



REAL PROPERTY **RESEARCH** GROUP

WASHINGTON/BALTIMORE ■ ATLANTA

## Market Feasibility Analysis

# North Grove Apartments

Athens, Clarke County, Georgia

Prepared for:

**Prestwick Companies**

Effective Date: May 5, 2014

Site Inspection: May 5, 2014





**TABLE OF CONTENTS**

**EXECUTIVE SUMMARY ..... 1**

**1. INTRODUCTION ..... 7**

A. Overview of Subject ..... 7

B. Purpose of Report ..... 7

C. Format of Report ..... 7

D. Client, Intended User, and Intended Use ..... 7

E. Applicable Requirements ..... 7

F. Scope of Work ..... 7

G. Report Limitations ..... 8

**2. PROJECT DESCRIPTION ..... 9**

A. Project Overview ..... 9

B. Project Type and Target Market ..... 9

C. Building Types and Placement ..... 9

D. Current Rents and Occupancy ..... 9

E. Proposed Scope of Renovation ..... 10

F. Detailed Project Description ..... 10

    1. Project Description ..... 10

    2. Other Proposed Uses ..... 12

    3. Pertinent Information on Zoning and Government Review ..... 12

    4. Proposed Timing of Development ..... 12

**3. SITE AND NEIGHBORHOOD ANALYSIS ..... 13**

A. Site Analysis ..... 13

    1. Site Location ..... 13

    2. Existing Uses ..... 13

    3. Size, Shape, and Topography ..... 13

    4. General Description of Land Uses Surrounding the Subject Property ..... 13

    5. Specific Identification of Land Uses Surrounding the Subject Property ..... 13

B. Neighborhood Analysis ..... 18

    1. General Description of Neighborhood ..... 18

    2. Neighborhood Planning Activities ..... 18

    3. Public Safety ..... 18

C. Site Visibility and Accessibility ..... 20

    1. Visibility ..... 20

    2. Vehicular Access ..... 20

    3. Availability of Public Transit ..... 20

    4. Availability of Inter-Regional Transit ..... 20

    5. Accessibility Improvements under Construction and Planned ..... 20

    6. Environmental Concerns ..... 20

D. Residential Support Network ..... 21

    1. Key Facilities and Services near the Subject Property ..... 21

    2. Essential Services ..... 21

    3. Commercial Goods and Services ..... 23

    4. Location of Low Income Housing ..... 23

E. Site Conclusion ..... 23

**4. MARKET AREA DEFINITION ..... 24**

A. Introduction ..... 24

B. Delineation of Market Area ..... 24

**5. ECONOMIC CONTENT ..... 26**

A. Introduction ..... 26

B. Labor Force, Resident Employment, and Unemployment ..... 26



- 1. Trends in County Labor Force and Resident Employment ..... 26
- 2. Trends in County Unemployment Rate ..... 26
- C. Commutation Patterns ..... 26
- D. At-Place Employment ..... 28
  - 1. Trends in Total At-Place Employment ..... 28
  - 2. At-Place Employment by Industry Sector ..... 29
  - 3. Major Employers ..... 30
  - 4. Recent Economic Expansions and Contractions ..... 33
- E. Conclusions on Local Economics ..... 33
- 6. DEMOGRAPHIC ANALYSIS ..... 34**
- A. Introduction and Methodology ..... 34
- B. Trends in Population and Households ..... 34
  - 1. Recent Past Trends ..... 34
  - 2. Projected Trends ..... 34
  - 3. Building Permit Trends ..... 35
- C. Demographic Characteristics ..... 36
  - 1. Age Distribution and Household Type ..... 36
  - 2. Renter Household Characteristics ..... 38
  - 3. Income Characteristics ..... 39
- 7. COMPETITIVE HOUSING ANALYSIS ..... 41**
- A. Introduction and Sources of Information ..... 41
- B. Overview of Market Area Housing Stock ..... 41
- C. Survey of Competitive Rental Communities ..... 43
  - 1. Introduction to the Age-Restricted Rental Housing Survey ..... 43
  - 2. Location ..... 43
  - 3. Age of Communities ..... 44
  - 4. Structure Type ..... 44
  - 5. Size of Communities ..... 45
  - 6. Vacancy Rates ..... 45
  - 7. Rent Concessions ..... 45
  - 8. Absorption History ..... 45
- D. Analysis of Rental Pricing and Product ..... 46
  - 1. Payment of Utility Costs ..... 46
  - 2. Unit Features ..... 46
  - 3. Parking ..... 46
  - 4. Community Amenities ..... 46
  - 5. Distribution of Units by Bedroom Type ..... 48
  - 6. Effective Rents ..... 48
  - 7. DCA Average Market Rent ..... 49
- E. Interviews ..... 50
- F. Multi-Family Pipeline ..... 51
- G. Housing Authority Data ..... 51
- H. Existing Low Income Rental Housing ..... 51
- I. Impact of Abandoned, Vacant, or Foreclosed Homes ..... 52
- 8. FINDINGS AND CONCLUSIONS ..... 54**
- A. Key Findings ..... 54
  - 1. Site and Neighborhood Analysis ..... 54
  - 2. Economic Context ..... 54
  - 3. Population and Household Trends ..... 55
  - 4. Demographic Analysis ..... 55
  - 5. Competitive Housing Analysis ..... 55
- B. Affordability Analysis ..... 57
  - 1. Methodology ..... 57



2.	Affordability Analysis .....	59
3.	Conclusions of Affordability .....	59
C.	Demand Estimates and Capture Rates .....	61
1.	Methodology.....	61
2.	Demand Analysis.....	61
D.	Absorption Estimate .....	63
E.	Target Markets .....	64
F.	Product Evaluation .....	64
G.	Price Position .....	65
H.	Impact on Existing Market.....	66
I.	Final Conclusions and Recommendations .....	67
	<b>APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS .....</b>	<b>68</b>
	<b>APPENDIX 2 ANALYST CERTIFICATIONS .....</b>	<b>70</b>
	<b>APPENDIX 3 NCHMA CERTIFICATION.....</b>	<b>71</b>
	<b>APPENDIX 4 ANALYST RESUMES .....</b>	<b>72</b>
	<b>APPENDIX 5 DCA CHECKLIST .....</b>	<b>75</b>
	<b>APPENDIX 6 NCHMA CHECKLIST.....</b>	<b>80</b>
	<b>APPENDIX 7 RENTAL COMMUNITY PROFILES .....</b>	<b>83</b>

**TABLES, FIGURES AND MAPS**

Table 1	Current and Projected Rents, North Grove.....	9
Table 2	North Grove Detailed Project Summary .....	11
Table 3	Key Facilities and Services.....	21
Table 4	Labor Force and Unemployment Rates.....	27
Table 5	2008-2012 Commuting Patterns, North Grove Market Area.....	27
Table 6	Major Employers, Athens.....	31
Table 7	Population and Household Projections.....	35
Table 8	Building Permits by Structure Type, Clarke County .....	36
Table 9	2014 Age Distribution .....	37
Table 10	2010 Households by Household Type .....	37
Table 11	Households by Tenure.....	38
Table 12	Renter Households by Age of Householder .....	39
Table 13	2010 Renter Households by Household Size .....	39
Table 14	2014 Household Income .....	40
Table 15	2014 Income by Tenure .....	40
Table 16	Dwelling Units by Structure and Tenure .....	41
Table 17	Dwelling Units by Year Built and Tenure.....	42
Table 18	Value of Owner Occupied Housing Stock.....	42
Table 19	Rental Summary, Surveyed Communities.....	45
Table 20	Utilities and Unit Features – Surveyed Rental Communities .....	47
Table 21	Community Amenities – Surveyed Rental Communities .....	47
Table 22	Salient Characteristics, Surveyed Rental Communities .....	49
Table 23	Average Rents, Comparable Properties .....	50
Table 24	Average Market Rent and Rent Advantage Summary .....	50
Table 25	Subsidized Communities, North Grove Market Area .....	51
Table 26	Foreclosure Rate, ZIP Code 30601, March 2014 .....	53
Table 27	Recent Foreclosure Activity, ZIP Code 30601.....	53
Table 28	2016 Total and Renter Income Distribution.....	57
Table 29	LIHTC Income and Rent Limits, Athens-Clarke County, GA MSA.....	58
Table 30	2016 Affordability Analysis, North Grove .....	60
Table 31	Substandard and Cost Burdened Calculations .....	62



Table 32 Overall Demand Estimates, North Grove .....	62
Table 33 Demand Estimates by Floor Plan, North Grove.....	63
Figure 1 Satellite Image of Subject Property .....	15
Figure 2 Views of Subject Property.....	15
Figure 3 Views of Surrounding Land Uses .....	17
Figure 4 At-Place Employment .....	28
Figure 5 Total Employment by Sector, 2013 Q3 .....	29
Figure 6 Change in Employment by Sector 2001-2013 Q3 .....	30
Figure 7 Price Position .....	65
Map 1 Site Location .....	14
Map 2 2013 CrimeRisk, Subject Property and Surrounding Areas .....	19
Map 3 Location of Key Facilities and Services .....	22
Map 4 North Grove Market Area.....	25
Map 5 Major Employers .....	32
Map 6 Surveyed Rental Communities .....	44
Map 7 Subsidized Rental Communities .....	52



## EXECUTIVE SUMMARY

Prestwick Companies has retained Real Property Research Group, Inc. (RPRG) to conduct a comprehensive market feasibility analysis for North Grove, a proposed rehabilitation of a rental community currently known as Dogwood Park in Athens, Clarke County, Georgia. As proposed, North Grove will be financed in part through the use of Low Income Housing Tax Credits (LIHTC) from the Georgia Department of Community Affairs (DCA). The following report, including the executive summary, is based on DCA's 2014 market study requirements.

### 1. Project Description

- North Grove will contain 127 general occupancy rental units including 20 one-bedroom units targeting households earning up to 50 percent of the Area Median Income (AMI) and 107 two and three-bedroom units targeting households earning up to 60 percent of the Area Median Income. One unit, not included in the rental unit total, will be a two-bedroom non-revenue managers unit.
- A detailed summary of the subject property, including the rent and unit configuration, is shown in the table below. The rents shown will include the cost of water/sewer and trash removal.

Unit Mix/Rents								
Type	Bed	Bath	Income Target	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
Garden	1	1	50%	8	650	\$375	\$105	\$480
Garden	1	2	50%	12	974	\$410	\$105	\$515
Garden	2	2	60%	55	974	\$515	\$134	\$649
Garden	3	2	60%	20	1,153	\$565	\$167	\$732
Garden	3	2	60%	32	1,187	\$565	\$167	\$732
<b>Total/Average</b>				<b>127</b>	<b>1,035</b>	<b>\$517</b>		

One non-revenue managers unit not included (two bedroom unit)\*\*

- The rehabilitated units at the subject property will offer kitchens with new appliances including a refrigerator with ice-maker, range, dishwasher, garbage disposal, and microwave. Flooring will be a combination of carpet, faux hardwood, and ceramic tile. In addition, all units will include washer and dryer connections, ceiling fans, patio/balconies, central air conditioning, and window blinds. The proposed unit features at North Grove will be competitive with existing rental communities in the North Grove Market Area and will be well received by the target market.
- North Grove's community amenity package will include a community room, central laundry facility, fitness center, business center, picnic pavilion, gazebo, and playground. The amenities offered at the subject property will be comparable to communities in the market area and appropriate.

### 2. Site Description / Evaluation:

- The subject property is a proposed renovation of an existing rental community, Dogwood Park (North Grove), located in a residential community located northeast of downtown Athens. Surrounding land uses are mixed including an elementary school, multi-family apartments, and commercial development along North Avenue. The commercial



development including a Piggly Wiggly, Rent-A-Center, J's Variety, Hardee's, and Chevron is located to the west of North Grove. Multi-family communities are located to the north (Knollwood Manor) and east (Oak Hill) of the subject property. Stroud Elementary School is located to the southeast of the subject property. Wooded undeveloped land provides a buffer to surrounding land uses to the north, east, and south.

- Residential uses are common within one-half mile including both single-family detached homes and multi-family apartments.
- Public transportation, shopping, a pharmacy, a grocery store, and a convenience store are all located within one-half mile of the subject property.
- North Grove will benefit from good visibility along Old Hull Road. The subject property will be accessible via an entrance on Old Hull Road.
- The subject property is suitable for the continuation as affordable rental housing. No negative land uses were identified at the time of the site visit that would negatively affect the proposed rehabilitation's viability in the marketplace. The rehabilitation of the subject property will not alter the land use composition of the neighborhood.

### **3. Market Area Definition**

- The North Grove Market Area consist of 2010 Census tracts located in and around Athens. The market area includes downtown Athens and areas surrounding the University of Georgia. The market area also includes areas north and east of the perimeter due to the proximity to the subject property. The market area is bounded by Lexington Road and Athens Perimeter Highway to the south as areas south of these highways are not comparable to the subject property's location.
- The boundaries of the North Grove Market Area and their approximate distance from the subject property are Madison County/Jackson County (4.3 miles to the north), Spring Valley Road (2.9 miles to the east), Athens Perimeter Highway (2.5 miles to the south), and Tallassee Road/Middle Oconee River (4.7 miles to the west).

### **4. Community Demographic Data**

- The North Grove Market Area experienced household growth from 2010 to 2014 and is expected to grow at the same pace through 2016. The renter percentage in the market area increased from 2010 to 2014 and is expected to increase further through 2016.
  - Between 2000 and 2010 Census counts, the population of the North Grove Market Area increased from 58,408 to 64,954 people with annual increases of 655 people or 1.1 percent. During the same period, the number of households in the North Grove Market Area increased from 21,897 to 23,537, an increase of 164 households or 0.7 percent annually. Based on Esri projections, the market area added 1,331 people and 500 households between 2010 and 2014 and will continue to add 318 people and 124 households per year from 2014 to 2016.
  - As of the 2010 Census, 60.8 percent of all households in the North Grove Market Area were renters, compared to 57.8 percent in Clarke County. The renter percentage is expected to increase to 63.1 percent in the market area in 2016.



- Young Adults age 20-34 comprise the largest percentage of the population in the North Grove Market Area at 38.0 percent. Children/Youth account for 28.3 percent of the population in the market area.
- Approximately forty-two percent of all households in the market area contain at least two adults but no children compared to 45.2 percent in Clarke County. Single persons account for 32.9 percent of households in the North Grove Market Area.
- According to income distributions provided by Esri, the 2014 median household income in the North Grove Market Area is \$28,204, 81.9 percent of Clarke County's median household income of \$34,435. RPRG estimates the 2014 median income for renter households in the North Grove Market Area is \$21,066. Approximately 58 percent of all renter households in the market area earn less than \$25,000 including 38.1 percent earning below \$15,000.
- The North Grove Market Area contains limited abandoned / vacant single and multi-family homes and has encountered a low number of foreclosures over the past year.

#### **5. Economic Data:**

- As the full effects of the recent national recession began to impact the local economy, Clarke County's unemployment rate increased from 4.0 percent in 2007 to 7.6 percent in 2010. Economic conditions have improved and the unemployment rate has dropped to 5.5 percent in the first quarter of 2014, much lower than both the state and national unemployment rate.
- Clarke County added 6,470 jobs from 2001 to 2008, 9.6 percent of the total jobs in 2001. The county lost a total of 3,719 jobs from 2009 to 2010 as a result of the economic recession but has added jobs in each of the past three years.
- Government is the largest employment sector in Clarke County, accounting for 30.7 percent of all jobs in the third quarter of 2013 compared to just 15.7 percent of total employment nationally. Trade-Transportation-Utilities, Education-Health and Leisure-Hospitality also contain significant employment shares in Clarke County. Compared to national figures, Clarke County has a significantly smaller percentage of its job base in Natural Resources-Mining, Construction, Trade-Transportation-Utilities, Information, Financial Activities, and Professional-Business.
- Six employment sectors grew in Clarke County between 2001 and the third quarter of 2013. These included Education-Health (2.8 percent), Financial Activities (2.8 percent), Leisure-Hospitality (2.4 percent), Professional Business (2.1 percent), Natural Resources-Mining (1.2 percent), and Government (1.2 percent). The largest job losses on a percentage basis occurred in the Information (4.9 percent), Manufacturing (3.7 percent), and Construction (3.1 percent) sectors.
- The most significant economic expansions in the Athens area are Caterpillar and Ethicon which are estimated to create a total of 1,475 jobs.

#### **6. Project Specific Affordability and Demand Analysis:**

- North Grove will contain 20 one bedroom units targeting households earning at or below 50 percent of Area Median Income (AMI) and a total of 107 two and three-bedroom units reserved for households earning at or below 60 percent of the Area Median Income.





- The 50 percent units will target renter householders earning between \$17,177 and \$22,200. The 20 proposed units at 50 percent AMI would need to capture 1.4 percent of the 1,398 income qualified renter households in order to lease-up.
- The 60 percent units will target renter householders earning between \$22,251 and \$36,000. The 107 proposed units at 60 percent AMI would need to capture 3.6 percent of the 2,957 income qualified renter households in order to lease-up.
- The overall affordability capture rate for the project is 2.9 percent.
- Based on DCA methodology, total net demand for all 127 proposed units in the North Grove Market Area is 2,525, resulting in a capture rate of 5.0 percent. Capture rates by income level are 2.4 percent for 50 percent units and 6.3 percent for 60 percent AMI units. North Grove's capture rates by floor plan range from 2.5 percent to 7.4 percent.
- The expected tenant retention of 100 total households results in an effective DCA demand capture rate of 1.1 percent overall. Fifty percent units have an effective capture rate of zero percent as all tenants are expected to be retained and 60 percent units will have an effective capture rate of 1.6 percent after considering tenant retention.
- All of the capture rates for North Grove are well within DCA's range of acceptability. The overall capture rates indicate sufficient demand to support the proposed development.

## 7. Competitive Rental Analysis

RPRG surveyed 11 LIHTC/market rate rental communities in the North Grove Market Area including three LIHTC communities. One LIHTC community (Bethel Midtown Village) has additional rental subsidies through Section 8. At the time of our survey, the overall rental market in the market area was performing well.

- The 11 LIHTC/market rate communities range from 40 units to 220 units with an average of 130 units per community. LIHTC communities are generally larger with an average of 176 units and a range from 118 units to 220 units.
- Among the nine stabilized LIHTC/market rate communities reporting vacancy data, 31 of 1,025 units were reported vacant for a rate of 3.0 percent.
  - Six units among 345 LIHTC units without deep subsidies were reported vacant for a rate of 1.7 percent.
  - All 183 units with deep subsidies at Bethel Midtown Village were reported occupied for a vacancy rate of 0.0 percent. The community has a waiting list of 120 people for these units.
- Among the 11 LIHTC/market rate rental communities surveyed, net rents, unit sizes, and rents per square foot are as follows:
  - **One-bedroom** effective rents averaged \$534 per month. The average one bedroom square footage was 756 square feet, resulting in a net rent per square foot of \$0.71. The range for one bedroom effective rents was \$245 to \$765.
  - **Two-bedroom** effective rents averaged \$616 per month. The average two bedroom square footage was 1,038 square feet, resulting in a net rent per square foot of \$0.59. The range for two bedroom effective rents was \$306 to \$939.



- **Three-bedroom** effective rents averaged \$658 per month. The average three bedroom square footage was 1,274 square feet, resulting in a net rent per square foot of \$0.52. The range for three bedroom effective rents was \$318 to \$804.
- The “average market rent” among comparable communities is \$607 for one bedroom units, \$670 for two bedroom units, and \$752 for three bedroom units. All of the subject property’s proposed rents are below these average market rents with rent advantages of at least 23.1 percent and an overall weighted average rent advantage of 25.6 percent.

## **8. Absorption/Stabilization Estimates**

- Based on the proposed scope of work, proposed rents, low vacancy rates, projected households growth, and low capture rates, we expect North Grove to lease-up at a rate of 14 units per month. At this rate, the subject property will reach a stabilized occupancy of at least 93 percent within eight to nine months; however, the tenant retention of all but 27 tenants results in an effective absorption period of two to three months.
- Given the limited vacancies at LIHTC communities in the North Grove Market Area and projected household growth over the next two years, we do not expect North Grove to have a negative impact on existing rental communities in the North Grove Market Area including those with tax credits. As 100 existing tenants will remain income-qualified for the proposed units, only 27 units will need to be leased post renovation. The rehabilitation of Dogwood Park/North Grove does not represent an expansion of the market area’s multi-family rental stock.

## **9. Overall Conclusion / Recommendation**

The proposed renovation of the 127 units at Dogwood Park (North Grove) will be well received in the market area. The North Grove Market Area is expected to experience population and household growth and the existing rental market is tight with limited vacancies. The proposed renovation will significantly improve the condition of the community with the addition of new features/amenities. It will also address deferred maintenance. Rents will be the lowest among comparable communities in the market area. Proposed two and three bedroom rents represent a decrease post rehabilitation and 100 tenants are projected to be retained. The proposed renovation of North Grove will improve the condition of an affordable housing asset in the market area.



**DCA Summary Table:**

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
<b>50% Units</b>	<b>\$17,177 - \$22,200</b>										
One Bedroom Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%	3 months	\$607	\$505-\$765	\$396
<b>50% Units - Vacant</b>	<b>\$17,237 - \$22,200</b>										
One Bedroom Units	\$17,237 - \$22,200	0	9.0%	808	0	808	0.0%	0 months	\$607	\$505-\$765	\$396
<b>60% Units</b>	<b>\$22,251 - \$36,000</b>										
Two Bedroom Units	\$22,251 - \$27,500	55	8.4%	752	10	742	7.4%	8-9 months	\$670	\$547-\$939	\$515
Three Bedroom Units	\$27,501 - \$36,000	52	10.9%	978	13	965	5.4%	7 months	\$752	\$723-\$780	\$565
<b>60% Units - Vacant</b>	<b>\$22,251 - \$36,000</b>										
Two Bedroom Units	\$22,251 - \$27,500	14	8.4%	752	10	742	1.9%	3 months	\$670	\$547-\$939	\$515
Three Bedroom Units	\$27,501 - \$36,000	13	10.9%	978	13	965	1.3%	2 months	\$752	\$723-\$780	\$565
<b>Project Total</b>	<b>\$17,177 - \$36,000</b>										
50% Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%	3 months			
60% Units	\$22,251 - \$36,000	107	19.3%	1,730	23	1,707	6.3%	8-9 months			
<b>Total Units</b>	<b>\$17,177 - \$36,000</b>	<b>127</b>	<b>28.4%</b>	<b>2,548</b>	<b>23</b>	<b>2,525</b>	<b>5.0%</b>	<b>8-9 months</b>			
<b>Total Units - Vacant</b>	<b>\$17,177 - \$36,000</b>	<b>27</b>	<b>28.3%</b>	<b>2,538</b>	<b>23</b>	<b>2,515</b>	<b>1.1%</b>	<b>2-3 months</b>			

SUMMARY TABLE:	
Development Name:	North Grove <span style="float: right;">Total # Units: 127</span>
Location:	198 Old Hull Road, Athens, Clarke County, GA <span style="float: right;"># LIHTC Units: 127</span>
PMA Boundary:	North: Madison County/Jackson County, East: Spring Valley Road, South: Athens Perimeter Highway, West: Tallassee Road/Middle Oconee River
	Farthest Boundary Distance to Subject: 4.7 miles

RENTAL HOUSING STOCK – (found on pages 11, 45-46, 50)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy*
All Rental Housing	9	1,208	31	97.4%
Market-Rate Housing	6	680	25	96.3%
Assisted/Subsidized Housing not to include LIHTC				
<b>LIHTC</b>	<b>3</b>	<b>528</b>	<b>6</b>	<b>98.9%</b>
Stabilized Comps	3	345	6	98.3%
Properties in construction & lease up				

Subject Development					Average Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
8	1	1	650	\$375	\$607	\$0.93	38.2%	\$765	\$1.19
12	1	2	974	\$410	\$607	\$0.62	32.5%	\$765	\$1.19
55	2	2	974	\$515	\$670	\$0.69	23.1%	\$919	\$0.87
20	3	2	1,153	\$565	\$752	\$0.65	24.8%	\$780	\$0.66
32	3	2	1,187	\$565	\$752	\$0.63	24.8%	\$780	\$0.66

DEMOGRAPHIC DATA (found on pages 38, 60)						
	2011		2014		2016	
Renter Households	14,663	62.0%	15,061	62.7%	15,330	63.1%
Income-Qualified Renter HHs (LIHTC)	4,441	30.3%	4,401	29.2%	4,355	28.4%
Income-Qualified Renter HHs (MR)						

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 62)						
Type of Demand	50%	60%				Overall
Renter Household Growth	28	60				88
Existing Households (Overburd + Substand)	790	1,670				2,460
Homeowner Conversion (Seniors)						
Secondary Market Demand (10%)						
<b>Total Primary Market Demand</b>	<b>818</b>	<b>1,730</b>				<b>2,548</b>
Less Comparable/Competitive Supply	0	23				23
<b>Adjusted Income-qualified Renter HHs</b>	<b>818</b>	<b>1,707</b>				<b>2,525</b>

CAPTURE RATES (found on page 62)				
Targeted Population	50%	60%		Overall
Capture Rate	0.0%	1.6%		1.1%



## 1. INTRODUCTION

### A. Overview of Subject

The subject of this report is the proposed rehabilitation of Dogwood Park, to be renamed North Grove following the proposed rehabilitation. The community is located in Athens, Clarke County, Georgia. The rehabilitation will be financed in part through an allocation of Low Income Housing Tax Credits (LIHTC), allocated by the Georgia Department of Community Affairs (DCA). Dogwood Park is an existing 127-unit LIHTC general occupancy community. The proposed LIHTC units at North Grove will target households at or under 50 percent AMI (Area Median Income) and 60 percent AMI. The unit mix includes 20 one-bedroom units, 55 two-bedroom units, and 52 three-bedroom units.

### B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis.

### C. Format of Report

The report format is comprehensive and conforms to DCA's 2014 Market Study Manual. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

### D. Client, Intended User, and Intended Use

The Client is Prestwick Companies. Along with the Client, the Intended Users are DCA, potential lenders, and investors.

### E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- DCA's 2014 Market Study Manual and Qualified Allocation Plan (QAP).
- The National Council of Housing Market Analysts' (NCHMA) Model Content Standards and Market Study Index.

### F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 5 and 6 for a detailed list of DCA and NCHMA requirements as well as the corresponding pages of requirements within the report.
- Brett Welborn (Analyst) conducted a site visit on May 5, 2014.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Vicki Buschborn with the Athens-Clarke County Planning Department, and Ann Davis with the Athens Housing Authority.



- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

### **G. Report Limitations**

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



## 2. PROJECT DESCRIPTION

### A. Project Overview

North Grove is an existing 127-unit apartment community that will be rehabilitated with an allocation of Low Income Housing Tax Credits. The community (Dogwood Park) currently operates as a LIHTC community. The unit mix includes seven one-bedroom units, 68 two-bedroom units, and 52 three-bedroom units; however, 12 two bedroom units will be converted to one bedroom units with two bathrooms and the current leasing office will be converted into a one bedroom unit with one bathroom as part of the rehabilitation. One unit to be renovated, not included in the 127 rental unit total, will be a two-bedroom non-revenue managers unit.

### B. Project Type and Target Market

North Grove will target renter households earning at or below 50 percent and 60 percent of the Area Median Income, adjusted for household size. The community will target low to moderate income renter households. The unit mix of one bedroom, two bedroom, and three bedroom units will target a range of households from singles to families.

### C. Building Types and Placement

Dogwood Park (North Grove) consists of two single story and 13 two-story, garden-style, residential buildings with brick and aluminum siding exteriors. The buildings are contained on a single site with parking lots located along the community’s access road. The subject property is accessible via Old Hull Road to the northwest. The leasing office, which is part of a single story residential building, is located in the northwestern portion of the community near the entrance.

### D. Current Rents and Occupancy

Dogwood Park currently operates as a LIHTC community. Seven one-bedroom units target renter households earning at or below 30 percent AMI and 120 two and three-bedroom units target renter households at or below 60 percent AMI. Current rents are \$171 for one bedroom units, \$540-\$550 for two bedroom units, and \$600-\$615 for three bedroom units (Table 1). The community is 94.5 percent occupied. The proposed LIHTC rents will be \$375-\$410 for one bedroom units, \$515 for two bedroom units, and \$565 for three bedroom units. The proposed two and three bedroom rents all represent a decrease post rehabilitation. The one bedroom units will result in a rent increase; however, the post-rehabilitation units will target higher income renter households so this is to be expected. It is also important to note that the current rents at Dogwood Park include only the cost of trash removal and the proposed rents at North Grove will include the cost of water/sewer and trash removal.

**Table 1 Current and Projected Rents, North Grove**

AMI Level	Bed	Current Rent	Post Rehab Rent	Increase	Percentage Increase	Max LIHTC Rent (Net)*
30%	1	\$171	N/A	N/A	N/A	N/A
50%	1	N/A	\$396	N/A	N/A	\$416
60%	2	\$544	\$515	-\$29	-5.3%	\$616
60%	3	\$604	\$565	-\$39	-6.5%	\$699

Net of Utility Allowance\*

Weighted Average



## E. Proposed Scope of Renovation

North Grove will continue to offer a total of 127 rental units and all existing buildings will be renovated. One unit, not included in the rental unit total, will be a two-bedroom non-revenue managers unit. Twelve two-bedroom units will be renovated into one bedroom units with two bathrooms and the current leasing office will be renovated into a one bedroom unit with one bathroom. The community building will be refurbished to provide improved community amenities. The project will be enrolled in the EarthCraft Multifamily program, ensuring sustainable development and energy efficiency.

Site improvements will be made as needed and residential building improvements will include new roofing, new windows, and the replacement or refurbishment of existing exteriors. Community spaces will include an updated community room and kitchenette, laundry center, furnished fitness center, computer lab, and a covered porch for outside gatherings. A covered pavilion with picnic and barbeque facilities will be located on site, along with a playground and gazebo. Offices for on-site management will also be provided.

The Scope of Work will be the same for every unit. Kitchens will receive all new cabinets, countertops, appliances, dishwashers, garbage disposals, microwaves, refrigerators with ice makers, stoves, and stovetop fire suppression canisters. Bathrooms will receive new vanities, countertops, plumbing fixtures, and accessories. Light fixtures will be replaced primarily with Energy Star fixtures, including ceiling fans in living rooms and master bedrooms. All units will receive new HVAC systems and water heaters. All flooring and doors will be replaced. Units will be painted and mini-blinds will be replaced with 2" blinds.

Because all units will be substantially rehabilitated, all current households will move. Most residents will transfer to a comparable unit at the subject property.

## F. Detailed Project Description

### 1. Project Description

- The proposed rehabilitation of 127 garden-style units at North Grove includes 20 one-bedroom units, 55 two-bedroom units, and 52 three-bedroom units (Table 2).
- One unit to be renovated, not included in the 127 rental unit total, will be a two-bedroom non-revenue managers unit.
- The weighted average unit sizes are 844 square feet for one-bedroom units, 974 square feet for the two bedroom units, and 1,174 square feet for three bedroom units. Eight one-bedroom units will have one bathroom and all other units will have two bathrooms.
- The proposed rents for the 20 one-bedroom units targeting households at or below 50 percent AMI are \$375 and \$410.
- The proposed rents for the 107 units targeting households at or below 60 percent AMI are \$515 for two bedroom units and \$565 for three bedroom units.
- Proposed rents include the cost of water/sewer and trash removal. Tenants bear the cost of all remaining utilities.

The following **unit features** are planned:

- Kitchens with a refrigerator with ice-maker, range/oven, dishwasher, disposal, and microwave
- Central heat and air-conditioning
- Washer and dryer connections
- Ceiling fans
- Window blinds
- Patio/balcony



The following **community amenities** are planned:

- Community center
- Picnic pavilion
- Central laundry facility
- Fitness center
- Business center
- Playground
- Gazebo

**Table 2 North Grove Detailed Project Summary**

North Grove 198 Old Hull Road Athens, Clarke County, Georgia								
Unit Mix/Rents								
Type	Bed	Bath	Income Target	Quantity	Square Feet	Developer Rent	Utility Allowance	Gross Rent
Garden	1	1	50%	8	650	\$375	\$105	\$480
Garden	1	2	50%	12	974	\$410	\$105	\$515
Garden	2	2	60%	55	974	\$515	\$134	\$649
Garden	3	2	60%	20	1,153	\$565	\$167	\$732
Garden	3	2	60%	32	1,187	\$565	\$167	\$732
<b>Total/Average</b>				<b>127</b>	<b>1,035</b>	<b>\$517</b>		

Rents include water/sewer and trash removal

Project Information		Additional Information	
<b>Number of Residential Buildings</b>	15	<b>Construction Start Date</b>	6/2015
<b>Building Type</b>	Garden	<b>Date of First Move-In</b>	1/2016
<b>Number of Stories</b>	Two	<b>Construction Finish Date</b>	6/2016
<b>Construction Type</b>	New Const.	<b>Parking Type</b>	Surface
<b>Design Characteristics (exterior)</b>	Brick, HardiPlank	<b>Parking Cost</b>	None
<b>Community Amenities</b>	Community center, picnic pavilion, fitness center, laundry facility, business center, playground, gazebo.	<b>Kitchen Amenities</b>	
		<b>Dishwasher</b>	Yes
		<b>Disposal</b>	Yes
		<b>Microwave</b>	Yes
		<b>Range</b>	Yes
		<b>Refrigerator</b>	Yes
<b>Unit Features</b>	Range/oven, refrigerator with ice-maker, dishwasher, disposal, microwave, patio/balconies, ceiling fans, central A/C, window blinds, washer and dryer connections, faux hardwood and ceramic tile flooring.	<b>Utilities Included</b>	
		<b>Water/Sewer</b>	Owner
		<b>Trash</b>	Owner
		<b>Heat</b>	Tenant
		<b>Heat Source</b>	Elec
		<b>Hot/Water</b>	Tenant
		<b>Electricity</b>	Tenant
	<b>Other:</b>		

Source: Developer





**2. Other Proposed Uses**

None.

**3. Pertinent Information on Zoning and Government Review**

We are not aware of any land use regulations that would impact the proposed rehabilitation.

**4. Proposed Timing of Development**

RPRG estimates North Grove will begin construction in June 2015 with a date of completion/first move-in in January 2016. Based on this timeline, the subject property's anticipated placed-in-service year is 2016.



### 3. SITE AND NEIGHBORHOOD ANALYSIS

#### A. Site Analysis

##### 1. Site Location

The property is located at 198 Old Hull Road in Athens, Clarke County, Georgia (Map 1, Figure 1).

##### 2. Existing Uses

The subject property is a proposed renovation of an existing rental community (Dogwood Park) with 15 residential buildings and a community building with central laundry facilities (Figure 2). The leasing office is connected to a residential building. The buildings are contained on a single site with parking lots located along the community's access road. The subject property is accessible via Old Hull Road to the northwest.

##### 3. Size, Shape, and Topography

The subject property comprises 15.5 acres and is considered flat. The property is irregularly shaped.

##### 4. General Description of Land Uses Surrounding the Subject Property

North Grove is located in a residential community located northeast of downtown Athens. Surrounding land uses are mixed including multi-family apartments, an elementary school, undeveloped land, and commercial development. The commercial development including a Piggly Wiggly, Rent-A-Center, J's Variety, Hardee's, and Chevron is located to the west of North Grove. Multi-family communities are located to the north (Knollwood Manor) and east (Oak Hill) of the subject property. Stroud Elementary School is located to the southeast of the subject property. Wooded undeveloped land provides a buffer to surrounding land uses to the north, east, and south (Figure 3).

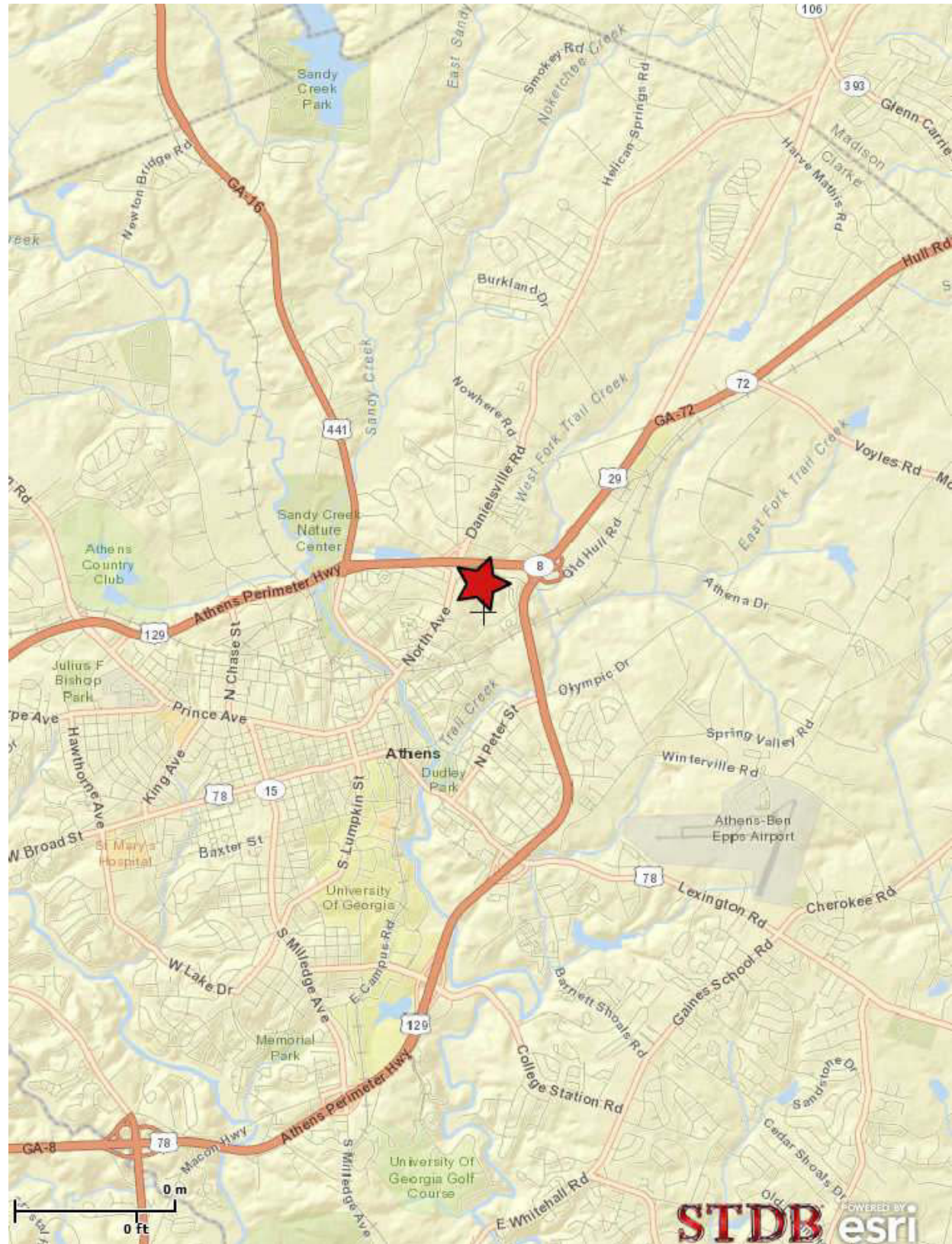
##### 5. Specific Identification of Land Uses Surrounding the Subject Property

The land uses directly bordering the subject property are as follows (Figure 3):

- **North:** Wooded undeveloped land and Knollwood Manor Apartments
- **East:** Wooded undeveloped land and Oak Hill Apartments
- **South:** Wooded undeveloped land and Stroud Elementary School
- **West:** Retail development / shopping center



Map 1 Site Location





**Figure 1 Satellite Image of Subject Property**



**Figure 2 Views of Subject Property**



Two-story garden style building



Single-story garden style building



View of entrance to subject property from Old Hull Road



Playground and green space



Exterior of subject property



Leasing/Office building



View of kitchen at the subject property



View of living room at subject property





View of bathroom at the subject property



View of bedroom at the subject property

**Figure 3 Views of Surrounding Land Uses**



Knollwood Manor Apartments to the north



Oak Hill Apartments to the east



Stroud Elementary School to the south



Shopping center to the west



## **B. Neighborhood Analysis**

### **1. General Description of Neighborhood**

North Grove is located in the Athens, Georgia. A big influence on the city of Athens is the University of Georgia, the largest university in the state of Georgia with an enrollment of approximately 35,000 students. Apartments and student housing are very common in Athens as are single-family detached homes and duplexes. Located just north of UGA's campus is downtown Athens which offers shopping, restaurants, and entertainment. North Grove is located northeast of downtown Athens just inside Athens Perimeter Highway. Surrounding land uses are mixed including residential (single-family and apartments), commercial uses including a grocery store, convenience store, restaurant, pharmacy, and strip mall, as well as an elementary school. The neighborhood is established yet less dense than most areas closer to downtown and the University of Georgia.

### **2. Neighborhood Planning Activities**

Significant planning or redevelopment efforts were not identified in close proximity to the subject property. Several proposed smaller new (for-sale) residential communities were identified within a couple miles of the subject property; however, new home construction appears to be light in the area surrounding the subject property. Two student living communities (Georgia Heights and The Standard), both under construction, were identified in or near downtown Athens.

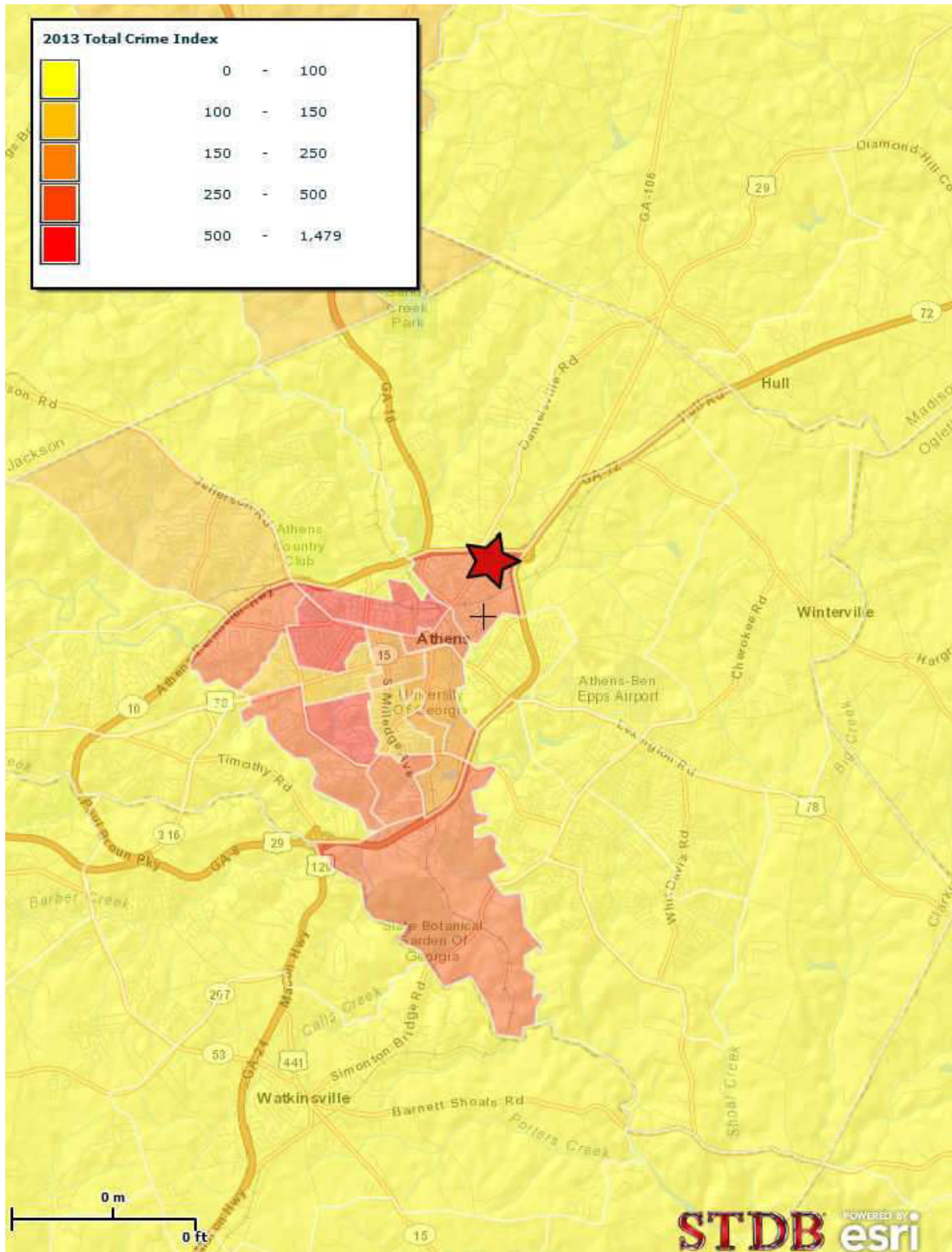
### **3. Public Safety**

Provided by Applied Geographic Solutions (AGS), CrimeRisk data is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions reporting crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a view of the risk of total crime and specific crime types at the block group level. In accordance with reporting procedures used in UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However, these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

Map 2 displays the 2013 CrimeRisk Index for the census tracts in the general vicinity of the subject property. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The subject property's census tract is orange-red, indicating a crime risk (250-500) above the national average (100). This crime risk is comparable to most tracts in the North Grove Market Area from which the subject property is likely to draw the majority of its tenants. As to be expected, more rural areas outside the perimeter have below average crime risk. Taking this into account along with the affordable nature of North Grove, we do not expect crime or the perception of crime to negatively impact the subject property's marketability.



Map 2 2013 CrimeRisk, Subject Property and Surrounding Areas







## **C. Site Visibility and Accessibility**

### **1. Visibility**

North Grove benefits from good visibility along Old Hull Road. Old Hull Road supports moderate traffic in front of the property.

### **2. Vehicular Access**

The subject property will be accessible via its existing entrance on Old Hull Road. Traffic surrounding the subject property is moderate and problems with ingress/egress are not anticipated.

### **3. Availability of Public Transit**

The subject property is served by the Athens Transit System (ATS), which offers public transportation in Athens and the surrounding area. The closest route includes a stop at the entrance to North Grove on Old Hull Road.

### **4. Availability of Inter-Regional Transit**

From a regional perspective, Athens and the subject property are located in between Interstate 20 to the south and Interstate 85 to the north. These major interstates allow access to locations throughout the southeast United States. Athens is served by several U.S. and GA State Highways including Highways 316, 441, 78, and 29 which can be accessed easily using the Athens Perimeter Highway. These highways connect Athens to Interstate 85, Interstate 20, and many surrounding areas including Atlanta. Atlanta is home to Hartsfield-Jackson International Airport, approximately 80 miles to the west.

### **5. Accessibility Improvements under Construction and Planned**

#### ***Roadway Improvements under Construction and Planned***

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject property are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to the process. Through this research, RPRG identified improvements ongoing on Old Hull Road in front of the subject property. The plans call for Old Hull Road to be widened, adding a 14-foot center turn lane and sidewalks. Sidewalks are currently available on Old Hull Road in front of the subject property. Improvement are also ongoing on Athens Perimeter Highway.

#### ***Transit and Other Improvements under Construction and/or Planned***

None identified.

### **6. Environmental Concerns**

No visible environmental or miscellaneous site concerns were identified.

## D. Residential Support Network

### 1. Key Facilities and Services near the Subject Property

The appeal of any given community is often based in part on its proximity to those facilities and services required on a daily basis. Key facilities and services and their driving distances from the subject property are listed in Table 3. The location of those facilities is plotted on Map 3.

**Table 3 Key Facilities and Services**

Establishment	Type	Address	Driving Distance
ATS Bus Stop	Public Transit	198 Old Hull Rd.	0 mile
Piggly Wiggly	Grocery	484 North Ave.	0.1 mile
CVS	Pharmacy	395 North Ave.	0.2 mile
Chevron	Convenience Store	470 North Ave.	0.2 mile
Hardee's	Restaurant	496 North Ave.	0.2 mile
Family Dollar Store	General Retail	349 North Ave.	0.3 mile
Stroud Elementary School	Public School	715 4th St.	0.7 mile
Boys and Girls Club	Community Center	705 4th St.	0.9 mile
First Reliance Federal CU	Bank	205 Collins Ind Blvd.	1.4 miles
Lay Park Community Library	Library	297 Hoyt St.	1.5 miles
Lay Park	Community Center	297 Hoyt St.	1.5 miles
Athens Neighborhood Health Center	Doctor/Medical	675 College Ave.	1.6 miles
Athens Police Department	Police	285 College Ave.	1.6 miles
Athens Fire Department	Fire	700 College Ave.	1.6 miles
Athens Regional FirstCare	Doctor/Medical	485 U.S. 29	2.2 miles
Athens Regional Medical Center	Hospital	1199 Prince Ave.	2.7 miles
Coile Middle School	Public School	110 Old Elberton Rd.	4.7 miles
Cedar Shoals High School	Public School	1300 Cedar Shoals Dr.	5.5 miles
Wal-Mart	General Retail	4375 Lexington Rd.	6.1 miles
Target	General Retail	3065 Atlanta Hwy.	6.3 miles
Georgia Square Mall	Mall	3700 Atlanta Hwy.	7.3 miles

Source: Field and Internet Survey, RPRG, Inc.

### 2. Essential Services

#### Health Care

Athens Regional Medical Center, a 350+ bed full-service hospital, is the closest major medical center to the subject property less than three miles west. Athens Regional Medical Center serves a 17-county area and offers a variety of services including 24 hour emergency medicine, general surgical services, and rehabilitation.

Outside of major healthcare providers, several smaller clinics and doctors' offices serve the neighborhood with Athens Neighborhood Health Center the closest at 1.6 miles to the southwest.

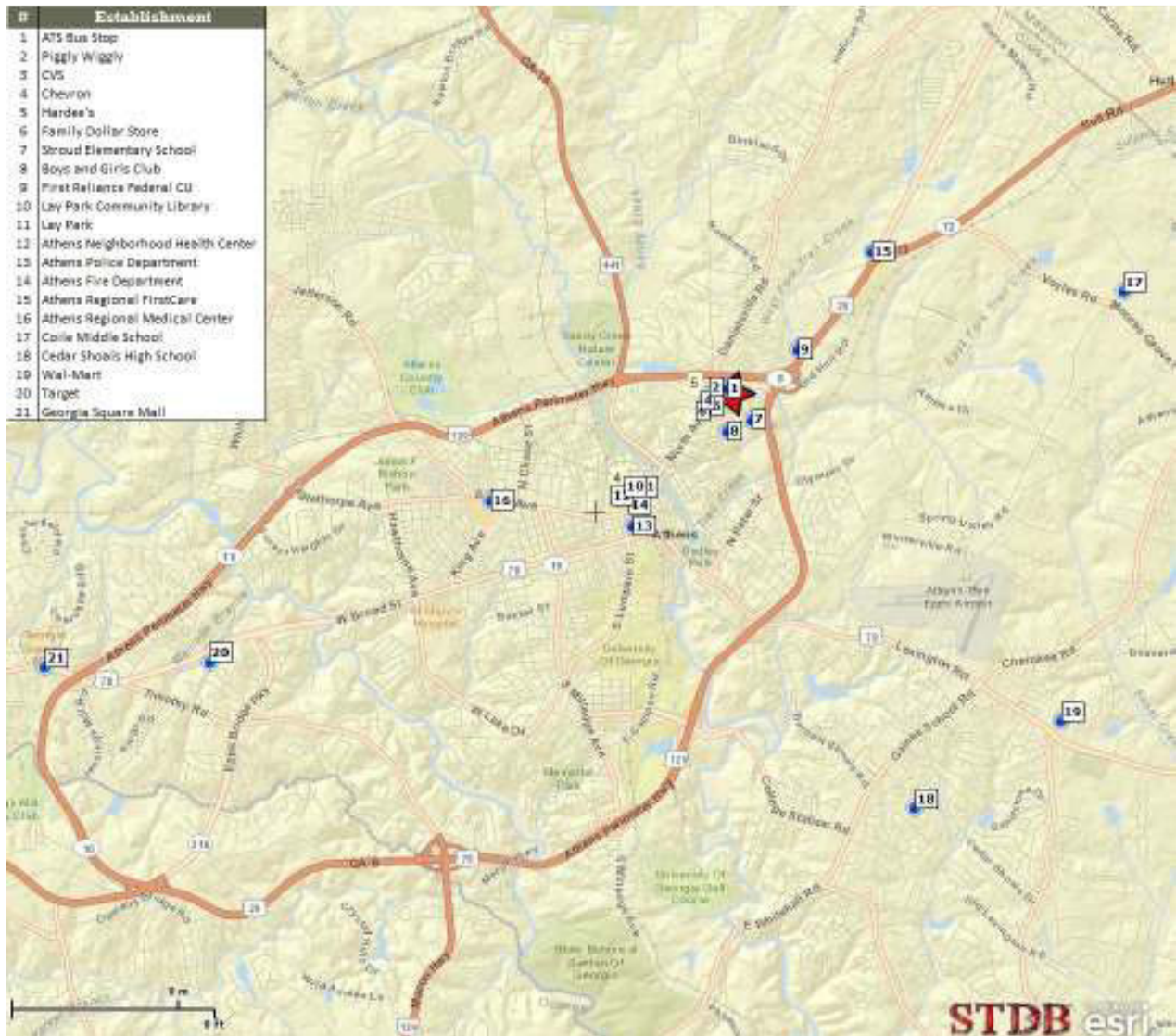
#### Education

The North Grove Market Area is served by the Clarke County School District. Clarke County School District is comprised of 21 schools, 2,691 employees, and an enrollment of over 13,000. School age children residing at the subject property would attend Stroud Elementary School (0.7 mile), Coile Middle School (4.7 miles), and Cedar Shoals High School (5.5 miles).



The University of Georgia is located in Athens and is the largest university in the state of Georgia with an enrollment of approximately 35,000 students. It is a major influence on the city of Athens. Other colleges and universities in the Athens area include Athens Technical College and Piedmont College.

**Map 3 Location of Key Facilities and Services**





### **3. Commercial Goods and Services**

#### ***Convenience Goods***

The term “convenience goods” refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

North Grove will be located within one-quarter mile of a convenience store (Chevron) and pharmacy (CVS). The closest grocery store is Piggly Wiggly located 0.1 mile from the subject property.

#### ***Shoppers Goods***

The term “shoppers goods” refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called “comparison goods.” Examples of shoppers’ goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

The closest general shopping opportunity is Family Dollar Store located 0.3 mile from the subject property on North Avenue. Wal-Mart and Target are both approximately six miles from the subject. Georgia Square Mall is just over seven miles southwest of the subject property and features a large number of retailers including big box retailers such as Sears, Belk, Macy’s, and JCPenney. In addition, downtown Athens offers many retail options.

### **4. Location of Low Income Housing**

A list and map of existing low-income housing in the North Grove Market Area are provided in the Existing Low Income Rental Housing section of this report, starting on page 51.

### **E. Site Conclusion**

The subject property will be convenient to neighborhood amenities including shopping, a community center, and public transportation within one mile. Based on the planned rehabilitation and income levels targeted, the subject property is suitable for the proposed development.



## 4. MARKET AREA DEFINITION

### A. Introduction

The primary market area for the proposed North Grove is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the primary market area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

### B. Delineation of Market Area

The North Grove Market Area consist of 2010 Census tracts located in and around Athens. The market area includes downtown Athens and areas surrounding the University of Georgia. The market area also includes areas north and east of the perimeter due to the proximity to the subject property. The areas included in the market area are most comparable with subject property's location and similar residential make-up. The primary market area is bounded by Lexington Road and Athens Perimeter Highway to the south as areas south of these highways are not comparable to the subject property's location. The boundaries of the North Grove Market Area and their approximate distance from the subject property are:

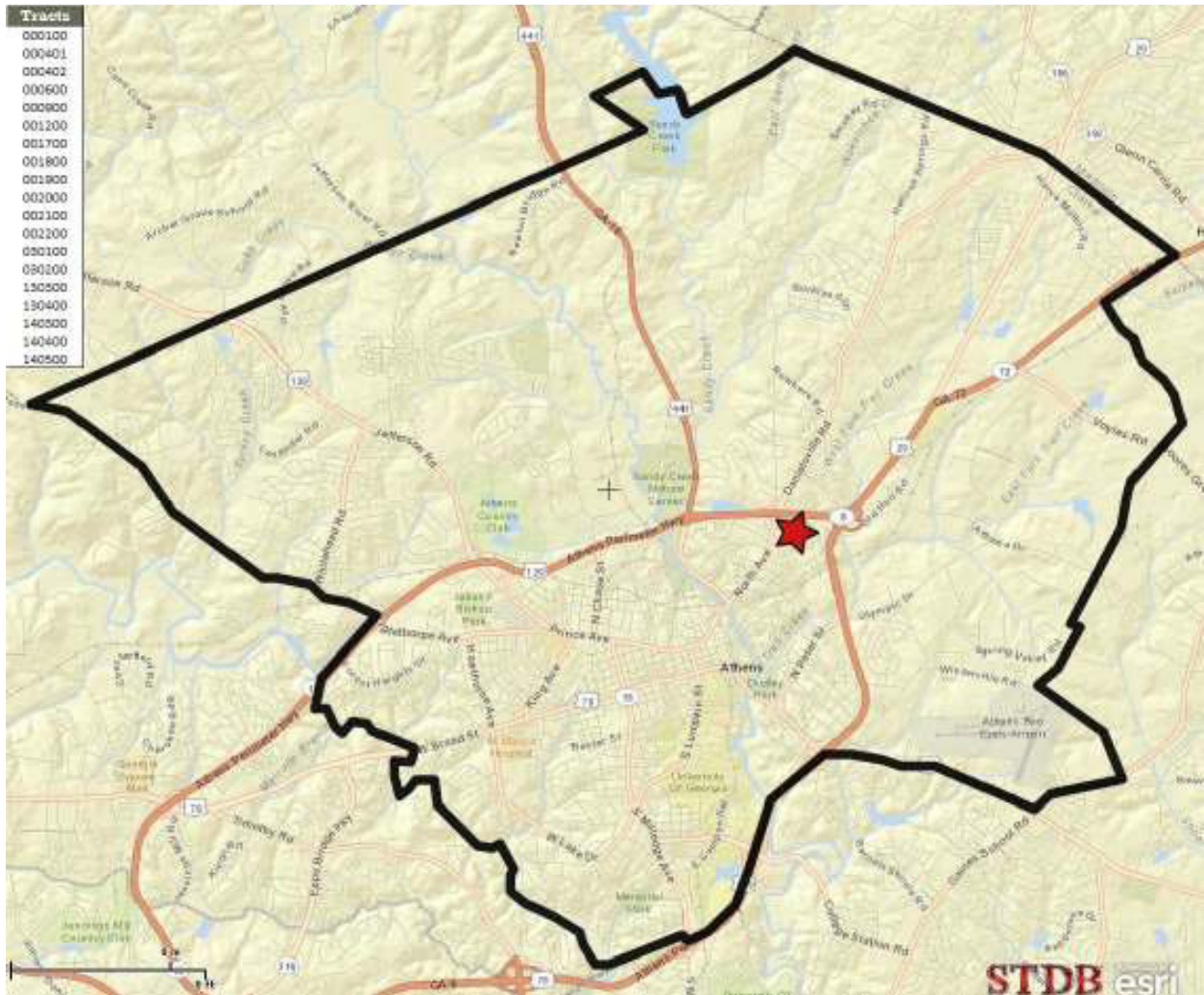
- North:** Madison County / Jackson County ..... (4.3 miles)
- East:** Spring Valley Road ..... (2.9 miles)
- South:** Athens Perimeter Highway ..... (2.5 miles)
- West:** Tallassee Road / Middle Oconee River ..... (4.7 miles)

A map of this market area along with a list of 2010 Census tracts that comprise the market area are depicted on the following page. As appropriate for this analysis, the North Grove Market Area is compared to Clarke County, which is considered the secondary market area. Demand estimates, however, are based solely on the North Grove Market Area.





Map 4 North Grove Market Area





## 5. ECONOMIC CONTENT

### A. Introduction

This section of the report focuses primarily on economic trends and conditions in Clarke County, the jurisdiction in which North Grove will be located. For purposes of comparison, economic trends in the State of Georgia and the nation are also discussed.

### B. Labor Force, Resident Employment, and Unemployment

#### 1. Trends in County Labor Force and Resident Employment

Clarke County's labor force increased every year between 2000 and 2013 with the exception of a loss in 2009 during the national economic downturn (Table 4). The employed portion of the county's labor force has increased every year with the exception of 2009 as well. The county has gained 14,351 workers from 2000 through the first quarter of 2014.

#### 2. Trends in County Unemployment Rate

Following a low point of 3.4 percent in 2000, Clarke County's unemployment rate ranged from 3.7 percent to 4.4 percent through 2007. Over the next three years during the course of the recent national recession, Clarke County's unemployment rate increased from 5.1 percent in 2008 to a high of 7.6 percent in 2010 before declining for each of the past three years. It is important to note that the peak of 7.6 percent in 2010 was 2.6 percentage points lower than the peak of 10.2 percent for the nation. The unemployment rate in the first quarter of 2014 in the county was 5.5 percent, compared to 7.2 percent in the state and 6.9 percent nationally.

### C. Commutation Patterns

According to 2008-2012 American Community Survey (ACS) data, 68.2 percent of workers residing in the North Grove Market Area spent less than 20 minutes commuting to work (Table 5). Only 15.5 percent of workers spent 30 minutes or more commuting.

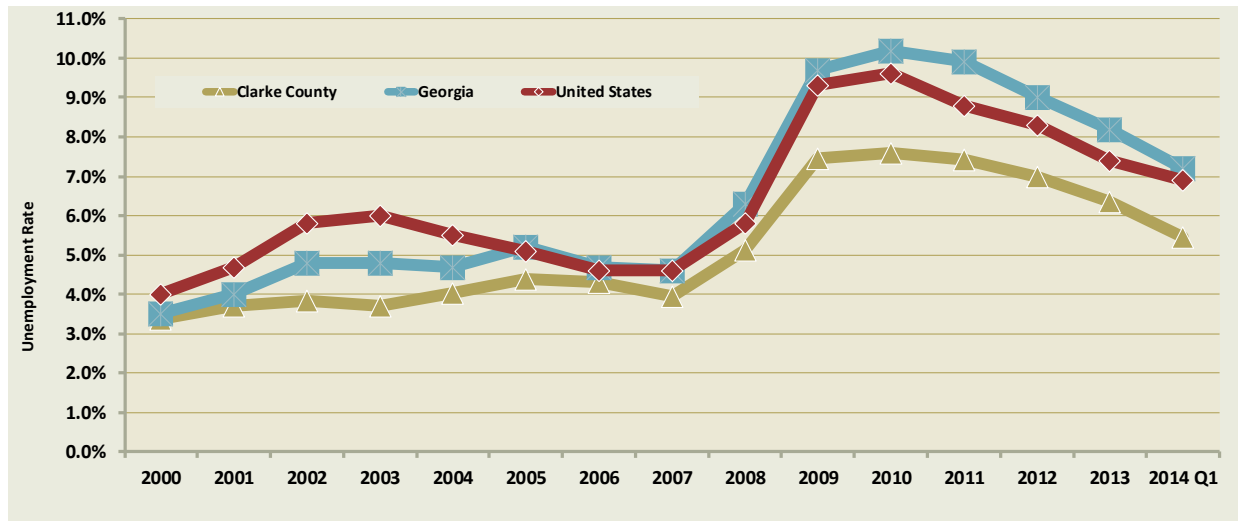
A large majority (83.6 percent) of all workers residing in the North Grove Market Area worked in Clarke County while only 15.7 percent worked in another Georgia county. Less than one percent of market area residents worked outside the state.



**Table 4 Labor Force and Unemployment Rates**

Annual Unemployment Rates - Not Seasonally Adjusted															
Annual	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 Q1
Unemployment															
Labor Force	54,479	54,879	55,881	56,991	57,970	59,464	62,745	64,323	65,698	63,733	65,894	67,544	68,896	69,268	68,830
Employment	52,640	52,841	53,727	54,883	55,630	56,856	60,050	61,776	62,329	58,986	60,900	62,524	64,079	64,858	65,069
Unemployment	1,839	2,038	2,154	2,108	2,340	2,608	2,695	2,547	3,369	4,747	4,994	5,020	4,817	4,410	3,761
<b>Unemployment Rate</b>															
Clarke County	3.4%	3.7%	3.9%	3.7%	4.0%	4.4%	4.3%	4.0%	5.1%	7.4%	7.6%	7.4%	7.0%	6.4%	5.5%
Georgia	3.5%	4.0%	4.8%	4.8%	4.7%	5.2%	4.7%	4.6%	6.3%	9.7%	10.2%	9.9%	9.0%	8.2%	7.2%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.9%

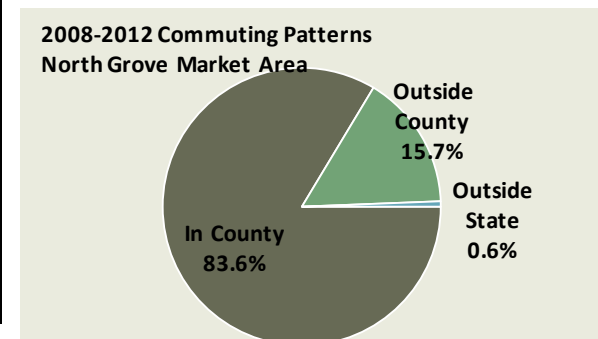
Source: U.S. Department of Labor, Bureau of Labor Statistics



**Table 5 2008-2012 Commuting Patterns, North Grove Market Area**

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	26,251	95.9%	Worked in state of residence:	27,214	99.4%
Less than 5 minutes	1,403	5.1%	Worked in county of residence	22,902	83.6%
5 to 9 minutes	4,279	15.6%	Worked outside county of residence	4,312	15.7%
10 to 14 minutes	7,011	25.6%	Worked outside state of residence	168	0.6%
15 to 19 minutes	5,986	21.9%	<b>Total</b>	<b>27,382</b>	<b>100%</b>
20 to 24 minutes	2,589	9.5%			
25 to 29 minutes	737	2.7%			
30 to 34 minutes	1,596	5.8%			
35 to 39 minutes	224	0.8%			
40 to 44 minutes	299	1.1%			
45 to 59 minutes	785	2.9%			
60 to 89 minutes	823	3.0%			
90 or more minutes	519	1.9%			
Worked at home	1,131	4.1%			
<b>Total</b>	<b>27,382</b>				

Source: American Community Survey 2008-2012



Source: American Community Survey 2008-2012



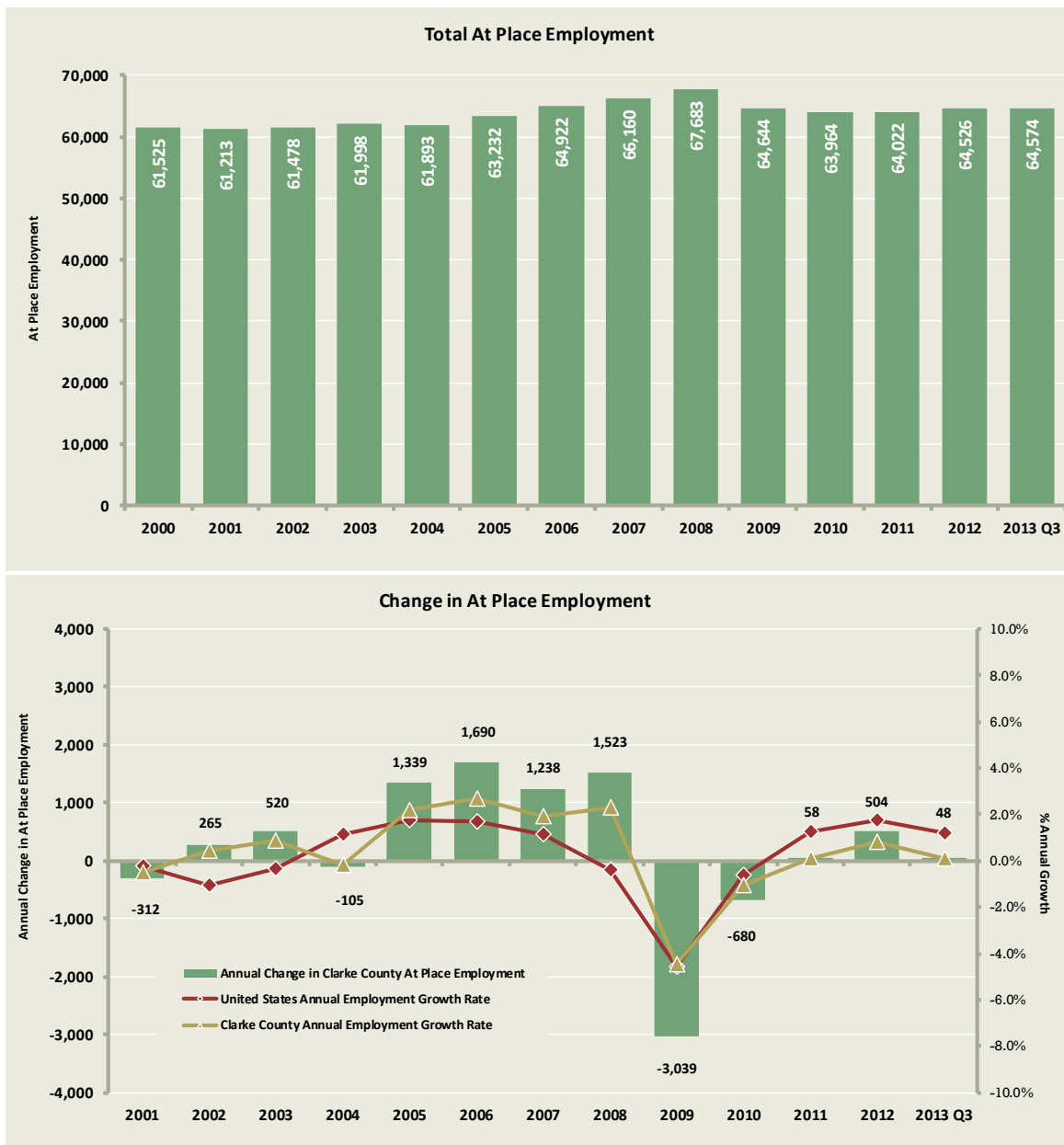


## D. At-Place Employment

### 1. Trends in Total At-Place Employment

Overall, Clarke County’s At-Place Employment increased steadily between 2001 and 2008 and peaked at 67,683 jobs in 2008. The net growth during this period was 6,470 jobs or 9.6 percent. Annual job growth from 2004 through 2008 averaged 1,448 jobs per year. Clarke County experienced its largest recent annual loss in At-Place Employment in 2009 with a net loss of 3,039 jobs or 4.5 percent of the annual average At-Place Employment in 2008, which resulted in the lowest job total since 2005 (Figure 4). Following a much smaller loss of jobs in 2010, Clarke County added jobs in both 2011 and 2012. The county has continued to add jobs through the third quarter of 2013.

**Figure 4 At-Place Employment**



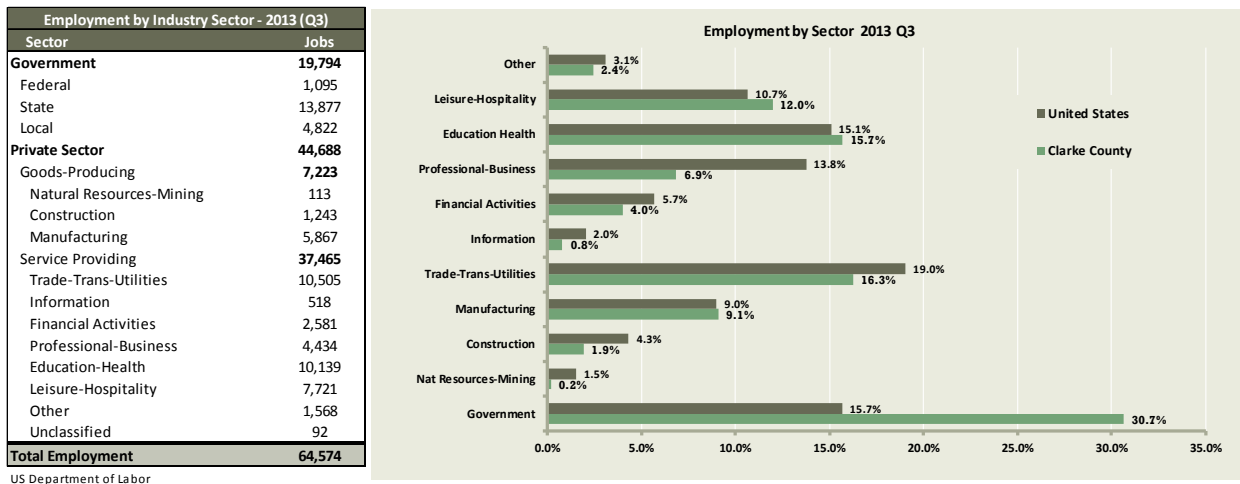
US Department of Labor



## 2. At-Place Employment by Industry Sector

Due in large part to the University of Georgia, Government is the largest employment sector in Clarke County, accounting for 30.7 percent of all jobs in the third quarter of 2013 compared to just 15.7 percent of total employment nationally (Figure 5). Trade-Transportation-Utilities, Education-Health and Leisure-Hospitality also contain significant employment shares in Clarke County at 16.3 percent, 15.7 percent, 12.0 percent respectively. Compared to national figures, Clarke County has a significantly smaller percentage of its job base in Natural Resources-Mining, Construction, Trade-Transportation-Utilities, Information, Financial Activities, and Professional-Business.

**Figure 5 Total Employment by Sector, 2013 Q3**



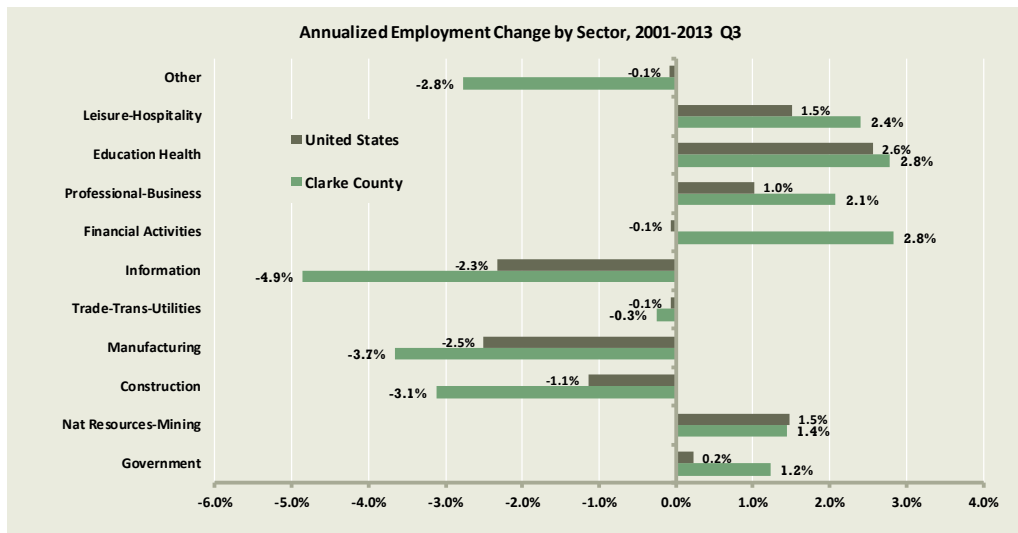
Employment by Industry Sector - 2013 (Q3)	
Sector	Jobs
<b>Government</b>	<b>19,794</b>
Federal	1,095
State	13,877
Local	4,822
<b>Private Sector</b>	<b>44,688</b>
Goods-Producing	7,223
Natural Resources-Mining	113
Construction	1,243
Manufacturing	5,867
Service Providing	37,465
Trade-Trans-Utilities	10,505
Information	518
Financial Activities	2,581
Professional-Business	4,434
Education-Health	10,139
Leisure-Hospitality	7,721
Other	1,568
Unclassified	92
<b>Total Employment</b>	<b>64,574</b>

US Department of Labor

Six employment sectors added jobs in Clarke County between 2001 and 2013 Q3 (Figure 6). These sectors are Education-Health (2.8 percent), Financial Activities (2.8 percent), Leisure-Hospitality (2.4 percent), Professional Business (2.1 percent), Natural Resources-Mining (1.2 percent), and Government (1.2 percent). In terms of total jobs gained, the annual increase in Government, Education-Health, and Leisure-Hospitality were the most notable as these are three of the county’s largest sectors. Among sectors reporting annual job losses, the largest on a percentage basis occurred in the Information (4.9 percent), Manufacturing (3.7 percent), and Construction (3.1 percent) sectors; however these sectors combine for only 11.8 percent of the county’s total jobs.



**Figure 6 Change in Employment by Sector 2001-2013 Q3**



US Department of Labor

### 3. Major Employers

Four of the top five major employers in Athens are education or healthcare providers (Table 6). The largest employer is The University of Georgia with 10,000 employees. The University of Georgia employs over three times that of Athens-Regional Medical Center, the second largest employer in Athens. Other major employers include Athens-Clarke County Government, St. Mary’s Health Care System, Clarke County School District, and seven manufacturing companies.

Given the subject property’s proximity to downtown Athens and Athens Perimeter Highway, it is convenient to all major employers in Athens. The largest manufacturing employment concentration to the subject property is located to the east within three miles of the subject property while all other employers are located to the west (Map 5). The University of Georgia is located south of downtown Athens approximately one and one-half mile to the southwest.

**Table 6 Major Employers, Athens**

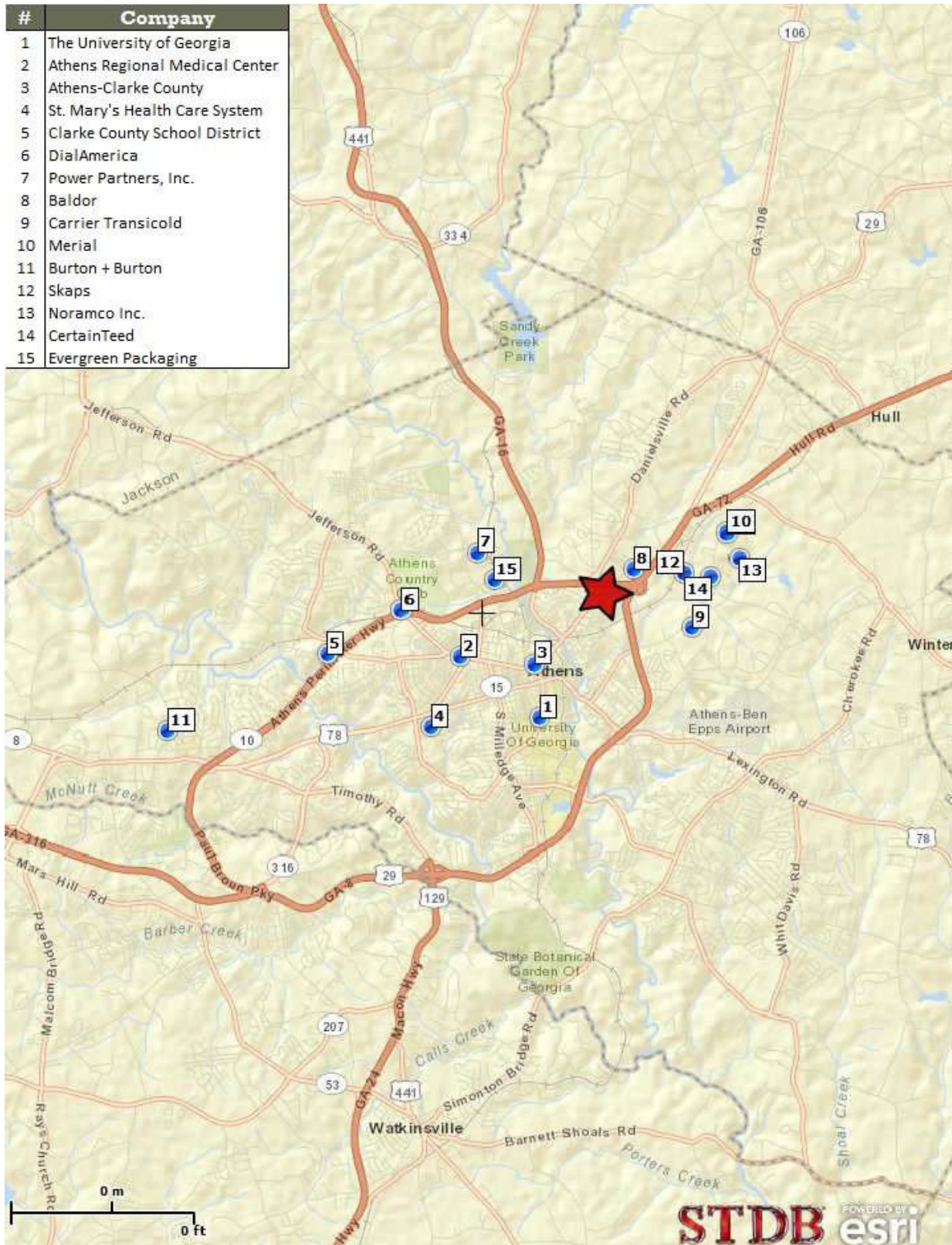
Rank	Name	Industry	Employment
1	The University of Georgia	Education	10,000
2	Athens Regional Medical Center	Healthcare	3,000
3	Athens-Clarke County	Government	1,520
4	St. Mary's Health Care System	Healthcare	1,400
5	Clarke County School District	Education	1,300
6	DialAmerica	Telemarketing	500
7	Power Partners, Inc.	Utilities	480
8	Baldor	Manufacturing	480
9	Carrier Transicold	Manufacturing	460
10	Merial	Manufacturing	450
11	Burton + Burton	Retail	300
12	Skaps	Manufacturing	235
13	Noramco Inc.	Manufacturing	210
14	CertainTeed	Manufacturing	198
15	Evergreen Packaging	Manufacturing	170

Source: Athens-Clarke County Economic Development Authority



Map 5 Major Employers

#	Company
1	The University of Georgia
2	Athens Regional Medical Center
3	Athens-Clarke County
4	St. Mary's Health Care System
5	Clarke County School District
6	DialAmerica
7	Power Partners, Inc.
8	Baldor
9	Carrier Transicold
10	Merial
11	Burton + Burton
12	Skaps
13	Noramco Inc.
14	CertainTeed
15	Evergreen Packaging





#### **4. Recent Economic Expansions and Contractions**

The most significant economic expansions in the Athens area are Caterpillar and Ethicon. Caterpillar, a manufacturer of construction and mining equipment, is moving to the Athens area and plans to invest \$200 million and add 1,400 new jobs. The new manufacturing plant will be at the intersection of Highway 78 and Highway 316 on the Clarke County border. In addition, suppliers of Caterpillar are expected to move to Athens creating an estimated 2,800 additional jobs. Ethicon, a manufacturer, plans to invest \$185 million and create 75 new jobs in the next few years.

Limited layoff announcements were identified in the Athens area. Clarke County School District and Invista both announced layoffs in 2013 totaling 66 jobs lost.

#### **E. Conclusions on Local Economics**

Clarke County's economy suffered job loss and increased unemployment from 2009 to 2010, as it was dealing with the national recession and prolonged economic downturn. The county has shown signs of stabilization over the past couple years with job growth and a decreasing unemployment rate. The unemployment rate in Clarke County is nearly two percentage points lower than the state of Georgia and 1.4 percentage points lower than the nation. The county's economic situation is relatively strong and is a positive for the proposed rehabilitation.



## 6. DEMOGRAPHIC ANALYSIS

### A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the North Grove Market Area and Clarke County using U.S. Census data and data from Esri, a national data vendor which prepares small area estimates and projections of population and households. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

### B. Trends in Population and Households

#### 1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the North Grove Market Area increased by 11.2 percent, from 58,408 to 64,954 people. Annual increases averaged 1.1 percent or 655 people. During the same period, the number of households in the North Grove Market Area increased from 21,897 to 23,537 households (7.5 percent) or an increase of 164 households (0.7 percent) annually.

By comparison, the population of Clarke County expanded by 15.0 percent from 2000 to 2010 (1.4 percent annually), while the number of households in the county increased by 14.4 percent (1.4 percent annually).

#### 2. Projected Trends

Based on Esri projections, the North Grove Market Area's population increased by 1,331 people and 500 households between 2010 and 2014. RPRG further projects that the market area's population will increase by 636 people between 2014 and 2016, bringing the total population to 66,921 people in 2016. This represents an annual increase of 0.5 percent or 318 persons. The household base is projected to gain 124 new households per annum resulting in 24,284 households in 2016.

Population and household growth rates in Clarke County are projected to be the same as those in the North Grove Market Area. The county's population and household base are expected to increase at annual rates of 0.5 percent through 2016.





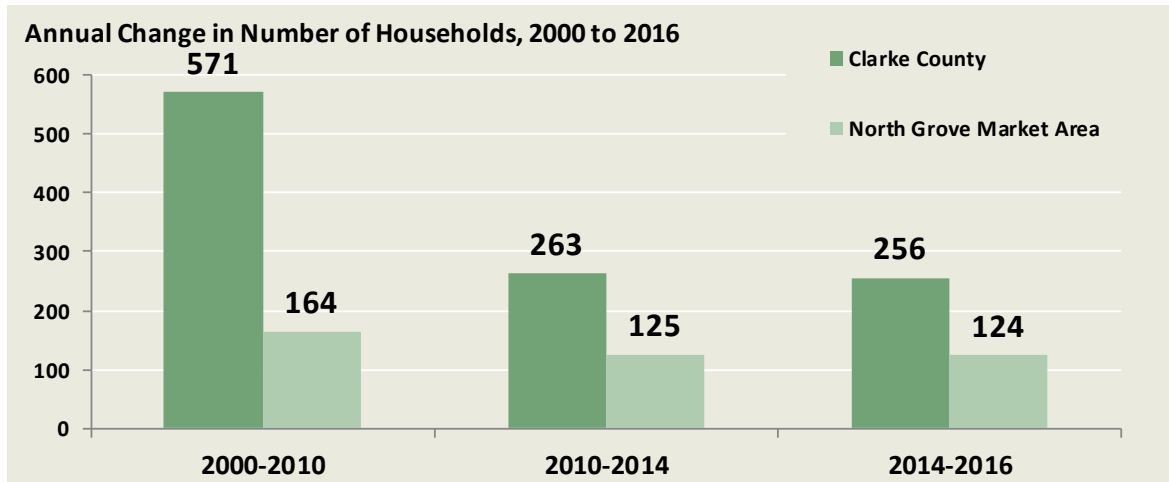
**Table 7 Population and Household Projections**

		Clarke County				North Grove Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	101,489					58,408				
2010	116,714	15,225	15.0%	1,523	1.4%	64,954	6,546	11.2%	655	1.1%
2014	119,427	2,713	2.3%	678	0.6%	66,285	1,331	2.0%	333	0.5%
2016	120,730	1,303	1.1%	652	0.5%	66,921	636	1.0%	318	0.5%

		Clarke County				North Grove Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	39,706					21,897				
2010	45,414	5,708	14.4%	571	1.4%	23,537	1,640	7.5%	164	0.7%
2014	46,465	1,051	2.3%	263	0.6%	24,037	500	2.1%	125	0.5%
2016	46,977	512	1.1%	256	0.5%	24,284	247	1.0%	124	0.5%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.



### 3. Building Permit Trends

RPRG examines building permit trends to help determine if the housing supply is meeting demand, as measured by new households. From 2000 to 2009, 955 new housing units were authorized on average each year in Clarke County compared to annual household growth of 571 between the 2000 and 2010 census counts (Table 8). The disparity in household growth relative to units permitted suggests an overbuilt market; however, these figures also do not take the replacement of existing housing units into account. Furthermore, student housing construction likely inflates the building permit activity relative to household growth.

Building permit activity in Clarke County remained relatively steady from 2000 to 2007 with the exception of elevated permit activity from 2002 to 2004. Building permit activity decreased for the following three years from 993 building permits issued in 2007 to a low of 94 units permitted in 2010 during the depth of the economic recession and housing market slowdown. Over the past three years, permit activity has slowly recovered as the 494 units permitted in 2013 were the most in the past six years. By structure type, 59 percent of all residential permits issued in Clarke County were for single-family detached homes. Multi-family structures (5+ units) accounted for 37 percent of units permitted while buildings with 2-4 units contain four percent of permitted units.





**Table 8 Building Permits by Structure Type, Clarke County**

Clarke County															2000-2013	Annual Average
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*		
Single Family	536	545	754	825	1,146	779	469	472	204	90	94	84	185	143	6,326	452
Two Family	122	58	50	0	0	32	0	4	4	12	0	2	30	20	334	24
3 - 4 Family	4	0	0	0	23	39	0	22	8	6	0	0	0	0	102	7
5+ Family	301	369	851	523	118	164	472	495	49	0	0	85	138	331	3,896	278
<b>Total</b>	<b>963</b>	<b>972</b>	<b>1,655</b>	<b>1,348</b>	<b>1,287</b>	<b>1,014</b>	<b>941</b>	<b>993</b>	<b>265</b>	<b>108</b>	<b>94</b>	<b>171</b>	<b>353</b>	<b>494</b>	<b>10,658</b>	<b>761</b>

(\*) 2013 building permits are preliminary numbers and have not yet been finalized.

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



## C. Demographic Characteristics

### 1. Age Distribution and Household Type

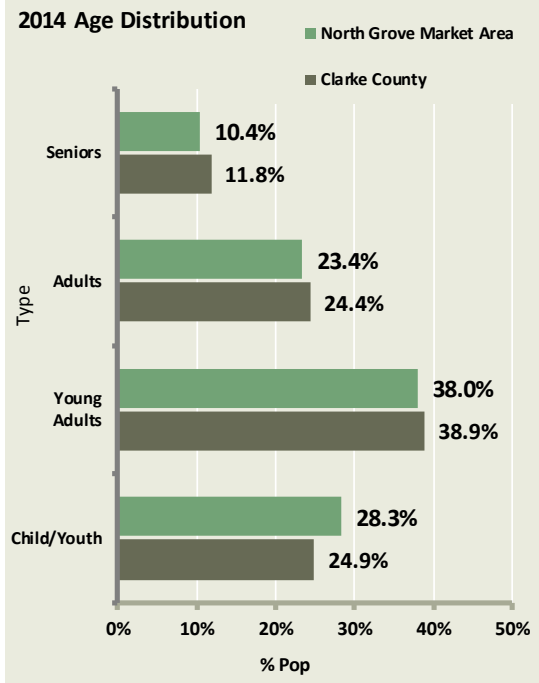
Based on Esri estimates for 2014, the populations of both the North Grove Market Area and Clarke County are young with median ages of 24 and 26, respectively (Table 9). The median ages of both geographies are heavily influenced by the large population of University of Georgia students. Young Adults age 20-34 comprise the largest percentage of the population in both the North Grove Market Area and Clarke County at 38.0 percent and 38.9 percent, respectively. Children/Youth account for 28.3 percent of the population in the market area and 24.9 percent of the population in the county. Of the remaining age cohorts, the North Grove Market Area contains a slightly higher percentage of seniors (age 62+) and a lower percentage of adults (age 35 to 61) relative to Clarke County.



**Table 9 2014 Age Distribution**

	Clarke County		North Grove Market Area	
	#	%	#	%
<b>Children/Youth</b>	<b>29,787</b>	<b>24.9%</b>	<b>18,763</b>	<b>28.3%</b>
Under 5 years	6,846	5.7%	3,928	5.9%
5-9 years	5,880	4.9%	3,361	5.1%
10-14 years	5,142	4.3%	2,827	4.3%
15-19 years	11,920	10.0%	8,648	13.0%
<b>Young Adults</b>	<b>46,429</b>	<b>38.9%</b>	<b>25,178</b>	<b>38.0%</b>
20-24 years	26,492	22.2%	14,390	21.7%
25-34 years	19,937	16.7%	10,788	16.3%
<b>Adults</b>	<b>29,131</b>	<b>24.4%</b>	<b>15,479</b>	<b>23.4%</b>
35-44 years	12,191	10.2%	6,711	10.1%
45-54 years	10,125	8.5%	5,378	8.1%
55-61 years	6,815	5.7%	3,390	5.1%
<b>Seniors</b>	<b>14,080</b>	<b>11.8%</b>	<b>6,865</b>	<b>10.4%</b>
62-64 years	2,921	2.4%	1,453	2.2%
65-74 years	6,342	5.3%	2,984	4.5%
75-84 years	3,279	2.7%	1,583	2.4%
85 and older	1,538	1.3%	846	1.3%
<b>TOTAL</b>	<b>119,427</b>	<b>100%</b>	<b>66,285</b>	<b>100%</b>
<b>Median Age</b>	<b>26</b>		<b>24</b>	

Source: Esri; RPRG, Inc.

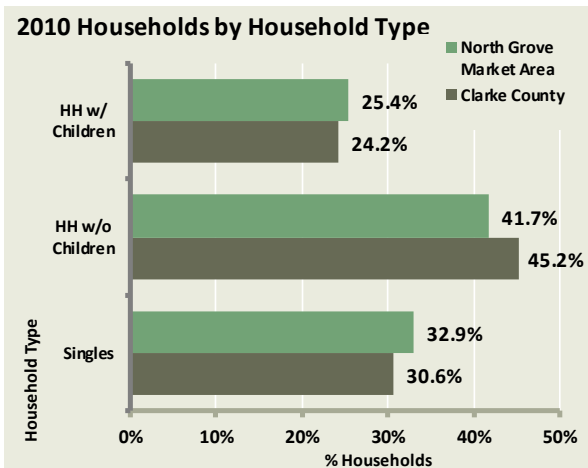


Approximately forty-two percent of all households in the market area contain at least two adults but no children compared to 45.2 percent in Clarke County. Single persons account for 32.9 percent and 30.6 percent of households in the North Grove Market Area and Clarke County, respectively. Over one-quarter (25.4 percent) of all households in the North Grove Market Area contain children compared to 24.2 percent in Clarke County (Table 10).

**Table 10 2010 Households by Household Type**

Households by Household Type	Clarke County		North Grove Market Area	
	#	%	#	%
Married w/Children	6,012	13.2%	2,989	12.7%
Other w/ Children	4,971	10.9%	2,979	12.7%
<b>Households w/ Children</b>	<b>10,983</b>	<b>24.2%</b>	<b>5,968</b>	<b>25.4%</b>
Married w/o Children	8,214	18.1%	3,529	15.0%
Other Family w/o Children	2,980	6.6%	1,679	7.1%
Non-Family w/o Children	9,351	20.6%	4,606	19.6%
<b>Households w/o Children</b>	<b>20,545</b>	<b>45.2%</b>	<b>9,814</b>	<b>41.7%</b>
Singles Living Alone	13,886	30.6%	7,755	32.9%
<b>Singles</b>	<b>13,886</b>	<b>30.6%</b>	<b>7,755</b>	<b>32.9%</b>
<b>Total</b>	<b>45,414</b>	<b>100%</b>	<b>23,537</b>	<b>100%</b>

Source: 2010 Census; RPRG, Inc.





## 2. Renter Household Characteristics

Approximately 61 percent of the households in the North Grove Market Area rented in 2000 compared to 58 percent in Clarke County. Renter households accounted for 54.4 percent of net household growth between the 2000 and 2010 census counts in the market area and 56.5 percent in the county. As a result, renter percentages decreased slightly by 2010 to 60.8 percent in the market area and 57.8 percent in the county (Table 11). Renter percentages are however expected to increase in both areas and are projected at 63.1 percent in the market area and 60.5 percent in the county in 2016.

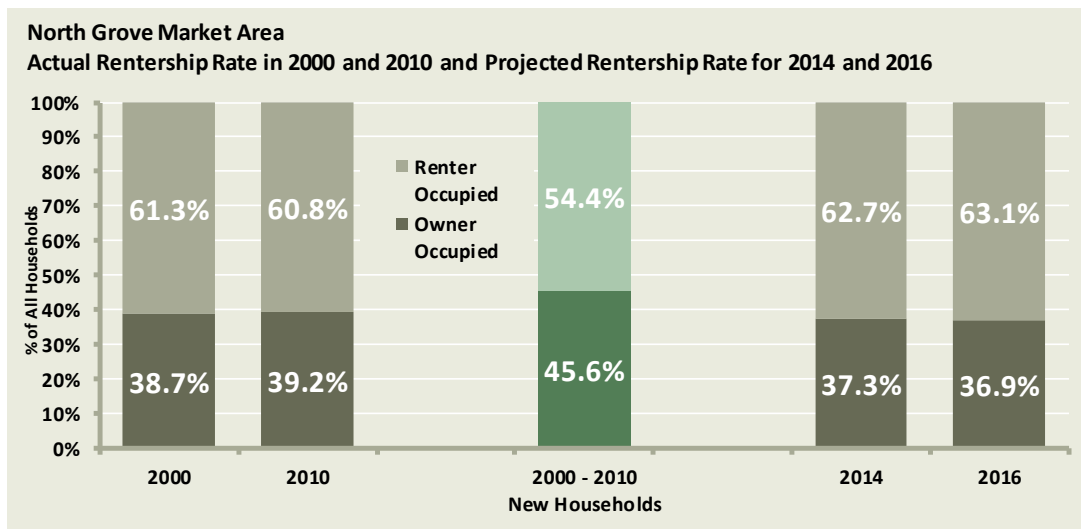
**Table 11 Households by Tenure**

Clarke County	2000		2010		Change 2000-2010		2014		2016	
Housing Units	#	%	#	%	#	%	#	%	#	%
Owner Occupied	16,681	42.0%	19,166	42.2%	2,485	43.5%	18,649	40.1%	18,575	39.5%
Renter Occupied	23,025	58.0%	26,248	57.8%	3,223	56.5%	27,816	59.9%	28,402	60.5%
<b>Total Occupied</b>	<b>39,706</b>	<b>100%</b>	<b>45,414</b>	<b>100%</b>	<b>5,708</b>	<b>100%</b>	<b>46,465</b>	<b>100%</b>	<b>46,977</b>	<b>100%</b>
Total Vacant	2,420		5,654				5,785		5,849	
<b>TOTAL UNITS</b>	<b>42,126</b>		<b>51,068</b>				<b>52,250</b>		<b>52,826</b>	

North Grove Market Area	2000		2010		Change 2000-2010		2014		2016	
Housing Units	#	%	#	%	#	%	#	%	#	%
Owner Occupied	8,469	38.7%	9,217	39.2%	748	45.6%	8,976	37.3%	8,954	36.9%
Renter Occupied	13,428	61.3%	14,320	60.8%	892	54.4%	15,061	62.7%	15,330	63.1%
<b>Total Occupied</b>	<b>21,897</b>	<b>100%</b>	<b>23,537</b>	<b>100%</b>	<b>1,640</b>	<b>100%</b>	<b>24,037</b>	<b>100%</b>	<b>24,284</b>	<b>100%</b>
Total Vacant	1,500		3,333				3,404		3,439	
<b>TOTAL UNITS</b>	<b>23,397</b>		<b>26,870</b>				<b>27,441</b>		<b>27,723</b>	

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.



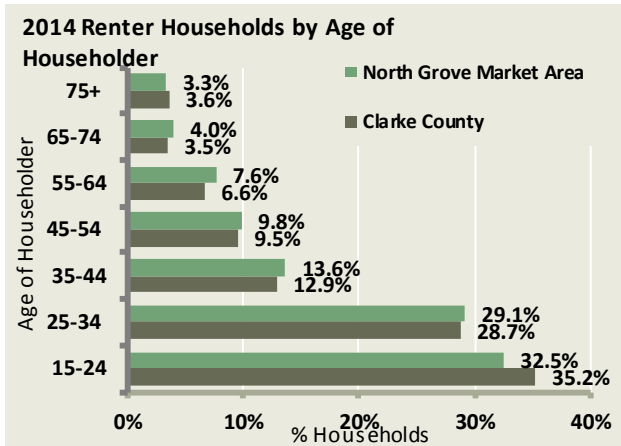
The market area’s renters are skewed heavily towards younger households (Table 12). Approximately one-third (32.5 percent) of renter households in the North Grove Market Area are under the age of 25, which reflects its proximity to The University of Georgia. Renter households age 25-34 account for 29.1 percent of renter households in the market area and 28.7 percent of renter households in the county. Older adults and seniors age 55 and older account for just 14.9 percent of all renters in the market area and 13.7 percent of the renters in the county.



**Table 12 Renter Households by Age of Householder**

Renter Households	Clarke County		North Grove Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	9,797	35.2%	4,892	32.5%
25-34 years	7,989	28.7%	4,390	29.1%
35-44 years	3,578	12.9%	2,052	13.6%
45-54 years	2,642	9.5%	1,481	9.8%
55-64 years	1,849	6.6%	1,148	7.6%
65-74 years	966	3.5%	599	4.0%
75+ years	994	3.6%	499	3.3%
<b>Total</b>	<b>27,816</b>	<b>100%</b>	<b>15,061</b>	<b>100%</b>

Source: Esri, Real Property Research Group, Inc.

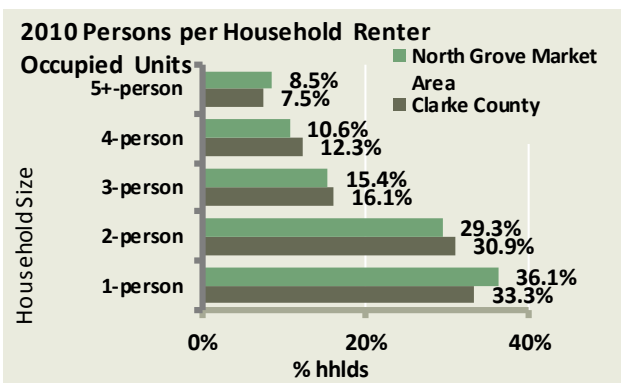


As of 2010, 65.5 percent of all renter households in the North Grove Market Area contained one or two persons compared to 64.2 percent in Clarke County (Table 13). Three and four person households comprised 26.0 percent of market area renter households, compared to 28.4 percent of renter households in the county. Large households (5+ persons) accounted for only 8.5 percent of renter households in the North Grove Market Area.

**Table 13 2010 Renter Households by Household Size**

Renter Occupied	Clarke County		North Grove Market Area	
	#	%	#	%
1-person hhld	8,728	33.3%	5,174	36.1%
2-person hhld	8,122	30.9%	4,201	29.3%
3-person hhld	4,213	16.1%	2,202	15.4%
4-person hhld	3,221	12.3%	1,523	10.6%
5+-person hhld	1,964	7.5%	1,220	8.5%
<b>TOTAL</b>	<b>26,248</b>	<b>100%</b>	<b>14,320</b>	<b>100%</b>

Source: 2010 Census



### 3. Income Characteristics

Based on Esri estimates, the North Grove Market Area’s 2014 median income of \$28,204 is \$6,231 or 18.1 percent lower than the \$34,435 median in Clarke County (Table 14). Over 30 percent of the households earn less than \$15,000 in the North Grove Market Area. Approximately 39 percent of the households in the North Grove Market Area earn \$15,000 to \$49,999 compared to 37.4 percent in Clarke County.

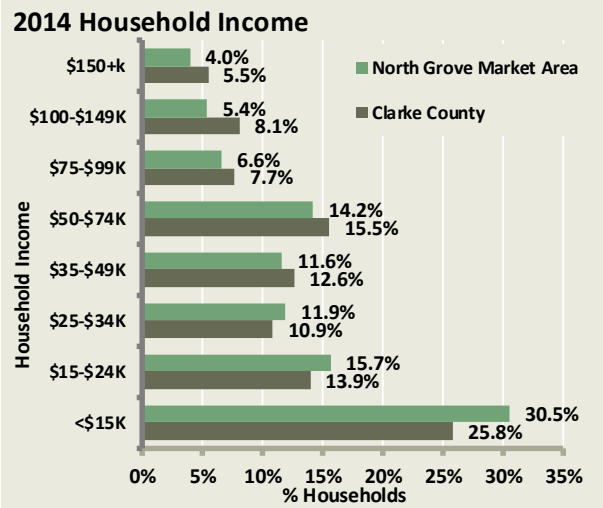
Based on the ACS data income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the North Grove Market Area as of 2014 is \$21,066 (Table 15). This renter median income is 41.2 percent of the median among owner households of \$51,074. This large discrepancy in median income may be attributed to the large number of UGA students that rent and work only part time jobs. Among renter households, 57.7 percent earn less than \$25,000 including 38.1 percent that earn less than \$15,000.



**Table 14 2014 Household Income**

Estimated 2014 Household Income		Clarke County		North Grove Market Area	
		#	%	#	%
less than	\$15,000	11,989	25.8%	7,337	30.5%
	\$15,000 - \$24,999	6,478	13.9%	3,762	15.7%
	\$25,000 - \$34,999	5,050	10.9%	2,870	11.9%
	\$35,000 - \$49,999	5,864	12.6%	2,799	11.6%
	\$50,000 - \$74,999	7,216	15.5%	3,419	14.2%
	\$75,000 - \$99,999	3,576	7.7%	1,590	6.6%
	\$100,000 - \$149,999	3,758	8.1%	1,301	5.4%
	\$150,000 Over	2,534	5.5%	959	4.0%
<b>Total</b>		<b>46,465</b>	<b>100%</b>	<b>24,037</b>	<b>100%</b>
<b>Median Income</b>		<b>\$34,435</b>		<b>\$28,204</b>	

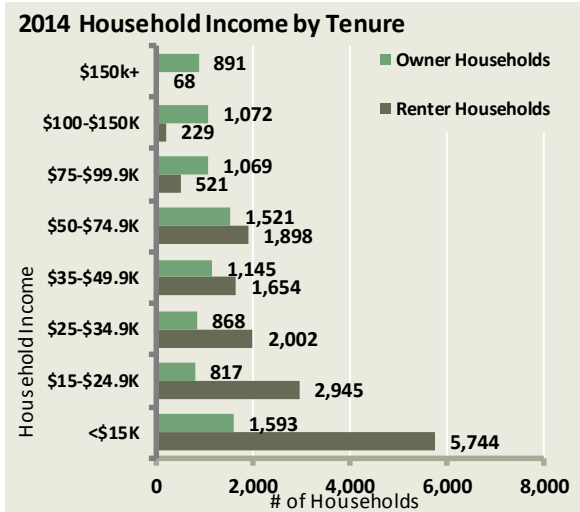
Source: Esri; Real Property Research Group, Inc.



**Table 15 2014 Income by Tenure**

North Grove Market Area		Renter Households		Owner Households	
		#	%	#	%
less than	\$15,000	5,744	38.1%	1,593	17.7%
	\$15,000 - \$24,999	2,945	19.6%	817	9.1%
	\$25,000 - \$34,999	2,002	13.3%	868	9.7%
	\$35,000 - \$49,999	1,654	11.0%	1,145	12.8%
	\$50,000 - \$74,999	1,898	12.6%	1,521	16.9%
	\$75,000 - \$99,999	521	3.5%	1,069	11.9%
	\$100,000 - \$149,999	229	1.5%	1,072	11.9%
	\$150,000 over	68	0.5%	891	9.9%
<b>Total</b>		<b>15,061</b>	<b>100%</b>	<b>8,976</b>	<b>100%</b>
<b>Median Income</b>		<b>\$21,066</b>		<b>\$51,074</b>	

Source: American Community Survey 2008-2012 Estimates, RPRG, Inc.



## 7. COMPETITIVE HOUSING ANALYSIS

### A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of rental housing in the North Grove Market Area. We pursued several avenues of research in an attempt to identify multifamily rental projects that are in the planning stages or under construction in the North Grove Market Area. We spoke to planning officials with the Athens-Clarke County planning department and reviewed the list of recent LIHTC awards from DCA. The rental survey was conducted in May 2014.

### B. Overview of Market Area Housing Stock

Based on the 2008-2012 ACS survey, multi-family structures (i.e., buildings with five or more units) accounted for 43.9 percent and 44.9 percent of rental units in the North Grove Market Area and Clarke County, respectively. Single-family detached homes and mobile homes comprise 33.1 percent of the rental stock in the North Grove Market Area and 28.5 percent in Clarke County (Table 16). The vast majority of owner occupied units in both the North Grove Market Area and Clarke County consist of single-family detached homes.

The housing stock in the North Grove Market Area is older than in Clarke County, overall. Among rental units, the median year built was 1980 in the North Grove Market Area and 1985 in Clarke County (Table 17). The North Grove Market Area's owner occupied housing stock is significantly older with a median year built of 1973 versus 1982 in Clarke County. Approximately 14 percent of the renter occupied units in the North Grove Market Area were built since 2000. Just under half (49.2 percent) of renter occupied units in the North Grove Market Area were built prior to 1980.

According to 2008-2012 ACS data, the median value among owner-occupied housing units in the North Grove Market Area was \$157,109, which is \$9,868 or 5.9 percent lower than the Clarke County median of \$166,977 (Table 18). Approximately forty-six percent of market area homes are valued at \$100,000 to \$199,999. ACS estimates home values based upon values from homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

**Table 16 Dwelling Units by Structure and Tenure**

Owner Occupied	Clarke County		North Grove Market Area		Renter Occupied	Clarke County		North Grove Market Area	
	#	%	#	%		#	%	#	%
1, detached	16,253	87.8%	7,865	87.9%	1, detached	5,322	23.8%	3,700	28.0%
1, attached	611	3.3%	211	2.4%	1, attached	964	4.3%	417	3.2%
2	103	0.6%	31	0.3%	2	2,652	11.8%	1,392	10.5%
3-4	235	1.3%	49	0.5%	3-4	2,350	10.5%	1,219	9.2%
5-9	248	1.3%	65	0.7%	5-9	2,747	12.3%	1,491	11.3%
10-19	93	0.5%	25	0.3%	10-19	3,794	16.9%	1,943	14.7%
20+ units	68	0.4%	42	0.5%	20+ units	3,528	15.7%	2,365	17.9%
Mobile home	900	4.9%	656	7.3%	Mobile home	1,051	4.7%	670	5.1%
Boat, RV, Van	0	0.0%	0	0.0%	Boat, RV, Van	0	0.0%	0	0.0%
<b>TOTAL</b>	<b>18,511</b>	<b>100%</b>	<b>8,944</b>	<b>100%</b>	<b>TOTAL</b>	<b>22,408</b>	<b>100%</b>	<b>13,197</b>	<b>100%</b>

Source: American Community Survey 2008-2012

Source: American Community Survey 2008-2012



**Table 17 Dwelling Units by Year Built and Tenure**

Owner Occupied	Clarke County		North Grove Market Area	
	#	%	#	%
2010 or later	12	0.1%	12	0.1%
2000 to 2009	3,640	19.7%	1,667	18.6%
1990 to 1999	2,957	16.0%	1,003	11.2%
1980 to 1989	3,233	17.5%	1,154	12.9%
1970 to 1979	2,765	14.9%	900	10.1%
1960 to 1969	2,444	13.2%	1,380	15.4%
1950 to 1959	1,528	8.3%	1,190	13.3%
1940 to 1949	735	4.0%	570	6.4%
1939 or earlier	1,197	6.5%	1,068	11.9%
<b>TOTAL</b>	<b>18,511</b>	<b>100%</b>	<b>8,944</b>	<b>100%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1982</b>		<b>1973</b>	

Source: American Community Survey 2008-2012

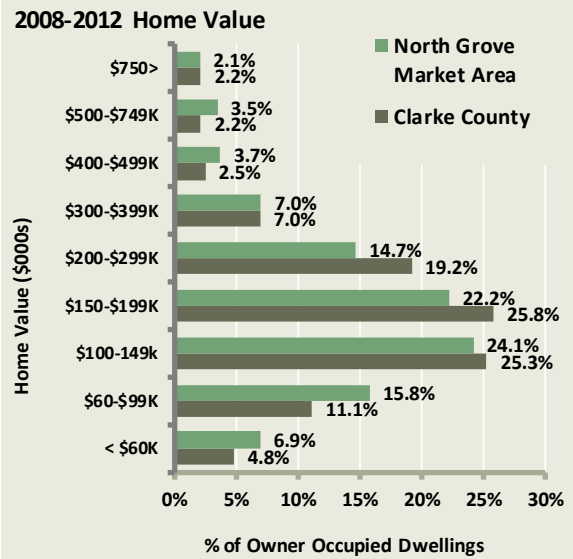
Renter Occupied	Clarke County		North Grove Market Area	
	#	%	#	%
2010 or later	45	0.2%	14	0.1%
2000 to 2009	4,124	18.4%	1,847	14.0%
1990 to 1999	4,952	22.1%	2,174	16.5%
1980 to 1989	4,609	20.6%	2,671	20.2%
1970 to 1979	4,275	19.1%	2,846	21.6%
1960 to 1969	1,757	7.8%	1,436	10.9%
1950 to 1959	1,278	5.7%	993	7.5%
1940 to 1949	532	2.4%	458	3.5%
1939 or earlier	836	3.7%	758	5.7%
<b>TOTAL</b>	<b>22,408</b>	<b>100%</b>	<b>13,197</b>	<b>100%</b>
<b>MEDIAN YEAR BUILT</b>	<b>1985</b>		<b>1980</b>	

Source: American Community Survey 2008-2012

**Table 18 Value of Owner Occupied Housing Stock**

2008-2012 Home Value		Clarke County		North Grove Market Area	
		#	%	#	%
less than \$60,000		878	4.8%	607	6.9%
\$60,000 - \$99,999		2,025	11.1%	1,377	15.8%
\$100,000 - \$149,999		4,598	25.3%	2,111	24.1%
\$150,000 - \$199,999		4,690	25.8%	1,941	22.2%
\$200,000 - \$299,999		3,489	19.2%	1,282	14.7%
\$300,000 - \$399,999		1,265	7.0%	614	7.0%
\$400,000 - \$499,999		455	2.5%	326	3.7%
\$500,000 - \$749,999		395	2.2%	303	3.5%
\$750,000 over		392	2.2%	181	2.1%
<b>Total</b>		<b>18,187</b>	<b>100%</b>	<b>8,742</b>	<b>100%</b>
<b>Median Value</b>		<b>\$166,977</b>		<b>\$157,109</b>	

Source: 2008-2012 American Community Survey







## **C. Survey of Competitive Rental Communities**

### **1. Introduction to the Age-Restricted Rental Housing Survey**

As part of this analysis, RPRG surveyed 11 general occupancy communities in the North Grove Market Area including eight market rate communities and three LIHTC communities. One LIHTC community (Bethel Midtown Village) also offers units with project based rental subsidies. Units with deep rental subsidies are not comparable to LIHTC communities because rents are based on tenant incomes and these units are evaluated separately from market rate and LIHTC units without deep subsidies. Knollwood Manor, a community located directly across Old Hull Road from the subject property, refused to participate in our survey.

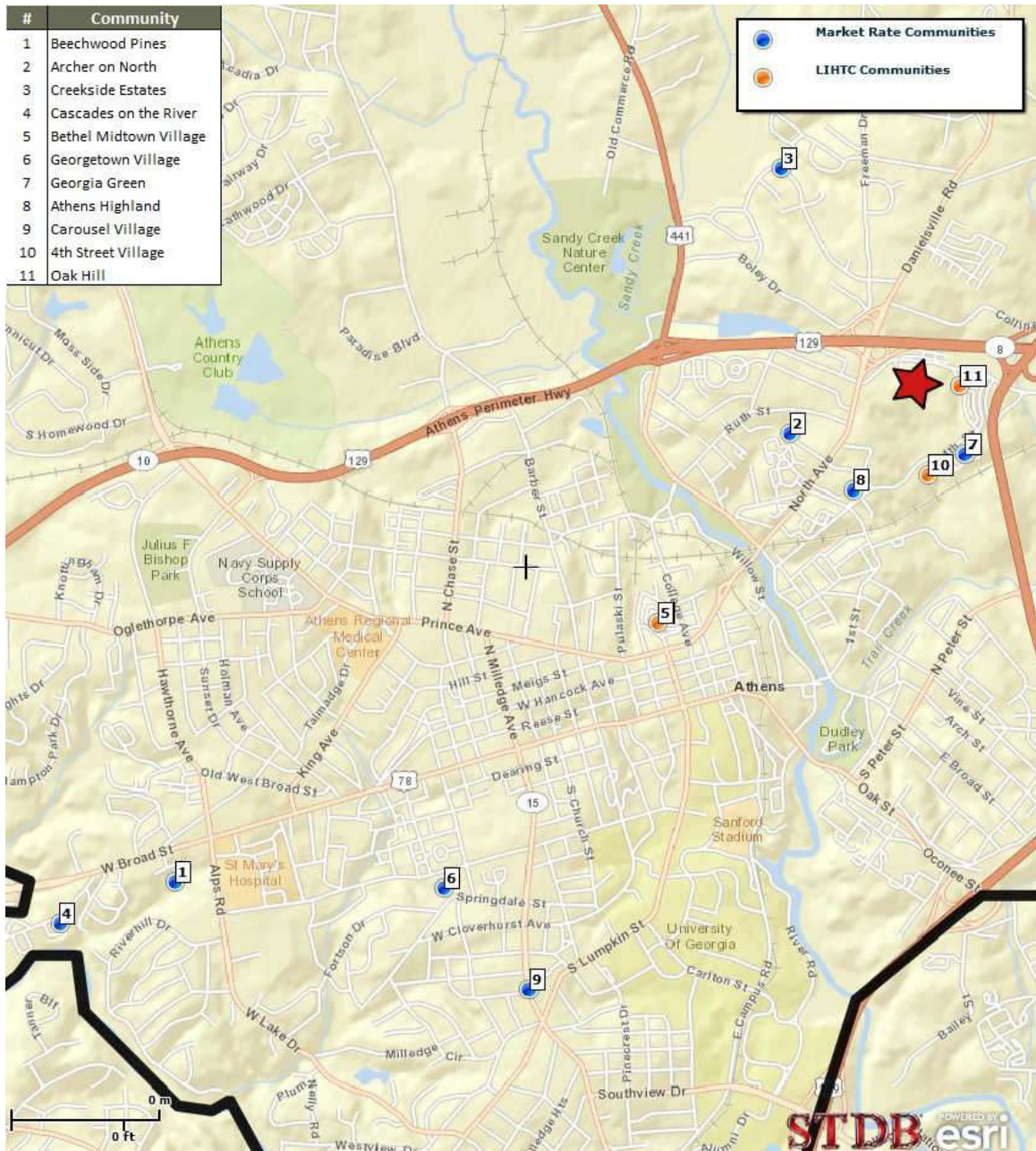
The 11 communities without deep subsidies combine to offer 1,243 units (Table 19) and the one community with LIHTC/deep subsidies has 183 units with deep subsidies (Table 19). Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 5.

### **2. Location**

Map 6 shows the location of the surveyed competitive communities. Five communities including two LIHTC communities are located within one-half mile of the subject property. The remaining communities are all located within four miles of the subject property. All but one community (Creekside Estates) is located inside Athens Perimeter Highway.



**Map 6 Surveyed Rental Communities**



**3. Age of Communities**

The average year built of all surveyed comparable communities in the market area is 1987. The newest multi-family rental communities in the North Grove Market Area are 4<sup>th</sup> Street Village, a LIHTC community built in 2007, and Archer on North which was rehabbed in 2012. The three comparable LIHTC communities have an average year built of 1995; however, one community Bethel Midtown Village was rehabbed in 2003 bringing the average year built/rehabbed to 2004.

**4. Structure Type**

Nine communities offer garden style units only and Georgia Green and Creekside Estates offer townhouses and duplexes, respectively. The three comparable LIHTC communities offer garden style apartments only.



## 5. Size of Communities

The size of comparable communities is 113 units. The three LIHTC communities average 115 units each. It must be noted that Bethel Midtown Village is bringing down each average due to only seven LIHTC units without deep subsidies being represented. Accounting for all 190 units at Bethel Midtown Village brings the averages up to 130 among all communities and 176 among LIHTC communities. The largest community is a LIHTC property with 220 units.

## 6. Vacancy Rates

The comparable stabilized communities reporting occupancy combined to have 31 vacancies among 1,025 units, a rate of 3.0 percent. Two communities are not included in the stabilized total; Cascades on the River refused occupancy information and Georgia Green has down units and is under new management resulting in a misleading vacancy rate. The three LIHTC communities had six vacancies among the 345 units without deep subsidies, a rate of 1.7 percent. Bethel Midtown Village, the community with deep subsidies, had zero vacancies and a long waiting list for the units with deep subsidies.

## 7. Rent Concessions

Three surveyed communities are currently offering reduced rents on at least some units.

## 8. Absorption History

Absorption history was not available for any of the surveyed communities.

**Table 19 Rental Summary, Surveyed Communities**

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	<b>Subject* 50% AMI</b>			Gar	20			\$396		
	<b>Subject* 60% AMI</b>			Gar	107				\$515	
1	Beechwood Pines	2004		Gar	182	2	1.1%	\$750	\$919	None
2	Archer on North		2012	Gar	140	14	10.0%	\$650		None
3	Creskide Estates	2001		Duplex	158	2	1.3%		\$695	None
4	Cascades on the River			Gar	84	N/A	N/A	\$575	\$625	None
5	Bethel Midtown Village*	1975	2003	Gar	7	3	42.9%	\$571	\$622	None
6	Georgetown Village	1975		Gar	40	4	10.0%		\$614	None
7	Georgia Green			TH	134	48	35.8%		\$613	\$300 move-in
8	Athens Highland	1969		Gar	64	3	4.7%		\$613	1/2 month free
9	Carousel Village	1965		Gar	96	0	0.0%	\$505		None
10	4th Street Village*	2007		Gar	118	0	0.0%	\$480	\$567	None
11	Oak Hill*	2003		Gar	220	3	1.4%	\$485	\$545	1 month free - 1BD units
	<b>Total Reporting Stabilized Total</b>				<b>1,243</b>					
	<b>Average</b>	<b>1987</b>			<b>113</b>	<b>31</b>	<b>3.0%</b>	<b>\$574</b>	<b>\$646</b>	
	<b>LIHTC Total</b>				<b>345</b>	<b>6</b>	<b>1.7%</b>			
	<b>LIHTC Average</b>	<b>1995</b>			<b>115</b>			<b>\$512</b>	<b>\$578</b>	

**Tax Credit Communities\***

**Community not included in stabilized total**

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

Source: Field Survey, Real Property Research Group, Inc. May 2014.



Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Waitlist
5	Bethel Midtown Village*	1975	2003	Gar	183	0	0.0%	\$700	\$793	120 people
<b>Total</b>					<b>183</b>	<b>0</b>	<b>0.0%</b>			
<b>Average</b>		<b>1975</b>			<b>183</b>			<b>\$700</b>	<b>\$793</b>	

**Tax Credit Communities\***

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

Source: Field Survey, Real Property Research Group, Inc. May 2014.

## D. Analysis of Rental Pricing and Product

### 1. Payment of Utility Costs

Among the surveyed comparable communities, six include the cost of water/sewer and trash removal and five include only the cost of trash removal in the price of rent (Table 20). North Grove will include the cost of water/sewer, and trash removal.

### 2. Unit Features

Nine communities offer units with kitchens equipped with stoves, refrigerators, and dishwashers. Six of the communities also include microwave ovens in at least select units. Six communities include washer/dryer connections and one community (Beechwood Pines) offers a full size washer and dryer. North Grove will be competitive with surveyed rental communities as features will include dishwashers, garbage disposals, microwaves, washer/dryer connections, and patio/balcony.

### 3. Parking

All surveyed comparable communities include free surface parking. Beechwood Pines offers detached garages for \$75 per month.

### 4. Community Amenities

Among the surveyed comparable communities, eight offer a pool and six offer a clubhouse/community room. Five communities offer a business center while four offer a fitness room (Table 21). Additional amenities offered at select communities include a playground and tennis court. North Grove will include a community room, computer center, fitness center, laundry center, gazebo, and playground. These amenities are comparable to communities in the market area. The lack of a swimming pool is acceptable given the lower proposed units.



**Table 20 Utilities and Unit Features – Surveyed Rental Communities**

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry	Storage
		Heat	Hot Water	Cooking	Electric	Water	Trash					
<b>Subject</b>	<b>Elec</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>STD</b>	<b>STD</b>	<b>Surface</b>	<b>Hook Ups</b>	
Beechwood Pines	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Full	In Unit
Archer on North	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface		
Creekside Estates	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups	
Cascades on the River	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	Select	Surface	Hook Ups	
Bethel Midtown Village	Gas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>			Surface		
Georgetown Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups	
Georgia Green	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups	
Athens Highland	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups	
Carousel Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Surface		
4th Street Village	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups	
Oak Hill	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups	In Unit

Source: Field Survey, Real Property Research Group, Inc. May 2014.

**Table 21 Community Amenities – Surveyed Rental Communities**

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
<b>Subject</b>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Beechwood Pines	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Archer on North	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Creekside Estates	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cascades on the River	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Bethel Midtown Village	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Georgetown Village	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgia Green	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Athens Highland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Carousel Village	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4th Street Village	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Oak Hill	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. May 2014.



## 5. Distribution of Units by Bedroom Type

Full unit distributions were available for nine of the 11 comparable communities, comprising 92.7 percent of all surveyed units. Among these communities, two bedroom units account for 51.4 percent of surveyed units and 3.3 percent are three bedroom units. Approximately 45 percent of the units have one bedroom (Table 22).

## 6. Effective Rents

Unit rents presented in Table 22 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where water, sewer, and trash removal is included in monthly rents at all communities, with tenants responsible for other utility costs (electricity, heat, hot water, and cooking fuel).

Among all surveyed comparable rental communities, net rents, unit sizes, and rents per square foot are as follows:

- **One bedroom** rents averaged \$534 with a range from \$245 to \$765 per month. The average unit size is 756 square feet, which results in an average net rent per square foot of \$0.71.
- **Two bedroom** rents averaged \$616 with a range from \$306 to \$939 per month. The average unit size is 1,038 square feet, which results in an average net rent per square foot of \$0.59.
- **Three bedroom** rents averaged \$658 with a range from \$318 to \$804 per month. The average unit size is 1,274 square feet, which results in an average net rent per square foot of \$0.52.

The proposed 50 and 60 percent rents are positioned well below the overall market averages and are the lowest rents among LIHTC rents at comparable AMI levels in the North Grove Market Area.





**Table 22 Salient Characteristics, Surveyed Rental Communities**

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
<b>Subject 50% AMI</b>	Gar	20	20	\$396	844	\$0.47								
<b>Subject 60% AMI</b>	Gar	107					55	\$515	974	\$0.53	52	\$565	1,174	\$0.48
Beechwood Pines	Gar	182	96	\$765	745	\$1.03	86	\$939	1,059	\$0.89				
Creekside Estates	Duplex	158					158	\$715	1,000	\$0.72				
Archer on North	Gar	140	140	\$650	546	\$1.19								
4th Street Village	Gar	24	5	\$580	866	\$0.67	13	\$680	1,074	\$0.63	6	\$780	1,279	\$0.61
Bethel Midtown Village* 60% AMI	Gar	7		\$586	N/A	N/A		\$642	N/A	N/A		\$804	N/A	N/A
Georgetown Village	Gar	40					40	\$614	1,140	\$0.54				
Athens Highland	Gar	64					64	\$607	900	\$0.67				
Cascades on the River	Gar	84		\$535	690	\$0.78		\$585	932	\$0.63		\$723	1,154	\$0.63
Carousel Village	Gar	96	96	\$505	650	\$0.78								
4th Street Village* 50% AMI	Gar	82	13	\$478	866	\$0.55	48	\$575	1,074	\$0.54	21	\$628	1,279	\$0.49
Oak Hill* 60% AMI	Gar	220	170	\$460	815	\$0.56	42	\$565	1,086	\$0.52	8	\$696	1,380	\$0.50
Georgia Green	TH	134					134	\$547	1,040	\$0.53				
4th Street Village* 30% AMI	Gar	12	2	\$245	866	\$0.28	7	\$306	1,074	\$0.28	3	\$318	1,279	\$0.25
<b>Total/Average</b>		<b>1,243</b>		<b>\$534</b>	<b>756</b>	<b>\$0.71</b>		<b>\$616</b>	<b>1,038</b>	<b>\$0.59</b>		<b>\$658</b>	<b>1,274</b>	<b>\$0.52</b>
<b>Unit Distribution</b>		<b>1,152</b>	<b>522</b>				<b>592</b>				<b>38</b>			
<b>% of Total</b>		<b>92.7%</b>	<b>45.3%</b>				<b>51.4%</b>				<b>3.3%</b>			

**Tax Credit Communities\***

Rent adjusted \$40 for including cable

(1) Rent is adjusted to include only Water/Sewer and Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. May 2014.

### 7. DCA Average Market Rent

To determine average “market rents” as outlined in DCA’s 2014 Market Study Manual, market rate rents were averaged at the most comparable communities to the proposed North Grove. These include all communities with market rate rents in the North Grove Market Area. It is important to note, these “average market rents” are not adjusted to reflect differences in age, unit size, or amenities relative to the subject property. As such, a negative rent differential does **not** necessary indicate the proposed rents are unreasonable or unachievable in the market.

The “average market rent” among comparable communities is \$607 for one bedroom units, \$670 for two bedroom units, and \$752 for three bedroom units (Table 23). Compared to average market rents, the subject property’s proposed rents will have market advantages of 23.1 percent to 34.8 percent. The project as a whole will have a weighted average market rent advantage of 25.6 percent.



**Table 23 Average Rents, Comparable Properties**

Community	One Bedroom Units			Two Bedroom Units			Three Bedroom Units		
	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF	Rent(1)	SF	Rent/SF
Beechwood Pines	\$765	745	\$1.03	\$939	1,059	\$0.89			
Creekside Estates				\$715	1,000	\$0.72			
Archer on North	\$650	546	\$1.19						
4th Street Village	\$580	866	\$0.67	\$680	1,074	\$0.63	\$780	1,279	\$0.61
Georgetown Village				\$614	1,140	\$0.54			
Athens Highland				\$607	900	\$0.67			
Cascades on the River	\$535	690	\$0.78	\$585	932	\$0.63	\$723	1,154	\$0.63
Carousel Village	\$505	650	\$0.78						
Georgia Green				\$547	1,040	\$0.53			
<b>Total/Average</b>	<b>\$607</b>	<b>699</b>	<b>\$0.87</b>	<b>\$670</b>	<b>1,021</b>	<b>\$0.66</b>	<b>\$752</b>	<b>1,217</b>	<b>\$0.62</b>

**Tax Credit Communities\***

Rent adjusted \$40 for including cable

**(1) Rent is adjusted to include Water/Sewer and Trash and incentives**

Source: Field Survey, Real Property Research Group, Inc. May 2014.

**Table 24 Average Market Rent and Rent Advantage Summary**

	1 BR	2 BR	3 BR
<b>Average Market Rents</b>	<b>\$607</b>	<b>\$670</b>	<b>\$752</b>
Proposed 60% Rent		\$515	\$565
Advantage (\$)		\$155	\$187
Advantage (%)		23.1%	24.8%
Total Units		55	52
Proposed 50% Rent	\$396		
Advantage (\$)	\$211		
Advantage (%)	34.8%		
Total Units	20		
<b>Overall Rent Advantage</b>			<b>25.6%</b>

**E. Interviews**

Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Vicki Buschborn with the Athens-Clarke County Planning Department, and Ann Davis with the Athens Housing Authority.



### F. Multi-Family Pipeline

Planners with Athens-Clarke County were aware of one LIHTC general occupancy community (Pauldoe Redevelopment Phase II) in the planning/approval stage. One LIHTC senior community (Columbia Brookside) is under-construction; however, it is not comparable with the subject property due to age requirements. In addition to contacting the planning department, we consulted building permits approved in Athens and the Georgia DCA LIHTC allocation lists.

Pauldoe Redevelopment Phase II has been allocated tax credits by the Georgia DCA and has yet to begin construction. It is located at 300 Hawthorne Avenue in Athens, approximately 3.3 miles from the subject property. The community will have 132 total units including 53 fifty percent units with PBRA, 35 sixty percent units, and 44 market rate units. The development will be the second phase of Columbia Brookside, a LIHTC senior community currently under construction. As all 50 percent units will include project based rental assistance, only the 23 two and three-bedroom units at 60 percent AMI will be considered directly comparable to the proposed units at North Grove.

### G. Housing Authority Data

Per Ann Davis at the Athens Housing Authority, the housing authority operates an estimated 1,200 Public Housing units and holds a waiting lists of over 2,000 people. The Athens Housing Authority does not participate in the housing choice voucher program.

### H. Existing Low Income Rental Housing

Table 25 and Map 8 show the location of the subject property in relation to existing low-income rental housing properties, including those with tax credits. All LIHTC communities were surveyed and included in this report.

**Table 25 Subsidized Communities, North Grove Market Area**

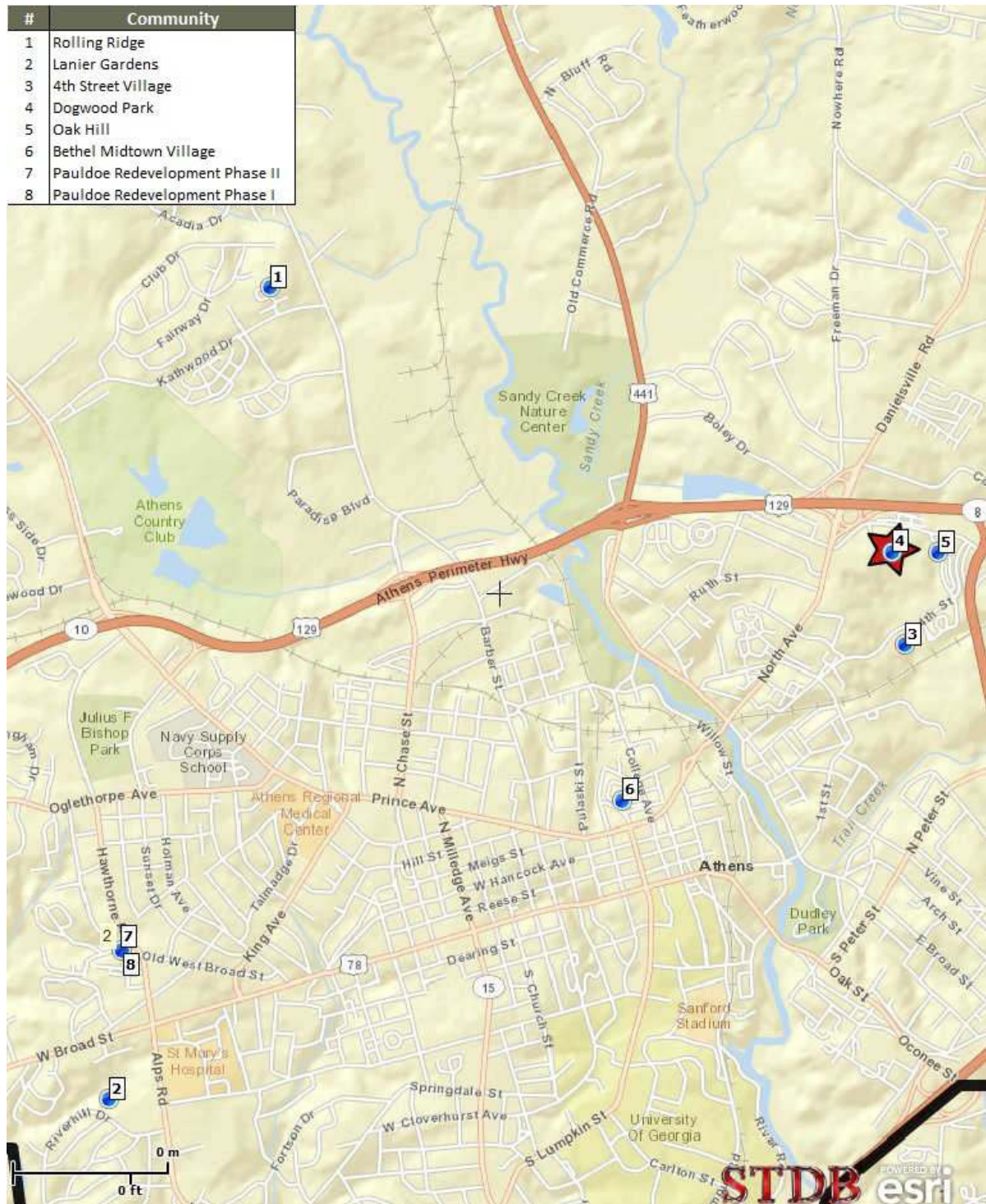
Community	Subsidy	Type	Address	Distance
Rolling Ridge	Section 8	Family	100 Rolling Ridge Dr.	2.6 miles
Lanier Gardens	Section 8	Senior	801 Riverhill Dr.	3.6 miles
4th Street Village	Tax Credit	Family	690 4th St.	0.4 mile
Dogwood Park	Tax Credit	Family	198 Old Hull Rd.	0 mile
Oak Hill	Tax Credit	Family	210 Old Hull Rd.	0.2 mile
Bethel Midtown Village	Tax Credit / Section 8	Family	155 Hickman Dr.	1.4 miles
Pauldoe Redevelopment Phase II*	Tax Credit / Section 8	Family	Pauldoe Ct.	3.2 miles
Pauldoe Redevelopment Phase I*	Tax Credit / Section 8	Senior	Pauldoe Ct.	3.2 miles

Community allocated but not yet built\*

Source: GA DCA, HUD, USDA



**Map 7 Subsidized Rental Communities**



**I. Impact of Abandoned, Vacant, or Foreclosed Homes**

Based on field observations, limited abandoned / vacant single and multi-family homes exist in the North Grove Market Area. In addition, to understand the state of foreclosure in the community around the subject property, we tapped data available through RealtyTrac, a web site aimed primarily at assisting interested parties in the process of locating and purchasing properties in foreclosure and at risk of foreclosure. RealtyTrac classifies properties in its database into several different categories,

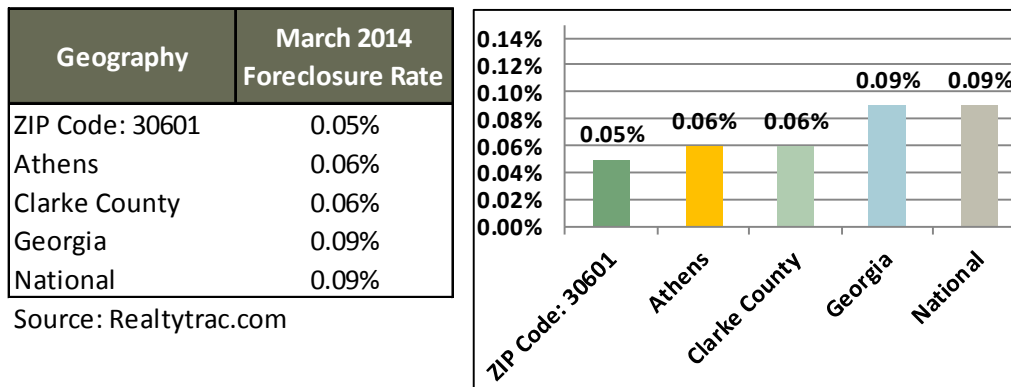


among them three that are relevant to our analysis: 1.) pre-foreclosure property – a property with loans in default and in danger of being repossessed or auctioned, 2.) auction property – a property that lien holders decide to sell at public auctions, once the homeowner’s grace period has expired, in order to dispose of the property as quickly as possible, and 3.) bank-owned property – a unit that has been repossessed by lenders. We included properties within these three foreclosure categories in our analysis. We queried the RealtyTrac database for ZIP code 30601 in which the subject property will be located and the broader areas of Athens, Clarke County, Georgia, and the United States for comparison purposes.

Our RealtyTrac search revealed March 2014 foreclosure rates of 0.05 percent in the subject property’s ZIP Code (30601), 0.06 percent in Athens and Clarke County. The state and national foreclosure rates were 0.09 percent (Table 26). The number of foreclosures in the subject property’s ZIP Code ranged from one to 10 units over the past year. The ZIP Code has averaged approximately six foreclosures per month over the past year.

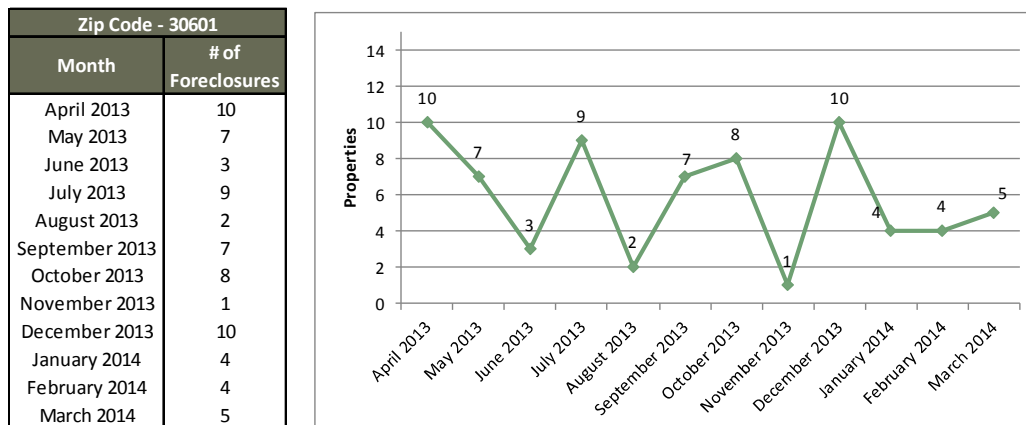
While the conversion of foreclosure properties can affect the demand for new multi-family rental housing in some markets, the impact on affordable housing and mixed-income rental communities is typically limited due to their tenant rent and income restrictions on most units. Furthermore, current foreclosure activity in the subject property’s ZIP Code was minimal over the past years. As such, we do not believe foreclosed, abandoned, or vacant single/multi-family homes will impact the subject property’s ability to lease its units.

**Table 26 Foreclosure Rate, ZIP Code 30601, March 2014**



Source: Realtytrac.com

**Table 27 Recent Foreclosure Activity, ZIP Code 30601**



Source: Realtytrac.com



## 8. FINDINGS AND CONCLUSIONS

### A. Key Findings

Based on the preceding review of the subject project and demographic and competitive housing trends in the North Grove Market Area, RPRG offers the following key findings:

#### 1. Site and Neighborhood Analysis

The subject property is a suitable location for a rehabilitation as it is compatible with surrounding land uses and has ample access to amenities, services, and transportation arteries.

- The subject property is located at 198 Old Hull Road in northeast Athens. Surrounding land uses include undeveloped land, a shopping center, multi-family apartments, and an elementary school.
- Residential uses are common within one-half mile including both single-family detached homes and multi-family apartments.
- Public transportation, shopping, a pharmacy, a grocery store, and a convenience store are all located within one-half mile of the subject property.
- North Grove will have good visibility along Old Hull Road. The subject property will be accessible via an entrance on Old Hull Road.
- The subject property is suitable for the proposed rehabilitation. No negative land uses were identified at the time of the site visit that would affect the proposed rehabilitation's viability in the marketplace.

#### 2. Economic Context

Despite job losses and an increase in unemployment experienced during the most recent national recession, Clarke County appears stable as signs of post-recession recovery are visible.

- Clarke County's unemployment rate increased from 4.0 percent in 2007 to 7.6 percent in 2010. The unemployment rate has since dropped to 5.5 percent in the first quarter of 2014, much lower than both the state and national unemployment rate.
- Clarke County added 6,470 jobs from 2001 to 2008, 9.6 percent of the total jobs in 2001. The county lost a total of 3,719 jobs from 2009 to 2010 as a result of the economic recession but has since added jobs in each of the past three years.
- Government is the largest employment sector in Clarke County, accounting for 30.7 percent of all jobs in the third quarter of 2013 compared to just 15.7 percent of total employment nationally. Trade-Transportation-Utilities, Education-Health and Leisure-Hospitality also contain significant employment shares in Clarke County.
- Six employment sectors experienced annual growth in Clarke County between 2001 and the third quarter of 2013. These included Education-Health (2.8 percent), Financial Activities (2.8 percent), Leisure-Hospitality (2.4 percent), Professional Business (2.1 percent), Natural Resources-Mining (1.2 percent), and Government (1.2 percent). The largest job losses on a percentage basis occurred in the Information (4.9 percent), Manufacturing (3.7 percent), and Construction (3.1 percent) sectors.





- The most significant economic expansions in the Athens area are Caterpillar and Ethicon which are estimated to create a total of 1,475 jobs.

### 3. Population and Household Trends

The North Grove Market Area experienced population and household growth from 2010 to 2014. Growth is expected to continue at the same pace through 2016. The renter percentage in the market area increased from 2010 to 2014 and is expected to increase further through 2016.

- Between 2000 and 2010 Census counts, the population of the North Grove Market Area had annual increases of 655 people or 1.1 percent. During the same period, the number of households in the North Grove Market Area increased by 164 households or 0.7 percent annually. Based on Esri projections, the market area added 1,331 people and 500 households between 2010 and 2014 and will continue to add 318 people and 124 households per year from 2014 to 2016.
- As of the 2010 Census, 60.8 percent of all households in the North Grove Market Area were renters, compared to 57.8 percent in Clarke County. The renter percentages is expected to increase to 63.1 percent in the market area by 2016.

### 4. Demographic Analysis

- Young Adults age 20-34 comprise the largest percentage of the population in both the North Grove Market Area and Clarke County at 38.0 percent and 38.9 percent, respectively. Children/Youth account for 28.3 percent of the population in the market area.
- Approximately forty-two percent of all households in the market area contain two adults but no children compared to 45.2 percent in Clarke County. Single persons account for 32.9 percent of households in the North Grove Market Area.
- Approximately 32.5 percent of renter households in the North Grove Market Area are under the age of 25 due to its proximity to The University of Georgia. Adults age 25-44 account for 42.7 percent of all renters in the market area.
- As of 2010, 65.5 percent of all renter households in the North Grove Market Area contained one or two persons including 36.1 percent with one person.
- According to income distributions provided by Esri, the 2014 median household income in the North Grove Market Area is \$28,204, 81.9 percent of Clarke County's median household income of \$34,435. RPRG estimates the 2014 median income for renter households in the North Grove Market Area is \$21,066. Approximately 58 percent of all renter households in the market area earn less than \$25,000 including 38.1 percent earning below \$15,000.

### 5. Competitive Housing Analysis

RPRG surveyed 11 general occupancy rental communities in the North Grove Market Area including three LIHTC communities.

- The nine stabilized communities without PBRA reporting occupancy combined to offer 1,025 units of which 31 units or 3.0 percent were reported vacant. The vacancy rate among LIHTC communities without PBRA was lower with six of 345 units reported vacant for a rate of 1.7 percent. Bethel Midtown Village also offers 183 units with PBRA of which all were occupied at the time of our survey with 120 people on the waiting list.
- Among the 11 LIHTC/market rate rental communities surveyed, net rents, unit sizes, and rents per square foot are as follows:



- **One-bedroom** effective rents averaged \$534 per month. The average one bedroom square footage was 756 square feet, resulting in a net rent per square foot of \$0.71. The range for one bedroom effective rents was \$245 to \$765.
- **Two-bedroom** effective rents averaged \$616 per month. The average two bedroom square footage was 1,038 square feet, resulting in a net rent per square foot of \$0.59. The range for two bedroom effective rents was \$306 to \$939.
- **Three-bedroom** effective rents averaged \$658 per month. The average three bedroom square footage was 1,274 square feet, resulting in a net rent per square foot of \$0.52. The range for three bedroom effective rents was \$318 to \$804.
- The proposed 50 percent and 60 percent LIHTC rents will be the lowest priced units in the market area among LIHTC communities at comparable AMI levels as well as all market rate rents.
- The “average market rent” among comparable communities is \$607 for one bedroom units, \$670 for two bedroom units, and \$752 for three bedroom units. The subject property’s proposed rents have rent advantages of at least 23.1 percent and an overall weighted average rent advantage of 25.6 percent.
- One general occupancy pipeline community was identified in the market area; Pauldoe Redevelopment Phase II has been allocated tax credits by the Georgia DCA and has yet to begin construction. The community will be located approximately 3.3 miles west of the subject property. The community will have 132 total units including 53 fifty percent units with PBRA, 35 sixty percent units, and 44 market rate units. The development will be the second phase of Columbia Brookside, a LIHTC senior community currently under construction. As all 50 percent units will include project based rental assistance, only the 23 two and three-bedroom units at 60 percent AMI will be considered directly comparable to the proposed North Grove.



## B. Affordability Analysis

### 1. Methodology

The Affordability Analysis tests the percentage of age and income-qualified households in the market area that the subject community must capture in order to achieve full occupancy.

The first component of the Affordability Analysis involves looking at the total household income distribution and renter household income distribution among primary market area households for the target year of 2016. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2008-2012 American Community Survey along with estimates and projected income growth as projected by Esri (Table 28).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For the Affordability Analysis of this community, RPRG employs a 35 percent gross rent burden.

The proposed LIHTC units at North Grove will target households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2014 HUD income limits for the Athens-Clarke County, GA MSA and are based on an average of 1.5 persons per bedroom rounded up to the nearest whole number per DCA requirements. Rent and income limits are detailed in Table 29 on the following page.

**Table 28 2016 Total and Renter Income Distribution**

North Grove Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	7,408	30.5%	5,964	38.9%
	\$15,000 - \$24,999	3,457	14.2%	2,783	18.2%
	\$25,000 - \$34,999	2,900	11.9%	2,081	13.6%
	\$35,000 - \$49,999	2,740	11.3%	1,665	10.9%
	\$50,000 - \$74,999	3,182	13.1%	1,817	11.9%
	\$75,000 - \$99,999	1,947	8.0%	655	4.3%
	\$100,000 - \$149,999	1,567	6.5%	284	1.9%
	\$150,000 - Over	1,083	4.5%	80	0.5%
<b>Total</b>		<b>24,284</b>	<b>100%</b>	<b>15,330</b>	<b>100%</b>
<b>Median Income</b>		<b>\$29,401</b>		<b>\$21,109</b>	

Source: American Community Survey 2008-2012 Projections, RPRG, Inc.



**Table 29 LIHTC Income and Rent Limits, Athens-Clarke County, GA MSA**

HUD 2014 Median Household Income	
Athens-Clarke County, GA MSA	\$55,500
Very Low Income for 4 Person Household	\$27,750
2014 Computed Area Median Gross Income	<b>\$55,500</b>
Utility Allowance: Efficiency	\$0
1 Bedroom	\$105
2 Bedroom	\$134
3 Bedroom	\$167
4 Bedroom	\$0

<b>LIHTC Household Income Limits by Household Size:</b>								
Household Size	30%	40%	50%	60%	80%	100%	150%	
1 Person	\$11,670	\$15,560	\$19,450	\$23,340	\$31,120	\$38,900	\$58,350	
2 Persons	\$13,320	\$17,760	\$22,200	\$26,640	\$35,520	\$44,400	\$66,600	
3 Persons	\$15,000	\$20,000	\$25,000	\$30,000	\$40,000	\$50,000	\$75,000	
4 Persons	\$16,650	\$22,200	\$27,750	\$33,300	\$44,400	\$55,500	\$83,250	
5 Persons	\$18,000	\$24,000	\$30,000	\$36,000	\$48,000	\$60,000	\$90,000	
6 Persons	\$19,320	\$25,760	\$32,200	\$38,640	\$51,520	\$64,400	\$96,600	

<b>Imputed Income Limits by Number of Bedrooms:</b>									
Assumes 1.5 persons per bedroom	Persons	Bedrooms	30%	40%	50%	60%	80%	100%	150%
			1	0	\$11,670	\$15,560	\$19,450	\$23,340	\$31,120
2	1	\$13,320	\$17,760	\$22,200	\$26,640	\$35,520	\$44,400	\$66,600	
3	2	\$15,000	\$20,000	\$25,000	\$30,000	\$40,000	\$50,000	\$75,000	
5	3	\$18,000	\$24,000	\$30,000	\$36,000	\$48,000	\$60,000	\$90,000	
6	4	\$19,320	\$25,760	\$32,200	\$38,640	\$51,520	\$64,400	\$96,600	

**LIHTC Tenant Rent Limits by Number of Bedrooms:**

Assumes 1.5 Persons per bedroom

# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Efficiency	\$292		\$389		\$486		\$584		\$778	
1 Bedroom	\$312	\$207	\$417	\$312	\$521	\$416	\$625	\$520	\$833	\$728
2 Bedroom	\$375	\$241	\$500	\$366	\$625	\$491	\$750	\$616	\$1,000	\$866
3 Bedroom	\$433	\$266	\$578	\$411	\$722	\$555	\$866	\$699	\$1,155	\$988
4 Bedroom	\$483		\$644		\$805		\$966		\$1,288	

Source: U.S. Department of Housing and Urban Development



## 2. Affordability Analysis

The steps in the affordability analysis (Table 30) are as follows:

- Looking at the overall shelter cost for a 50 percent one bedroom unit at the proposed rent would be \$501 (\$396 net tenant rent plus a \$105 allowance to cover all utilities except water/sewer and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that the minimum income limit to afford a one bedroom 50 percent unit is \$17,177. The projected number of market area households earning at least this amount in 2016 is 16,123.
- The maximum income limit for a one bedroom unit at 50 percent AMI is \$22,200 based on a maximum household size of 2.0 persons. According to the interpolated income distribution for 2016, the North Grove Market Area will have 14,387 households with incomes above this maximum income.
- Subtracting the 14,387 households with incomes above the maximum income limit from the 16,123 households that could afford to rent this unit, RPRG computes that an estimated 1,736 households in the North Grove Market Area will be within the target income segment for the one bedroom units at 50 percent AMI.
- The capture rate for the 20 one-bedroom units at 50 percent AMI is 1.2 percent for all households.
- We then determined that 1,398 renter households with incomes between the minimum income required and maximum income allowed will reside in the market in 2016. The community will need to capture 1.4 percent of these renter households to lease up the 20 units in this floor plan.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered in the community. We also computed the capture rates for all units.
- The remaining renter capture rates by floor plan range from 2.4 percent to 3.0 percent.
- The renter capture rate is 2.9 percent for the project as a whole.

## 3. Conclusions of Affordability

All affordability capture rates are well within reasonable and achievable levels for a general occupancy community.



**Table 30 2016 Affordability Analysis, North Grove**

50% Units		One Bedroom	
		Min.	Max.
Number of Units		20	
Net Rent		\$396	
Gross Rent		\$501	
% Income for Shelter		35%	
Income Range (Min, Max)		\$17,177	\$22,200
<b>Total Households</b>			
Range of Qualified Hslds		16,123	14,387
# Qualified Households			1,736
<b>Total HH Capture Rate</b>			<b>1.2%</b>
<b>Renter Households</b>			
Range of Qualified Hhlds		8,760	7,362
# Qualified Hhlds			1,398
<b>Renter HH Capture Rate</b>			<b>1.4%</b>

60% Units		Two Bedroom		Three Bedroom	
Number of Units		55		52	
Net Rent		\$515		\$565	
Gross Rent		\$649		\$732	
% Income for Shelter		35%		35%	
Income Range (Min, Max)		\$22,251	\$30,000	\$25,097	\$36,000
<b>Total Households</b>					
Range of Qualified Hslds		14,369	11,969	13,391	10,336
# Qualified Households			2,400		3,055
<b>Unit Total HH Capture Rate</b>			<b>2.3%</b>		<b>1.7%</b>
<b>Renter Households</b>					
Range of Qualified Hhlds		7,347	5,542	6,562	4,390
# Qualified Hhlds			1,806		2,172
<b>Renter HH Capture Rate</b>			<b>3.0%</b>		<b>2.4%</b>

Income Target	Units	All Households = 24,284					Renter Households = 15,330			
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate
50% Units	20	Income	\$17,177	\$22,200			\$17,177	\$22,200		
		Households	16,123	14,387	1,736	<b>1.2%</b>	8,760	7,362	1,398	<b>1.4%</b>
60% Units	107	Income	\$22,251	\$36,000			\$22,251	\$36,000		
		Households	14,369	10,336	4,033	<b>2.7%</b>	7,347	4,390	2,957	<b>3.6%</b>
Total Units	127	Income	\$17,177	\$36,000			\$17,177	\$36,000		
		Households	16,123	10,336	5,770	<b>2.2%</b>	8,760	4,390	4,355	<b>2.9%</b>

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.



## C. Demand Estimates and Capture Rates

### 1. Methodology

DCA's demand methodology for general occupancy communities consists of three components:

- The first component of demand is household growth. This number is the number of age and income qualified renter households projected to move into the North Grove Market Area between the base year of 2012 and the first full year of market-entry of 2016.
- The next component of demand is income qualified renter households living in substandard households. "Substandard" is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2010 Census data, the percentage of renter households in the North Grove Market Area that are "substandard" is 4.6 percent (Table 31). This substandard percentage is applied to current household numbers.
- The third component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 53.5 percent of the North Grove Market Area's renter households are categorized as cost burdened (Table 31).

The data assumptions used in the calculation of these demand estimates are detailed at the bottom of Table 32. Income qualification percentages are derived by using the Affordability Analysis detailed in Table 30.

### 2. Demand Analysis

According to DCA's demand methodology, all comparable units built or approved since the base year (2012) are to be subtracted from the demand estimates to arrive at net demand. One general occupancy LIHTC community in the market area was allocated in 2013 (Pauldoe Redevelopment Phase II). The community will offer one to four bedroom units and offer 50 percent AMI, 60 percent AMI, and market rate units. All 50 percent units will have project based rental assistance. Only the 23 comparable 60 percent units are subtracted from demand. One senior LIHTC community, Columbia Brookside, in the market area is currently under construction; however, the community will target householders with householder 62+ and is not considered comparable to the subject property.

The overall capture rate for the 127 units at North Grove is 5.0 percent (Table 32). Capture rates by income level are 2.4 percent for 50 percent units and 6.3 percent for 60 percent AMI units. North Grove's capture rates by floor plan range from 2.4 percent to 7.4 percent (Table 33).

The expected tenant retention of 100 total households results in an effective DCA demand capture rate of 1.1 percent overall. Fifty percent units have an effective capture rate of zero percent as all tenants are expected to be retained and 60 percent units will have an effective capture rate of 1.6 percent after considering tenant retention. North Grove's capture rates by floor plan range from 0.0 percent to 1.9 percent after applying only the vacant units following rehabilitation.

All capture rates are well within DCA's mandated threshold of 30 percent and indicate sufficient demand to support the proposed rehabilitation.



**Table 31 Substandard and Cost Burdened Calculations**

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	197	1.5%	<b>Owner occupied:</b>	
10.0 to 14.9 percent	606	4.6%	Complete plumbing facilities:	8,902
15.0 to 19.9 percent	1,024	7.8%	1.00 or less occupants per room	8,792
20.0 to 24.9 percent	1,308	9.9%	1.01 or more occupants per room	110
25.0 to 29.9 percent	990	7.5%	Lacking complete plumbing facilities:	42
30.0 to 34.9 percent	953	7.2%	Overcrowded or lacking plumbing	152
35.0 to 39.9 percent	664	5.0%	<b>Renter occupied:</b>	
40.0 to 49.9 percent	1,235	9.4%	Complete plumbing facilities:	13,062
50.0 percent or more	3,933	29.8%	1.00 or less occupants per room	12,586
Not computed	2,287	17.3%	1.01 or more occupants per room	476
<b>Total</b>	<b>13,197</b>	<b>100.0%</b>	Lacking complete plumbing facilities:	135
			Overcrowded or lacking plumbing	611
<b>&gt; 35% income on rent</b>	<b>5,832</b>	<b>53.5%</b>	<b>Substandard Housing</b>	<b>763</b>
			<b>% Total Stock Substandard</b>	<b>3.4%</b>
			<b>% Rental Stock Substandard</b>	<b>4.6%</b>

Source: American Community Survey 2008-2012

**Table 32 Overall Demand Estimates, North Grove**

	Income Target	50% Units	60% Units	Total Units
	Minimum Income Limit	\$17,177	\$22,251	\$17,177
	Maximum Income Limit	\$22,200	\$36,000	\$36,000
<b>(A) Renter Income Qualification Percentage</b>		<b>9.1%</b>	<b>19.3%</b>	<b>28.4%</b>
Demand from New Renter Households <i>Calculation (C-B) * F * A</i>		28	60	88
<b>PLUS</b>				
Demand from Existing Renter HHs (Substandard) <i>Calculation B * D * F * A</i>		63	133	196
<b>PLUS</b>				
Demand from Existing Renter HHs (Overburdened) - <i>Calculation B * E * F * A</i>		727	1,537	2,263
<b>Total Demand</b>		<b>818</b>	<b>1,730</b>	<b>2,548</b>
<b>LESS</b>				
Comparable Units Built or Planned Since 2012		0	23	23
<b>Net Demand</b>		<b>818</b>	<b>1,707</b>	<b>2,525</b>
Proposed Units		20	107	127
<b>Capture Rate</b>		<b>2.4%</b>	<b>6.3%</b>	<b>5.0%</b>
Vacant Units Post Rehabilitation		0	27	27
<b>Capture Rate - Vacant Units</b>		<b>0.0%</b>	<b>1.6%</b>	<b>1.1%</b>

Demand Calculation Inputs	
A). % of Renter HHlds with Qualifying Income	see above
B). 2012 Households	23,787
C). 2016 Households	24,284
D). Substandard Housing (% of Rental Stock)	4.6%
E). Rent Overburdened (% of Renter HHlds at >35%)	53.5%
F). Renter Percentage (% of all 2014 HHlds)	62.7%



**Table 33 Demand Estimates by Floor Plan, North Grove**

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate
<b>50% Units</b>	<b>\$17,177 - \$22,200</b>						
One Bedroom Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%
<b>50% Units - Vacant</b>	<b>\$17,237 - \$22,200</b>						
One Bedroom Units	\$17,237 - \$22,200	0	9.0%	808	0	808	0.0%
<b>60% Units</b>	<b>\$22,251 - \$36,000</b>						
Two Bedroom Units	\$22,251 - \$27,500	55	8.4%	752	10	742	7.4%
Three Bedroom Units	\$27,501 - \$36,000	52	10.9%	978	13	965	5.4%
<b>60% Units - Vacant</b>	<b>\$22,251 - \$36,000</b>						
Two Bedroom Units	\$22,251 - \$27,500	14	8.4%	752	10	742	1.9%
Three Bedroom Units	\$27,501 - \$36,000	13	10.9%	978	13	965	1.3%
<b>Project Total</b>	<b>\$17,177 - \$36,000</b>						
50% Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%
60% Units	\$22,251 - \$36,000	107	19.3%	1,730	23	1,707	6.3%
Total Units	\$17,177 - \$36,000	127	28.4%	2,548	23	2,525	5.0%
Total Units - Vacant	\$17,177 - \$36,000	27	28.3%	2,538	23	2,515	1.1%

#### D. Absorption Estimate

No directly comparable new communities exist in the market area to determine lease up. In addition to the experiences of recently constructed rental communities, the projected absorption rate is based on projected household growth, income-qualified renter households, affordability/demand estimates, rental market conditions, and the marketability of the proposed site and product.

- From 2014 to 2016, households are projected to increase at an annual rate of 124 households per year.
- A total of 4,355 renter households will be income qualified for the 127 proposed units.
- Existing rental communities located in the market area are performing very well. The vacancy rate for all units in the market area is 3.0 percent and the vacancy rate for all LIHTC units without PBRA is 1.7 percent among 345 total units.
- All DCA demand capture rates, both by income level and floor plan, are well within the acceptable threshold of 30 percent. Total DCA demand for the proposed units is 2,525 households, resulting in a capture rate of 5.0 percent. After considering tenant retention, the effective capture rate overall is 1.1 percent.
- The proposed LIHTC rents will be lower than all surveyed market rate and comparable LIHTC rents in the market area.
- Upon completion, North Grove will offer an attractive product that will be a desirable rental community in the North Grove Market Area.

Based on the proposed rehabilitation, low proposed rent levels, reasonable affordability/demand estimates, and rental market conditions, we expect North Grove to lease-up at a pace of at least 14 units per month. At this rate, the 127 units proposed at the subject property would reach a stabilized occupancy of at least 93 percent within eight to nine months; however, the tenant retention of all but 27 tenants results in an effective absorption period of two to three months.



## E. Target Markets

North Grove will target low to moderate income renter households. The unit mix of one bedroom, two bedroom, and three bedroom units will target a range of households from singles to families.

## F. Product Evaluation

Considered in the context of the competitive environment, the relative position of North Grove is as follows:

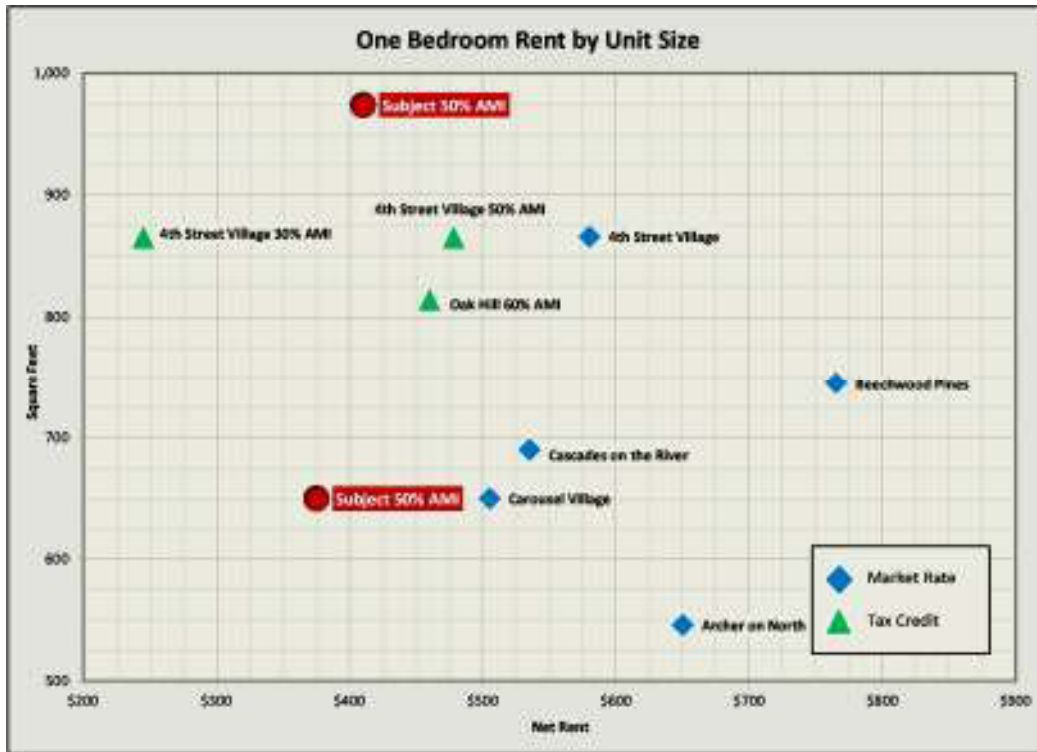
- **Site:** The location of the subject property is appropriate for the proposed rehabilitation. The subject's neighborhood includes residential uses including single-family detached homes and apartments, including three LIHTC communities, within two miles. Amenities within one mile of the subject property include shopping, a community center, pharmacy, convenience store, public transit, and a grocery store. The location of North Grove is comparable with existing LIHTC communities in the market area.
- **Unit Distribution:** The unit mix includes one, two, and three bedroom units, which will appeal to a wide range of renter households from singles to medium-sized families. The proposed one and two bedroom units are comparable with existing multi-family rental communities in the market area. As only 3.3 percent of units have three bedroom, the proposed three bedroom units will fill a possible void in the market area.
- **Unit Size:** The weighted average unit sizes are 844 square feet for one bedroom units, 974 square feet for two bedroom units, and 1,174 square feet for three bedroom units. These unit sizes are bigger than average for the one bedroom units and the two and three bedroom units are comparable with communities in the market area. The rent per square foot is also comparable with many communities in the market area. These unit sizes are acceptable.
- **Unit Features:** The renovated units at the subject property will offer kitchens with new refrigerators, ranges, dishwashers, disposals, and microwaves. Flooring will be a combination of carpet, faux hardwood, and ceramic tile. Units will also feature central heat and air conditioning, patio/balconies, and window blinds. The proposed features at North Grove will be comparable with existing communities in the market area and appear reasonable.
- **Community Amenities** The community amenities at North Grove will include a community center, fitness center, laundry room, picnic pavilion, business center, gazebo, and playground. These amenities are comparable with other communities in the market area and are appropriate. The lack of a swimming pool will not negatively impact the subject property given the low proposed rents.
- **Marketability:** The units at Dogwood Park have been maintained and are professionally managed. The proposed renovation and upgrades will both improve the community and preserve an affordable housing asset in the market area.

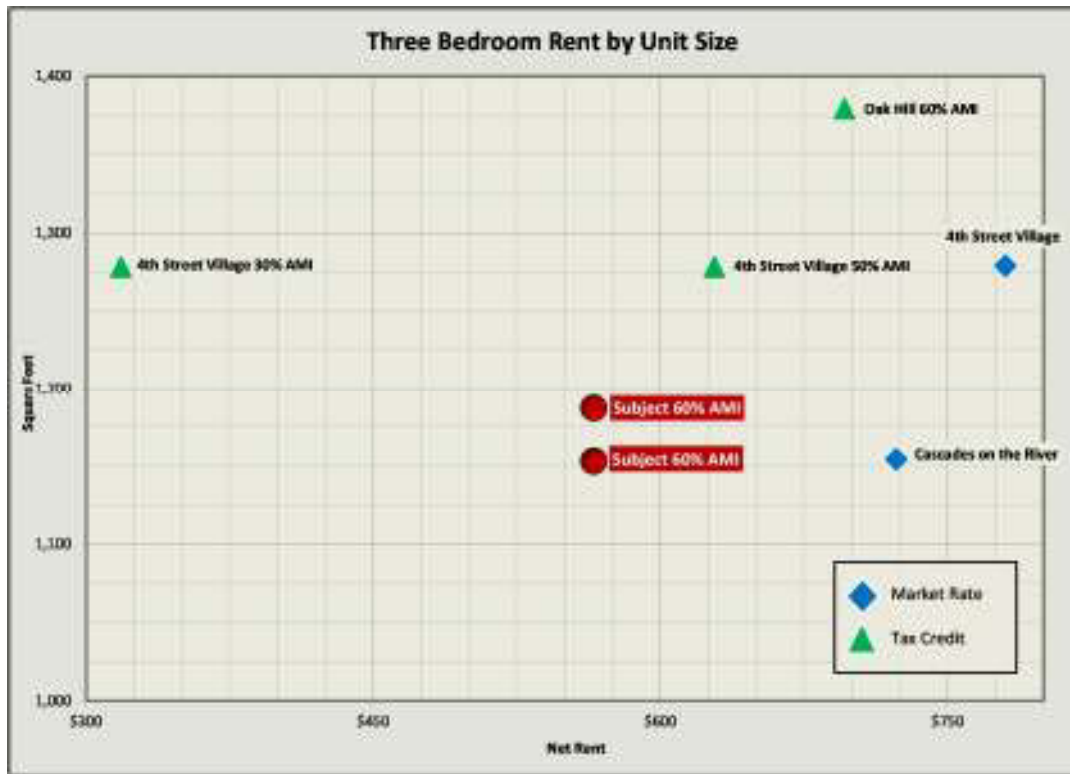


### G. Price Position

As shown in Figure 7, all proposed rents will be the lowest priced units in the market area among LIHTC communities at comparable AMI levels as well as all market rate rents.

Figure 7 Price Position





### H. Impact on Existing Market

The proposed renovation of North Grove will not have a negative impact on the existing units in the market area. Overall, the rental market in the North Grove Market Area is performing well with limited vacancies. As the North Grove Market Area is projected to continue to experience steady population and household growth over the next two years, demand for rental housing is also likely to increase. As 100 existing tenants will remain income-qualified for the proposed units, only 27 units will need to be leased post renovation. The rehabilitation of Dogwood Park/North Grove does not represent an expansion of the market area’s multi-family rental stock.



**I. Final Conclusions and Recommendations**

Income/Unit Size	Income Limits	Units Proposed	Renter Income Qualification %	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band	Proposed Rents
<b>50% Units</b>	<b>\$17,177 - \$22,200</b>										
One Bedroom Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%	3 months	\$607	\$505-\$765	\$396
<b>50% Units - Vacant</b>	<b>\$17,237 - \$22,200</b>										
One Bedroom Units	\$17,237 - \$22,200	0	9.0%	808	0	808	0.0%	0 months	\$607	\$505-\$765	\$396
<b>60% Units</b>	<b>\$22,251 - \$36,000</b>										
Two Bedroom Units	\$22,251 - \$27,500	55	8.4%	752	10	742	7.4%	8-9 months	\$670	\$547-\$939	\$515
Three Bedroom Units	\$27,501 - \$36,000	52	10.9%	978	13	965	5.4%	7 months	\$752	\$723-\$780	\$565
<b>60% Units - Vacant</b>	<b>\$22,251 - \$36,000</b>										
Two Bedroom Units	\$22,251 - \$27,500	14	8.4%	752	10	742	1.9%	3 months	\$670	\$547-\$939	\$515
Three Bedroom Units	\$27,501 - \$36,000	13	10.9%	978	13	965	1.3%	2 months	\$752	\$723-\$780	\$565
<b>Project Total</b>	<b>\$17,177 - \$36,000</b>										
50% Units	\$17,177 - \$22,200	20	9.1%	818	0	818	2.4%	3 months			
60% Units	\$22,251 - \$36,000	107	19.3%	1,730	23	1,707	6.3%	8-9 months			
Total Units	\$17,177 - \$36,000	127	28.4%	2,548	23	2,525	5.0%	8-9 months			
Total Units - Vacant	\$17,177 - \$36,000	27	28.3%	2,538	23	2,515	1.1%	2-3 months			

The proposed renovation of the 127 units at Dogwood Park (North Grove) will be well received in the market area. The North Grove Market Area is expected to experience population and household growth and the existing rental market is tight with limited vacancies. The proposed renovation will significantly improve the condition of the community with the addition of new features/amenities. It will also address deferred maintenance. Rents will be the lowest among comparable communities in the market area. Proposed two and three bedroom rents represent a decrease post rehabilitation and 100 tenants are projected to be retained. The proposed renovation of North Grove will improve the condition of an affordable housing asset in the market area.

Brett Welborn  
Analyst

Tad Scepaniak  
Principal



## **APPENDIX 1 UNDERLYING ASSUMPTIONS AND LIMITING CONDITIONS**

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

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





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

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



## APPENDIX 2 ANALYST CERTIFICATIONS

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- My compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in, or the use of, this report.
- The market study was not based on tax credit approval or approval of a loan. My compensation is not contingent upon the reporting of a predetermined demand that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice as set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation.
- To the best of my knowledge, the market can support the proposed project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs.
- DCA may rely on the representation made in the market study provided and this document is assignable to other lenders that are parties to the DCA loan transaction.

Handwritten signature of Brett Welborn in black ink, consisting of a stylized 'B' and 'W' followed by a horizontal line.

Brett Welborn  
Analyst

Real Property Research Group, Inc.

Handwritten signature of Tad Scepianiak in black ink, consisting of a stylized 'T' and 'S' followed by a horizontal line.

Tad Scepianiak  
Principal

Real Property Research Group, Inc.

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



## APPENDIX 3 NCHMA CERTIFICATION

This market study has been prepared by Real Property Research Group, Inc., a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the Standard Definitions of Key Terms Used in Market Studies for Affordable Housing Projects and Model Content Standards for the Content of Market Studies for Affordable Housing Projects. These Standards are designed to enhance the quality of market studies and to make them easier to prepare, understand, and use by market analysts and by the end users. These Standards are voluntary only, and no legal responsibility regarding their use is assumed by the National Council of Housing Market Analysts.

Real Property Research Group, Inc. is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Real Property Research Group, Inc. is an independent market analyst. No principal or employee of Real Property Research Group, Inc. has any financial interest whatsoever in the development for which this analysis has been undertaken.

While the document specifies Real Property Research Group, Inc., the certification is always signed by the individual completing the study and attesting to the certification.

**Real Property Research Group, Inc.**



\_\_\_\_\_  
Tad Scepaniak  
Name

\_\_\_\_\_  
Principal  
Title

\_\_\_\_\_  
May 5, 2014  
Date



## APPENDIX 4 ANALYST RESUMES

### ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

#### Areas of Concentration:

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

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

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

#### Education:

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

### TAD SCEPANIAK



Tad Scepaniak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is Co-Chair of the Standards Committee of the National Council of Housing Market Analysts (NCHMA). He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

**Areas of Concentration:**

Low Income Tax Credit Rental Housing: Mr. Scepaniak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

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

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

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas and Tennessee.

**Education:**

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



## **BRETT WELBORN**

### **Analyst**

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett has progressed to serve as Analyst for RPRG.

### **Areas of Concentration:**

Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.

In addition to market analysis responsibilities, Brett has also assisted in the development of research tools for the organization.

### **Education:**

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA





**APPENDIX 5 DCA CHECKLIST**

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

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

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

Signed: 

Date: May 5, 2014

Brett Welborn

**A. Executive Summary**

- 1. Project Description:
  - i. Brief description of the project location including address and/or position relative to the closest cross-street..... Page(s) 13
  - ii. Construction and Occupancy Types ..... Page(s) 9
  - iii. Unit mix, including bedrooms, bathrooms, square footage, Income targeting, rents, and utility allowance ..... Page(s) 11
  - iv. Any additional subsidies available, including project based rental assistance (PBRA) ..... Page(s) N/A
  - v. Brief description of proposed amenities and how they compare with existing properties ..... Page(s) 64
- 2. Site Description/Evaluation:
  - i. A brief description of physical features of the site and adjacent parcels..... Page(s) 20
  - ii. A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural)..... Page(s) 18
  - iii. A discussion of site access and visibility ..... Page(s) 20, 20
  - iv. Any significant positive or negative aspects of the subject site..... Page(s) 23
  - v. A brief summary of the site's proximity to neighborhood services including shopping, medical care, employment concentrations, public transportation, etc ..... Page(s) 21
  - vi. An overall conclusion of the site's appropriateness for the proposed development..... Page(s) 23
- 3. Market Area Definition:
  - i. A brief definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site ..... Page(s) 24
- 4. Community Demographic Data:
  - i. Current and projected household and population counts for the PMA. .... Page(s) 34
  - ii. Household tenure including any trends in rental rates. .... Page(s) 38
  - iii. Household income level. .... Page(s) 39



- iv. Discuss Impact of foreclosed, abandoned / vacant, single and multi-family homes, and commercial properties in the PMA of the proposed development. .... Page(s) 52
- 5. Economic Data:
  - i. Trends in employment for the county and/or region..... Page(s) 28
  - ii. Employment by sector for the primary market area. .... Page(s) 29
  - iii. Unemployment trends for the county and/or region for the past five years..... Page(s) 26
  - iv. Brief discussion of recent or planned employment contractions or expansions..... Page(s) 33
  - v. Overall conclusion regarding the stability of the county’s economic environment. .... Page(s) 33
- 6. Project Specific Affordability and Demand Analysis:
  - i. Number of renter households income qualified for the proposed development. For senior projects, this should be age and income qualified renter households..... Page(s) 59-60
  - ii. Overall estimate of demand based on DCA’s demand methodology..... Page(s) 61-62
  - iii. Capture rates for the proposed development including the overall project, all LIHTC units (excluding any PBRA or market rate units), and a conclusion regarding the achievability of these capture rates..... Page(s) 61
- 7. Competitive Rental Analysis
  - i. An analysis of the competitive properties in the PMA. .... Page(s) 43-49
  - ii. Number of properties..... Page(s) 43-49
  - iii. Rent bands for each bedroom type proposed. .... Page(s) 60
  - iv. Average market rents. .... Page(s) 49
- 8. Absorption/Stabilization Estimate:
  - i. Expected absorption rate of the subject property (units per month)..... Page(s) 63
  - ii. Expected absorption rate by AMI targeting. .... Page(s) 63
  - iii. Months required for the project to reach a stabilized occupancy of 93 percent. .... Page(s) 63
- 9. Overall Conclusion:
  - i. A narrative detailing key conclusions of the report including the analyst’s opinion regarding the proposed development’s potential for success..... Page(s) 67
- 10. Summary Table..... Page(s) 67

**B. Project Description**

- 1. Project address and location. .... Page(s) 11
- 2. Construction type. .... Page(s) 11
- 3. Occupancy Type. .... Page(s) 11
- 4. Special population target (if applicable). .... Page(s) 11
- 5. Number of units by bedroom type and income targeting (AMI)..... Page(s) 11
- 6. Unit size, number of bedrooms, and structure type. .... Page(s) 11
- 7. Rents and Utility Allowances. .... Page(s) 11
- 8. Existing or proposed project based rental assistance..... Page(s) 11
- 9. Proposed development amenities..... Page(s) 10, 11
- 10. For rehab proposals, current occupancy levels, rents, tenant incomes (if applicable), and scope of work including an estimate of the total and per unit construction cost. .... Page(s) 9-10
- 11. Projected placed-in-service date..... Page(s) 12

**C. Site Evaluation**

- 1. Date of site / comparables visit and name of site inspector. .... Page(s) 7
- 2. Site description
  - i. Physical features of the site. .... Page(s) 13
  - ii. Positive and negative attributes of the site..... Page(s) 13, 23



iii. Detailed description of surrounding land uses including their condition.....	Page(s)	13
3. Description of the site’s physical proximity to surrounding roads, transportation, amenities, employment, and community services.....	Page(s)	21-23
4. Color photographs of the subject property, surrounding neighborhood, and street scenes with a description of each vantage point.....	Page(s)	15-17
5. Neighborhood Characteristics		
i. Map identifying the location of the project.....	Page(s)	14
ii. List of area amenities including their distance (in miles) to the subject site.....	Page(s)	21
iii. Map of the subject site in proximity to neighborhood amenities.....	Page(s)	22
6. Describe the land use and structures of the area immediately surrounding the site including significant concentrations of residential, commercial, industrial, vacant, or agricultural uses; comment on the condition of these existing land uses.....	Page(s)	13
7. Map identifying existing low-income housing in the market area.....	Page(s)	23
8. Road or infrastructure improvements planned or under construction in the PMA.....	Page(s)	20
9. Discussion of accessibility, ingress/egress, and visibility of the subject site.....	Page(s)	20
10. Overall conclusions about the subject site, as it relates to the marketability of the proposed development.....	Page(s)	23

**D. Market Area**

1. Definition of the primary market area (PMA) including boundaries and their approximate distance from the subject site.....	Page(s)	24
2. Map Identifying subject property’s location within market area.....	Page(s)	25

**E. Community Demographic Data**

1. Population Trends		
i. Total Population.....	Page(s)	35
ii. Population by age group.....	Page(s)	37
iii. Number of elderly and non-elderly.....	Page(s)	39
iv. Special needs population (if applicable).....	Page(s)	N/A
2. Household Trends		
i. Total number of households and average household size.....	Page(s)	34
ii. Household by tenure.....	Page(s)	38
iii. Households by income.....	Page(s)	39
iv. Renter households by number of persons in the household.....	Page(s)	39

**F. Employment Trends**

1. Total jobs in the county or region.....	Page(s)	28
2. Total jobs by industry – numbers and percentages.....	Page(s)	29
3. Major current employers, product or service, total employees, anticipated expansions/contractions, as well as newly planned employers and their impact on employment in the market area.....	Page(s)	30-33
4. Unemployment trends, total workforce figures, and number and percentage unemployed for the county over the past five years.....	Page(s)	26
5. Map of the site and location of major employment concentrations.....	Page(s)	30
6. Analysis of data and overall conclusions relating to the impact on housing demand.....	Page(s)	33

**G. Project-specific Affordability and Demand Analysis**



1. Income Restrictions / Limits .....	Page(s)	57, 58
2. Affordability estimates .....	Page(s)	57-60
3. Components of Demand		
i. Demand from new households.....	Page(s)	61-62
ii. Demand from existing households.....	Page(s)	61-62
iii. Elderly Homeowners likely to convert to rentership.....	Page(s)	N/A
iv. Other sources of demand (if applicable).....	Page(s)	N/A
4. Net Demand, Capture Rate, and Stabilization Calculations		
i. Net demand		
1. By AMI Level .....	Page(s)	62
2. By floor plan .....	Page(s)	62
ii. Capture rates		
1. By AMI level .....	Page(s)	62
2. By floor plan .....	Page(s)	63
5. Capture rate analysis chart .....	Page(s)	6, 67
6. Detailed project information for each competitive rental community surveyed		
i. Charts summarizing competitive data including a comparison of the proposed project's rents, square footage, amenities, to comparable rental communities in the market area.....	Page(s)	43-48
7. Additional rental market information		
i. An analysis of voucher and certificates available in the market area.....	Page(s)	51
ii. Lease-up history of competitive developments in the market area.....	Page(s)	45
iii. Tenant profile and waiting list of existing phase (if applicable) .....	Page(s)	N/A
iv. Competitive data for single-family rentals, mobile homes, etc. in rural areas if lacking sufficient comparables (if applicable).....	Page(s)	N/A
8. Map showing competitive projects in relation to the subject property.....	Page(s)	44
9. Description of proposed amenities for the subject property and assessment of quality and compatibility with competitive rental communities.....	Page(s)	46
10. For senior communities, an overview / evaluation of family properties in the PMA.....	Page(s)	N/A
11. Subject property's long-term impact on competitive rental communities in the PMA.....	Page(s)	66
12. Competitive units planned or under construction the market area		
i. Name, address/location, owner, number of units, configuration, rent structure, estimated date of market entry, and any other relevant information.....	Page(s)	51
13. Narrative or chart discussing how competitive properties compare with the proposed development with respect to total units, rents, occupancy, location, etc.....	Page(s)	64
i. Average market rent and rent advantage.....	Page(s)	49
14. Discussion of demand as it relates to the subject property and all comparable DCA funded projects in the market area.....	Page(s)	61-63
15. Rental trends in the PMA for the last five years including average occupancy trends and projection for the next two years.....	Page(s)	45
16. Impact of foreclosed, abandoned, and vacant single and multi-family homes as well commercial properties in the market area.....	Page(s)	52
17. Discussion of primary housing voids in the PMA as they relate to the subject property.....	Page(s)	N/A

**H. Absorption and Stabilization Rates**

1. Anticipated absorption rate of the subject property .....	Page(s)	63
2. Stabilization period.....	Page(s)	63



<b>I. Interviews</b> .....	Page(s) 50
<b>J. Conclusions and Recommendations</b>	
1. Conclusion as to the impact of the subject property on PMA.....	Page(s) 66
2. Recommendation as the subject property's viability in PMA.....	Page(s) 67
<b>K. Signed Statement Requirements</b> .....	Page(s) App.



## APPENDIX 6 NCHMA CHECKLIST

**Introduction:** Members of the National Council of Housing Market Analysts provides a checklist referencing all components of their market study. This checklist is intended to assist readers on the location and content of issues relevant to the evaluation and analysis of market studies. The page number of each component referenced is noted in the right column. In cases where the item is not relevant, the author has indicated "N/A" or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a "V" (variation) with a comment explaining the conflict. More detailed notations or explanations are also acceptable.

<b>Component (*First occurring page is noted)</b>		<b>*Page(s)</b>
<b>Executive Summary</b>		
1.	Executive Summary	
<b>Project Summary</b>		
2.	Project description with exact number of bedrooms and baths proposed, income limitation, proposed rents, and utility allowances	10,11
3.	Utilities (and utility sources) included in rent	10, 11
4.	Project design description	10,11
5.	Unit and project amenities; parking	10,11
6.	Public programs included	9
7.	Target population description	9
8.	Date of construction/preliminary completion	12
9.	If rehabilitation, existing unit breakdown and rents	9
10.	Reference to review/status of project plans	10
<b>Location and Market Area</b>		
11.	Market area/secondary market area description	24
12.	Concise description of the site and adjacent parcels	13
13.	Description of site characteristics	13
14.	Site photos/maps	14 - 17
15.	Map of community services	22
16.	Visibility and accessibility evaluation	20
17.	Crime information	18
<b>Employment and Economy</b>		
18.	Employment by industry	29
19.	Historical unemployment rate	27
20.	Area major employers	31
21.	Five-year employment growth	28





22.	Discussion of commuting patterns of area workers	26
<b>Demographic Characteristics</b>		
23.	Population and household estimates and projections	34
24.	Area building permits	35
25.	Distribution of income	40
26.	Households by tenure	38
<b>Competitive Environment</b>		
27.	Comparable property profiles	82
28.	Map of comparable properties	44
29.	Comparable property photos	82
30.	Existing rental housing evaluation	41
31.	Comparable property discussion	43
32.	Area vacancy rates, including rates for tax credit and government-subsidized communities	43
33.	Comparison of subject property to comparable properties	64
34.	Availability of Housing Choice Vouchers	51
35.	Identification of waiting lists	51
36.	Description of overall rental market including share of market-rate and affordable properties	43
37.	List of existing LIHTC properties	51
38.	Discussion of future changes in housing stock	51
39.	Discussion of availability and cost of other affordable housing options, including homeownership	41
40.	Tax credit and other planned or under construction rental communities in market area	51
<b>Analysis/Conclusions</b>		
41.	Calculation and analysis of Capture Rate	61
42.	Calculation and analysis of Penetration Rate	N/A
43.	Evaluation of proposed rent levels	65
44.	Derivation of Achievable Market Rent and Market Advantage	49
45.	Derivation of Achievable Restricted Rent	N/A
46.	Precise statement of key conclusions	54
47.	Market strengths and weaknesses impacting project	64
48.	Recommendation and/or modification to project description	64, if applicable
49.	Discussion of subject property's impact on existing housing	64
50.	Absorption projection with issues impacting performance	63
51.	Discussion of risks or other mitigating circumstances impacting project	67, if applicable



52.	Interviews with area housing stakeholders	51
<b>Certifications</b>		
53.	Preparation date of report	Cover
54.	Date of field work	7
55.	Certifications	63
56.	Statement of qualifications	63
57.	Sources of data not otherwise identified	N/A
58.	Utility allowance schedule	N/A



## APPENDIX 7 RENTAL COMMUNITY PROFILES

Community	Address	City	Phone Number	Date Surveyed	Contact
4th Street Village	690 4th St.	Athens	706-543-5915	5/13/2014	Property Manager
Archer on North	210 Spring Ct.	Athens	706-751-4878	5/13/2014	Property Manager
Athens Highland	537 4th St.	Athens	706-548-1717	5/13/2014	Property Manager
Beechwood Pines	110 Pinyon Pine Cir.	Athens	888-633-2137	5/13/2014	Property Manager
Bethel Midtown Village	155 Hickman Dr.	Athens	706-549-9194	5/13/2014	Property Manager
Carousel Village	1097 S Milledge Ave.	Athens	706-548-1132	5/13/2014	Property Manager
Cascades on the River	195 Sycamore Dr.	Athens	706-395-2758	5/13/2014	Property Manager
Creeside Estates	503 Creek Hollow Way	Athens	706-387-8396	5/13/2014	Property Manager
Georgetown Village	400 Springdale St.	Athens	706-353-7368	5/13/2014	Property Manager
Georgia Green	700 4th St.	Athens	706-353-7720	5/13/2014	Property Manager
Oak Hill	210 Old Hull Rd.	Athens	706-369-9936	5/13/2014	Property Manager

# 4th Street Village

## Multifamily Community Profile

690 4th St.  
Athens, GA

CommunityType: LIHTC - General  
Structure Type: Garden

118 Units      0.0% Vacant (0 units vacant) as of 5/13/2014

Opened in 2007



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	16.9%	\$480	866	\$0.55	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	57.6%	\$567	1,074	\$0.53	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	25.4%	\$627	1,279	\$0.49	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

### Comments

Waitlist for 30% AMI units  
Dryer included in rent.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	2	\$245	866	\$.28	LIHTC/ 30%	5/13/14	0.0%	\$480	\$567	\$627
Garden	--	1	1	13	\$478	866	\$.55	LIHTC/ 50%					
Garden	--	1	1	5	\$580	866	\$.67	Market					
Garden	--	2	2	7	\$306	1,074	\$.28	LIHTC/ 30%					
Garden	--	2	2	48	\$575	1,074	\$.54	LIHTC/ 50%					
Garden	--	2	2	13	\$680	1,074	\$.63	Market					
Garden	--	3	2	3	\$318	1,279	\$.25	LIHTC/ 30%					
Garden	--	3	2	21	\$628	1,279	\$.49	LIHTC/ 50%					
Garden	--	3	2	6	\$780	1,279	\$.61	Market					

### Adjustments to Rent

Incentives:  
None

Utilities in Rent:      Heat Fuel: Electric  
Heat:       Cooking:       Wtr/Swr:   
Hot Water:       Electricity:       Trash:

# Archer on North

## Multifamily Community Profile

210 Spring Ct.  
Athens, GA

CommunityType: Market Rate - General

Structure Type: 2-Story Garden

140 Units 10.0% Vacant (14 units vacant) as of 5/13/2014

Last Major Rehab in 2012



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	100.0%	\$650	546	\$1.19	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Unit Alarms
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

### Comments

Rehabbed in 2012.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	140	\$650	546	\$1.19	Market	5/13/14	10.0%	\$650	--	--

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

# Athens Highland

## Multifamily Community Profile

537 Fourth St.  
Athens, GA

CommunityType: Market Rate - General

Structure Type: Garden

64 Units 4.7% Vacant (3 units vacant) as of 5/13/2014

Opened in 1969



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$607	900	\$0.67	Centrl Lndry:	Tennis:
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	Elevator:	Volleyball:
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
					Fitness:	CarWash:
					<input type="checkbox"/>	<input type="checkbox"/>
					Hot Tub:	BusinessCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Sauna:	ComputerCtr:
					<input type="checkbox"/>	<input type="checkbox"/>
					Playground:	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Ice Maker; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

### Comments

--	--	--	--	--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/13/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	64	\$613	900	\$.68	Market	5/13/14	4.7%	--	\$607	--

--	--	--	--	--	--	--	--	--	--	--	--	--	--

### Adjustments to Rent

Incentives:	
1/2 month free	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/>
	Wtr/Swr: <input type="checkbox"/>
	Trash: <input checked="" type="checkbox"/>



# Beechwood Pines

## Multifamily Community Profile

110 Pinyon Pine Cir.  
Athens, GA

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

182 Units 1.1% Vacant (2 units vacant) as of 5/13/2014

Opened in 2004



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	52.7%	\$765	745	\$1.03	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	47.3%	\$939	1,059	\$0.89	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings; Storage (In Unit)	
Select Units:	--
Optional(\$):	--
Security:	Unit Alarms; Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	Detached Garage
Fee:	\$75
Property Manager:	--
Owner:	--

### Comments

--	--	--	--	--	--	--	--	--	--

Floorplans (Published Rents as of 5/13/2014) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	32	\$720	642	\$1.12	Market	5/13/14	1.1%	\$765	\$939	--
Garden	--	1	1	64	\$765	797	\$0.96	Market					
Garden	--	2	2	86	\$919	1,059	\$0.87	Market					

--	--	--	--	--	--	--	--	--	--

### Adjustments to Rent

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

# Bethel Midtown Village

## Multifamily Community Profile

155 Hickman Dr.  
Athens, GA

CommunityType: LIHTC - General

Structure Type: Garden

190 Units 1.6% Vacant (3 units vacant) as of 5/13/2014

Last Major Rehab in 2003 Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	\$651	--	--	<input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	\$728	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$961	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: -- Owner: --	

### Comments

All 183 thirty percent units have PBRA, rent is contract rent - waitlist of 120 people.

Three vacancies on the seven 60% AMI units.

30 one-bedroom units, 85 two-bedroom units, and 75 three-bedroom units.

Floorplans (Published Rents as of 5/13/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$700	--	--	Section 8/ 30%	5/13/14	1.6%	\$651	\$728	\$961
Garden	--	1	1	--	\$571	--	--	LIHTC/ 60%					
Garden	--	2	1	--	\$793	--	--	Section 8/ 30%					
Garden	--	2	1	--	\$622	--	--	LIHTC/ 60%					
Garden	--	3	1	--	\$1,093	--	--	Section 8/ 30%					
Garden	--	3	1	--	\$779	--	--	LIHTC/ 60%					

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Gas

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

# Carousel Village

## Multifamily Community Profile

1097 S Milledge Ave  
Athens, GA 30605

CommunityType: Market Rate - General

Structure Type: Garden

96 Units 0.0% Vacant (0 units vacant) as of 5/13/2014

Opened in 1965



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	100.0%	\$505	650	\$0.78	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

### Comments

Floorplans (Published Rents as of 5/13/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	96	\$505	650	\$.78	Market	5/13/14	0.0%	\$505	--	--
									5/25/04	5.2%	\$445	--	--

### Adjustments to Rent

Incentives:  
None

Utilities in Rent: Heat Fuel: Electric

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

© 2014 Real Property Research Group, Inc. (1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent (2) Published Rent is rent as quoted by management.

# Cascades on the River

## Multifamily Community Profile

195 Sycamore Dr.  
Athens, GA

CommunityType: Market Rate - General  
Structure Type: Garden

84 Units      Occupancy data not currently available



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	\$575	690	\$0.83	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$625	932	\$0.67	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$763	1,154	\$0.66	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

### Comments

Management refused occupancy information.  
Cable included in the rent.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$575	690	\$.83	Market	5/13/14	--	\$575	\$625	\$763
Garden	--	2	2	--	\$650	1,035	\$.63	Market					
Garden	--	2	1	--	\$599	828	\$.72	Market					
Garden	--	3	1.5	--	\$750	1,129	\$.66	Market					
Garden	--	3	2	--	\$775	1,179	\$.66	Market					

### Adjustments to Rent

Incentives:  
None

Utilities in Rent:      Heat Fuel: Electric

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

# Creekside Estates

## Multifamily Community Profile

503 Creek Hollow Way  
Athens, GA

CommunityType: Market Rate - General

Structure Type: Duplex

158 Units 1.3% Vacant (2 units vacant) as of 5/13/2014

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$715	1,000	\$0.72	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	<input type="checkbox"/>

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

### Comments

Walking trails and grilling areas on site.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Duplex	--	2	2	158	\$695	1,000	\$0.70	Market	5/13/14	1.3%	--	\$715	--

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:



# Dogwood Park

## Multifamily Community Profile

198 Old Hull Rd.  
Athens, GA

CommunityType: LIHTC - General  
Structure Type: Garden

127 Units      5.5% Vacant (7 units vacant) as of 5/13/2014

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	5.5%	\$186	650	\$0.29	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	53.5%	\$564	1,002	\$0.56	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	40.9%	\$629	1,163	\$0.54	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

### Comments

Accepts PBRA vouchers.

Floorplans (Published Rents as of 5/13/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Single story	--	1	1	7	\$171	650	\$0.26	LIHTC/ 30%	5/13/14	5.5%	\$186	\$564	\$629
Garden	--	2	2	26	\$550	1,025	\$0.54	LIHTC/ 60%					
Garden	--	2	2	42	\$540	987	\$0.55	LIHTC/ 60%					
Garden	--	3	2	37	\$600	1,153	\$0.52	LIHTC/ 60%					
Garden	--	3	2	15	\$615	1,187	\$0.52	LIHTC/ 60%					

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

Dogwood Park

GA059-020188



# Georgetown Village

## Multifamily Community Profile

400 Springdale St.  
Athens, GA

CommunityType: Market Rate - General  
Structure Type: Garden

40 Units 10.0% Vacant (4 units vacant) as of 5/13/2014

Opened in 1975



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	100.0%	\$614	1,140	\$0.54	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

### Comments

Two bed / two bath units get car ports.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	1	24	\$590	1,100	\$0.54	Market	5/13/14	10.0%	--	\$614	--
Garden	--	2	2	16	\$650	1,200	\$0.54	Market					

### Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash:

# Georgia Green

## Multifamily Community Profile

700 Fourth St.  
Athens, GA

CommunityType: Market Rate - General  
Structure Type: Townhouse

134 Units      35.8% Vacant (48 units vacant) as of 5/13/2014



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm:	Basketball:
One/Den	--	--	--	--	Centrl Lndry:	Tennis:
Two	100.0%	\$587	1,040	\$0.56	Elevator:	Volleyball:
Two/Den	--	--	--	--	Fitness:	CarWash:
Three	--	--	--	--	Hot Tub:	BusinessCtr:
Four+	--	--	--	--	Sauna:	ComputerCtr:
					Playground:	

Features	
Standard: Dishwasher; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony; Cable TV	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager:	--
Owner:	--

### Comments

Cable included in the rent.  
Management stated that some units are down for renovations and a new management company just took over.  
These are the reasons given for such a high vacancy rate at this time.

Floorplans (Published Rents as of 5/13/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	2	1.5	134	\$613	1,040	\$0.59	Market	5/13/14	35.8%	--	\$587	--
										<b>Adjustments to Rent</b>			
										Incentives: \$300 move-in			
										Utilities in Rent:      Heat Fuel: Electric			
										Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input checked="" type="checkbox"/>			
										Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>			

# Oak Hill

## Multifamily Community Profile

210 Old Hull Road  
Athens, GA 30601

CommunityType: LIHTC - General

Structure Type: Garden

220 Units 1.4% Vacant (3 units vacant) as of 5/13/2014

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	77.3%	\$460	815	\$0.56	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	19.1%	\$565	1,086	\$0.52	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	3.6%	\$696	1,380	\$0.50	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

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

### Comments

Short waitlist for two bedroom units.

### Floorplans (Published Rents as of 5/13/2014) (2)

### Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	170	\$485	815	\$.60	LIHTC/ 60%	5/13/14	1.4%	\$460	\$565	\$696
Garden	--	2	2	42	\$545	1,086	\$.50	LIHTC/ 60%	5/5/05	21.8%	\$454	\$518	\$700
Garden	--	3	2	8	\$671	1,380	\$.49	LIHTC/ 60%	5/25/04	21.4%	\$490	\$580	\$660

### Adjustments to Rent

Incentives:

1 month free - 1BD units

Utilities in Rent: Heat Fuel: Electric

Heat:  Cooking:  Wtr/Swr:

Hot Water:  Electricity:  Trash: