
TOTAL OCCUPIED	20,480	93.7%	23,468	93.7%
OWNER-OCCUPIED	15,782	77.1%	18,017	76.8%
RENTER-OCCUPIED	4,698	22.9%	5,451	23.2%
VACANT	1,376	6.3%	1,567	6.3%
TOTAL	21,856	100.0%	25,035	100.0%

Based on the 2000 Census, of the 21,856 total households in the market, 6.3% were vacant. This is a relatively low overall vacancy rate and an indication of a stable housing market. The share of renters and owners in the market has remained virtually unchanged over the last five years.

We conducted an on-site survey of 20 conventional properties totaling 1,751 apartment units. Of these properties, 17 are non-subsidized (market-rate and/or Tax Credit) with 1,460 units. Among these non-subsidized units, 95.8% are occupied. We consider this a relatively high occupancy rate, and a positive indication of the strength of the non-subsidized conventional apartment market. Fountain Brook Apartments has a total of 64 units currently under construction, with 40 of 48 units recently completed in phase two already rented.

There are also three government-subsidized projects in the market with a total of 291 units and an overall occupancy rate of 90.0%. These subsidized projects operate under various programs including HUD Section 8 and 236. This is a low occupancy rate for subsidized rental housing. Note that almost all of the 29 vacancies among subsidized units are at Battlewood Apartments, which is 82.7% occupied. Vacancies at this struggling project are project-related, rather than attributable to a “soft” subsidized housing market.

According to area apartment managers, rents have increased at an estimated annual rate of 1.5%.

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

UNIT TYPE	NUMBER OF UNITS	VACANT UNITS	VACANCY RATE	MEDIAN GROSS RENT
STUDIO	85	4	4.7%	\$360
1-BEDROOM/ 1.0 BATH	630	16	2.5%	\$529
2-BEDROOM/ 1.0 BATH	87	0	0.0%	\$677
2-BEDROOM/ 1.5 BATH	343	2	0.6%	\$660
2-BEDROOM/ 2.0 BATH	203	7	3.4%	\$727
3-BEDROOM/ 1.5 BATH	44	16	36.4%	\$762
3-BEDROOM/ 2.0 BATH	20	0	0.0%	\$705
4+-BEDROOM/ 2.0 BATH	48	16	33.3%	\$825
TOTAL	1,460	61	4.2%	

The overall vacancy rate among the 1,460 non-subsidized apartments in the Ringgold Site PMA is 4.2%, indicating a very stable market. Studio and one-bedroom units account for almost 50% of the units in the market, a high share of small household units. Demand is high for one- and two-bedroom unit types, while vacancies are high among three- and four-bedroom units. Note that 32 of the 34 total three- and four-bedroom vacancies are at Oglethorpe Ridge Apartments, a Tax Credit project that is struggling as a result of a virtual lack of management over a recent five-month period, during which several units became vacant that have not since been rented. Management noted that several units are in need of repairs from previous tenants. Additionally it should be noted that there are 44 three-bedroom and 48 four-bedroom units at this project, which appears to be an overabundance of large unit types for a market such as the Site PMA.

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

MARKET-RATE			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A	1	160	8.1%
A-	2	118	0.0%
B+	3	380	0.5%
B	8	483	2.1%
B-	2	120	2.5%

Vacancies are the highest at the Fountain Brook Apartments property, which is rated as an A property and has 48 units that recently finished construction and an additional 64 units under construction. The subject project is anticipated to have a quality rating of A-. This high quality should enhance the proposed project's marketability.

We also rated each Tax Credit property surveyed on quality. Following is a distribution of LIHTC projects by quality rating, units, and vacancies.

TAX CREDIT			
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE
A	1	97	33.0%
A-	1	70	1.4%
B	1	32	0.0%

The Tax Credit units with vacancies are at the A quality property, Oglethorpe Ridge Apartments, which has had a low occupancy rate for several months. Note that all of the project’s vacancies are in three- or four-bedroom units.

2. SURVEY OF COMPARABLE/COMPETITIVE PROPERTIES

Tax Credit Units

The proposed subject project will include 44 Tax Credit units that target senior households age 55 or older. We identified two Low-Income Housing Tax Credit projects that target seniors; however, both properties are located outside the Site PMA, and therefore are not included in our demand analysis. However, these two existing senior LIHTC projects are considered comparable with the proposed subject development in that they target households with incomes similar to those that will be targeted at the subject site, and have been used for comparison purposes only. These competitive properties and the proposed subject development are summarized as follows. It is important to note that because these projects are outside the Site PMA, they have been assigned Map I.D.’s 901 and 902. (Note: information regarding property address and phone number, contact name, date of contact, and utility responsibility is included in Addendum A-Field Survey of Conventional Rentals of this report):

MAP I.D.	PROJECT NAME	YEAR BUILT	LIHTC UNITS	OCCUPANCY RATE	PHYSICAL CONDITION	TARGET MARKET
SITE	LONE MOUNTAIN VILLAGE	2008	44*	-	EXCELLENT	SENIORS (55+) 50%, 60% AMHI
901**	ROSSVILLE SENIOR VILLAGE	2003	48*	100.0%	VERY GOOD	SENIORS (55+) 50%, 60% AMHI
902**	WOODLAND SENIOR	2003	52	100.0%	GOOD	SENIORS (55+) 45%, 50%, 60% AMHI

*Does not include 12 market-rate units

** Note these projects are located outside the Site PMA

The two comparable senior properties located outside the Site PMA are both fully occupied. Note that Rossville Senior Village has 71 households on the waiting list, while Woodland Senior does not have a waiting list. All but one of the vacancies among Tax Credit rentals in this market are in larger three- and four-bedroom units at family LIHTC projects that do not compete with senior LIHTC projects.

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

MAP I.D.	PROJECT NAME	GROSS RENT (NUMBER OF LIHTC UNITS/VACANCIES)		SPECIALS/ CONCESSIONS
		ONE- BR.	TWO- BR.	
SITE	LONE MOUNTAIN VILLAGE	\$414 (18)	\$469 (28)	-
901*	ROSSVILLE SENIOR VILLAGE	\$414 (30/0)	\$475 (18/0)	NONE
902*	WOODLAND SENIOR	\$388 - \$452 (26/0)	\$470 - \$548 (26/0)	NONE

* Note these projects are located outside the Site PMA

The proposed subject rents, \$414 for a one-bedroom unit and \$469 for a two-bedroom unit will be very competitively priced with the other senior LIHTC units nearby, particularly given the inferior quality and features of these competing projects. Neither of the comparable properties is offering rent concessions.

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

MAP I.D.	PROJECT NAME	SQUARE FOOTAGE		NUMBER OF BATHS	
		ONE- BR.	TWO- BR.	ONE- BR.	TWO- BR.
SITE	LONE MOUNTAIN VILLAGE	760	1,002	1.0	1.0
901*	ROSSVILLE SENIOR VILLAGE	680	918	1.0	1.0
902*	WOODLAND SENIOR	622	872	1.0	1.0

* Note these projects are located outside the Site PMA

The proposed development will offer the largest unit sizes (square footage) when compared with the existing senior LIHTC projects in the area. The number of baths offered at the subject site is equal to the comparable LIHTC units. As such, the unit sizes and number of baths will enable the proposed LIHTC units at the site to compete well with the existing senior Tax Credit units in the market.

The following tables compare the amenities of the subject development with the senior LIHTC projects selected as competing projects.

**COMPARABLE PROPERTIES AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

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

MAP ID	PROJECT AMENITIES																OTHER			
	POOL	ON-SITE MNGT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	LAKE	ELEVATOR	SECURITY GATE	BUSINESS CENTER	CAR WASH AREA		PICNIC AREA	CONCIERGE SERVICE	SOCIAL SERVICES
SITE		X	X	X	X	X			X			X		X			X			WALKING PATH PUTTING GREEN
901*		X			X	X					X								X	KITCHEN
902*		X	X	X	L	X											X			

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

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



The amenity packages included at the proposed subject development will be very competitive with the competing low-income projects. In fact, the subject project will offer features such as a shuffleboard court, putting green, computer center, and gazebo that are not typically offered in the market or at the comparable properties. The subject development does not appear to be lacking any amenities that would hinder its marketability to operate as a Tax Credit project.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the existing low-income properties within or near the market, it is our opinion that the proposed subject development will be competitive with these properties.

The anticipated occupancy rates of the existing comparable Tax Credit developments following completion and lease-up at the subject site are as follows:

PROJECT	CURRENT OCCUPANCY RATE	ANTICIPATED OCCUPANCY RATE THROUGH 2008
ROSSVILLE SENIOR VILLAGE	100.0%	98.0%+
WOODLAND SENIOR	100.0%	96.0%+

Development of the subject site is expected to have little impact on occupancy rates at the existing comparables, although given the site's larger unit sizes and superior location, we expect the site will be more desirable than Woodland Senior, which could create some vacancies at this project. With 71 households on the waiting list at Rossville Senior Village, this project is expected to have a continuing high occupancy rate.

Market-rate Units

The proposed project will include 12 market-rate units among its 56 total units. The proposed project will be of high quality and will offer a comprehensive amenity package. We identified six market-rate properties within the Ringgold Site PMA that offered quality, rents, and features comparable to the subject project. These competitive market-rate properties and the proposed subject development are summarized as follows:

MAP I.D.	PROJECT NAME	YEAR BUILT	UNITS	OCCUPANCY RATE	CONCESSIONS	MILES TO SITE
SITE	LONE MOUNTAIN VILLAGE	2008	12*	-	-	-
1	LAKESHORE APTS. II	1988	80	96.3%	NONE	8.0
5	FOUNTAIN BROOK APTS.	2000/ 2006	160	91.9%	\$495/MONTH FOR 1 BR. UNIT	9.4
7	FORT TOWN PLACE	2002	251	100.0%	NONE	7.3
13	SPRING HILL APTS.	1984	45	100.0%	NONE	1.4
14	SPRING HILL APTS. II	1986	24	100.0%	NONE	1.6
19	LAKESHORE I APTS.	1987	79	87.3%	NONE	7.5

* Does not include 44 LIHTC units

The comparable properties have a combined occupancy rate of 95.9%. Only Lakeshore I Apartments has an occupancy rate below 90.0%.

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

MAP I.D.	PROJECT NAME	COLLECTED RENT (NUMBER OF UNITS/VACANT)		
		STUDIO	ONE-BR.	TWO-BR.
SITE	LONE MOUNTAIN VILLAGE		\$325 (6)	\$365 (6)
1	LAKESHORE APTS. II	\$550 (10/2)	\$410 (64/1)	\$525 - \$550 (6/0)
5	FOUNTAIN BROOK APTS.	-	\$555-\$575 (100/7)	\$695-\$745 (124/6)
7	FORT TOWN PLACE	-	\$410 (163/0)	\$525-\$575 (88/0)
13	SPRING HILL APTS.	-	\$375 (45/0)	-
14	SPRING HILL APTS. II	-	-	\$505 (24/0)
19	LAKESHORE I APTS.	\$354 (15/2)	\$429 (59/8)	\$569-\$609 (5/0)

The proposed subject rents, \$325 for a one-bedroom unit and \$365 for a two-bedroom unit, are well below the comparable units rents. This will enable the proposed market-rate units to be very competitive. The proposed market-rate units at the subject site will be perceived as an excellent value in the market.

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

MAP I.D.	PROJECT NAME	SQUARE FOOTAGE			NUMBER OF BATHS		
		STUDIO	ONE-BR.	TWO-BR.	STUDIO	ONE-BR.	TWO-BR.
SITE	THE VILLAGE AT RINGGOLD APTS.	-	760	1,002	-	1.0	1.0
1	LAKESHORE APTS. II	276	576	876	1.0	1.0	1.0
5	FOUNTAIN BROOK APTS.	-	850	1,300	-	1.0	1.5-2.0
7	FORT TOWN PLACE	-	600	816-1,024	-	1.0	1.0-1.5
13	SPRING HILL APTS.	-	600	-	-	1.0	-
14	SPRING HILL APTS. II	-	-	900	-	-	1.0
19	LAKESHORE I APTS.	288	576	864	1.0	1.0	1.0-2.0

The proposed development will offer some of the largest units in the market. While the two-bedroom unit offers only one bathroom, this is not considered a major negative, as the project will typically house only one- and two-person households.

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

**COMPARABLE PROPERTIES AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

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

MAP ID	PROJECT AMENITIES														OTHER					
	POOL	ON-SITE MNGT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	LAKE	ELEVATOR	SECURITY GATE		BUSINESS CENTER	CAR WASH AREA	PICNIC AREA	CONCIERGE SERVICE	SOCIAL SERVICES
SITE		X	X	X	X	X				X			X		X		X			WALKING PATH PUTTING GREEN
1		X	X																	
5	X	X		X	L	X					O									
7	X					X														
13		X																		
14		X																		
19			X					X												

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

X - ALL UNITS
 S - SOME UNITS
 O - OPTIONAL

C - CARPET
 H - HARDWOOD
 V - VINYL

B - BLINDS
 C - CURTAINS
 D - DRAPES



The amenity packages included at the proposed subject development will be very competitive with the competing market-rate projects. In fact, the proposed project offers a project amenity package that will be superior to many of the competing properties, which will give it a competitive advantage in the market.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the comparable market-rate properties within the market, it is our opinion that the proposed subject development will be very competitive with these properties, and will have a significant advantage in some cases.

3. SUMMARY OF ASSISTED PROJECTS

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

MAP I.D.	PROJECT NAME	TYPE	YEAR BUILT/RENOVATED	TOTAL UNITS	OCC.	COLLECTED RENTS			
						ONE-BR.	TWO-BR.	THREE-BR.	FOUR-BR.
3	BATTLEWOOD APTS.	GS	1971	150	82.7%	\$430	\$375 - \$452	\$383 - \$461	-
6	OGLETHORPE RIDGE APTS.	TAX	1997	97	67.0%	\$410	-	\$625	\$650
9	CATOOSA GARDENS APTS.	GS	1976	101	100.0%	SUB.	SUB.	SUB.	SUB.
10	BEDFORD PLACE	MRT	2004	88	98.9%	\$205 - \$415	\$240 - \$515	\$535 - \$565	-
11	ROSEWOOD APTS. I & II	MRT	1985	85	100.0%	\$275 - \$421	\$310 - \$481	-	-
12	OAK RIDGE APTS.	GS	1983	40	92.5%	\$322 - \$479	\$342 - \$537	\$367 - \$570	-
TOTAL				561	89.0%				

OCC-Occupancy

TAX-Tax Credit

GS – Government-subsidized

MRT – Market-rate and Tax Credit

SUB. - Subsidized

There are a total of six federally subsidized and/or Tax Credit apartment developments in the Site PMA. The overall occupancy is 89.0%, indicating a very modest market among these types of apartments. However, the vast majority of the vacancies are at Oglethorpe Ridge Apartments and Battlewood Apartments, indicating the vacancies at these projects are likely attributed to management and project shortcomings, rather than a “soft” market, as the other four assisted properties are at least 92.5% occupied. The proposed project offers no subsidized units, and therefore will not be competitive with federally subsidized projects.

4. PLANNED MULTIFAMILY DEVELOPMENT

Based on our interviews with local building and planning representatives, it was determined that no multifamily projects are planned for the Site PMA. However, note that 64 units are still under construction at Fountain Brook Apartments, and will open later this year.

5. MARKET-DRIVEN RENT ADVANTAGE

We identified six market-rate properties within the Ringgold Site PMA that we consider most comparable to the proposed subject development. These selected properties are used to derive market rent for a project with characteristics similar to the proposed subject development. It is important to note for the purpose of this analysis we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the proposed subject units without maximum income and rent restrictions.

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

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

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

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

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

MAP I.D.	PROJECT NAME	TOTAL UNITS	YEAR BUILT	OCC. RATE	UNIT MIX		
					STUDIO	ONE-BR.	TWO-BR.
SITE	LONE MOUNTAIN VILLAGE	56	2008	-	-	24	32
1	LAKESHORE APTS. II	80	1988	96.3%	10	64	6
5	FOUNTAIN BROOK APTS.	160 + 64 U/C	2000/ 2006	91.9%	-	100	124
7	FORT TOWN PLACE	251	2002	100.0%	-	163	88
13	SPRING HILL APTS.	45	1984	100.0%	-	45	-
14	SPRING HILL APTS. II	24	1986	100.0%	-	-	24
19	LAKESHORE I APTS.	79	1987	87.3%	15	59	5

Occ. – Occupancy

U/C – Under construction

The six comparable market-rate properties have a combined occupancy rate of 95.9%. Only Lakeshore I Apartments has an occupancy rate below 90.0%.

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

Rent Comparability Grid

Unit Type →

ONE BEDROOM

Subject's FHA #:

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Lone Mountain Village		Lakeshore II Apts.		Fountain Brook Apts.		Spring Hill Apts.		Fort Town Place		Lakeshore I Apts.	
Chapman Rd.		1000 Lakeshore Dr.		100 Brookhaven Circle		Guyler St.		Fort Town Dr.		1100 Lakeshore Dr.	
Ringgold, GA		Fort Oglethorpe, GA		Fort Oglethorpe, GA		Ringgold, GA		Fort Oglethorpe, CA		Fort Oglethorpe, GA	
A.	Rents Charged	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$410		\$565		\$375		\$410		\$429	
2	Date Surveyed	Jun-06		Jun-06		Jun-06		Jun-06		Jun-06	
3	Rent Concessions	None		Yes (\$70)		None		None		None	
4	Occupancy for Unit Type	98%		90%		100%		100%		86%	
5	Effective Rent & Rent/ sq. ft	\$410	0.7118	\$495	0.58	\$375	0.63	\$410	0.68	\$429	0.74
<i>In Parts B thru E, adjust only for differences the subject's market values.</i>											
B.	Design, Location, Condition	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	EE/2		R/1		WU/2,3		R/1		WU/2	
7	Yr. Built/Yr. Renovated	2008		1988	\$20	2000	\$8	1984	\$24	2002	\$6
8	Condition /Street Appeal	E		G	\$10	E		G	\$10	G	\$10
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		Yes	
C.	Unit Equipment/ Amenities	Data	\$ Adj	Data	Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	760	\$37	576	\$37	850	(\$18)	600	\$32	600	\$32
14	Balcony/ Patio	Y	\$5	N	\$5	Y		N	\$5	Y	
15	AC: Central/ Wall	C	\$10	W	\$10	C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y	\$5	N/N	\$5	Y/Y	(\$5)	N/N	\$5	Y/Y	(\$5)
18	Washer/Dryer	HU/L	\$5	L	\$5	HU	(\$20)	WD	(\$20)	HU	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/E-Call Buttons	N/Y	\$2	N/N	\$2	N/N	\$2	N/N	\$2	N/N	\$2
22	Garbage Disposal	Y	\$5	Y		Y		N	\$5	N	\$5
23	Storage	Y	\$2	N	\$2	N	\$2	N	\$2	Y	
D	Site Equipment/ Amenities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y	\$5	Y	
26	Security Gate	N		N		N		N		N	
27	Clubhouse/ Meeting Rooms	Y/Y	\$10	N/N	\$10	Y/Y		N/N	\$10	N/N	\$10
28	Pool/ Recreation Areas	F/G/S	\$9	N	\$9	P/F	(\$6)	N/N	\$9	P/F	(\$6)
29	Computer Center	Y	\$2	N	\$2	N	\$2	N	\$2	N	\$2
30	Picnic Area	Y	\$2	N	\$2	N	\$2	N	\$2	Y	
31	Library	Y	\$1	N	\$1	N	\$1	N	\$1	N	\$1
32	Social Sevices	Y	\$10	N	\$10	N	\$10	N	\$10	N	\$10
E.	Utilities	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N	(\$11)	Y/Y	(\$11)	N/N		N/N		N/N	
39	Trash /Recycling	Y/N		Y/N		Y/N	\$15	N/N	\$15	N/N	\$15
F.	Adjustments Recap	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D			15	7	3	14	1	13	2	10
41	Sum Adjustments B to D			\$130		\$27	(\$29)	\$119	(\$20)	\$92	(\$11)
42	Sum Utility Adjustments						(\$11)	\$15		\$15	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$119	\$141	(\$2)	\$56	\$114	\$154	\$96	\$118	\$120	\$120
G.	Adjusted & Market Rents	Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$529		\$493		\$489		\$506		\$549	
45	Adj Rent/Last rent		129%		100%		130%		123%		128%
46	Estimated Market Rent	\$505	\$0.66	← Estimated Market Rent/ Sq. Ft							

Appraiser's Signature

Date

Attached are explanations of :

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

Based on the preceding Rent Comparability Grids, it was determined that the market-driven rents for units similar to the proposed subject development are \$505 for a one-bedroom unit and \$625 for a two-bedroom unit.

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

BEDROOM TYPE	COLLECTED RENT		
	PROPOSED SUBJECT	MARKET-DRIVEN	PROPOSED RENT AS SHARE OF MARKET
ONE-BEDROOM	\$312 - \$325	\$505	61.8% - 64.5%
TWO-BEDROOM	\$340 - \$365	\$625	54.4% - 58.4%

The proposed collected rents are 54.4% to 64.5% of market-driven rents and appear to be excellent values for the subject market. The proposed rents represent a 35.5% to 45.6% market-rent advantage.

6. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

1. Rents for each property are reported as collected rents. This is the actual rent paid by tenants and does not consider utilities paid by tenants. The rent reported is typical and does not consider rent concessions or special promotions. When multiple rent levels were offered, we included an average rent.

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1984 and 2002. As such, we have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties.

8. It is anticipated that the proposed subject project will have an excellent quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider of inferior quality compared to the subject development.

12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made \$15 per half bathroom adjustments to reflect the difference in the number of bathrooms offered at the site as compared to the competitive properties.

13. There is a wide range of unit sizes (square footage) among the selected properties. We have made adjustments of \$0.20 to the rents of each project that had different unit sizes compared to the subject site. Where there is a range of unit sizes, we have used an average square footage or the square footage of the most similar style unit.
- 14.- 23. The proposed subject project will offer a unit amenity package similar to the selected properties. However, we have made some adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a comprehensive project amenities package including a clubhouse with meeting rooms, a fitness center, on-site management, computer room, and library, as well as an outdoor shuffleboard court and a gazebo with picnic area. We have made monetary adjustments to reflect the difference between the proposed subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.

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

SECTION H – INTERVIEWS

Ms. Sandy Lee of Rossville Senior Village, which is located outside the Site PMA but is the closest senior Tax Credit project, stated that there is a very high demand for senior housing in her area. She noted that she has 71 households on her waiting list, and that she could easily fill more senior units.

Determination of the Site PMA for the proposed project is based on interviews with area property managers, real estate agents, and city officials to establish the boundaries of the geographical area from which most of the support for the proposed development is expected to originate.

Interviews were also conducted with Mr. J. Olney Meadows of the Catoosa County Chamber of Commerce in order to gather economic data such as major employer numbers and information on job growth in the Catoosa County economy.

Lastly, area building and planning department officials were interviewed about area apartments and other housing developments as well as infrastructure changes that could affect the Ringgold area and Catoosa County.

SECTION I – RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market exists for the 56 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rent, amenities, or opening date may alter these findings.

Based on our analysis of the rents, unit sizes (square feet), amenities, location, quality, and occupancy rates of the existing low-income and market-rate comparable properties in the Site PMA or nearby, it is our opinion that the proposed subject development will be very competitive with these properties and will offer an excellent value for the Ringgold area. The amenity packages included at the proposed subject development will be very competitive with the competing low-income projects, as the subject project will offer features such as a shuffleboard court, putting green, computer center, and gazebo that are not typically offered in the market or at the comparable properties.

Development of the subject site is expected to have very little impact on occupancy rates at the existing LIHTC comparables, although given the site's larger unit sizes and superior location, we expect the site will be more desirable than Woodland Senior, which could create some vacancies at this project. With 71 households on the waiting list at Rossville Senior Village, this project is expected to have a continuing high occupancy rate. Note that neither of these senior properties is located within the Site PMA, and as a result, the subject project will offer an affordable housing alternative for seniors that is currently lacking in the Site PMA.

As shown Project Specific Demand Analysis section of this report, the capture rates by bedroom type are excellent to moderate, ranging from 2.9% for one-bedroom market-rate units to 15.2% for the one-bedroom units at 50% AMHI. These capture rates are indicators that there is sufficient support for the proposed subject units.

Based on our review of the information contained in this report, we do not believe changes are necessary for the proposed project, as units are of excellent size, rents are reasonable, and the unit mix appears to be well-suited for the market. The amenities offered will also be significant advantages for the site in its initial marketing period.

SECTION J - SIGNED STATEMENT

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

Certified:



Brian Gault
Market Analyst

Date: July 14, 2006



Daniel Grenawitzke
Market Analyst

Date: July 14, 2006



Patrick Bowen
Partner

Date: July 14, 2006

SECTION K - QUALIFICATIONS

1. THE COMPANY

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

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

2. THE STAFF

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

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

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

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

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

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

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

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

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

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

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

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

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

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

RINGGOLD, GEORGIA

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

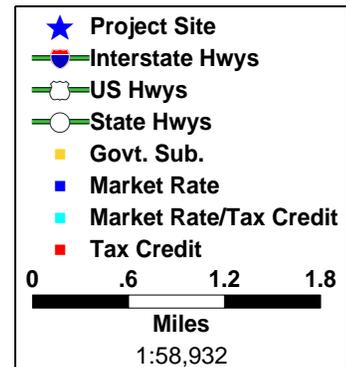
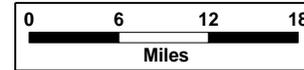
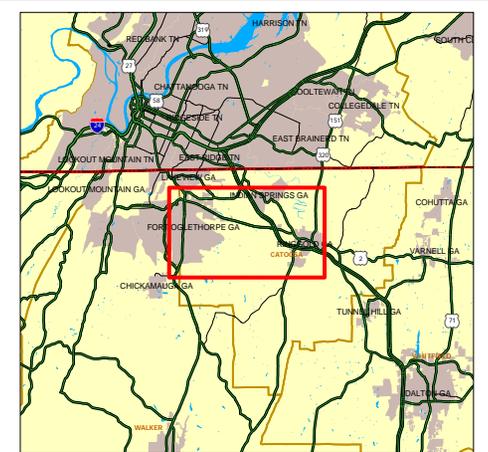
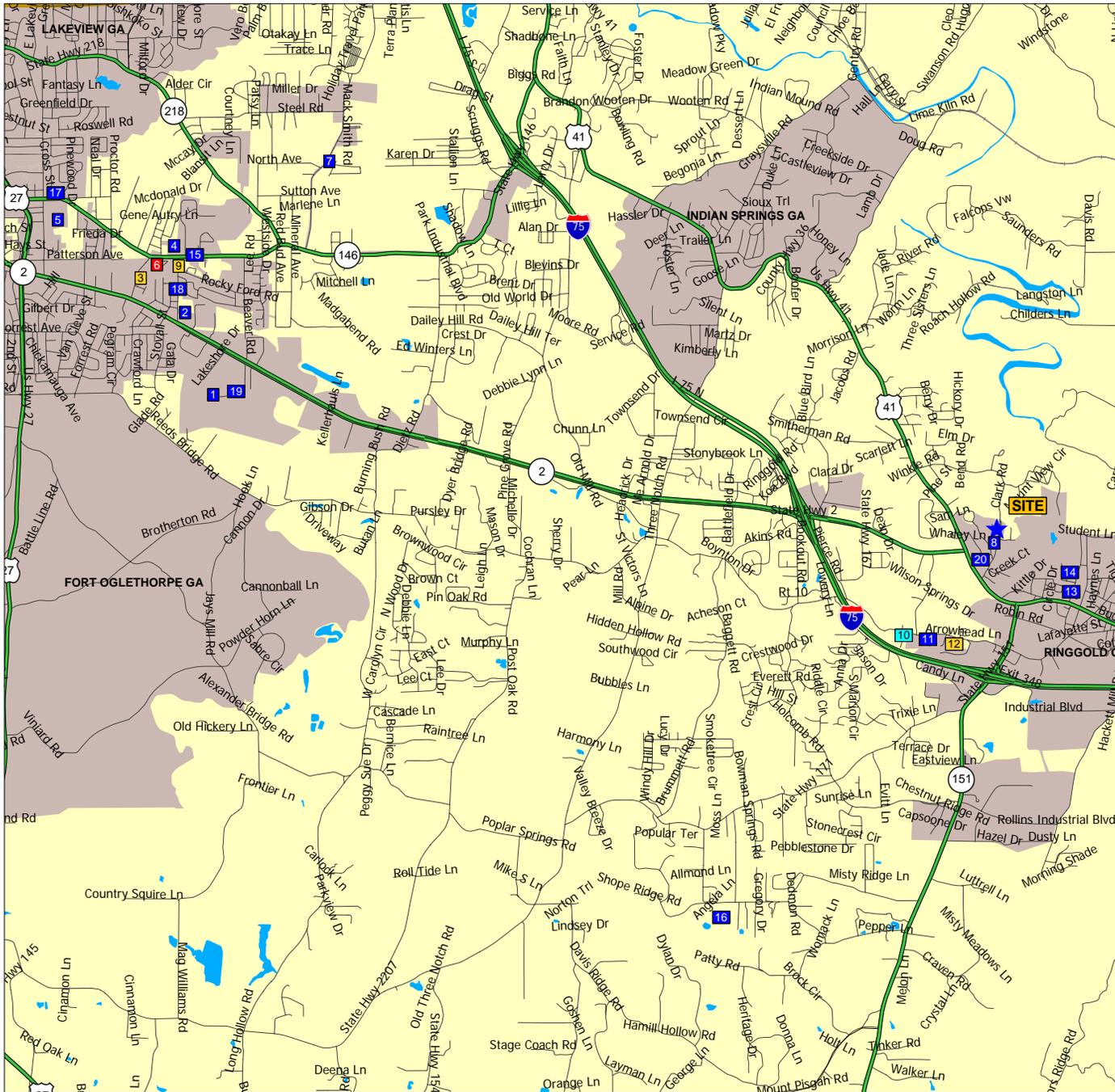
The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designed as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

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

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

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

Ringgold, GA: Apartment Locations



**MAP IDENTIFICATION LIST
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	PROJECT NAME	PROJECT TYPE	YEAR BUILT	TOTAL UNITS	VACANT	OCCUPANCY RATE	DISTANCE TO SITE*
1	LAKESHORE APTS. II	MRR	1988	80	3	96%	8.0
2	PARK KNOLL APTS.	MRR	1984	32	0	100%	8.0
3	BATTLEWOOD APTS.	GSS	1971	150	26	83%	8.4
4	SAVANNAH SPRINGS APTS.	MRR	1997	100	0	100%	8.8
5	FOUNTAIN BROOK APTS.	MRR	2000	160	13	92%	9.4
6	OGLETHORPE RIDGE APTS.	TAX	1997	97	32	67%	8.6
7	FORT TOWN PLACE	MRR	2002	251	0	100%	7.3
8	WOODLAND MANOR	MRR	1988	32	0	100%	0.2
9	CATOOSA GARDENS APTS.	GSS	1976	101	0	100%	8.2
10	BEDFORD PLACE	MRT	2004	88	1	99%	1.6
11	ROSEWOOD APTS. I & II	MRT	1985	85	0	100%	1.5
12	OAK RIDGE APTS.	GSS	1983	40	3	93%	1.4
13	SPRING HILL APTS.	MRR	1984	45	0	100%	1.4
14	SPRING HILL II	MRR	1986	24	0	100%	1.4
15	PARK LAKE APTS.	MRR	1983	207	0	100%	8.4
16	HUNTERS RUN	MRR	2002	84	2	98%	9.5
17	CLOUD SPRINGS TOWNHOUSES	MRR	1973	44	0	100%	9.5
18	CEDAR LANE VILLAGE APTS.	MRR	1982	40	0	100%	8.0
19	LAKESHORE I APTS.	MRR	1987	79	10	87%	7.5
20	MOUNTAIN VIEW TOWNHOMES	MRR	1998	12	0	100%	0.3

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE
MRR	14	1,190	28	97.6%
MRT	2	173	1	99.4%
TAX	1	97	32	67.0%
GSS	3	291	29	90.0%

* - DRIVE DISTANCE (MILES)

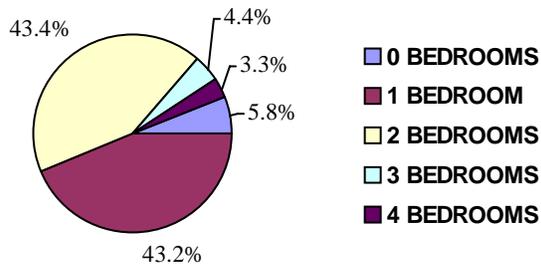
■	MARKET-RATE
■	MARKET-RATE/TAX CREDIT
■	MARKET-RATE/GOVERNMENT-SUBSIDIZED
■	MARKET-RATE/TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	TAX CREDIT
■	TAX CREDIT/GOVERNMENT-SUBSIDIZED
■	GOVERNMENT-SUBSIDIZED

**DISTRIBUTION OF
UNITS AND VACANCIES
RINGGOLD, GEORGIA
JULY 2006**

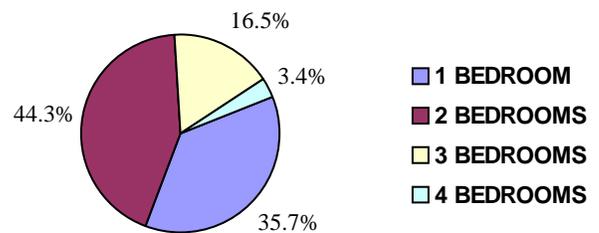
NON-SUBSIDIZED UNITS						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	85	5.8%	4	4.7%	\$360
1	1	630	43.2%	16	2.5%	\$529
2	1	87	6.0%	0	0.0%	\$677
2	1.5	343	23.5%	2	0.6%	\$660
2	2	203	13.9%	7	3.4%	\$727
3	1.5	44	3.0%	16	36.4%	\$762
3	2	20	1.4%	0	0.0%	\$705
4	2	48	3.3%	16	33.3%	\$825
TOTAL		1,460	100.0%	61	4.2%	
64 UNITS UNDER CONSTRUCTION						
SUBSIDIZED UNITS						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
1	1	104	35.7%	1	1.0%	
2	1	129	44.3%	19	14.7%	
3	1	38	13.1%	9	23.7%	
3	2	10	3.4%	0	0.0%	
4	2	10	3.4%	0	0.0%	
TOTAL		291	100.0%	29	10.0%	
GRAND TOTAL		1,751	-	90	5.1%	

DISTRIBUTION OF UNITS BY BEDROOM TYPE

NON-SUBSIDIZED



SUBSIDIZED



**PROJECT LISTING
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
1	LAKESHORE APTS. II 1000 LAKESHORE DR. FORT OGLETHORPE, GA 30742 (706) 861-5518	Project Type MRR Year Built 1988 Year Renovated Floors 1 Total Units 80 Occupancy Rate 96.3%	Contact CHARLOTTE, LINDA CONTACT IN PERSON Quality Rating B- Waiting List 2 HOUSEHOLDS	STUDIOS ARE FURNISHED & ALL UTILITIES INCLUDED EXCEPT INTERNET & TELEPHONE
2	PARK KNOLL APTS. 2212 S. CEDAR LN. FORT OGLETHORPE, GA 30742 (706) 866-7532	Project Type MRR Year Built 1984 Year Renovated Floors 2 Total Units 32 Occupancy Rate 100.0%	Contact DWIGHT CONTACT IN PERSON Quality Rating B Waiting List 2 HOUSEHOLDS	
4	SAVANNAH SPRINGS APTS. 35 SAVANNAH WY. FORT OGLETHORPE, GA 30742 (706) 858-8995	Project Type MRR Year Built 1997 Year Renovated Floors 2 Total Units 100 Occupancy Rate 100.0%	Contact RAY CONTACT IN PERSON Quality Rating A- Waiting List 8 HOUSEHOLDS	
5	FOUNTAIN BROOK APTS. 100 BROOKHAVEN CIR. FORT OGLETHORPE, GA 30742 (706) 866-9441	Project Type MRR Year Built 2000 Year Renovated Floors 2,3 Total Units 160 Occupancy Rate 91.9%	Contact RAY CONTACT IN PERSON Quality Rating A	BUILDING PHASE II; 48 OF 48 FINISHED UNITS HAVE BEEN LEASED; 64 UNITS STILL UNDER CONSTRUCTION 1-BR: \$495/MO. W/ 6-12 MO. LEASE
7	FORT TOWN PLACE 1796 MACK SMITH RD. ROSSVILLE, GA 30741 (706) 891-5200	Project Type MRR Year Built 2002 Year Renovated Floors 2 Total Units 251 Occupancy Rate 100.0%	Contact JONATHAN CONTACT IN PERSON Quality Rating B+ Waiting List 5-6 HOUSEHOLDS	
8	WOODLAND MANOR 335 CHAPMAN RD. RINGGOLD, GA 30736 (706) 937-3100	Project Type MRR Year Built 1988 Year Renovated Floors 2 Total Units 32 Occupancy Rate 100.0%	Contact BRIAN CONTACT IN PERSON Quality Rating B Waiting List 6 HOUSEHOLDS	16 UNITS HAVE GAS UTILITIES
13	SPRING HILL APTS. GUYLER ST. RINGGOLD, GA 30736 (706) 891-5200	Project Type MRR Year Built 1984 Year Renovated Floors 1 Total Units 45 Occupancy Rate 100.0%	Contact LISA CONTACT IN PERSON Quality Rating B+	

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

**PROJECT LISTING
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
14	SPRING HILL II GUYLER ST. RINGGOLD, GA 30736 (706) 891-5200	Project Type MRR Year Built 1986 Year Renovated Floors 1 Total Units 24 Occupancy Rate 100.0%	Contact LISA CONTACT IN PERSON Quality Rating B	
15	PARK LAKE APTS. 950 PARK LAKE RD. ROSSVILLE, GA 30741 (706) 861-1666	Project Type MRR Year Built 1983 Year Renovated Floors 2 Total Units 207 Occupancy Rate 100.0%	Contact SHEILA, MARTY CONTACT IN PERSON Quality Rating B	GARAGE PRICES RANGE FROM \$55-\$65; PHASE I UNITS HAVE DISHWASHERS & MICROWAVES
16	HUNTERS RUN PRISCILLA/TIMOTHY RINGGOLD, GA 30736 (706) 937-5746	Project Type MRR Year Built 2002 Year Renovated Floors 2 Total Units 84 Occupancy Rate 97.6%	Contact GEORGE CONTACT IN PERSON Quality Rating B+	
17	CLOUD SPRINGS TOWNHOUSES 15 GREENWAY DR. FORT OGLETHORPE, GA 30742 (706) 858-0049	Project Type MRR Year Built 1973 Year Renovated Floors 2 Total Units 44 Occupancy Rate 100.0%	Contact BETTY CONTACT IN PERSON Quality Rating B Waiting List 3-4 WEEKS	
18	CEDAR LANE VILLAGE APTS. S. CEDAR LN. FORT OGLETHORPE, GA 30742 (706) 861-5497	Project Type MRR Year Built 1982 Year Renovated Floors 1.5 Total Units 40 Occupancy Rate 100.0%	Contact BOBBI CONTACT IN PERSON Quality Rating B-	ACCEPTS HCV; SQUARE FOOTAGE ESTIMATED
19	LAKESHORE I APTS. 1100 LAKESHORE DR. FORT OGLETHORPE, GA 30742 (706) 861-5518	Project Type MRR Year Built 1987 Year Renovated Floors 1 Total Units 79 Occupancy Rate 87.3%	Contact CHARLOTTE CONTACT BY PHONE Quality Rating B	
20	MOUNTAIN VIEW TOWNHOMES CHAPMAN RD. RINGGOLD, GA 30736 (706) 866-2534	Project Type MRR Year Built 1998 Year Renovated Floors 2 Total Units 12 Occupancy Rate 100.0%	Contact BILL CONTACT IN PERSON Quality Rating B	

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

**PROJECT LISTING
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	NAME / LOCATION	BUILDING INFORMATION	CONTACT / QUALITY RATING	COMMENTS/ RENT INCENTIVES
10	BEDFORD PLACE 60 BEDFORD PL. RINGGOLD, GA 30736 (706) 937-6268	Project Type MRT Year Built 2004 Year Renovated Floors 2 Total Units 88 Occupancy Rate 98.9%	Contact RHONDA CONTACT IN PERSON Quality Rating A- Waiting List 1-3 MONTHS	TAX CREDIT @ 30%, 50% & 60% AMHI (70 UNITS); MARKET-RATE (18 UNITS)
11	ROSEWOOD APTS. I & II 31 ROSEWOOD LN. RINGGOLD, GA 30736 (706) 935-9263	Project Type MRT Year Built 1985 Year Renovated Floors 1 Total Units 85 Occupancy Rate 100.0%	Contact BERRY CONTACT IN PERSON Quality Rating B Waiting List 6-18 MONTHS	TAX CREDIT (32 UNITS) @60% AMHI AND MARKET-RATE (53 UNITS); SQUARE FOOTAGE ESTIMATED
6	OGLETHORPE RIDGE APTS. 1252 CLOUD SPRINGS LN. FORT OGLETHORPE, GA 30742 (617) 742-4500	Project Type TAX Year Built 1997 Year Renovated Floors 2 Total Units 97 Occupancy Rate 67.0%	Contact JOE CONTACT IN PERSON Quality Rating A Waiting List 1-BR: 6-12 MONTHS	TAX CREDIT @ 60% AMHI; PROBLEMS WITH 3- & 4-BR UNITS DUE TO MANAGEMENT & POOR MAINTENANCE; WORKING ON INSTALLING PLAYGROUND
3	BATTLEWOOD APTS. 1830 FANT DR. FORT OGLETHORPE, GA 30742 (706) 861-1111	Project Type GSS Year Built 1971 Year Renovated 2004 Floors 2 Total Units 150 Occupancy Rate 82.7%	Contact LINDA CONTACT IN PERSON Quality Rating B Waiting List 3-BR: 3-6 MONTHS	GOVERNMENT-SUBSIDIZED, HUD SECTIONS 8 & 236; WAIT LIST IS FOR SECTION 8, 3-BR UNITS
9	CATOOSA GARDENS APTS. 17 DAHLIA LN. FORT OGLETHORPE, GA 30742 (706) 861-3712	Project Type GSS Year Built 1976 Year Renovated Floors 1 Total Units 101 Occupancy Rate 100.0%	Contact SHEILA CONTACT BY PHONE Quality Rating B Waiting List 6-12 MONTHS	GOVERNMENT-SUBSIDIZED; HUD SECTION 8
12	OAK RIDGE APTS. 25 HUMMINGBIRD LN. RINGGOLD, GA 30736 (706) 965-2310	Project Type GSS Year Built 1983 Year Renovated Floors 2 Total Units 40 Occupancy Rate 92.5%	Contact LEONARD CONTACT IN PERSON Quality Rating B Waiting List 1-BR: 3 HOUSEHOLDS	GOVERNMENT-SUBSIDIZED, HUD SECTION 8; 1 3-BR UNIT NOT SUBSIDIZED, RESERVED FOR MANAGER

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

**UNIT AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

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

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

X - ALL UNITS
S - SOME UNITS
O - OPTIONAL

C - CARPET
H - HARDWOOD
V - VINYL

B - BLINDS
C - CURTAINS
D - DRAPES



**PROJECT AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

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

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

O - OPTIONAL



**PARKING OPTIONS AND OPTIONAL CHARGES
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	PARKING OPTIONS					OPTIONAL CHARGES					
	ATTACHED GARAGE	DETACHED GARAGE	OFF STREET PARKING	SURFACE PARKING	CARPORT	PARKING GARAGE	GARAGE	FURNISHED UNITS	VAULTED CEILINGS	VIEW/LOCATION	OTHER
1				X							
2				X							
4				X							
5		O		X			\$80				STORAGE(\$55)
7				X							
8				X							
13				X							
14				X							
15	X			X			\$60				(\$25)
16				X							
17				X							
18				X							
19				X							
20				X							
10				X							
11				X							
6				X							
3				X							
9				X							
12				X							

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



**UTILITIES AND APPLIANCES
RINGGOLD, GEORGIA
JULY 2006**

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

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

T - TENANT
 L - LANDLORD
 E - ELECTRIC
 G - GAS
 O - OTHER
 X - ALL UNITS
 S - SOME UNITS
 O - OPTIONAL



**COLLECTED RENT DETAIL
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1 BR	2 BR	3 BR	4+ BR	1 BR	2 BR	3 BR	4+ BR
1	\$550	\$410	\$525 to \$550						
2			\$550						
4		\$400 to \$450					\$550 to \$600		
5		\$555 to \$575	\$695 to \$745						
7		\$410	\$525				\$575		
8			\$575						
13		\$375							
14			\$505						
15	\$299	\$355 to \$445	\$525 to \$550						
16							\$575		
17							\$520		
18						\$375	\$500		
19	\$354	\$429	\$569 to \$609						
20							\$550 to \$575		
10		\$205 to \$415	\$240 to \$515	\$535 to \$565					
11		\$275 to \$421	\$481				\$310 to \$481		
6		\$410		\$625	\$650				

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

**SQUARE FOOT DETAIL
RINGGOLD, GEORGIA
JULY 2006**

MAP ID	GARDEN STYLE UNITS (SQ.FT)					TOWNHOUSE UNITS (SQ.FT.)			
	STUDIO	1 BR	2 BR	3 BR	4+ BR	1 BR	2 BR	3 BR	4+ BR
1	276	576	876						
2			1000						
4		560 to 670					1050 to 1370		
5		850	1300						
7		600	816				1024		
8			1100						
13		600							
14			900						
15	350	450 to 728	958						
16							1150		
17							1200		
18						625	825		
19	288	576	864						
20							1000		
10		783	1025	1180					
11		760	900				1120		
6		731		1150	1306				
3		700	900	1100					
9		600	800	1000	1140				
12		800	900	1000					

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

**PRICE PER SQUARE FOOT
RINGGOLD, GEORGIA
JULY 2006**

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	LAKESHORE APTS. II	1	276	\$611	\$2.21
15	PARK LAKE APTS.	1	350	\$360	\$1.03
19	LAKESHORE I APTS.	1	288	\$447	\$1.55

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	LAKESHORE APTS. II	1	576	\$494	\$0.86
4	SAVANNAH SPRINGS APTS.	1	560 to 670	\$484 to \$534	\$0.80 to \$0.86
5	FOUNTAIN BROOK APTS.	1	850	\$662 to \$682	\$0.78 to \$0.80
7	FORT TOWN PLACE	1	600	\$532	\$0.89
13	SPRING HILL APTS.	1	600	\$497	\$0.83
15	PARK LAKE APTS.	1	450 to 728	\$439 to \$529	\$0.73 to \$0.98
18	CEDAR LANE VILLAGE APTS.	1	625	\$459	\$0.73
19	LAKESHORE I APTS.	1	576	\$551	\$0.96
10	BEDFORD PLACE	1	783	\$312 to \$522	\$0.40 to \$0.67
11	ROSEWOOD APTS. I & II	1	760	\$359 to \$505	\$0.47 to \$0.66
6	OGLETHORPE RIDGE APTS.	1	731	\$499	\$0.68

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	LAKESHORE APTS. II	1 to 2	876	\$635 to \$660	\$0.72 to \$0.75
2	PARK KNOLL APTS.	1.5	1000	\$660	\$0.66
4	SAVANNAH SPRINGS APTS.	1.5	1050 to 1370	\$660 to \$710	\$0.52 to \$0.63
5	FOUNTAIN BROOK APTS.	1.5 to 2	1300	\$832 to \$882	\$0.64 to \$0.68
7	FORT TOWN PLACE	1	816	\$677	\$0.83
		1.5	1024	\$727	\$0.71
8	WOODLAND MANOR	1	1100	\$685	\$0.62
14	SPRING HILL II	1	900	\$644	\$0.72
15	PARK LAKE APTS.	1.5	958	\$635 to \$660	\$0.66 to \$0.69
16	HUNTERS RUN	2	1150	\$727	\$0.63
17	CLOUD SPRINGS TOWNHOUSES	1.5	1200	\$632	\$0.53
18	CEDAR LANE VILLAGE APTS.	2	825	\$610	\$0.74
19	LAKESHORE I APTS.	1 to 2	864	\$721 to \$761	\$0.83 to \$0.88
20	MOUNTAIN VIEW TOWNHOMES	1.5	1000	\$660 to \$685	\$0.66 to \$0.69

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



**PRICE PER SQUARE FOOT
RINGGOLD, GEORGIA
JULY 2006**

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
10	BEDFORD PLACE	2	1025	\$377 to \$652	\$0.37 to \$0.64
11	ROSEWOOD APTS. I & II	1	900	\$591	\$0.66
		1.5	1120	\$420 to \$591	\$0.38 to \$0.53

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
10	BEDFORD PLACE	2	1180	\$705 to \$735	\$0.60 to \$0.62
6	OGLETHORPE RIDGE APTS.	1.5	1150	\$762	\$0.66

FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
6	OGLETHORPE RIDGE APTS.	2	1306	\$825	\$0.63

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

**AVERAGE GROSS RENT PER SQUARE FOOT
BY UNIT TYPE AND BEDROOM
RINGGOLD, GEORGIA
JULY 2006**

MARKET-RATE			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.86	\$0.68	\$0.62
TOWNHOUSE	\$0.73	\$0.62	\$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.57	\$0.56	\$0.65
TOWNHOUSE	\$0.00	\$0.38	\$0.00

COMBINED			
UNIT TYPE	ONE BR	TWO BR	THREE BR
GARDEN	\$0.84	\$0.66	\$0.64
TOWNHOUSE	\$0.73	\$0.61	\$0.00

**PROJECTS AND UNITS
BY QUALITY RATING
RINGGOLD, GEORGIA
JULY 2006**

MARKET-RATE PROJECTS AND UNITS

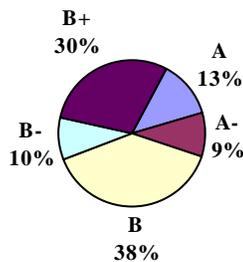
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT		
				ONE BR	TWO BR	THREE BR
A	1	160	8.1%	\$662	\$832	\$0
A-	2	118	0.0%	\$522	\$660	\$735
B+	3	380	0.5%	\$532	\$727	\$0
B	8	483	2.1%	\$529	\$644	\$0
B-	2	120	2.5%	\$494	\$610	\$0

TAX CREDIT PROJECTS AND UNITS

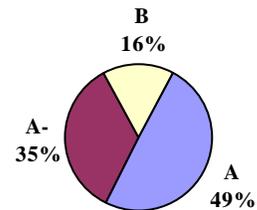
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT		
				ONE BR	TWO BR	THREE BR
A	1	97	33.0%	\$499	\$0	\$762
A-	1	70	1.4%	\$497	\$592	\$705
B	1	32	0.0%	\$359	\$420	\$0

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



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

YEAR RANGE	PROJECTS	UNITS	VACANT*	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1960	0	0	0	0.0%	0	0.0%
1960 to 1969	0	0	0	0.0%	0	0.0%
1970 to 1979	1	44	0	0.0%	44	3.0%
1980 to 1989	9	624	13	2.1%	668	42.7%
1990 to 1994	0	0	0	0.0%	668	0.0%
1995 to 1999	3	209	32	15.3%	877	14.3%
2000 to 2001	1	160	13	8.1%	1037	11.0%
2002	2	335	2	0.6%	1372	22.9%
2003	0	0	0	0.0%	1372	0.0%
2004	1	88	1	1.1%	1460	6.0%
2005	0	0	0	0.0%	1460	0.0%
2006*	0	0	0	0.0%	1460	0.0%
TOTAL	17	1460	61	4.2%	1460	100.0 %

* BASED ON SURVEY DATE OF JULY 2006

**DISTRIBUTION OF APPLIANCES
AND UNIT AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	17	100.0%	1,460
REFRIGERATOR	17	100.0%	1,460
ICEMAKER	2	11.8%	120
DISHWASHER	14	82.4%	1,250
DISPOSAL	6	35.3%	480
MICROWAVE	7	41.2%	794

UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	16	94.1%	1,380
AC - WINDOW	1	5.9%	80
FLOOR COVERING	17	100.0%	1,460
WASHER/DRYER	4	23.5%	145
WASHER/DRYER HOOK-UP	15	88.2%	1,173
PATIO/DECK/BALCONY	8	47.1%	791
CEILING FAN	14	82.4%	1,081
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	17	100.0%	1,460
FURNISHED UNITS	1	5.9%	80
E-CALL BUTTON	0	0.0%	

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

**DISTRIBUTION OF PROJECT AMENITIES
RINGGOLD, GEORGIA
JULY 2006**

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	5	29.4%	747
ON SITE MANAGEMENT	11	64.7%	962
LAUNDRY	5	29.4%	486
CLUB HOUSE	3	17.6%	345
MEETING ROOM	0	0.0%	345
FITNESS CENTER	4	23.5%	596
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	11.8%	167
TENNIS COURT	0	0.0%	
SPORTS COURT	4	23.5%	477
STORAGE	1	5.9%	88
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	1	5.9%	207
PICNIC AREA	1	5.9%	88
CONCIERGE SERVER	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

**RENT ANALYSIS
BY BEDROOM TYPE
RINGGOLD, GEORGIA
JULY 2006**

STUDIO UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$600 - \$624	10	11.8%	2	20.0%
\$575 - \$599	0	0.0%	0	0.0%
\$550 - \$574	0	0.0%	0	0.0%
\$525 - \$549	0	0.0%	0	0.0%
\$500 - \$524	0	0.0%	0	0.0%
\$475 - \$499	0	0.0%	0	0.0%
\$450 - \$474	0	0.0%	0	0.0%
\$425 - \$449	15	17.6%	2	13.3%
\$400 - \$424	0	0.0%	0	0.0%
\$375 - \$399	0	0.0%	0	0.0%
\$350 - \$374	60	70.6%	0	0.0%
TOTAL	85	100.0%	4	4.7%
MEDIAN GROSS RENT \$360				

**RENT ANALYSIS
BY BEDROOM TYPE
RINGGOLD, GEORGIA
JULY 2006**

ONE-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$675 - \$699	34	5.4%	4	11.8%
\$650 - \$674	34	5.4%	3	8.8%
\$625 - \$649	0	0.0%	0	0.0%
\$600 - \$624	0	0.0%	0	0.0%
\$575 - \$599	0	0.0%	0	0.0%
\$550 - \$574	59	9.4%	8	13.6%
\$525 - \$549	244	38.7%	0	0.0%
\$500 - \$524	18	2.9%	0	0.0%
\$475 - \$499	150	23.8%	1	0.7%
\$450 - \$474	20	3.2%	0	0.0%
\$425 - \$449	57	9.0%	0	0.0%
\$400 - \$424	0	0.0%	0	0.0%
\$375 - \$399	0	0.0%	0	0.0%
\$350 - \$374	12	1.9%	0	0.0%
\$325 - \$349	0	0.0%	0	0.0%
\$300 - \$324	2	0.3%	0	0.0%
TOTAL	630	100.0%	16	2.5%
MEDIAN GROSS RENT \$529				

**RENT ANALYSIS
BY BEDROOM TYPE
RINGGOLD, GEORGIA
JULY 2006**

TWO-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$875 - \$899	46	7.3%	3	6.5%
\$850 - \$874	0	0.0%	0	0.0%
\$825 - \$849	46	7.3%	3	6.5%
\$800 - \$824	0	0.0%	0	0.0%
\$775 - \$799	0	0.0%	0	0.0%
\$750 - \$774	3	0.5%	0	0.0%
\$725 - \$749	156	24.6%	2	1.3%
\$700 - \$724	30	4.7%	0	0.0%
\$675 - \$699	54	8.5%	0	0.0%
\$650 - \$674	94	14.8%	0	0.0%
\$625 - \$649	87	13.7%	0	0.0%
\$600 - \$624	20	3.2%	0	0.0%
\$575 - \$599	74	11.7%	1	1.4%
\$550 - \$574	0	0.0%	0	0.0%
\$525 - \$549	0	0.0%	0	0.0%
\$500 - \$524	0	0.0%	0	0.0%
\$475 - \$499	0	0.0%	0	0.0%
\$450 - \$474	0	0.0%	0	0.0%
\$425 - \$449	0	0.0%	0	0.0%
\$400 - \$424	20	3.2%	0	0.0%
\$375 - \$399	3	0.5%	0	0.0%
TOTAL	633	100.0%	9	1.4%
MEDIAN GROSS RENT \$685				
THREE-BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$750 - \$774	44	68.8%	16	36.4%
\$725 - \$749	4	6.3%	0	0.0%
\$700 - \$724	16	25.0%	0	0.0%
TOTAL	64	100.0%	16	25.0%
MEDIAN GROSS RENT \$762				

**RENT ANALYSIS
BY BEDROOM TYPE
RINGGOLD, GEORGIA
JULY 2006**

FOUR+ BEDROOM UNITS				
GROSS RENT	UNITS	DISTRIBUTION	VACANT	%
\$825 - \$849	48	100.0%	16	33.3%
TOTAL	48	100.0%	16	33.3%
MEDIAN GROSS RENT \$825				
GRAND TOTAL	1,460	100.0%	61	4.2%

**DISTRIBUTION OF UTILITIES
BY PROJECTS AND UNITS
RINGGOLD, GEORGIA
JULY 2006**

<u>UTILITY (WHO PAYS)</u>	<u>NUMBER OF PROJECTS</u>	<u>NUMBER OF UNITS</u>	<u>DISTRIBUTION OF UNITS</u>
HEAT			
<u>TENANT</u>			
ELECTRIC	18	1,610	86.4%
GAS	2	141	7.6%
			<u>100.0 %</u>
COOKING FUEL			
<u>TENANT</u>			
ELECTRIC	19	1,654	88.8%
GAS	1	97	5.2%
			<u>100.0 %</u>
HOT WATER			
<u>TENANT</u>			
ELECTRIC	19	1,654	88.8%
GAS	1	97	5.2%
			<u>100.0 %</u>
ELECTRIC			
TENANT	20	1,751	94.0%
			<u>100.0 %</u>
WATER			
LANDLORD	13	943	50.6%
TENANT	7	808	43.4%
			<u>100.0 %</u>
SEWER			
LANDLORD	13	1,020	54.8%
TENANT	7	731	39.2%
			<u>100.0 %</u>
TRASH PICK UP			
LANDLORD	15	1,268	68.1%
TENANT	5	483	25.9%
			<u>100.0 %</u>

**UTILITY ALLOWANCES
 GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
 JULY 2006**

BR	UNIT TYPE	HEATING				WATER		COOKING		ELECTRIC WATER	SEWER	TRASH	CABLE	
		GAS	ELECTRIC	STEAM	OTHER	GAS	ELECTRIC	GAS	ELECTRIC					
0	GARDEN	\$20	\$19	\$0	\$31	\$14	\$14	\$5	\$4	\$24	\$8	\$9	\$15	\$20
1	GARDEN	\$29	\$26	\$0	\$43	\$19	\$19	\$8	\$6	\$33	\$11	\$12	\$15	\$20
1	TOWNHOUS	\$29	\$26	\$0	\$43	\$19	\$19	\$8	\$6	\$33	\$11	\$12	\$15	\$20
2	GARDEN	\$36	\$34	\$0	\$55	\$24	\$25	\$9	\$8	\$43	\$13	\$14	\$15	\$20
2	TOWNHOUS	\$36	\$34	\$0	\$55	\$24	\$25	\$9	\$8	\$43	\$13	\$14	\$15	\$20
3	GARDEN	\$45	\$41	\$0	\$67	\$29	\$30	\$11	\$10	\$52	\$18	\$19	\$15	\$20
3	TOWNHOUS	\$45	\$41	\$0	\$67	\$29	\$30	\$11	\$10	\$52	\$18	\$19	\$15	\$20
4	GARDEN	\$58	\$53	\$0	\$86	\$36	\$39	\$14	\$12	\$67	\$22	\$24	\$15	\$20
4	TOWNHOUS	\$58	\$53	\$0	\$86	\$36	\$39	\$14	\$12	\$67	\$22	\$24	\$15	\$20

ADDENDUM B. COMPARABLE PROPERTY PHOTOS

1

LAKESHORE APTS. II



5

FOUNTAIN BROOK APTS.



7

FORT TOWN PLACE



13

SPRING HILL APTS.



14

SPRING HILL II



19

LAKESHORE I APTS.



ROSSVILLE SENIOR VILLAGE
(OUT OF PMA COMPARABLE PROPERTY)



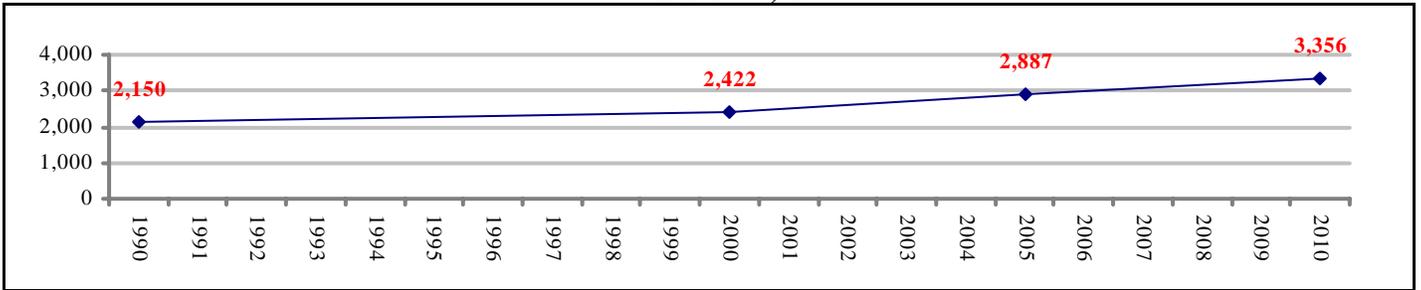
WOODLAND SENIOR
(OUT OF PMA COMPARABLE PROPERTY)



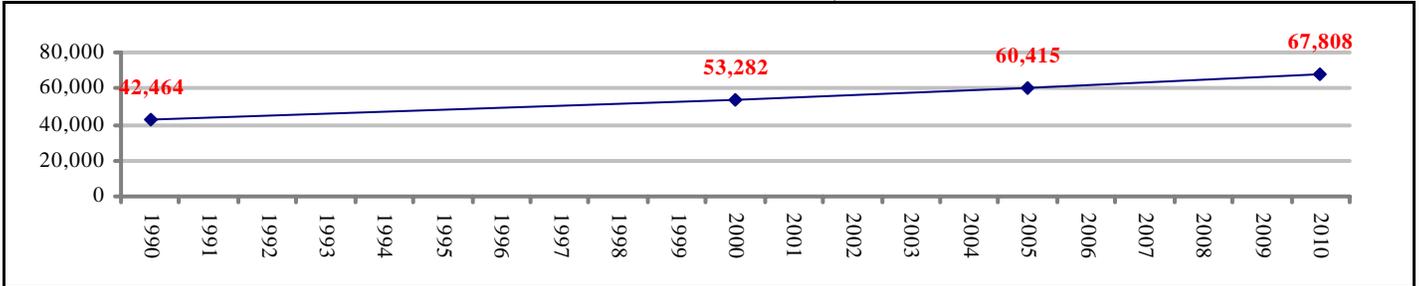
C. AREA DEMOGRAPHICS

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

RINGGOLD, GA



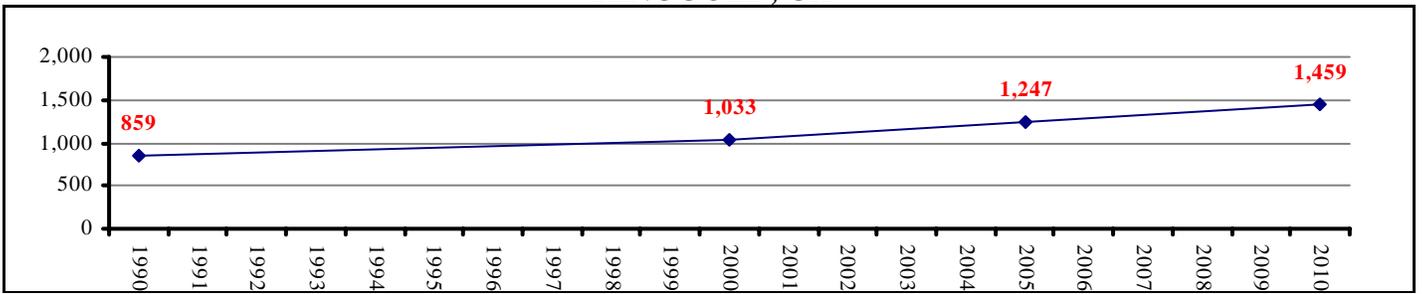
CATOOSA COUNTY, GA



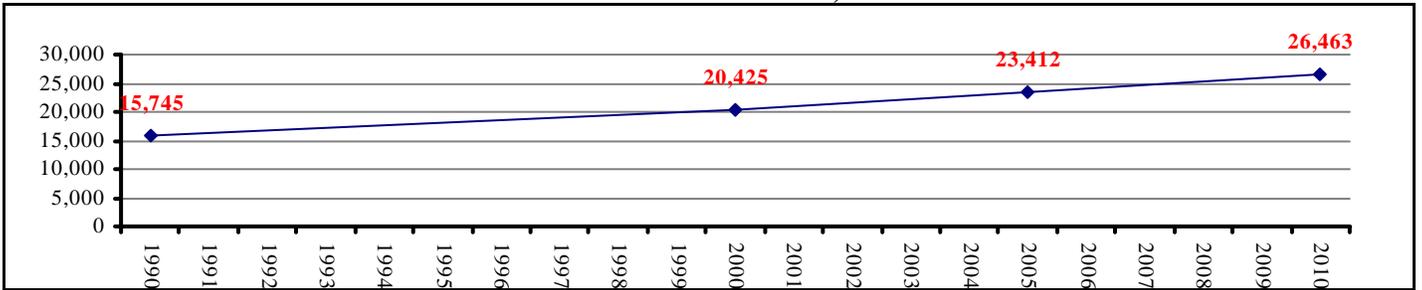
YEAR	RINGGOLD, GA	CATOOSA COUNTY, GA
1990 CENSUS	2,150	42,464
2000 CENSUS	2,422	53,282
% CHANGE 1990 - 2000	12.7%	25.5%
AVG. ANNUAL CHANGE	27	1,082
2005 ESTIMATE	2,887	60,415
2010 PROJECTION	3,356	67,808
% CHANGE 2000 - 2010	38.6%	27.3%
AVG. ANNUAL CHANGE	104	1,614

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

RINGGOLD, GA



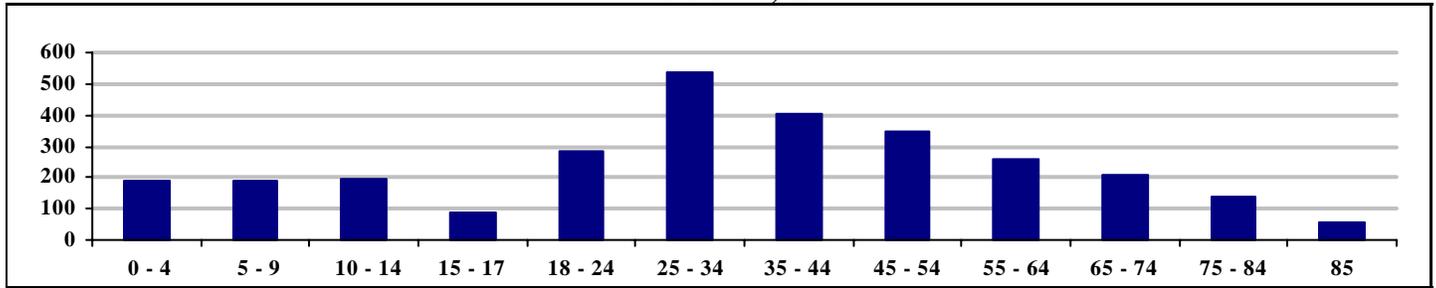
CATOOSA COUNTY, GA



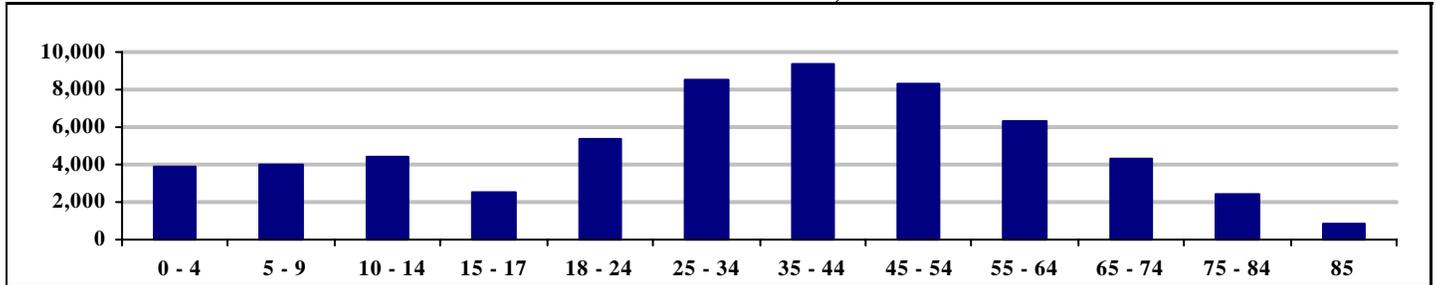
YEAR	RINGGOLD, GA	CATOOSA COUNTY, GA
1990 CENSUS	859	15,745
2000 CENSUS	1,033	20,425
% CHANGE 1990 - 2000	20.3%	29.7%
AVG. ANNUAL CHANGE	17	468
2005 ESTIMATE	1,247	23,412
2010 PROJECTION	1,459	26,463
% CHANGE 2000 - 2010	41.2%	29.6%
AVG. ANNUAL CHANGE	47	671

POPULATION BY AGE GROUP - 2000 CENSUS

RINGGOLD, GA



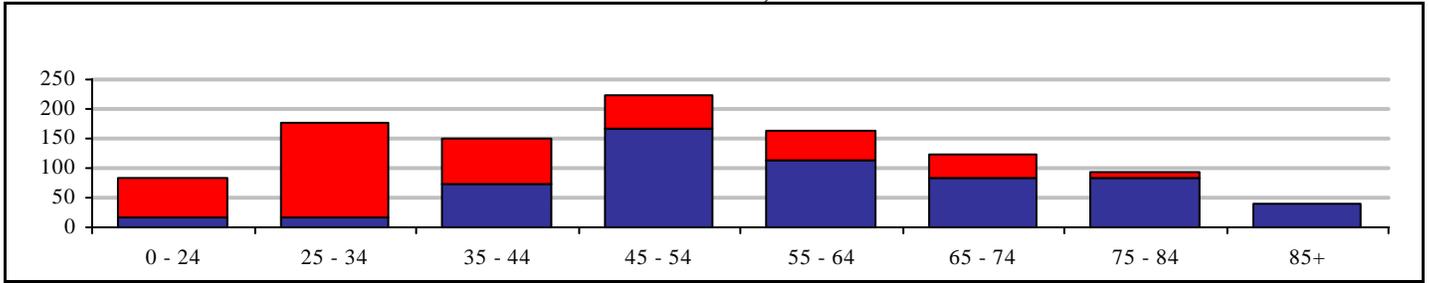
CATOOSA COUNTY, GA



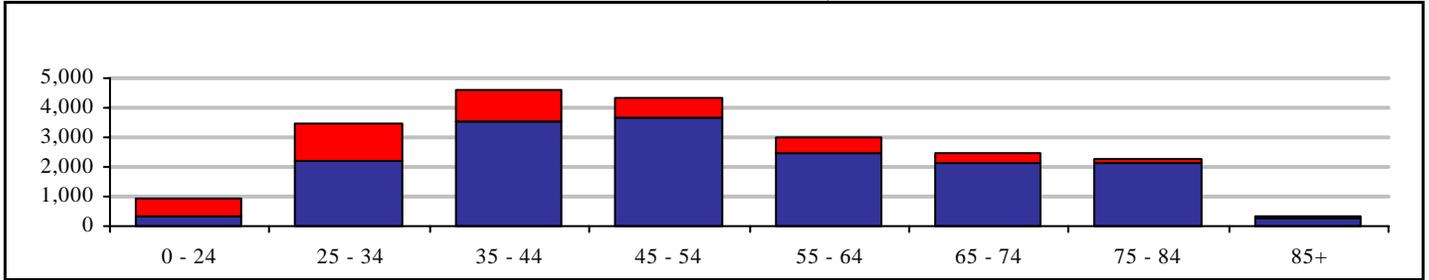
AGE GROUP	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
0 - 4	188	6.5%	3,940	6.5%
5 - 9	188	6.5%	4,049	6.7%
10 - 14	193	6.7%	4,455	7.4%
15 - 17	90	3.1%	2,535	4.2%
18 - 24	284	9.8%	5,420	9.0%
25 - 34	535	18.5%	8,545	14.1%
35 - 44	403	14.0%	9,376	15.5%
45 - 54	345	12.0%	8,321	13.8%
55 - 64	258	8.9%	6,275	10.4%
65 - 74	207	7.2%	4,278	7.1%
75 - 84	137	4.7%	2,412	4.0%
85 +	59	2.0%	809	1.3%
TOTAL	2,887	100 %	60,415	100 %

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

RINGGOLD, GA



CATOOSA COUNTY, GA



■ RENTER-OCCUPIED HOUSEHOLDS
■ OWNER-OCCUPIED HOUSEHOLDS



RENTER-OCCUPIED HOUSEHOLDS

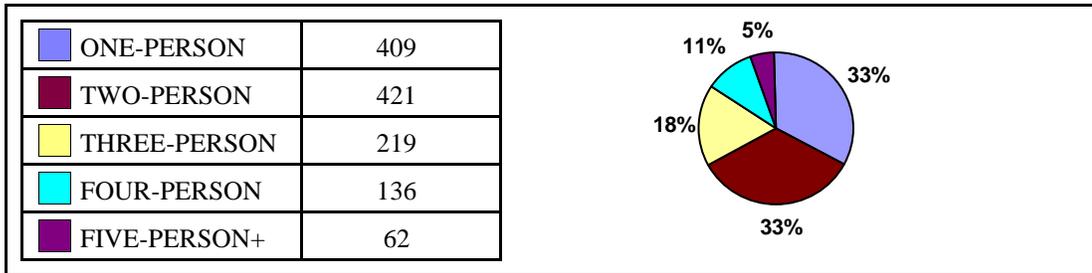
AGE GROUP	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
< 25	67	14.3%	620	13.2%
25 - 34	160	34.3%	1,215	25.9%
35 - 44	77	16.5%	1,051	22.4%
45 - 54	57	12.2%	696	14.8%
55 - 64	53	11.3%	508	10.8%
65 - 74	42	9.0%	331	7.1%
75 - 84	11	2.4%	186	4.0%
85 +	0	0.0%	81	1.7%
TOTAL	467	100 %	4,688	100 %

OWNER-OCCUPIED HOUSEHOLDS

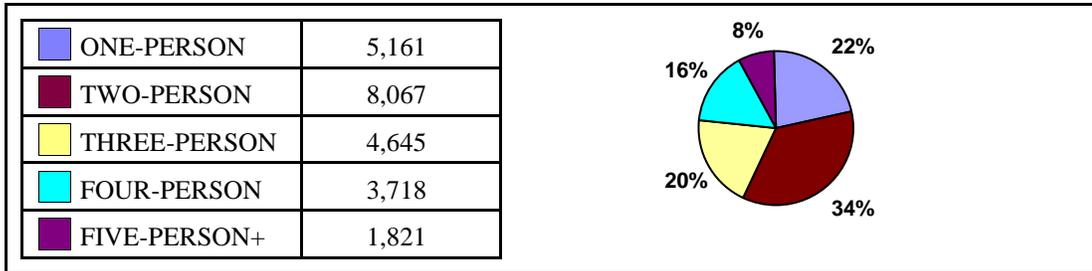
AGE GROUP	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
< 25	18	3.0%	302	1.8%
25 - 34	17	2.9%	2,220	13.3%
35 - 44	73	12.4%	3,561	21.3%
45 - 54	168	28.4%	3,657	21.9%
55 - 64	112	19.0%	2,471	14.8%
65 - 74	82	13.9%	2,110	12.6%
75 - 84	82	13.9%	2,110	12.6%
85 +	39	6.6%	279	1.7%
TOTAL	591	100 %	16,710	100 %

HOUSEHOLD SIZE - 2000 CENSUS

RINGGOLD, GA



CATOOSA COUNTY, GA



HOUSEHOLD COMPOSITION - 2000 CENSUS

HOUSEHOLD TYPE	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
MARRIED COUPLE W/ CHILDREN	200	16.0%	6,254	26.8%
LONE MALE PARENT W/ CHILDREN	29	2.3%	482	2.1%
LONE FEMALE PARENT W/ CHILDREN	140	11.2%	1,499	6.4%
MARRIED COUPLE NO CHILDREN	323	25.9%	7,847	33.6%
LONE MALE PARENT NO CHILDREN	17	1.4%	385	1.6%
LONE FEMALE PARENT NO CHILDREN	67	5.4%	1,062	4.5%
NON-FAMILY MALE HEAD W/ CHILDREN	43	3.4%	385	1.6%
NON-FAMILY FEMALE HEAD W/ CHILDREN	19	1.5%	270	1.2%
LONE MALE HOUSEHOLDER	147	11.8%	2,048	8.8%
LONE FEMALE HOUSEHOLDER	262	21.0%	3,113	13.3%
TOTAL	1,247	100 %	23,345	100 %

POPULATION BY HOUSEHOLD COMPOSITION - 2000 CENSUS

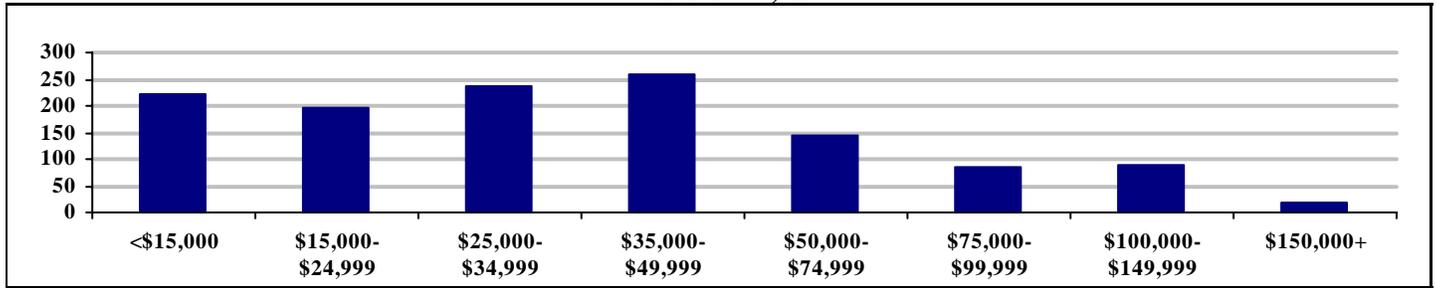
POPULATION	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
IN FAMILY HOUSEHOLDS	1,846	79.3%	46,964	88.1%
IN NON-FAMILY HOUSEHOLDS	386	16.6%	5,906	11.1%
IN GROUP QUARTERS	95	4.1%	412	0.8%
TOTAL	2,327	100 %	53,282	100 %

POPULATION BY SINGLE RACE - 2000 CENSUS

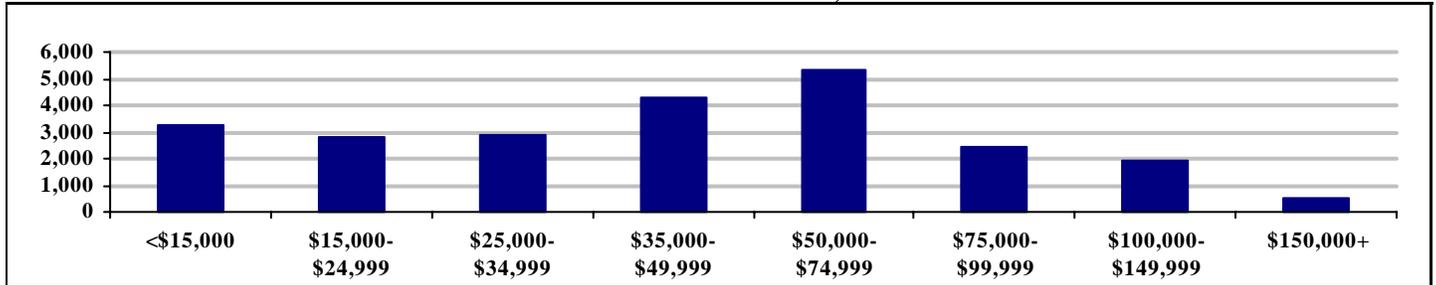
RACE	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
WHITE ALONE	2,186	91.9%	51,013	96.9%
BLACK OR AFRICAN AMERICAN	150	6.3%	661	1.3%
AMERICAN INDIAN/ ALASKA NATIVE	6	0.3%	159	0.3%
ASIAN ALONE	12	0.5%	370	0.7%
HAWAIIAN/PACIFIC ISLANDER	0	0.0%	10	0.0%
SOME OTHER RACE ALONE	0	0.0%	15	0.0%
TWO OR MORE RACES	24	1.0%	433	0.8%
TOTAL	2,378	100 %	52,661	100 %

HOUSEHOLDS BY INCOME RANGE - 2000 CENSUS

RINGGOLD, GA

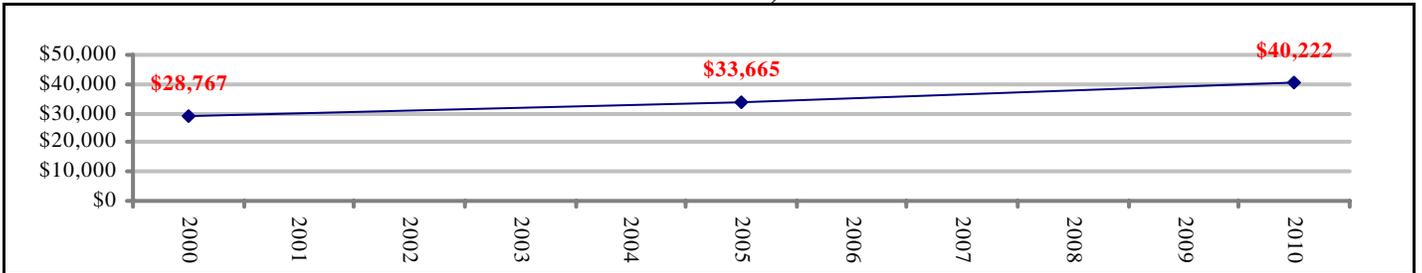


CATOOSA COUNTY, GA

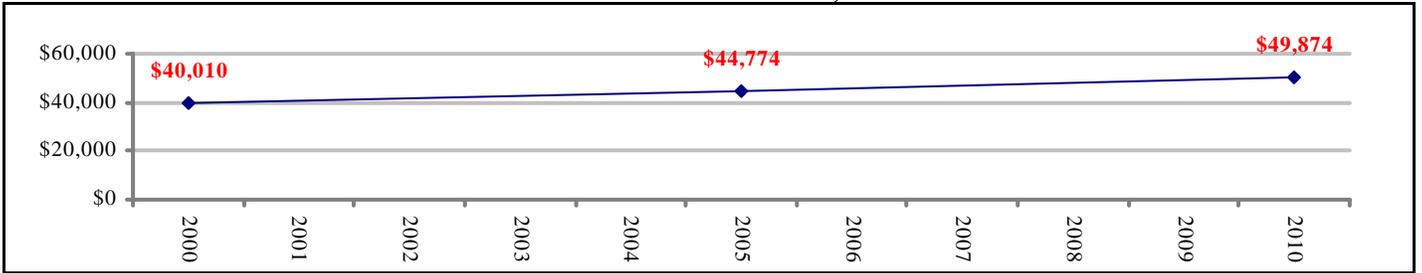


ANNUAL HOUSEHOLD INCOME	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
< \$15,000	223	17.9%	3,262	13.9%
\$15,000 - \$24,999	196	15.7%	2,779	11.9%
\$25,000 - \$34,999	236	18.9%	2,884	12.3%
\$35,000 - \$49,999	258	20.7%	4,268	18.2%
\$50,000 - \$74,999	145	11.6%	5,324	22.7%
\$75,000 - \$99,999	84	6.7%	2,470	10.6%
\$100,000 - \$150,000	88	7.1%	1,915	8.2%
\$150,000 +	17	1.4%	510	2.2%
TOTAL	1,247	100 %	23,412	100 %

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



CATOOSA COUNTY, GA



	RINGGOLD, GA	CATOOSA COUNTY, GA
2000 CENSUS	\$28,767	\$40,010
2005 ESTIMATE	\$33,665	\$44,774
% CHANGE 2000 - 2005	17.0%	11.9%
2010 PROJECTION	\$40,222	\$49,874
% CHANGE 2000 - 2010	19.5%	11.4%

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

RINGGOLD, GA

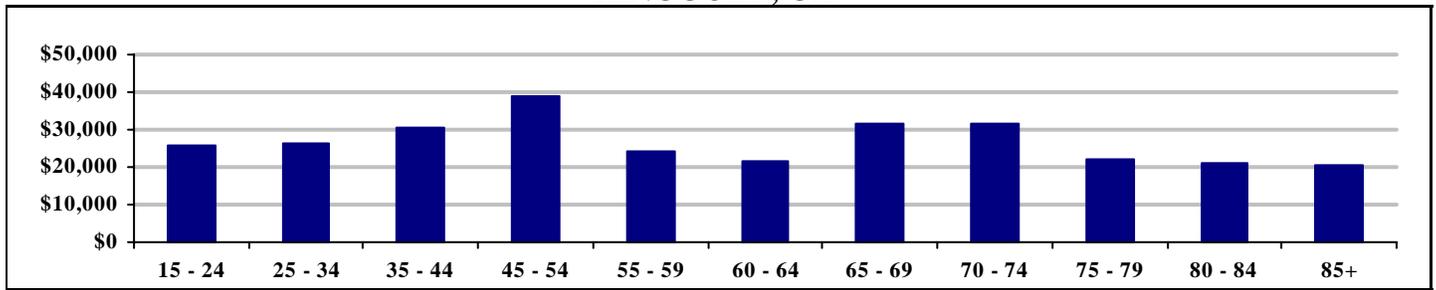
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	66 - 74	75 +
< \$9,999	0	19	21	23	29	9	14
\$10,000 - \$14,999	13	42	8	8	28	0	8
\$15,000 - \$24,999	32	24	26	33	24	9	76
\$25,000 - \$34,999	13	35	25	12	15	50	0
\$35,000 - \$49,999	36	54	10	65	18	28	0
\$50,000 - \$74,999	0	0	33	25	21	15	9
\$75,000 - \$99,999	0	10	16	3	0	3	0
\$100,000 - \$149,999	0	0	0	23	17	0	12
\$150,000 +	0	0	0	7	0	0	0
TOTAL	94	184	139	199	152	114	119

CATOOSA COUNTY, GA

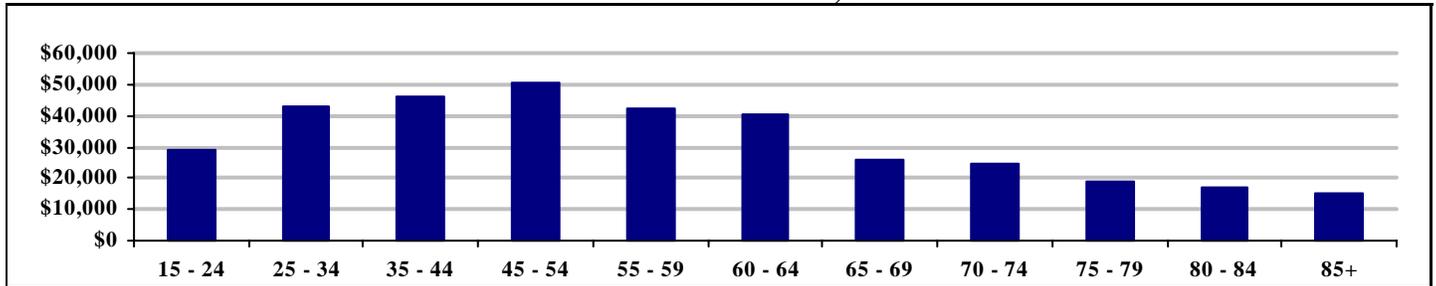
HOUSEHOLD INCOME	AGE OF HOUSEHOLDER						
	UNDER 25	25 - 34	35 - 44	45 - 54	55 - 64	66 - 74	75 +
< \$9,999	81	177	293	229	282	412	417
\$10,000 - \$14,999	110	153	197	121	225	293	284
\$15,000 - \$24,999	227	476	438	314	375	518	386
\$25,000 - \$34,999	210	507	591	393	454	376	223
\$35,000 - \$49,999	224	844	1,004	919	597	388	196
\$50,000 - \$74,999	107	919	1,292	985	701	257	66
\$75,000 - \$99,999	37	252	549	602	272	117	51
\$100,000 - \$149,999	11	143	229	330	162	80	26
\$150,000 +	0	35	70	84	43	18	6
TOTAL	1,007	3,506	4,663	3,977	3,111	2,459	1,655

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

RINGGOLD, GA



CATOOSA COUNTY, GA



AGE OF HEAD OF HOUSEHOLD	RINGGOLD, GA	CATOOSA COUNTY, GA
15 - 24	\$25,769	\$28,995
25 - 34	\$26,346	\$43,009
35 - 44	\$30,278	\$46,186
45 - 54	\$39,196	\$50,235
55 - 59	\$24,444	\$42,130
60 - 64	\$21,667	\$40,725
65 - 69	\$31,786	\$25,585
70 - 74	\$31,389	\$24,735
75 - 79	\$21,900	\$18,909
80 - 84	\$21,176	\$17,262
85 +	\$20,455	\$15,227
MEDIAN HOUSEHOLD INCOME	\$28,767	\$40,010

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

INDUSTRY	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
AGRICULTURE / NATURAL RESOURCES	8	0.2%	38	2.2%
NATURAL RESOURCE EXTRACTION	0	0.0%	1	0.1%
CONSTRUCTION	130	2.5%	131	7.6%
MANUFACTURING	1,304	24.7%	85	4.9%
TRANSPORTATION, UTILITIES	376	7.1%	72	4.2%
WHOLESALE TRADE	185	3.5%	78	4.5%
RETAIL TRADE	1,018	19.3%	434	25.1%
FINANCE, INSURANCE, REAL ESTATE	380	7.2%	139	8.0%
SERVICES	1,213	23.0%	657	38.0%
GOVERNMENT	644	12.2%	81	4.7%
NON-CLASSIFIABLE	24	0.5%	14	0.8%
TOTAL	5,282	100 %	1,730	100 %

RENTER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	10	2.1%	106	2.3%
1995 TO 1998	74	15.8%	593	12.6%
1990 TO 1994	62	13.3%	431	9.2%
1980 TO 1989	88	18.8%	809	17.3%
1970 TO 1979	98	21.0%	1,165	24.9%
1960 TO 1969	39	8.4%	625	13.3%
1940 TO 1959	96	20.6%	753	16.1%
1939 AND EARLIER	0	0.0%	206	4.4%
TOTAL	467	100 %	4,688	100 %

OWNER-OCCUPIED HOUSEHOLDS BY YEAR STRUCTURE BUILT - 2000 CENSUS

YEAR BUILT	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	46	8.3%	661	4.2%
1995 TO 1998	66	11.9%	2,401	15.3%
1990 TO 1994	21	3.8%	2,023	12.9%
1980 TO 1989	23	4.1%	2,560	16.3%
1970 TO 1979	97	17.4%	3,117	19.8%
1960 TO 1969	139	25.0%	2,208	14.0%
1940 TO 1959	109	19.6%	2,243	14.3%
1939 AND EARLIER	55	9.9%	524	3.3%
TOTAL	556	100 %	15,737	100 %

UNITS IN STRUCTURE - 2000 CENSUS

UNITS	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
1-UNIT, DETACHED	649	59.7%	15,774	73.0%
1-UNIT, ATTACHED	0	0.0%	0	0.0%
2 TO 4 UNITS	126	11.6%	1,074	5.0%
5 TO 19 UNITS	143	13.2%	920	4.3%
20 UNITS OR MORE	55	5.1%	228	1.1%
MOBILE HOME	114	10.5%	3,611	16.7%
BOAT, RV, VAN, ETC	0	0.0%	9	0.0%
TOTAL	1,087	100 %	21,616	100 %

GROSS RENT PAID - 2000 CENSUS

GROSS RENT	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
LESS THAN \$300	31	6.6%	407	8.8%
\$300 - \$499	220	47.1%	1,913	41.2%
\$500 - \$749	153	32.8%	1,549	33.4%
\$750 - \$999	24	5.1%	255	5.5%
\$1,000 - \$1,499	0	0.0%	73	1.6%
\$1,500 - \$1,999	0	0.0%	0	0.0%
\$2,000 OR MORE	0	0.0%	9	0.2%
NO CASH RENT	39	8.4%	433	9.3%
TOTAL	467	100 %	4,639	100 %
MEDIAN GROSS RENT	\$478		\$482	

YEAR MOVED INTO RENTER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	210	45.0%	2,194	46.8%
1995 TO 1998	110	23.6%	1,605	34.2%
1990 TO 1994	117	25.1%	465	9.9%
1980 TO 1989	13	2.8%	201	4.3%
1970 TO 1979	17	3.6%	147	3.1%
1969 OR EARLIER	0	0.0%	76	1.6%
TOTAL	467	100 %	4,688	100 %

YEAR MOVED INTO OWNER-OCCUPIED HOUSEHOLDS - 2000 CENSUS

YEAR	RINGGOLD, GA		CATOOSA COUNTY, GA	
	NUM	%	NUM	%
1999 TO MARCH 2000	99	17.8%	1,613	10.2%
1995 TO 1998	115	20.7%	4,249	27.0%
1990 TO 1994	47	8.5%	3,065	19.5%
1980 TO 1989	109	19.6%	2,856	18.1%
1970 TO 1979	113	20.3%	1,965	12.5%
1969 OR EARLIER	73	13.1%	1,989	12.6%
TOTAL	556	100 %	15,737	100 %

HOUSING UNITS BUILDING PERMITS

CATOOSA COUNTY, GA			
YEAR	UNITS IN SINGLE-FAMILY STRUCTURES	UNITS IN ALL MULTI-FAMILY STRUCTURES	TOTAL
2001	431	104	535
2002	509	107	616
2003	496	148	644
2004	631	154	785
2005	713	179	892
TOTAL	2,780	692	3,472

Market Analyst Certification Checklist

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

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

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

Signed: 

Date: July 14, 2006

A. Executive Summary

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

B. Project Description

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

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

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

C. Site Evaluation

1	Date of Inspection of Subject Property by Market Analyst	Page	C-1
2	Physical features of Subject Property and Adjacent Uses	Page	C-1
3	Subject Photographs (front, rear, and side elevations as well as street scenes)	Page	C-5
4	Map identifying location of subject as well as closest shopping centers, schools, medical facilities and other amenities relative to subject	Page	C-12
5	Developments in vicinity to subject and proximity in miles (Identify developments Surrounding subject on all sides) - zoning of subject and surrounding uses	Page	C-1, 13
6	Map identifying existing low-income housing within the Primary Market Area and proximity in miles to subject	Page	C-14
7	Road or infrastructure improvements planned or under construction in the PMA	Page	C-15
8	Comment on access, ingress/egress and visibility of subject	Page	C-2
9	Any visible environmental or other concerns	Page	C-15
10	Overall conclusions of site and their marketability	Page	C-15

D. Market Area

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

E. Community Demographic Data

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

1. Population Trends

a.	Total Population	Page	E-1
b.	Population by Age Group	Page	E-1
c.	Number of elderly and non-elderly (for elderly projects)	Page	E-1
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	E-2
b.	Households by tenure (# of owner and renter households)	Page	E-2
	Elderly by tenure, if applicable	Page	E-4, 5
c.	Households by Income (Elderly, if applicable, should be allocated separately)	Page	E-4, 5
d.	Renter households by # of persons in the household	Page	E-3

3. Employment Trend

a.	Employment by industry— #s & % (i.e. manufacturing: 150,000 (20%))	Page	E-6
b.	Major employers, product or service, total employees, anticipated expansions, contractions in work forces, as well as newly planned employers and impact on employment in the PMA	Page	E-8
c.	Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	E-9
d.	Map of the site and location of major employment concentrations.	Page	E-11
e.	Overall conclusions	Page	E-10

F. Project Specific Demand Analysis

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

** Assume 35% of gross income towards total housing expenses for family*

** Assume 40% of gross income towards total housing expenses for elderly*

** Assume 35% of gross income for derivation of income band for family*

** Assume 40% of gross income for derivation of income band for elderly*

G. Supply Analysis

1.	Comparative chart of subject amenities and competing properties	Page	G-5
2.	Supply & analysis of competing developments under construction & pending	Page	G-11
3.	Comparison of competing developments (occupancy, unit mix and rents)	Page	G-3
4.	Rent Comparable Map (showing subject and comparables)	Page	C-12
5.	Assisted Projects in PMA*	Page	G-10
6.	Multi-Family Building Permits issued in PMA in last two years	Page	Addendum C-17

* PHA properties are not considered comparable with LIHTC units

H. Interviews

1. Names, Title, and Telephone # of Individuals Interviewed Page H-1

I. Conclusions and Recommendations

1. Conclusion as to Impact of Subject on PMA Page I-1

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

J. Signed Statement

1. Signed Statement from Analyst Page J-1

K. Qualifications

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Comparison of Competing Properties

Separate Letter addressing addition of more than one competing property. Not Applicable