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MARKET VALUATION OF:

COLUMBIA FAYETTEVILLE

A MARKET VALUATION OF:

COLUMBIA FAYETTEVILLE

FAYETTEVILLE ROAD
ATLANTA, DEKALB COUNTY,
GEORGIA, 30317

Effective Date: April 16, 2017
Report Date: May 15, 2017

Prepared For:
Mr. Jim Grauley
Columbia Fayetteville, LP
1718 Peachtree Street NW, Suite 684
Atlanta, Georgia 30309

Prepared By
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May 16, 2017

Mr. Jim Grauley
Columbia Fayetteville, LP
1718 Peachtree Street NW, Suite 684
Atlanta, Georgia 30309

Re: Land Appraisal of Columbia Fayetteville
Fayetteville Road
Atlanta, DeKalb County, Georgia

Dear Mr. Grauley:

We are pleased to present our findings with respect to the value of the above-referenced property, Columbia Fayetteville ("Subject"). As requested, we provided our opinion of the underlying land value of the fee simple estate.

Our valuation report is for use by the client to include in the application for Low Income Housing Tax Credit (LIHTC). Neither this report nor any portion thereof may be used for any other purpose or distributed to third parties without the express written consent of Novogradac and Company LLP ("Novogradac").

This valuation engagement was conducted in accordance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute, which standards incorporate the Uniform Standards of Professional Appraisal Practice (USPAP).

This report is intended to comply with the reporting requirements set forth under Standard Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report.

The authors of this report certify that we are not part of the development team, owner of the Subject site, general contractor, nor are we affiliated with any member of the development team engaged in the development of the Subject site or the development's partners or intended partners.

Columbia Fayetteville, LP is the client in this engagement. The Georgia Department of Community Affairs (DCA) is an authorized user and may rely on the representations made herein. We understand that they will use this document to assist in obtaining LIHTC, HOME funds, and/or other financing. Intended users are those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Columbia Fayetteville, LP owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

As a result of our investigation and analysis, it is our opinion that, subject to the limiting conditions and assumptions contained herein, our opinion of the as is market value of the fee simple interest in the Subject as-if vacant, free and clear of financing, as of April 16, 2017 is:

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Mr. Jim Grauley
Columbia Fayetteville, LP
May 15, 2017
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**ONE MILLION SEVEN HUNDRED THIRTY THOUSAND DOLLARS
(\$1,730,000)**

Exposure Time: Nine - 12 Months

Marketing Period: Nine - 12 Months

We appreciate this opportunity to be of service. Please contact us if you have any comments or questions.

Respectfully submitted,
Novogradac & Company LLP



H. Blair Kincer, MAI, CRE
LEED Green Associate



Brian Neukam
Manager
GA Appraiser #329471
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I. INTRODUCTION

INTRODUCTION

Property Identification

According to information provided by the owner, the Subject property consists of an approximately 4.8-acre site located along the west side of Fayetteville Road just south of Glenwood Avenue in Atlanta, DeKalb County, Georgia 30317. The Subject site is currently vacant.

Ownership History

The Subject property is currently owned by Glenwood & Fayetteville Development, LLC. The Subject property is currently under contract for purchase by Columbia Fayetteville, LP from Glenwood & Fayetteville Development, LLC. This transaction includes an identity of interest between the buyer and seller. According to a draft of the purchase agreement provided by the client and dated May 2017, the purchase price is \$810,000. Our subsequently-concluded value is substantially higher than the purchase agreement. We consider our concluded value supported and do not place weight on the purchase agreement as it is not an arm's length transaction. We are not aware of any other transfers in the past three years.

Intended Use and User of the Appraisal

Columbia Fayetteville, LP is the client in this engagement. The Georgia Department of Community Affairs (DCA) is an authorized user and may rely on the representations made herein. We understand that they will use this document to assist in obtaining LIHTC, HOME funds, and/or other financing. Intended users are those transaction participants who are interested parties and have knowledge of the Section 42 LIHTC program. These could include local housing authorities, state allocating agencies, state lending authorities, LIHTC construction and permanent lenders, and LIHTC syndicators. As our client, Columbia Fayetteville, LP owns this report and permission must be granted from them before another third party can use this document. We assume that by reading this report another third party has accepted the terms of the original engagement letter including scope of work and limitations of liability. We are prepared to modify this document to meet any specific needs of the potential users under a separate agreement.

Scope of the Appraisal

As part of this appraisal, we have completed the following steps to gather, confirm, and analyze the data:

- Physically inspected the Subject and the surrounding neighborhood. This site was last inspected on April 16, 2017.
- Collected factual information about the Subject and the surrounding market and confirmed that information with various sources.
- Collected and confirmed market information needed to consider all of the three traditional approaches to value yet only one, the sales comparison approach, was considered relevant and developed for this report.
- Prepared an appraisal report setting forth the conclusion derived in this analysis as well as the information upon which the conclusions are based.

This report conforms to the requirements of the *Uniform Standards of Professional Appraisal Practice* (USPAP) and the Appraisal Institute.

Definition of Market Value

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;

2. Both parties are well informed or well advised and acting in what they consider their best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
5. The price represents normal considerations for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.¹

Compliance and Competency Provision

The appraiser is aware of the compliance and competency provisions of USPAP, and within our understanding of those provisions, this report complies with all mandatory requirements, and the authors of this report possess the education, knowledge, technical skills, and practical experience to complete this assignment competently, in conformance with the stated regulations.

Unavailability of Information

In general, all information necessary to develop an estimate of value of the Subject site was available to the appraisers.

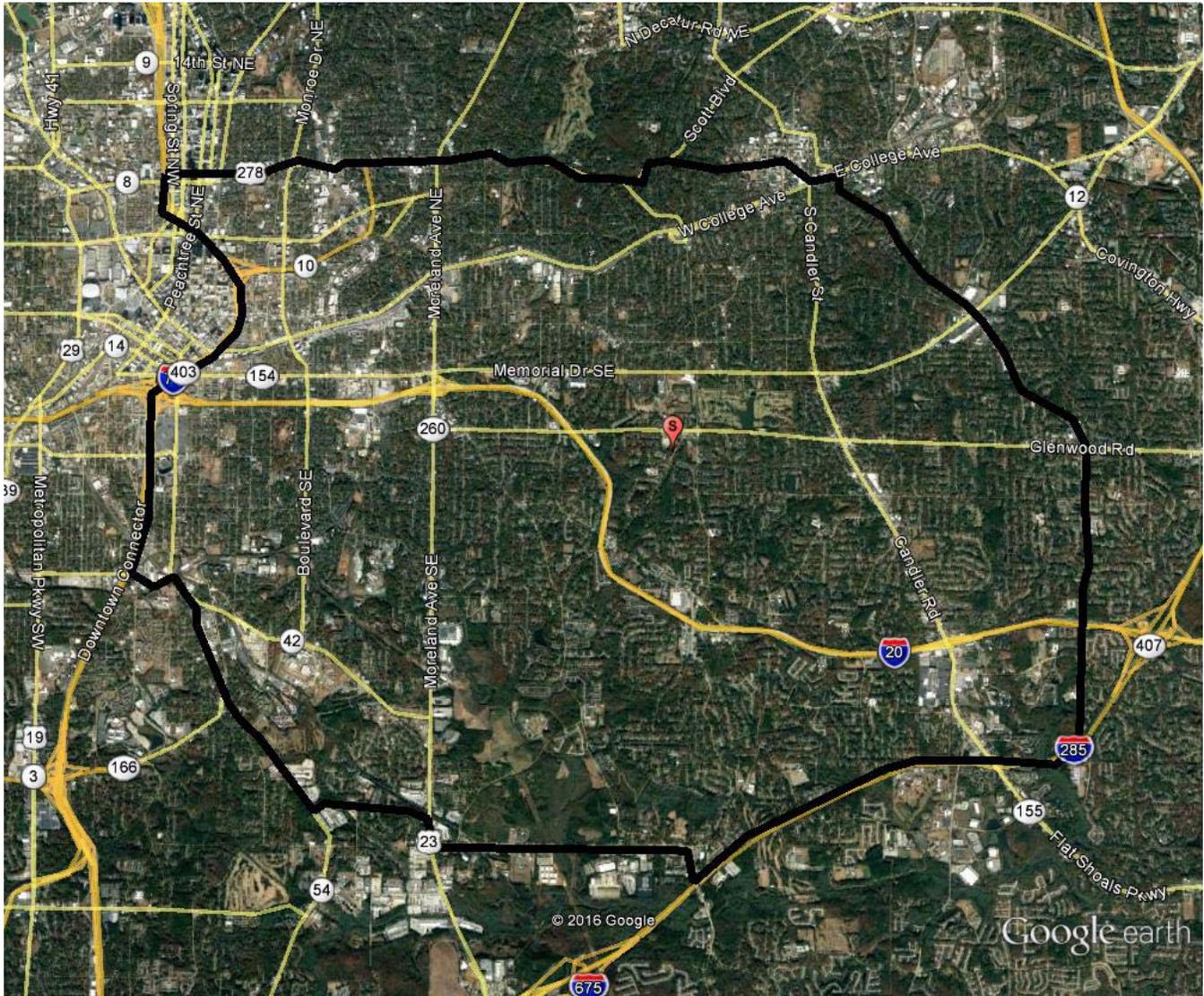
¹ 12 C.F.R. Part 34.42(g); Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994

II. AREA DESCRIPTION AND ANALYSIS

AREA DESCRIPTION AND ANALYSIS

PRIMARY MARKET AREA

The primary market area (PMA) for the Subject generally consists of the eastern portion of the city of Atlanta, as well as portions of the surrounding community of Decatur and unincorporated DeKalb County. A map illustrating the PMA is as follows:



Source: Google Earth, March 2017

Novogradac & Company LLP obtained economic information from the Bureau of Labor Statistics and ESRI Demographics, a national data proprietor. These data sources are considered to be the most reliable and current.

ECONOMIC ANALYSIS

Employment by Industry

The following table illustrates employment by industry for the PMA and the nation as of 2016.

2017 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Prof/Scientific/Tech Services	10,116	14.0%	10,269,978	6.8%
Educational Services	9,072	12.5%	14,359,370	9.5%
Healthcare/Social Assistance	8,913	12.3%	21,304,508	14.1%
Retail Trade	6,957	9.6%	17,169,304	11.3%
Accommodation/Food Services	6,255	8.6%	11,574,403	7.6%
Public Administration	3,999	5.5%	7,093,689	4.7%
Transportation/Warehousing	3,923	5.4%	6,128,217	4.0%
Other Services (excl Publ Adm)	3,585	5.0%	7,463,834	4.9%
Admin/Support/Waste Mgmt Svcs	3,336	4.6%	6,511,707	4.3%
Manufacturing	3,134	4.3%	15,499,826	10.2%
Finance/Insurance	2,739	3.8%	6,942,986	4.6%
Information	2,562	3.5%	2,862,063	1.9%
Construction	2,102	2.9%	9,342,539	6.2%
Arts/Entertainment/Recreation	1,900	2.6%	3,416,474	2.3%
Wholesale Trade	1,575	2.2%	4,066,471	2.7%
Real Estate/Rental/Leasing	1,346	1.9%	2,946,196	1.9%
Utilities	694	1.0%	1,344,219	0.9%
Agric/Forestry/Fishing/Hunting	101	0.1%	2,253,044	1.5%
Mgmt of Companies/Enterprises	55	0.1%	89,612	0.1%
Mining	8	0.0%	749,242	0.5%
Total Employment	72,372	100.0%	151,387,682	100.0%

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

Professional/scientific/technological services, educational services, healthcare/social assistance, retail trade, and accommodation/food services are the five largest industries in the PMA. Combined they account for approximately 57 percent of total employment within the PMA. Industries overrepresented in the PMA include professional/scientific/technological services, educational services, accommodation/food services, public administration, transportation/warehousing, and administration/support/waste management services. Employment in these sectors is supported by the PMA's proximity to the state capitol, several institutions of higher education, and Interstate 20 and Interstates 75 and 85, all major thoroughfares in the region. As illustrated below, the county's largest employers are concentrated in these sectors.

The following table illustrates the change in employment by industry from 2000 to 2016 in the Subject's PMA.

2000-2017 CHANGE IN EMPLOYMENT - PMA

Industry	2000		2017		2000-2017	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Prof/Scientific/Tech Services	5,486	8.1%	10,116	14.0%	4,630	5.0%
Educational Services	6,008	8.9%	9,072	12.5%	3,064	3.0%
Healthcare/Social Assistance	7,192	10.6%	8,913	12.3%	1,721	1.4%
Retail Trade	6,228	9.2%	6,957	9.6%	729	0.7%
Accommodation/Food Services	5,828	8.6%	6,255	8.6%	427	0.4%
Public Administration	4,123	6.1%	3,999	5.5%	-124	-0.2%
Transportation/Warehousing	4,501	6.7%	3,923	5.4%	-578	-0.8%
Other Services (excl Publ Adm)	3,940	5.8%	3,585	5.0%	-355	-0.5%
Admin/Support/Waste Mgmt Svcs	3,472	5.1%	3,336	4.6%	-136	-0.2%
Manufacturing	5,517	8.2%	3,134	4.3%	-2,383	-2.5%
Finance/Insurance	2,612	3.9%	2,739	3.8%	127	0.3%
Information	3,554	5.3%	2,562	3.5%	-992	-1.6%
Construction	4,096	6.1%	2,102	2.9%	-1,994	-2.9%
Arts/Entertainment/Recreation	1,242	1.8%	1,900	2.6%	658	3.1%
Wholesale Trade	1,707	2.5%	1,575	2.2%	-132	-0.5%
Real Estate/Rental/Leasing	1,479	2.2%	1,346	1.9%	-133	-0.5%
Utilities	399	0.6%	694	1.0%	295	4.3%
Agric/Forestry/Fishing/Hunting	155	0.2%	101	0.1%	-54	-2.0%
Mgmt of Companies/Enterprises	40	0.1%	55	0.1%	15	2.2%
Mining	12	0.0%	8	0.0%	-4	-2.0%
Total Employment	67,591	100.0%	72,372	100.0%	4,781	0.4%

Source: Esri Demographics 2017, Novogradac & Company LLP, May 2017

Manufacturing and the construction sector underwent a substantial loss of jobs between 2000 and 2017. However, jobs within the professional/scientific/tech services sector and the educational services sector demonstrated the largest amount of employment growth in the PMA from 2000 to 2017. Other sectors that exhibited significant employment growth during the same period include healthcare/social assistance and retail trade.

Major Employers

The following chart identifies the major employers in DeKalb County. The Subject's surrounding area offers numerous employment opportunities at various skill levels.

LARGEST EMPLOYERS: DEKALB COUNTY, GA

Rank	Company	Industry	Number of Employees
1	Emory University	Educational Services	10,000+
2	Dekalb Medical Ctr Pharmacy	Healthcare	1,000 to 4,999
3	Emory University Hospital	Healthcare	1,000 to 4,999
4	Dekalb County Police Info	Public Administration	1,000 to 4,999
5	Allscripts	Healthcare	1,000 to 4,999
6	Georgia Perimeter College	Educational Services	1,000 to 4,999
7	Centers For Disease Control	Healthcare	1,000 to 4,999
8	Dekalb Medical At N Decatur	Healthcare	1,000 to 4,999
9	Granite Pro Inc	Manufacturing	1,000 to 4,999
10	Quest Diagnostics	Healthcare	1,000 to 4,999

Source: Georgia Department of Labor, Georgia Labor Market Explorer, March 2017

As seen in the previous table, the top employers within DeKalb County are concentrated in the educational services and healthcare industries. The largest employer in the county, Emory University, is also ranked as the second largest employer in the metro-Atlanta area.

Employment Expansion/Contractions

The following table illustrates the WARN notices for 2016 through 2017 YTD for DeKalb County.

WARN NOTICES - DEKALB COUNTY, GA - 2014-2017

Company	Industry	Number of Employees Affected
Macy's Customer Fulfillment Center	Wholesale Trade	133
Hawker Beechcraft	Transportation/Warehousing	42
Holiday Inn Alanta Perimeter	Accommodation/Food Services	43
EchoStar Technologies LLC	Information	137
GA State University	Educational Services	25
Crawford and Company	Finance/Insurance	21
Sears Holding Corporation	Management of Companies/Enterprises	48
Quad Graphics	Manufacturing	110
DeKalb County Government	Public Administration	88
Hood Packaing Corporation	Admin/Support/Waste Mgmt Services	59
Georgia-Pacific Corrugated LLC	Manufacturing	80
CCP North America Inc.	Prof/Scientific/Tech Services	57
RCO Legal, P.S.	Prof/Scientific/Tech Services	133
Total		976

Source: Georgia Department of Economic Development, Workforce Division, March 2017

The Worker Adjustment and Retraining Notification Act (WARN) provides protection to workers, their families and communities by requiring employers to provide notification of plant closings and mass layoffs. As illustrated in the above table, there have been 976 employees in the area impacted by layoffs or closures since 2014. Despite these job losses that have been reported, there has been some growth occurring in the area.

EXPANSIONS/NEW ADDITIONS - DEKALB COUNTY, GA - 2014-2017

Company	Industry	Number of Employees
Sprouts Farmers Market	Retail Trade	100
Home Chef	Retail Trade	1,200
Children's Health Care of Atlanta	Healthcare	143
The Task Force for Global Health	Healthcare	85
Sysnet Global Solutions	Information	500
Seven Oaks Company	Real Estate/Rental/Leasing	1,350
Cox Automotive HQ	Information	1,200
Source One Direct	Prof/Scientific/Tech Services	100
Eurofins Genomics	Prof/Scientific/Tech Services	78
Total		3,471

As seen in the previous table, recent expansions and additions in DeKalb County have occurred in the real estate/leasing, retail trade, and information sectors.

Employment and Unemployment Trends

The table below illustrates the employment and unemployment rate for the MSA from 2001 to 2016 (year to date).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	Atlanta-Sandy Springs-Roswell, GA MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2001	2,329,891	-	3.7%	-	136,933,000	-	4.7%	-
2002	2,324,880	-0.2%	5.0%	1.4%	136,485,000	-0.3%	5.8%	1.0%
2003	2,347,173	1.0%	4.9%	-0.2%	137,736,000	0.9%	6.0%	0.2%
2004	2,382,163	1.5%	4.8%	-0.1%	139,252,000	1.1%	5.5%	-0.5%
2005	2,445,674	2.7%	5.4%	0.6%	141,730,000	1.8%	5.1%	-0.5%
2006	2,538,141	3.8%	4.7%	-0.7%	144,427,000	1.9%	4.6%	-0.5%
2007	2,618,825	3.2%	4.4%	-0.2%	146,047,000	1.1%	4.6%	0.0%
2008	2,606,822	-0.5%	6.2%	1.7%	145,363,000	-0.5%	5.8%	1.2%
2009	2,452,057	-5.9%	9.9%	3.8%	139,878,000	-3.8%	9.3%	3.5%
2010	2,440,037	-0.5%	10.3%	0.4%	139,064,000	-0.6%	9.6%	0.3%
2011	2,486,895	1.9%	9.9%	-0.4%	139,869,000	0.6%	9.0%	-0.7%
2012	2,546,478	2.4%	8.8%	-1.1%	142,469,000	1.9%	8.1%	-0.9%
2013	2,574,339	1.1%	7.8%	-1.0%	143,929,000	1.0%	7.4%	-0.7%
2014	2,619,867	1.8%	6.7%	-1.1%	146,305,000	1.7%	6.2%	-1.2%
2015	2,677,863	2.2%	5.6%	-1.2%	148,833,000	1.7%	5.3%	-0.9%
2016 YTD Average*	2,770,683	3.5%	5.0%	-0.6%	151,435,833	1.7%	4.9%	-0.4%
Dec-2015	2,716,023	-	4.8%	-	149,703,000	-	4.8%	-
Dec-2016	2,834,631	4.4%	5.0%	0.2%	151,798,000	1.4%	4.5%	-0.3%

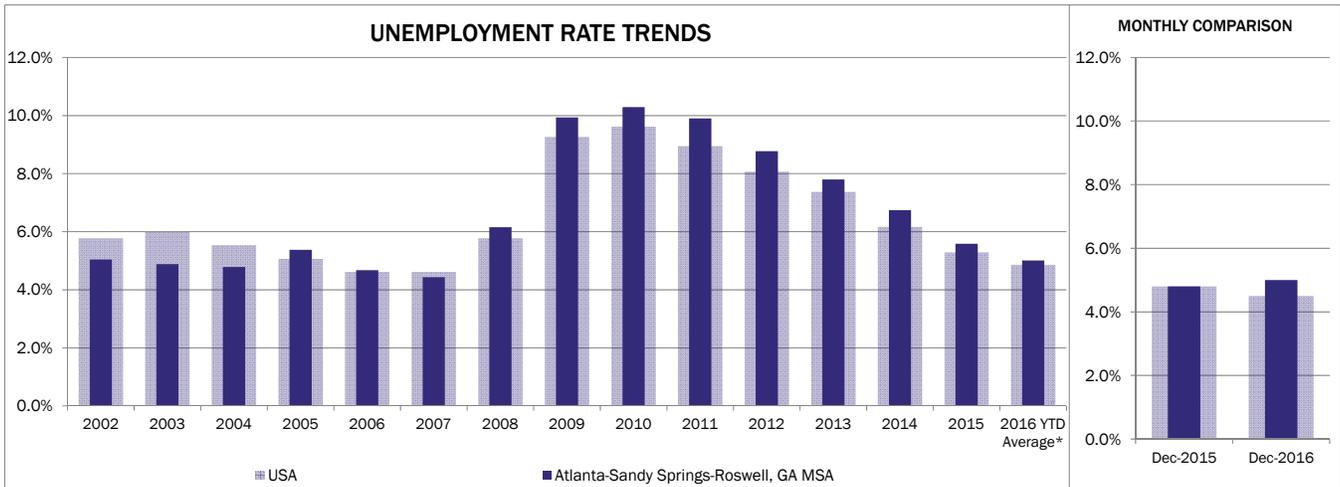
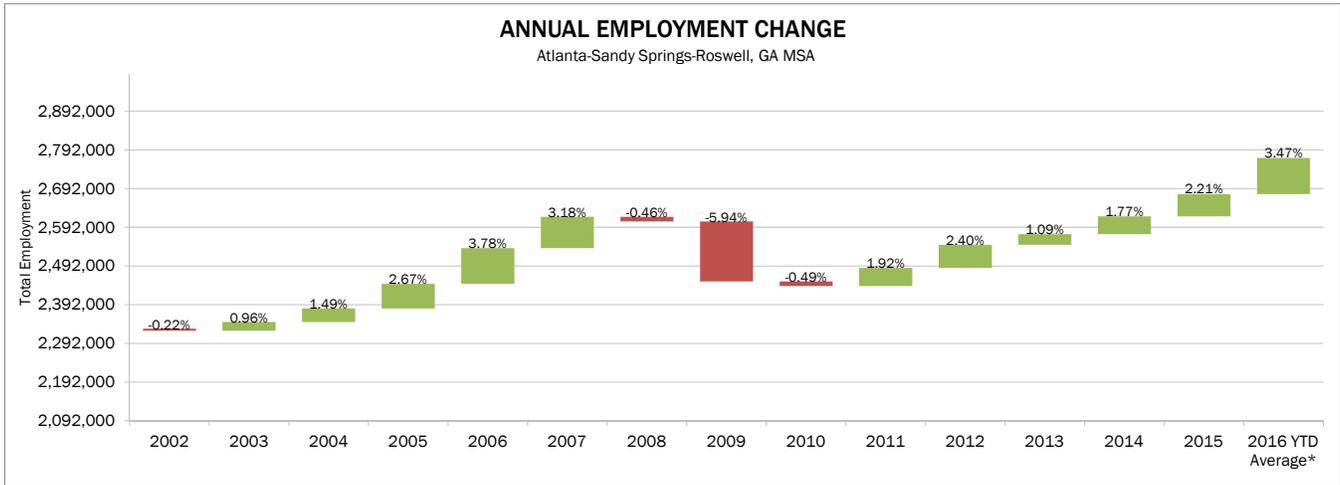
Source: U.S. Bureau of Labor Statistics May 2017

Between 2003 and 2007, total employment in the SMA exhibited positive growth, with a pre-recession peak occurring in 2007. These increases were significant but were followed by employment decreases from 2008 to 2010 as a result of the most recent economic recession. The MSA appears relatively healthy as total employment increased each year from 2011 through December 2016. As of 2014, total employment in the MSA exceeded pre-recessionary levels. Furthermore, the total employment growth in the SMA from December 2015 to December 2016 increased by 4.4 percent in the MSA compared to an increase of 1.4 percent nationally during the same time period.

Prior to the most recent economic recession, the unemployment rate in the MSA was generally similar to or below that of the nation. However, the unemployment rate in the MSA experienced a slightly more significant

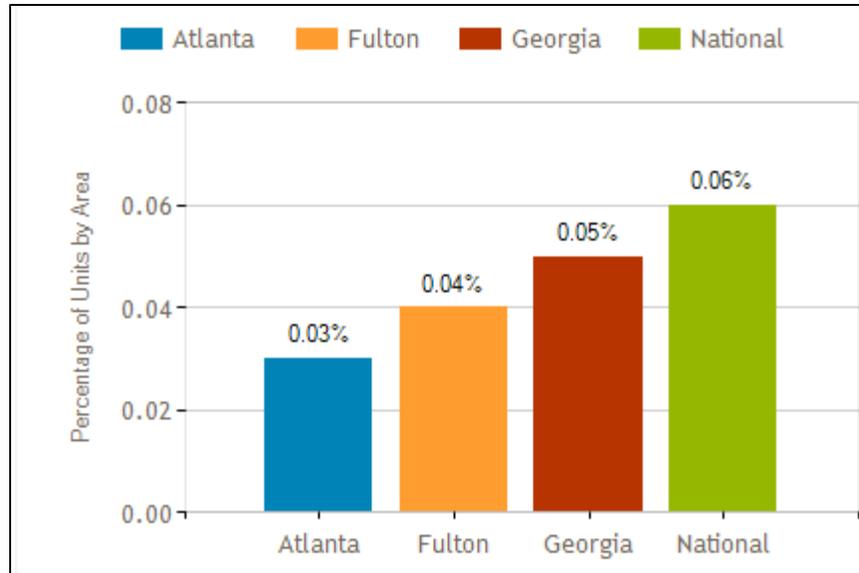
increase during the most recent national recession and has been generally above the nation since 2008. From December 2015 to December 2016, the unemployment rate in the MSA increased 0.2 percentage points, compared to a decrease of 0.3 percentage points nationally. The unemployment rate in the MSA as of December 2016 was 5.0 percent, which was 0.5 percentage points above the national rate of 4.5 percent. The current unemployment rate in the MSA represents a significant decrease from recessionary levels but has yet to reach pre-recessionary levels. Overall, the increasing total employment and decreasing unemployment rate are positive signs for the local economy.

The tables below provide more illustration of the changes in employment and unemployment rate trends in the MSA.



Economic Impact of Mortgage Crisis

We researched several local, regional, and national data sources and publications in order to ascertain information pertaining to the mortgage crisis and its impact on the local market. According to a monthly report by RealtyTrac.com, in April 2017 the national foreclosure rate was one foreclosure in every 1,706 housing units (0.05 percent), while the state of Georgia had a similar rate of one foreclosure in every 2,041 housing units (0.04 percent). DeKalb County experienced a foreclosure rate of one foreclosure in every 1,592 housing units (0.06 percent) while Atlanta had a similar foreclosure rate of one in every 2,722 housing units (0.03 percent). The following table illustrates the foreclosure market in the city of Atlanta in relation to the county, state, and nation:

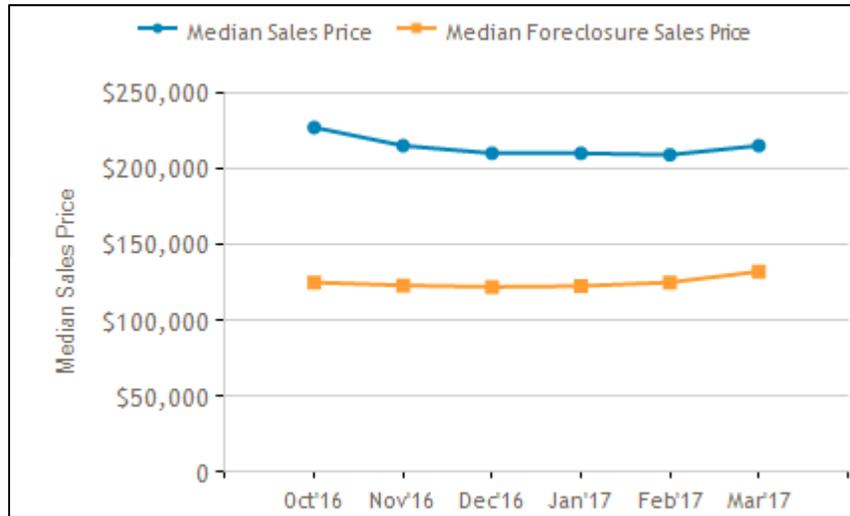


Source: Realtytrac.com, Novogradac & Company LLP, May 2017

Currently, RealtyTrac.com reports that there are 707,860 properties in the U.S. that are in some stage of foreclosure (default, auction, or bank owned). Comparatively, RealtyTrac.com lists 1,746 properties in Atlanta that are in some stage of foreclosure. In April 2017, the number of properties that received a foreclosure filing in the U.S. was 7 percent lower than the previous month and 23 percent lower than the previous year, while in Atlanta the number of properties that received a foreclosure filing was 37 percent higher than the previous month and 51 percent lower than the previous year. In terms of home sales for March 2017, national home sales were up 19 percent compared with the previous month and down 85 percent compared with a year ago, while in Atlanta home sales for March 2017 were down 16 percent compared with the previous month, and down 82 percent compared with a year ago. The nation's median sales price of a non-distressed home was \$215,000, and the median sales price of a foreclosure home was \$132,000, or 39 percent lower than non-distressed home sales. The median sales price of a non-distressed home in Atlanta was \$121,000, and the median sales price of a foreclosure home was \$65,139, or 46 percent lower than non-distressed home sales.

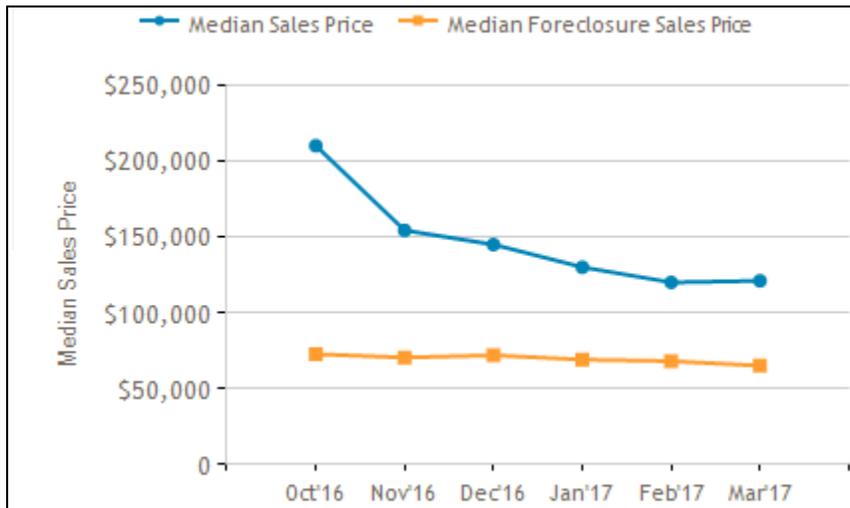
The following tables illustrate the median home sales price trends in the nation and Atlanta,GA.

Sales Prices – U.S.



Source: Realtytrac.com, Novogradac & Company LLP, May 2017

Sales Prices – Atlanta, GA



Source: Realtytrac.com, Novogradac & Company LLP, May 2017

Wages by Occupation

The following table details the wages by occupation for the second quarter 2016 for the MSA.

ATLANTA-SANDY SPRINGS-ROSWELL, GA MSA - 2ND QTR 2016 AREA WAGE ESTIMATES

Occupation	Number of Employees	Mean Hourly Wage	Mean Annual Wage
Total all occupations	2,553,370	\$24.38	\$50,720
Management Occupations	166,550	\$59.15	\$123,040
Legal Occupations	22,310	\$52.74	\$109,690
Computer and Mathematical Occupations	114,580	\$42.55	\$88,510
Architecture and Engineering Occupations	41,020	\$38.62	\$80,320
Healthcare Practitioners and Technical Occupations	128,200	\$38.00	\$79,040
Business and Financial Operations Occupations	167,020	\$35.52	\$73,890
Life, Physical, and Social Science Occupations	12,760	\$32.12	\$66,810
Arts, Design, Entertainment, Sports, and Media Occupations	36,470	\$25.49	\$53,020
Education, Training, and Library Occupations	145,470	\$23.72	\$49,330
Community and Social Services Occupations	24,950	\$23.40	\$48,670
Installation, Maintenance, and Repair Occupations	98,050	\$22.44	\$46,670
Construction and Extraction Occupations	81,540	\$20.54	\$42,720
Sales and Related Occupations	286,430	\$20.18	\$41,960
Protective Service Occupations	56,580	\$18.60	\$38,690
Office and Administrative Support Occupations	401,220	\$18.07	\$37,590
Transportation and Material Moving Occupations	215,540	\$16.99	\$35,340
Production Occupations	140,310	\$16.23	\$33,750
Healthcare Support Occupations	54,340	\$14.47	\$30,090
Farming, Fishing, and Forestry Occupations	1,800	\$14.02	\$29,170
Building and Grounds Cleaning and Maintenance Occupations	63,900	\$12.63	\$26,260
Personal Care and Service Occupations	56,090	\$12.08	\$25,120
Food Preparation and Serving-Related Occupations	238,240	\$10.02	\$20,840

Source: Department Of Labor, Occupational Employment Statistics, 5/2016, retrieved 5/2017

The previous chart illustrates average hourly and annual wages by employment classification. The classification with the lowest average hourly wage is food preparation and serving related occupations at \$10.02 per hour. Those in management occupations obtained the highest average hourly wage of \$59.15.

Commuting Patterns

The chart below shows the travel time to work for residents within the PMA according to ESRI Demographics data.

COMMUTING PATTERNS		
2000 Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	789	1.2%
Travel Time 5-9 min	3,677	5.7%
Travel Time 10-14 min	6,234	9.7%
Travel Time 15-19 min	9,472	14.8%
Travel Time 20-24 min	9,770	15.3%
Travel Time 25-29 min	4,576	7.1%
Travel Time 30-34 min	11,822	18.5%
Travel Time 35-39 min	2,062	3.2%
Travel Time 40-44 min	2,185	3.4%
Travel Time 45-59 min	5,680	8.9%
Travel Time 60-89 min	4,634	7.2%
Travel Time 90+ min	3,138	4.9%
Average Travel Time	31.5 minutes	-

Source: US Census 2000, Novogradac & Company, LLP, May 2017

As shown above, the average travel time for individuals in the PMA is 31.5 minutes. The largest category of commuters is the 30 to 34 minute cohort, which accounts for 11,822 commuters. The second and third largest categories of commuters are the 20 to 24 minute and 15 to 19 minute range. Approximately 70.8 percent of commuters spend less than 35 minutes commuting to work. Based upon the commute patterns, it appears that a majority of PMA residents commute to employment centers within Atlanta and the surrounding communities.

Conclusion

The PMA includes various employment options for area residents. The largest employment sectors in the area are in the professional/scientific/technological services, educational services, healthcare/social assistance, retail trade, and accommodation/food services sectors. Employment levels in the MSA have generally increased over the past decade, and total employment levels as of 2014 are higher than pre-recessionary levels, which is a positive sign given the recent national economic downturn. Unemployment rates for both the MSA and nation are at similar levels. Unemployment rates in the MSA are at their lowest levels since 2007. Overall, employment growth and the declining unemployment rate indicate that DeKalb County has made a recovery from the most recent national recession and is in an expansionary phase. Recent business expansions in several industries suggest both the health of the county's historically stable industries such as healthcare and education and the growth of smaller industries such as professional/scientific/technology services. The growing local economy is a positive indicator.

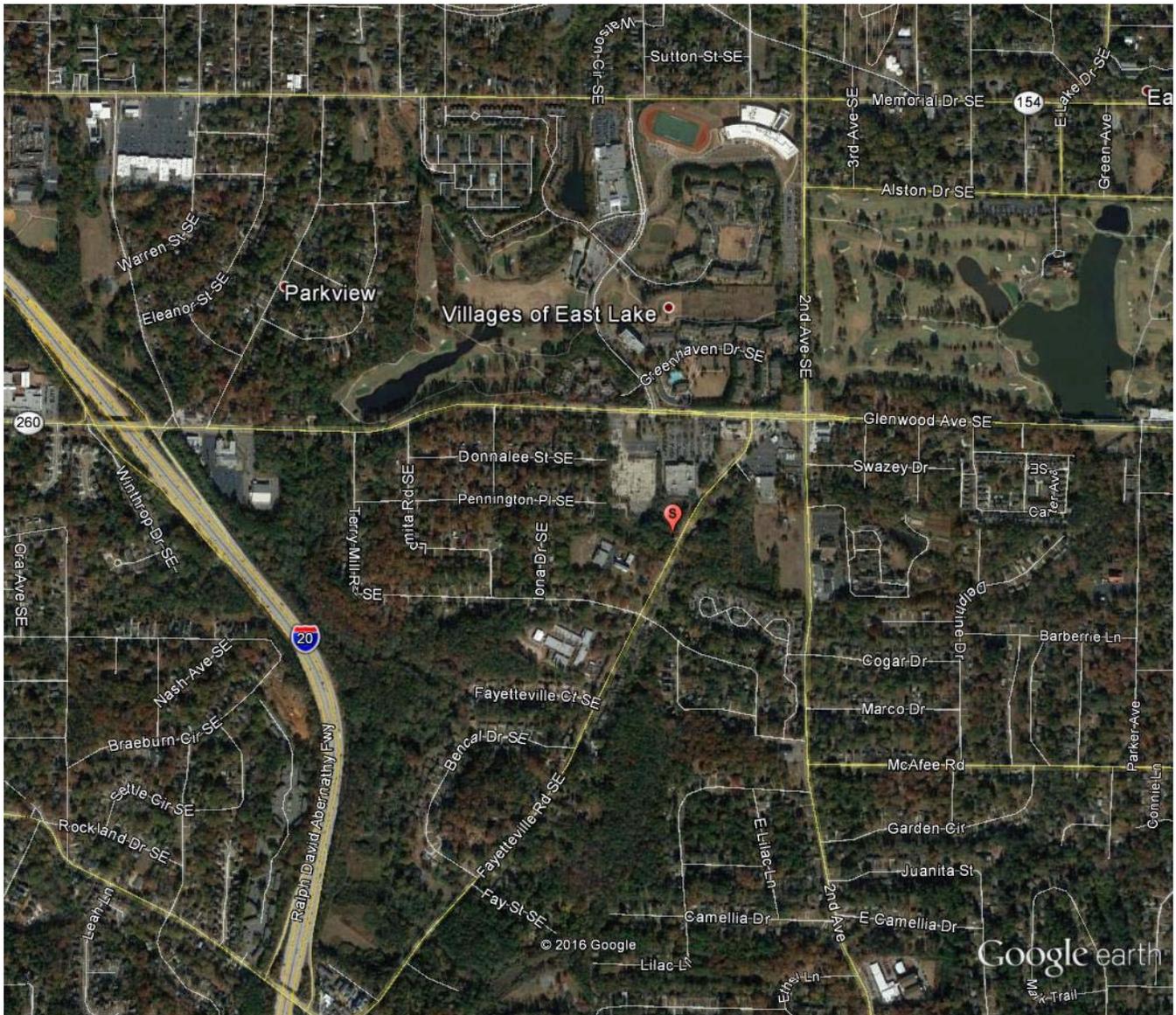
NEIGHBORHOOD DESCRIPTION AND ANALYSIS

Introduction

The neighborhood surrounding an apartment property often impacts the property's status, image, class, and style of operation, and sometimes its ability to attract and properly serve a particular market segment. This section investigates the property's neighborhood and evaluates any pertinent location factors that could affect its rent, its occupancy, and overall profitability.

Neighborhood Identification and Boundaries

General neighborhood boundaries include Memorial Drive to the north, Interstate 20 to the west, Terry Mill Rd to the south and 2nd Avenue to the east. A map of the neighborhood is included below.



Source: Google Earth, May 2017

Public Transportation

Bus

The Metropolitan Atlanta Rapid Transit Authority (MARTA) provides bus transportation throughout the Atlanta metro region. MARTA offers more than 91 bus routes. The nearest bus stop, at Fayetteville Road and Glenwood Avenue, is serviced by route 107 and 24. Standard MARTA fare is \$2.50 with four free transfers allowed within a three-hour period.

Healthcare

The nearest hospital is DeKalb Medical, which is located 4.1 miles to the north of the Subject. The hospital is a 628-bed academic medical center that offers a full range of medical services including acute care, rehabilitation and long-term care.

Higher Education

Atlanta is home to a number of public universities, private universities, community colleges, and technical training schools. Major universities of note include Georgia State University, Emory University, the Clark Atlanta University, Spelman College, Morehouse College, and Georgia Tech.

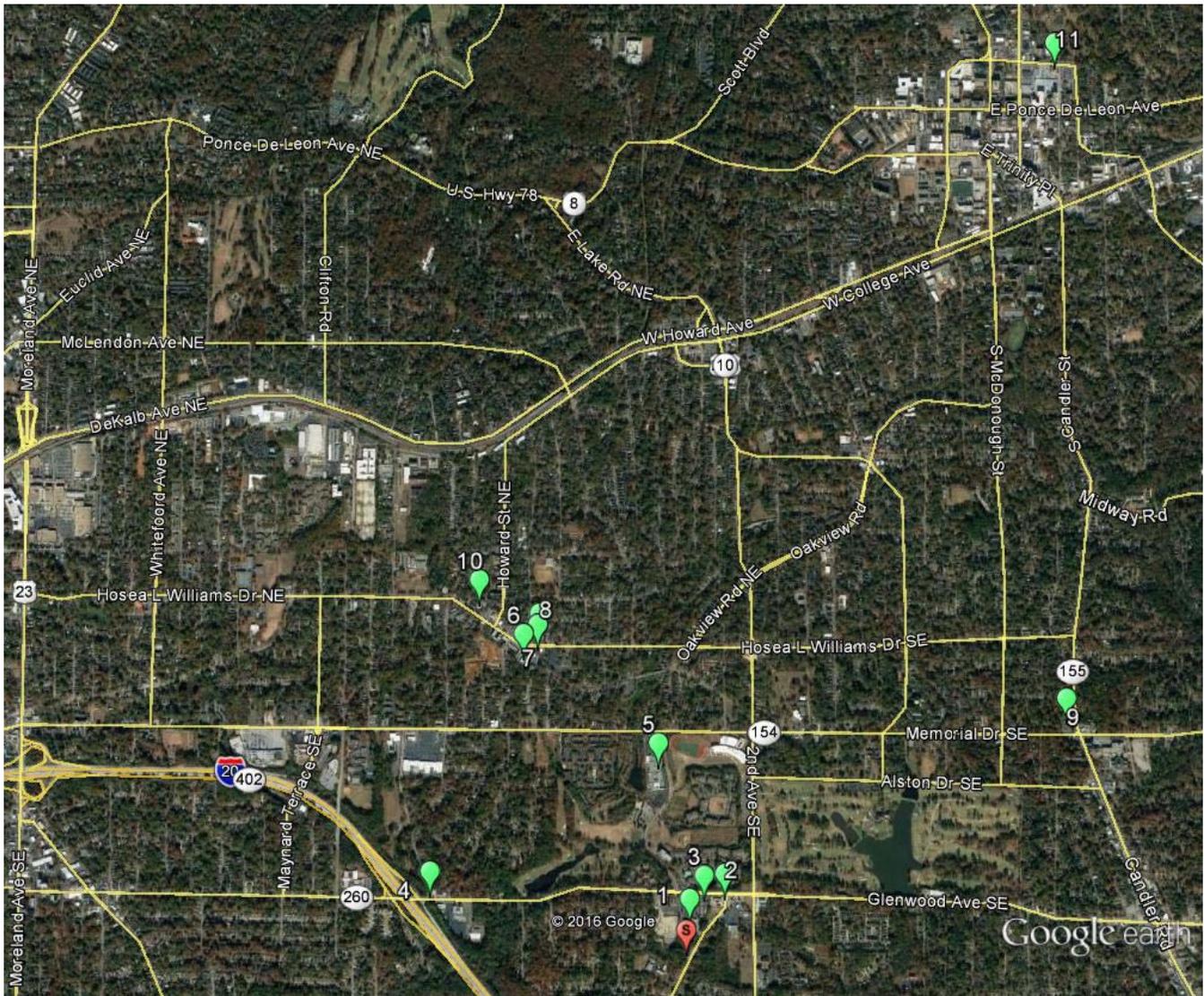
Primary Education

The Subject is located within Atlanta and is served by Atlanta Public Schools. Currently, the district consists of 50 elementary schools, 15 middle schools, 21 high schools and several other education facilities.

Locational Amenities and Distances from the Site

As illustrated, the Subject will be located within a reasonable proximity to many locational amenities and services. The following maps and table illustrate the surrounding locational amenities and their proximity to the Subject.

Locational Amenities Map



Google Earth, May 2017

LOCATIONAL AMENITIES

Number	Service or Amenity	Distance from Subject
1	Publix Super Market/Pharmacy	0.1 miles
2	Bus Stop	0.2 miles
3	Wells Fargo Bank	0.2 miles
4	Glenwood Triangle Park	1.1 miles
5	Drew Charter School	1.2 miles
6	Atlanta Fire Rescue Station 18	1.6 miles
7	Atlanta Police Department Zone 6	1.8 miles
8	Kirkwood Branch Library	1.8 miles
9	Rite Aid Pharmacy	1.8 miles
10	US Post Office	2.1 miles
11	DeKalb Medical- Downtown Decatur	4.1 miles

Adequacy/Availability of Utilities

All utilities are available to the neighborhood.

Neighborhood Description

Land uses to the north of the Subject site include several commercial uses, such as Publix Super Market and Wells Fargo Bank. The Villages of East Lake is a multifamily development in good condition farther north of the Subject site across Glenwood Avenue. This property is used as a comparable in our study. Directly east of the Subject site are single-family homes in average condition and vacant land. The Mohammed Schools of Atlanta is located immediately south of the Subject site. Adjacent west of the Subject site are single-family homes in average condition. Based on our inspection of the neighborhood, commercial uses appeared to be 95 percent occupied. The Subject site is considered “Car-Dependent” by *Walk Score* with a rating of 48 out of 100. The Subject site is located in a primarily residential neighborhood with commercial uses located nearby. The uses surrounding the Subject site are in average to good condition and the site has good proximity to locational amenities, which are within 4.1 miles of the Subject site.

Access and Traffic Flow

The Subject site can be accessed from the west side of Fayetteville Road, which is a two-lane neighborhood street. The site will have significant frontage along Fayetteville Road. Fayetteville Road connects with Glenwood Avenue just north of the Subject site. Glenwood Avenue provides access to Interstate 20 less than one mile west of its intersection with Fayetteville Road. Interstate 20 provides the site access to downtown Atlanta approximately 3.5 miles to the west. Overall, access and visibility are considered good.

Visibility/Views

The Subject will be located on the western side of Fayetteville Road. Visibility and views from the site will be good and initially will include vacant land and single-family homes. Overall, views are considered good.

Crime Statistics

The following table shows personal and property crimes for the PMA and MSA as an index, meaning an index of 100 is average. Any number above 100 is above average compared to the national crime index, while any number below 100 indicates lower than average crime.

2017 CRIME INDICES

	PMA	Atlanta-Sandy Springs- Roswell, GA MSA
Total Crime*	283	139
Personal Crime*	315	130
Murder	405	155
Rape	180	88
Robbery	407	163
Assault	283	118
Property Crime*	278	140
Burglary	285	147
Larceny	258	134
Motor Vehicle Theft	427	178

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

*Unweighted aggregations

As demonstrated in the table, the PMA index is higher than the MSA and the national average for all areas.

Summary

The Subject is located in a mixed-use neighborhood of Atlanta. All shopping, services, and recreational amenities are located within a relatively short distance of the Subject. Public transportation is also located

within close proximity to the Subject, which affords tenants an alternate transportation option. The neighborhood is well-suited for multifamily housing.

III. DEMOGRAPHIC TRENDS

DEMOGRAPHIC TRENDS

In this section we compare population, household, and income trends in the primary market area (PMA) with the Metropolitan Statistical Area (MSA). The primary market area (PMA) for the Subject generally consists of the city of Atlanta, as well as portions of the surrounding communities of Decatur and unincorporated DeKalb County. The secondary market area (SMA) for the Subject is the Atlanta-Roswell-Sandy Springs, Georgia (MSA). All information is provided to us by ESRI Demographics and Ribbon Demographics, national proprietary data providers. The data is presented for both the PMA and the MSA in which the project is located.

Population and Households

The tables below illustrate the population and household trends in the PMA, MSA, and nation from 2000 through 2021.

POPULATION

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	153,631	-	4,263,438	-	281,421,906	-
2010	141,082	-0.8%	5,286,728	2.4%	308,745,538	1.0%
2017	150,576	0.4%	5,665,958	0.4%	323,580,626	0.3%
Projected Mkt Entry January 2019	153,969	1.2%	5,814,964	1.4%	328,735,186	0.8%
2021	159,623	1.2%	6,063,308	1.4%	337,326,118	0.8%

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

HOUSEHOLDS

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	57,317	-	1,559,712	-	105,480,101	-
2010	60,755	0.6%	1,943,885	2.5%	116,716,292	1.1%
2017	64,945	0.4%	2,065,785	0.4%	121,786,233	0.3%
Projected Mkt Entry January 2019	66,453	1.2%	2,116,677	1.3%	123,626,746	0.8%
2021	68,967	1.2%	2,201,496	1.3%	126,694,268	0.8%

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

As illustrated above, the population and household growth in the PMA is anticipated to continue through 2021, at a slightly slower annual rate relative to the MSA but greater than that of the nation. The increasing number of households in the PMA is a positive indication of future demand for all types of housing.

Average Household Size

The following table is a summary of the average household size in the PMA, MSA, and nation from 2000 through 2021.

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	2.58	-	2.68	-	2.59	-
2010	2.22	-1.4%	2.68	0.0%	2.58	-0.1%
2017	2.22	0.0%	2.70	0.1%	2.59	0.0%
Projected Mkt Entry						
January 2019	2.22	0.0%	2.71	0.1%	2.59	0.1%
2021	2.22	0.0%	2.72	0.1%	2.60	0.1%

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

As shown in the previous table, the household size in the PMA decreased from 2000 to 2010 and remained stable from 2010 to 2017. The average household size in the PMA is smaller than that of the MSA and the nation.

Household Tenure

The table below shows the breakdown of households by tenure within the Subject's PMA.

Year	TENURE PATTERNS PMA			
	Owner-Occupied Units	Percentage Owner-Occupied	Renter-Occupied Units	Percentage Renter-Occupied
2000	28,010	48.9%	29,307	51.1%
2017	30,488	46.9%	34,457	53.1%
Projected Mkt Entry				
January 2019	31,103	46.8%	35,350	53.2%
2021	32,129	46.6%	36,838	53.4%

Source: Esri Demographics 2017, Novogradac & Company LLP, March 2017

Renter-occupied housing units comprise the majority of housing in the PMA. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a larger percentage of renters in the PMA than the nation. The percentage of renter-occupied housing units in the PMA is expected to increase slightly through 2021.

Median Household Income

The table below illustrates Median Household Income in the PMA, MSA, and nation from 2000 through 2021.

Year	PMA		Atlanta-Sandy Springs-Roswell, GA MSA		USA	
	Amount	Annual	Amount	Annual Change	Amount	Annual Change
2000	\$33,049	-	\$51,619	-	\$42,164	-
2017	\$47,029	2.5%	\$57,792	0.7%	\$54,149	1.6%
Projected Mkt Entry						
2021	\$54,196	3.0%	\$65,901	2.8%	\$59,476	2.0%

The median household income of the PMA is lower than that of the MSA and the nation as of 2017. The growth rate of median household income in the PMA is anticipated to exceed that of the MSA and the nation through 2021.

Household Income Distribution

The following tables illustrate the household income distribution for the PMA, the MSA, and the nation for 2017 and 2021.

HOUSEHOLD INCOME PMA

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	7,753	11.9%	7,616	11.0%	-28	-0.4%
\$10,000-19,999	7,817	12.0%	7,626	11.1%	-38	-0.5%
\$20,000-29,999	6,298	9.7%	6,266	9.1%	-6	-0.1%
\$30,000-39,999	5,722	8.8%	5,758	8.3%	7	0.1%
\$40,000-49,999	5,280	8.1%	5,187	7.5%	-19	-0.4%
\$50,000-59,999	4,789	7.4%	4,864	7.1%	15	0.3%
\$60,000-74,999	5,403	8.3%	5,865	8.5%	92	1.7%
\$75,000-99,999	6,513	10.0%	7,150	10.4%	127	2.0%
\$100,000-	4,752	7.3%	5,256	7.6%	101	2.1%
\$125,000-	2,989	4.6%	3,600	5.2%	122	4.1%
\$150,000-	3,367	5.2%	4,054	5.9%	137	4.1%
\$200,000+	4,262	6.6%	5,727	8.3%	293	6.9%
Total	64,945	100.0%	68,967	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, May 2017

HOUSEHOLD INCOME SMA

Income Cohort	2017		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	129,949	6.3%	138,634	6.3%	1,737	1.3%
\$10,000-19,999	167,398	8.1%	178,542	8.1%	2,229	1.3%
\$20,000-29,999	180,708	8.7%	192,706	8.8%	2,400	1.3%
\$30,000-39,999	182,808	8.8%	194,913	8.9%	2,421	1.3%
\$40,000-49,999	176,576	8.5%	188,223	8.5%	2,329	1.3%
\$50,000-59,999	158,738	7.7%	169,182	7.7%	2,089	1.3%
\$60,000-74,999	202,765	9.8%	216,069	9.8%	2,661	1.3%
\$75,000-99,999	250,672	12.1%	267,047	12.1%	3,275	1.3%
\$100,000-	182,012	8.8%	193,862	8.8%	2,370	1.3%
\$125,000-	126,128	6.1%	134,321	6.1%	1,639	1.3%
\$150,000-	134,301	6.5%	143,016	6.5%	1,743	1.3%
\$200,000+	173,729	8.4%	184,982	8.4%	2,250	1.3%
Total	2,065,785	100.0%	2,201,496	100.0%		

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, May 2017

HOUSEHOLD INCOME USA

Income Cohort	2017		USA		2021		Annual Change 2017 to 2021	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	8,695,694	7.1%	8,482,236	6.7%	-42,692	-0.5%		
\$10,000-19,999	12,281,531	10.1%	11,709,512	9.2%	-114,404	-0.9%		
\$20,000-29,999	12,271,080	10.1%	12,018,660	9.5%	-50,484	-0.4%		
\$30,000-39,999	11,550,788	9.5%	11,404,500	9.0%	-29,258	-0.3%		
\$40,000-49,999	10,527,740	8.6%	10,539,546	8.3%	2,361	0.0%		
\$50,000-59,999	9,182,741	7.5%	9,303,880	7.3%	24,228	0.3%		
\$60,000-74,999	11,910,424	9.8%	12,078,226	9.5%	33,560	0.3%		
\$75,000-99,999	14,564,016	12.0%	15,210,500	12.0%	129,297	0.9%		
\$100,000-	10,212,509	8.4%	11,064,188	8.7%	170,336	1.7%		
\$125,000-	6,562,105	5.4%	7,586,250	6.0%	204,829	3.1%		
\$150,000-	6,578,007	5.4%	7,734,297	6.1%	231,258	3.5%		
\$200,000+	7,449,597	6.1%	9,562,472	7.5%	422,575	5.7%		
Total	121,786,233	100.0%	126,694,268	100.0%				

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, May 2017

As illustrated, the income cohort with the highest percentage of households in the PMA in 2017 was the \$10,000 to \$19,999 income cohort, followed by the \$0 to \$9,999 income cohort. In 2017, 42.4 percent of households in the PMA had an annual income of less than \$40,000.

Renter Household Income Distribution

The following tables illustrate the renter household income distribution for the PMA and MSA for 2017 and 2021.

RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	6,272	18.2%	6,248	17.7%	6,210	16.9%
\$10,000-19,999	5,273	15.3%	5,245	14.8%	5,198	14.1%
\$20,000-29,999	4,231	12.3%	4,238	12.0%	4,248	11.5%
\$30,000-39,999	3,609	10.5%	3,632	10.3%	3,670	10.0%
\$40,000-49,999	2,961	8.6%	2,968	8.4%	2,980	8.1%
\$50,000-59,999	2,414	7.0%	2,455	6.9%	2,523	6.8%
\$60,000-74,999	2,786	8.1%	2,920	8.3%	3,145	8.5%
\$75,000-99,999	2,805	8.1%	3,016	8.5%	3,368	9.1%
\$100,000-124,999	1,744	5.1%	1,890	5.3%	2,133	5.8%
\$125,000-149,999	767	2.2%	874	2.5%	1,053	2.9%
\$150,000-199,999	864	2.5%	992	2.8%	1,203	3.3%
\$200,000+	731	2.1%	873	2.5%	1,108	3.0%
Total	34,457	100.0%	35,350	100.0%	36,838	100.0%

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, March 2017

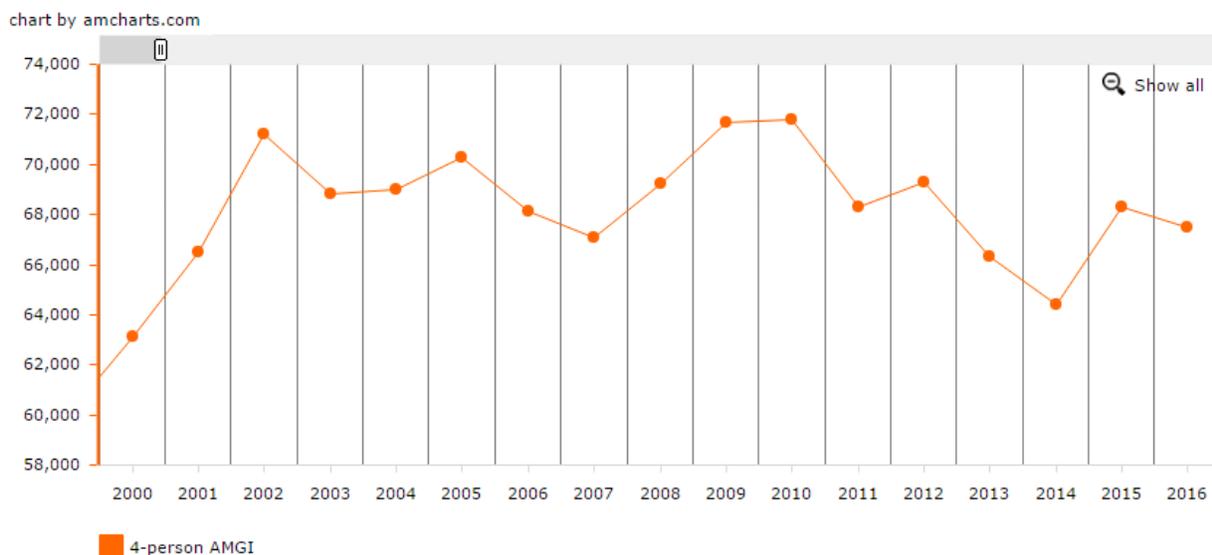
RENTER HOUSEHOLD INCOME DISTRIBUTION - Atlanta-Sandy Springs-Roswell, GA MSA

Income Cohort	2017		Projected Mkt Entry January 2019		2021	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	88,882	11.4%	91,149	11.4%	94,927	11.4%
\$10,000-19,999	102,602	13.1%	105,219	13.1%	109,580	13.1%
\$20,000-29,999	102,524	13.1%	105,139	13.1%	109,497	13.1%
\$30,000-39,999	94,763	12.1%	97,180	12.1%	101,208	12.1%
\$40,000-49,999	79,647	10.2%	81,678	10.2%	85,063	10.2%
\$50,000-59,999	64,242	8.2%	65,880	8.2%	68,611	8.2%
\$60,000-74,999	72,241	9.2%	74,083	9.2%	77,154	9.2%
\$75,000-99,999	70,175	9.0%	71,965	9.0%	74,947	9.0%
\$100,000-124,999	40,205	5.1%	41,230	5.1%	42,939	5.1%
\$125,000-149,999	22,975	2.9%	23,561	2.9%	24,537	2.9%
\$150,000-199,999	22,045	2.8%	22,607	2.8%	23,545	2.8%
\$200,000+	22,796	2.9%	23,378	2.9%	24,347	2.9%
Total	783,097	100.0%	803,069	100.0%	836,356	100.0%

Source: HISTA Data / Ribbon Demographics 2017, Novogradac & Company LLP, March 2017

As illustrated, the income cohorts with the highest percentage of renter households in the PMA are the \$0 to \$9,999, followed by \$10,000 to \$19,999 and \$20,000 to \$29,999 income cohorts. Approximately 56.3 percent of renter households in the PMA had an annual income of less than \$40,000, indicating a need for affordable housing in the area.

The following chart illustrates the AMI level for a four-person household in DeKalb County:



Source: Novogradac & Company, LLP, May 2017

Overall, the AMI has increased by an average of 0.5 percent annually since 2000, reaching its highest AMI in 2010. Nationally, 84 percent of counties experienced a decrease in 2013 due to lower income limits in approximately 50 percent of counties nationwide. DeKalb County experienced a decrease of \$2,000 during the same period of time.

Conclusion

The population in the PMA and MSA experienced a population increase from 2010 to 2017 and is projected to continue to increase at a slightly faster rate through 2021. The number of households in the PMA increased 0.4 percent from 2010 to 2017. Over the same period of time, the total number of households in the MSA increased 0.4 percent. Household growth is expected to increase at a faster annual rate of 1.2 percent in the PMA, while the total number of households in the MSA is projected to increase at an annual rate of 1.3 percent over the next five years. The Subject will target tenants earning between \$21,703 and \$67,500. Approximately 47 percent of renter households in the PMA are earning incomes between \$20,000 and \$75,000, which is comparable to the approximately 53 percent of renter households in the MSA in earning incomes in the same range. For the projected market entry date of January 2019, these percentages are projected to remain relatively stable. Therefore, the Subject should be well-positioned to service this market. Overall, while population growth has been modest, the concentration of renter households at the lowest income cohorts indicates significant demand for affordable rental housing in the market.

IV. PROPERTY DESCRIPTION

PROPERTY DESCRIPTION

DESCRIPTION OF THE SITE

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description will discuss the physical features of the site, as well as layout, access issues, and traffic flow. An aerial map of the Subject is provided below.



Source: GoogleEarth, May 2017.

General:	The Subject site is located along the northwest side of Fayetteville Road approximately 0.1 mile south of Glenwood Avenue, Atlanta, DeKalb County, Georgia 30317. The site is located within Census Tract 237.00, which is a Qualified Census Tract.
APN:	15 173 08 103 and .15 173 08 094
Size:	Approximately 4.8 acres.
Shape:	The site is irregular in shape but functional.

Zoning:	According to the City of Atlanta, the Subject is currently zoned O-I (Office-Institutional). This district permits residential development. Residential development densities within zone O-I is defined in Sector 5 of the zoning code. Within this Sector, multifamily development has FAR ranging from 1.6 to 3.2.
Frontage:	The site has frontage along the northwest side of Fayetteville Road. The site is generally level.
Topography	The site is generally level and at road grade.
Utilities:	All utilities are available to the site.
Contiguous Land Use:	Land uses to the north of the Subject include several commercial uses, such as Publix Super Market and Wells Fargo Bank. The Villages of East Lake is a multifamily development in good condition further north of the Subject site across Glenwood Avenue. Directly east of the Subject site are single-family homes in average condition and vacant land. The Mohammed Schools of Atlanta is located immediately south of the Subject site. Adjacent west of the Subject site are single-family homes in average condition.
Existing Improvements:	The Subject site is currently vacant.
Visibility/Views:	The Subject will be located on the western side of Fayetteville Road. Visibility and views from the site will be good and initially will include vacant land and single-family homes. Overall, views are considered average.
Environmental, Soil and Subsoil Conditions and Drainage:	We were not provided with an environmental assessment report. We did not observe any obvious environmental hazards during our site inspection. However, we are not experts within this field.
Flood Plain:	According to www.floodinsights.com Community Panel Number 13089C0127J, dated May 16, 2013, the Subject is located in Zone X, which is defined as an area outside of the 100 and 500-year flood plains. Further analysis is beyond the scope of this report.
Detrimental Influences:	There were no detrimental influences observed by the appraiser that would adversely impact the marketability of the Subject.
Conclusion:	The Subject site is considered to be in a good location for multifamily use and is physically capable of supporting a variety of legally permissible uses.

V.HIGHEST AND BEST USE

HIGHEST AND BEST USE

Highest and Best Use is defined as: "The reasonably probable and legal use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.²"

Investors continually attempt to maximize profits on invested capital. The observations of investor activities in the area are an indication of that use which can be expected to produce the highest value. The principle of conformity holds, in part, that conformity in use is usually a highly desirable adjunct of real property, since it generally helps create and/or maintains maximum value.

It is to be recognized that in cases where a site has existing improvements on it, the highest and best use may be determined to be different from the existing use. The existing use will continue, however, unless and until land value in its highest and best use exceeds the total value of the property in its existing use. Implied in this definition is that the determination of highest and best use takes into account the contribution of a specific use to the community and community development goals as well as the benefits of that use to individual property owners. The principle of Highest and Best Use may be applied to the site if vacant and to the site as it is improved.

The Highest and Best Use determination is a function of neighborhood land use trends, property size, shape, zoning, and other physical factors, as well as the market environment in which the property must compete. Four tests are typically used to determine the highest and best use of a particular property. Thus, the following areas are addressed.

1. **Physically Possible:** The uses to which it is physically possible to put on the site in question.
2. **Legally Permissible:** The uses that are permitted by zoning and deed restrictions on the site in question.
3. **Feasible Use:** The possible and permissible uses that will produce any net return to the owner of the site.
4. **Maximally Productive:** Among the feasible uses, the use that will produce the highest net return or the highest present worth.

² Source: Appraisal Institute, The Dictionary of Real Estate Appraisal, 6th ed. (Chicago: Appraisal Institute, 2015).

HIGHEST AND BEST USE AS IF VACANT

Physically Possible

The Subject site contains 4.8 acres. The parcel is generally irregular but functional in shape and exhibits level topography. The site has good accessibility, with access along the northwest side of Fayetteville Road. The site is not located in a flood hazard area. Based on the site’s physical characteristics, it could support a number of legally permissible uses.

Legally Permissible

According to the City of Atlanta, the Subject is currently zoned O-I. This district permits residential development. Residential development densities within zone O-I is defined in Sector 5 of the zoning code. Within this Sector, multifamily development has FAR ranging from 1.6 to 3.2. At an average unit size of 1,100 square feet with 15 percent additional common area, permitted densities would range from 55 to 110 units per acre. To determine a market based density, we have utilized densities from our comparable land sales as well as a recently-completed apartment property in the area. The following table details the comparable densities for recent multifamily development in the market area.

COMPARABLE LAND SALE DENSITIES

Property	Units	Acres	Units/Acre
2671-2683 Lawrenceville Highway	200	9.0	22.2
841 Memorial Drive	80	1.1	70.2
608 Ralph McGill Boulevard	268	2.4	110.3
The Reserve at Mill Creek*	100	3.7	27.0
Average			57.4

**-not a land sale comparable*

Multifamily development patterns in the Subject’s area indicate a range of 22.2 to 110.3 units per acre, with an average of 57.4 units per acre. Comparables 2 and 3 are located in more densely developed intown Atlanta locations. Comparables 1 and 4 are most similar in location type and size. As such, we have relied most heavily on these comparables. We have concluded to a total density of 30 units per acre or 144 units, which is within the range of the comparables presented.

Financially Feasible

The cost of the land limits those uses that are financially feasible for the site. Any uses of the Subject site that provide a financial return to the land in excess of the cost of the land are those uses that are financially feasible.

The Subject’s feasible uses are restricted to those that are allowed by zoning classifications, and are physically possible. As noted in the zoning section, the Subject site could support multifamily development. Based on the Subject’s surrounding land uses, the site’s physical attributes, the secondary nature of Fayetteville Road, and the recent development patterns in the area, affordable multifamily residential development is most likely.

Maximally Productive

Anecdotal evidence indicates market rate development is not feasible in the current market. Affordable housing development is not financially feasible without some type of gap funding or subsidy. No alternative use is considered feasible. As a result, the maximally productive use is to develop affordable housing with some form of gap subsidy.

Conclusion

The highest and best use for the property as if vacant would be to construct a 144-unit affordable multifamily development utilizing tax credit equity, favorable financing, or other gap subsidies consistent with the surrounding land use patterns.

VI. APPRAISAL METHODOLOGY

APPRAISAL METHODOLOGY

Contemporary appraisers usually gather and process data according to the discipline of the three approaches to value.

The cost approach consists of a summation of land value and the cost to reproduce or replace the improvements, less appropriate deductions for depreciation. Reproduction cost is the cost to construct a replica of the Subject improvements. Replacement cost is the cost to construct improvements having equal utility.

The sales comparison approach involves a comparison of the appraised property with similar properties that have sold recently. When properties are not directly comparable, sale prices may be broken down into units of comparison, which are then applied to the Subject for an indication of its likely selling price.

The income capitalization approach involves an analysis of the investment characteristics of the property under valuation. The earnings' potential of the property is carefully estimated and converted into an estimate of the property's market value.

Applicability to the Subject Property

The only applicable approach is the sales comparison approach. All of the land sale comparables are intended for the future development of multifamily properties.

VII. SALES COMPARISON APPROACH

SALES COMPARISON APPROACH

The sales comparison approach to value is a process of comparing market data; that is, the price paid for similar properties, prices asked by owners, and offers made by hypothetical purchasers willing to buy or lease. It should be noted, the sales utilized represent the best sales available. Market data is good evidence of value because it represents the actions of users and investors. The sales comparison approach is based on the principle of substitution, which states that a prudent investor would not pay more to buy or rent a property than it will cost them to buy or rent a comparable substitute. The sales comparison approach recognizes that the typical buyer will compare asking prices and work through the most advantageous deal available. In the sales comparison approach, the appraisers are observers of the buyer's actions. The buyer is comparing those properties that constitute the market for a given type and class.

LAND VALUATION

To arrive at an estimated land value for the Subject site, the appraisers have analyzed actual sales of comparable properties in the competitive area.

No two parcels of land are alike; therefore, these sales have been adjusted for various factors including location, size, shape, topography, utility, and marketability. The adjustments made are the result of a careful analysis of market data, as well as interviews with various informed buyers, sellers, real estate brokers, builders and lending institutions. The following pages outline our findings.

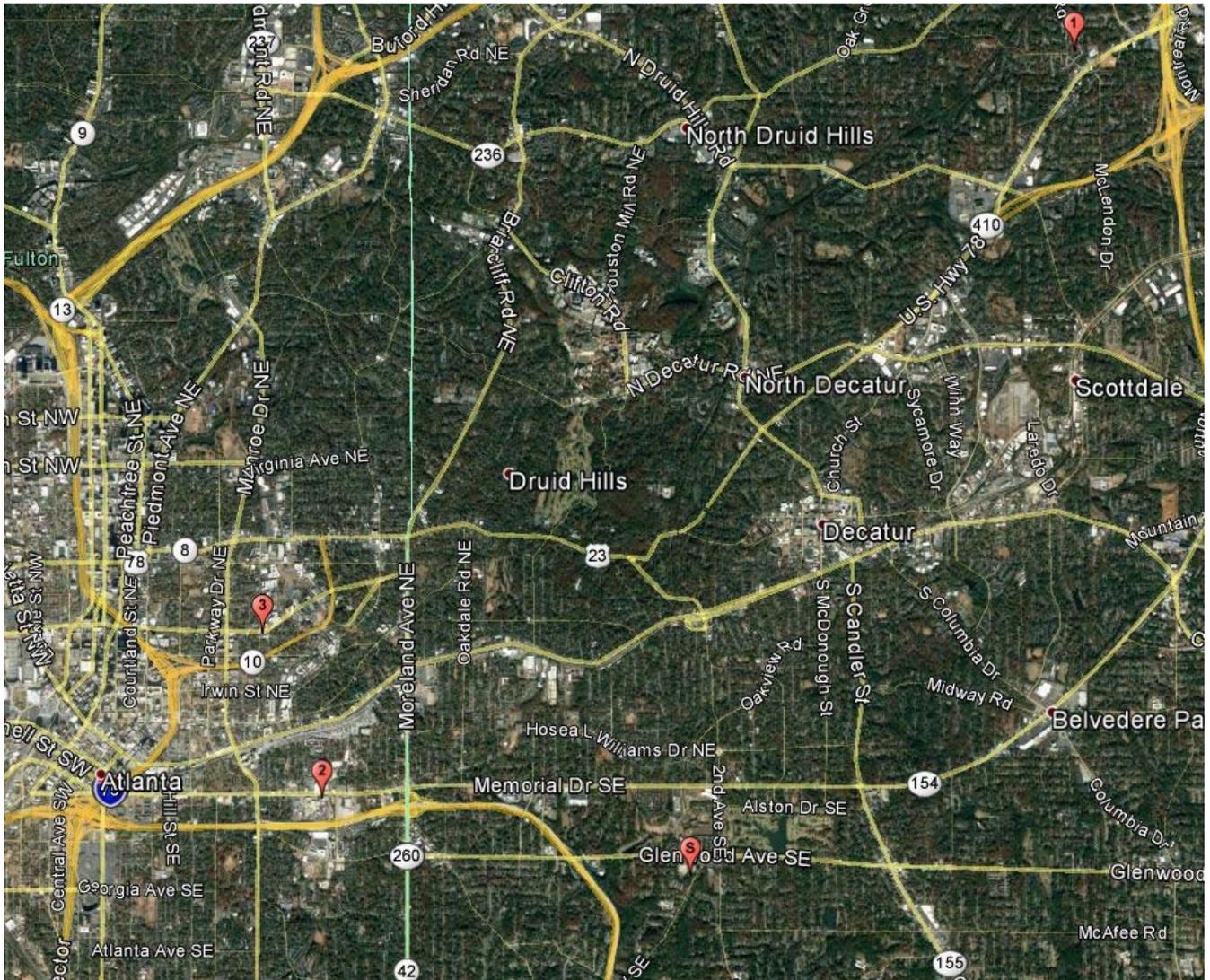
The sales comparison approach typically reflects the actions of buyers and sellers in the marketplace and serves as an excellent benchmark as to what a potential buyer would be willing to pay for the subject property. We have made an extensive search for multifamily comparable land sales that have sold recently. From our research, we selected the best transactions available that represent the most recent competitive alternative sales or contracts in the marketplace.

COMPARABLE LAND SALES

Property	Property Name	City State	Sale Date	Sale Price	Land Acres	Number of Units	Price Per Unit
1	2671-2683 Lawrenceville Highway	Decatur, GA 30033	February-16	\$2,550,000	9.00	200	\$12,750
2	841 Memorial Drive	Atlanta, GA 30316	November-14	\$925,000	1.14	80	\$11,563
3	608 Ralph McGill Boulevard	Atlanta, GA 30312	October-14	\$5,500,000	2.43	268	\$20,522

Throughout our conversations with market participants and buyers and sellers of the comparable sales, the respondents indicated that the purchase price is typically based upon a price per unit. This is typical of the local multifamily market and will be used as a basis for analysis. A location map is presented on the following page.

Comparable Land Sales Map



Land Sale 1



Location: 2671 - 2683 Lawrenceville Highway
Decatur, GA 30033

Buyer: Decatur Mansions Senior Living LLC
Seller: TPA-Arrowhead LLC
Sale Date: Feb-16
Sale Price: \$2,550,000
Financing: Cash

Number of Units: 200
Site: Acre(s) 9.00
 Square Footage 392,040
Zoning Multifamily
Corner No
Topography Gently rolling
Shape Irregular

Sale Price: Per Unit \$12,750
 Per Acre \$283,333
 Per SF \$6.50

Comments:

This property covers two adjoining parcels and was sold as a development for a senior living facility. As proposed, the improvements to the site will include approximately 200 units in two buildings. All details of the sale were confirmed by the listing broker and through public records.

Verification: CoStar, Public Records, Seller Broker (Fred Landers, 770-436-3400)

Land Sale 2



Location: 841 Memorial Drive
 Atlanta, GA 30316

Buyer: 841 Memorial Drive Holdings LLC
Seller: RES-GA Memorial LLC
Sale Date: Nov-14
Sale Price: \$925,000
Financing: Cash

Number of Units: **80**
Site: Acre(s) **1.14**
 Square Footage **49,746**
Zoning **Multifamily**
Corner **Yes**
Topography **Level**
Shape **Irregular**

Sale Price: Per Unit **\$11,563**
 Per Acre **\$811,404**
 Per SF **\$18.59**

Comments:

This site was a vacant asphalt lot at the time of the sale. The buyer purchased the property and held it for development. An 80-unit apartment building was developed on the property in 2016, called 841 Memorial. The property now offers studio, one, and two-bedroom apartments at market rates. Details of the sale were confirmed via public records and the seller broker.

Verification: CoStar, Public Records, Seller Broker (Nelson Vinson, 770-955-2000)

Land Sale 3



Location:	608 Ralph McGill Boulevard Atlanta, GA 30312	
Buyer:	JLB Poncey, LLC	
Seller:	Inland Atlantic Fourth Ward LLC	
Sale Date:	Oct-14	
Sale Price:	\$5,500,000	
Financing:	Conventional loan	
Number of Units:	268	
Site:	Acre(s)	2.43
	Square Footage	105,851
Zoning	Residential	
Corner	Yes	
Topography	Level	
Shape	Irregular	
Sale Price:	Per Unit	\$20,522
	Per Acre	\$2,263,374
	Per SF	\$51.96

Comments:

The broker (Caldwell Zimmerman) confirmed the information about this site. No further information is available.

Verification: CoStar, Public Records, Broker (Caldwell Zimmerman, 404-877-3574)

Explanation of Adjustments

The adjustment grid follows at the end of this section. As illustrated, adjustments have been made based on price differences created by the following factors:

- **Property Rights**
- **Financing**
- **Conditions of Sale**
- **Market Conditions**
- **Location**
- **Zoning/Use**
- **Topography**
- **Shape**
- **Size/Number of Units**

Property Rights

We are valuing the fee simple interest in the land. No adjustments are warranted.

Financing

The sales were cash transactions; therefore, no adjustment is necessary.

Conditions of Sale

No unusual conditions existed or are known; therefore, no adjustment is necessary.

Market Conditions

Real estate values change over time. The rate of this change fluctuates due to investors' perceptions and responses to prevailing market conditions. This adjustment category reflects market differences occurring between the effective date of the appraisal and the sale date of comparables, when values have appreciated or depreciated.

PwC Real Estate Investor Survey - National Apartment Market Overall Capitalization Rate - Institutional Grade Investments					
Quarter	Cap Rate	Change (bps)	Quarter	Cap Rate	Change (bps)
1Q03	8.14	-	2Q10	7.68	-0.17
2Q03	7.92	-0.22	3Q10	7.12	-0.56
3Q03	7.61	-0.31	4Q10	6.51	-0.61
4Q03	7.45	-0.16	1Q11	6.29	-0.22
1Q04	7.25	-0.20	2Q11	6.10	-0.19
2Q04	7.13	-0.12	3Q11	5.98	-0.12
3Q04	7.05	-0.08	4Q11	5.80	-0.18
4Q04	7.01	-0.04	1Q12	5.83	0.03
1Q05	6.74	-0.27	2Q12	5.76	-0.07
2Q05	6.52	-0.22	3Q12	5.74	-0.02
3Q05	6.28	-0.24	4Q12	5.72	-0.02
4Q05	6.13	-0.15	1Q13	5.73	0.01
1Q06	6.07	-0.06	2Q13	5.70	-0.03
2Q06	6.01	-0.06	3Q13	5.61	-0.09
3Q06	5.98	-0.03	4Q13	5.80	0.19
4Q06	5.97	-0.01	1Q14	5.79	-0.01
1Q07	5.89	-0.08	2Q14	5.59	-0.20
2Q07	5.80	-0.09	3Q14	5.51	-0.08
3Q07	5.76	-0.04	4Q14	5.36	-0.15
4Q07	5.75	-0.01	1Q15	5.36	0.00
1Q08	5.79	0.04	2Q15	5.30	-0.06
2Q08	5.75	-0.04	3Q15	5.39	0.09
3Q08	5.86	0.11	4Q15	5.35	-0.04
4Q08	6.13	0.27	1Q16	5.35	0.00
1Q09	6.88	0.75	2Q16	5.29	-0.06
2Q09	7.49	0.61	3Q16	5.25	-0.04
3Q09	7.84	0.35	4Q16	5.26	0.01
4Q09	8.03	0.19	1Q17	5.33	0.07
1Q10	7.85	-0.18			

Source: PwC Real Estate Investor Survey, Q1 2017

All of the sales took place from October 2014 to February 2016 in generally similar market conditions; as such no adjustments have been applied.

Location

Location encompasses a number of issues, including location within different market areas with different supply/demand pressures, the character/condition of surrounding development, access, and visibility. It is important to assess which factors truly impact value for different types of real estate. We have addressed this issue (as well as the remaining elements of comparison) on a comparable-by-comparable basis. The following table illustrates the median home values, arranged by zip code for each of the land sales. This information is compared to the Subject's location, and will be used to determine an appropriate adjustment for the Subject as compared to the comparables.

LOCATION COMPARISON

No.	Property Name	Zip Code	Median HH Income	Differential With Subject Site	Median Rent	Differential With Subject Site	Walk Score	Differential With Subject Site
Subject	Columbia Fayetteville	30317	\$55,625	-	\$887	-	48	-
Sale 1	2671-2683 Lawrenceville Highway	30033	\$61,892	-11.3%	\$1,046	-17.9%	33	31.3%
Sale 2	841 Memorial Drive	30316	\$49,516	11.0%	\$989	-11.5%	70	-45.8%
Sale 3	608 Ralph McGill Boulevard	30312	\$42,169	24.2%	\$974	-9.8%	85	-77.1%

As illustrated above, the Subject is considered a similar to inferior to the comparable sites. Comparable 1 is superior to the Subject in terms of median household income and median rent but inferior in terms of Walk

Score. Comparable 2 is superior to the Subject in terms of median rent and Walk Score but inferior in terms of median household income. Comparable 3 is superior to the Subject in terms of median household income and median rent but inferior in terms of median household income. Thus, we have applied a downward adjustment of ten percent to Comparable 2 and a downward adjustment of 30 percent to Comparable 3. No adjustment is warranted for Comparable 1.

Zoning/Use

The Subject is currently zoned O-I. The O-I district does allow for multifamily residential development. All of the comparable sales are zoned for multifamily development. Thus, no adjustments are warranted.

Topography

The land sales vary in topography, but are generally level and appear to be functional, similar to the Subject. Thus, no adjustments were warranted.

Site Characteristics

The Subject is located on a moderately trafficked road within a mixed-use area, similar to all of the sales. Thus, no adjustments are warranted.

Size

With respect to size, the general convention is that larger properties tend to sell for less on a per unit basis than smaller properties. Conversely, smaller properties typically sell for more per unit than larger properties. The pool of potential purchasers decreases as property size (and purchase price) increases, effectively reducing competition. The pricing relationship is not linear and certain property sizes, while different, may not receive differing prices based on the grouping within levels. Sale 3 is a much larger site than the Subject, and has received upward adjustments of five percent. Sales 1 and 2 are considered generally in a similar size category as the Subject; thus, no adjustments are warranted.

Land Value Estimate

The land sales grid is presented following:

LAND SALES DATA ADJUSTMENT GRID				
	Subject	1	2	3
Property Name	Columbia Fayetteville	2671-2683 Lawrenceville Highway	841 Memorial Drive	608 Ralph McGill Boulevard
Address	Fayetteville Road	2671-2683 Lawrenceville Highway	841 Memorial Drive	608 Ralph McGill Boulevard
City	Atlanta, Georgia 30317	Decatur, GA 30033	Atlanta, GA 30316	Atlanta, GA 30312
Parcel Data				
Zoning	O-I	Multifamily	Multifamily	Multifamily
Topography	Level	Gently rolling	Level	Level
Shape	Irregular	Irregular	Irregular	Irregular
Size (SF)	209,088	392,040	49,658	105,851
Size (Acres)	4.8	9.00	1.14	2.43
Units	144	200	80	268
Units Per Acre	30.00	22.22	70.18	110.29
Sales Data				
Date		02/2016	11/2014	10/2014
Interest				
Price		\$2,550,000	\$925,000	\$5,500,000
Price per Unit		\$12,750	\$11,563	\$20,522
Adjustments				
Property Rights		\$0	\$0	\$0
		\$2,550,000	\$925,000	\$5,500,000
Financing Terms		\$0	\$0	\$0
		\$2,550,000	\$925,000	\$5,500,000
Conditions of Sale		\$0	\$0	\$0
		\$2,550,000	\$925,000	\$5,500,000
Market Conditions		1.00	1.00	1.00
Adjusted Sales Price		\$2,550,000	\$925,000	\$5,500,000
Adjusted Price Per Unit		\$12,750	\$11,563	\$20,522
Adjustments				
Location		0%	-10%	-30%
Zoning/Use		0%	0%	0%
Topography		0%	0%	0%
Site Characteristics		0%	0%	0%
Size		0%	0%	5%
Overall Adjustment		0%	-10%	-25%
Adjusted Price Per Unit		\$12,750	\$10,406	\$15,392
Summary				
Low	\$10,406			
High	\$15,392			
Mean	\$13,430			
Median	\$14,941			
Conclusion	\$12,000		x	144
Value of Property	\$1,730,000			

The sales indicate a range of adjusted price per unit from \$10,406 to \$15,392 per unit. We have placed emphasis on all Sales in our analysis, as all offer a good indication of value in the market. As such, we believe an indication of \$12,000 per unit is reasonable. This correlates with an indication of land value as follows: 144 units at \$12,000 per unit, equates to \$1,730,000 (rounded).

Conclusion of As Is Land Value

As a result of our investigation and analysis, it our opinion that, subject to the limiting conditions and assumptions contained herein, **the estimated value of the underlying land, as if vacant**, of the fee simple interest, as of April 16, 2017, is:

**ONE MILLION SEVEN HUNDRED THIRTY THOUSAND DOLLARS
(\$1,730,000)**

Please refer to the complete Assumptions and Limiting Conditions in the Addenda of this report.

ADDENDUM A

Assumptions and Limiting Conditions, Certification

ASSUMPTIONS AND LIMITING CONDITIONS

1. In the event that the client provided a legal description, building plans, title policy and/or survey, etc., the appraiser has relied extensively upon such data in the formulation of all analyses.
2. The legal description as supplied by the client is assumed to be correct and the author assumes no responsibility for legal matters, and renders no opinion of property title, which is assumed to be good and merchantable.
3. All encumbrances, including mortgages, liens, leases, and servitudes, were disregarded in this valuation unless specified in the report. It was recognized, however, that the typical purchaser would likely take advantage of the best available financing, and the effects of such financing on property value were considered.
4. All information contained in the report which others furnished was assumed to be true, correct, and reliable. A reasonable effort was made to verify such information, but the author assumes no responsibility for its accuracy.
5. The report was made assuming responsible ownership and capable management of the property.
6. The sketches, photographs, and other exhibits in this report are solely for the purpose of assisting the reader in visualizing the property. The author made no property survey, and assumes no liability in connection with such matters. It was also assumed there is no property encroachment or trespass unless noted in the report.
7. The author of this report assumes no responsibility for hidden or unapparent conditions of the property, subsoil or structures, or the correction of any defects now existing or that may develop in the future. Equipment components were assumed in good working condition unless otherwise stated in this report.
8. It is assumed that there are no hidden or unapparent conditions for the property, subsoil, or structures, which would render it more or less valuable. No responsibility is assumed for such conditions or for engineering, which may be required to discover such factors.
9. The investigation made it reasonable to assume, for report purposes, that no insulation or other product banned by the Consumer Product Safety Commission has been introduced into the Subject premises. Visual inspection by the appraiser did not indicate the presence of any hazardous waste. It is suggested the client obtain a professional environmental hazard survey to further define the condition of the Subject soil if they deem necessary.
10. Any distribution of total property value between land and improvements applies only under the existing or specified program of property utilization. Separate valuations for land and buildings must not be used in conjunction with any other study or appraisal and are invalid if so used.

11. A valuation estimate for a property is made as of a certain day. Due to the principles of change and anticipation the value estimate is only valid as of the date of valuation. The real estate market is non-static and change and market anticipation is analyzed as of a specific date in time and is only valid as of the specified date.
12. Possession of the report, or a copy thereof, does not carry with it the right of publication, nor may it be reproduced in whole or in part, in any manner, by any person, without the prior written consent of the author particularly as to value conclusions, the identity of the author or the firm with which he or she is connected. Neither all nor any part of the report, or copy thereof shall be disseminated to the general public by the use of advertising, public relations, news, sales, or other media for public communication without the prior written consent and approval of the appraiser. Nor shall the appraiser, firm, or professional organizations of which the appraiser is a member be identified without written consent of the appraiser.
13. Disclosure of the contents of this report is governed by the Bylaws and Regulations of the professional appraisal organization with which the appraiser is affiliated: specifically, the Appraisal Institute.
14. The author of this report is not required to give testimony or attendance in legal or other proceedings relative to this report or to the Subject property unless satisfactory additional arrangements are made prior to the need for such services.
15. The opinions contained in this report are those of the author and no responsibility is accepted by the author for the results of actions taken by others based on information contained herein.
16. Opinions of value contained herein are estimates. There is no guarantee, written or implied, that the Subject property will sell or lease for the indicated amounts.
17. All applicable zoning and use regulations and restrictions are assumed to have been complied with, unless nonconformity has been stated, defined, and considered in the appraisal report.
18. It is assumed that all required licenses, permits, covenants or other legislative or administrative authority from any local, state, or national governmental or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
19. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusions are contingent upon completion of the improvements in a workmanlike manner and in a reasonable period of time. A final inspection and value estimate upon the completion of said improvements should be required.
20. All general codes, ordinances, regulations or statutes affecting the property have been and will be enforced and the property is not subject to flood plain or utility restrictions or moratoriums, except as reported to the appraiser and contained in this report.
21. The party for whom this report is prepared has reported to the appraiser there are no original existing condition or development plans that would subject this property to the regulations of the Securities and Exchange Commission or similar agencies on the state or local level.
22. Unless stated otherwise, no percolation tests have been performed on this property. In making the appraisal, it has been assumed the property is capable of passing such tests so as to be developable to its highest and best use, as detailed in this report.
23. No in-depth inspection was made of existing plumbing (including well and septic), electrical, or heating

systems. The appraiser does not warrant the condition or adequacy of such systems.

24. No in-depth inspection of existing insulation was made. It is specifically assumed no Urea Formaldehyde Foam Insulation (UFFI), or any other product banned or discouraged by the Consumer Product Safety Commission has been introduced into the appraised property. The appraiser reserves the right to review and/or modify this appraisal if said insulation exists on the Subject property.

Acceptance of and/or use of this report constitute acceptance of all assumptions and the above conditions. Estimates presented in this report are not valid for syndication purposes.

CERTIFICATION

The undersigned hereby certify that, to the best of our 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 are our personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations;
- We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved;
- We have performed no prior appraisal services regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
- We have no bias with respect to any property that is the subject of this report or to the parties involved with this assignment;
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute, which include the Uniform Standards of Professional Appraisal Practice;
- Brian Neukam made a personal inspection of the property that is the subject of this report and comparable market data incorporated in this report and is competent to perform such analyses. Meg Southern has provided significant assistance in this report, the scope of which included the following: researching comparable and market data, verifying comparable data, and assisting in developing the approaches to value. H. Blair Kincer oversaw all data collection and reporting in this appraisal. No one other than those listed on this page provided any significant real property appraisal assistance.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, H. Blair Kincer has completed the requirements of the continuing education program of the Appraisal Institute.
- As of the date of this report, Brian Neukam has completed the Standards and Ethics Education Requirements for Candidates of the Appraisal Institute.



H. Blair Kincer, MAI, CRE
LEED Green Associate



Brian Neukam
Manager
GA Appraiser #329471
Brian.Neukam@novoco.com

ADDENDUM B

Qualifications of Consultants

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Housing Market Analysts (NCHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. GA12288 – District of Columbia
Certified General Real Estate Appraiser, No. CG1694 – State of Maine
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. 103789 – State of Massachusetts
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. CGA.0020047 – State of Rhode Island
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since. Completed additional professional development programs administered by the Appraisal Institute in the following topic areas:

- 1) Valuation of the Components of a Business Enterprise
- 2) Valuation of Sustainable Buildings

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as

if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.

- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.
- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The clients include lenders, investors, and developers. The reports are used by clients and their advisors to evaluate certain tax consequences applicable to ownership. Additionally, the reports have been used in the ITC funding process and in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009.

**STATEMENT OF PROFESSIONAL QUALIFICATIONS
BRIAN NEUKAM**

EDUCATION

Georgia Institute of Technology, Bachelor of Industrial Engineering, 1995

State of Georgia Certified General Real Property Appraiser No. 329471

PROFESSIONAL TRAINING

National USPAP and USPAP Updates

General Appraiser Market Analysis and Highest & Best Use

General Appraiser Sales Comparison Approach

General Appraiser Site Valuation and Cost Approach

General Appraiser Income Capitalization Approach I and II

General Appraiser Report Writing and Case Studies

EXPERIENCE

Novogradac & Company LLP, Manager, September 2015- Present

J Lawson & Associates, Associate Appraiser, October 2013- September 2015

Carr, Lawson, Cantrell, & Associates, Associate Appraiser, July 2007-October 2013

REAL ESTATE ASSIGNMENTS

A representative sample of due diligence, consulting or valuation assignments includes:

- Prepare market studies and appraisals throughout the U.S. for proposed and existing family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties. Appraisal assignments involve determining the as is, as if complete, and as if complete and stabilized values.
- Conduct physical inspections of subject properties and comparables to determine condition and evaluate independent physical condition assessments.
- Performed valuations of a variety of commercial properties throughout the Southeast which included hotels, gas stations and convenience stores, churches, funeral homes, full service and fast-food restaurants, stand-alone retail, strip shopping centers, distribution warehouse and manufacturing facilities, cold storage facilities, residential and commercial zoned land, and residential subdivision lots. Intended uses included first mortgage, refinance, foreclosure/repossession (REO), and divorce.
- Employed discounted cash flow analysis (utilizing Argus or Excel) to value income producing properties and prepare or analyze cash flow forecasts.
- Reviewed and analyzed real estate leases, including identifying critical lease data such as commencement/expiration dates, various lease option types, rent and other income, repair and maintenance obligations, Common Area Maintenance (CAM), taxes, insurance, and other important lease clauses.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

Meg Southern

I. Education

University of South Carolina – Columbia, SC Master of Arts,
Public History

College of William and Mary – Williamsburg, VA
Bachelor of Arts, Anthropology and History

II. Professional Experience

Junior Analyst, Novogradac & Company LLP, September 2016 – Present Contract
Researcher, Historic Columbia, May 2014 - September 2016

III. Research Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.

ADDENDUM C

Subject Photos

Photographs of Subject Site and Surrounding Uses



View facing Subject site



View facing Subject site



View SW along Fayetteville Road, Subject on the right



View northeast along Fayetteville Road, Subject on the left



Typical Single-Family Residential in area



School near Subject



Typcial Commercial in area



Typcial Single-Family Residential in area



Typcial Single-Family Residential in area



School near Subject

ADDENDUM D

Purchase Agreement

STATE OF GEORGIA)
)
COUNTY OF _____)

REAL ESTATE SALES CONTRACT

This Agreement is made and entered into this ___ day of May, 2017, by and between **Glenwood & Fayetteville Development, LLC**, a Georgia limited liability company (hereinafter the "Seller"), and **Columbia Fayetteville, L.P.**, a Georgia limited partnership (hereinafter the "Purchaser").

W I T N E S S E T H:

WHEREAS, Seller has agreed to sell, and Purchaser has agreed to buy, certain real property consisting of approximately ___ acres, located in the County of DeKalb, City of Atlanta, State of Georgia, at 2201-2255 Glenwood Avenue, Atlanta, Georgia, and such sale/purchase to be in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

1. Sale and Purchase of Property: Seller hereby agrees to sell, and Purchaser hereby agrees to buy the following described property, to-wit:

- (a) That certain parcel consisting of ___ acres, more or less, and being more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein, together with all and singular the rights, members, hereditaments, easements, improvements, structures and fixtures thereunto belonging or in anywise appertaining (said real property and all improvements, structure and fixtures located thereon being referred to hereinafter as the "Premises").
- (b) That certain easement for sidewalk improvements in the area described and shown on Exhibit "A-1," (the "Sidewalk Easement Parcel"), along with a general right of access to and from the Sidewalk Easement Parcel for purposes of constructing sidewalk improvements therein. The Sidewalk Easement Parcel shall provide pedestrian access from the Premises to Glenwood Avenue, a public Right-of-Way. The parties hereto agree that the final legal description of the Sidewalk Easement Parcel shall be amended once all sidewalk improvements are fully and finally constructed, and such final improvements can be physically located by survey.

2. Earnest Money: Purchaser will deposit with O & M Title Company (the "Escrow Agent") the sum of \$5,000.00 as earnest money (the "Earnest Money"). Unless Purchaser

exercises its right to terminate this Agreement prior to the expiration of the Inspection Period pursuant to paragraph 4 below, the Earnest Money, after expiration of the Inspection Period, shall be non-refundable. Purchaser shall be entitled to the return of the Earnest Money after the expiration of the Inspection Period only if Seller fails to timely cure a default hereunder or if this Agreement otherwise expressly provides for the return of the Earnest Money to Purchaser. The Earnest Money shall be applied to the purchase price due at the closing (as defined in Section 9 below).

3. Purchase Price: The purchase price (the "Purchase Price") for the Premises and the Sidewalk Easement Parcel shall be in the amount of Seven Thousand Five Hundred and 00/100ths Dollars (\$7,500.00) per multifamily housing unit that Purchaser obtains zoning approval and permits to construct on the Premises. The parties hereto acknowledge and agree that Purchaser's current development plan provides for the construction of 108 multifamily units on the Premises, yielding a Purchase Price of Eight Hundred Ten Thousand and 00/100ths Dollars (\$810,000.00). The Purchase Price shall be payable in cash at Closing.

4. Inspection Period: Purchaser and its agents and representatives shall have one hundred twenty (120) days from the date of this Agreement to make a complete inspection of the Premises and the Sidewalk Easement Parcel and to undertake all due diligence deemed necessary by Purchaser for its planned development, including environmental testing, soil sampling, title and survey review, and all other reviews, inspections and due diligence deemed necessary by Purchaser, in its sole discretion (hereinafter the "Inspection Period"). Seller shall permit and assist Purchaser in making the foregoing inspections and investigations at Purchaser's expense. If Purchaser, in its sole discretion, determines, for any reason, that the condition of the Premises and/or the Sidewalk Easement Parcel is not satisfactory, then Purchaser shall, on or before the expiration of the Inspection Period so notify Seller and, thereafter, this Contract shall terminate and shall be null and void and of no further force and effect, and neither Seller nor Purchaser shall have any further rights, duties, liabilities or obligations to the other by reason hereof, and Escrow Agent shall immediately refund the full amount of the Earnest Money to Purchaser. Should Purchaser determine that the Premises and Sidewalk Easement Parcel are satisfactory following its inspection, then the parties shall proceed toward Closing. Failure of Purchaser to notify Seller on or before the expiration of the Inspection Period of its determination as to whether the Premises and Sidewalk Easement Parcel are satisfactory or unsatisfactory shall constitute a formal acceptance of the Premises and Sidewalk Easement Parcel, and the parties shall proceed toward Closing. Purchaser shall be entitled to the return of the Earnest Money after the expiration of the Inspection Period only if Seller fails to timely cure a default hereunder or if this Agreement otherwise expressly provides for the return of the Earnest Money to Purchaser.

5. Tests and Surveys: During the Inspection Period, Purchaser or its agents shall have the unlimited right to enter upon the Premises at all reasonable times for the purpose of making such inspections, surveys and tests as it may deem necessary or desirable. Any such entry to the Premises shall be at the Purchaser's sole risk and expense, and Purchaser shall adequately protect the Premises. Purchaser agrees to indemnify and hold Seller harmless from and against any and all damages, claims, losses, liabilities and expenses which may be imposed upon, incurred by, or asserted against Seller with respect to such inspections, surveys and tests.

6. Documents to be Delivered During Inspection Period: Within ten days of the date hereof, Seller shall deliver to Purchaser the following documents:

- (a) A copy of any existing Surveys of the Premises;
- (b) A copy of any previously issued Title Insurance Policy or Policies, along with copies of any instruments appearing as special exceptions to title on Schedule B of such Policy or Policies;
- (c) copies of property tax bills for the Premises for the preceding three years;
- (d) copies of any service contracts affecting the Premises, and copies of utility, trash, sewer, and water bills, if any, concerning the Premises for the preceding year; and
- (e) Any and all soil, engineering, environmental reports and appraisals in Seller's possession relative to the Premises.

7. Title: Purchaser shall cause title of the Premises and the Sidewalk Easement Parcel to be examined during the Inspection Period. Prior to the expiration of the Inspection Period Purchaser shall notify Seller of any defects found which render the title unmarketable. Upon such notice from Purchaser, Seller shall have the right, but not the obligation, to remove all of such objections, defects, liens, encumbrances or other defects of title which render the title unmarketable within 30 days following notification from the Purchaser. In the event Seller is unwilling or unable to cure such title defects, the Purchaser shall have the option of accepting such title as Seller can convey or canceling and terminating this agreement, in which latter event the Purchaser shall be entitled to the reimbursement of the Earnest Money. For purposes of this agreement, "marketable fee simple title" shall be that title upon which First American Title Insurance Company, in its sole judgment, is willing to issue an Owner's Policy of title insurance at its standard premium rate customarily charged in DeKalb County, Georgia, with no exceptions other than those Permitted Exceptions contained in Exhibit B attached hereto.

Purchaser shall have the additional right to review title within five days prior to the Closing Date to ensure that no title exceptions appear of record subsequent to the date of Purchaser's initial title search during the Inspection Period (said subsequent search being hereinafter referred to as the "Pre-Closing Title Search"). Should the Pre-Closing Title Search reveal any new matters of records or other title defects Purchaser shall immediately notify Seller, and Purchaser shall have the option of (i) accepting title to the Premises subject to any such new title matters, (ii) if such defects can be cured by the payment of money not exceeding \$50,000, accepting title to the Premises and Sidewalk Easement Parcel and a reduction in Purchase Price of the amount necessary to cure the defect, or (iii) canceling and terminating this agreement, in which latter event the Purchaser shall be entitled to the reimbursement of the Earnest Money.

8. Warranties of Seller: Seller warrants and represents as follows:

- (a) Seller is the owner of the fee simple title to the Premises and the Sidewalk Easement Parcel, and all of the improvements located thereon, and it will forever warrant and defend the title to said Premises and Sidewalk Easement Parcel.

(b) As of the Closing Date, there will be no contracts other than service contracts previously disclosed to, and reviewed by Purchaser, affecting the Premises, there will be no leases or sub-leases affecting the Premises or any part thereof, and there will be no parties in possession of the Premises or any part thereof. Possession of the Premises will be delivered to the Purchaser at closing.

(c) Seller has no actual knowledge, nor has Seller received any notice of, any violations of law, municipal ordinances or other legal requirements with respect to the Premises or the Sidewalk Easement Parcel. The improvements comply with all applicable governmental requirements with respect to the use, occupation and construction thereof. Seller hereby furnishes Purchaser with an authorization to make the necessary searches for any such violations. As of the date hereof, Seller has not received any notices from any federal, state or municipal authority, suits, or judgments relating to violations of the Premises of zoning, building, fire, life safety, air pollution, rental controls or health regulations, or any notice or advice from any insurer of the Premises or any part thereof requesting any improvements, alterations, additions, corrections or other work in, on or about the Improvements, whether related to the Premises or to the operations of any occupant thereof. Seller will promptly notify Purchaser if it receives any such notice at or before closing and will pay the cost of correcting any such violations.

(d) To the best of Seller's actual knowledge, no areas exist or have existed on the Premises or the Sidewalk Easement Parcel where hazardous substances or waste have been generated, stored, disposed of, released or found, and Seller has no knowledge and has received no notice of the existence of any hazardous substances or waste on the Premises or Sidewalk Easement Parcel. For purposes of this Agreement, the "hazardous substances or waste" shall mean petroleum, including crude oil or any fraction thereof, flammable explosives, radioactive materials, any material containing polychlorinated biphenyls, and any of the substances defined as "hazardous substances" or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq., Hazardous Materials Transportation Act, 49 U.S.C. Section 1802, the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or any other federal, state, local or other governmental legislation, statute, law, code, rule, regulation or ordinance, identified by its terms as pertaining to the disposal of hazardous substances or waste.

(e) Seller has not: (i) entered into or been subject to any consent decree, compliance order, or administrative order with respect to the Premises or Sidewalk Easement Parcel or any facilities or operations thereon; (ii) received notice under the citizens suit provision of any Environmental Law in connection with the Premises or Sidewalk Easement Parcel or any facilities or operations thereon; (iii) received any requests for information, notice, demand letter, administrative inquiry, or formal or informal complaint or claim with respect to any environmental condition relating to the Premises or Sidewalk Easement Parcel or any facilities or operations thereon; or (iv) been subject to or threatened with any governmental or citizen enforcement action with respect to the Premises or Sidewalk Easement Parcel or any facilities or operations thereon.

(f) To the best of Seller's knowledge, no portion of the Premises or Sidewalk Easement Parcel is considered to be jurisdictional wetlands.

(g) From and after the date hereof up and until the Closing Date, Seller shall maintain the Premises, and shall continue to operate the Premises in a commercially reasonable manner.

(h) All of the representations contained in the form of Owners Affidavit attached hereto as Exhibit C will be true and accurate as of the closing date, at which time said affidavit will be executed by Seller and delivered to Purchaser and its title insurance company.

9. Closing:

(a) Closing of this Sale-Purchase shall take place on or before September 30, 2018 (the "Closing Date"), at Hunter Maclean 200 East Saint Julian Street, Savannah, Georgia 31401, or such other place as the Purchaser may designate upon five days' notice to Seller (the "Closing"), unless the Closing must be delayed to permit Seller to perfect title in accordance with the provisions of paragraph 7.

(b) At the Closing, Seller shall deliver the following documents to the Purchaser:

(i) A good and sufficient recordable Limited Warranty Deed conveying the Premises and an easement conveying the Sidewalk Easement Parcel to the Purchaser, which shall vest in Purchaser marketable fee simple title to the Premises and an appurtenant easement in and to the Sidewalk Easement Parcel, free and clear of all liens and encumbrances, except those Permitted Title Exceptions shown on Exhibit B, and

(ii) The affidavit substantially in the form attached hereto as Exhibit C and sworn to by Seller, and

(iii) A "non-foreign" affidavit as defined in Internal Revenue Code Section 1445, and

(iv) Satisfactory evidence that Seller is not subject to withholding under the provisions of Georgia law relating to foreign sellers, and

(v) An affidavit sufficient to eliminate any title exception for broker's liens under the Georgia title standards, and

(vi) Any other documents reasonably required by the Purchaser in order to implement the terms of this Agreement.

(c) At the closing, Purchaser shall deliver to Seller the Purchase Price after applying the Earnest Money.

(d) Purchaser and Seller shall each pay its own attorney's fees. All outstanding city, state and county ad valorem real estate taxes for the year of closing will be prorated between the parties. Seller shall pay all state transfer tax. All other closing costs shall be paid by Purchaser.

(e) The following items shall be prorated as of the Closing Date: (i) utility, water and sewer charges; (ii) payments under service contracts, if any; (iii) fees for transferable licenses and permits, if any. Seller shall be entitled to receive all income and to pay all expenses with respect to the Premises for all time periods through and including the date prior to the closing date, and Purchaser shall be entitled to receive all such income and shall be obligated to pay all such expenses commencing with the closing date. Any item of income or expense required to be apportioned under this section that for any reason is not apportioned at closing shall be apportioned as soon thereafter as is practicable. If any mutual mistakes, including without limitation, any erroneous mathematical calculation are made in any apportionment at closing, Seller and Purchaser shall, within 60 days after closing, correct said mistakes and make any payments required to produce an accurate apportionment.

10. Notice: Any notice required or permitted to be given hereunder by one party to the other shall be in writing and shall be effective when delivered in person to the individuals named below, or deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed as follows:

As To Purchaser:

Columbia Fayetteville, L.P.
c/o New Columbia Residential, LLC
1718 Peachtree Street, NW
Suite 684, South Tower
Telephone: (404) 419-4132
Email: Jgrauley@columbiare.com
Attention: Jim Grauley

With a Copy to:

Hunter, Maclean, Exley & Dunn, P.C.
200 East Saint Julian Street
Savannah, Ga. 31401
Telephone: (912) 944-1635
Email: THenneman@huntermaclean.com
Attn: Edward O. Henneman, Jr., Esq.

As to Seller:

Glenwood & Fayetteville Development, LLC

Telephone: () _____
Email: _____
Attention: _____

With a Copy to:

Fax: () _____
Email: _____
Attn: _____

11. Condemnation or Casualty Loss: In the event that, prior to the Closing, all or any portion of the Premises or Sidewalk Easement Parcel shall have been affected by any condemnation or taking by eminent domain, or shall be the subject of any condemnation procedure which shall have been commenced or of which Seller or Purchaser shall have received actual or constructive notice, or in the event more than 10% of the Premises and Sidewalk Easement Parcel have been damaged by fire, flood or other casualty, Purchaser shall have the option of:

(a) Accepting the Premises and Sidewalk Easement Parcel in the condition which exists at the time of closing, together with assignment of all proceeds of any condemnation award or insurance proceeds arising out of the condemnation of or casualty to the Premises, or

(b) Canceling this contract, in which event the Purchaser shall be entitled to the reimbursement of the Earnest Money.

All risk of loss until the Closing shall be on Seller, and Seller shall deliver possession of the Premises and Sidewalk Easement Parcel to Purchaser at closing in substantially the same condition as they were in when shown to agents of Purchaser, provided, however, that in the event less than 10% of the Premises and Sidewalk Easement Parcel have been damaged by fire, flood or other casualty, then, in such event, the parties shall be required to consummate the transaction contemplated herein in accordance with the terms hereof, in which case (i) Seller shall assign to Buyer at Closing any and all insurance proceeds payable under Seller's casualty insurance policy as a result of such Casualty excluding proceeds for rent loss occurring prior to Closing, (ii) Buyer shall receive a credit against the Purchase Price equal to the amount of any deductible under such casualty insurance policy, which credit shall in no event be greater than the cost of the restoration and repair of such Property necessitated by such Casualty, and (iii) the Premises and Sidewalk Easement Parcel shall be conveyed to Buyer at Closing by Seller in its "as-is" condition without deduction from or offset against the Purchase Price.

12. Condition Precedent: Purchaser's obligation to perform under the terms of this Agreement is expressly conditioned upon Purchaser receiving an allocation of 9% Tax Credits (as such term is defined in Section 42 of the Internal Revenue Code and hereinafter referred to as the "Tax Credits") from the Department of Community Affairs, Georgia Housing and Finance Authority, State of Georgia, in connection with its intended use and development of Premises by no later than December 31, 2017, or this Agreement shall automatically terminate and shall be null and void and of no further force and effect, and neither Seller nor Purchaser shall any further rights, duties, liabilities or obligations to the other by reason hereof. In such event, all Earnest Money previously paid by Purchaser shall be returned to Purchaser. If Purchaser obtains an

allocation of the Tax Credits by December 31, 2017, then the parties shall proceed towards a closing on the Closing Date set forth in Section 9.

13. Right to Contract Extension: Purchaser shall have the unconditional right to extend the Closing Date up to three (3) times for thirty (30) days for each such extension. Purchaser shall notify Seller of its desire to exercise its extension rights hereunder no later than five (5) days prior to the expiration of the then current term of the Agreement.

14. Default: In the event Seller fails to fully and timely perform any of its obligations hereunder or otherwise refuses to complete the sale of the Premises as provided hereunder, Purchaser shall be entitled to recover the Earnest Money paid without prejudice to any additional rights, at law or in equity, that Purchaser may have as a result of such breach by Seller, including the right to sue for specific performance. Should Purchaser default under this Agreement, Seller shall be entitled to retain the Earnest Money paid by Purchaser as liquidated damages in full settlement of any and all claims for damages. The parties hereto acknowledge that it is impossible to precisely estimate the damages to be suffered by Seller upon Purchaser's default, and the parties expressly acknowledge that retention of the Earnest Money by Seller upon a Purchaser's default is intended not as a penalty, but as fully liquidated damages pursuant to O.C.G.A. §13-6-7.

15. Broker: Seller and Purchaser hereby represent to each other that neither has used the services of a broker in connection with the sale of the Premises and the Sidewalk Easement Parcel. Seller and Purchaser agree to indemnify each other against any claim for commission or compensation by any real estate broker or other third party claiming by, through or under Seller or Purchaser, as the case may be, in connection with the sale/purchase of the Premises.

16. Attorneys' Fees: If either party commences an action against the other to enforce any of the terms hereof or because of the breach by either party of any of the terms hereof, the losing party shall pay to the prevailing party reasonable attorneys' fees in the amount of 15% of any sum collected, together with all costs and expenses, and a right to such attorneys' fees and expenses shall be deemed to have accrued upon the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

17. Assignment: This Agreement is fully assignable by Purchaser to any entity in which New Columbia Residential, LLC or any affiliates or principals thereof is a member or participant.

18. Choice of Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

19. Amendment and Waiver: No provision of this Agreement may be amended, modified, supplemented, changed, waived, discharged, or terminated unless each party hereto consents in writing.

20. Severability of Provisions: In the event that any one or more of the provisions contained in this Agreement should be found or held to be invalid, illegal, or unenforceable in

any respect, the validity, legality, and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired thereby.

21. Captions: The captions or headings of any section of this Agreement are intended for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

22. Survival of Contract: All covenants, warranties and agreements set forth in this Agreement shall survive the execution or delivery of any and all deeds and other documents at any time executed or delivered under, pursuant to or by reason of this Agreement, and shall survive the payment of monies made under, pursuant to or by reason of this Agreement.

23. Miscellaneous: This Agreement contains the entire understanding and agreement between the parties. It shall not be modified or amended in any way except by a written instrument executed by both parties. This agreement shall be binding upon and inure to the benefit of each party hereto and their successors. Time is of the essence of this agreement.

(SIGNATURES FOUND ON FOLLOWING PAGE)

IN WITNESS WHEREOF, Seller and Purchaser have caused this Agreement to be executed under seal as of the day and year first above written.

PURCHASER:

COLUMBIA FAYETTEVILLE, L.P., a Georgia limited partnership

By: Columbia Fayetteville Partners, LLC, a Georgia limited liability company

Its: General Partner

By: New Columbia Residential, LLC, a Georgia limited liability company

Its: Sole Member

By: _____

Name: _____

Its: _____

SWORN TO AND SUBSCRIBED
before me this _____ day of
May, 2017.

Notary Public for _____
My Commission Expires: _____

(AFFIX NOTARIAL SEAL)

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

SELLER:

Glenwood & Fayetteville Development, LLC

By: _____

Name: _____

Its: _____

Date: _____

SWORN TO AND SUBSCRIBED
before me this _____ day of
May, 2017.

Notary Public for _____
My Commission Expires:

(AFFIX NOTARIAL SEAL)

EXHIBIT A
(Legal Description)

EXHIBIT A-1
(Legal Description of Sidewalk Easement Parcel)

EXHIBIT B

PERMITTED EXCEPTIONS

(See Attachment)

EXHIBIT C

STATE OF GEORGIA)	OWNER'S AFFIDAVIT AND AFFIDAVIT
)	AS TO NON-FOREIGN STATUS AND
COUNTY OF _____)	TAXPAYER IDENTIFICATION NUMBER

PERSONALLY APPEARED before me, the undersigned, an officer duly authorized under the laws of the State of Georgia to administer oaths, _____ who after being duly sworn, deposes and SAYS:

1. She/He is the _____ of Glenwood and Fayetteville Development, LLC, the owner ("Owner") of the following described property (the "Property"), to-wit:

SEE EXHIBIT "A" ATTACHED HERETO

2. Affiant has personal knowledge of the matters contained herein, and can testify competently thereto. No one other than said Owner has the right of possession of said Property.

3. There is no outstanding indebtedness for equipment, appliances, or other fixtures attached to said Property.

4. The lines and corners of said Property are clearly marked, that there are no disputes concerning the location of lines and corners, that the Property is free from leases, contracts, easements, or claims of easements, not shown by the public records, and that an undisputed right of access to the Property exists from a public road.

5. There are no pending suits, proceedings, judgments, bankruptcies, liens or executions against said Owner which affect the Property either in the aforesaid county or any other county in the State of Georgia.

6. Deponent has no knowledge of any street, sidewalk, drainage or utility improvements which are either proposed, under construction or recently completed, which pass through or abut the Property.

7. There have not been improvements or repairs made to the improvements located on the Property, or services of architects, surveyors or engineers performed on or with respect to the Property within three (3) months prior to this date. If any such improvement, repairs or services have been so performed, then the agreed price or the reasonable value of all labor, services and materials has been paid in full to all persons or parties who have provided any such labor, services or materials.

8. Owner is a resident of the State of Georgia. Owner is not a nonresident alien, foreign corporation, foreign partnership, foreign trust, or foreign estate (as defined in the Internal Revenue Code and Income Tax Regulations).

9. The employer identification number of Owner is _____. That said number is the Owner's correct taxpayer identification number and the Owner is not subject to backup withholding either because it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends, or the IRS has notified it that it is no longer subject to backup withholding.

10. Brokerage services in connection with this transaction have been provided by N/A (the "Broker") and the Broker has been fully paid by Seller for such services. No other party or person has provided any brokerage or management services to Owner, is due any compensation for brokerage or management services from Owner or has any right to a lien against the property. This Affidavit is made in accordance with O.C.G.A. § 44-14-605 and may be relied upon by any purchaser to whom an interest in the Property is being conveyed, by any lender making any loan secured by an interest in the Property, by any insurance company insuring any interest in the Property or by any law firm closing a transaction involving the Property.

11. The permanent address of Seller is _____.

12. The consideration for the transfer of the above captioned property is \$_____.

_____(L.S.)

Sworn to and subscribed before
me this ___ day of _____, 2017.

Witness

Notary Public