

Crown Appraisal Group

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Meadow Crossing Apartments

125 Spinks Drive

37-unit apartment complex

Omega, Georgia

Date of Report: April 6, 2017

Prepared by

Crown Appraisal Group, Inc.

6797 N. High Street, Suite 325

Columbus, Ohio 43085

614-431-3332 (o), 614-431-3376 (f)

Prepared for

Debi Martin

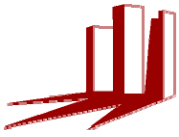
Greystone Servicing Corporation, Inc.

419 Belle Air Lane

Warrenton, VA 20186

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This document, and all of the statements, opinions, contents, and all attachments and addendums are privileged and confidential to the client (the addressee), and are not intended to be disclosed to or relied upon by any third party without the express written consent of the appraiser(s).



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April 6, 2017

Greystone Servicing Corporation, Inc.

Attn: Debi Martin

419 Belle Air Lane

Warrenton, VA 20186

**Re: Meadow Crossing Apartments
125 Spinks Drive
Omega, Georgia**

Dear Debi Martin:

At your request, Andy Moye has completed an inspection and analysis of the referenced property for the purpose of developing and reporting an opinion of value for the property. The specific real property interest, real estate, type of report, and type of value are detailed within the body of the accompanying report. The accompanying report has been prepared in conformance with the requirements established by the Appraisal Institute. The appraisal is in conformance with USPAP requirements. The liability of Crown Appraisal Group, Inc. and its employees is limited to the fee collected for the preparation of the appraisal report. There is no accountability or liability to any third party. Based on discussions with market participants, the marketing period and exposure period for the property is estimated at 12 months. The following summarizes the interest being appraised, types of values, effective dates of values, and value opinions.

<i>Competitive Rent Comparable Unit Conclusions (CRCU)</i>			
		<u>1 Bed, 1 Bath</u>	<u>2 Bed, 1.5 Bath TH</u>
As-is CRCU	Value 1 rents	460	525
Prospective (Renovated) CRCU	Value 4 rents	525	590
<i>Value Opinions</i>			
		<u>Date of Value</u>	<u>Value</u>
Value 1	- as conventional or unrestricted	January 23, 2017	\$1,355,000
Value 2-RD	- subject to restricted rents	January 23, 2017	\$785,000
Value 3	- prospective, subject to restricted rents	February 1, 2019	\$1,255,000
Value 4	- prospective, as conventional or unrestricted	February 1, 2019	\$1,775,000
Value 5	- Interest Credit Subsidy Value from assuming the existing 515 Loan)	December 22, 2017	\$505,000
Value 5	- Interest Credit Subsidy Value (New 538 Loan)	February 1, 2019	\$20,000
Value 6	- LIHTC Value	February 1, 2019	\$1,385,538
Value 6	- State Tax Credit Value	February 1, 2019	\$458,450
Value 7	- Insurable Value	February 1, 2019	\$2,109,483
Value 8	- Land Value	January 23, 2017	\$37,000

The opinion of value contained in the attached appraisal report is based upon the following extraordinary assumptions:

- The units and other improvements at the property that were viewed during the inspection (defined within the body of the report) are representative of all the units and other improvements at the property.
- The prospective value conclusions incorporate the extraordinary assumptions that the improvements are renovated as described, that the renovation is complete as of the prospective valuation date, and that the property is operating at a stabilized level as of the prospective valuation date.

The opinion of value contained in the attached appraisal report is based upon the following hypothetical condition:

- Hypothetical conditions are stated within the Parameters of Assignment section of the report.

The opinion of value contained in the attached appraisal report is based upon the following assumptions and limiting conditions:

- The information furnished by others is believed to be reliable. No warranty is given for its accuracy, though.
- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated in the report.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations, laws, and license requirements unless otherwise stated in the report.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- The value opinions, and the costs used, are as of the date of the value opinion.
- All engineering is assumed to be correct. The plot plans and other illustrative material in this report are included only to assist the reader in visualizing the property.
- The proposed improvements, if any, on or off-site, as well as any repairs required, are considered, for purposes of the appraisal, to be completed in a good and workmanlike manner according to information submitted and/or considered by the appraiser.
- Responsible ownership and competent property management are assumed.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- The appraiser is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.

- It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that make it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering or environmental studies that may be required to discover them.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on or in the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of such substances may affect the value of the property. The value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- All mechanical components are assumed to be in good, operable condition unless otherwise noted.
- Our opinion of value does not consider the effect (if any) of possible noncompliance with the requirements of the ADA.
- Crown Appraisal Group, Inc. and its employees accept no responsibility for changes in market conditions or the inability of the client, intended user, or any other party to achieve desired outcomes.
- Projections or estimates of desired outcomes by the client, intended user, or any other party may be affected by future events. The client, intended user, or any other party using this report acknowledges and accepts that Crown Appraisal Group, Inc. and its employees have no liability arising from these events.
- Unless specifically set forth, nothing contained herein shall be construed to represent any direct or indirect recommendation of Crown Appraisal Group, Inc., its officers or employees to purchase, sell, or retain the property at the value(s) stated.
- Unless specifically set forth, nothing contained herein shall be construed to represent any direct or indirect recommendation of Crown Appraisal Group, Inc., its officers or employees to provide financing (mortgage, equity, or other) for the property at the value(s) stated.
- Greystone Servicing Corporation, Inc., or its representative(s), agrees to indemnify and hold Crown Appraisal Group, Inc., its officers and employees, harmless from and against any loss, damages, claims, and expenses (including costs and reasonable attorney fees) sustained as a result of negligence or intentional acts or omissions by Greystone Servicing Corporation, Inc., or its representative(s) arising from or in any way connected with the use of or purported reliance upon, the appraisal report or any part of the appraisal report.
- The contents of the appraisal report, and all attachments and information that will be contained within the report, is proprietary and confidential. Greystone Servicing Corporation, Inc., or its representative(s) will not release or provide the report, in any form, in whole or in part, to any third party, including any borrower, potential borrower, buyer or potential buyer, without the signing appraiser's express written authorization.

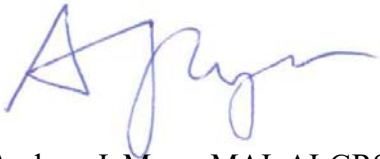
ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.

Debi Martin
April 6, 2017
Page Four

The attached appraisal report contains the results of the investigation and opinion of value. We appreciate this opportunity to serve you and your firm. Should you or anyone authorized to use this report have any questions, contact us at your convenience.

Sincerely,

CROWN APPRAISAL GROUP



Andrew J. Moye, MAI, AI-GRS
Principal

AJM
Enclosure

Table of Contents

Introduction to Report

Title Page	
Letter of Transmittal	
Table of Contents	
Executive Summary	1

Premises of Appraisal

Parameters of Assignment.....	2
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Presentation of Data

Comments Regarding Appraisal.....	9
Apartment Housing	10
City Overview.....	11
Property Description.....	28

Analysis of Data

Highest and Best Use	35
Valuation.....	38
Market Valuation.....	39
Income Capitalization Approach	39
Sales Comparison Approach.....	51
Prospective Market Value	61
Income Capitalization Approach	61
Cost Approach	69
Reconciliation and Final Value Opinion	75
Interest Credit Subsidy Value Opinion.....	76
Low Income Housing Tax Credit Value Opinion.....	77
Insurable Value Opinion	79
Certification	80
Addendum.....	81
Subject Photographs	82
Rent Roll	83
Operating History/Budgets.....	87
Estimate and Certificate of Cost	117
Architectural Plans	123
Zoning Ordinance	131
Flood Map.....	175
Tax Plat Map.....	176
Deed/Legal Description.....	177
Survey	178
Engagement Letter.....	179
Professional Qualifications/License	186

Executive Summary

Subject Real Estate Identification: The subject is known as Meadow Crossing Apartments and has an address of 125 Spinks Drive in Omega, Georgia. The complex operates as a Class C, subsidized income, non-age restricted property. Meadow Crossing Apartments is on the west side of Spinks Drive about 1/4 mile northeast of the center of town. The property is in Tift County. Omega is in southern Georgia.

The subject improvements include a 37-unit apartment complex (housed in 7 one and two-story buildings). The property includes one and two bedroom units. The improvements were built in 1994. The property is in average physical and functional condition. The 37 units total 27,488 sf. The property is currently 97.3% occupied. The subject site is ±3.350 acres.

Existing Use of Real Estate: Apartment Complex
 Highest and Best Use: Intensive Residential (current use)
 Parcel Number/Legal Description: 0025A 206 / LL 487 PT BLK B S&P S/D OMEGA
 Zoning: MR Multiple-Residential
 USPAP Report Option: Appraisal report

Pertinent dates:
 Date of valuation: see chart
 Prospective date of valuation: see chart
 Date of inspection: January 23, 2017
 Date of report: April 6, 2017

Values, interests appraised: see next page

Conclusions:

<i>Competitive Rent Comparable Unit Conclusions (CRCU)</i>			
		<u>1 Bed, 1 Bath</u>	<u>2 Bed, 1.5 Bath TH</u>
As-is CRCU	Value 1 rents	460	525
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Value 7 - Insurable Value		February 1, 2019	\$2,109,483
Value 8 - Land Value		January 23, 2017	\$37,000

Parameters of Assignment

Purpose, Intended Use

The purpose of this assignment is to arrive at an opinion of the market value of the property known as Meadow Crossing Apartments. A number of value opinions of a number of interests are provided. The value opinions, applicable notes (including discussion about the use of a hypothetical condition), and intended use, are detailed below:

Value 1	<p>Market Value within 7 CFR Part 3560.752(b)(1)(ii), Premised Upon A Hypothetical Condition As-If Unsubsidized Conventional Housing in compliance with 7 CFR Part 3560.656(c)(1)(i).</p> <p><i>Note - using the hypothetical condition “as unsubsidized conventional housing” according to 7 CFR Part 3560.656(c)(1)(i) means that when the appraiser develops their highest and best use analysis they will not recognize any Rural Development restrictions or subsidies and must only consider the property as continued use as housing.</i></p> <p>The intended use of this appraised value is to determine the value of the property that qualifies for an Incentive Offer within 7 CFR Part 3560.656 for sale/purchase and to determine the amount and availability of any equity.</p> <p>For ease of communication throughout the report, every effort is made to identify this value either by the complete definition or “Value 1, as conventional or unrestricted”.</p> <p><i>Comment: market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate used.</i></p>
Value 2-RD	<p>Market Value, within 7 CFR Part 3560.752(b)(1)(ii).</p> <p><i>Note – this value opinion must consider all existing restrictions and prohibitions including Restrictive-Use Provisions (RUPs).</i></p> <p>The intended use of this appraised value is to determine the value of the property for sale/purchase and to determine the amount and availability of any equity.</p> <p>For ease of communication throughout the report, every effort is made to identify this value either by the complete definition or “Market Value, Subject to Restricted Rents within 7 CFR Part 3560.752(b)(1)(i)”.</p> <p><i>Comment: basic rent, historic vacancy, historic expenses, market-based overall rate (with recognition of “safeness” of RA units) used.</i></p>
Value 3	<p>Prospective Market Value, Subject To Restricted Rents within 7 CFR Part 3560.752(b)(1)(i).</p> <p><i>Note – this value opinion must consider any rent limits, rent subsidies, expense abatements, and restrict-use conditions that will affect the property. All intangible assets must be evaluated individually and separately from real estate.</i></p> <p>The intended use of this appraised value for a new or subsequent loan is to assist the underwriter with calculating the security value for the basis of a loan or loan guarantee.</p> <p>For ease of communication throughout the report, every effort is made to identify this value either by the complete definition or “Value 3, prospective, subject to restricted rents”.</p>

	<i>Comment: lesser of LIHTC or market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate (with recognition of “safeness” of RA) units used.</i>
Value 4	<p>The intended use of the appraised value “Market Value within 7 CFR Part 3560.752(b)(1)(ii), Premised Upon a Hypothetical Condition As-If Unsubsidized Conventional Housing in compliance with 7 CFR Part 3560.656(c)(1)(i).” is to determine the value of the property that qualifies for an Incentive Offer within 7 CFR Part 3560.656 for sale/purchase and to determine the amount and availability of any equity.</p> <p><i>Note – this value opinion is based upon a highest and best use analysis as-if not encumbered by USDA program provisions.</i></p> <p>The intended use of this appraised value is for reasonable analysis and comparison as to how the USDA restrictions affect the property. It should not be used as the basis of a loan or loan guarantee.</p> <p>For ease of communication throughout the report, every effort is made to identify this value either by the complete definition or “Value 4, prospective, as conventional or unrestricted”.</p> <p><i>Comment: market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate used.</i></p>
Value 5	Value of the interest credit subsidy from assumed 515 loan and new 538 loan.
Value 6	Market Value of LIHTC (tax credits).
Value 7	Insurable Value.
Value 8	Market Value of Underlying Land

Definitions

Market Value, incorporated in Value Opinions 1, 2, 5, 6, 8

The 6th edition of The Dictionary of Real Estate Appraisal includes several definitions for *market value*. The following definition from the dictionary is used by the federal agencies that regulate insured financial institutions in the United States.

“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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Comments from HB-1-3560

Most appraisers and users of Agency Multi-Family Housing appraisals understand the definition of *market value* to mean the value as a conventional or unrestricted or market property. However, to avoid confusion when requesting or reporting this value type, the term “as conventional or unrestricted” should be added to the term *market value* (i.e. “market value, as conventional or unrestricted”).

Market Value, subject to restricted rents – incorporated in Value Opinions 2 (possible), 3

A definition of market value, subject to restricted rents, as the term is used by RHS, derived from the definition of market value above, is stated as follows. Market value, subject to restricted rents: 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 is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

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

Comments from HB-1-3560

It considers any rent limits, rent subsidies, expense abatements, or restrictive-use conditions imposed by any government or non-government financing sources but does not consider any favorable financing involved in the development of the property.

Market value, subject to restricted rents, refers only to the value of the subject real estate, as restricted, and excludes the value of any favorable financing. The market value, subject to restricted rents, is based on a pro forma that projects income, vacancy, operating expenses, and reserves for the property under a restricted (subsidized) scenario. This restricted pro forma includes the scheduled restricted rents, a vacancy and collection loss factor that reflects any rental assistance (RA) or Section 8, and operating expenses and reserves projected for the subject as a subsidized property. Subsidized apartments typically experience higher management, auditing, and bookkeeping expenses, relative to similar conventional apartments, but often have lower real estate tax expenses.

Real Property Interest Valued, Value Opinions 1, 2 (possible), 4, 8

fee simple estate, subject to short term leases.

The 6th edition of the Dictionary of Real Estate Appraisal defines fee simple estate as “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.” Recognition is made that there are leases with tenants that are short term (no more than one year) in nature for the units in the apartment building improvements.

Real Property Interest Valued, Value Opinions 2 (possible), 3
fee simple estate, as restricted, subject to short-term leases.

The 6th edition of the Dictionary of Real Estate Appraisal defines fee simple estate as “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

Prospective Value, Value Opinions 3, 4, 7

The term *prospective value* is defined by the 6th edition of The Dictionary of Real Estate Appraisal as follows. “*Prospective value: a forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.*”

Comments from HB-1-3560

As used in Agency regulations and instructions, the term “as-improved value” refers to the value of real property after completion of proposed improvements. The Agency’s intended meaning of “as-improved value” is the same as the definition of *prospective value*. However, use of the term “as-improved value” can cause confusion for two reasons, as follows. 1) The term “as improved”, as used in a Highest and Best Use analysis, refers to the subject real estate as it has already been improved at the time of the appraisal, not as it is proposed to be improved. Therefore, “as-improved value” could be interpreted to refer to the value of the subject property as it has already been improved at the time of the appraisal. 2) There is a common misconception with the use of the term “as-improved value” that this is a value based on a hypothetical condition; that is, the value of the property as if it were improved, as proposed, as of the date of inspection. Since this scenario is impossible, an “as-improved value”, as of appraisal date (inspection date), is not useful. The term *prospective value* is better understood than the terms “as-improved value” and “as-complete value” by appraisers and users of appraisals and has replaced these terms in appraisal literature and common usage. Therefore, the term *prospective value* should be used when requesting or reporting a forecasted value, and the associated date of value should be the projected date of completion of construction.

“As-Is” Value

The 6th edition of the Dictionary of Real Estate Appraisal defines value as is as follows. “Value as is: the value of specific ownership rights to an identified parcel of real estate as of the effective date of the appraisal; relates to what physically exists and is legally permissible and excludes all assumptions concerning hypothetical market conditions or possible rezoning.”

Comments from HB-1-3560

HB-1-3560, Attachment 7-A, Page 5 of 8 notes that, “...the term ‘As-Is’ should not be used with the term *market value* unless the property is a conventional or market property at the time of the appraisal. The term ‘As-Is’ should precede the term *market value, subject to restricted rents*, when the *market value, subject to restricted rents*, of the project at the time of the appraisal is required.” In this assignment, the appraisers have tried to not use of the term “as-is”.

Insurable Value, Value 7

A definition of *insurable value* acceptable for use in Agency Multi-Family Housing appraisals is as follows: *Insurable value: the value of the destructible portions of a property which determines*

the amount of insurance that may, or should, be carried to indemnify the insured in the event of loss. The estimate is based on replacement cost new of the physical improvements that are subject to loss from hazards, plus allowances for debris removal or demolition. It should reflect only direct (hard) construction costs, such as construction labor and materials, repair design, engineering, permit fees, and contractor's profit, contingency, and overhead. It should not include indirect (soft) costs, such as administrative costs, professional fees, and financing costs.

The term “insurable cost” is sometimes used instead of the term *insurable value* because it is based strictly on a cost estimate, not a value concluded in an appraisal. However, the term *insurable value* is more commonly used. Attachment 7-I, *Insurable Value Calculation*, is a worksheet that should be used as a guide by State Appraisers and fee appraisers contracted by the Agency in calculating *insurable value*.

Extraordinary Assumption:

An assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusion.

Source: *Uniform Standards of Professional Appraisal Practice (USPAP)*

For those reports that incorporate an extraordinary assumption, USPAP requires that the appraiser provide notice to the user of the report that the use of the extraordinary assumption might affect the assignment results. The appraiser(s) is not required to report on the impact of the extraordinary assumption on assignment results. The following extraordinary assumptions are incorporated:

- The units and other improvements at the property that were viewed during the inspection (defined within the body of the report) are representative of all the units and other improvements at the property.
- The prospective value conclusions incorporate the extraordinary assumptions that the improvements are renovated as described, that the renovation is complete as of the prospective valuation date, and that the property is operating at a stabilized level as of the prospective valuation date.

Hypothetical Condition:

That which is contrary to what exists but is supposed for the purpose of analysis.

Source: *Uniform Standards of Professional Appraisal Practice (USPAP)*

For those reports that incorporate a hypothetical condition, USPAP requires that the appraiser provide notice to the user of the report that the use of the hypothetical condition might affect the assignment results. The appraiser(s) is not required to report on the impact of the hypothetical condition on assignment results. Applicable hypothetical conditions have been identified earlier in this section.

Intended Use, User

The intended use for most of the values developed and reported have been shown in the prior section. For those values that do not have an intended use, the use is to assist the client in their understanding and analysis of the property. Unless otherwise identified within this report, the intended use of the report has not been more fully described to the appraiser(s). The client, or intended user, for whom the report is prepared is identified in the letter of transmittal, Debi Martin of Greystone Servicing Corporation, Inc. Other known intended users are representatives from the USDA, Georgia Department of Community Affairs, and other lenders. Unless otherwise identified within this report, no other intended users have been identified to the appraiser(s).

The Uniform Standards of Professional Appraisal Practice (USPAP) have a number of rules, comments, advisory opinions, and frequently asked questions relating to control or use of reports. The signatory(ies) of this report is/are bound by USPAP. Therefore, as noted in the letter of transmittal, no party other than the intended user may use this report without receiving written consent from the signing appraiser(s). Further, no part of the report shall be published or made available to the general public, nor shall any part of the report be published or made available for public or private offering memorandum or prospectus, without the written consent of the signing appraiser(s) of this report.

Scope

The scope of services was focused on reviewing issues considered relevant and appropriate by the appraisers based on their knowledge of the subject's real estate market. The appraisers believe that the scope was sufficient to arrive at an accurate value opinion. A summary of the scope of work is presented below. Additional explanatory comments regarding the scope undertaken can be found throughout the report. The scope included the following:

- Review and analysis of the subject market area, economic and demographic issues.
- Review of existing and planned comparable and/or competitive properties located within the subject area.
- Analysis of economic, demographic and development factors within the subject market area.
- Physical inspection of the real estate; specifically, observation of the above ground attributes of the site was made, observation of representative exterior facades of building(s) on site was made, observation of representative property amenities on site was made, and interior viewing of a sufficient number of representative living units within the building(s) was made in a manner considered sufficient to comprehend and analyze the physical and functional adequacy and appropriateness of the real estate in light of market conditions as of the date of valuation.
- Evaluation of the highest and best use of the property.
- Consideration of all applicable and appropriate valuation approaches.
- Reconciliation of the above opinions to a point value opinion.

Note that:

- Crown Appraisal Group, Inc. employees are not engineers and are not competent to judge matters of an engineering nature.
- Inspection of 100% of the units or other improvements at the real estate was not made.

Pertinent Dates

The various dates of valuation are noted in the charts on the first page of the letter of transmittal and the Executive Summary Page. The most recent inspection of the real estate was on January 23, 2017. It is noted that the term *inspection* is not intended to convey a complete, exhaustive examination of the real estate. Such an inspection is best suited for an engineer, architect, or building inspector formally educated and trained in such matters. Rather, the term denotes that the individual viewing the real estate was at the property on the date and observed the general condition and quality of the real estate at that time. The date of report--the date the report was written—is April 6, 2017.

Events subsequent to these dates may have an impact on the opinions developed through the course of the assignment, and on the opinions contained within this report. All such subsequent events are beyond the control of the appraiser(s), and any consequences thereof are beyond the scope of this assignment.

Comments Regarding Appraisal

A number of comments regarding the subject and appraisal assignment are discussed below:

- **Property.** The subject is known as Meadow Crossing Apartments and has an address of 125 Spinks Drive in Omega, Georgia. The property is a 37-unit apartment complex. The property includes one and two bedroom units. The complex operates as a Class C, restricted income, non-age restricted property. The improvements were built in 1994. Overall, the property is in average physical and functional condition.

The unit size is based on the best information provided. Crown was given floor plans, square foot summary pages, and building plans. The information was generally consistent, but not identical.

Tenancy at the subject property is restricted to households with incomes of less than the area median household income. The units at the subject have long maintained a high level of occupancy. Demand for subsidized rental units is high locally.

Historical operating information for the subject was available for 2013, 2014, and 2015. In addition, the budget for 2016 and 2017 were also provided. In general the information provided indicated that the property is being run in an efficient manner. Historical information will be used when developing expenses and for valuation purposes, while market data will be used as support.

- **Near Term.** The property is part of a portfolio of apartment properties in Georgia that are to transfer ownership in the near term. There is a letter of intent on the subject property, proposing an option to purchase. The letter of intent was requested but not provided. The transfer is assumed to be between related parties and not one that is considered to be arms-length. The purchase price amount given to the appraisers is \$1,125,573. As the transfer is not arms-length no credence is given to this purchase price when determining the said values of the subject property. Subsequent to the sale, ownership plans to renovate the subject with funding from a combination of mortgage monies, sale proceeds of Section 42 Low Income Housing Tax Credits, and equity. Following the acquisition the existing Section 515 loan will remain at the property. (The loan is expected to be restated under new rates and terms.) Renovations will be extensive and will include interior unit renovation as well as exterior unit renovation. Among the items that will be replaced and/or renovated (depending upon the condition of the individual components) are air conditioning units, windows, roofs, plumbing and electric, parking areas, and kitchens and bathrooms. Microwaves will be added to each unit. In addition, a pavilion and computer room will be added to the complex. Furthermore, all Section 504 accessibility issues will be addressed and corrected as appropriate.
- **Property Location.** The property is on the west side of Spinks Drive about 1/4 mile northeast of the center of town. The property is in Tift County. Omega is in southern Georgia. Omega is a relatively small Georgia town. There are few truly comparable properties in the area.
- **Value Opinions Developed and Reported.** There are a number of value opinions developed and reported in the appraisal report. In large part, this is due to the number of intended users – who have similar, but not identical – needs. The values that are not required by a specific intended user should be ignored.

Apartment Housing

There is a continual change in the definition and implications of various apartment types. A number of the more prevalent apartment classifications include *luxury*, *Class A*, *Class B*, *conventional*, *LIHTC*, *HUD*, and *affordable*. With respect to the senior market, there are classifications such as *independent* or *assisted*. Some terms have specific definitions, while some can be used interchangeably (upscale or luxury, etc.). In some cases, the terms are meant to suggest a specific resident profile or income level (LIHTC or affordable are examples). To minimize confusion, the following definitions and comments are presented:

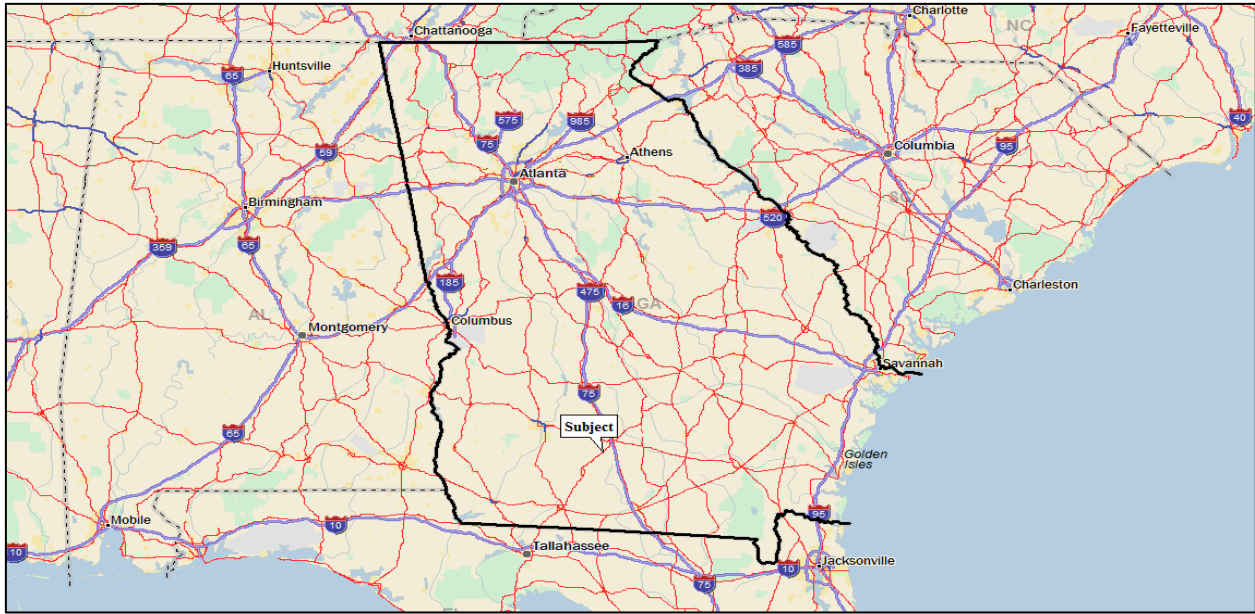
- Luxury, Class A, Class B, Class C - The type of property is designated by the year of construction and the amenities (unit and project). A luxury complex will have more amenities than a Class A property, while a Class A property has more amenities than Class B. A Class C property typically possesses few amenities. An *upscale* property could be either a luxury or a Class A property. A Class B property could be new. A Class B property does not possess all the amenities of a Class A or luxury property.
- Market rate, LIHTC, HUD - Refers to the rent limits, or rent payment structure. A market rate property has no rent constraints (other than the market) while a LIHTC (Low-Income Housing Tax Credit) property is (or could be) constrained by income levels as well as the market. A market rate property is also known as a *conventional* property. Low-income, subsidized, or affordable (such as HUD Section 8 and/or Section 236) are designations used to denote subsidy programs other than the LIHTC program, and refer to the entity (or entities) that make the rent payment to the property owner.
- Independent, assisted - Refers to the level of service offered, particularly with respect to the senior housing/care market. An independent complex has few, if any, services (such as meals, housekeeping). An assisted living facility offers more ADL (Activities of Daily Living) services. This classification also has implications as to the typical design of apartment units within a complex – an independent complex generally has apartments with full kitchens and exterior entries, while the units at an assisted living complex typically have a small kitchenette, many common areas, and interior enclosed hallways.
- Elderly Only (Age Restricted) - Refers to the minimum age of at least one of the residents of a unit. Depending upon the specific nature of a given program, the typical minimum age limit is within the 55 to 65 range.

Based on the above, the complex operates as a Class C, restricted income, non-age restricted property.

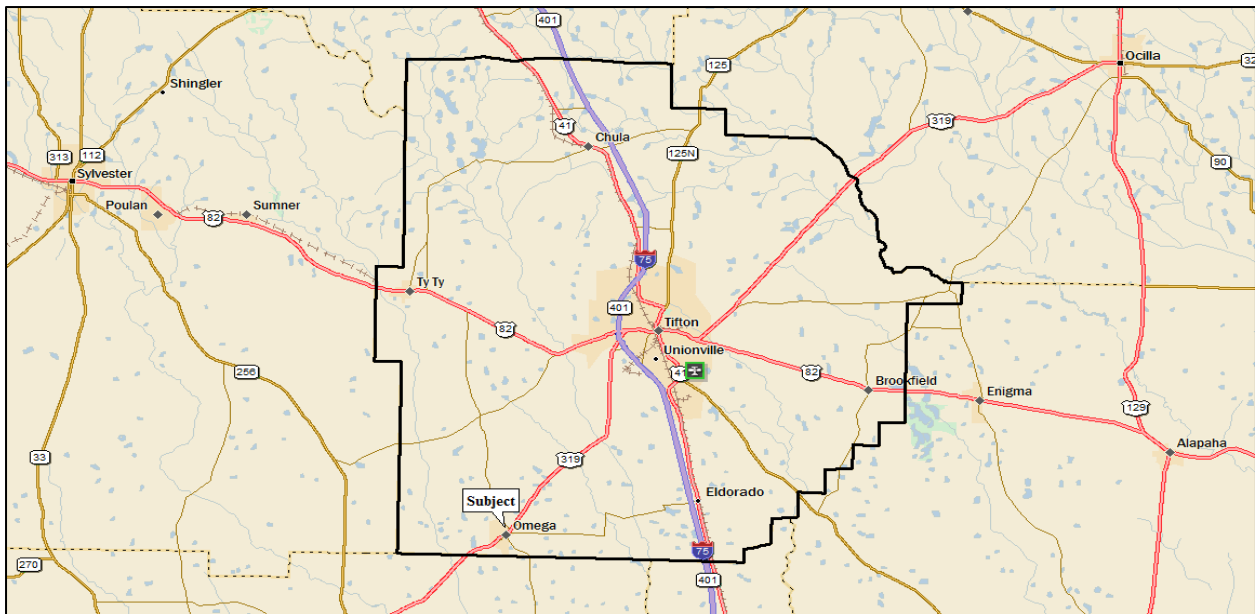
City Overview

Omega is in Tift County, in the state of Georgia. Tift County is in the south/central portion of Georgia. The city of Omega is about 75 miles northeast of Tallahassee, FL; about 115 miles southeast of Columbus, GA; and about 175 miles southeast of Atlanta, GA. The maps below show the subject’s location within the state of Georgia, Tift County and Omega. The aerial below locates the property relative to downtown Omega.

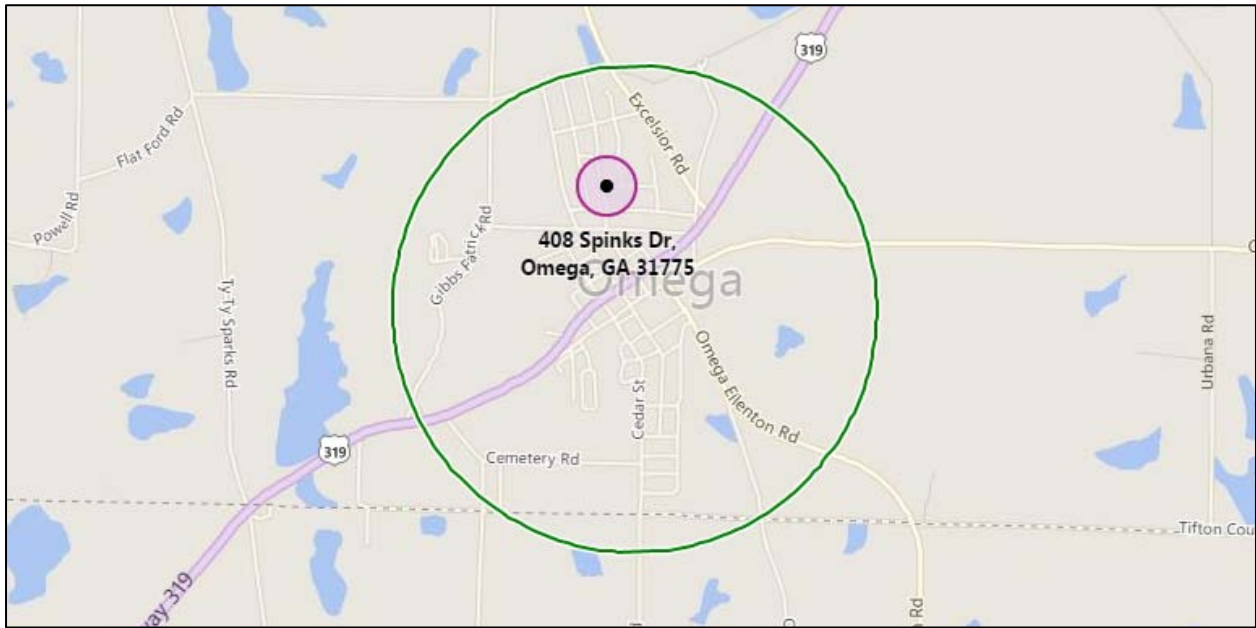
Georgia



Tift County



Omega



Aerial



Physical Boundaries

Omega is roughly bordered by Flat Ford Road to the north, large tracts of undeveloped land to the east, the Tifton County line to the south, and Gibbs Patrick Road to the west.

Road Infrastructure

The primary roadway in Omega is US 319. It enters the city from the northeast side, travels through downtown Omega, and exits the city on the southwest side.

Population

The Omega population according to the 2000 census was 1,380. In 2010, the population was 1,221 (a decrease of 1.2% compounded annual growth or CAG). The 2016 population estimation is 1,086 (population decrease of 1.9% CAG from 2010). The population is expected to decrease by 0.7% CAG in 2021 to 1,048.

Land Uses and Development

The primary commercial corridor in Omega is US 319. The users located along US 319 are mostly small commercial including Taqueria Jesus Maria, One Stop, Shell, Susie Q's Foods and Restaurant, Two Nana's Bakery, and Gil's County Kitchen.

Churches in the area are Omega Baptist Church and Omega Church of God. Both are located in the downtown Omega area.

Institutional users are Omega Elementary School and the US Post Office.

On the west side of the city is Patrick Farms, a 215 acre farm next to Patrick Lake.

Aside from agricultural land, the primary land user in Omega is single family residential.

There is no known planned future development. According to the demographics of the area, the population is expected to decrease and the viability of the area is stable.

Immediate (Adjacent) Land Uses

North: to the north of the subject is single family residential and undeveloped land.

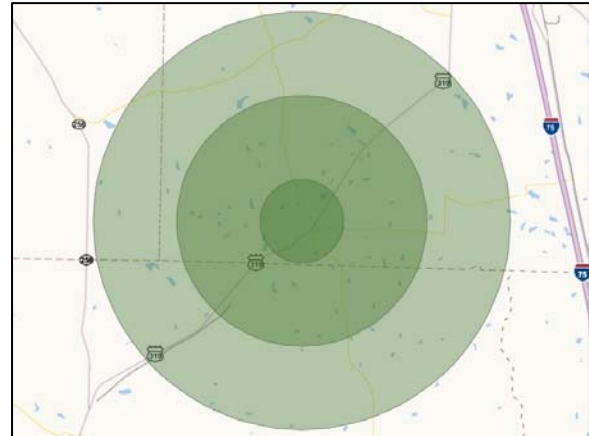
East: to the east of the subject is undeveloped land.

South: to the south of the subject is single family residential.

West: to the west of the subject is single family residential.

Market Area Demographic Profile

The chart below shows demographic data for the subject market for a number of identified areas. The map depicts the areas covered.



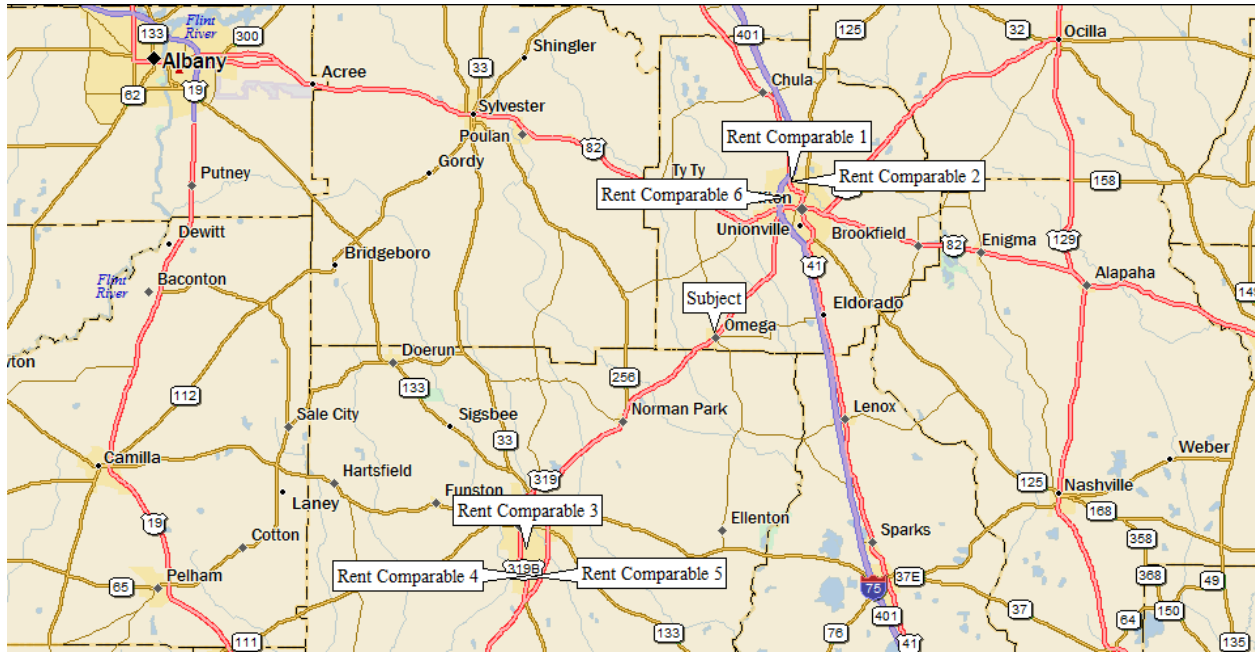
<i>Meadow Crossing Apartments</i>										
<i>Demographic Profile: 1, 3 and 5-mile Radii</i>										
	Omega		Radius from subject						Tift	
	City	CAG	1 Mile	CAG	3 Mile	CAG	5 Mile	CAG	County	CAG
Population										
2000	1,380		1,363		2,485		4,168		38,407	
2010	1,221	-1.2%	1,201	-1.3%	2,252	-1.0%	3,981	-0.5%	40,118	0.4%
2016 est.	1,086	-1.9%	1,092	-1.6%	2,130	-0.9%	3,868	-0.5%	40,777	0.3%
2021 proj.	1,048	-0.7%	1,054	-0.7%	2,099	-0.3%	3,863	0.0%	41,754	0.5%
Median Age	29.30		29.60		31.70		33.50		35.20	
Average Age	32.00		32.40		34.10		35.40		37.30	
Households										
2000	469		463		827		1,404		13,920	
2010	397	-1.7%	391	-1.7%	749	-1.0%	1,350	-0.4%	14,836	0.6%
2016 est.	351	-2.0%	353	-1.7%	708	-0.9%	1,311	-0.5%	15,165	0.4%
2021 proj.	338	-0.8%	341	-0.7%	697	-0.3%	1,308	0.0%	15,565	0.5%
Average Household Size										
2000	2.94		2.94		3.01		2.97		2.76	
2010	3.08	0.4%	3.07	0.4%	3.01	0.0%	2.95	-0.1%	2.70	-0.2%
2016 est.	3.09	0.1%	3.09	0.1%	3.01	0.0%	2.95	0.0%	2.69	-0.1%
2021 proj.	3.10	0.0%	3.10	0.0%	3.01	0.0%	2.95	0.0%	2.68	0.0%
Owner Occupied (est.)	234	66.67%	236	66.64%	496	70.16%	950	72.48%	9,315	61.42%
Renter Occupied (est.)	117	33.33%	118	33.36%	211	29.84%	361	27.52%	5,850	38.58%
Est. Household Income										
\$0-\$14,999	43.87%		43.57%		37.58%		32.64%		23.01%	
\$15,000-\$24,999	15.38%		15.55%		13.90%		13.76%		13.31%	
\$25,000-\$34,999	11.68%		11.67%		11.28%		11.36%		11.47%	
\$35,000-\$49,999	11.97%		11.93%		11.41%		11.86%		13.83%	
\$50,000-74,999	9.40%		9.65%		12.33%		13.88%		13.94%	
\$75,000-\$99,000	3.99%		3.80%		6.72%		8.25%		9.55%	
\$100,000 +	3.70%		3.83%		6.78%		8.26%		14.88%	
	100.0%		100.0%		100.0%		100.0%		100.0%	
Average Household Income (est.)	\$29,053		\$29,200		\$37,464		\$42,033		\$56,301	
Median Household Income (est.)	\$18,981		\$19,132		\$23,934		\$28,173		\$37,392	

¹ Compounded Annual Growth

Source: *The Nielsen Company*

Supply Side Analysis - Competitive Properties Survey

A survey of multi-family complexes is detailed on the following pages. The map below shows the locations of the rent comparables and the subject. Given the relatively small population in the market area, there are few apartment properties, and it was necessary to use properties that are somewhat geographically distant.



Rent Comparable 1

General Data

Property Name:	Sunnyside Apts
Property Address	909 W 20th St
City:	Tifton
County:	Tift
MSA:	Not in a MSA
State:	GA
Zip:	31794
Renter Segmentation:	General
Rent Structure:	Market Rate



Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	<u>Rent</u>	<u>Rent/rsf</u>
Year Built:	1985	0	1.0	Studio	288	4	\$420	\$0.91
Size (Number of Units):	72	1	1.0	Garden	600	60	\$575	\$0.91
Rentable Size (rsf):	44,064	2	1.0	Garden	864	8	\$625	\$0.69
Site Size (acres):	4.780							
Density (units/acre):	15.1							
Occ. At Time Of Survey	97.2%							
Floors:	1							
Property Design:	Walk Up							
Exterior:	Siding							

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
- Gas	Y Water

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
- Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
Y Microwave	N Att. Garage
Y Dishwasher	N Carport
Y Garbage Disposal	N Basement
Y Air Conditioning	Y Ceiling Fans
N Washer/Dryer	Y Vaulted Ceilings
Y W/D Hookups	N Security System

Complex Amenities

N Pool	Y Laundry
N Clubhouse	N Det. Garages
N Tennis	Y Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

The property is located between W 20th Street and W 22nd Street, east of US 41, and about 2 miles northwest of downtown Tifton. The efficiency units are furnished and have microwaves. One and two-bedroom units have washer/dryer hookups, attic storage, patios, and ceiling fans. The units have wall air conditioning. Typical lease term is 1 year. Shorter lease terms are available with management consent. There is minimal turnover.

Property Contact: Laura (229) 386-2304

Rent Comparable 2

General Data

Property Name:	Amelia Apts
Property Address:	2010 Emmett Ave
City:	Tifton
County:	Tift
MSA:	Not in a MSA
State:	GA
Zip:	31794
Renter Segmentation:	General
Rent Structure:	Market Rate



Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	<u>Rent</u>	<u>Rent/rsf</u>
Year Built:	1986	1	1.0	Garden	1,000	16	\$525	\$0.53
Size (Number of Units):	58	2	1.0	Garden	1,200	42	\$600	\$0.50
Rentable Size (rsf):	66,400							
Site Size (acres):	2.750							
Density (units/acre):	21.1							
Occ. At Time Of Survey:	97.0%							
Floors:	2							
Property Design:	Walk Up							
Exterior:	Combination							

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
- Gas	Y Water

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
- Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
N Microwave	N Att. Garage
Y Dishwasher	N Carport
Y Garbage Disposal	N Basement
Y Air Conditioning	Y Ceiling Fans
N Washer/Dryer	N Vaulted Ceiling
N W/D Hookups	N Security System

Complex Amenities

Y Pool	Y Laundry
N Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

The property is located along the east side of Emmett Avenue, north of W 20th Street, and about 2 miles northeast of downtown Tifton. Additional amenities include a picnic area. Typical lease term is 1 year. Shorter lease terms are available with management consent. There is minimal turnover.

Property Contact: Donna (229) 386-2304

Rent Comparable 3

General Data

Property Name:	Georgetown Apts
Property Address:	315 15th St SE
City:	Moultrie
County:	Colquitt
MSA:	Not in a MSA
State:	GA
Zip:	31768
Renter Segmentation:	General
Rent Structure:	Market Rate



Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	<u>Rent</u>	<u>Rent/rsf</u>
Year Built:	1982	1	1.0	Garden	850	16	\$478	\$0.56
Size (Number of Units):	102	2	1.0	Garden	1,000	48	\$510	\$0.51
Rentable Size (rsf):	120,400	2	1.5	Garden	1,200	16	\$538	\$0.45
Gross Size (gsf):	122,062	2	2.0	Garden	1,800	22	\$735	\$0.41
Site Size (acres):	12.130							
Density (units/acre):	8.4							
Occ. At Time Of Survey:	95.0%							
Floors:	2							
Property Design:	Walk Up							
Exterior:	Combination							

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	N Trash
- Gas	Y Water

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	Y Trash
- Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
N Microwave	N Att. Garage
Y Dishwasher	N Carport
Y Garbage Disposal	N Basement
Y Air Conditioning	N Ceiling Fans
N Washer/Dryer	N Vaulted Ceiling
Y W/D Hookups	N Security System

Complex Amenities

Y Pool	N Laundry
Y Clubhouse	Y Det. Garages
Y Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

The property is on the east side of 15th Street just west of US 319, and about 2 miles southeast of downtown Moultrie. Additional site amenities include a basketball court and a picnic area. Detached garage with storage is available for an additional \$70 a month. Typical lease term is 1 year. Shorter lease terms are available with management consent. There is minimal turnover.

Property Contact: Dee (229) 985-1915

Rent Comparable 4

General Data

Property Name:	Jac-Lyn Apts
Property Address:	517 26th Ave SE
City:	Moultrie
County:	Colquitt
MSA:	Not in a MSA
State:	GA
Zip:	31768
Renter Segmentation:	General
Rent Structure:	Market Rate



Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	<u>Rent</u>	<u>Rent/rsf</u>
Year Built:	1986	1	1.0	Garden	664	17	\$416	\$0.63
Size (Number of Units):	84	1	1.0	Garden	798	17	\$533	\$0.67
Rentable Size (rsf):	70,152	2	1.0	Garden	720	18	\$446	\$0.62
Gross Size (gsf):	71,210	2	1.0	Garden	927	18	\$561	\$0.61
Site Size (acres):	5.720	3	2.0	Garden	1,118	14	\$760	\$0.68
Density (units/acre):	14.7							
Occ. At Time Of Survey:	92.9%							
Floors:	2							
Property Design:	Walk Up							
Exterior:	Combination							

Landlord Paid Utilities

N Cable	N Sewer
N Electric	N Trash
- Gas	Y Water

Tenant Paid Utilities

Y Cable	Y Sewer
Y Electric	Y Trash
- Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	N Balcony/Patio
N Microwave	N Att. Garage
N Dishwasher	N Carport
N Garbage Disposal	N Basement
Y Air Conditioning	N Ceiling Fans
N Washer/Dryer	N Vaulted Ceiling
Y W/D Hookups	N Security System

Complex Amenities

Y Pool	Y Laundry
N Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

"The property is on the north side of 26th Avenue just east of US 319B and about 3 miles southeast of downtown Moultrie. Additional amenities include walking/biking trails. Typical lease term is 1 year. Shorter lease terms are available with management consent. There is minimal turnover.

Property Contact: Regina (229) 985-7113

Rent Comparable 5

General Data

Property Name:	Pineland Apts
Property Address:	707 26th Ave SE
City:	Moultrie
County:	Colquitt
MSA:	Not in a MSA
State:	GA
Zip:	31768
Renter Segmentation:	General
Rent Structure:	Market Rate



Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	<u>Rent</u>	<u>Rent/rsf</u>
Year Built:	1984	1	1.0	Garden	666	8	\$448	\$0.67
Size (Number of Units):	40	2	1.5	Garden	915	26	\$449	\$0.49
Rentable Size (rsf):	35,688	3	1.5	Garden	1,095	6	\$534	\$0.49
Gross Size (gsf):	36,843							
Site Size (acres):	5.000							
Density (units/acre):	8.0							
Occ. At Time Of Survey:	98.0%							
Floors:	2							
Property Design:	Walk Up							
Exterior:	Combination							

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
- Gas	Y Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
N Microwave	N Att. Garage
N Dishwasher	N Carport
N Garbage Disposal	N Basement
N Air Conditioning	N Ceiling Fans
N Washer/Dryer	N Vaulted Ceiling
Y W/D Hookups	N Security System

Complex Amenities

N Pool	Y Laundry
N Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	Y Playground
N Bus. Center	N Racquetball

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
- Gas	N Water

Other Comments

The property is on the north side of 26th Avenue just east of US 319B, and about 3 miles southeast of downtown Moultrie. Additional site amenities include a basketball court. At the time of the survey, approximately 5 of the 40 units were paid for in full or in part with Section 8 housing vouchers. Typical lease term is 1 year. Shorter lease terms are available with management consent. There is minimal turnover.

Property Contact: Kathy (229) 985-0236

Analysis

Meadow Crossing Apartments: The subject has 37-units, was built in 1994, and is in average physical and functional condition. It is more fully described and discussed in the Property Description section of the report. It is summarized below.

Meadow Crossing Apartments									
Property and Unit Amenity Summary									
Street Address	125 Spinks Drive		Year Built	1994		Floors	1 and 2		
City	Omega		Total Units	37		Occupancy	97.3%		
Unit Types	# units	Size (sf)	Utilities (L-landlord, T-tenant, na-not applicable)						
1 Bed, 1 Bath	24	655	<u>Water</u>	<u>Sewer</u>	<u>Electric</u>	<u>Heat</u>	<u>Trash</u>	<u>Cable</u>	
2 Bed, 1.5 Bath TH	12	912	L	L	T	T	L	T	
2 Bed, 1 Bath (Manager's Unit)	1	824							
Complex Amenities (Y/N)									
Pool	N	Bus. Ctr.	N	Community Rm	Y				
Clubhouse	N	Laundry	Y	Gated	N				
Tennis	N	Det. Garages	N	Car Wash	N				
Jacuzzi	N	Cov. Storage	N	Elevators	N				
Fit. Ctr	N	Open Storage	N	Playground	N				
Unit Amenities (Y/N)									
Refrigerator	Y	Disposal	N	Fireplace	N	Central A/C	Y	Ceil. Fans	N
Range	Y	Double Sink	Y	Patio	Y	Wall A/C	N	Vlt Ceiling	N
Microwave	N	Fan Hood	Y	Balcony	N	W/D hk ups	Y	Sec Sys	N
Dishwasher	N	Att Garage	N	Bsmt	N	W/D	N	Storage	Y

During the renovations, microwaves will be added to each unit. In addition, a pavilion and computer room will be added to the complex.

Market Rent Conclusions

Apartment Survey Ranges					
Meadow Crossing Apartments					
		Unit Size	Adj. Monthly Rent	Rent/sf	
As-Is	1 Bed, 1 Bath				
	Meadow Crossing Apartments	655	\$460		\$0.70
	Comparable Properties	600 - 1,000	\$424 - \$571	\$0.44 -	\$0.95
	average of comparables	756	\$460		\$0.64
As-Is	2 Bed, 1.5 Bath TH				
	Meadow Crossing Apartments	912	\$525		\$0.58
	Comparable Properties	720 - 1,200	\$443 - \$635	\$0.45 -	\$0.73
	average of comparables	940	\$525		\$0.58
As Ren.	1 Bed, 1 Bath				
	Meadow Crossing Apartments	655	\$525		\$0.80
	Comparable Properties	600 - 1,000	\$489 - \$636	\$0.51 -	\$1.06
	average of comparables	756	\$525		\$0.73
As Ren.	2 Bed, 1.5 Bath TH				
	Meadow Crossing Apartments	912	\$590		\$0.65
	Comparable Properties	720 - 1,200	\$508 - \$700	\$0.51 -	\$0.81
	average of comparables	940	\$590		\$0.65

Source: Crown Appraisal Group

The chart above details the current (not renovated) and as renovated market-derived rents for the subject as well as the range of rents offered at the comparable properties.

Adjustments are made to the comparables for perceived, material differences. (For example, while a given comparable unit might be 3 square feet larger than a given subject unit, there is no material difference in the unit size, so no adjustment is warranted, nor made.) Adjustments are considered for property attributes such as location (specific or general), condition/street appeal, or complex amenities, as well as unit attributes such as unit size, configuration (number of bedrooms or bathrooms, style), utility payment structure, unit amenities, and any concessions. If no adjustment is made, it is because there is no perceived difference between the comparable and the subject.

The charts that follow detail the analysis, and show the adjustments considered appropriate.

Unrenovated Market Rent, 1 br-1 ba (655 sf)

The subject is comprised of 24 of these units. Comparable properties from the area are used to develop the unrenovated rent conclusion.

1 Bed, 1 Bath						
As is						
	Subject	Rent 1	Rent 2	Rent 3	Rent 4	Rent 5
Name	Meadow Crossing Apartments	Sunnyside Apts	Amelia Apts	Georgetown Apts	Jac-Lyn Apts	Pineland Apts
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
Unadjusted Rent		\$575	\$525	\$478	\$416	\$448
Location						
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
City	Omega	Tifton	Tifton	Moultrie	Moultrie	Moultrie
Population	1,086	17,023	17,023	15,655	15,655	15,655
		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		-\$10	-\$10	-\$10	-\$10	-\$10
Year Built	1994	1985	1986	1982	1986	1984
Condition/Street Appeal		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$5	\$5	\$5	\$5	\$5
Unit Size (sf)	655	600	1,000	850	664	666
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		\$11	-\$69	-\$39	-\$2	-\$2
Bedrooms	1	1	1	1	1	1
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Bathrooms	1.0	1.0	1.0	1.0	1.0	1.0
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Utilities (who pays?)						
Heat	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Electric	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Water	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Sewer	Landlord	Landlord	Landlord	Landlord	Tenant	Landlord
Trash	Landlord	Landlord	Landlord	Tenant	Tenant	Landlord
Cable	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
		<i>Similar</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$0	\$0	\$5	\$10	\$0
Unit Amenities	<i>Ref, Range, A/C, Patio, W/D HU, Storage</i>	<i>Ref, Range, DW, Disp, Wall A/C, W/D HU, Pat, V/t Ceil, Ceil fans, Storage</i>	<i>Ref, Range, DW, Disp, A/C, Bal/Pat, Ceil fans</i>	<i>Ref, Range, Disp, A/C, W/D HU, Bal/Pat</i>	<i>Ref, Range, A/C, W/D HU</i>	<i>Ref, Range, A/C, W/D HU, Bal/Pat</i>
		<i>Superior</i>	<i>Superior</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>
		-\$15	-\$5	\$0	\$10	\$5
Complex Amenities	<i>Laundry, Comm Rm</i>	<i>Laundry</i>	<i>Pool, Laundry, Picnic Area</i>	<i>Pool, CH, Tennis Ct, Basketball Ct, Picnic Area</i>	<i>Pool, Laundry, Biking/Walk Trails</i>	<i>Laundry, Playground, Basketball Ct</i>
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		\$5	-\$5	-\$15	-\$5	-\$5
Concessions	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>
		\$0	\$0	\$0	\$0	\$0
Net Adjustment		-\$4	-\$84	-\$54	\$8	-\$7
Adjusted Rent		\$571	\$441	\$424	\$424	\$441
Market Rent Conclusion	\$460					

Source: Crown Appraisal Group

The comparables range in size from 600 sf to 1,000 sf. After making the adjustments considered appropriate, the rent range is \$424 to \$571. Central tendencies are \$460 (average) and \$441 (median). No one property stands out as being more comparable than another – no one comparable is physically close, and all were adjusted. A point value near the mid-point is reasonable. An as-is market rent of \$460/month is concluded to be appropriate.

As Renovated Market Rent, 1 br-1 ba (655 sf)

Comparable properties from the area are used to develop the as-renovated rent conclusion.

1 Bed, 1 Bath As Renovated						
	Subject	Rent 1	Rent 2	Rent 3	Rent 4	Rent 5
Name	Meadow Crossing Apartments	Sunnyside Apts	Amelia Apts	Georgetown Apts	Jac-Lyn Apts	Pineland Apts
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
Unadjusted Rent		\$575	\$525	\$478	\$416	\$448
Location						
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
City	Omega	Tifton	Tifton	Moultrie	Moultrie	Moultrie
Population	1,086	17,023	17,023	15,655	15,655	15,655
		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		-\$10	-\$10	-\$10	-\$10	-\$10
Year Built	1994/2019R	1985	1986	1982	1986	1984
Condition/Street Appeal		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$55	\$55	\$55	\$55	\$55
Unit Size (sf)	655	600	1,000	850	664	666
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		\$11	-\$69	-\$39	-\$2	-\$2
Bedrooms	1	1	1	1	1	1
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Bathrooms	1.0	1.0	1.0	1.0	1.0	1.0
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Utilities (who pays?)						
Heat	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Electric	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Water	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Sewer	Landlord	Landlord	Landlord	Landlord	Tenant	Landlord
Trash	Landlord	Landlord	Landlord	Tenant	Tenant	Landlord
Cable	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
		<i>Similar</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$0	\$0	\$5	\$10	\$0
Unit Amenities	<i>Ref, Range, A/C, Patio, W/D HU, Storage, Micro</i>	<i>Ref, Range, DW, Disp, Wall A/C, W/D HU, Pat, Vlt Ceil, Ceil fans, Storage</i>	<i>Ref, Range, DW, Disp, A/C, Bal/Pat, Ceil fans</i>	<i>Ref, Range, Disp, A/C, W/D HU, Bal/Pat</i>	<i>Ref, Range, A/C, W/D HU</i>	<i>Ref, Range, A/C, W/D HU, Bal/Pat</i>
		<i>Superior</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		-\$10	\$0	\$5	\$15	\$10
Complex Amenities	<i>Laundry, Comm Rm, Pavillion, Computer Rm</i>	<i>Laundry</i>	<i>Pool, Laundry, Picnic Area</i>	<i>Pool, CH, Tennis Ct, Basketball Ct, Picnic Area</i>	<i>Pool, Laundry, Biking/Walk Trails</i>	<i>Laundry, Playground, Basketball Ct</i>
		<i>Inferior</i>	<i>Inferior</i>	<i>Superior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$15	\$5	-\$5	\$5	\$5
Concessions	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>
		\$0	\$0	\$0	\$0	\$0
Net Adjustment		<u>\$61</u>	<u>-\$19</u>	<u>\$11</u>	<u>\$73</u>	<u>\$58</u>
Adjusted Rent		\$636	\$506	\$489	\$489	\$506
Market Rent Conclusion	\$525					

Source: Crown Appraisal Group

The comparables range in size from 600 sf to 1,000 sf. After making the adjustments considered appropriate, the rent range is \$489 to \$636. Central tendencies are \$525 (average) and \$506 (median). No one property stands out as being more comparable than another – no one comparable is physically close, and all were adjusted. A point value near the mid-point is reasonable. An as-renovated market rent of \$525/month is concluded to be appropriate.

Unrenovated Market Rent, 2 br-1.5 ba Townhouse (912 sf)

The subject is comprised of 12 of these units. Comparable properties from the area are used to develop the unrenovated rent conclusion.

2 Bed, 1.5 Bath TH						
As is						
	Subject	Rent 1	Rent 2	Rent 3	Rent 4	Rent 5
Name	Meadow Crossing Apartments	Sunnyside Apts	Amelia Apts	Georgetown Apts	Jac-Lyn Apts	Pineland Apts
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
Unadjusted Rent		\$625	\$600	\$510	\$446	\$449
Location						
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
City	Omega	Tifton	Tifton	Moultrie	Moultrie	Moultrie
Population	1,086	17,023	17,023	15,655	15,655	15,655
		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		-\$10	-\$10	-\$10	-\$10	-\$10
Year Built	1994	1985	1986	1982	1986	1984
Condition/Street Appeal		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$5	\$5	\$5	\$5	\$5
Unit Size (sf)	912	864	1,200	1,000	720	915
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Inferior</i>	<i>Superior</i>
		\$10	-\$58	-\$18	\$38	-\$1
Bedrooms	2	2	2	2	2	2
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Bathrooms	1.5	1.0	1.0	1.0	1.0	1.5
		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$15	\$15	\$15	\$15	\$0
Utilities (who pays?)						
Heat	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Electric	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Water	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Sewer	Landlord	Landlord	Landlord	Landlord	Tenant	Landlord
Trash	Landlord	Landlord	Landlord	Tenant	Tenant	Landlord
Cable	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
		<i>Similar</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$0	\$0	\$5	\$15	\$0
Unit Amenities	<i>Ref. Range, A/C, Patio, W/D HU, Storage</i>	<i>Ref. Range, DW, Disp, Wall A/C, W/D HU, Pat, Vlt Ceil, Ceil fans, Storage</i>	<i>Ref. Range, DW, Disp, A/C, Bal/Pat, Ceil fans</i>	<i>Ref. Range, Disp, A/C, W/D HU, Bal/Pat</i>	<i>Ref. Range, A/C, W/D HU</i>	<i>Ref. Range, A/C, W/D HU, Bal/Pat</i>
		<i>Superior</i>	<i>Superior</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>
		-\$15	-\$5	\$0	\$10	\$5
Complex Amenities	<i>Laundry, Comm Rm</i>	<i>Laundry</i>	<i>Pool, Laundry, Picnic Area</i>	<i>Pool, CH, Tennis Ct, Basketball Ct, Picnic Area</i>	<i>Pool, Laundry, Biking/Walk Trails</i>	<i>Laundry, Playground, Basketball Ct</i>
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		\$5	-\$5	-\$15	-\$5	-\$5
Concessions	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>
		\$0	\$0	\$0	\$0	\$0
Net Adjustment		\$10	-\$58	-\$18	\$68	-\$6
Adjusted Rent		\$635	\$542	\$492	\$514	\$443
Market Rent Conclusion	\$525					

Source: Crown Appraisal Group

The comparables range in size from 720 sf to 1,200 sf. After making the adjustments considered appropriate, the rent range is \$443 to \$635. Central tendencies are \$525 (average) and \$514 (median). No one property stands out as being more comparable than another – no one comparable is physically close, and all were adjusted. A point value near the mid-point is reasonable. An as-is market rent of \$525/month is concluded to be appropriate.

As Renovated Market Rent, 2 br-1.5 ba Townhouse (912 sf)

Comparable properties from the area are used to develop the as-renovated rent conclusion.

2 Bed, 1.5 Bath TH As Renovated						
	Subject	Rent 1	Rent 2	Rent 3	Rent 4	Rent 5
Name	Meadow Crossing Apartments	Sunnyside Apts	Amelia Apts	Georgetown Apts	Jac-Lyn Apts	Pineland Apts
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
Unadjusted Rent		\$625	\$600	\$510	\$446	\$449
Location						
Address	408 Spinks Drive	909 W 20th St	2010 Emmett Ave	315 15th St SE	517 26th Ave SE	707 26th Ave SE
City	Omega	Tifton	Tifton	Moultrie	Moultrie	Moultrie
Population	1,086	17,023	17,023	15,655	15,655	15,655
		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>
		-\$10	-\$10	-\$10	-\$10	-\$10
Year Built	1994/2019R	1985	1986	1982	1986	1984
Condition/Street Appeal		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$55	\$55	\$55	\$55	\$55
Unit Size (sf)	912	864	1,200	1,000	720	915
		<i>Inferior</i>	<i>Superior</i>	<i>Superior</i>	<i>Inferior</i>	<i>Superior</i>
		\$10	-\$58	-\$18	\$38	-\$1
Bedrooms	2	2	2	2	2	2
		<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>
		\$0	\$0	\$0	\$0	\$0
Bathrooms	1.5	1.0	1.0	1.0	1.0	1.5
		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$15	\$15	\$15	\$15	\$0
Utilities (who pays?)						
Heat	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Electric	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
Water	Landlord	Landlord	Landlord	Landlord	Landlord	Landlord
Sewer	Landlord	Landlord	Landlord	Landlord	Tenant	Landlord
Trash	Landlord	Landlord	Landlord	Tenant	Tenant	Landlord
Cable	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant
		<i>Similar</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Similar</i>
		\$0	\$0	\$5	\$15	\$0
Unit Amenities	<i>Ref, Range, A/C, Patio, W/D HU, Storage, Micro</i>	<i>Ref, Range, DW, Disp, Wall A/C, W/D HU, Pat, Vlt Ceil, Ceil fans, Storage</i>	<i>Ref, Range, DW, Disp, A/C, Bal/Pat, Ceil fans</i>	<i>Ref, Range, Disp, A/C, W/D HU, Bal/Pat</i>	<i>Ref, Range, A/C, W/D HU</i>	<i>Ref, Range, A/C, W/D HU, Bal/Pat</i>
		<i>Superior</i>	<i>Similar</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>
		-\$10	\$0	\$5	\$15	\$10
Complex Amenities	<i>Laundry, Comm Rm, Pavillion, Computer Rm</i>	<i>Laundry</i>	<i>Pool, Laundry, Picnic Area</i>	<i>Pool, CH, Temis Ct, Basketball Ct, Picnic Area</i>	<i>Pool, Laundry, Biking/Walk Trails</i>	<i>Laundry, Playground, Basketball Ct</i>
		<i>Inferior</i>	<i>Inferior</i>	<i>Superior</i>	<i>Inferior</i>	<i>Inferior</i>
		\$15	\$5	-\$5	\$5	\$5
Concessions	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>	<i>None</i>
		\$0	\$0	\$0	\$0	\$0
Net Adjustment		\$75	\$7	\$47	\$133	\$59
Adjusted Rent		\$700	\$607	\$557	\$579	\$508
Market Rent Conclusion	\$590					

Source: Crown Appraisal Group

The comparables range in size from 720 sf to 1,200 sf. After making the adjustments considered appropriate, the rent range is \$508 to \$700. Central tendencies are \$590 (average) and \$579 (median). No one property stands out as being more comparable than another – no one comparable is physically close, and all were adjusted. A point value near the mid-point is reasonable. An as-renovated market rent of \$590/month is concluded to be appropriate.

Market Vacancy Conclusion

Five market rate properties have been detailed. There are relatively few market rate rent comparables. Occupancy of the comparable properties ranges from 92.9%-98.0%.

Apartment Vacancy				
Meadow Crossing Apartments				
<u>Name</u>	<u>Location</u>	<u>Total Units</u>	<u>Occ.</u>	<u>Vacancy</u>
Meadow Crossing Apartments	408 Spinks Drive	37	97.3%	2.7%
Sunnyside Apts	909 W 20th St	72	97.2%	2.8%
Amelia Apts	2010 Emmett Ave	58	97.0%	3.0%
Georgetown Apts	315 15th St SE	102	95.0%	5.0%
Jac-Lyn Apts	517 26th Ave SE	84	92.9%	7.1%
Pineland Apts	707 26th Ave SE	40	98.0%	2.0%
	Minimum		92.9%	2.0%
	Maximum		98.0%	7.1%
Totals and average (excluding subject)		356	95.6%	4.4%

Source: *Area Managers; Crown Appraisal Group*

The subject has historically operated as a government subsidized property. Eighteen of the units are available for rental assistance, with the tenant paying 30% of their income towards the rent figure. Historic vacancy at Meadow Crossing Apartments has been low. When inspected, there was one vacant unit.

Therefore, in recognizing the economic benefit due to the governmental assistance as well as historic vacancy, a vacancy below 5% is reasonable when developing the value opinions for the **restricted rent** scenarios. However, additional consideration is given the possible uncertainty of increased vacancy when considering the **prospective restricted** valuation as a function of the as renovated rent conclusions.

After consideration of the market vacancy and the area supply/demand components, the following vacancy conclusions are drawn:

Value 1, as conventional or unrestricted –5%

Value 2-RD, subject to restricted rents within 7 CFR Part 3560.752(b)(1)(i) – 3%

Value 3, prospective, subject to restricted rents – 3%

Value 4, prospective, as conventional or unrestricted - 5%

Property Description

This section will present a description of the physical and economic characteristics of the site and building improvements. The description is based upon an inspection of the property, discussions with local municipal authorities, and data provided by the client and management.

General Location

The subject is located on the west side of Spinks Drive about 1/4 mile northeast of the center of town. The property is in Tift County. Omega is located in southern Georgia. The property has an address of 125 Spinks Drive, Omega, Georgia. The maps in the preceding section show the property's location.

Access, Ingress, Egress, Visibility

Overall, access is average from both a neighborhood (local) perspective, as well as a macro (regional) perspective. Ingress/egress to the property is from Spinks Drive. The ingress and egress attributes are average. Visibility to the subject is considered average.

History of the Property

According to public records, the subject is owned by Omega Rental Housing, LP. The current owner purchased the property in 1993 and subsequently developed the property. The subject has not been sold during the past three years. The property is part of a portfolio of apartment properties in Georgia that are to transfer ownership in the near term. While the sale price is in the final stages of negotiation, the price is expected to be about \$1,125,573. The transfer is assumed to be between related parties and not one that is considered to be arms-length. As the transfer is presumably not arms-length, no credence is given to this purchase price when determining the said values of the subject property. Subsequent to the sale, ownership plans to renovate the subject with funding from a combination of mortgage monies, sale proceeds of Section 42 Low Income Housing Tax Credits, and equity. Following the acquisition the existing Section 515 loan will remain at the property. (The loan is expected to be restated under new rates and terms.) The developer estimates the renovation cost to be about \$33,676 per unit, or about \$1,245,998. Renovations will be extensive and will include interior unit renovation as well as exterior unit renovation. It is expected that the air conditioning units will be replaced, windows will be repaired/replaced, new roofs will be installed, parking areas will be repaired, and kitchens and bathrooms will be updated as needed. Microwaves will be added to each unit. In addition, a pavilion and computer room will be added to the complex.

Fair Housing

There are no known violations of the Fair Housing Act of 1988, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990. There are 2 units that are UFAS (Uniform Federal Accessibility Standards) accessible, 1 unit that is equipped for the sight/hearing impaired and 3 ADA (Americans with Disabilities Act) parking spaces at the subject. **Note: The appraisers are not experts in such matters. It is assumed that fair housing practices are implemented at the subject. The user of the report is instructed to seek the advice of an expert if further questions arise pertaining to fair housing issues.**

Easements

No detrimental easements that would substantially deter development are known to exist. Others, such as utility easements, allow for development of the site and are considered beneficial to the tract.

Environmental Hazards

Soil conditions are assumed to be adequate. The site appears to be well drained. No engineering or soil testing has been performed to the knowledge of the appraisers, and no further conclusion as to the condition of the foundation or soil condition is made. There is no reason to suspect that hazardous materials are on the property such as discolored vegetation, oil residue, asbestos-containing materials, and lead-based paint. **Note: The appraisers are not experts in environmental matters. It is assumed that the site is clean from an environmental standpoint. The user of the report is instructed to seek the advice of an expert if further questions arise pertaining to environmental issues.**

Third Party Reports

No third party reports (such as market studies, environmental or physical condition) have been reviewed, and, unless noted, no warranty is made for any such reports that may exist.

Topography

The topography at the site is generally level.

Flood Plain

According to FEMA's flood insurance rate map community panel number 13277C0225E, dated September 29, 2010, the subject is located in Zone X. Zone X is identified as not being in a flood plain.

Zoning

The property is zoned MR Multiple-Residential. According to local government officials, the current use is a legal, conforming use under this zoning classification and if damaged or destroyed the improvements could be rebuilt.

Utilities

The subject site is serviced by the following utilities (the payor of the utilities is also shown):

<i>Utility Details</i>	
<i>Meadow Crossing Apartments</i>	
<u>Service</u>	<u>Paid by</u>
Heat	Tenant
Electric	Tenant
Water	Landlord
Sewer	Landlord
Trash	Landlord
Cable	Tenant

Source: *Management*

Improvements

The subject improvements include a 37-unit apartment complex (housed in 7 one to two-story buildings). The improvements were initially developed in 1994.

The buildings have a poured concrete foundation. The buildings have a combination brick and siding exterior, and a pitched roof covered with shingles.

Each unit has a living room/living area, kitchen, one or two bedrooms, and one or one and a half bathrooms. The floors in the units are a combination of carpet and tile. Windows are double hung. Exterior doors are metal; interior doors are hollow core wood. Interior walls are painted drywall; ceilings are painted drywall. Ceiling height is generally 8 feet. Hot water is supplied via individual water heaters. Each unit includes a washer/dryer hook-up.

Kitchens have vinyl flooring. They are equipped with a refrigerator, double sink, fan hood, and range.

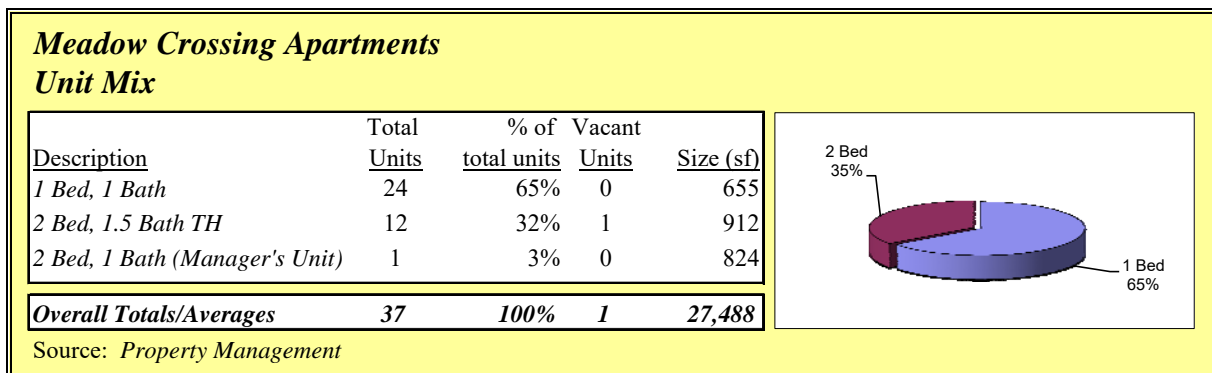
Each unit has an individual forced air furnace. The units have central air conditioning. The units have battery powered and hard wired smoke alarms.

Property amenities include a laundry room and community room. While not a property amenity per se, the units have a small enclosed storage room to the rear of the units off of the patio.

Parking areas are in average condition. There appears to be sufficient parking for the property. Overall parking at the subject is adequate.

Unit Mix

The composition of the property is shown in the chart below.



Physical and Functional Condition

The improvements were completed in 1994 and renovated periodically over time. The property has been maintained on an as needed basis.

The total building size is 28,400 sf. This is the sum of the apartment units (1 Bedroom - 655 sf/unit * 24 units – 15,720 sf plus 2 Bedroom – 912 sf/unit * 12 units – 10,944 sf plus 2 Bedroom (Manager’s Unit) – 824 sf/unit * 1 unit – 824 sf) plus the office/laundry/maintenance/community room (912 sf).

A major renovation is planned for the property improvements. Preliminary plans, completed by Wallace Architects, LLC, are include in the addendum of the report. Per the client, finalized plans will be provided to Rural Development and DCA for review and approval separately. Planned renovations include replacement of all existing flooring, replacement of kitchen cabinets and countertops, replacement of existing kitchen appliances, plumbing fixtures, lighting fixtures, bathroom cabinets and countertops, HVAC, repainting, re-roofing (new shingles), as well as exterior upgrades and improvements, and re-paving and re-striping of drive and parking areas. Microwaves will be added to each unit. In addition, a pavilion and computer room will be added to the complex. Furthermore, all Section 504 accessibility issues will be addressed and corrected as appropriate. The renovation is expected to cost about \$33,676 per unit, or about \$1,245,998.

Upon completion of the renovations, the property’s marketability, overall quality, and aesthetic appeal will be increased and enhanced. Following the renovations, the subject is projected to have a remaining economic life – assuming normal maintenance and repairs - of 60 years. If the property were not renovated, the remaining economic life (the “remaining economic life”) is estimated at 20 years.

Current Rent Parameters/Rent Roll

The chart below illustrates the current rent parameters. As has been discussed, there are LIHTC restrictions applicable to the units at the property. The market rent and as-renovated market rent (CRCU) conclusions are similar the maximum LIHTC rent figure.

Meadow Crossing Apartments												
Rent Parameters												
	Total Units	% of total	Vacant Units	% of unit type	Size (sf)	Total Size (sf)	Basic Rent	Note Rent	Gross LIHTC	Utility Costs	Net LIHTC	CRCU As-Is As-Renovated
1 Bed, 1 Bath	24	65%	0	0%	655	15,720	\$415	\$590	\$533	\$69	\$464	\$460 \$525
2 Bed, 1.5 Bath TH	12	32%	1	8%	912	10,944	\$445	\$550	\$639	\$104	\$535	\$525 \$590
2 Bed, 1 Bath (Manager's Unit)	1	3%	0	0%	824	824	--	--	Non-Revenue		Non-Revenue	
Overall Totals/Averages	37	100%	1	3%	743	27,488						

Source: Property Management

Operating History

The chart below shows the recent operating history for the subject. Repairs and maintenance expenses also include capital improvements.

Meadow Crossing Apartments										
Operating History										
37 units										
	<u>2013</u>	<u>Per Unit</u>	<u>2014</u>	<u>Per Unit</u>	<u>2015</u>	<u>Per Unit</u>	<u>2016 Budget</u>	<u>Per Unit</u>	<u>2017 Budget</u>	<u>Per Unit</u>
Revenue										
Apartment Rental Income	140,890	3,808	131,933	3,566	142,599	3,854	160,056	4,326	165,600	4,476
Plus: Other Income	3,809	103	-1,497	-40	5,544	150	2,470	67	1,970	53
Effective Gross Income	144,699	3,911	130,436	3,525	148,143	4,004	162,526	4,393	167,570	4,529
Operating Expenses										
Real Estate Taxes	8,662	234	9,665	261	7,259	196	11,398	308	7,559	204
Insurance	9,030	244	6,747	182	6,399	173	7,087	192	7,987	216
Repairs & Maintenance	26,113	706	15,469	418	23,920	646	19,036	514	20,337	550
General & Administrative	9,868	267	12,368	334	10,506	284	10,064	272	10,669	288
Management Fees	16,688	451	15,664	423	17,664	477	20,304	549	21,168	572
Utilities										
Electric	3,599	97	3,798	103	3,319	90	3,960	107	3,060	83
Water/Sewer	<u>21,710</u>	<u>587</u>	<u>10,513</u>	<u>284</u>	<u>20,248</u>	<u>547</u>	<u>15,960</u>	<u>431</u>	<u>15,720</u>	<u>425</u>
Total Utilities	25,309	684	14,311	387	23,567	637	19,920	538	18,780	508
Payroll	11,908	322	20,260	548	32,520	879	27,592	746	36,025	974
Marketing	<u>216</u>	<u>6</u>	<u>914</u>	<u>25</u>	<u>460</u>	<u>12</u>	<u>590</u>	<u>16</u>	<u>905</u>	<u>24</u>
Total Expenses	107,795	2,913	95,399	2,578	122,294	3,305	115,991	3,135	123,430	3,336
operating expense ratio		74.5%		73.1%		82.6%		71.4%		73.7%
Net Operating Income	36,904	997	35,037	947	25,849	699	46,535	1,258	44,140	1,193

Source: Property Management

While individual line items will vary depending upon the specific valuation developed later in the report, the following generally holds true:

Interest Appraised

Value 1

Market value, unrestricted rents

Comment

The effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will be constrained by market rent levels.

The total operating expense estimate will be less than historic primarily due to reduced Repairs & Maintenance, General & Administrative, Management Fee, and Payroll expenses. The Marketing expense will be higher than historic, and there will be an explicit Reserve expense.

Value 2-RD

Market value, subject to restricted rents

The effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will be constrained by basic rent levels.

The total operating expense estimate will be similar to historic expenses at the subject. There will be an explicit Reserve expense.

Value 3

Prospective, subject to restricted rents.

The effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will recognize the economic benefits of the renovation as the units will be in better physical (and functional) condition. The apartment rent will be constrained by the lesser of market rent or LIHTC constraints

With respect to operating expense line items, Real Estate Taxes, Insurance, General & Administrative, Management Fee, Utilities, and Marketing should be near historic. Repairs & Maintenance should be lower due to the renovations. Payroll should also be lower, also due to the renovation. An explicit Reserve will be recognized.

Value 4

Prospective, as conventional or unrestricted.

The effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will recognize the economic benefits of the renovation as the units will be in better physical (and functional) condition. The apartment rent will be based on the (prospective) market rent figures.

The total operating expense estimate should be lower due to renovation (reduced Repairs & Maintenance as well as Payroll) as well as reduced General & Administrative and Management expenses. The Marketing expense should be higher than historic, and there will be an explicit Reserve expense.

Real Estate Taxes and Assessments

The chart below shows the tax details. The assessor’s land and improvement values are shown for informational purposes only. Actual land sales are used in order to develop the value of the subject’s site while Marshall Valuation service has been used to develop the replacement cost of the improvements.

Real Estate Taxes		
Meadow Crossing Apartments		
Parcel Number	0025A 206	
	<u>Appraised</u>	<u>Assessed</u>
Land	\$33,500	\$13,400
Improvements	442,912	177,165
Total	476,412	190,565
Real Estate Taxes		\$5,811
Taxes/unit		\$157
Source: County Auditor		

The chart below shows the recent assessed values and taxes for the subject for the past few years.

Real Estate Taxes								
Meadow Crossing Apartments								
Year	Auditors Appraised Values			Assessed Values			Annual Taxes	Tax Rate
	Land	Building	Total	Land	Building	Total		
2016	33,500	442,912	476,412	13,400	177,165	190,565	5,811	30.49096
2015	33,500	442,912	476,412	13,400	177,165	190,565	5,812	30.49902
2014	33,500	699,142	732,642	13,400	279,657	293,057	8,957	30.56404
2013	33,500	768,064	801,564	13,400	307,226	320,626	8,868	27.65908
Source: County Auditor								

The following chart notes area tax comparables. The reader is referred to the assessed value per unit column, which is the best indicator of comparability. Properties with higher real estate taxes per unit than others also have higher assessed values per unit than others. The tax comparables confirm the reasonableness of the real estate taxes.

Meadow Crossing Apartments									
Tax Comparables									
Name/Location	Parcel #	Effective Millage	Taxes/			Land	Improvements	Total	Assessed
			Units	RE	unit	Assessed Value	Assessed Value	Assessed Value	Value/unit
Meadow Crossing Apartments 408 Spinks Drive	0025A 206	30.4910	37	5,811	157	13,400	177,165	190,565	5,150
Harbor Pointe Apts 88 Richards Dr, Tifton	0058-055A	39.9071	56	16,232	290	70,480	336,265	406,745	7,263
Crescent Ridge Apts 1301 Crescent Dr, Tifton	T068-093	30.4902	40	10,492	262	21,120	322,991	344,111	8,603
401 Love Ave, Tifton	T043-025	9.5254	13	1,613	124	17,200	152,136	169,336	13,026
Source: Crown Appraisal Group									

Highest and Best Use

Highest and best use is defined in The Appraisal of Real Estate, 14th Edition, Appraisal Institute, as follows:

...the reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.

Some of the more germane comments from this publication regarding highest and best use are noted in the following bullet points:

- If, however, the market value of the property with the existing improvements is greater than the market value of the land as though vacant less costs to demolish the existing improvements, then the highest and best use of the property as improved is to keep the improvements for residential or commercial use.
- The use that a site or improved property is put to until it is ready for its highest and best use has traditionally been known as the interim use. An interim use is not the highest and best use of the property at the present time, and it should not be represented as the subject property's current highest and best use. Rather, the current highest and best use of a property with an interim use would be to leave the property as is until land value rises to a level for modification of the interim use (or demolition of the improvements and redevelopment for some other use) is financially feasible.
- These criteria [legally permissible, physically possible, financially feasible, maximally productive] are generally considered sequentially.

After consideration of the data, the following conclusions are drawn:

As If Vacant:

Physically Possible Uses:	Physical constraints include site area, shape, and adjacent uses. The site has all public utilities available. Noted easements are typical, and soil conditions are assumed to be adequate. There are acceptable access and visibility attributes. Based on location and site constraints, the most probable physically possible uses would be an intensive use. The existing improvements are such a use, and effectively utilize the site.
Legally Permissible Uses:	According to government officials, the current multi-family use is a permissible use.
Financially Feasible Uses:	The subject has a good location and is convenient to major traffic arteries. The surrounding area has been developed with a number of properties, including single-family residential properties, multi-family properties, retail properties, office and institutional uses (churches, schools, parkland). The residential users in the immediate area appear to have met with market acceptance. If vacant, a similar use is appropriate. The existing improvements develop a return in excess of that if the property were not improved.

Conclusion/Maximum Productivity: Of those uses that are physically possible, legally permissible, and financially supported, a residential development is concluded to be the highest and best use of the site as if vacant. Given the area demographics, development should not be speculative – rather, development should only occur with an identified end user in place.

As Improved:

Physically Possible Uses: The presence of the improvements demonstrate their physical possibility.

Legally Permissible Uses: The current multi-family use is a permissible use.

Financially Feasible Uses: As is shown in the valuation, the existing improvements develop a return well in excess of that if the property were not improved.

Conclusion/Maximum Productivity: The existing improvements are considered to be financially feasible. The chart below demonstrates that the proposed renovation is appropriate and financially viable – when considering the inclusion of the additional value from the interest credit subsidy and LIHTC. As shown, the sum of the prospective market value, interest credit values, and LIHTC values are in excess of the property's as is value plus renovation costs. Therefore, the proposed renovations provide a higher return to the property than if the property were not renovated, and the highest and best as improved is concluded to be with the renovations made to the property. There are no negative market trends that would influence the value of the property.

<i>Financial Feasibility</i>		
<i>Meadow Crossing Apartments</i>		
<u>Initial Test of Financial Feasibility</u>		
Value 3, prospective, subject to restricted rents		\$1,255,000
Value 1, as-is, as conventional or unrestricted		\$1,355,000
	Incremental difference	-\$100,000
Renovation Cost		\$1,245,998
	Benefit (cost) of renovating <i>before</i> consideration of other benefits	-\$1,345,998
<u>Other Benefits</u>		
Value 5	Interest Credit Subsidy Value from assuming the existing 515 Loan)	\$505,000
Value 6	LIHTC Value	\$1,385,538
	Value of additional benefits of renovation	\$1,890,538
		<i>Net benefits, or added value, of renovation</i> \$544,540
<u>Initial Test of Financial Feasibility</u>		
Value 3, prospective, subject to restricted rents		\$1,255,000
Value 2-RD, as-is, subject to restricted rents		\$785,000
	Incremental difference	\$470,000
Renovation Cost		\$1,245,998
	Benefit (cost) of renovating <i>before</i> consideration of other benefits	-\$775,998
<u>Other Benefits</u>		
Value 5	Interest Credit Subsidy Value from assuming the existing 515 Loan)	\$505,000
Value 6	LIHTC Value	\$1,385,538
	Value of additional benefits of renovation	\$1,890,538
		<i>Net benefits, or added value, of renovation</i> \$1,114,540

These thoughts are carried to the Valuation section.

Valuation

The valuation process involves the gathering of data in order to develop opinions of value for the subject. A number of value opinions are provided; the value opinions are identified and the applicable approaches to value are also identified.

<p>Value 1 as conventional or unrestricted</p>	<p>The income capitalization and sales comparison approaches are used.</p> <p><i>Comment: market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate used.</i></p>
<p>Value 2-RD subject to restricted rents</p>	<p>The income capitalization approach is used.</p> <p><i>Comment: basic rent, historic vacancy, historic expenses, market-based overall rate (with recognition of “safeness” of RA units) used.</i></p>
<p>Value 3 prospective, subject to restricted rents</p>	<p>The income capitalization approach is used.</p> <p><i>Comment: lesser of LIHTC or market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate used.</i></p>
<p>Value 4 prospective, as conventional or unrestricted</p>	<p>The income capitalization and cost approaches are used.</p> <p><i>Comment: market-based rent, market-based vacancy, market-based operating expenses, market-based overall rate used.</i></p>
<p>Value 5 Market value of the interest credit subsidy from assumed loan and new loan</p>	<p>The income capitalization approach is used.</p>
<p>Value 6 Market value of LIHTC (tax credits)</p>	<p>The income capitalization approach is used.</p>
<p>Value 7 Insurable value</p>	<p>The cost approach is used.</p>
<p>Value 8 Market value of underlying land</p>	<p>This value is developed within the cost approach valuation used for Value 4.</p>

Market Valuation

An opinion of the market value, unrestricted rents (fee simple estate, as conventional or unrestricted, as of the date of valuation) is subject to the hypothetical condition that the subject property is operated as a conventional, market rate property. Historically, the subject property has been operated as a subsidized property. Both the income capitalization approach and the sales comparison approach are utilized to arrive at opinions of the market value of Meadow Crossing Apartments, as conventional or unrestricted (Value 1). The income capitalization approach is used to arrive at the market value, subject to restricted rents (Value 2).

Income Capitalization Approach Value 1, as conventional or unrestricted

The income capitalization approach to value opinion is based on the economic principle of anticipation--that the value of an income producing property is the present value of anticipated future net benefits. Other appraisal principles and concepts upon which this approach is based include supply and demand, change, substitution, and externalities.

Net operating income projections (future net benefits) are translated into a present value indication using a capitalization process. In this appraisal, a pro forma technique is explicitly used. Market value is developed through the use of market derived financial opinions and return parameters. More specifically, the capitalization process steps in the pro forma technique are as follows:

- The effective gross revenue is estimated by the sum of the market rents on the units less an allowance for vacancy, plus other income.
- Expenses inherent in the operation of the property, including real estate taxes, insurance, repairs and maintenance, general and administrative, management, utilities, payroll, marketing, and reserve are estimated.
- The net operating income is derived by deducting the operating expenses from the effective gross revenue.
- The net operating income is then capitalized to obtain an indication of value.

With respect to this valuation, the effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will be based on market rent figures.

The total operating expense estimate will be less than historic primarily due to reduced Repairs & Maintenance, General & Administrative, Management Fee, and Payroll expenses. The Marketing expense will be higher than historic, and there will be an explicit Reserve expense.

Pro Forma Capitalization

Base Rent Revenue – is based on the market rent levels for the units at the subject. The annual market rent is shown in the chart below.

Meadow Crossing Apartments							Value 1	
Base Rent Revenue							as conventional or unrestricted	
	Total	% of	Size	Total		Market Rent		
	Units	total	(rsf)	rsf	Rent/Month	Rent/sf	Monthly	Yearly
1 Bed, 1 Bath	24	65%	655	15,720	\$460	\$0.70	\$11,040	\$132,480
2 Bed, 1.5 Bath TH	12	32%	912	10,944	\$525	0.58	6,300	75,600
2 Bed, 1 Bath (Manager's Unit)	1	3%	824	824			Non-Revenue	
Overall Totals/Averages	37	100%	743	27,488	469	0.63	17,340	208,080

Source: Crown Appraisal Group

Vacancy – Stabilized vacancy has been discussed in the Market Area Overview section. Vacancy is estimated at 5%, and is applied to base rent revenue.

Other Income – Other revenues include laundry income, late/nsf charges, application fees, forfeited deposits, termination/restoration fees and other miscellaneous incomes. Other revenue is estimated at \$55/unit. This is a net income line item component, with vacancy inherently considered.

Operating Expenses – are those costs necessary to maintain the property at or near a maximum level of economic performance. These expenses are categorized as real estate taxes, insurance, repairs and maintenance, general and administrative, management fees, utilities, payroll, and marketing. In addition, reserves are also considered. Estimated operating expenses are based on historical figures, and support from market data. The market data information is of properties similar in size, age, condition, and location relative to the subject that have been appraised by Crown Appraisal Group. All of these properties are RD properties – none are market rate ones. Like the subject, the operating histories reflect the benefits – and costs – associated with operating as a rural property subject to various RD operating costs.

With respect to operating expense line items, Real Estate Taxes, Insurance, and Utilities should be near historic. Repairs & Maintenance, General & Administrative, Management Fees and Payroll should be lower than historic due to the nature of market rate operations as compared to subsidized operations. Marketing should be above historic, also due to the nature of market rate operations. An explicit Reserve will be recognized.

The line item operating expenses are presented in the chart below. The chart details the median and average operating expenses by the operating expense comparables, the historic operating expenses at the subject, and the pro forma operating expense projections.

Operating Expense Comparables										
Meadow Crossing Apartments										
	1	2	3	4	5	6	7	8	9	10
Units	49	51	51	55	18	20	55	65	55	24
Year	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015
Per Unit Basis										
Real Estate Taxes	300	227	125	197	432	393	341	208	171	213
Insurance	209	166	499	274	154	222	189	316	400	296
Repairs and Maintenance	599	472	791	345	1,198	778	976	447	319	735
General and Administrative	329	253	242	259	527	368	283	204	211	306
Management Fees	533	528	506	540	524	520	500	529	529	337
Utilities										
Electric	110	98	155	122	111	190	162	101	108	95
Water/Sewer	<u>936</u>	<u>24</u>	<u>20</u>	<u>556</u>	<u>46</u>	<u>42</u>	<u>35</u>	<u>32</u>	<u>556</u>	<u>6</u>
Total Utilities	1,046	122	175	679	156	232	197	132	664	101
Payroll	923	1,096	457	900	636	1,066	1,245	768	955	1,331
Marketing	2	1	9	2	23	4	0	0	2	2
Total	3,941	2,865	2,803	3,196	3,649	3,582	3,731	2,603	3,251	3,321
Per Unit Basis										
Category	<u>Minimum</u>	<u>Maximum</u>	<u>Average</u>	<u>Median</u>						
Real Estate Taxes	125	432	261	220						
Insurance	154	499	273	248						
Repairs and Maintenance	319	1,198	666	667						
General and Administrative	204	527	298	271						
Management Fees	337	540	505	526						
Utilities										
Electric	95	190	125	110						
Water/Sewer	<u>6</u>	<u>936</u>	<u>225</u>	<u>38</u>						
Total Utilities	101	1,046	350	186						
Payroll	457	1,331	937	939						
Marketing	<u>0</u>	<u>23</u>	<u>4</u>	<u>2</u>						
Total	2,603	3,941	3,294	3,286						
Source: Apartment Management, Crown Appraisal Group										

Meadow Crossing Apartments
Operating Expense Estimates

as conventional or unrestricted
as-is

Real Estate Taxes

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	220	med 261	avg 234	261	196	308	204	157	\$5,811

Insurance

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	248	med 273	avg 244	182	173	192	216	194	\$7,179

Repairs & Maintenance

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	667	med 666	avg 706	418	646	514	550	500	\$18,500

General & Administrative

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	271	med 298	avg 267	334	284	272	288	225	\$8,325

Management

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	526	med 505	avg 451	423	477	549	572	270	\$9,986

Electric Utilities

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	110	med 125	avg 97	103	90	107	83	90	\$3,330

Water & Sewer

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	38	med 225	avg 587	284	547	431	425	450	\$16,650

Total Utilities

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	186	med 350	avg 684	387	637	538	508	540	\$19,980

Payroll

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	939	med 937	avg 322	548	879	746	974	775	\$28,675

Marketing

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	2	med 4	avg 6	25	12	16	24	15	\$555

Total Operating Expenses (including consideration of Reserve)

Source	Comparables		2013	2014	2015	2016 Budget	2017 Budget	Pro Forma	Amount
Cost/unit	3,286	med 3,294	avg 2,913	2,578	3,305	3,135	3,336	2,926	\$108,260

Source: *Property Management; Crown Appraisal Group*

Meadow Crossing Apartments		Value 1
Operating Expense Estimates		as conventional or unrestricted
<u>Operating Expense</u>	<u>Cost/unit</u>	<u>Discussion</u>
Real Estate Taxes	157	Based on the current real estate taxes of the subject as reported by the county.
Insurance	194	Based on historic with support from market.
Repairs & Maintenance	500	Below historic; property would not be as well maintained if it were to be operated as a market rate one.
General & Administrative	225	Below historic; market rate properties have lower general & administrative costs than subsidized properties.
Management	5.00%	Percent of effective gross income rather than fee per occupied door per month.
Utilities	90 Electric	Based on historic with support from market.
	450 Water and sewer	Based on historic with support from market.
Payroll	775	Based on the size of the property, a total cost per year, or a cost per month, is the appropriate manner in which to develop this operating expense estimate. The expense is based on the probable cost if the property were operated as a market rate one.
Marketing	15	Above historic; market rate properties require a higher cost for marketing.
Reserve	250	Based on market participant attitudes.

Total Operating Expenses – The chart below compares historical and market derived operating expense data with the pro forma. Notice the market estimates are lower than the historical figures as government subsidized properties typically cost more to operate than market rate.

Pro Forma Operating Expense Estimate & Comparisons (per unit basis)					Value 1					
Meadow Crossing Apartments					as conventional or unrestricted					
	<u>Crown Appraisal Group Survey</u>				<u>Year End Historical</u>					<u>Subject Pro Forma</u>
	<u>Low</u>	<u>High</u>	<u>Avg.</u>	<u>Med.</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016 Budget</u>	<u>2017 Budget</u>	
Real Estate Taxes	125	432	261	220	234	261	196	308	204	157
Insurance	154	499	273	248	244	182	173	192	216	194
Repairs and Maintenance	319	1,198	666	667	706	418	646	514	550	500
General and Administrative	204	527	298	271	267	334	284	272	288	225
Management Fees	337	540	505	526	451	423	477	549	572	270
Utilities										
Electric	95	190	125	110	97	103	90	107	83	90
Water/Sewer	6	936	225	38	587	284	547	431	425	450
Total Utilities	101	1,046	350	186	684	387	637	538	508	540
Payroll	457	1,331	937	939	322	548	879	746	974	775
Marketing	0	23	4	2	6	25	12	16	24	15
Reserve	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	250
Total Operating Expenses	2,603	3,941	3,294	3,286	2,913	2,578	3,305	3,135	3,336	2,926

Note: columns with low, high, average, and median figures may not add to total
 Source: Property Managers; Crown Appraisal Group

The net operating income is estimated by deducting the operating expenses from the effective gross income. The pro forma is shown below.

<i>Pro Forma Operating Statement</i>		<i>as conventional or unrestricted</i>		
<i>Meadow Crossing Apartments</i>		<i>Value 1</i>		
		37 units		
		<u>% of EGI</u>	<u>Per Unit</u>	<u>Amount</u>
Potential Rental Revenue		104.2%	\$5,624	\$208,080
Less: Vacancy and Collection Loss @	5.0%	<u>-5.2%</u>	<u>-281</u>	<u>-10,404</u>
Effective Rent		99.0%	5,343	197,676
Plus Other Revenue:				
Other Income		1.0%	55	2,035
Effective Gross Income		100.0%	5,398	199,711
Less: Operating Expenses				
Real Estate Taxes		2.9%	157	5,811
Insurance		3.6%	194	7,179
Repairs and Maintenance		9.3%	500	18,500
General and Administrative		4.2%	225	8,325
Management Fees @	5.0%	5.0%	270	9,986
Utilities				
Electric		1.7%	90	
Water/Sewer		<u>8.3%</u>	<u>450</u>	
Total Utilities		10.0%	540	19,980
Payroll		14.4%	775	28,675
Marketing		0.3%	15	555
Reserve		<u>4.6%</u>	<u>250</u>	<u>9,250</u>
Total Operating Expenses		54.2%	2,926	108,260
Net Operating Income		45.8%	2,472	91,451

Source: *Crown Appraisal Group*

Capitalization Rate Discussion

Capitalization is the process by which net operating income is converted into a value indication. A capitalization rate is utilized that most accurately represents the risk associated with receiving the property's net operating income. A property that has a "safer" income stream is one that has less risk.

In order to arrive at an appropriate range, emphasis was put on data provided by comparable sales and analysis of financing techniques.

Comparable Sales

The comparable sales utilized in the Sales Comparison Approach section indicate an overall capitalization rate range as shown below. Other data is shown, including the dates of the sales. Overall, the sales properties are comparable in the sense that they are recent sales of similar apartment complexes in the greater market area.

Comparable Sales						
Overall Capitalization Rates						
<u>Name/Location</u>	<u>Sale Date</u>	<u>Year Built</u>	<u>Units</u>	<u>Sale Price</u>	<u>Price/Unit</u>	<u>OAR</u>
Douglas Pines Apts Douglas, GA	Oct-16	1987	48	1,925,100	40,106	7.02%
Spanish Mission Valdosta, GA	Sep-15	1976	150	7,000,000	46,667	7.36%
The Reserve at Altama Brunswick, GA	Jul-16	1972	108	6,300,000	58,333	6.75%
Ashley Park Apts Thomasville, GA	Oct-16	2013	84	8,000,000	95,238	5.70%
The Gables of St Augustine Valdosta, GA	May-15	1989	144	4,000,000	27,778	6.10%
Average, Median, Range		6.59%	6.75%	5.70% - 7.36%		
Source: <i>Crown Appraisal Group</i>						

A number of differences between the properties and the specifics of transaction, however, make correlation to a specific rate within the range problematic. The sales do represent current market activity and characteristics of the properties that are similar to the subject. An overall rate near the range is appropriate. Certainly, the market data alone does not support the selection of a rate below 5.70% or a rate above 7.36%. If the sales were the only data source from which to select the overall capitalization rate, a rate near the middle of the range is most appropriate given the net operating income figure.

Final consideration of an appropriate rate is through an analysis of lender requirements. After all, properties such as the subject are usually transferred only after financing has been arranged. The debt coverage ratio technique calculates an overall rate by multiplying the mortgage constant by the loan-to-value ratio and then by the debt coverage figure.

Financing Techniques

Debt Coverage Ratio

The debt coverage ratio technique places emphasis on lender requirements while inherently providing for a reasonable equity return. Rather than developing an explicit equity dividend, the equity position is left with a residual dividend return. This has good applicability for properties such as the subject. Using current parameters, development of the overall rate can be seen in the following chart.

Overall Rate Derivation					
Debt Coverage Ratio Technique					
<u>Mtg. Rate</u>	<u>Term of Mtg.</u>	<u>Mtg. Constant</u>	<u>Loan to Value</u>	<u>DCR</u>	<u>OAR</u>
5.00%	30	0.0644	70.0%	1.25	5.64%
5.00%	30	0.0644	75.0%	1.20	5.80%
5.25%	30	0.0663	70.0%	1.25	5.80%
5.25%	30	0.0663	75.0%	1.20	5.96%
5.50%	30	0.0681	70.0%	1.25	5.96%
5.50%	30	0.0681	75.0%	1.20	6.13%
				rounded to	5.6% - 6.1%

Source: Crown Appraisal Group

Given the specific characteristics of the property, the overall capitalization rate range derived from the debt coverage ratio appears to be reasonable.

Band of Investment

There are two primary components utilized in the band of investment technique. These are the debt and equity components. Both are explicitly developed. A weighted average, which combines these two components, is used to capitalize the net operating income. The strength of the band of investment is that it has long been used by real estate market participants in developing an overall rate. The band of investment technique quantifies the appropriate overall rate as follows:

Overall Rate Derivation					
Band of Investment Technique					
<u>Interest Rate</u>	<u>Amort.</u>			<u>Constant</u>	<u>Weighted Average</u>
5.00%	30	75%	(loan to value)	x 0.0644	= 4.831%
		25%	(equity to value)	x 6.0%	= 1.500%
				Overall Rate =	6.331%
				Rounded To:	6.3%

Source: Crown Appraisal Group

Conclusion

In summarizing, most of the market-based indicators suggest that a rate toward the middle of the range is most appropriate. The weakness in the rates indicated by the comparable sales is that the figures are historic. The overall rates from the comparable sales are also suspect to relatively wide fluctuations when relatively minor changes are made (as an example, an change to the net operating income of only \$1,000 on a \$1,000,000 sale impacts the overall rate by 10 basis points). The strength in the debt coverage and the band of investment techniques, is that they are based on real participants and real mortgage rates. The information from the latter analysis suggests that the appropriate rate is in the upper 6.0% range.

In the final analysis, an overall rate that lies between the comparable sale and financing technique analysis of 6.75% is selected as being appropriate to accurately reflect the risk characteristics arising from the income stream. The rate selected falls within the ranges indicated by comparable sales, and the quantitative overall rate derivation techniques (band of investment and debt coverage ratio). Application of the rate to the pro forma net operating income is shown in the chart below.

<i>Pro Forma Technique Value Conclusion</i>		<i>Value 1</i>
<i>Meadow Crossing Apartments</i>		<i>as conventional or unrestricted</i>
Net Operating Income		\$91,451
Overall Capitalization Rate		<u>6.75%</u>
Value Conclusion		1,354,829
<i>Rounded To:</i>		<i>\$1,355,000</i>
Source: <i>Crown Appraisal Group</i>		

Value 2-RD, subject to restricted rents

A pro forma is used. Much of the valuation is based on the analysis previously presented. Major differences (and similarities) are detailed below.

Base Rent

The appropriate unit rent to use is the basic rent figure.

Meadow Crossing Apartments					Value 2-RD			
Base Rent Revenue					subject to restricted rents			
	Total	% of	Size	Total	Basic Rent			
	<u>Units</u>	<u>total</u>	<u>(rsf)</u>	<u>rsf</u>	<u>Rent/Month</u>	<u>Rent/sf</u>	<u>Monthly</u>	<u>Yearly</u>
1 Bed, 1 Bath	24	65%	655	15,720	\$415	\$0.63	\$9,960	\$119,520
2 Bed, 1.5 Bath TH	12	32%	912	10,944	\$445	0.49	5,340	64,080
2 Bed, 1 Bath (Manager's Unit)	1	3%	824	824	Non-Revenue			
Overall Totals/Averages	37	100%	743	27,488	414	0.56	15,300	183,600

Source: Crown Appraisal Group

Vacancy

Based on historic.

Operating Expenses

The operating expenses are largely based on recent history at the subject. Figures used are shown below.

Meadow Crossing Apartments			Value 2-RD
Operating Expense Estimates			subject to restricted rents
<u>Operating Expense</u>	<u>Cost/unit</u>		<u>Discussion</u>
Real Estate Taxes	157		Based on the current real estate taxes of the subject as reported by the county.
Insurance	194		Based on historic with support from market.
Repairs & Maintenance	550		Near the recent historic figures with the recognition that some of the historic amounts have some costs better categorized as capital expenditures.
General & Administrative	285		Based on historic.
Management	49.00		Based on cost per occupied door per month.
Utilities	90	Electric	Based on historic with support from market.
	450	Water and sewer	Based on historic with support from market.
Payroll	875		Based on historic.
Marketing	15		Based on historic.
Reserve	350		Based on market participant attitudes.

The pro forma is shown below.

Pro Forma Operating Statement		Value 2-RD	
Meadow Crossing Apartments		as-is	
37 units			
	<u>% of EGI</u>	<u>Per Unit</u>	<u>Amount</u>
Potential Rental Revenue	101.9%	\$4,962	\$183,600
Less: Vacancy and Collection Loss @ 3.0%	<u>-3.1%</u>	<u>-149</u>	<u>-5,508</u>
Effective Rent	98.9%	4,813	178,092
Plus Other Revenue:			
Other Income	1.1%	55	2,035
Effective Gross Income	100.0%	4,868	180,127
Less: Operating Expenses			
Real Estate Taxes	3.2%	157	5,811
Insurance	4.0%	194	7,179
Repairs and Maintenance	11.3%	550	20,350
General and Administrative	5.9%	285	10,545
Management Fees	11.7%	570	21,103
Utilities			
Electric	1.8%	90	
Water/Sewer	<u>9.2%</u>	<u>450</u>	
Total Utilities	11.1%	540	19,980
Payroll	18.0%	875	32,375
Marketing	0.3%	15	555
Reserve	<u>7.2%</u>	<u>350</u>	<u>12,950</u>
Total Operating Expenses	72.6%	3,536	130,848
Net Operating Income	27.4%	1,332	49,279

Source: *Crown Appraisal Group*

Capitalization Rate Discussion

The appropriate rate selected should recognize two primary characteristics. There is a need for affordable housing in the area. Second, the net operating income developed is within the range at that seen during the prior three years. In that sense, the net operating income is one that is relatively “safe”. The conclusion is that the appropriate overall rate should be less than that selected for the market, unrestricted. The question is, of course, how much lower. There is some information available from RD that helps answer this. The consensus is that, for properties that are comprised of all (or mostly all) RA units, the appropriate rate should be about 100 basis points less than the market rate conclusion (the rate used for market unrestricted). For properties that do not have a high percentage of RA units, the overall rate should not be significantly different than the overall rate used in the unrestricted valuation. The chart quantifying this is shown below, with the value opinion shown after.

Overall Capitalization Rate Selection			Value 2-RD	
Meadow Crossing Apartments			subject to restricted rents	
<u>Lease Guarantor</u>	<u># of Units</u>	<u>% of Total</u>	<u>Selected OAR</u>	<u>Weighted Rate</u>
Tenant	19	51.4%	6.75%	3.466%
Rental Assistance	18	48.6%	5.75%	2.797%
Total	37	100.0%		6.264%
Indicated OAR				6.26%

Source: *Crown Appraisal Group*

Pro Forma Technique Value Conclusion		Value 2-RD
Meadow Crossing Apartments		subject to restricted rents
Net Operating Income		\$49,279
Overall Capitalization Rate		6.26%
Value Conclusion		786,766
Rounded To:		\$785,000

Source: *Crown Appraisal Group*

Sales Comparison Approach

Value 1, as conventional or unrestricted

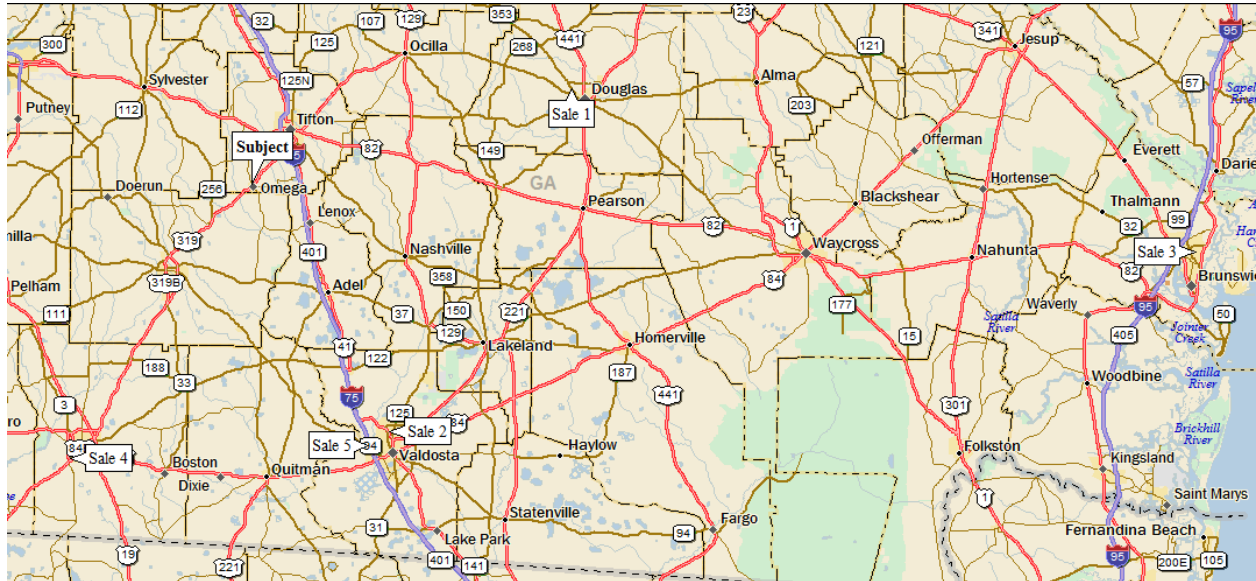
The sales comparison approach is based upon the theory that an informed purchaser will pay no more for a property than the cost of acquiring an equally desirable substitute property. The principle of substitution confirms that the maximum value of a property is set by the cost of acquisition of an equally desirable and valuable substitute property, assuming that substitution can be made without costly delay. Other appraisal principles and concepts relating to the approach include supply and demand, balance, and externalities.

In order to obtain an indication of value from the sales comparison approach, recent sales of similar properties have been analyzed and the sales prices adjusted to reflect dissimilarities between these properties and the subject. From these sales prices an indication of market value for the subject has been developed.

One of the fundamental considerations in the sales comparison approach is defining substitute or comparable properties. Issues that are involved in this consideration involve determination of physically similar properties as well as similarly located properties. Sales properties analyzed involve small to medium-sized multi-family properties. All are located in the regional area.

The accuracy of this approach relies upon the similarities, or lack thereof, between the sales properties and the subject. The greater the differences, the more subjective this valuation technique becomes. Multi-family properties, like any specialized real estate product, are complex and involve a variety of considerations. A comparison of sales properties includes reviewing size, location, financing and date of transaction. In essence, these categories are all tied to one over-riding factor-- the financial aspects and implications arising from the improvements.

The initial sales search was limited to sales of similar size properties, built during the same time period as the subject, having the same general economic characteristics, and having occurred within the immediate market area during the past six months. There were no sales meeting these criteria. When expanding the time frame and geographical area, a sufficient number of comparable sales were uncovered. While the research uncovered several sales properties which share similar attributes with the subject, dissimilarities do exist. The map below locates the comparable sales that were utilized. A detailed write up page and photograph of each sale can be found after the map.



Sale Comparable 1

General Data

Property Name:	Douglas Pines Apts
Property Address:	820 Bowens Mill Rd SE
City:	Douglas
County:	Coffee
MSA:	Not in a MSA
State:	GA
Zip:	31533
Renter Segmentation:	General
Rent Structure:	Market Rate



Sale and Economic Data

Sale Price:	\$1,925,100		<u>Total</u>	<u>Per Unit</u>	<u>Per rsf</u>	<u>% of EGI</u>
Sale Price/unit:	\$40,106	Net Operating Income:	135,142	2,815	3.27	100.0%
Sale Price/rsf:	\$46.64	Overall rate:	7.02%			
Sale Date:	10/21/2016	Occupancy at time of sale:	95.0%			
Parcel Number:	0117C-131					
Legal Description:	LL 222 6LD SPRING LAKE APTS.PH I					
Buyer (Grantee):	Bpp Douglas Pines Llc					
Seller (Grantor):	Reef Properties Of Georgia Llc					

Property Data

		<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>
Year Built:	1987	2	2.0	Garden	841	48
Size (Number of Units):	48					
Rentable Size (rsf):	41,280					
Site Size (acres):	7.590					
Density (units/acre):	6.3					
Floors:	2					
Property Design:	Walk Up					
Exterior:	Siding					

Landlord Paid Utilities

N Cable	N Sewer
N Electric	N Trash
N Gas	N Water

Tenant Paid Utilities

Y Cable	Y Sewer
Y Electric	Y Trash
N Gas	Y Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
N Microwave	N Att. Garage
Y Dishwasher	N Carport
N Garbage Disposal	N Basement
Y Air Conditioning	Y Ceiling Fans
N Washer/Dryer	N Vaulted Ceilings
Y W/D Hookups	N Security Systems

Complex Amenities

Y Pool	N Laundry
N Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
Y Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

Douglas Pines Apartments consists of five two-story buildings. The property is situated on SR-206 (Bowens Mill Road), 1.5 miles west of SR-441, and a mile north of SR-32 and two miles northwest of downtown Douglas.

Sale Comparable 2

General Data

Property Name:	Spanish Mission
Property Address:	422 Connell Rd
City:	Valdosta
County:	Lowndes
MSA:	Valdosta
State:	GA
Zip:	31602
Renter Segmentation:	General
Rent Structure:	Market Rate



Sale and Economic Data

			<u>Total</u>	<u>Per Unit</u>	<u>Per rsf</u>	<u>% of EGI</u>
Sale Price:	\$7,000,000					
Sale Price/unit:	\$46,667	Net Operating Income:	515,200	3,435	2.73	100.0%
Sale Price/rsf:	\$37.09	Overall rate:	7.36%			
Sale Price/gsf:	\$35.00					
Sale Date:	9/9/2015	Occupancy at time of sale:	93.0%			
Parcel Number:	0112A-113					
Legal Description:	SPANISH MISSION APTS					
Buyer (Grantee):	Magnolia Mission Partners LLC					
Seller (Grantor):	Valdosta Associates LTD					

Property Data

	<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	
Year Built:	1976	1	1.0	Garden	890
Size (Number of Units):	150	2	2.0	Garden	1,213
Rentable Size (rsf):	188,716	2	2.5	Townhouse	1,125
Gross Size (gsf):	200,000	3	2.5	Townhouse	1,456
Site Size (acres):	12.000				
Density (units/acre):	12.5				
Floors:	2				
Property Design:	Walk Up				
Exterior:	Stucco				

Landlord Paid Utilities

N Cable	N Sewer
N Electric	Y Trash
N Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
N Microwave	N Att. Garage
Y Dishwasher	N Carport
Y Garbage Disposal	N Basement
Y Air Conditioning	N Ceiling Fans
Y Washer/Dryer	N Vaulted Ceilings
Y W/D Hookups	N Security Systems

Complex Amenities

Y Pool	N Laundry
Y Clubhouse	N Det. Garages
Y Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
Y Fit. Center	Y Car Wash
N Lake	N Elevators
N Gated	Y Playground
N Bus.Center	N Racquetball

Tenant Paid Utilities

Y Cable	Y Sewer
Y Electric	N Trash
Y Gas	Y Water

Other Comments

Spanish Mission Apartments is located on the northeast corner of Connell Road and Tara Drive in Valdosta, Georgia. It is 3 miles north of downtown Valdosta in Lowndes County.

Sale Comparable 3

General Data

Property Name:	The Reserve at Altama
Property Address:	5801 Altama Ave
City:	Brunswick
County:	Glynn
MSA:	Brunswick
State:	GA
Zip:	31525
Renter Segmentation:	General
Rent Structure:	Market Rate



Sale and Economic Data

Sale Price:	\$6,300,000		<u>Total</u>	<u>Per Unit</u>	<u>Per rsf</u>	<u>% of EGI</u>
Sale Price/unit:	\$58,333	Net Operating Income:	425,250	3,938	3.37	100.0%
Sale Price/rsf:	\$49.90	Overall rate:	6.75%			
Sale Price/gsf:	\$46.71	EGIM:	14.8			
Sale Date:	7/5/2016	Occupancy at time of sale:	98.2%			
Parcel Number:	03-00925					
Legal Description:	10.45 AC ALTAMA					
Buyer (Grantee):	Reserve at Altama, LLC					
Seller (Grantor):	South Shore, LLC					

Property Data

	<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	
Year Built:	1972	1	1.0	Garden	960	20
Size (Number of Units):	108	2	1.5	Garden	1,160	72
Rentable Size (rsf):	126,240	3	2.0	Garden	1,470	16
Gross Size (gsf):	134,886					
Site Size (acres):	10.220					
Density (units/acre):	10.6					
Floors:	2					
Property Design:	Walk Up					
Exterior:	Combination					

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
N Gas	Y Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
Y Microwave	N Att. Garage
N Dishwasher	N Carport
N Garbage Disposal	N Basement
Y Air Conditioning	N Ceiling Fans
N Washer/Dryer	N Vaulted Ceilings
Y W/D Hookups	N Security Systems

Complex Amenities

Y Pool	Y Laundry
Y Clubhouse	N Det. Garages
N Tennis	Y Cov. Storage
N Jacuzzi	N Open Storage
Y Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	Y Playground
N Bus. Center	N Racquetball

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
Y Gas	N Water

Other Comments

The Reserve at Altama is located on the west side of Altama Ave south of Chapel Crossing Rd about 5 miles north of downtown Brunswick.

Sale Comparable 4

General Data

Property Name:	Ashley Park Apartments
Property Address:	1 Ashley Park Pl
City:	Thomasville
County:	Thomas
MSA:	Not in a MSA
State:	GA
Zip:	31792
Renter Segmentation:	General
Rent Structure:	Market Rate



Sale and Economic Data

			<u>Total</u>	<u>Per Unit</u>	<u>Per rsf</u>	<u>% of EGI</u>
Sale Price:	\$8,000,000					
Sale Price/unit:	95,238	Net Operating Income:	456,000	5,429	5.06	100.0%
Sale Price/rsf:	\$88.80	Overall rate:	5.70%			
Sale Price/gsf:	\$54.24					
Sale Date:	10/28/2016	Occupancy at time of sale:	99.0%			
Parcel Number:	2051-317					
Legal Description:	25.61 AC/ W BYPASS @ SUNSET DR/Ashley Park					
Buyer (Grantee):	Young America Property, LLC					
Seller (Grantor):	Ashley Park Llc					

Property Data

	<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>	
Year Built:	2013	1	1.0	Garden	644	6
Size (Number of Units):	84	1	1.0	Garden	751	6
Rentable Size (rsf):	90,090	2	2.0	Garden	1,047	48
Gross Size (gsf):	147,480	3	2.0	Garden	1,311	24
Site Size (acres):	25.610					
Density (units/acre):	3.3					
Floors:	4					
Property Design:	Walk Up					
Exterior:	Combination					

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
N Gas	Y Water

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
Y Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	Y Balcony/Patio
Y Microwave	N Att. Garage
Y Dishwasher	N Carport
Y Garbage Disposal	N Basement
Y Air Conditioning	Y Ceiling Fans
N Washer/Dryer	N Vaulted Ceilings
N W/D Hookups	Y Security Systems

Complex Amenities

N Pool	Y Laundry
Y Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
Y Fit. Center	N Car Wash
N Lake	N Elevators
Y Gated	Y Playground
N Bus. Center	N Racquetball

Other Comments

Ashley Park Apartments is located on the north side of Sunset Dr east of US 319 about 2 miles southwest of downtown Thomasville. This property is in Thomas County.

Sale Comparable 5

General Data

Property Name:	The Gables of St Augustine
Property Address:	1415 N Saint Augustine Rd
City:	Valdosta
County:	Lowndes
MSA:	Valdosta
State:	GA
Zip:	31602
Renter Segmentation:	General
Rent Structure:	Market Rate



Sale and Economic Data

			<u>Total</u>	<u>Per Unit</u>	<u>Per rsf</u>	<u>% of EGI</u>
Sale Price:	\$4,000,000					
Sale Price/unit:	\$27,778	Net Operating Income:	244,000	1,694	2.29	100.0%
Sale Price/rsf:	\$37.48	Overall rate:	6.10%			
Sale Price/gsf:	\$30.28	EGIM:	N/A			
Sale Date:	5/29/2015	Occupancy at time of sale:	96.5%			
Parcel Number:	0081A-003					
Legal Description:	LL 14 & 15 LD 12 TRACT 1					
Buyer (Grantee):	Hi-lo Investments Llc					
Seller (Grantor):	Benton Properties Inc					

Property Data

	<u>Bedrooms</u>	<u>Baths</u>	<u>Type</u>	<u>Size (rsf)</u>	<u>Units</u>
Year Built: 1989	0	1.0	Garden	360	20
Size (Number of Units): 144	1	1.0	Garden	480	25
Rentable Size (rsf): 106,728	1	2.0	Garden	500	5
Gross Size (gsf): 132,080	2	2.0	Garden	792	34
Site Size (acres): 26.990	2	2.0	Garden	800	20
Density (units/acre): 5.3	3	2.0	Garden	1,040	35
Floors: 3	3	2.0	Garden	1,140	5
Property Design:	Walk Up				
Exterior:	Combination				

Landlord Paid Utilities

N Cable	Y Sewer
N Electric	Y Trash
N Gas	Y Water

Tenant Paid Utilities

Y Cable	N Sewer
Y Electric	N Trash
Y Gas	N Water

Unit Amenities

Y Refrigerator	N Fireplace
Y Range	N Balcony/Patio
N Microwave	N Att. Garage
Y Dishwasher	N Carport
N Garbage Disposal	N Basement
Y Air Conditioning	N Ceiling Fans
N Washer/Dryer	N Vaulted Ceilings
Y W/D Hookups	N Security Systems

Complex Amenities

Y Pool	Y Laundry
N Clubhouse	N Det. Garages
N Tennis	N Cov. Storage
N Jacuzzi	N Open Storage
N Fit. Center	N Car Wash
N Lake	N Elevators
N Gated	N Playground
N Bus. Center	N Racquetball

Other Comments

The Gables of St Augustine is located on the northeast side of N Saint Augustine Rd west of I-75 about 4 miles northwest of downtown Valdosta. This property is in Lowndes County.

Comparable Sales Data

The sales that were utilized to develop the value of the subject are detailed in the chart that follows. The sale price per unit of comparison is used to develop the value of the subject. To arrive at a value conclusion, the comparables are adjusted for dissimilarities to the subject with respect to property rights conveyed, financing terms, conditions of sale, date of sale, location, physical and economic attributes. Adjustments are made based on a comparison with one another as well as the appraisers' knowledge about the sales as they relate to the subject. Based on discussions with market participants, the marketing period and exposure period for each of the sales is estimated at 12 months. The chart also notes the adjustments.

Meadow Crossing Apartments							<i>Value 1</i>
Improved Sales							<i>as conventional or unrestricted</i>
Sale	Subject	1	2	3	4	5	
Name	Meadow Crossing Apartments	Douglas Pines Apts	Spanish Mission	The Reserve at Altama	Ashley Park Apts	The Gables of St Augustine	
Location	125 Spinks Drive	820 BOWENS Mill Rd SE	422 Connell Rd	5801 Altama Ave	1 Ashley Park Pl	1415 N Saint Augustine Rd	
City or Township	Omega	Douglas	Valdosta	Brunswick	Thomasville	Valdosta	
County	Tift	Coffee	Lowndes	Glynn	Thomas	Lowndes	
MSA	Tifton	Not in a MSA	Valdosta	Brunswick	Not in a MSA	Valdosta	
Date of Sale		October-16	September-15	July-16	October-16	May-15	
Sale Price		\$1,925,100	\$7,000,000	\$6,300,000	\$8,000,000	\$4,000,000	
Building Size (units)	37	48	150	108	84	144	
Building Size (inc. community)	28,400	41,280	188,716	126,240	90,090	106,728	
Sale Price/Unit		\$40,106	\$46,667	\$58,333	\$95,238	\$27,778	
Sale Price/sf		\$46.64	\$37.09	\$49.90	\$88.80	\$37.48	
Year Built	1994	1987	1976	1972	2013	1989	
Site Size	3.350	7.590	12.000	10.220	25.610	26.990	
Coverage	19%	12%	36%	28%	8%	9%	
Average Unit Size (sf)	768	860	1,258	1,169	1,073	741	
Units per Acre	11.0	6.3	12.5	10.6	3.3	5.3	
EGI/unit	\$5,398						
EGIM							
Expenses/Unit	\$2,926						
NOI/unit	\$2,472	\$2,815	\$3,435	\$3,938	\$5,429	\$1,694	
OAR		7.02%	7.36%	6.75%	5.70%	6.10%	
Sale Adjustments							
Property Rights Conveyed	<i>Fee Simple</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	
		0%	0%	0%	0%	0%	
Financing Terms	<i>Market</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	
		0%	0%	0%	0%	0%	
Conditions of Sale	<i>Arm's Length</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	
		0%	0%	0%	0%	0%	
Market Conditions	<i>Current</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	<i>Similar</i>	
		0%	0%	0%	0%	0%	
Total Sale Adjustments		0%	0%	0%	0%	0%	
Adjusted Price per Unit		\$40,106	\$46,667	\$58,333	\$95,238	\$27,778	
Property Adjustments							
Location	125 Spinks Drive	820 BOWENS Mill Rd SE	422 Connell Rd	5801 Altama Ave	1 Ashley Park Pl	1415 N Saint Augustine Rd	
	Omega	Douglas	Valdosta	Brunswick	Thomasville	Valdosta	
	Tift	Coffee	Lowndes	Glynn	Thomas	Lowndes	
Population	1,086	12,002	55,754	15,133	18,413	55,754	
Comparison to subject		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	
		-10%	-25%	-10%	-10%	-25%	
Physical							
Avg. Unit Size	768	860	1,258	1,169	1,073	741	
Comparison to subject		<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Superior</i>	<i>Similar</i>	
		-5%	-25%	-20%	-15%	0%	
Age	1994	1987	1976	1972	2013	1989	
Quality/Condition	Average	<i>Below Average</i>	<i>Below Average</i>	<i>Below Average</i>	<i>Good</i>	<i>Average</i>	
Comparison to subject		<i>Inferior</i>	<i>Inferior</i>	<i>Inferior</i>	<i>Superior</i>	<i>Inferior</i>	
		5%	10%	10%	-10%	5%	
Total Property Adjustments		-10%	-40%	-20%	-35%	-20%	
Value Indication per Unit		\$36,096	\$28,000	\$46,667	\$61,905	\$22,222	

Source: Crown Appraisal Group

As shown, no sale adjustments are indicated as appropriate for property rights conveyed, financing terms, conditions of sale, and market conditions, as they are considered to be the same as the subject. With respect to property adjustments, all location, physical, and economic attributes were reviewed – the analysis of each comparable sale is below.

Douglas Pines Apartments (Comparable 1) - The comparable has a superior (better) general location at the time of sale when compared to the subject, and the comparable is adjusted downward. On average, the unit size at the comparable is larger, which is considered to be a superior attribute, as compared to the average unit size at the subject, and the comparable is adjusted downward. At the time of sale, the general physical aspects of the comparable (such as age and quality/condition attributes) were inferior to the subject, and an adjustment is made. Combined, the adjustments total -10%. This results in a value indication of \$36,096/unit for Meadow Crossing Apartments.

Spanish Mission (Comparable 2) - The comparable has a superior (better) general location at the time of sale when compared to the subject, and the comparable is adjusted downward. On average, the unit size at the comparable is larger, which is considered to be a superior attribute, as compared to the average unit size at the subject, and the comparable is adjusted downward. At the time of sale, the general physical aspects of the comparable (such as age and quality/condition attributes) were inferior to the subject, and an adjustment is made. Combined, the adjustments total -40%. This results in a value indication of \$28,000/unit for Meadow Crossing Apartments.

The Reserve at Altama (Comparable 3) - The comparable has a superior (better) general location at the time of sale when compared to the subject, and the comparable is adjusted downward. On average, the unit size at the comparable is larger, which is considered to be a superior attribute, as compared to the average unit size at the subject, and the comparable is adjusted downward. At the time of sale, the general physical aspects of the comparable (such as age and quality/condition attributes) were inferior to the subject, and an adjustment is made. Combined, the adjustments total -20%. This results in a value indication of \$46,667/unit for Meadow Crossing Apartments.

Ashley Park Apartments (Comparable 4) - The comparable has a superior (better) general location at the time of sale when compared to the subject, and the comparable is adjusted downward. On average, the unit size at the comparable is larger, which is considered to be a superior attribute, as compared to the average unit size at the subject, and the comparable is adjusted downward. At the time of sale, the general physical aspects of the comparable (such as age and quality/condition attributes) were superior to the subject, and an adjustment is made. Combined, the adjustments total -35%. This results in a value indication of \$61,905/unit for Meadow Crossing Apartments.

The Gables of St Augustine (Comparable 5) - The comparable has a superior (better) general location at the time of sale when compared to the subject, and the comparable is adjusted downward. At the time of sale, the general physical aspects of the comparable (such as age and quality/condition attributes) were inferior to the subject, and an adjustment is made. Combined, the adjustments total -20%. This results in a value indication of \$22,222/unit for Meadow Crossing Apartments.

All of the sales were given credence when determining the value via this approach. This approach is used only as support for the primary approach, and the value conclusion reflects a hypothetical condition. This value indication is concluded to be representative of the property's value as if operated under the hypothetical conventional, market rate scenario. **A value conclusion of \$36,000/unit is selected to represent the market value as of the date of valuation. This indicates an aggregate value of \$1,000,000.** The following summarizes the projections of value via the sales comparison approach.

<i>Sales Comparison Approach Summary</i>	<i>Value 1</i>		
<i>Meadow Crossing Apartments</i>	<i>as conventional or unrestricted</i>		
Unadjusted Value Range Per Unit	27,778	-	95,238
Indicated Value Range (rounded)	1,000,000	-	3,500,000
Adjusted Value Range Per Unit	22,222	-	61,905
Indicated Value Range (rounded)	800,000	-	2,300,000
Average, Median (adjusted)	38,978		36,096
<i>Indicated Value (rounded)</i>	<i>1,330,000</i>		
<i>Value per Unit</i>	<i>36,000 /unit</i>		
Source: <i>Crown Appraisal Group</i>			

Prospective Market Value

The prospective market value subject to restricted rents is projected under the extraordinary assumption that the proposed renovations to the subject property are complete. This valuation also assumes that the subject is operated as a subsidized, rural housing property. The income capitalization approach is utilized to project the prospective market value, subject to restricted rents (Value 3). The income capitalization approach and cost approach are used to arrive at the prospective market value, as conventional or unrestricted (Value 4).

Income Capitalization Approach Value 3, prospective, subject to restricted rents

The income capitalization approach to value opinion is based on the economic principle of anticipation—that the value of an income producing property is the present value of anticipated future net benefits. Other appraisal principles and concepts upon which this approach is based include supply and demand, change, substitution, and externalities.

Net operating income projections (future net benefits) are translated into a present value indication using a capitalization process. In this appraisal, a pro forma technique is explicitly used. A discounted case flow technique is not considered appropriate. Market value is projected through the use of market derived financial projections and return parameters. More specifically, the capitalization process steps in the pro forma technique are as follows:

- The effective gross revenue is projected by the rents on the units less an allowance for vacancy, plus other income.
- Expenses inherent in the operation of the property, including real estate taxes, insurance, repairs and maintenance, general and administrative, management, utilities, payroll, marketing, and reserve are projected.
- The net operating income is derived by deducting the operating expenses from the effective gross revenue.
- The net operating income is then capitalized to obtain an indication of value.

With respect to this valuation, the effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will recognize the economic benefits of the renovation as the units will be in better physical (and functional) condition. The apartment rent will be constrained by the lesser of market rent or LIHTC constraints.

With respect to operating expense line items, Real Estate Taxes, Insurance, General & Administrative, Management Fee, Utilities, and Marketing should be near historic. Repairs & Maintenance should be lower due to the renovations. Payroll should also be lower, also due to the renovation. An explicit Reserve will be recognized.

Pro Forma Capitalization

Base Rent Revenue – is based on the market rent levels for the units at the subject. The annual market rent is shown in the chart below. The rent is based on the lesser of market rent or LIHTC restrictions.

Meadow Crossing Apartments							Value 3		
Base Rent Revenue							prospective		
							subject to restricted rents		
	Rent Constraint	Total Units	% of total	Size (rsf)	Total rsf	Rent/Month	Market Rent		
							Rent/sf	Monthly	Yearly
1 Bed, 1 Bath	LIHTC	24	65%	655	15,720	464	\$0.71	\$11,136	\$133,632
2 Bed, 1.5 Bath TH	LIHTC	12	32%	912	10,944	535	\$0.59	\$6,420	77,040
2 Bed, 1 Bath (Manager's Unit)		1	3%	824	824			Non-Revenue	
Overall Totals/Averages		37	100%	743	27,488	474	0.64	17,556	210,672

Source: Crown Appraisal Group

Vacancy – Stabilized vacancy has been discussed in the Market Area Overview section. Vacancy is estimated at 3%, and is applied to base rent revenue.

Other Income – Other revenues include laundry income, late/nsf charges, application fees, forfeited deposits, termination/restoration fees and other miscellaneous incomes. Other revenue is estimated at \$55/unit. This is a net income line item component, with vacancy inherently considered.

Operating Expenses – are based on historic and comparable data. The comparable data has been presented previously. As noted, Real Estate Taxes, Insurance, General & Administrative, Management Fee, Utilities, and Marketing should be near historic. Repairs & Maintenance should be lower due to the renovations. Payroll should also be lower, also due to the renovation. An explicit Reserve will be recognized.

Meadow Crossing Apartments		Value 3
Operating Expense Estimates		prospective
		subject to restricted rents
<u>Operating Expense</u>	<u>Cost/unit</u>	<u>Discussion</u>
Real Estate Taxes	173	Based on the current real estate taxes of the subject as reported by the county, and increased to reflect the renovations.
Insurance	194	Based on historic with support from market.
Repairs & Maintenance	500	Lower end of the historic range reflecting the renovation.
General & Administrative	285	Based on historic.
Management	49.00	Based on cost per occupied door per month.
Utilities	90 Electric	Based on historic with support from market.
	450 Water and sewer	Based on historic with support from market.
Payroll	825	Near the lower end of historic range reflecting the renovation.
Marketing	15	Based on historic.
Reserve	350	Based on market participant attitudes recognizing the renovation.

Total Operating Expenses – The chart below compares historical and market derived operating expense data with the pro forma.

Pro Forma Operating Expense Estimate & Comparisons (per unit basis)						Value 3				
Meadow Crossing Apartments						prospective				
						subject to restricted rents				
	<u>Crown Appraisal Group Survey</u>				<u>Year End Historical</u>					<u>Subject Pro Forma</u>
	Low	High	Avg.	Med.	2013	2014	2015	2016 Budget	2017 Budget	
Real Estate Taxes	125	432	261	220	234	261	196	308	204	173
Insurance	154	499	273	248	244	182	173	192	216	194
Repairs and Maintenance	319	1,198	666	667	706	418	646	514	550	500
General and Administrative	204	527	298	271	267	334	284	272	288	285
Management Fees	337	540	505	526	451	423	477	549	572	570
Utilities										
Electric	95	190	125	110	97	103	90	107	83	90
Water/Sewer	6	936	225	38	587	284	547	431	425	450
Total Utilities	101	1,046	350	186	684	387	637	538	508	540
Payroll	457	1,331	937	939	322	548	879	746	974	825
Marketing	0	23	4	2	6	25	12	16	24	15
Reserve	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	350
Total Operating Expenses	2,603	3,941	3,294	3,286	2,913	2,578	3,305	3,135	3,336	3,452

Note: columns with low, high, average, and median figures may not add to total

Source: *Property Managers; Crown Appraisal Group*

The net operating income is estimated by deducting the operating expenses from the effective gross income. The pro forma is shown below.

Pro Forma Operating Statement		<i>subject to restricted rents</i>	
Meadow Crossing Apartments		<i>prospective</i>	
		37 units	Value 3
	<u>% of EGI</u>	<u>Per Unit</u>	<u>Amount</u>
Potential Rental Revenue	102.1%	\$5,694	\$210,672
Less: Vacancy and Collection Loss @ 3.0%	<u>-3.1%</u>	<u>-171</u>	<u>-6,320</u>
Effective Rent	99.0%	5,523	204,352
Plus Other Revenue:			
Other Income	1.0%	55	2,035
Effective Gross Income	100.0%	5,578	206,387
Less: Operating Expenses			
Real Estate Taxes	3.1%	173	6,392
Insurance	3.5%	194	7,179
Repairs and Maintenance	9.0%	500	18,500
General and Administrative	5.1%	285	10,545
Management Fees	10.2%	570	21,103
Utilities			
Electric	1.6%	90	3,330
Water/Sewer	<u>8.1%</u>	<u>450</u>	16,650
Total Utilities	9.7%	540	19,980
Payroll	14.8%	825	30,525
Marketing	0.3%	15	555
Reserve	<u>6.3%</u>	<u>350</u>	<u>12,950</u>
Total Operating Expenses	61.9%	3,452	127,729
Net Operating Income	38.1%	2,126	78,658

Source: Crown Appraisal Group

Capitalization Rate Discussion

Capitalization is the process by which net operating income is converted into a value indication. A capitalization rate is utilized that most accurately represents the risk associated with receiving the property's net operating income. A property that has a "safer" income stream is one that has less risk.

In order to arrive at an appropriate range, emphasis was put on data provided by comparable sales and analysis of financing techniques.

It is noted that Attachment 7-A of Chapter 7 of the USDA Rural Development handbook states the following:

Use of an overall rate from the conventional market, which reflects conventional financing, is appropriate because all favorable financing will be valued separately from the market value, subject to restricted rents, of the real estate.

The handbook also notes that there is additional value of RA (rental assistance) to the net operating income stream through reducing the risk of investment by improving the durability of the [rental] income stream (through the assistance of the rent subsidy). The handbook further recognizes that the overall rate can be adjusted downward to account for the reduced risk due to RA.

Before consideration of the ramifications of the RA units, an overall rate of 6.75% is selected as being appropriate to accurately reflect the risk characteristics arising from the income stream. The rate selected falls within the ranges indicated by comparable sales, and the quantitative overall rate derivation techniques (band of investment and debt coverage ratio).

Attachment 7-A of Chapter 7 of the USDA Rural Development handbook states the following:

When the subject property has RA, the appraisal must include a discussion of the Section 521 Rental Assistance Program, the number of RA units at the subject, and how RA affects the market value, subject to restricted rents, of the property. Rental assistance is a rent subsidy provided to owners of 514/515 projects. The renter of an RA unit is required to pay a tenant contribution toward the approved shelter cost (rent plus tenant based utilities) of the unit that is equal to no more than 30 percent of his/her income. RA is the portion of the approved shelter cost paid by the Agency to compensate a borrower for the difference between the approved shelter cost and the tenant contribution. RA usually adds value to a 514/515 project in three ways: 1) it guarantees that the scheduled base rate rent for all occupied RA units will be attained; 2) it usually increases demand for the subject's units and consequently decreases the vacancy rate; and 3) it reduces the risk of investment in the subject project by improving the durability of the income stream. Rental assistance need not be separately valued; the value of RA can be incorporated within the market value, subject to restricted rents. This can be accomplished within the Income Approach by taking into account the three ways that RA increases value, listed above, as follows. 1) Base rate rents should be included as Potential Gross Income (PGI) in the restricted pro forma; 2) a vacancy and collection loss factor that reflects the amount of RA at the property should be included; and 3) a capitalization rate for the subject may be adjusted downward to account for the reduced risk to the investor due to RA.

Based on market participant attitudes and prior experience in the valuation of subsidized properties, overall capitalization rates for properties that have 100% subsidized tenancy typically are ± 100 basis points lower than the overall capitalization rates of similar properties than are market rate properties. This is due to market participant attitudes that view the income that is provided by a government funded source to be “safer” than income that is provided from market rate tenants.

When arriving at an opinion of the *Market Value of the fee simple estate, as conventional or unrestricted, subject to the short term leases as of the date of valuation* a weighted average technique is utilized to arrive at an overall capitalization rate conclusion. The weighted average technique take the relative “safeness” of the income streams attributable to the rental assistance and non rental assistance units at the property into consideration. The chart below summarizes the technique utilized to arrive at a final overall capitalization rate opinion.

Overall Capitalization Rate Selection				Value 3
				prospective
				subject to restricted rents
<u>Lease Guarantor</u>	<u># of Units</u>	<u>% of Total</u>	<u>Selected OAR</u>	<u>Weighted Rate</u>
Tenant	19	51.4%	6.75%	3.466%
Rental Assistance	18	48.6%	5.75%	2.797%
Total	37	100.0%		6.264%
Indicated OAR				6.26%

Source: *Crown Appraisal Group*

Recognizing that about 49% of the units have RA, an overall rate of 6.26% is selected as being appropriate to accurately reflect the risk characteristics arising from the subject income stream. Application of the rate to the pro forma net operating income is shown in the chart below.

Pro Forma Technique Value Conclusion		Value 3
Meadow Crossing Apartments		prospective
		subject to restricted rents
Net Operating Income		\$78,658
Overall Capitalization Rate		6.26%
Value Conclusion		1,255,812
Rounded To:		\$1,255,000

Source: *Crown Appraisal Group*

Value 4, prospective, as conventional or unrestricted

As has been discussed, the prospective market value market value upon completion and as stabilized (unrestricted rents) assumes that the subject is operated as a conventional, market rate property.

The effective gross income, which is comprised primarily of apartment rent, should be above historic levels. The apartment rent will recognize the economic benefits of the renovation as the units will be in better physical (and functional) condition. The apartment rent will be constrained by market rent.

The total operating expense estimate should be lower due to renovation (reduced Repairs & Maintenance as well as Payroll) as well as reduced General & Administrative and Management expenses. The Marketing expense should be higher than historic, and there will be an explicit reserve expense.

Many of the parameters used in this valuation have been extensively discussed and analyzed. A summary of them follows.

<i>Meadow Crossing Apartments Operating Expense Estimates</i>		<i>Value 4 prospective as conventional or unrestricted</i>
<u>Operating Expense</u>	<u>Cost/unit</u>	<u>Discussion</u>
Real Estate Taxes	173	Based on the current real estate taxes of the subject as reported by the county, and increased to reflect the renovations.
Insurance	194	Based on historic with support from market.
Repairs & Maintenance	450	Below historic; reflects the renovation as well as the recognition that the property would not be as well maintained if it were to be operated as a market rate one.
General & Administrative	225	Below historic; market rate properties have lower general & administrative costs than subsidized properties.
Management	5.00%	Percent of effective gross income rather than fee per occupied door per month.
Utilities	90	Electric
	450	Water and sewer
Payroll	725	Based on the size of the property, a total cost per year, or a cost per month, is the appropriate manner in which to develop this operating expense estimate. The expense recognizes the renovation and is based on the probable cost if the property were operated as a market rate one.
Marketing	15	Above historic; market rate properties require a higher cost for marketing.
Reserve	250	Based on market participant attitudes reflecting the renovation.

The pro forma and value conclusion are below.

Meadow Crossing Apartments					Value 4			
Base Rent Revenue					prospective			
					as conventional or unrestricted			
	Total Units	% of total	Size (rsf)	Total rsf	Market Rent Rent/Month	Market Rent Rent/sf	Market Rent Monthly	Market Rent Yearly
1 Bed, 1 Bath	24	65%	655	15,720	\$525	\$0.80	\$12,600	\$151,200
2 Bed, 1.5 Bath TH	12	32%	912	10,944	\$590	0.65	7,080	84,960
2 Bed, 1 Bath (Manager's Unit)	1	3%	824	824	Non-Revenue			
Overall Totals/Averages	37	100%	743	27,488	532	0.72	19,680	236,160

Source: Crown Appraisal Group

Pro Forma Operating Statement				prospective	
Meadow Crossing Apartments				as conventional or unrestricted	
				37 units	Value 4
		% of EGI	Per Unit	Amount	
Potential Rental Revenue		104.3%	\$6,383	\$236,160	
Less: Vacancy and Collection Loss @	5.0%	-5.2%	-319	-11,808	
Effective Rent		99.1%	6,064	224,352	
Plus Other Revenue:					
Other Income		0.9%	55	2,035	
Effective Gross Income		100.0%	6,119	226,387	
Less: Operating Expenses					
Real Estate Taxes		2.8%	173	6,392	
Insurance		3.2%	194	7,179	
Repairs and Maintenance		7.4%	450	16,650	
General and Administrative		3.7%	225	8,325	
Management Fees		5.0%	306	11,319	
Utilities					
Electric		1.5%	90	3,330	
Water/Sewer		7.4%	450	16,650	
Total Utilities		8.8%	540	19,980	
Payroll		11.8%	725	26,825	
Marketing		0.2%	15	555	
Reserve		4.1%	250	9,250	
Total Operating Expenses		47.0%	2,878	106,475	
Net Operating Income		53.0%	3,241	119,912	

Source: Crown Appraisal Group

Pro Forma Technique Value Conclusion		Value 4
Meadow Crossing Apartments		prospective
		as conventional or unrestricted
Net Operating Income		\$119,912
Overall Capitalization Rate		6.75%
Value Conclusion		1,776,475
Rounded To:		\$1,775,000

Source: Crown Appraisal Group

Cost Approach

Value 4, prospective, as conventional or unrestricted

The cost approach aggregates land value as if vacant, plus the cost to replace the existing improvements, less any accrued depreciation. The cost approach reflects value by recognizing that participants relate value to cost. Appraisal principles and concepts relating to this approach include substitution, supply and demand, balance, externalities, and highest and best use. Land valuation concepts and principles include anticipation, change, supply and demand, substitution, and balance. This approach provides an opinion of value principally based on the principle of substitution that states that:

No rational person would pay more for a property than that amount by which he or she can obtain, by purchase of a site and construction of a building, without undue delay, a property of equal desirability and utility.

Methodology

The cost approach involves several steps (presented below) that have been employed to project the value of the subject:

- Comparable land sales are typically analyzed and adjusted to provide an estimate of the subject's site as if vacant.
- The improvement cost was projected using the Marshall Valuation Service.
- The amount of accrued depreciation or obsolescence (physical, functional and economic) has been projected and deducted from the replacement cost opinion.
- The depreciated replacement cost opinion is then added to the land value projected for the subject site.
- The sum of these opinions produces an indication of value by the cost approach.

Value 8, Land Value

Typically, land sales within the area are utilized to develop a land value. However, a search for comparable land sales in the subject's market area found insufficient results. The reality is that few properties have been acquired to construct new multi-family properties in this part of the state. This is understood through a review of the rent comparables – the newest of these was constructed in 1986 – 31 years ago.

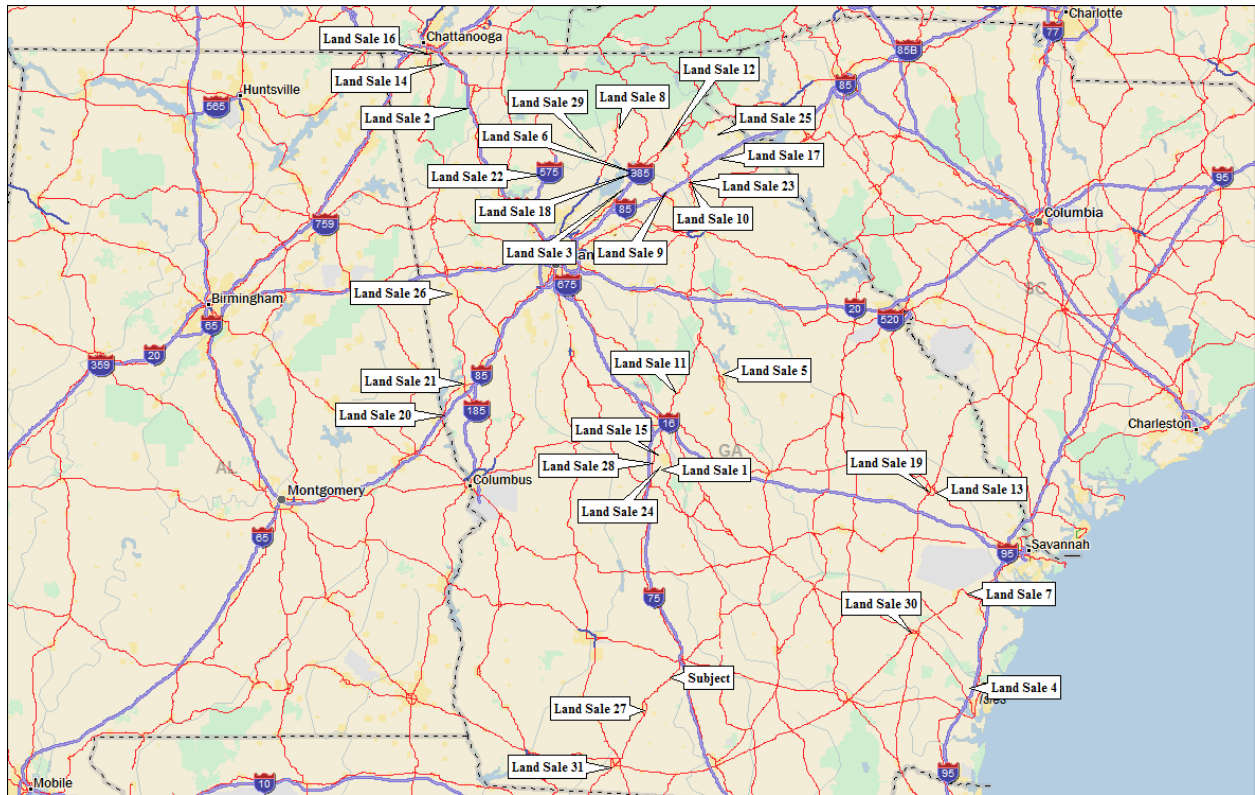
With the absence of comparable land sales, the appraiser is left with several alternative techniques. These include extraction, allocation, and a number of income capitalization methods such as land residual, ground rent capitalization, and discounted cash flow analysis.

Extraction and land residual methods have too many variables to be of use. (In part, improved sales are required, with an accurate knowledge of the contributory improvement value to those sales.) Ground rent capitalization is often used for properties that are ground leased. The discounted cash flow analysis is appropriate for subdivision development valuation. Neither of these are appropriate in this case.

Of the alternative techniques, allocation is left. As noted in The Appraisal of Real Estate, 14th edition, this technique is applicable when relatively few sales are available, which is certainly the case here. However, the same text notes that the allocation method does not produce credible value indications unless ample sales data is available. This commentary is somewhat ironic – after all, if ample sales data was available, the allocation method would not even be considered by the appraiser.

Allocation, though, incorporates the principles of balance and contribution. That is, market participants recognize there is a land value for property that is based on typical ratios that translates to specific value conclusions. To that end, the appraiser has worked on many multi-family developments and had discussion with many developers of those properties. In major MSA locations, developers are willing to pay \$10,000 per unit to \$15,000 per unit for sites to develop multifamily. For smaller MSAs, land costs are somewhat less. In rural settings, the appraiser has observed and developers have indicated prices of \pm \$1,000 up to \pm \$8,000 per unit. The range is understandably large due to the variables inherent in the specific attributes of the particular site in question.

The subject is part of a number of properties that were appraised at the same time period. The properties that comprise this portfolio share similar locational features as the subject. The majority of the properties are located in rural Georgia areas. In the course of valuing these properties, a number of land sales were uncovered. Though the sales are not all in the same county, they share a number of attributes similar to the subject. They are generally recent and they are in a generally similar (non-urban) locale. The map and sales are summarized below.



Georgia Land Sales														
Rural Counties														
Sale	County	Location	City	Sale Date	Sale Price	Size (ac)	Sale Price/Unit	# of Units	Location Adjustment	Adjusted Price/Unit	Buyer	Seller	Identification	Comments
1	Houston	724 SR 96	Warner Robins	Nov-16	\$ 75,000	12,450	\$ 6,021	72	\$ 1,042	\$ 938	The Laser Investment Group LLC	Sandra East II Apartments Inc.	0W0960159000	Multi-Family
2	Whitfield	3432 Dag Gap Rd SW	Dalton	Nov-16	\$ 200,000	22,950	\$ 8,715				All Environmental Services, LLC	Jeanette S Longley	13-101-03-000	Commercial
3	Hall	5941 Lights Ferry Rd	Flowery Branch	Oct-16	\$ 882,000	18,680	\$ 47,216				Southern Heritage Hm Bldgs LLC	McGowan Family Farming Partnership	08118 001004A	Multi-Family/Commercial
4	Glynn	5999 SR 99	Braswick	Aug-16	\$ 280,000	26,000	\$ 10,769				LWD Properties LLC	Ameriti Bank	03-23259	Multi-Family/Commercial
5	Baldwin	1963 N Jefferson St	Milledgeville	Aug-16	\$ 93,000	11,000	\$ 8,455				Dan Tomlin	First American Bank & Trust	088 003	Multi-Family/Commercial
6	Hall	2380 Spring Rd	Gainesville	Aug-16	\$ 645,000	10,120	\$ 63,735	101	\$ 6,386	-\$ 5,748	Spring Road Group LLC	Henry B Humphries	08005 000042	Multi-Family/Commercial
7	Liberty	SEQ E Ogleshorpe Hwy & McIntosh Lake Rd	Hinesville	May-16	\$ 299,000	5,660	\$ 52,827				Ternmore Development LLC	Fritz Land Holdings Inc.	101-039	Multi-Family
8	Lumpkin	Rock House Rd	Dahlonega	Dec-15	\$ 115,000	14,450	\$ 7,958				William Manson	RAD Enterprises	078-000-158-000	Multi-Family
9	Jackson	915 Bill Wright Rd	Pendergrass	Nov-15	\$ 90,000	15,000	\$ 6,000				CBD Investments LLC	Rocio Woody Altmann	078-029	Multi-Family/Commercial
10	Jackson	970 State St	Commerce	Sep-15	\$ 350,000	12,000	\$ 29,167	48	\$ 7,292	-\$ 5,627	Mason Manor LP	Olympia Construction Inc.	009-007C	Multi-Family
11	Jones	140 Senior Center Way	Gray	Aug-15	\$ 739,800	10,279	\$ 71,972	72	\$ 10,275	-\$ 5,706	Water Tower Park Senior Village LP	Water Tower Park Investments	097-00-037	Multi-Family
12	Hall	5108 Mountain View Pkwy	Lula	Aug-15	\$ 250,325	29,450	\$ 8,500				William N Turk	Disc Enterprises Inc.	09-0053-00-009	Multi-Family/Commercial
13	Bulloch	1881 S&S Railroad Bed Rd	Statesboro	May-15	\$ 479,000	38,600	\$ 15,000	176	\$ 3,290	-\$ 2,467	Beacon Place Statesboro LLC	N/A	107 000005 007	Multi-Family
14	Catoosa	Summer Breeze & Stoney Ln	Savannah	Apr-15	\$ 325,000	7,030	\$ 46,230	72	\$ 4,514	0% \$ 4,514	Summer Breeze Park LP	Johnny Coats & Dan Bradford	0023A080	Multi-Family/Commercial
15	Houston	316 Brantley Rd	Warner Robins	Dec-14	\$ 280,000	5,500	\$ 50,909				Brantley MPH LLC	Georgia A Oliver	0C0260081000	Multi-Family/Commercial
16	Walker	Chickamauga Ave	Rossville	Oct-14	\$ 28,600	15,390	\$ 1,858				Daniel Bart	Stein Construction Co., Inc.	2005-034	Multi-Family/Commercial
17	Franklin	SWQ Commerce Rd & Cross Roads Ln	Carnesville	Oct-14	\$ 55,000	17,610	\$ 3,123				Judy H Clay	CBNA-GA LLC	028-043	Multi-Family/Commercial
18	Hall	1263 McEever Rd	Gainesville	Sep-14	\$ 600,000	33,320	\$ 18,007				America's Home Place, Inc.	Benjamin M Smith	08-00015-09-008	Multi-Family/Commercial
19	Bulloch	350 Rucker Ln	Statesboro	Jul-14	\$ 1,823,000	24,060	\$ 75,769	237	\$ 7,692	-\$ 5,769	The Hamptons Statesboro LLC	Racker Holdings LLC	MS52000004 000	Multi-Family
20	Troup	West St	Forest Park	Apr-14	\$ 815,400	8,590	\$ 94,924	80	\$ 6,443	-\$ 5,832	Forest Mill Apartments, LP	West Point Village, LLC	094-4C-007-088	Multi-Family
21	Troup	911 N Greenwood St	Lagrange	Apr-14	\$ 175,000	7,900	\$ 22,152				Knights LLC	Margaret Ann Maglin	0611A099013A	Multi-Family/Commercial
22	Cherokee	30 Laurel Canyon Village Cir	Canton	Mar-14	\$ 2,162,000	50,550	\$ 42,770	350	\$ 6,177	-\$ 5,559	Lifestyle at Laurel Canyon LLC	Laurel Canyon GP LLC	14-0135-0001	Multi-Family/Office
23	Jackson	NWQ Mt Olive Rd & Harden Orchard Rd	Commerce	Mar-14	\$ 77,000	26,130	\$ 2,947				KRM Properties, LLC	CBNA-GA LLC	020 009K	Multi-Family/Commercial
24	Houston	1131 S Houston Lake Rd	Warner Robins	Feb-14	\$ 145,000	13,370	\$ 10,845				KKLN Properties LLC	State Bank & Trust	0W1060 017000	Multi-Family/Commercial
25	Stephens	Turner Rd	Eastwood	Feb-14	\$ 37,600	28,800	\$ 1,306				Chomper Real Estate, LLC	Chomper Real Estate, LLC	045B-053	Multi-Family/Commercial
26	Carroll	1321 Vovoren Rd	Carrollton	Jul-13	\$ 495,000	14,780	\$ 33,491	120	\$ 4,125	-\$ 3,713	Haven Campus Communities - Carrollton LLC	Yves R Heintzer	C08-0330227	Multi-Family/Commercial
27	Colquitt	2001 Tallahas Pointe Rd	Moultrie	May-13	\$ 325,000	9,130	\$ 35,597	68	\$ 4,779	0% \$ 4,779	Tallahas Pointe Apartments LP	Lynn W Lasseter	C046 113	Multi-Family/Commercial
28	Houston	200 Crestview Church Rd	Warner Robins	Nov-12	\$ 1,120,000	28,000	\$ 40,000	224	\$ 5,000	-\$ 4,500	Asbury Parke Associates LLC	Houston Healthcare Properties Inc.	0W1200 101000	Multi-Family/Commercial
29	Dawson	2201 Penimeter Rd	Dawsonville	Jul-12	\$ 488,000	15,520	\$ 31,443	72	\$ 6,778	-\$ 6,100	Farmington Woods LP	Daniel Louis Centofanti	93041	Multi-Family
30	Wayne	1401 S 1st St	Jensp	May-12	\$ 284,200	11,660	\$ 24,374	44	\$ 4,459	-\$ 5,813	Maria Senior Gardens LP	South Rincon Development Assoc	86A-9-1	Multi-Family
31	Thomas	1 Ashley Park Pl	Thomasville	Mar-12	\$ 293,750	25,610	\$ 11,470	84	\$ 3,497	0% \$ 3,497	Ashley Park LLC	H & M Investment Group LLC	056 TH 022 N	Multi-Family

minimum	Mar-12	\$ 28,600	5.50	1,306	44	\$ 1,042	\$ 938
median	Oct-14	\$ 293,750	15.00	22,152	80	\$ 6,177	\$ 4,832
average	Nov-14	\$ 446,054	18.37	27,375	121	\$ 5,583	\$ 4,857
maximum	Nov-16	\$ 2,162,000	50.55	75,769	350	\$ 10,275	\$ 7,706

Source: County Records; Crown Appraisal Group

As can be seen, fifteen of the sales are proposed for multi-family development. The number of proposed units is shown in the chart above.

Analysis and Value Conclusion

As shown, the unadjusted comparable land sales indicate a sale price per unit of \$1,042 to \$10,275. The low end range is for a property is a rural town in central Georgia that is located to the rear of commercial properties with limited visibility. The upper end of the range is for a property located in close proximity to the Atlantic Ocean. These comparable sales have been adjusted for location. This narrows the adjusted sale price per unit range to \$938 - \$7,706 with an average of \$4,857. Due to the subject's location, a value near the low end of the range is considered appropriate.

The auditor's appraised land value is \$33,500 or \$905/unit. This is near the low end of the range of the comparable land sales and is considered appropriate.

A point value of \$1,000/unit is estimated for the subject land. This indicates an aggregate value of \$37,000 as of the date of valuation. This value is near the auditor's land value and near the low end of the range of the comparable sales.

Improvement Valuation

The Marshall Valuation service has been used to develop the replacement cost of the improvements. The chart below develops the improvement replacement cost, and the value via the cost approach.

<i>Improvement Value</i>							<i>Value 3</i>	
<i>Meadow Crossing Apartments</i>							<i>prospective</i>	
							<i>subject to restricted rents</i>	
	Square feet	Unadjusted Cost/sf	Current Multiplier	Local Multiplier	Total Multiplier	Adjusted Cost/sf	Total Cost	
Multiple Residences, Sec. 12, Average/Good, Class D	27,488	84.55	1.04	0.86	0.89	75.62	2,078,684	
Additional buildings	912	84.55	1.04	0.86	0.89	75.62	<u>68,967</u>	
							Total Cost Estimate	
							2,147,651	
							Less: Depreciation	
							Effective Age	
							5	
							Economic Life	
							60	
							Depreciation	
							8.3%	
							Total Depreciation	
							<u>178,971</u>	
							Improvement Cost	
							1,968,680	
							Improvement Cost (rounded)	
							1,970,000	

Source: *Marshall Valuation; Crown Appraisal Group*

A base cost per square foot is developed. Adjustments are made for current and local multipliers; the adjusted cost is multiplied by the size of the improvements. After adjusting for the current and local cost multipliers, the undepreciated replacement cost estimate for the subject improvements is \$2,147,651.

Depreciation/Obsolescence Estimates for Improvements

A depreciated age-life method is used to estimate depreciation. There are two types of depreciation and/or obsolescence that need to be considered for the improvements. Physical deterioration and functional/economic obsolescence are considered. Following renovations, the improvements will be in good physical and functional condition. Marshall Valuation estimates the economic life of the improvements at 60 years. The effective age of the building (following renovations) is estimated at 5 years. Total depreciation of the subject improvements is estimated at 8.3% or \$178,971. The total depreciation is deducted from the undepreciated replacement cost opinion to arrive at a depreciated improvement cost opinion.

Entrepreneurial Incentive

Entrepreneurial incentive is defined in The Appraisal of Real Estate, 14th Edition, Appraisal Institute, as follows:

A market derived figure that represents the amount an entrepreneur expects to receive for his or her contribution to a project and risk.

Typically, properties like the subject are constructed as investment properties. Entrepreneurs, or developers/builders, of these properties usually seek profit margins of 12% to 25%. Rather than develop an explicit opinion of entrepreneurial incentive, this item is considered in the Reconciliation and Final Value Opinion section of the report. The reasoning for the treatment of entrepreneurial incentive in this manner is that entrepreneurial incentive is, in reality, only realized as a result of how

well a particular property meets market [participant] attitudes. The reality is that the incentive may be less than anticipated by a developer, or may be more, depending upon the circumstances.

Conclusion

The cost approach value opinion is reached by adding the land value and depreciated improvement cost opinions. *The following value indication, before entrepreneurial incentive, is reached for the subject.*

<i>Cost Approach Summary</i>	<i>land value</i>	<i>Value 8</i>
<i>Meadow Crossing Apartments</i>	<i>cost approach total</i>	<i>Value 3</i>
Land Value		\$37,000
Depreciated Improvement Cost		<u>1,970,000</u>
<i>Cost Approach Value Estimate (rounded)</i>		<i>2,005,000</i>
<i>before entrepreneurial incentive</i>		
Source: <i>Crown Appraisal Group</i>		

Reconciliation and Final Value Opinion

The purpose of this assignment is to develop and report an opinion of value for Meadow Crossing Apartments. The specific real property interest, real estate, and type of value have been detailed within the body of this report. The values developed by the approaches are summarized as follows:

Reconciliation and Final Value Conclusions				
Meadow Crossing Apartments				
	Value 1	Value 2-RD	Value 3	Value 4
	<u>as conventional or unrestricted</u>	<u>subject to restricted rents</u>	<u>prospective subject to restricted rents</u>	<u>prospective as conventional or unrestricted</u>
Income Capitalization Approach	1,355,000	785,000	1,255,000	1,775,000
Sales Comparison Approach	1,330,000	n/a	n/a	n/a
Cost Approach before entrepreneurial incentive	n/a	n/a	2,005,000	n/a

Source: Crown Appraisal Group

The methodology and applicability of each approach has been previously explained.

Value 1

The income capitalization approach is the primary approach, with support from the sales comparison approach.

Value 2-RD

The income capitalization approach is the only approach considered applicable.

Value 3

The income capitalization approach is the primary approach, with support from the cost approach.

Value 4

The income capitalization approach is the primary approach, with support from the cost approach.

Therefore, based upon the analyses and conclusions contained within this report and subject to the assumptions and limiting conditions contained herein, the value opinions, as of the respective dates of valuation are:

Value Opinions	Date of Value	Value
<i>Value 1 - as conventional or unrestricted</i>	January 23, 2017	\$1,355,000
<i>Value 2-RD - subject to restricted rents</i>	January 23, 2017	\$785,000
<i>Value 3 - prospective, subject to restricted rents</i>	February 1, 2019	\$1,255,000
<i>Value 4 - prospective, as conventional or unrestricted</i>	February 1, 2019	\$1,775,000

Interest Credit Subsidy Value Opinion

Value 5

Interest credit is a form of federal assistance available to eligible borrowers that reduces the effective interest rate of a loan. The USDA Rural Housing Service (RHS or RD) offers direct loans with favorable terms for affordable housing in the Rural Rental Housing Program and the Farm Labor Housing Program. The 515 loan falls within this program. In this case, Section 515 permanent loans for new construction and subsequent loans for rehabilitation include interest rates as low as 1 percent. These loans are made at a “note rate” of interest, but a “basic rate” of interest to the borrower is typically 1 percent. A monthly mortgage payment is calculated at the note rate of interest, and the loan is amortized at the note rate of interest, but the borrower's actual mortgage payment is based on the basic rate of 1 percent. The difference between the note rate payment and the basic rate payment is the *interest credit*. The borrower is effectively subsidized with an income stream represented by the monthly *interest credit* that is available for the term of the loan.

In appraisals of Section 515 and Section 538 funded properties, valuation of the *interest credit subsidy* (favorable financing) is part of the assignment when the *market value, subject to restricted rents*, must be concluded. When *interest credit subsidy* is the only favorable financing involved, the security value, on which the loan is based, has two components: 1) the *market value, subject to restricted rents*, of the real estate, and 2) the value of the *interest credit subsidy*.

The value of the *interest credit subsidy* from RD direct loans on most existing properties can be calculated by subtracting the monthly debt service at the below-market rate of interest from the monthly payment at the current rate offered for conventional loans and discounting the difference by the current conventional interest rate over the remaining loan term. For the subject, interest credit subsidy values are calculated for the existing Section 515 loan, the subsequent “new” 515 loan (the existing 515 loan that is rewritten with new terms), and the new Section 538 loan. These calculations are as of the [unrenovated] date of valuation and are summarized in the following chart:

Interest Credit Subsidy Valuation			
Existing Section 515 Loan/Restated 515 Loan Terms			
Meadow Crossing Apartments			
Value 5			
Existing/Restated 515 Loan		New 538 Loan	
Existing Lender's Terms (market rate)			
Principal Balance of	December 22, 2017	\$1,014,573	
Conventional Loan Interest Rate		5.250%	
Term of Existing Section 515 Loan (years)		30	
Loan Monthly Payment		\$5,603	
Restated Section 515 Loan Terms			
Principal Balance		\$1,014,573	
Interest Rate		1.000%	
Term (years)		50	
Section 515 Loan Monthly Payment		\$2,149	
Monthly Savings from Below Market Financing		\$3,453	
Present Value of Monthly Savings from Below Market Financing		\$625,321	
Note Rate		3.000%	
Monthly Payment at Note Rate		\$3,267	
Future Value of Balloon Payment		\$589,021	
Present Value of Balloon Payment		\$122,351	
Value of Interest Credit Subsidy		\$502,969	
Existing Section 515 Loan Interest Credit Subsidy Value (Rounded)		New Section 538 Loan Interest Credit Subsidy Value (Rounded)	
		\$21,190	
		\$20,000	

Source: Greystone; Crown Appraisal Group

LIHTC Value Opinion

Value 6

An annual LIHTC of \$101,888 is anticipated to be granted for the acquisition and rehabilitation of the subject. This low income housing tax credit will be granted annually over a 10-year term. The overall net sum of the LIHTC to the ownership entity of the subject over the 10-year term is \$1,018,880. The tax credits reduce the owner's tax liability. Thus, they have value to the owner. The tax credits can be transferred if the seller guarantees that the transfer will still maintain the LIHTC requirements.

Current LIHTC Market

Not surprising, LIHTC pricing has not remained static. In this case, according to the seller's representative, the purchase of the tax credits will be at \$1.36 per gross credit. This is the best evidence of the appropriate value of the tax credits. Please note, though, that the pricing is subject to change.

Value of Tax Credits

The value of the tax credits is a fairly simple calculation. The value is developed by taking the total tax credits and multiplying them by the appropriate pricing – in this case, \$1.36 per tax credit. The value is shown below.

<i>LIHTC Analysis</i>	<i>Meadow Crossing Apartments Value 6</i>
<u>Period</u>	
Annual Tax Credits	101,888
Years	<u>10</u>
Total Tax Credits	1,018,880
Total Pricing	1.36
	Value of Tax Credits 1,385,538

Source: *Crown Appraisal Group*

State Tax Credits

An annual state tax credit of \$101,888 is anticipated to be granted for the acquisition and rehabilitation of the subject. This state tax credit will be granted annually over a 10-year term. The overall net sum of the state tax credit to the ownership entity of the subject over the 10-year term is \$1,018,880. The tax credits reduce the owner's tax liability. Thus, they have value to the owner. The tax credits can be transferred.

In this case, according to the seller's representative, the purchase of the tax credits will be at \$0.45 per gross credit. This is the best evidence of the appropriate value of the tax credits. Please note, though, that the pricing is subject to change.

The value of the tax credits is a fairly simple calculation. The value is developed by taking the total tax credits and multiplying them by the appropriate pricing – in this case, \$0.45 per tax credit. The value is shown below.

<i>State Tax Credit Analysis</i>	<i>Meadow Crossing Apartments Value 6</i>
<u>Period</u>	
Annual Tax Credits	101,888
Years	<u>10</u>
Total Tax Credits	1,018,880
Total Pricing	0.45
	Value of Tax Credits 458,450

Source: *Crown Appraisal Group*

Insurable Value Opinion

Value 7

The insurable value opinion is shown below. The insurable value opinion is based on Marshall Valuation Service figures. The reported cost is the opinion to replace the improvements described within this report with improvements of generally similar utility (physical condition, quality, and functionality), under the assumption that the improvements need to be completely replaced for insurance coverage purposes.

<i>USDA Rural Development</i>			<i>Value 7</i>
<i>Insurable Value Calculation</i>			
Property Name	Meadow Crossing Apartments		
Street Address	125 Spinks Drive		
City, County, State, Zip	Omega, Tift County, Georgia 31775		
Base Cost			
Main Structure/sf			84.55
Sprinkler/sf			0.00
Other/sf			0.00
Adjustments and/or Multipliers	1.04 current cost	0.86 local cost	0.89
Total Base Cost per square foot			75.62
Building Area square footage			28,400
Total Replacement Cost New			2,147,651
Exclusions			
	<u>per sf</u>	<u>percent</u>	
Excavations	0.00	0.0%	0
Foundations	2.65	3.5%	75,168
Site Work	0.00	0.0%	0
Site Improvements	0.00	0.0%	0
Architect's Fees	0.00	0.0%	0
Underground Piping	<u>0.00</u>	<u>0.0%</u>	<u>0</u>
Total Exclusions	2.65	3.5%	75,168
Inclusions			
	<u>per unit</u>	<u>units</u>	
Appliance Packages	750	37	27,750
Patios/Balconies	250	37	9,250
Total Inclusions			37,000
Concluded Insurable Value			
Total Replacement Cost New			2,147,651
Less Total Exclusions			75,168
Plus Total Inclusions			37,000
Concluded Insurable Value			2,109,483

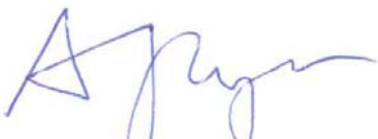
Source: *Marshall Valuation; Crown Appraisal Group*

Certification

Andrew J. Moye

The undersigned hereby certifies that, to the best of his knowledge and belief, or as otherwise noted in the report:

- 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 my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest or bias with respect to the parties involved.
- I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- my 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 the stipulated results, or the occurrence of a subsequent event directly related to the intended user of this appraisal.
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute
- 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, I have completed the continuing education program for Designated Members of the Appraisal Institute.
- I have made a personal inspection of the property that is the subject of this report.
- no one provided significant real property appraisal assistance to the person signing this certification.



Andrew J. Moye, MAI, AI-GRS

ADDENDUM

SUBJECT PHOTOGRAPHS



Front & Side



Front & Rear



Family Room



Bedroom



Kitchen



Bathroom

PROJECT WORKSHEET FOR CREDIT AND RENTAL ASSISTANCE

(SERVICING OFFICE USE ONLY)

PART I	1. Date Received in the Servicing Office:
2. Borrower Name:	3. Case Number : 4. Project Number :
5. Location of Project:	6. Report for the month of :
7. Kind of Loan : RRH RCH LH Direct RRH	8. Plan of Operation: Full Profit Plan I Section 8* Plan II (w/Sec. 8) Plan II Plan II RA Plan RA

9. Loan No.:	10. Loan Paymt.:	11. Overage/ Surcharge:	12. Total Due:	RENTAL ASSISTANCE	
				18. RA Agreement Number(s):	19. No. of Units Receiving RA This Month:
		Late Fees :	13.	20. Obligation Balance Brought Forward:	
		Total Payment Due:	14.		
		Less #21:	15.	21. Rental Assistance Requested this month:	
		Net Payment Due:	16.		
		Net Payment Remitted:	17.	22. Remaining Obligation Balance :	

Use Only for Projects with New Construction	23. _____	Section 8 Units x	24. _____	=	25. _____
Section 8 Units when HUD rent exceeds note rate rent .	26. _____	Section 8 Units x :	27. _____	=	28. _____
			<i>HUD Rent</i>		
			<i>RHS Note Rate Rent</i>		29. _____
ADDITIONAL PAYMENT TO RESERVE ACCOUNT					

In accordance with Rural Housing Service formula and procedures, all rental units are occupied by households who have executed Form 1944-8 , "Tenant Certification" and are farm workers if this is the Labor Housing Project or if this is the Rental Housing Project, have incomes within the limitations as set forth in Rural Development regulations or the Project has written permission from RHS to rent to ineligible occupants on a temporary basis.

I certify that the statements made above and in Part II are true to the best of my knowledge and belief and are made in good faith.

WARNING: Section 1001 of Title 18, United States code provides; "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same or contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.

30. _____
Date

31. _____
Signature - Borrower or Borrower's Representativ

*Includes previous Plan I S 8.

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this collection is 0575-0033. The time required to complete this information collection is estimated to average 40 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Property #

Print Date:

Project Worksheet for Interest Credit and Rental Assistance Part II

Effective Date:

1. Apt. No.	2. Type	3. Nbr. In Unit	4. Initial Occu- pancy Date	5. Cert. Exp. Date	6. Leased To:	7. Basic Rent	8. Note Rate Rent	9. HUD Rent	10. GTC	11. Utility Allowance	12. NTC	13. Amt.Due Tenant to Cover Util	14. Rental Assistance Due Borrower	15. Overage and/or Sur- charge
TOTALS														

16.

17.

18.

Total Assigned R/A Units

Maximum Number of R/A Units

Available Number of R/A Units

* Tenant's prefixed with an "*" have expired certifications.

Property #

Print Date:

Project Worksheet for Interest Credit and Rental Assistance Part II

Effective Date:

1. Apt. No.	2. Type	3. Nbr. In Unit	4. Initial Occupancy Date	5. Cert. Exp. Date	6. Leased To:	7. Basic Rent	8. Note Rate Rent	9. HUD Rent	10. GTC	11. Utility Allowance	12. NTC	13. Amt.Due Tenant to Cover Util	14. Rental Assistance Due Borrower	15. Overage and/or Surcharge
TOTALS														

16.

17.

18.

Total Assigned R/A Units

Maximum Number of R/A Units

Available Number of R/A Units

* Tenant's prefixed with an "*" have expired certifications.

MEADOW CROSSING: HISTORICAL OPERATING EXPENSES

	2012 Actual	2013A	2014 Actual	2015 Actual	2016 Actual (YTD)	2016 Budget	Post Rehab Pro Forma
Maintenance & Repairs							
R & M Payroll	-	4,165.50	8,002.05	10,224.21	-	13,497.12	13,902.00
R & M Supply	-	4,331.22	5,508.20	10,942.61	-	7,902.67	5,472.00
R & M Contract	-	2,114.83	456.25	-	-	-	429.00
Decorating / TO Painting	-	1,515.39	522.65	867.91	-	1,200.00	485.00
Snow Removal	-	-	-	-	-	-	-
Elevator Maintenance	-	-	-	-	-	-	-
Grounds	-	4,800.00	1,825.00	2,779.46	-	933.33	3,135.00
Services / Extermination	-	2,654.34	1,571.04	3,307.86	-	2,466.67	3,308.00
Capital Improvements (Operations)	-	5,507.27	-	-	-	-	500.00
Other - R&M Expenses (DESCRIBE)	-	-	-	-	-	-	-
Subtotal	-	25,088.55	17,885.19	28,122.05	-	25,999.79	27,231.00
Utilities							
Electricity	-	3,598.81	3,797.56	3,319.35	-	3,960.00	3,572.00
Water	-	9,851.78	4,068.04	8,933.42	-	7,200.00	7,200.00
Sewer	-	11,858.30	6,445.04	11,314.12	-	8,760.00	10,200.00
Fuel	-	-	-	-	-	-	-
Trash Removal	-	5,190.39	5,585.91	6,022.29	-	6,060.00	6,216.00
Other - Utilities (DESCRIBE)	-	-	-	-	-	-	-
Subtotal	-	30,499.28	19,896.55	29,589.18	-	25,980.00	27,188.00
Administrative							
Site Management Payroll	-	6,004.39	9,562.37	17,494.47	-	9,640.80	19,667.00
Management Fee	-	16,687.50	15,664.00	17,664.00	-	20,304.00	21,168.00
Accounting	-	3,700.00	5,500.00	3,800.00	-	4,900.00	6,075.00
Audit	-	375.00	-	-	-	-	-
Legal	-	332.50	1,202.50	50.00	-	412.00	412.00
Advertising	-	216.00	914.22	459.75	-	600.00	900.00
Telephone	-	1,404.72	1,870.86	2,436.53	-	2,160.00	2,064.00
Office Supplies	-	1,560.73	1,074.02	2,178.39	-	1,472.00	2,178.00
Office Furniture & Equipment	-	-	-	-	-	-	-
Training	-	168.95	373.42	420.13	-	180.00	420.00
Health Insurance & Other Benefits	-	199.31	465.16	786.37	-	1,370.16	3,076.00
Payroll Taxes	-	1,143.53	1,813.59	2,797.03	-	2,385.23	2,954.00
Workman's Compensation	-	395.66	417.01	1,218.16	-	654.80	1,218.00
Other - Administrative (DESCRIBE)	-	1,442.62	1,808.80	1,250.18	-	1,461.33	1,461.00
Subtotal	-	33,630.91	40,665.95	50,555.01	-	45,540.32	61,593.00
Taxes & Insurance							
Real Estate Taxes	-	8,562.43	8,957.00	5,812.04	-	10,748.40	7,777.00
Special Assessments	-	99.90	708.36	1,446.58	-	666.67	585.00
Misc Taxes, Licenses & Permits	-	883.64	538.73	370.28	-	546.67	547.00
Property & Liability Insurance	-	9,030.00	6,747.00	6,399.00	-	7,007.00	7,987.00
Fidelity Coverage Insurance	-	-	-	-	-	-	-
Other - Insurance (DESCRIBE)	-	-	-	-	-	200.00	200.00
Subtotal	-	18,575.97	16,951.09	14,027.90	-	19,168.73	17,096.00
TOTAL OPERATING EXPENSES	-	107,794.71	95,398.78	122,294.14	-	116,688.84	133,108.00

MEADOW CROSSING: HISTORICAL OPERATING STATEMENT

	2012 Actual	2013A	2014 Actual	2015 Actual	2016 Actual (YTD)	2016 Budget
1. Rental Income	-	86,486.00	68,395.50	81,005.00	-	160,056.00
2. RHS Rental Assist. Received	-	54,404.00	63,537.00	61,594.00	-	-
3. Application Fees	-	225.00	555.00	420.00	-	400.00
4. Laundry and Vending Income	-	-	-	-	-	-
5. Interest Income	-	1.23	5.17	4.87	-	6.67
6. Tenant Charges	-	3,201.30	(2,221.90)	5,017.84	-	1,880.00
7. Other - Project Sources	-	382.50	170.10	106.00	-	-
8. Less (Vcncy @ Cntgncy Allw)	-	-	-	-	-	-
9. Less (Agncy Aprvd Incentv)	-	-	-	-	-	-
10. Sub-Ttl [(1 thru 7) - (8@9)]	-	144,700.03	130,440.87	148,147.71	-	162,342.67
11. Cash - Non Project	-	-	-	-	-	-
12. Authorized Loan (Non-RHS)	-	-	-	-	-	-
13. Transfer From Reserve	-	1,726.77	5,612.84	-	-	7,541.33
14. Sub-Total (11 thru 13)	-	1,726.77	5,612.84	-	-	7,541.33
15. Total Cash Sources (10+14)	-	146,426.80	136,053.71	148,147.71	-	169,884.00
16. Total O&M Exp (From Part II)	-	107,794.71	95,398.78	122,294.14	-	116,688.84
17. RHS Debt Payment	-	29,401.68	29,401.68	18,976.97	-	29,401.68
18. RHS Payment (Overage)	-	963.00	3,085.00	1,325.00	-	-
19. RHS Payment (Late Fee)	-	-	-	-	-	-
20. Reductn In Prior Yr Pybles	-	-	-	-	-	-
21. Tenant Utility Payments	-	-	500.00	701.00	-	-
22. Transfer to Reserve	-	6,640.60	11,498.92	-	-	-
23. RTN Owner / NP Asset Mgt Fee	-	-	-	-	-	3,792.00
24. Sub-Total (16 thru 23)	-	144,799.99	139,884.38	143,297.11	-	149,882.52
25. Authzd Debt Pymnt (NonRHS)	-	-	-	-	-	-
26. Capital Budget (III 4-6)	-	1,726.77	5,612.84	-	-	7,541.33
27. Miscellaneous	-	-	-	-	-	-
28. Sub-Total (25 thru 27)	-	1,726.77	5,612.84	-	-	7,541.33
29. Total Cash Uses (24+28)	-	146,526.76	145,497.22	143,297.11	-	157,423.86
30. Net (Deficit) (15-29)	-	(99.96)	(9,443.51)	4,850.60	-	12,460.14
31. Beginning Cash Balance	-	3,209.31	2,965.19	-	-	-
32. Accrual To Cash Adjustment	-	(144.16)	9,917.86	-	-	-
33. Ending Cash Balance	-	2,965.19	3,439.54	4,850.60	-	12,460.14



de

November 19, 2015

Ms. Norine Lewis
Director of Affordable Housing
Hallmark Management Inc.
3111 Paces Mill Road, Suite A-250
Atlanta, Georgia 30339

RE: Meadow Crossing Apartments, Omega, Georgia

Dear Ms. Lewis:

The following information is enclosed for the 2016 budget year:

- Form RD 3560-7, "Multiple Family Housing Budget" approved.
- Rent/Utility Change approval letter.
- Approved Management Certification, Form RD 3560-13.
- Approved renewal of Servicing Workout Plan (SWP)

Should you have any questions regarding the above documents, please advise.

Sincerely,

LINDA BAKER
Area Specialist

Enclosures

Rural Development • Tifton Area Office
2406 North Tift Avenue Suite 103 • Tifton, GA 31794
Voice (229) 382-0273 • TDD (706) 546-2011 • Fax (855)803-3870

USDA is an equal opportunity provider and employer.



November 19, 2015

Ms. Norine Lewis
Director of Affordable Housing
Hallmark Management Inc.
3111 Paces Mill Road, Suite A-250
Atlanta, Georgia 30339

NOTICE OF APPROVED RENT AND/OR UTILITY ALLOWANCE CHANGE

Dear Ms. Lewis:

You are hereby notified that Rural Development has reviewed the request for a change in shelter costs for **Meadow Crossing, Omega, Georgia**, and considered all justifications provided by project management. The Rural Development has approved the following rent and/or utility allowance rates listed below. The changes for all units will become effective on **January 1, 2016** or later effective date in accordance with state or local laws. The change is needed for the following reason(s): Increased Operating and Maintenance Expenses.

The approved changes are as follows:

Unit Size	Present Rent		Approved Rent	
	Basic	Note Rate	Basic	Note Rate
1-Bedroom	\$ 385	\$ 560	\$ 400	\$ 575
2-Bedroom	\$ 420	\$ 525	\$ 435	\$ 540
	Present Utility	Proposed Utility		
1-Bedroom	\$ 95	\$ 95	No Change	
2-Bedroom	\$ 110	\$ 110	No Change	

Should you have any questions or concerns, you may contact Rural Development. The Rural Development Servicing Office address is:

**USDA, Rural Development
2406 North Tift Avenue, Suite 103
Tifton, Georgia 31794**

Rural Development • Tifton Area Office
2406 North Tift Avenue Suite 103 • Tifton, GA 31794
Voice (229) 382-0273 • TDD (706) 546-2011 • Fax (855)803-3870

USDA is an equal opportunity provider and employer.

You must notify the tenants of Rural Development's approval of the rent and utility allowance changes by posting this letter in the same manner as the "NOTICE TO TENANTS OR PROPOSED RENT AND UTILITY ALLOWANCE CHANGE." This notification must be posted in a conspicuous place and cannot be substituted for the usual written notice to each individual tenant.

This approval does not authorize you to violate the terms of any lease you currently have with your tenants.

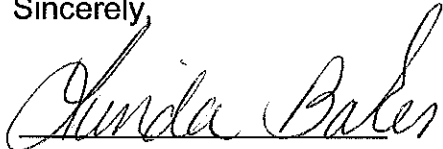
For those tenants receiving rental assistance (RA), their costs for rent and utilities will continue to be based on the higher of 30 percent of their adjusted monthly income or 10 percent of gross monthly income or if the household is receiving payments for public assistance from a public agency, the portion of such payments which is specifically designated by that agency to meet the household's shelter cost. If tenants are receiving Housing and Urban Development (HUD) Section 8 subsidy assistance, their costs for rent and utilities will be determined by the current HUD formula.

You may file an appeal regarding the rate and utility allowance change as approved. An appeal must be received in the Regional Office no later than 30 calendar days after receipt of the adverse decision. The appeal should state what agency decision is being appealed and should include, if possible, a copy of the adverse decision and a brief statement of why the decision is wrong. A copy of the appeal request should be sent to the agency.

You must inform the tenants of their right to request an explanation of the rate and utility allowance change approval decision within 45 days of the date of this notice by writing to State Director, USDA Rural Development, 355 East Hancock Avenue, Athens, Georgia 30601. All tenants are required to pay the changed amount of rent as indicated in the notice of approval.

Any tenant who does not wish to pay the Rural Development approved rent changes may give the owner a 30-day notice that they will vacate. The tenant will suffer no penalty as a result of this decision to vacate, and will not be required to pay the changed rent. However, if the tenant later decides to remain in the unit, the tenant will be required to pay the changed rent from the effective date of the changed rent.

Sincerely,



LINDA BAKER
AREA SPECIALIST

Project Name:	MEADOW CROSSING APT
Borrower Name:	OMEGA RENTAL HSG LP
Borrower ID and Project No:	567860282 01-4
Date of Operation:	09/06/1994

Loan/Transfer Amount:	
Note Rate Payment:	
IC Payment:	\$2,450.14

Reporting Period

Annual
 Quarterly
 Monthly

Budget Type

Initial
 Regular Report
 Rent Change
 SMR
 Other Servicing

Project Rental Type

Family
 Elderly
 Congregate
 Group Home
 Mixed LH

Profit Type

Full Profit
 Limited Profit
 Non-Profit

I hereby request ___ units of RA. Current number of RA units 18 .

The following utilities are master metered:

Gas
 Electricity
 Water
 Sewer
 Trash
 Other

Borrower Accounting Method

Cash
 Accrual

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2015	01/01/2015	01/01/2016	
Ending Dates:	12/31/2015	12/31/2015	12/31/2016	

PART I - CASH FLOW STATEMENT**Operational Cash Sources**

1. Rental Income	171,360.00		177,840.00	
2. RHS Rental Assist. Received				
3. Application Fee Received				
4. Laundry And Vending	0.00		0.00	
5. Interest Income	0.00		5.00	
6. Tenant Charges	860.00		2,080.00	
7. Other - Project Sources	300.00		390.00	APP FBES
8. Less (Vncy @ Cntgncy Allw)	-17,136.00		-17,784.00	
9. Less (Agncy Aprvd Incentv)	0.00		0.00	
10. Sub-Ttl [(1 thru 7)-(8@9)]	155,384.00		162,531.00	

Non-Operational Cash Sources

11. Cash - Non Project	0.00		0.00	
12. Authorized Loan (Non-RHS)	0.00		0.00	
13. Transfer From Reserve	7,850.00		6,734.00	
14. Sub-Total (11 thru 13)	7,850.00		6,734.00	
15. Total Cash Sources (10+14)	163,234.00		169,265.00	

Operational Cash Uses

16. Ttl O@M Exp (From Part II)	106,810.09		115,991.13	
17. RHS Debt Payment	29,401.68		29,401.68	
18. RHS Payment (Overage)				
19. RHS Payment (Late Fee)				
20. Reductn In Prior Yr Pybles				
21. Tenant Utility Payments				
22. Transfer to Reserve	11,495.04		11,495.04	
23. RTN Owner/NP Asset Mgt Fee	2,844.00		2,844.00	
24. Sub-Total (16 thru 23)	150,550.81		159,731.85	

Non-Operational Cash Uses

25. Authzd Debt Pymnt (NonRHS)	0.00		0.00	
26. Capital Budget (III 4-6)	7,850.00		6,734.00	
27. Miscellaneous	0.00		0.00	
28. Sub-Total (25 thru 27)	7,850.00		6,734.00	
29. Total Cash Uses (24+28)	158,400.81		166,465.85	
30. Net (Deficit) (15-29)	4,833.19		2,799.15	

Cash Balance

31. Beginning Cash Balance	0.00		1,587.00	
32. Accrual To Cash Adjustment				
33. Ending Cash Bal (30+31+32)	4,833.19		4,386.15	

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2015	01/01/2015	01/01/2016	
Ending Dates:	12/31/2015	12/31/2015	12/31/2016	

PART II - O@M EXPENSE SCHEDULE

1. Maint. @ Repairs Payroll	8,416.36		13,497.12	
2. Maint. @ Repairs Supply	4,698.00		7,826.00	
3. Maint. @ Repairs Contract	60.00		0.00	
4. Painting	1,080.00		1,200.00	
5. Snow Removal	0.00		0.00	
6. Elevator Maint./Contract	0.00		0.00	
7. Grounds	7,500.00		750.00	
8. Services	2,825.00		2,150.00	
9. Cptl Bgt (Part V operating)	3,500.00		1,050.00	
10. Other Operating Expenses	0.00		0.00	
11. Sub-Ttl O@M (1 thru 10)	28,079.36		26,473.12	
12. Electricity	4,668.00		3,960.00	
13. Water	4,560.00		7,200.00	
14. Sewer	7,140.00		8,760.00	
15. Fuel (Oil/Coal/Gas)	0.00		0.00	
16. Garbage @ Trash Removal	5,928.00		6,060.00	
17. Other Utilities	0.00		0.00	
18. Sub-Ttl Util. (12 thru 17)	22,296.00		25,980.00	
19. Site Management Payroll	9,027.20		9,640.80	
20. Management Fee	16,096.32		20,304.00	
21. Project Auditing Expense	3,675.00		3,675.00	
22. Proj. Bookkeeping/Accting	0.00		0.00	
23. Legal Expenses	306.00		309.00	
24. Advertising	1,270.00		590.00	
25. Phone @ Answering Service	1,860.00		2,160.00	
26. Office Supplies	1,250.00		1,622.00	
27. Office Furniture @ Equip.	0.00		0.00	
28. Training Expense	465.00		360.00	
29. Hlth Ins. @ Other Benefits	0.00		1,470.16	
30. Payroll Taxes	1,823.21		2,327.93	
31. Workmans Compensation	482.26		656.09	
32. Other Admin. Expenses	1,580.00		1,378.00	MILEAGE, CREDIT CHK, BANK CHG
33. Sub-Ttl Admin (19 thru 32)	37,834.99		44,492.98	
34. Real Estate Taxes	10,624.52		10,748.40	
35. Special Assessments	450.00		650.00	
36. Othr Taxes, Lcnses, Permts	321.00		410.00	SOFTWARE +BUSINESS LIC
37. Property @ Liability Ins.	7,204.22		7,086.63	
38. Fidelity Coverage Ins.	0.00		0.00	
39. Other Insurance	0.00		150.00	WARRANTY
40. Sub-Ttl Tx/In (34 thru 39)	18,599.74		19,045.03	
41. Ttl O@M Exps (11+18+33+40)	106,810.09		115,991.13	

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2015	01/01/2015	01/01/2016	
Ending Dates:	12/31/2015	12/31/2015	12/31/2016	

PART III - ACCT BUDGET/STATUS

Reserve Account

1. Beginning Balance	12,968.61		15,960.21	
2. Transfer to Reserve	11,495.04		11,495.04	

Transfer From Reserve

3. Operating Deficit	0.00		0.00	
4. Cptl Bgt (Part V reserve)	7,850.00		6,734.00	
5. Building @ Equip Repair	0.00		0.00	
6. Othr Non-Operating Expenses	0.00		0.00	
7. Total (3 thru 6)	7,850.00		6,734.00	
8. Ending Balance [(1+2)-7]	16,613.65		20,721.25	

General Operating Account

Beginning Balance				
Ending Balance				

Real Estate Tax And Ins Escrow

Beginning Balance				
Ending Balance				

Tenant Security Deposit Acct

Beginning Balance				
Ending Balance				

Number of Applicants on Waiting List	0	Reserve Acct. Req. Balance	5,034.11
Number of Applicants Needing RA		Amount Ahead/Behind	9,478.48

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

ART IV RENT SCHEDULE

A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE: 01/01/2015

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			12	420	525	0	60,480	75,600	0	110
N	1	All			24	385	560	0	110,880	161,280	0	95
CURRENT RENT TOTALS									171,360	236,880	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2015

Unit Description					Utility Types					
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Other	Total Allow
N	2	All			88	0	15	0	0	110
N	1	All			73	0	15	0	0	95

B. PROPOSED CHANGE OF RENTS/UTILITY ALLOWANCE: 01/01/2016

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			12	435	540	0	62,640	77,760	0	110
N	1	All			24	400	575	0	115,200	165,600	0	95
PROPOSED RENT TOTALS									177,840	243,360	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2016

Unit Description					Utility Types					
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Other	Total Allow
N	2	All			88	0	15	0	0	110
N	1	All			73	0	15	0	0	95

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2015	01/01/2016	01/01/2015	01/01/2016	01/01/2015	01/01/2015	01/01/2015
Ending Dates:	12/31/2015		12/31/2015		12/31/2015	12/31/2015	12/31/2015
ANNUAL CAPITAL BUDGET							
Appliances							
Appliances - Range	3	1,509.00	0.00	0.00	0.00	0.00	0
Appliances - Refrigerator	3	1,725.00	0.00	0.00	0.00	0.00	0
Appliances - Range Hood	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Washers @ Dryers	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Other	0	0.00	0.00	0.00	0.00	0.00	0
Carpet and Vinyl							
Carpet @ Vinyl - 1 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 2 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 3 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 4 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - Other	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets							
Cabinets - Kitchens	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Bathroom	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Other	0	0.00	0.00	0.00	0.00	0.00	0
Doors							
Doors - Exterior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Interior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Other	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings							
Window Coverings - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings - Other	0	0.00	0.00	0.00	0.00	0.00	0
Heat and Air Conditioning							
Heat @ Air - Heating	0	0.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Air Conditioning	1	3,500.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Other	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing							
Plumbing - Water Heater	3	0.00	0.00	1,050.00	0.00	0.00	0
Plumbing - Bath Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Kitchen Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Faucets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Toilets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Other	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical							
Major Electrical - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical - Other	0	0.00	0.00	0.00	0.00	0.00	0
Structures							
Structures - Windows	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Screens	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Walls	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Roofing	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Siding	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Exterior Painting	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Other	0	0.00	0.00	0.00	0.00	0.00	0

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2016 Version: 01/01/2016 RECEIVED Totals: By Project Analyzed: N

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2015	01/01/2016	01/01/2015	01/01/2016	01/01/2015	01/01/2015	01/01/2015
Ending Dates:	12/31/2015		12/31/2015		12/31/2015	12/31/2015	12/31/2015
Paving							
Paving - Asphalt	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Concrete	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Seal and Stripe	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Other	0	0.00	0.00	0.00	0.00	0.00	0
Landscape and Grounds							
Lndscp@Grnds - Landscaping	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Lawn Equipment	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Fencin	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Recreation Area	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Signs	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Other	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features							
Accessibility Features - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features - Other	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equipment							
Automation Equip. -Site Mngt.	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Common Area	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Other	0	0.00	0.00	0.00	0.00	0.00	0
Other							
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
Total Capital Expenses	0	6,734.00	0.00	1,050.00	0.00	0.00	0

Project Name: MEADOW CROSSING APT	State: 11	Servicing Office: 605	County: 37
Borrower Name: OMEGA RENTAL HSG LP	Borr ID: 567860282	Prj Nbr: 01-4	Paid Code: Active
Classification: A	Fiscal Year: 2016	Version: 01/01/2016 RECEIVED	Totals: By Project Analyzed: N

Part VI - SIGNATURES, DATES AND COMMENTS

Warning	Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.
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I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

10/01/2015
(Date Submitted)

HALLMARK GROUP REAL ESTATE
(Management Agency)

MA202860
(MA#)

(Date)

(Signature of Borrower or Borrower's Representative)

(Title)

Linda Baker, Area Specialist
Agency Approval (Rural Development Approval Official):

11/19/15
(Date)

Project Name: MEADOW CROSSING APT	State: 11	Servicing Office: 605	County: 37
Borrower Name: OMEGA RENTAL HSG LP	Borr ID: 567860282	Prj Nbr: 01-4	Paid Code: Active
Classification: A	Fiscal Year: 2016	Version: 01/01/2016 RECEIVED	Totals: By Project Analyzed: N

SPVS Comment:
Batched/ II 100115

Narrative:

BUDGET NARRATIVE PROJECT NAME Meadow Crossing Apartments BORROWER NAME Omega Rental Housing BORROWER ID AND PROJECT NO. 567860282 01-4 Meadow Crossing is a thirty-seven unit family community located in Omega, Georgia. In 2015 the property has maintained a 86% average occupancy. The property has not experienced any unexpected maintenance issues or other items that will adversely affect the budget. The property remains in compliance and has no outstanding findings that have not been addressed by the management company. At this time the property is financial sound and has not experienced any changes in project expenses that would contribute to any financial difficulties. The property has experienced changes in project expenses that exceed the tolerance threshold in the subcategory of utilities specifically in water and sewer expense due to encountering plumbing problems in the main water lines to several buildings also in the subcategory of taxes and insurances due to an increase in cost in those areas. We will continue to replace carpets, stoves, refrigerators, etc. on an as needed basis. It is expected the following will be replaced in 2016. - \$6734. will be spent from the reserve account and includes 3 refrigerator, 3 stove, 1 carpet, 1 HVAC replacement and 1 HVAC. The remaining \$1,050 will be spent from the operating account and includes 3 water heater. Replacements for 2016 through 2018 areas follows 2017 - 2 refrigerators, 1 stove, 1 carpet, 2 HVAC units, 2 hot water heaters, 2018 - 2 refrigerators, 1 stove, 2 carpets, 2 HVAC units, 2 hot water heaters, and replacement of 3 kitchen and bathroom cabinets. 2019 - 2 refrigerators, 1 stoves, 2 carpets, 2 HVAC units, 2 hot water heaters and two vinyl flooring replacements. The proposed rent increase of \$15 for a 1 bedroom and \$15 for a 2 bedroom is necessary due to increase in maintenance repairs, property insurance and utility expense. Management fees are base



November 21, 2016

Ms. Norine Lewis
Director of Affordable Housing
Hallmark Management Inc.
3111 Paces Mill Road, Suite A-250
Atlanta, Georgia 30339

RE: Meadow Crossing Apartments, Omega, Georgia

Dear Ms. Lewis:

The following information is enclosed for the 2017 budget year:

Form RD 3560-7, "Multiple Family Housing Budget" approved.

Rent/Utility Change approval letter.

Approved Management Certification, Form RD 3560-13.

Approved renewal of Servicing Workout Plan (SWP)

Should you have any questions regarding the above documents, please advise.

Sincerely,

LINDA BAKER
Area Specialist

Enclosures

Rural Development • Tifton Area Office
2406 North Tift Avenue Suite 103 • Tifton, GA 31794
Voice (229) 382-0273 • TDD (706) 546-2011 • Fax (855)803-3870

USDA is an equal opportunity provider and employer.



November 21, 2016

Ms. Norine Lewis
Director of Affordable Housing
Hallmark Management Inc.
3111 Paces Mill Road, Suite A-250
Atlanta, Georgia 30339

NOTICE OF APPROVED RENT AND/OR UTILITY ALLOWANCE CHANGE

Dear Ms. Lewis:

You are hereby notified that Rural Development has reviewed the request for a change in shelter costs for **Meadow Crossing, Omega, Georgia**, and considered all justifications provided by project management. The Rural Development has approved the following rent and/or utility allowance rates listed below. The changes for all units will become effective on **January 1, 2017** or later effective date in accordance with state or local laws. The change is needed for the following reason(s): Increased Operating and Maintenance Expenses.

The approved changes are as follows:

Unit Size	Present Rent		Approved Rent	
	Basic	Note Rate	Basic	Note Rate
1-Bedroom	\$ 400	\$ 575	\$ 415	\$ 590
2-Bedroom	\$ 435	\$ 540	\$ 445	\$ 550
	Present Utility	Proposed	Utility Changed	
1-Bedroom	\$ 95	\$ 69	\$26 Decrease	
2-Bedroom	\$ 110	\$ 104	\$6 Decrease	

Should you have any questions or concerns, you may contact Rural Development. The Rural Development Servicing Office address is:

**USDA, Rural Development
2406 North Tift Avenue, Suite 103
Tifton, Georgia 31794**

Rural Development • Tifton Area Office
2406 North Tift Avenue Suite 103 • Tifton, GA 31794
Voice (229) 382-0273 • TDD (706) 546-2011 • Fax (855)803-3870

USDA is an equal opportunity provider and employer.

You must notify the tenants of Rural Development's approval of the rent and utility allowance changes by posting this letter in the same manner as the "NOTICE TO TENANTS OR PROPOSED RENT AND UTILITY ALLOWANCE CHANGE." This notification must be posted in a conspicuous place and cannot be substituted for the usual written notice to each individual tenant.

This approval does not authorize you to violate the terms of any lease you currently have with your tenants.

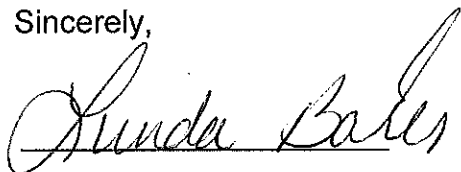
For those tenants receiving rental assistance (RA), their costs for rent and utilities will continue to be based on the higher of 30 percent of their adjusted monthly income or 10 percent of gross monthly income or if the household is receiving payments for public assistance from a public agency, the portion of such payments which is specifically designated by that agency to meet the household's shelter cost. If tenants are receiving Housing and Urban Development (HUD) Section 8 subsidy assistance, their costs for rent and utilities will be determined by the current HUD formula.

You may file an appeal regarding the rate and utility allowance change as approved. An appeal must be received in the Regional Office no later than 30 calendar days after receipt of the adverse decision. The appeal should state what agency decision is being appealed and should include, if possible, a copy of the adverse decision and a brief statement of why the decision is wrong. A copy of the appeal request should be sent to the agency.

You must inform the tenants of their right to request an explanation of the rate and utility allowance change approval decision within 45 days of the date of this notice by writing to State Director, USDA Rural Development, 355 East Hancock Avenue, Athens, Georgia 30601. All tenants are required to pay the changed amount of rent as indicated in the notice of approval.

Any tenant who does not wish to pay the Rural Development approved rent changes may give the owner a 30-day notice that they will vacate. The tenant will suffer no penalty as a result of this decision to vacate, and will not be required to pay the changed rent. However, if the tenant later decides to remain in the unit, the tenant will be required to pay the changed rent from the effective date of the changed rent.

Sincerely,

A handwritten signature in cursive script that reads "Linda Baker". The signature is written in black ink and is positioned above the typed name.

LINDA BAKER
AREA SPECIALIST

Project Name:	MEADOW CROSSING APT
Borrower Name:	OMEGA RENTAL HSG LP
Borrower ID and Project No:	567860282 01-4
Date of Operation:	09/06/1994

Loan/Transfer Amount:	
Note Rate Payment:	
IC Payment:	\$2,450.14

Reporting Period

Annual
 Quarterly
 Monthly

Budget Type

Initial
 Regular Report
 Rent Change
 SMR
 Other Servicing

Project Rental Type

Family
 Elderly
 Congregate
 Group Home
 Mixed LH

Profit Type

Full Profit
 Limited Profit
 Non-Profit

I hereby request ___ units of RA. Current number of RA units 18 .

The following utilities are master metered:

Gas
 Electricity
 Water
 Sewer
 Trash
 Other

Borrower Accounting Method

Cash
 Accrual

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2016	01/01/2016	01/01/2017	
Ending Dates:	12/31/2016	12/31/2016	12/31/2017	

PART I - CASH FLOW STATEMENT

Operational Cash Sources

1. Rental Income	177,840.00		183,600.00	
2. RHS Rental Assist. Received				
3. Application Fee Received				
4. Laundry And Vending	0.00		0.00	
5. Interest Income	5.00		5.00	
6. Tenant Charges	2,080.00		1,580.00	
7. Other - Project Sources	390.00		390.00	APP FEES
8. Less (Vcnycy @ Cntgncy Allw)	-17,784.00		-18,000.00	
9. Less (Agncy Aprvd Incentv)	0.00		0.00	
10. Sub-Ttl [(1 thru 7)-(8@9)]	162,531.00		167,575.00	

Non-Operational Cash Sources

11. Cash - Non Project	0.00		0.00	
12. Authorized Loan (Non-RHS)	0.00		0.00	
13. Transfer From Reserve	6,734.00		7,625.00	
14. Sub-Total (11 thru 13)	6,734.00		7,625.00	
15. Total Cash Sources (10+14)	169,265.00		175,200.00	

Operational Cash Uses

16. Ttl O@M Exp (From Part II)	115,991.13		123,430.30	
17. RHS Debt Payment	29,401.68		29,401.68	
18. RHS Payment (Overage)				
19. RHS Payment (Late Fee)				
20. Reductn In Prior Yr Pybles				
21. Tenant Utility Payments				
22. Transfer to Reserve	11,495.04		11,495.04	
23. RTN Owner/NP Asset Mgt Fee	2,844.00		2,844.00	
24. Sub-Total (16 thru 23)	159,731.85		167,171.02	

Non-Operational Cash Uses

25. Authzd Debt Pymnt (NonRHS)	0.00		0.00	
26. Capital Budget (III 4-6)	6,734.00		7,625.00	
27. Miscellaneous	0.00		0.00	
28. Sub-Total (25 thru 27)	6,734.00		7,625.00	
29. Total Cash Uses (24+28)	166,465.85		174,796.02	
30. Net (Deficit) (15-29)	2,799.15		403.98	

Cash Balance

31. Beginning Cash Balance	1,587.00		450.00	
32. Accrual To Cash Adjustment				
33. Ending Cash Bal (30+31+32)	4,386.15		853.98	

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2016	01/01/2016	01/01/2017	
Ending Dates:	12/31/2016	12/31/2016	12/31/2017	

PART II - O&M EXPENSE SCHEDULE

1. Maint. @ Repairs Payroll	13,497.12		10,400.00	
2. Maint. @ Repairs Supply	7,826.00		9,140.00	
3. Maint. @ Repairs Contract	0.00		100.00	
4. Painting	1,200.00		1,200.00	
5. Snow Removal	0.00		0.00	
6. Elevator Maint./Contract	0.00		0.00	
7. Grounds	750.00		700.00	
8. Services	2,150.00		2,981.00	
9. Cptl Bgt(Part V operating)	1,050.00		0.00	
10. Other Operating Expenses	0.00		0.00	
11. Sub-Ttl O&M (1 thru 10)	26,473.12		24,521.00	
12. Electricity	3,960.00		3,060.00	
13. Water	7,200.00		6,600.00	
14. Sewer	8,760.00		9,120.00	
15. Fuel (Oil/Coal/Gas)	0.00		0.00	
16. Garbage @ Trash Removal	6,060.00		6,216.00	
17. Other Utilities	0.00		0.00	
18. Sub-Ttl Util. (12 thru 17)	25,980.00		24,996.00	
19. Site Management Payroll	9,640.80		18,730.83	
20. Management Fee	20,304.00		21,168.00	
21. Project Auditing Expense	3,675.00		3,963.75	
22. Proj. Bookkeeping/Accting	0.00		0.00	
23. Legal Expenses	309.00		309.00	
24. Advertising	590.00		905.00	
25. Phone @ Answering Service	2,160.00		2,064.00	
26. Office Supplies	1,622.00		1,847.00	
27. Office Furniture @ Equip.	0.00		0.00	
28. Training Expense	360.00		360.00	
29. Hlth Ins. @ Other Benefits	1,470.16		3,076.06	
30. Payroll Taxes	2,327.93		2,953.85	
31. Workmans Compensation	656.09		864.73	
32. Other Admin.Expenses	1,378.00		1,565.00	MILEAGE, BANK CHG, CREDIT CHECK
33. Sub-Ttl Admin (19 thru 32)	44,492.98		57,807.22	
34. Real Estate Taxes	10,748.40		6,974.45	
35. Special Assessments	650.00		585.00	
36. Othr Taxes, Lcnses, Permts	410.00		410.00	BUSINESS SOFTWARE LIC
37. Property @ Liability Ins.	7,086.63		7,986.63	
38. Fidelity Coverage Ins.	0.00		0.00	
39. Other Insurance	150.00		150.00	OTHER
40. Sub-Ttl Tx/In (34 thru 39)	19,045.03		16,106.08	
41. Ttl O&M Exps (11+18+33+40)	115,991.13		123,430.30	

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

Item	Current Budget	Actual	Proposed Budget	Comment
Effective Dates:	01/01/2016	01/01/2016	01/01/2017	
Ending Dates:	12/31/2016	12/31/2016	12/31/2017	

PART III - ACCT BUDGET/STATUS

Reserve Account

1. Beginning Balance	15,960.21		14,489.45	
2. Transfer to Reserve	11,495.04		11,495.04	
Transfer From Reserve				
3. Operating Deficit	0.00		0.00	
4. Cptl Bgt (Part V reserve)	6,734.00		7,625.00	
5. Building @ Equip Repair	0.00		0.00	
6. Othr Non-Operating Expenses	0.00		0.00	
7. Total (3 thru 6)	6,734.00		7,625.00	
8. Ending Balance [(1+2)-7]	20,721.25		18,359.49	

General Operating Account

Beginning Balance				
Ending Balance				

Real Estate Tax And Ins Escrow

Beginning Balance				
Ending Balance				

Tenant Security Deposit Acct

Beginning Balance				
Ending Balance				

Number of Applicants on Waiting List	0	Reserve Acct. Req. Balance	8,007.51
Number of Applicants Needing RA		Amount Ahead/Behind	8,525.34

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

PART IV RENT SCHEDULE

A. CURRENT APPROVED RENTS/UTILITY ALLOWANCE: 01/01/2016

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			12	435	540	0	62,640	77,760	0	110
N	1	All			24	400	575	0	115,200	165,600	0	95
CURRENT RENT TOTALS									177,840	243,360	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2016

Unit Description					Utility Types					Total Allow
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Other	
N	2	All			88	0	15	0	0	110
N	1	All			73	0	15	0	0	95

B. PROPOSED CHANGE OF RENTS/UTILITY ALLOWANCE: 01/01/2017

Unit Description						Rental Rates			Potential Income From Each Rate			Utility
Type	Size	HC	Rev	Unit	Number	Basic	Note	HUD	Basic	Note	HUD	Allowance
N	2	All			12	445	550	0	64,080	79,200	0	104
N	1	All			24	415	590	0	119,520	169,920	0	69
PROPOSED RENT TOTALS									183,600	249,120	0	

EFFECTIVE DATE OF RENTS/UTILITY ALLOWANCE: 01/01/2017

Unit Description					Utility Types					Total Allow
Type	Size	HC	Rev	Unit	Elect	Gas	Sewer	Trash	Other	
N	2	All			104	0	0	0	0	104
N	1	All			69	0	0	0	0	69

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2016	01/01/2017	01/01/2016	01/01/2017	01/01/2016	01/01/2016	01/01/2016
Ending Dates:	12/31/2016		12/31/2016		12/31/2016	12/31/2016	12/31/2016
ANNUAL CAPITAL BUDGET							
Appliances							
Appliances - Range	1	425.00	0.00	0.00	0.00	0.00	0
Appliances - Refrigerator	2	1,200.00	0.00	0.00	0.00	0.00	0
Appliances - Range Hood	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Washers @ Dryers	0	0.00	0.00	0.00	0.00	0.00	0
Appliances - Other	0	0.00	0.00	0.00	0.00	0.00	0
Carpet and Vinyl							
Carpet @ Vinyl - 1 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 2 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 3 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - 4 Br.	0	0.00	0.00	0.00	0.00	0.00	0
Carpet @ Vinyl - Other	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets							
Cabinets - Kitchens	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Bathroom	0	0.00	0.00	0.00	0.00	0.00	0
Cabinets - Other	0	0.00	0.00	0.00	0.00	0.00	0
Doors							
Doors - Exterior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Interior	0	0.00	0.00	0.00	0.00	0.00	0
Doors - Other	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings							
Window Coverings - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Window Coverings - Other	0	0.00	0.00	0.00	0.00	0.00	0
Heat and Air Conditioning							
Heat @ Air - Heating	0	0.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Air Conditioning	2	6,000.00	0.00	0.00	0.00	0.00	0
Heat @ Air - Other	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing							
Plumbing - Water Heater	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Bath Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Kitchen Sinks	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Faucets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Toilets	0	0.00	0.00	0.00	0.00	0.00	0
Plumbing - Other	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical							
Major Electrical - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Major Electrical - Other	0	0.00	0.00	0.00	0.00	0.00	0
Structures							
Structures - Windows	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Screens	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Walls	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Roofing	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Siding	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Exterior Painting	0	0.00	0.00	0.00	0.00	0.00	0
Structures - Other	0	0.00	0.00	0.00	0.00	0.00	0

Project Name: MEADOW CROSSING APT State: 11 Servicing Office: 605 County: 37
 Borrower Name: OMEGA RENTAL HSG LP Borr ID: 567860282 Prj Nbr: 01-4 Paid Code: Active
 Classification: A Fiscal Year: 2017 Version: 01/01/2017 RECEIVED Totals: By Project Analyzed: N

Item	Proposed Number Units/Items	Proposed From Reserve	Actual From Reserve	Proposed From Operating	Actual From Operating	Actual Total Cost	Total Actual Units/Items
Effective Dates:	01/01/2016	01/01/2017	01/01/2016	01/01/2017	01/01/2016	01/01/2016	01/01/2016
Ending Dates:	12/31/2016		12/31/2016		12/31/2016	12/31/2016	12/31/2016
Paving							
Paving - Asphalt	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Concrete	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Seal and Stripe	0	0.00	0.00	0.00	0.00	0.00	0
Paving - Other	0	0.00	0.00	0.00	0.00	0.00	0
Landscape and Grounds							
Lndscp@Grnds - Landscaping	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Lawn Equipment	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Fencin	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Recreation Area	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Signs	0	0.00	0.00	0.00	0.00	0.00	0
Lndscp@Grnds - Other	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features							
Accessibility Features - Detail	0	0.00	0.00	0.00	0.00	0.00	0
Accessibility Features - Other	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equipment							
Automation Equip. -Site Mngt.	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Common Area	0	0.00	0.00	0.00	0.00	0.00	0
Automation Equip. -Other	0	0.00	0.00	0.00	0.00	0.00	0
Other							
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
List: ?	0	0.00	0.00	0.00	0.00	0.00	0
Total Capital Expenses	0	7,625.00	0.00	0.00	0.00	0.00	0

Project Name: MEADOW CROSSING APT	State: 11	Servicing Office: 605	County: 37
Borrower Name: OMEGA RENTAL HSG LP	Borr ID: 567860282	Prj Nbr: 01-4	Paid Code: Active
Classification: A	Fiscal Year: 2017	Version: 01/01/2017 RECEIVED	Totals: By Project Analyzed: N

Part VI - SIGNATURES, DATES AND COMMENTS

Warning	Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."
---------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

I HAVE READ THE ABOVE WARNING STATEMENT AND I HEREBY CERTIFY THAT THE FOREGOING INFORMATION IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

<u>09/30/2016</u> (Date Submitted)	<u>HALLMARK GROUP REAL ESTATE</u> (Management Agency)	<u>MA202860</u> (MA#)
---------------------------------------	----------------------------------------------------------	--------------------------

_____	_____
(Date)	(Signature of Borrower or Borrower's Representative)

(Title)	_____	_____
	<i>Junda K Bales, Area Specialist</i>	<i>11/21/16</i>
Agency Approval (Rural Development Approval Official):	_____	(Date)

Project Name: MEADOW CROSSING APT	State: 11	Servicing Office: 605	County: 37
Borrower Name: OMEGA RENTAL HSG LP	Borr ID: 567860282	Prj Nbr: 01-4	Paid Code: Active
Classification: A	Fiscal Year: 2017	Version: 01/01/2017 RECEIVED	Totals: By Project Analyzed: N

SPVS Comment:
Batched/ II 091316

Narrative:

BUDGET NARRATIVE PROJECT NAME MeadowCrossing Apartments
BORROWER NAME Omega Rental Housing BORROWER ID AND PROJECT NO. 567860282 01-4

□Meadow Crossing is a thirty-seven unit family community located in Omega, Georgia. In 2016 the property has maintained a 93% average occupancy. The property has not experienced any unexpected maintenance issues or other items that will adversely affect the budget. □The property remains in compliance and has no outstanding findings that have not been addressed by the management company. □At this time the property is financial sound and has not experienced any changes in project expenses that would contribute to any financial difficulties. □The property has experienced changes in project expenses that exceed the 23% tolerance threshold in the subcategory of Administrative Expense for health care insurance for our employees. The cost are necessary to carry out the administrative responsibilities associated with the property and we feel expenses are in line with other complexes, are not inflated and reflect the actual amounts needed to operate. □We will continue to replace carpets, stoves, refrigerators, etc. on an as needed basis. It is expected the following will be replaced in 2017. - \$7625.00 will be spent from the reserve account and includes 2 refrigerator, 1 stove, 2, HVAC replacement. □. Replacements for 2018 through 2020 are as follows 2018 - 2 refrigerators, 2 stove, 3 carpet, 2 HVAC units, 2 hot water heaters, 2019 - 2 refrigerators, 1 stove, 3 carpets, 2 HVAC units, 2 hot water heaters, and replacement of 3 kitchen and bathroom cabinets. 2020 - 2 refrigerators, 2 stoves, 2 carpets, 2 HVAC units, 2 hot water heaters and two vinyl flooring replacements. □The proposed rent increase of \$15.00 for a 1 bedroom and \$10.00 for a 2 bedroom is necessary due to

**MULTI-FAMILY PROJECT BORROWER'S/MANAGEMENT AGENT'S
MANAGEMENT CERTIFICATION**

Borrowers of multifamily housing loans are required by 7 C.F.R. §3560.102 (j) to submit certain data for review by the Servicing Official for approval of a new management agent. These requirements apply to all multifamily projects.

Effective Date (xx-xx-20xx): 01-01-2017

Project Name: Omega Rental Housing, L.P. Borrower Case# /Project ID: 11-037-567860282
City/State: Omega, GA

Acting on behalf of Omega Rental Housing, L.P., the project borrower (Borrower), and Hallmark Management, Inc., the management agent (Agent), make the following certifications and agreements to the United States Department of Agriculture regarding management of the above project.

1. We certify that:

- a. We will comply with Rural Development requirements and contract obligations, and agree that no payments have been made to the Borrower in return for awarding the management contract to the Agent, and that no such payments will be made in the future.
- b. We have executed or will execute, within 30 days a management agreement (Agreement) for this project. The Agreement provides that the Agent will manage the project for the term and for the Per Unit Per Month (PUPM) management fee described below. Changes in the management fee will be implemented only in accordance with Rural Development's requirements.

(1) Term of Agreement (xx-xx-20xx through xx-xx-20xx): 01-01-2017 until nullified

(2) Fees:

- a) PUPM fee as specified in HB-2-3560, Attachment 3-F, as revised, for the term specified above (applied to revenue producing occupied units only).
- b) PUPM fee is below the PUPM fee specified in HB-2-3560, Attachment 3-F, as revised, for the term specified above (applied to revenue producing occupied units only)
Fee Amount: \$ _____
- c) Add-On Fees as specified in HB-2-3560, Check all that apply. Include total add-on fees below (applied to all revenue producing units regardless of occupancy)
 - Management of properties with 15 units or less.
 - One project that has buildings located on different noncontiguous parcels of land (i.e. across town or in another town).
 - Management of properties in a remote location.
 - Troubled properties with workout plans and new management only.

c. We will disburse management fees from project income only after:

- (1) We have submitted this certification to Rural Development:
- (2) Rural Development has approved the Agent to manage this project

d. We understand that no fees may be earned or paid after Rural Development has terminated the Agreement

e. If Rural Development notifies me of a management fee above that listed in HB-2-3560; Attachment 3-F the Agent will within 30 days of the notice either:

- (1) Reduce the compensation to an amount Rural Development determines to be reasonable and
- (2) Require the Agent to refund to the project all excessive fees collected, or
- (3) Appeal the decision and abide by the results of the appeal process, making any required reductions and refunds within 30 days after the date of the decision letter on the appeal.

2. We will select and admit tenants, compute tenant rents and assistance payments, recertify tenants and carry out other subsidy contract administrative responsibilities in accordance with HB-2-3560 and Rural Development regulations.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

3. We agree to:
 - a. Comply with this project's Mortgage and Promissory Note, and Loan Agreement/Resolution or Workout Agreement.
 - b. Comply with Rural Development Handbooks and other policy directives that relate to the management of the project.
 - c. Comply with Rural Development requirements regarding payment and reasonableness of the management fee and the project account.
 - d. Refrain from purchasing goods or services from entities that have identity of interest with us unless the requirements of 7C.F.R. §3560.102(g) are met.

4. The Agent agrees to:
 - a. Ensure that **all** expenses of the project are reasonable and necessary.
 - b. Exert reasonable effort to maximize project income and to take advantage of discounts, rebates and similar money-saving techniques.
 - c. Obtain contracts, materials, supplies and services including the preparation of the annual financial reports on terms most advantageous to the project.
 - d. Credit the housing project with all discounts, rebates or commissions including any sales or property tax relief granted by the State or local government received.
 - e. Obtain the necessary verbal or written cost estimates and document reasons for accepting other than the lowest bid.
 - f. Maintain copies of the documentation and make such documentation available for inspection during normal business hours.
 - g. Invest project funds that Rural Development policies require to be invested and take reasonable effort to invest other project funds unless the Borrower specifically directs the Agent not to invest those funds.

5. We certify that the types of insurance policies checked below are enforceable and will be maintained to the best of our ability at all times. Fidelity bonds and hazard insurance policies will name Rural Development as co-payee in the event of loss. Note: for any box not checked, Rural Development may require an explanation as to why a certain type of insurance was not obtained.
 - a. Fidelity bond or employee dishonesty coverage for:
 - (1) all principals of the Agent and
 - (2) all persons who participate directly or indirectly in the management or maintenance of the project and its assets, accounts and records.
 - b. Hazard insurance coverage required by 7 C.F.R. §3560.105.
 - c. Public liability insurance required by 7 C.F.R. §3560.105.
 - d. Other (specify) as may be required by 7 C.F.R. §3560.105.

6. The Agent agrees to:
 - a. Furnish a written response to Rural Development's supervisory visit review reports, physical inspection reports, and written inquiries regarding the project's annual financial statements or monthly accounting reports within 30 days after receipt of the report or inquiry.
 - b. Establish and maintain the project's accounts, books and records in accordance with:
 - (1) Rural Development's administrative requirements; and
 - (2) Accounting principles under 7 C.F.R. §3560.302(b).

7. We agree that:
 - a. All records related to the operation of the project, regardless of where they are housed, shall be considered the property of the project.
 - b. Rural Development, the Office of Inspector General (OIG), and those agencies' representatives may inspect:
 - (1) Any records which relate to the project's purchase of goods or services,
 - (2) The records of the Borrower and the Agent, and
 - (3) The records of companies having an identity-of-interest with the Borrower, Rural Development and the Agent.
 - c. The following clause will be included in any contract entered into with an identity-of-interest individual or business for the provision of goods or services to the project:

"Upon request by Rural Development, the Borrower or Agent, the contractor or the supplier will make available to Rural Development at a reasonable time and place, its records and records of identity-of-interest companies which relate to goods and services charged to the project. Records and information will be sufficient to permit Rural Development to determine the services performed, the dates the services were performed, the location at which the services were performed, the time consumed in providing the services, the charges made for materials, and the per unit and total charges levied for said services." **The Borrower agrees to request from the contractor or supplier such records within seven (7) days of receipt of Rural Development's request.**

8. We agree to include the following provisions in the Agreement and to be bound by them:

- a. Rural Development has the right to terminate the Agreement for failure to comply with the provisions of this Certification, or other good cause.
 - b. If Rural Development exercises this right of termination, I, the Borrower, agree to promptly make arrangements for providing management to the property that is satisfactory to Rural Development.
 - c. If there is a conflict between the Agreement and Rural Development's rights and requirements, Rural Development's rights and requirements will prevail.
 - d. If the Agreement is terminated, I, the Agent, will give to the Borrower all of the project's cash, trust accounts, investments and records within 30 days of the date the Agreement is terminated.
9. I, the Borrower, agree to submit a new management certification to Rural Development before taking any of the following actions:
- a. Authorizing the agent to collect a fee different from the fees specified in Paragraph 1 of this Certification.
 - b. Changing the expiration date of the Agreement;
 - c. Renewing the Agreement;
 - d. Permitting a new Agent to operate the project;
 - e. Permitting a new Agent to collect a fee;
 - f. Undertaking self-management of the project.
10. We agree to:
- a. Comply with all Federal, State, or local laws prohibiting discrimination against any persons on grounds of race, color, creed, familial status, handicap, sex or national origin, including Title VI of the Civil Rights Act of 1964, Fair Housing Act, Executive Order 11063 and all regulations implementing those laws.
 - b. When the head of household or spouse is otherwise eligible, give families with children equal consideration for admission.
 - c. Give handicapped persons priority for subsidized units that were built and equipped specifically for the handicapped.
 - d. The project will comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, the Age Discrimination Act of 1975 and all regulations and administrative instructions implementing these laws. The Agent understands that these laws and regulations prohibit discrimination against applicants or tenants who are handicapped or of a certain age.
 - e. Furnish Rural Development any reports and information required to monitor the project's compliance with Rural Development's fair housing and affirmative marketing requirements.
 - f. Not discriminate against any employee, applicant for employment or contractor because of race, color, handicap, religion, sex or national origin.
 - g. Provide minorities, women, and socially and economically disadvantaged firms equal opportunity to participate in the project's procurement and contracting activities.
11. We certify that we have read and understand Rural Development's definition of "identity-of-interest" as defined in 7 C.F.R. §3560.11 and that the statement(s) checked and information entered below is true.
- a. No identity-of-interest exists among the Borrower, the Agent and any individuals or companies that regularly do business with the project, or
 - b. Only the individuals and companies listed on Form RD 3560-31 have an identity-of-interest with the Borrower or the Agent.
12. The items checked below are attached:
- a. Management Plan
 - b. Identity-of-Interest (IOI) Disclosure Qualification Certificate or Certification of No Identity-of-Interest (IOI)
 - c. Other (Specify):

Warnings:

There are fines and imprisonment for anyone who makes false, fictitious, or fraudulent statements or entries in any matter within the jurisdiction of the Federal Government (18 U.S.C. 1001).

There are fines and imprisonment for anyone who misuses rents and proceeds in violation of Rural Development regulations relative to this project. (Section 543 of the Housing Act of 1949).

Rural Development may seek a "double damages" civil money damages remedy for the use of assets or income in violation of any Loan Agreement/Resolution or any applicable Rural Development regulations.

Rural Development may seek additional civil money penalties to be paid by the mortgagor through personal funds pursuant to 7 C.F.R. §3560.461(b). The penalties could be as much as \$50,000 per violation (Section 543 (b) of the Housing Act of 1949).

**By Project Borrower: Omega Rental Housing, L.P.
Hallmark Group Services of GA II, LLC.**

Name/Title: By: Martin H. Petersen, Managing Member

Signature: *Martin H Petersen*

Date: 9/26/2016

By Management Agent: Hallmark Management, Inc.

Name/Title: Norine Lewis, Vice President

Signature: *Norine Lewis*

Date: 9/26/2016

By Servicing Official:

Name/Title: *Linda K Baker, Area Specialist*

Signature: *Linda K Baker*

ESTIMATE AND CERTIFICATE OF ACTUAL COST

This form is to be used by the contractor and borrower to estimate the cost of construction and total PROJECT NUMBER (Borrower ID Number) development cost, or to certify the actual cost of project construction and development.

--

BORROWER/OWNER-BUILDER	CONTRACTOR
NAME OF PROJECT	LOCATION

This certificate is made pursuant to existing regulations of the United States of America acting through the Rural Development in order to induce the Government to provide or extend assistance. As part of that inducement, the following certifications are made:

Check and Complete Applicable Box:

A. ESTIMATE

I certify that the estimates of costs as set forth through line 44 in the ESTIMATED COST column are true and correct as computed by me _____ or as given to me by the subcontractors or payees named, as general contractor or owner-builder for the development of the project described above, as determined from the plans and specifications accepted, signed and dated by the Rural Development State Director of Rural Development or the State Directors's delegated representative, on _____ 20____. As borrower or owner-builder for the development of the project described above, I certify that the estimates of cost as set forth from line 44 in the ESTIMATED COST column are true and correct as computed by me or as given to me by the subcontractors or payees named. Subsequent to this estimate and prior to final payment, when directed by Rural Development, I agree to furnish a certification of actual cost. The estimate and the final certification will be in accordance with Rural Development regulations requiring estimates and certifications.

B. ACTUAL COST

I certify that the actual cost of labor, materials, and necessary services for the construction of the physical improvements in connection with the project described above, after deduction of all rebates, adjustments, or discounts made or to be made to the undersigned borrower or general contractor, or any corporation, trust partnership, joint venture, or other legal or business entity in which the undersigned borrower or general contractor, or any of their members, stockholders, officers, directors, beneficiaries, or partners hold any interest, is as represented herein. The deduction of such rebates, adjustments, or discounts from actual hard costs will not be used to increase builder's profit over and above the final estimated amount. I further certify that all soft costs associated with construction of the project as set forth on lines 45 through 57 are correct as represented herein.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0042. The time required to complete this information collection is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Line	Div	Trade Item	Estimated Cost	Actual Cost		Name of Subcontractor or Payee	101 *
				Paid	To Be Paid		
1	3	Concrete					
2	4	Masonry					
3	5	Metals					
4	6	Rough Carpentry					
5	6	Finish Carpentry					
6	7	Waterproofing					
7	7	Insulation					
8	7	Roofing					
9	7	Sheet Metal					
10	8	Doors					
11	8	Windows					
12	8	Glass					
13	9	Drywall					
14	9	Tile Work					
15	9	Acoustical					
16	9	Resilient Flooring					
17	9	Painting and Decorating					
18	10	Specialties					
19	11	Special Equipment					
20	11	Cabinets					
21	11	Appliances					
22	12	Blinds and Shades, Artwork					
23	12	Carpets					
24	13	Special Construction					
25	14	Elevators					
26	15	Plumbing and Hot Water					
27	15	Heat and Ventilation					
28	15	Air Conditioning					
29	16	Electrical					
30	2	Earth Work					
31	2	On-Site Utilities					
32	2	Roads and Walks					
33	2	On-Site Improvements					
34	2	Lawns and Planting					
35	2	Unusual On-Site Conditions					
36	2	Off-Site Development					
37		Miscellaneous (Labor and Materials)					
38		Total Hard Costs					
39	1	General Requirements	*				
40		General Overhead	*				
41		Other Fees Paid By Contractor	*				
42		Total Costs					

NOTE: (If additional space is required for these other items, append Rider thereto, with references and initial. When more than one subcontractor is performing a trade item, the attached work sheet must be completed giving the information indicated.) Form RD 1924-13 (Rev. 12-98)

* Breakdown on page 4.

CONTRACTOR'S AND BORROWER'S ESTIMATE AND CERTIFICATE OF ACTUAL COST						
Line	Trade Item	Estimated Cost	Paid	Actual Cost To Be Paid	Total	Name of Subcontractor or Payee
	Balance Brwt. Forward (line 42)					
43	Builder's Profit					
44	Total Construction Cost					
45	Architectural Fees					
46	Survey and Engineering					
47	Financing Costs Loan Fees					
48	Interest During Construction					
49	Closing Costs & Legal Fees					
50	Land Cost or Value					
51	Nonprofit O&M Capital					
52	Tap and or Impact Fees					
53	Tax Credit Fees					
54	Environmental Fees					
55	Market Study Cost					
56						
57						
58	Total Development Cost					

"Whoever, in any matter, with the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations; or makes or uses any false writing or statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

WARNING: Section 1001 of Title 18, United States Code provides: Furthermore, submission of false information relating to the content of this Estimate and Certificate of Actual Cost will subject the submitter to any and all administrative remedies available to USDA. Such remedies may include suspension and debarment from participating in any Rural Development or other Federal program.

ITEMIZED BREAKDOWN - ESTIMATED COSTS

<u>CONTRACTOR'S GENERAL REQUIREMENTS</u> (Job Overhead)		<u>CONTRACTOR'S GENERAL OVERHEAD</u>		<u>OTHER FEES - PAID BY CONTRACTOR</u>	
ITEM	TOTAL	ITEM	TOTAL	ITEM	TOTAL
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
TOTAL (Line 39)	\$ _____	TOTAL (Line 40)	\$ _____	TOTAL (Line 41)	\$ _____

ITEMIZED BREAKDOWN - ACTUAL COST

<u>CONTRACTOR'S GENERAL REQUIREMENTS</u> (Job Overhead)		<u>CONTRACTOR'S GENERAL OVERHEAD</u>		<u>OTHER FEEDS - PAID BY CONTRACTOR</u>	
ITEM	TOTAL	ITEM	TOTAL	ITEM	TOTAL
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
_____	\$ _____	_____	\$ _____	_____	\$ _____
TOTAL (Line 39)	\$ _____	TOTAL (Line 40)	\$ _____	TOTAL (Line 41)	\$ _____

The undersigned hereby certifies that: *(check as appropriate)*

There has not been and is not now any identity of interest between or among the borrower and/or general contractor on the one hand and any subcontractor, material supplier, equipment lessor, or payee on the other (including any of their members, officers, directors, beneficiaries, or partners).

Attached to and made part of this certificate is a signed statement fully describing any rebates, adjustments, discounts, or any other devices which may have or have had the effect of reducing cost, and all amounts shown above as "to be paid in cash" will be so paid within forty-five (45) days.

ESTIMATES:

Date _____

Date _____

Lines I through 44 *(Name of Contractor)*

Lines 44 through 58 *(Name of Mortgagor)*

By: _____
(Signature)

By: _____
(Signature)

Title: _____

Title: _____

ACTUAL

Date _____

Date _____

Lines I through 44 *(Name of Contractor)*

Lines 44 through 58 *(Name of Mortgagor)*

By: _____
(Signature)

By: _____
(Signature)

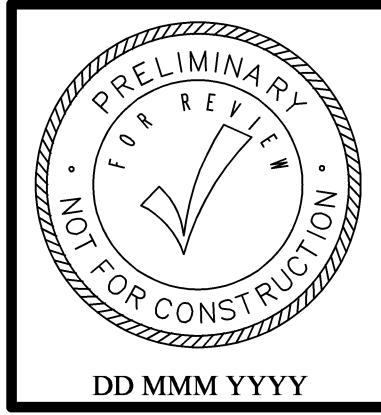
Title: _____

Title: _____

MEADOW CROSSING APARTMENTS RENOVATION

Omega,

Georgia



PRELIMINARY NOT FOR CONSTRUCTION, RECORDING PURPOSES OR IMPLEMENTATION

PRELIMINARY NOT FOR CONSTRUCTION, RECORDING PURPOSES OR IMPLEMENTATION

MEADOW CROSSING APARTMENTS RENOVATION
OMEGA, TIFT COUNTY, GEORGIA

PROJECT INFORMATION

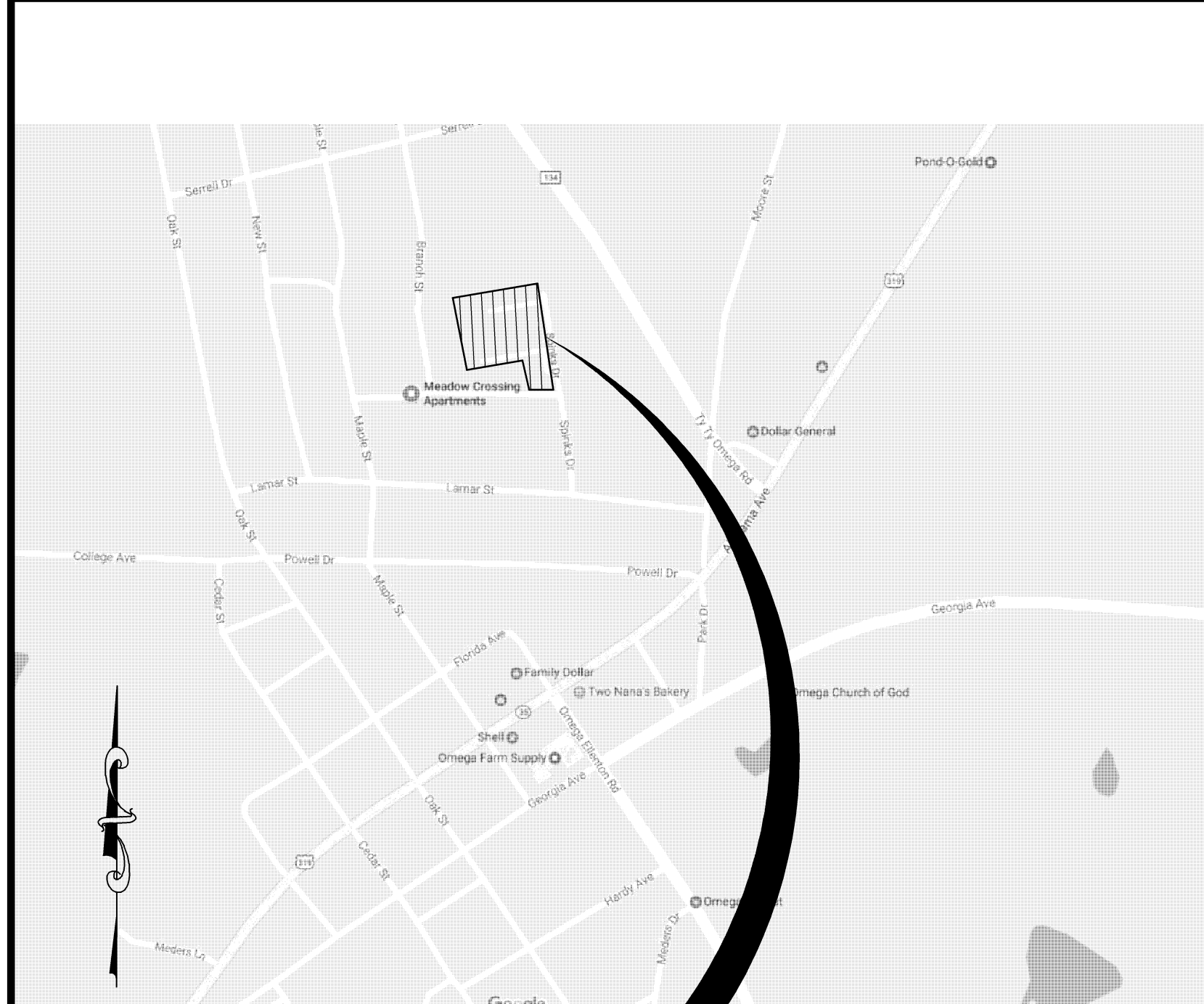
INDEX TO DRAWINGS

ARCHITECT'S JOB NO. 3435

SITE DATA	
SITE ZONING:	EXISTING TO REMAIN
SITE SIZE:	EXISTING TO REMAIN
SITE DENSITY:	EXISTING TO REMAIN
NO. OF PARKING SPACES:	(49) TYPICAL + (6) ACC. + (2) VAN ACC.= (57) TOTAL
BUILDING DATA	
RENTAL UNITS BY BUILDING:	BLDG. A = (1) FHA 1-BR UNIT, (1) UFAS 1-BR UNIT, (4) TYP. 2-BR-TH UNITS; BLDG. B = (2) FHA 1-BR UNITS, (4) TYP. 2-BR-TH UNITS; BLDG. C = (2) FHA 1-BR UNITS, (4) TYP. 2-BR-TH UNITS; BLDG. D = (5) FHA 1-BR UNITS, (1) UFAS 1-BR UNIT; BLDG. E = (5) FHA 1-BR UNITS, (1) UFAS 1-BR UNIT; BLDG. F = (5) FHA 1-BR UNITS, (1) AUDIO/VISUAL 1-BR UNIT; BLDG. G = (1) TYP. 2-BR-MGR UNIT;
RENTAL UNITS BY TYPE:	(2) FHA 1-BR UNITS; (2) UFAS 1-BR UNITS; (1) AUDIO/VISUAL 1-BR UNIT; (12) TYP. 2-BR-TH UNITS; (1) TYP. 2-BR-MGR UNIT
TOTAL RENTAL UNITS:	(37) TOTAL UNITS
NO. & MIX OF UNITS:	(24) 1-BR UNITS; (12) 2-BR UNITS; (1) 2-BR-MGR UNIT
DWELLING UNIT AREA:	(2) FHA 1-BR UNITS @ 655 SF = 1,310 SF; (2) UFAS 1-BR UNIT @ 655 SF = 1,310 SF; (1) AUDIO/VISUAL 1-BR UNITS @ 655 SF = 655 SF; (12) TYP. 2-BR-TH UNITS @ 912 SF = 10,944 SF; (1) TYP. 2-BR-MGR UNIT @ 824 SF = 824 SF; 27,488 TOTAL SF DWELLING AREA
NON-DWELLING UNIT AREA:	991 SF (OFFICE/LAUNDRY/COMMUNITY ROOM)
TOTAL BUILDING AREA:	28,479 SF (GROSS)
TOTAL ACTUAL AREA:	BLDG. A = 4,950 SF; BLDG. B = 4,950 SF; BLDG. C = 4,950 SF; BLDG. D = 3,934 SF; BLDG. E = 3,930 SF; BLDG. F = 3,930 SF; BLDG. G = 1,815 SF;

0.0	COVER SHEET
A51.0	ARCHITECTURAL SITE PLAN
A1.0	BUILDING PLANS
A1.1	FHA 1-BR AND UFAS 1-BR DEMO & RENO PLANS
A1.2	TYP. 2-BR-TH AND OFFICE/ LAUNDRY/MANT. DEMO & RENO PLANS
A3.0	EXTERIOR ELEVATIONS
A3.1	EXTERIOR ELEVATIONS

PROJECT LOCATION MAP



SITE: 125 Spinks Street
Omega, GA 31775

SIGNATURE AREAS

NOTE: PROJECT CONSTRUCTION MUST BE IN COMPLIANCE WITH ALL APPLICABLE CODES, ORDINANCES, LAWS, AND REGULATIONS AS ENUMERATED ELSEWHERE IN THE PLANS AND SPECIFICATIONS.

ARCHITECT: WALLACE ARCHITECTS, L.L.C.
302 CAMPUS VIEW DRIVE SUITE 208, COLUMBIA, MO 65201

BY: _____ DATE: _____

OWNER: NAME _____ ADDRESS _____ BY: _____ DATE: _____

CONTRACTOR: NAME _____ ADDRESS _____ BY: _____ DATE: _____

STATE REPRESENTATIVE: ADDRESS _____ BY: _____ DATE: _____

NOTE: PROJECT FIRST OCCUPIED AFTER MARCH 13, 1991. FAIR HOUSING APPLIES.

MATERIAL SQ. FT. DISCLAIMER:

SQUARE FOOTAGE CALCULATION OF FINISH MATERIALS ARE BASED ON EXISTING LAYOUTS & INFORMATION IN PART AS PROVIDED BY OTHERS. THESE NUMBERS ARE NOT TO BE UTILIZED FOR BIDDING PURPOSES. WHILE THIS INFORMATION IS BELIEVED TO BE RELIABLE THE ARCHITECT ASSUMES NO RESPONSIBILITY FOR THE ACCURACY. CONTRACTORS SHALL PERFORM INDEPENDENT FIELD VERIFICATION FOR SITUATIONAL DEPENDANT ACCURACY.

PM: ZW
PC: JL

PLAN SET NO. _____

REVIEW SET

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Columbia, MO
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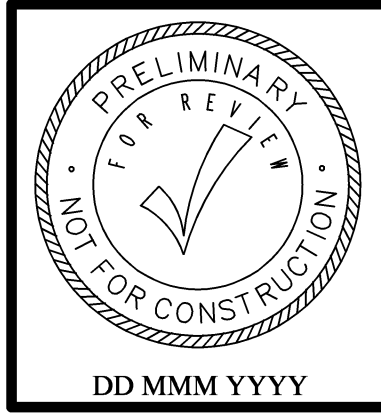
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NOTE: INSTALL NEW HANDRAILS AS NOTED AND ON ACCESSIBLE ROUTES EXCEEDING 5% BUT LESS THAN 8.33% SLOPE. 5'-0" LANDING REQUIRED AT TOP AND BOTTOM OF RAMPS.

NOTE: APARTMENT NUMBERS ARE TO BE FIELD VERIFIED BY GENERAL CONTRACTOR. ARCHITECT TO BE NOTIFIED OF ANY DISCREPANCY PRIOR TO FINAL PRODUCTION / INSTALLATION

ACCESSIBILITY NOTES

1. SIDEWALK SHALL NOT EXCEED 5% (1'-0" IN 20'-0") SLOPE WITH A 2% (1'-0" IN 50'-0") CROSS-SLOPE AND SHALL BE 4' WIDE EXCEPT AS NOTED ON SITE PLAN. PROVIDE STAIRS, RAMPS, CURBS, ETC., AS NOTED AND DETAILED.
2. PARKING AREAS AND ACCESSIBLE SPACES AND ACCESS AISLES SHALL NOT EXCEED A 2% (1'-0" IN 50'-0") SLOPE IN ANY DIRECTION. OTHER PORTIONS OF THE ACCESSIBLE ROUTE SHALL NOT EXCEED A 5% (1'-0" IN 20'-0") LONGITUDINAL SLOPE NOR A 2% (1'-0" IN 50'-0") CROSS-SLOPE.

POLLUTION / EROSION CONTROL NOTES:

1. DUST ON SITE SHALL BE CONTROLLED. THE USE OF MOTOR OILS AND OTHER PETROLEUM BASED OR TOXIC LIQUIDS FOR DUST SUPPRESSION OPERATIONS IS PROHIBITED.
2. SUFFICIENT OIL AND GREASE ABSORBING MATERIALS AND FLOATATION BOOMS SHALL BE MAINTAINED ON SITE OR READILY AVAILABLE TO CONTAIN AND CLEAN-UP FUEL OR CHEMICAL SPILLS AND LEAKS.
3. ACTIVE UNDERGROUND PIPES, CONDUITS, OR OTHER UTILITIES OF ANY TYPE, WHETHER INDICATED ON THE DOCUMENTS OR NOT, MUST BE PROTECTED BY THE CONTRACTOR DURING THE COURSE OF THE WORK AND REMAIN ACTIVE, UNLESS OTHERWISE NOTED.
4. CONTRACTOR SHALL PROTECT ALL EXISTING ON-SITE STORMWATER INLET STRUCTURES AND SHALES. A THROUGHOUT THE CONSTRUCTION PHASE WITH TEMPORARY STORMWATER SEDIMENT COLLECTION BAGS ON ALL INLET SIDES OR SEDIMENT BARRICADE AT PROPERTY LINE WHERE SHALES CONNECT TO EXISTING CITY DRAINAGE. STORM WATER PROTECTION SHALL REMAIN IN PLACE AND BE MONITORED TO MAINTAIN QUALITY OF PROTECTION MEASURES THROUGHOUT THE CONSTRUCTION PHASE.
5. ALL MATERIALS SPILLED, DROPPED, WASHED, OR TRACKED FROM VEHICLES ONTO ROADWAYS OR INTO STORM DRAINS MUST BE REMOVED IMMEDIATELY. CONTRACTORS OR SUBCONTRACTORS WILL BE RESPONSIBLE FOR REMOVING SEDIMENT THAT MAY HAVE COLLECTED IN ANY STORM SEWER DRAINAGE SYSTEM IN CONJUNCTION WITH THE STABILIZATION OF THE SITE.
6. ALL CONSTRUCTION SHALL BE STABILIZED AT THE END OF EACH WORKING DAY. THIS INCLUDES BACKFILLING OF TRENCHES FOR UTILITY CONSTRUCTION AND PLACEMENT OF GRAVEL OF BITUMINOUS PAVING FOR ROADS.
7. CONTRACTOR SHALL IMPLEMENT BEST MANAGEMENT PRACTICES AND SHALL CONFORM TO THE FEDERAL, STATE AND LOCAL REQUIREMENTS AND MANUALS OF PRACTICE. AS APPLICABLE CONTRACTOR SHALL IMPLEMENT ADDITIONAL CONTROLS AS DIRECTED BY PERMITTING AGENCY OR OWNER.
8. CONFLICTING AND / OR UNFORESEEN FIELD CONDITIONS SHALL BE BROUGHT TO THE ATTENTION OF THE GENERAL CONTRACTOR - WHO SHALL NOTIFY THE ARCHITECT IMMEDIATELY FOR RESOLUTION PRIOR TO PROCEEDING.

SITE UTILITY NOTES

- 1) ALL EXISTING SITE UTILITIES ARE PRESUMED TO BE FUNCTIONING PROPERLY AND ARE FREE OF LEAKS, BLOCKAGES, DEBRIS, ETC.
- 2) ALL EXISTING UNITS AND/OR BUILDINGS ARE PRESUMED TO HAVE PROPERLY SEALED, CONNECTED, AND WORKING VALVES, SHUT-OFFS, MANIFOLDS, ETC.
- 3) THE EXISTING WATER PRESSURE IS PRESUMED TO BE AT AN ACCEPTABLE LEVEL AND/OR PRESSURE REDUCING VALVES (PRVs) HAVE BEEN PREVIOUSLY INSTALLED WHERE NECESSARY. THESE ITEMS WILL BE INSPECTED DURING THE COURSE OF THE REHAB AND ANY NECESSARY REPAIRS, REPLACEMENTS, AND/OR ADDITIONS WILL BE COMPLETED AND REFLECTED ON A CHANGE ORDER.
- 4) BACKFLOW PREVENTION DEVICES AND/OR PRESSURE REDUCING VALVES ARE PRESUMED TO BE EXISTING FUNCTIONING PROPERLY, AND ARE NOT INCLUDED IN THIS SCOPE OF WORK.
- 5) SANITARY SEWER MAINS AND LATERALS ARE PRESUMED TO BE FREE OF OBSTRUCTIONS AND CURRENTLY FUNCTIONING PROPERLY. ANY DISCOVERED ISSUES SHALL BE INSPECTED AND REQUIRED MEASURES WILL BE PERFORMED TO RESTORE PROPER DRAINAGE AND WILL BE REFLECTED ON A CHANGE ORDER.

LEGEND

- AREAS OF NEW CONCRETE SIDEWALK / SURFACE
- AREAS OF NEW BASE COURSE
- EXISTING LIGHT POLE
- ACCESSIBLE ROUTE (2% CROSS SLOPE MAX, 5% RUNNING SLOPE MAX, REPLACE AS REQUIRED)
- EXISTING MANHOLE
- EXISTING FIRE HYDRANT
- DRAINAGE SHALE
- DIRECTIONAL FLOW ARROW
- SPOT ELEVATION
- DRAIN SYSTEM STRUCTURE



ARCHITECTURAL SITE PLAN
SCALE: 1" = 30'-0"

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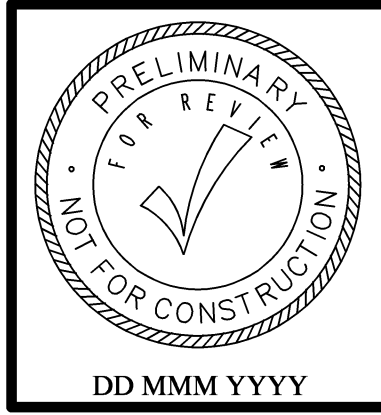
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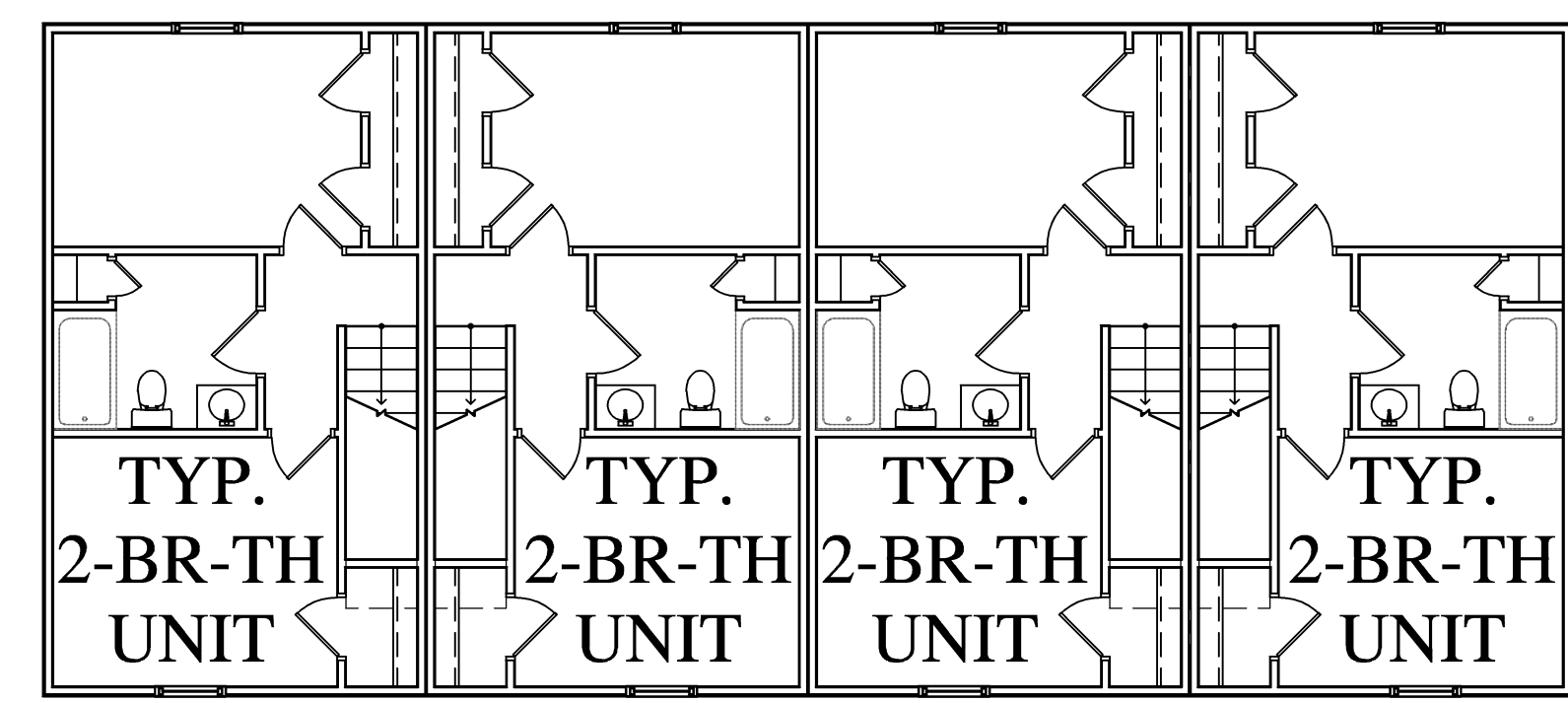
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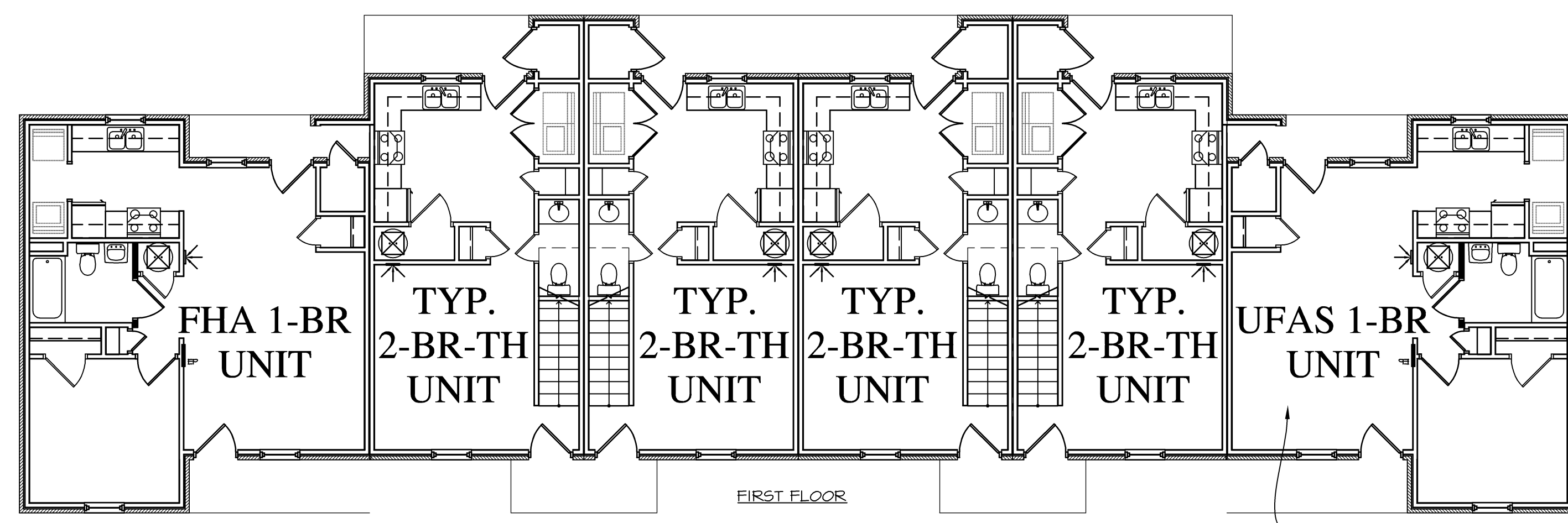


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SECOND FLOOR



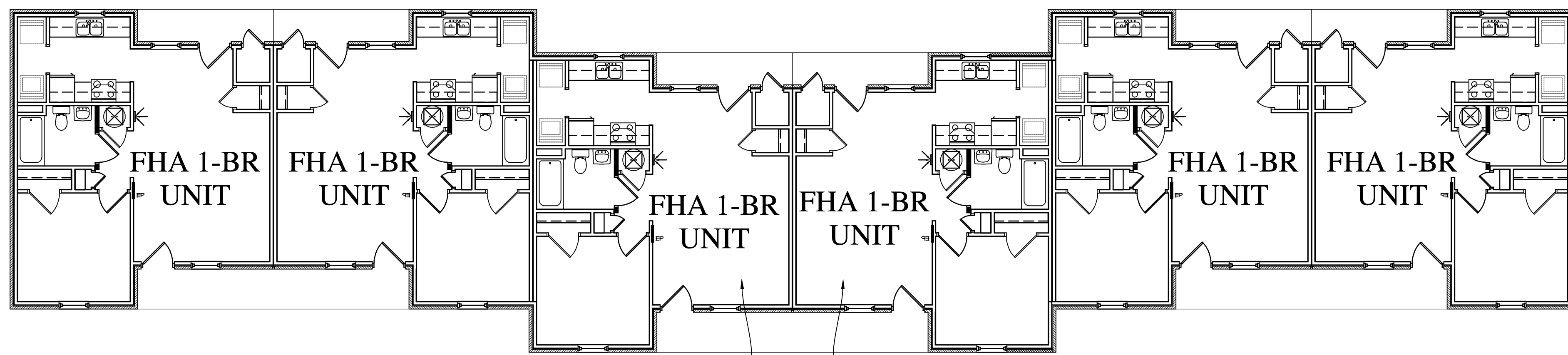
FIRST FLOOR

FHA UNIT @ BLDGS. "B & C"

BUILDINGS "A, B & C" FLOOR PLAN

SCALE: 1/8" = 1'-0"

1 A1.0



BUILDINGS "D, E & F" FLOOR PLAN

SCALE: 1/8" = 1'-0"

UFAS UNIT @ BLDG. "E"

UFAS UNIT @ BLDG. "D"

2 A1.0

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OMEGA, TIFT COUNTY, GEORGIA



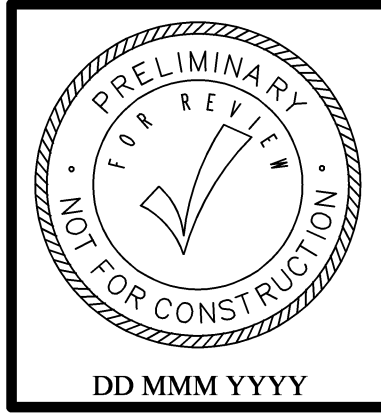
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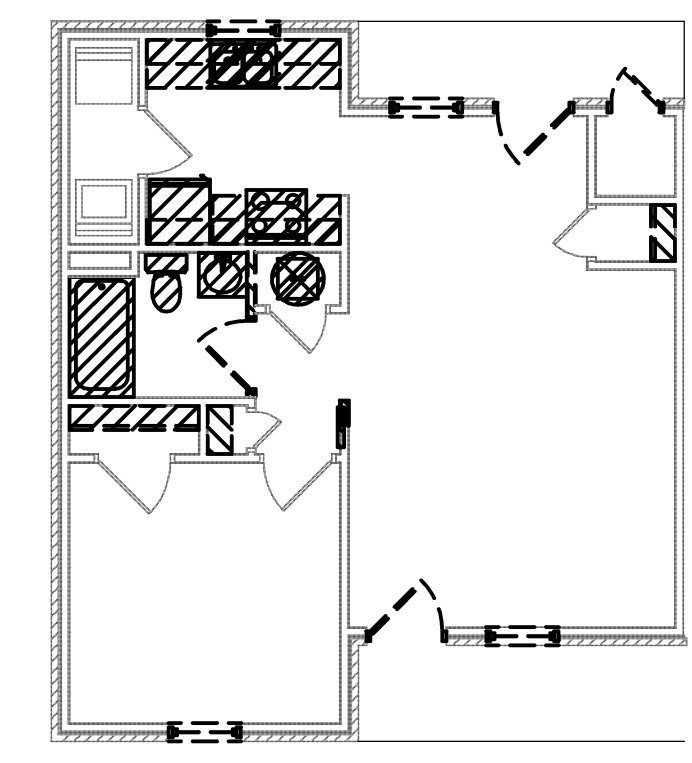
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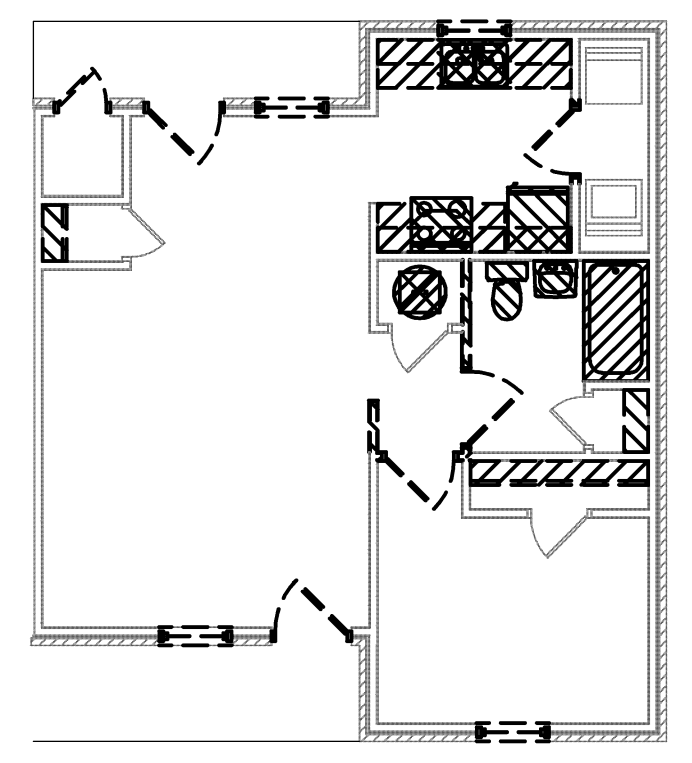
- NOTES**
- INTERIOR CASING TRIM TO BE REPLACED @ ALL REPLACED DOORS.
 - WOOD BASE TO BE INCLUDED AT ALL NEW AND/OR RELOCATED DOORS WALLS.
 - EXISTING BATHROOM VENT COVERS ARE TO BE REMOVED AND REPLACED THROUGHOUT.

- LEGEND**
- [Symbol] = EXISTING WINDOWS, WALLS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC.
 - [Symbol] = EXISTING DOORS
 - [Symbol] = WINDOWS, WALLS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC. TO BE REMOVED. SEE WINDOW SCHEDULE FOR EXTENT OF WINDOW DEMOLITION REQUIRED.
 - [Symbol] = DOORS TO BE REMOVED
 - [Symbol] = NEW FLOOR SLAB
 - [Symbol] = NEW CONCRETE
 - [Symbol] = NEW WINDOWS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC.
 - [Symbol] = NEW WALLS
 - [Symbol] = NEW DOORS

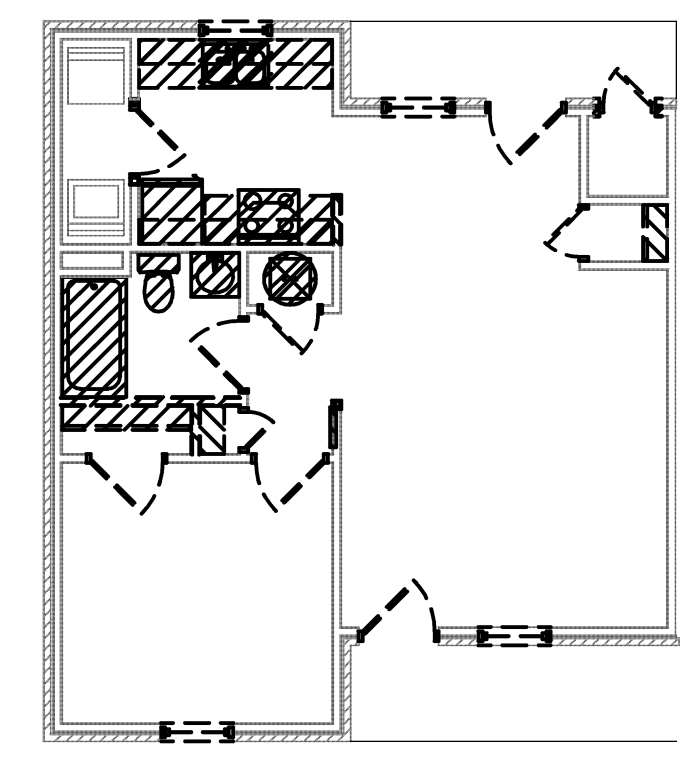
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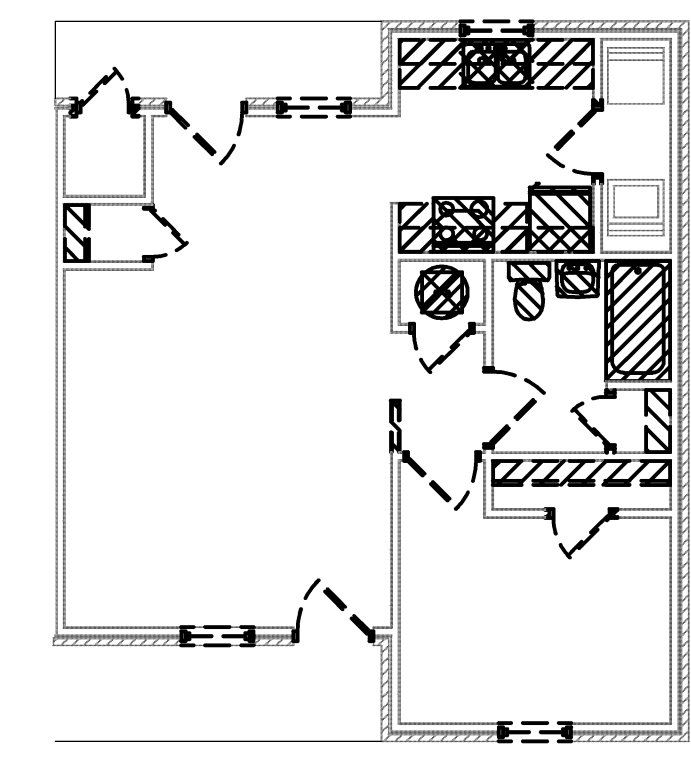
**DEMO FHA
1-BR FLOOR PLAN**
SCALE: 1/8" = 1'-0" (1) A.I.I.



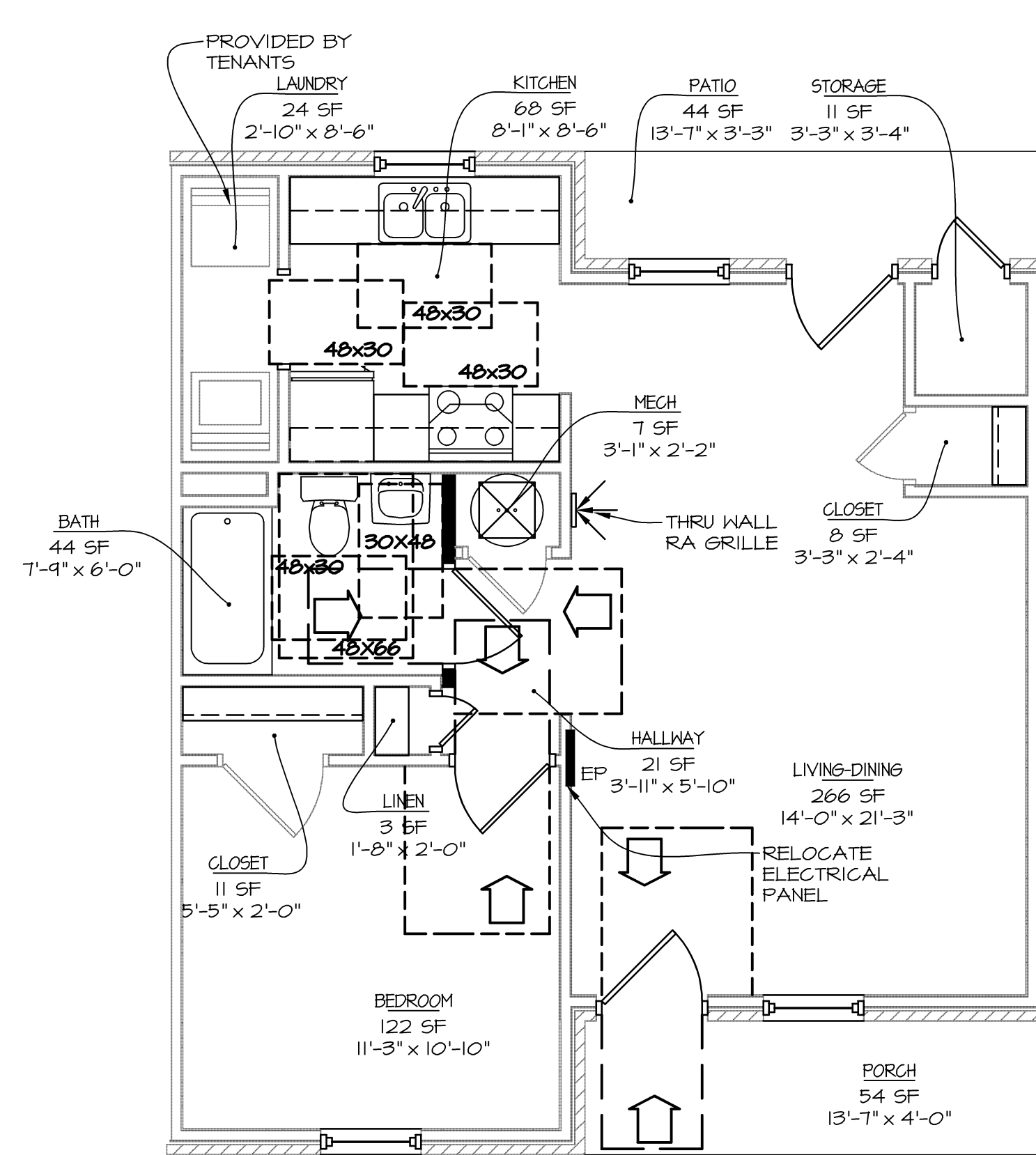
**DEMO FOR CONVERTED
FHA 1-BR FLOOR PLAN**
SCALE: 1/8" = 1'-0" (ONLY @ BLDG. A / UNIT 6) (2) A.I.I.



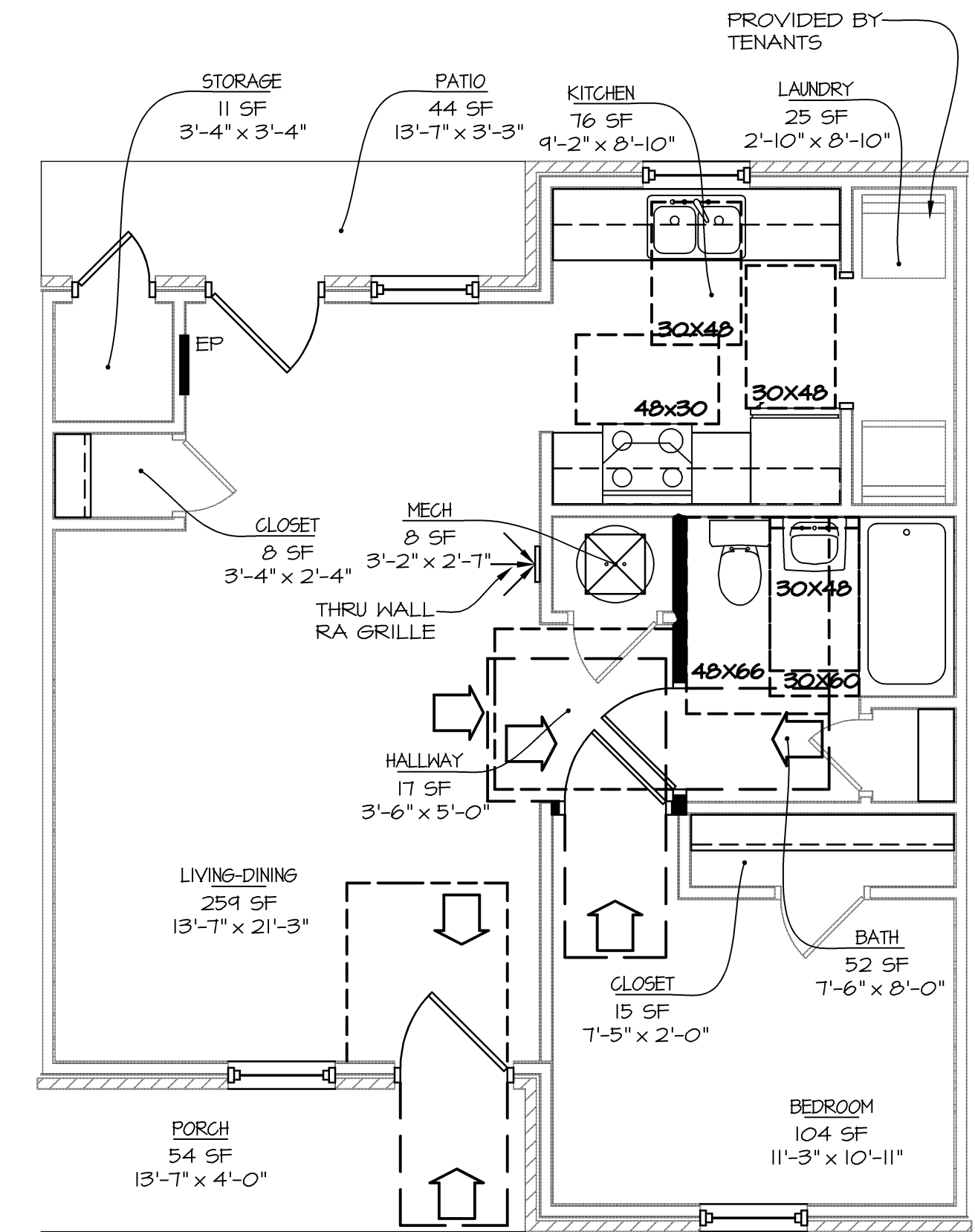
**DEMO FOR CONVERTED
UFAS 1-BR FLOOR PLAN**
SCALE: 1/8" = 1'-0" (ONLY @ BLDG. E / UNIT 2B) (3) A.I.I.



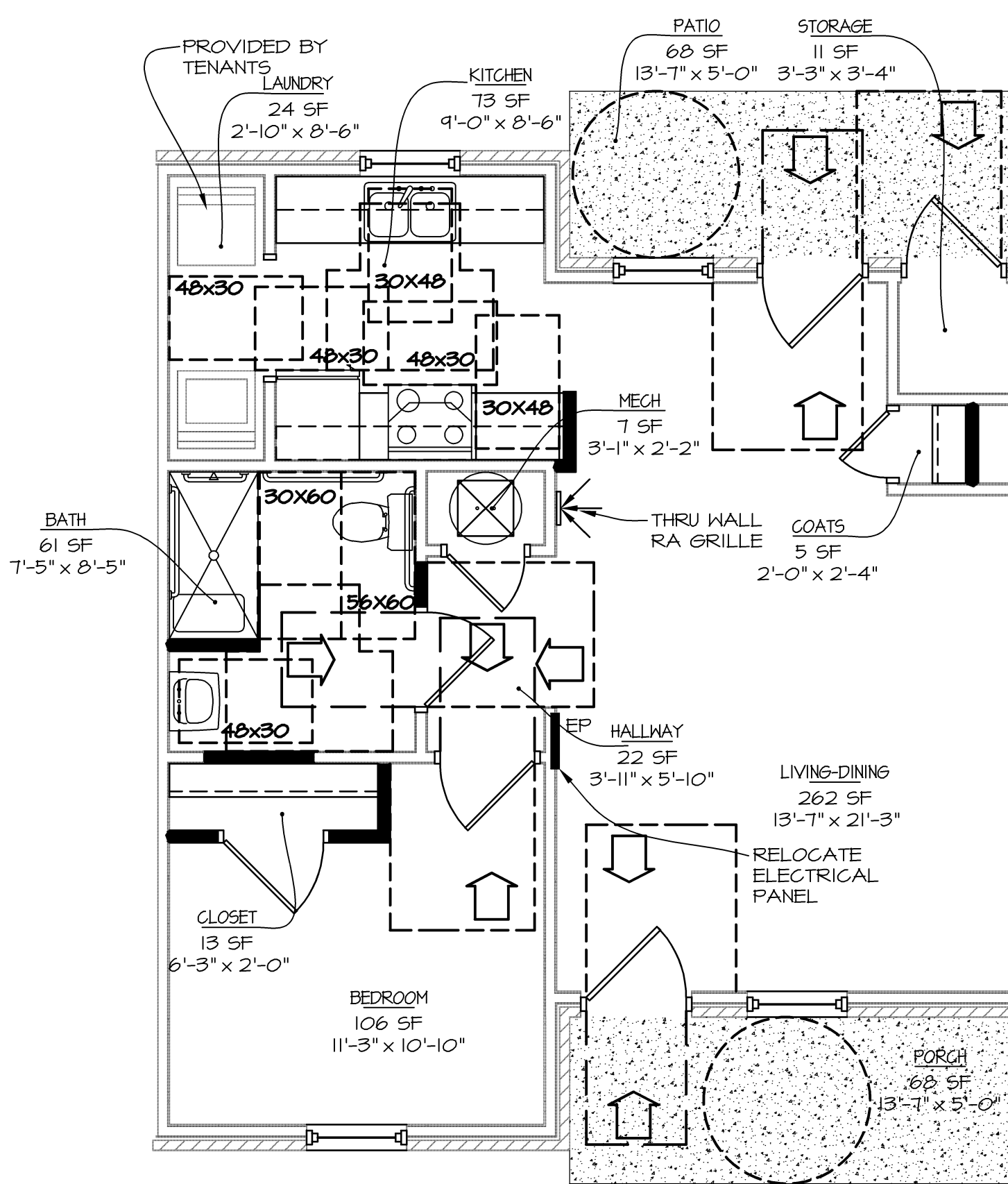
**DEMO UFAS
1-BR FLOOR PLAN**
SCALE: 1/8" = 1'-0" (4) A.I.I.



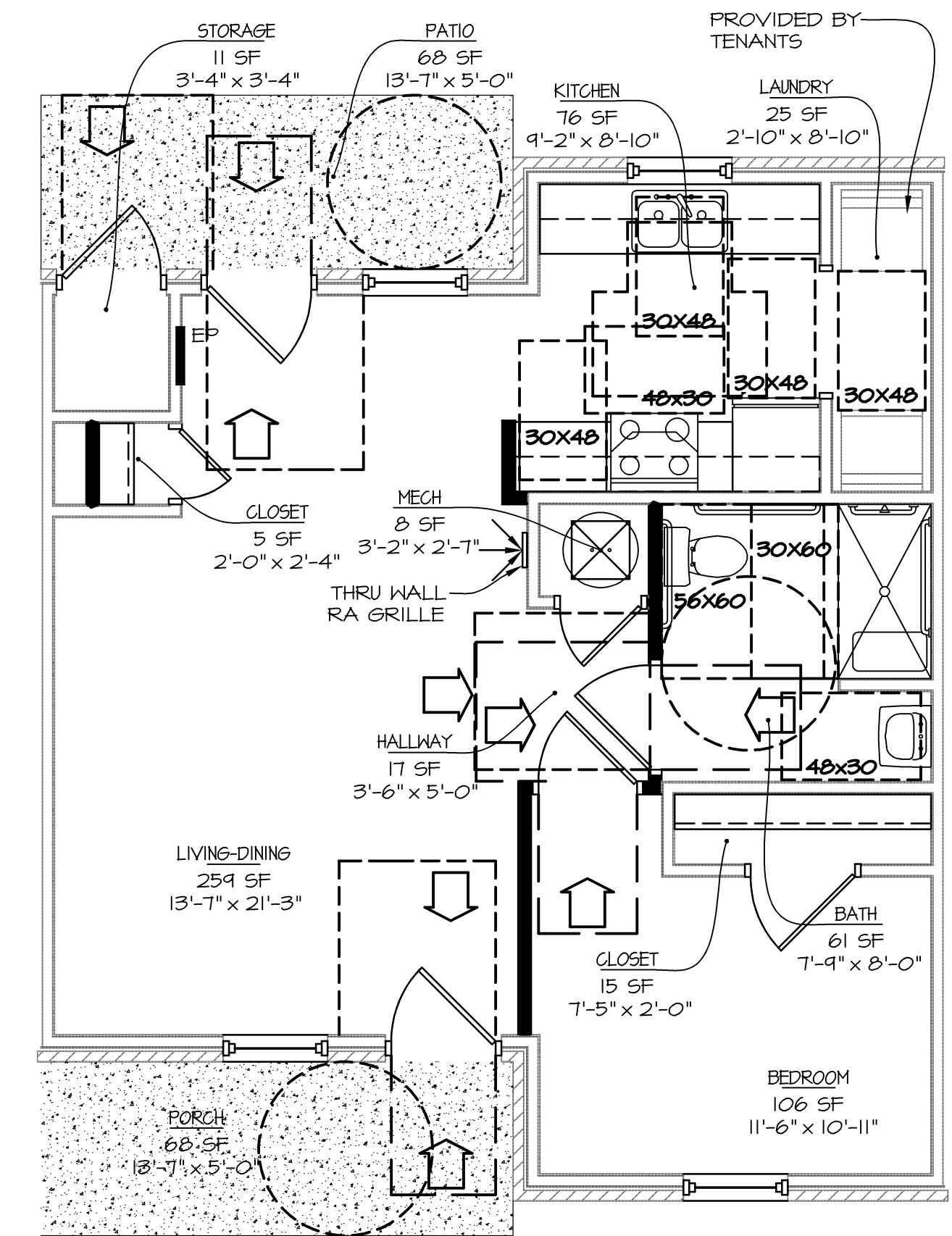
**RENOVATED
FHA 1-BR FLOOR PLAN**
SCALE: 1/4" = 1'-0" (5) A.I.I.



**CONVERTED
FHA 1-BR FLOOR PLAN**
SCALE: 1/4" = 1'-0" (ONLY @ BLDG. A / UNIT 6) (6) A.I.I.



**CONVERTED
UFAS 1-BR FLOOR PLAN**
SCALE: 1/4" = 1'-0" (ONLY @ BLDG. E / UNIT 2B) (7) A.I.I.



**RENOVATED
UFAS 1-BR FLOOR PLAN**
SCALE: 1/4" = 1'-0" (8) A.I.I.

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MEADOW CROSSING APARTMENTS RENOVATION
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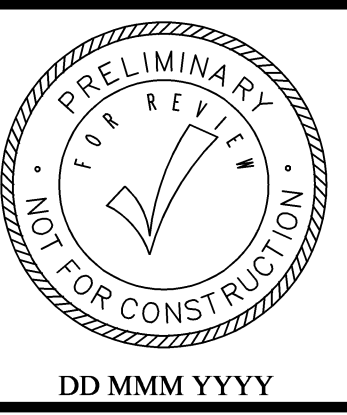
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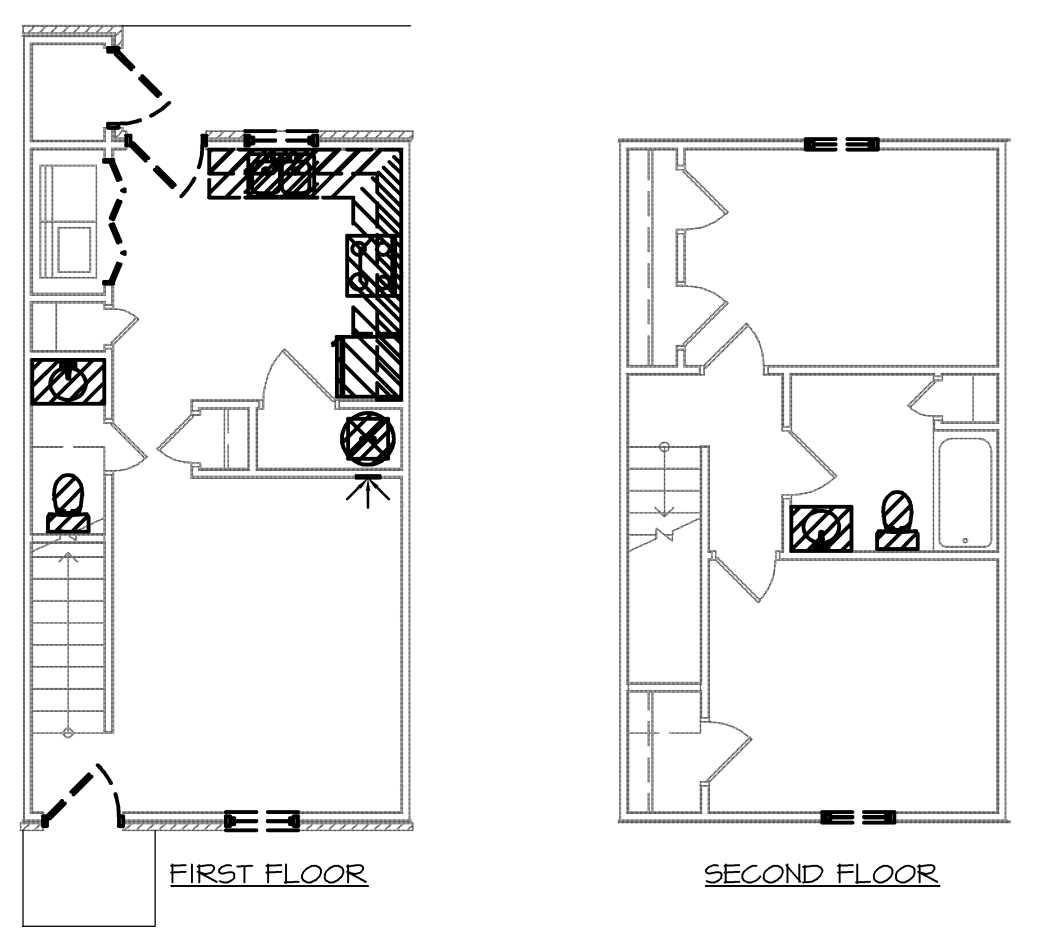
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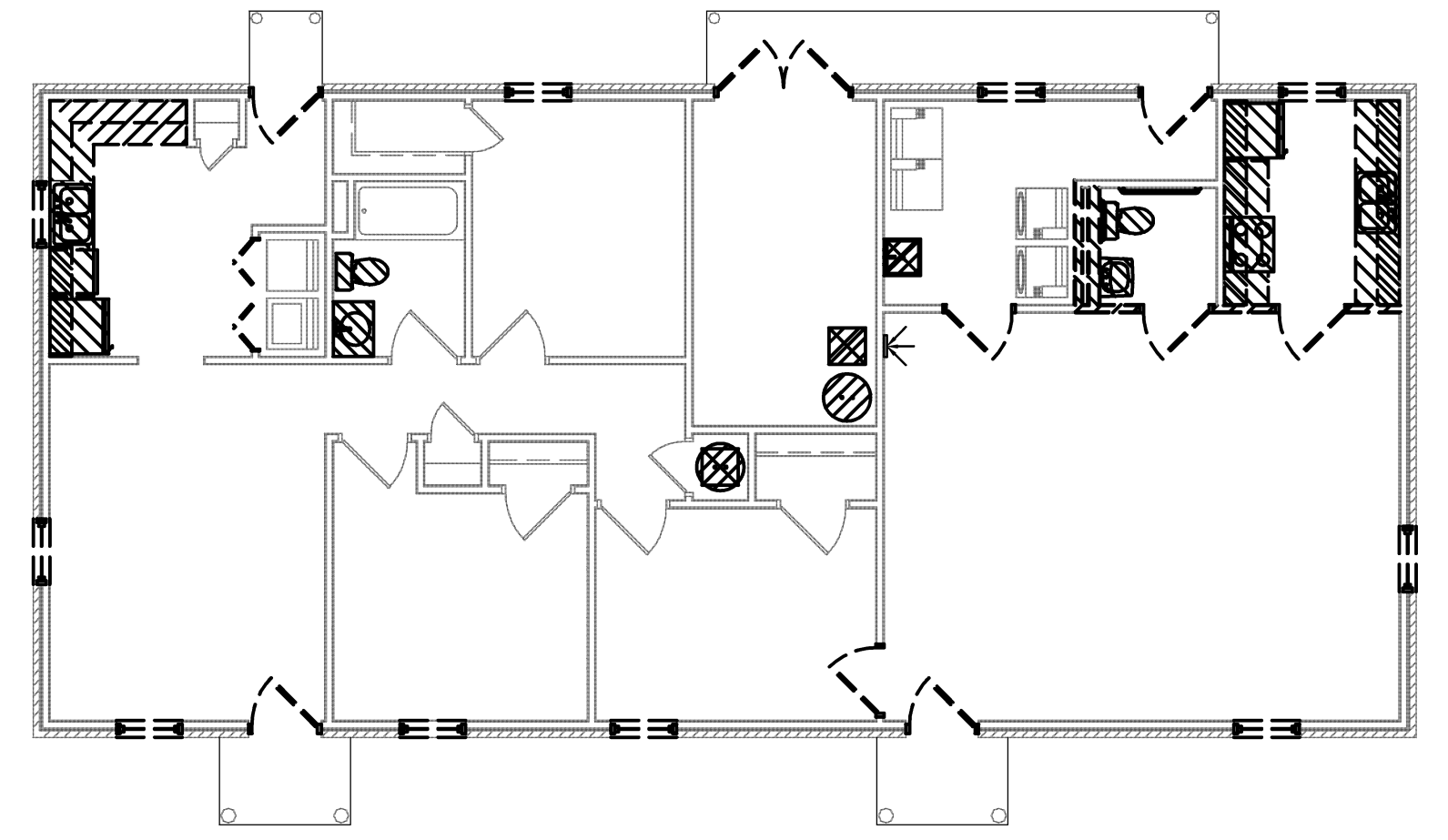


- NOTES**
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 - WOOD BASE TO BE INCLUDED AT ALL NEW AND/OR RELOCATED DOORS WALLS.
 - EXISTING BATHROOM VENT COVERS ARE TO BE REMOVED AND REPLACED THROUGHOUT.

- LEGEND**
- EXISTING WINDOWS, WALLS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC.
 - EXISTING DOORS
 - WINDOWS, WALLS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC. TO BE REMOVED. SEE WINDOW SCHEDULE FOR EXTENT OF WINDOW DEMOLITION REQUIRED.
 - DOORS TO BE REMOVED
 - NEW FLOOR SLAB
 - NEW CONCRETE
 - NEW WINDOWS, PLUMBING FIXTURES, KITCHEN MILLWORK ETC.
 - NEW WALLS
 - NEW DOORS

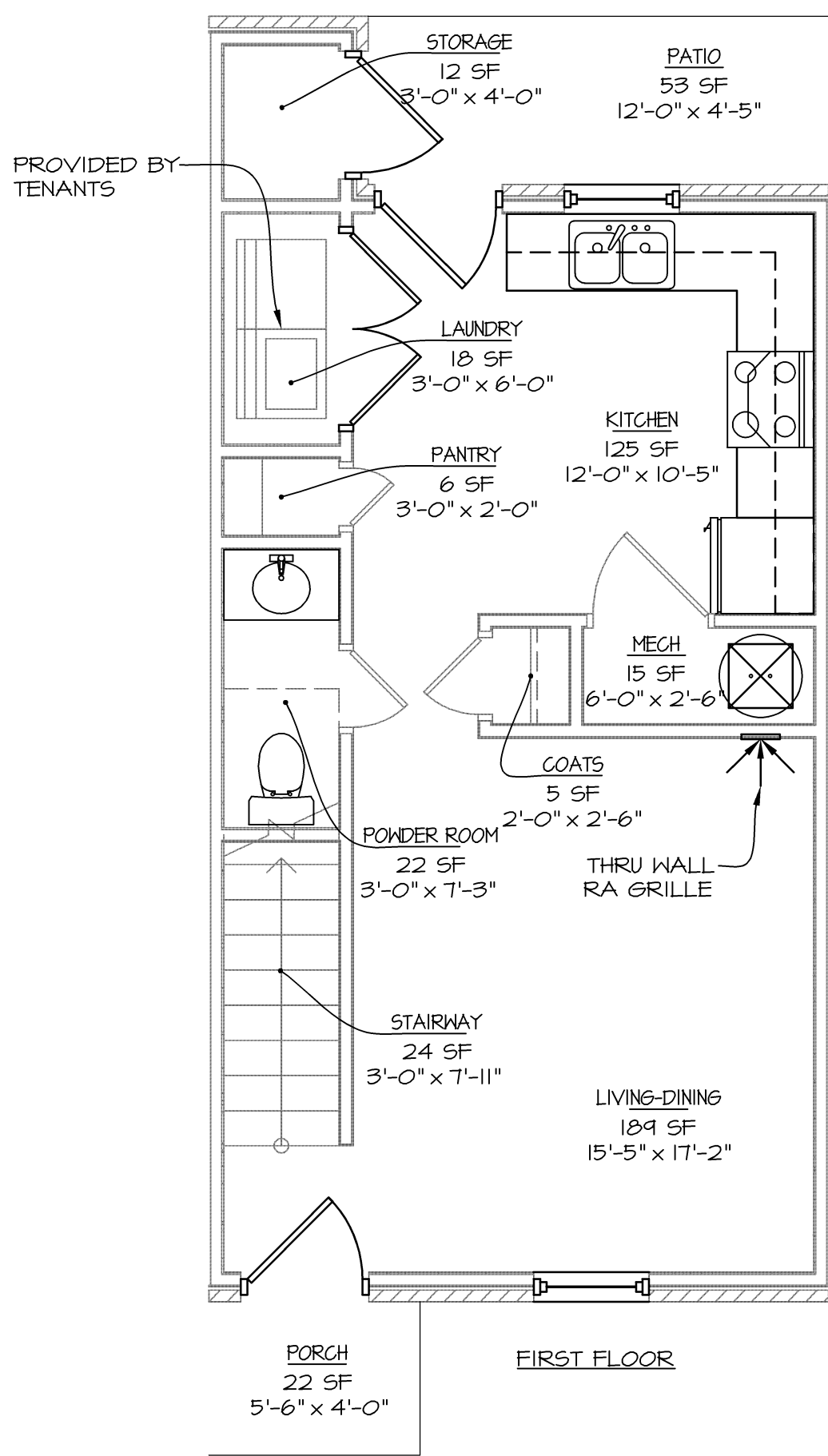


DEMO TYP.
2-BR-TH FLOOR PLAN
SCALE: 1/8" = 1'-0"

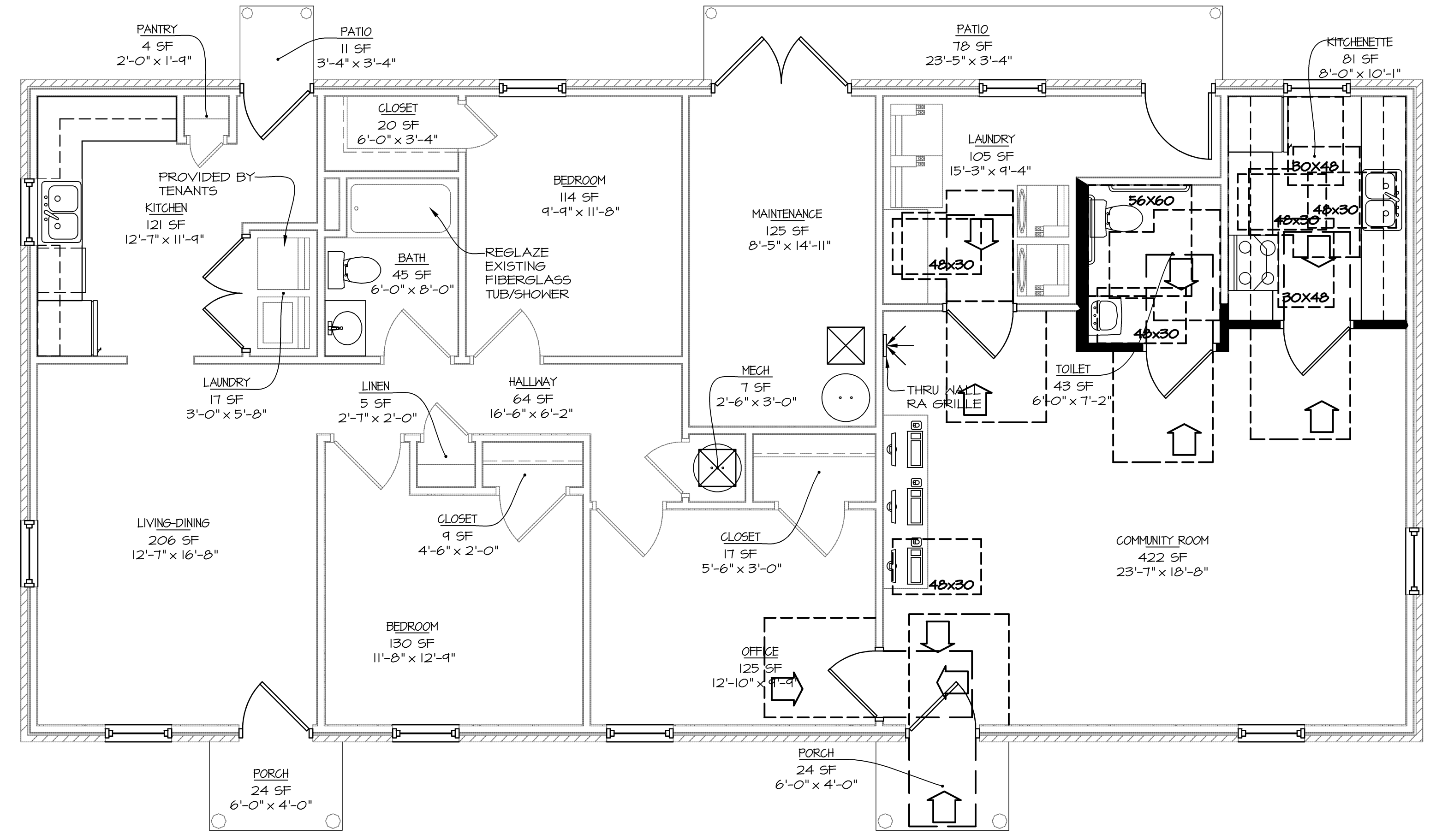
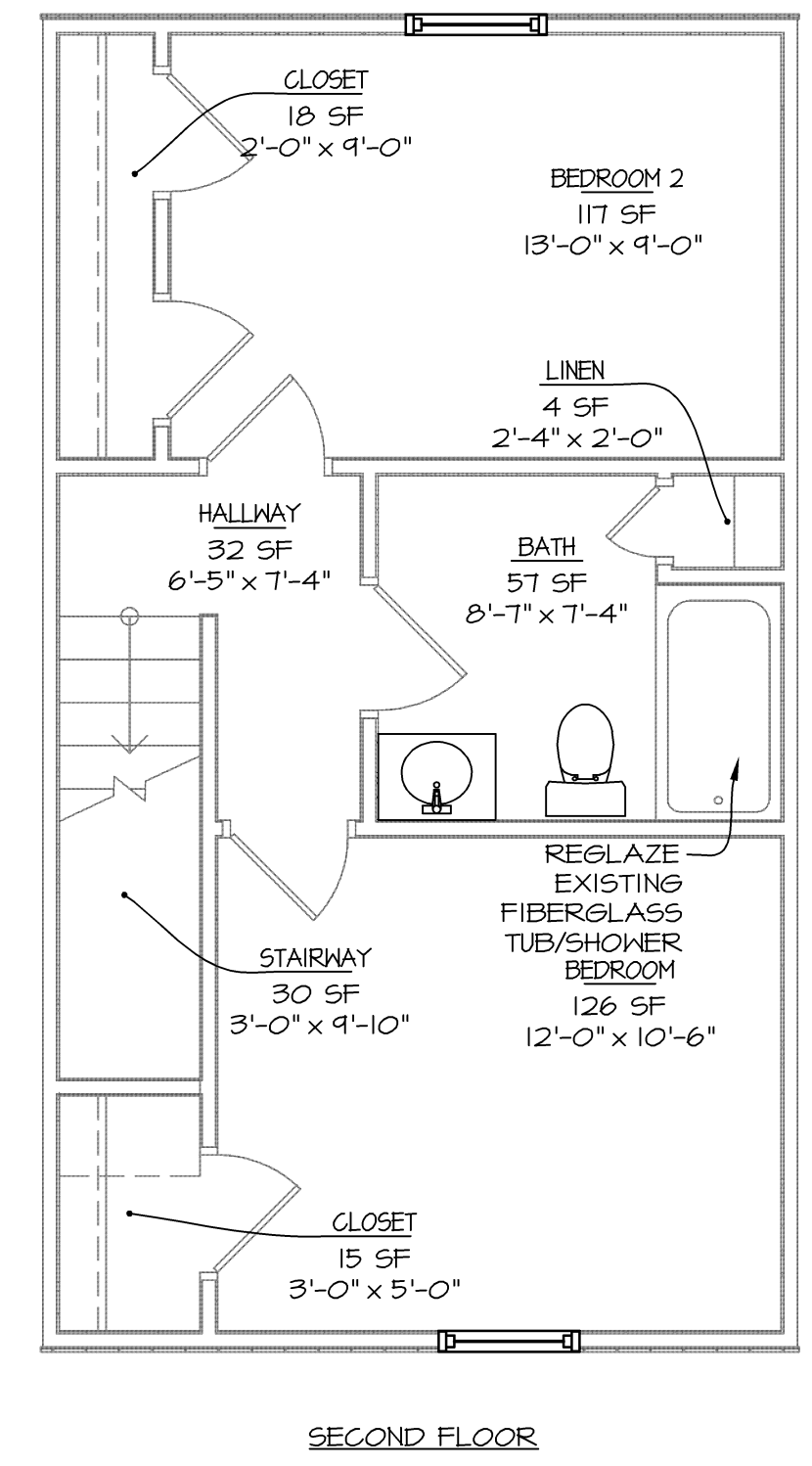


DEMO OFFICE/LAUNDRY/MAINT. FLOOR PLAN
SCALE: 1/8" = 1'-0"

NOTE:
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MARCH 13, 1991. FAIR HOUSING APPLIES.



RENOVATED TYP. 2-BR-TH FLOOR PLAN
SCALE: 1/4" = 1'-0"



RENOVATED OFFICE/LAUNDRY/MAINT. FLOOR PLAN
SCALE: 1/4" = 1'-0"

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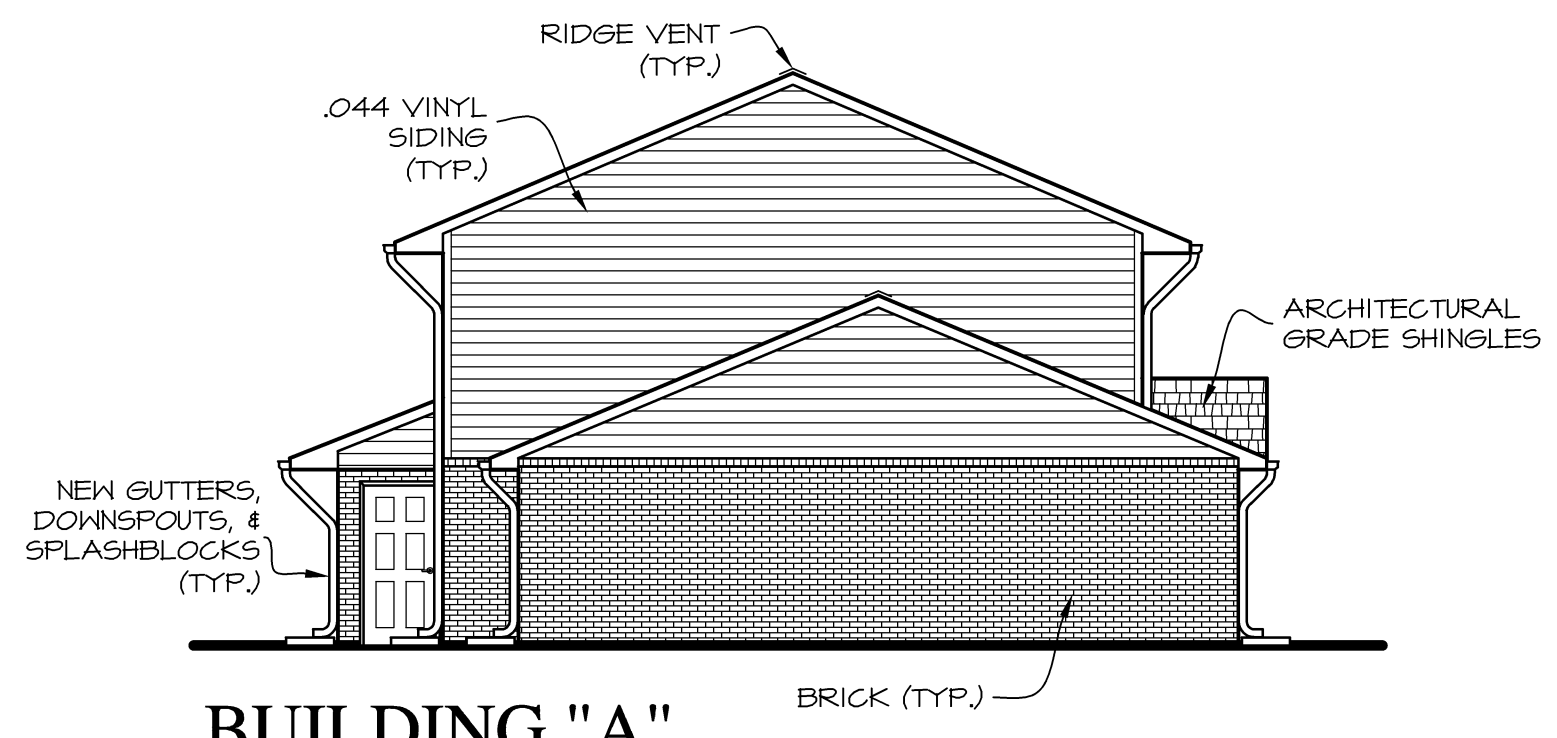
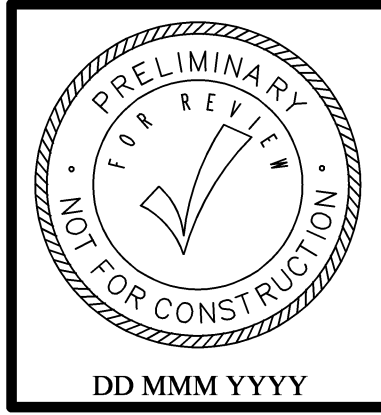
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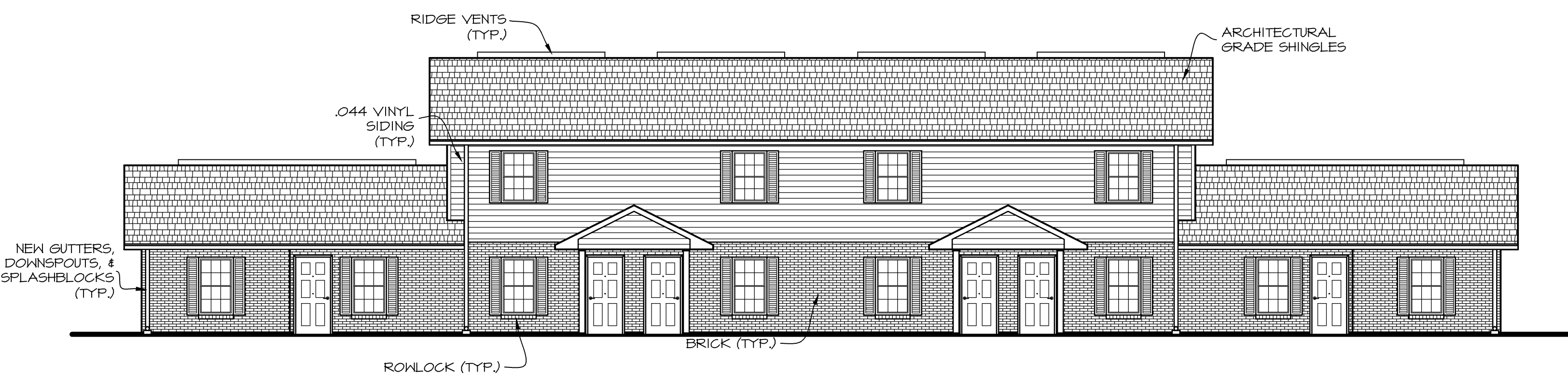
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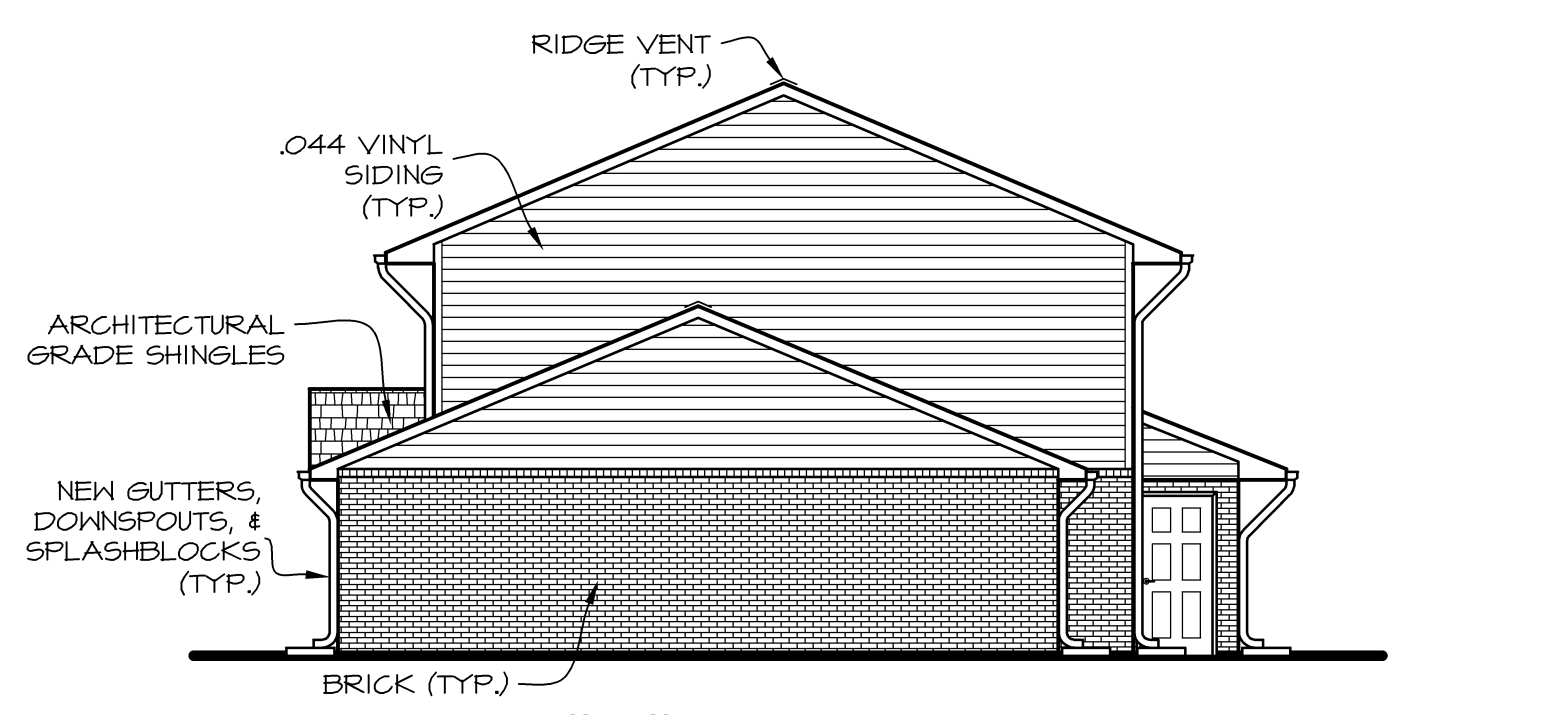
**BUILDING "A"
LEFT ELEVATION**

SCALE: 1/8" = 1'-0" 1
A3.0



BUILDING "A" FRONT ELEVATION

SCALE: 1/8" = 1'-0" 2
A3.0



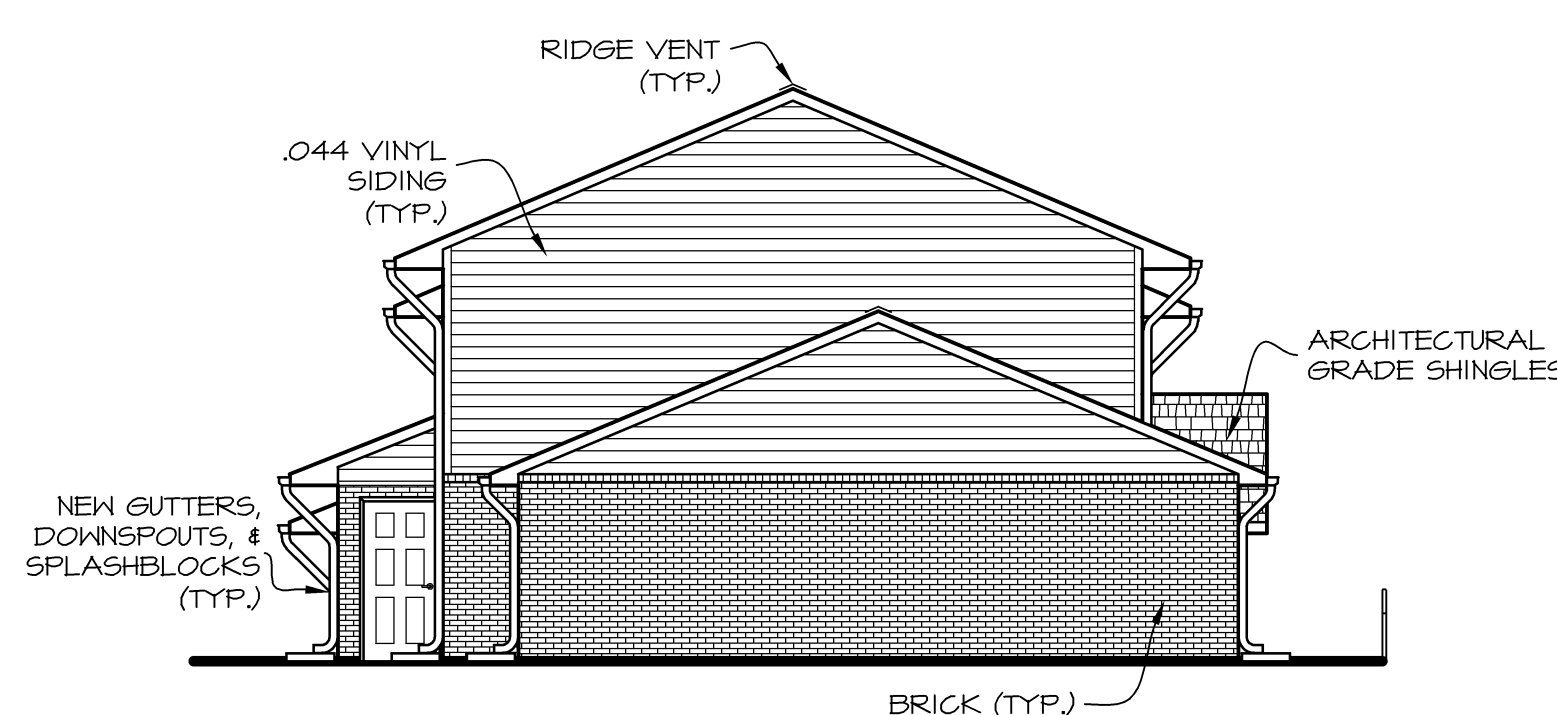
**BUILDING "A" RIGHT
ELEVATION**

SCALE: 1/8" = 1'-0" 3
A3.0



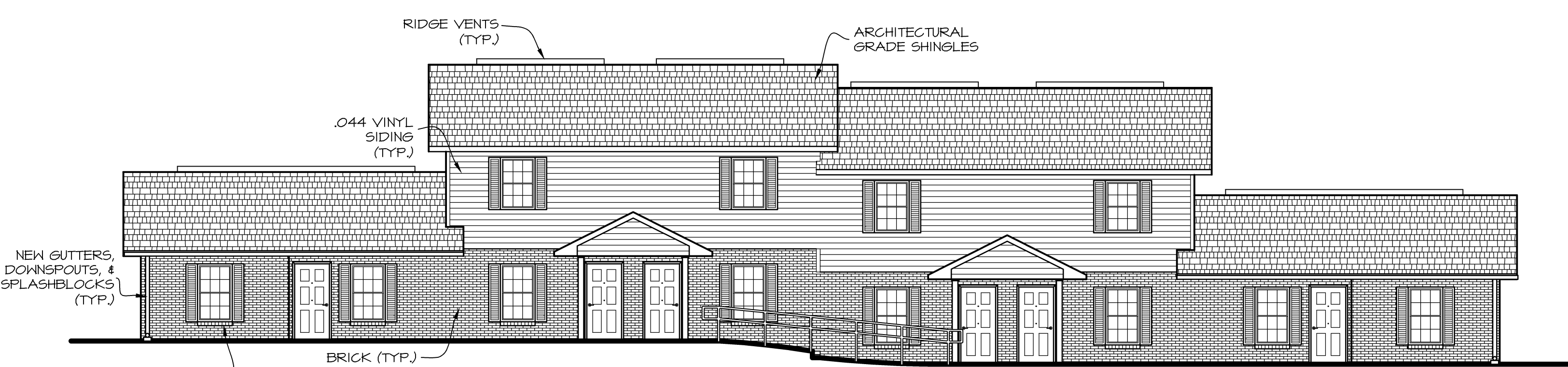
BUILDING "A" REAR ELEVATION

SCALE: 1/8" = 1'-0" 4
A3.0



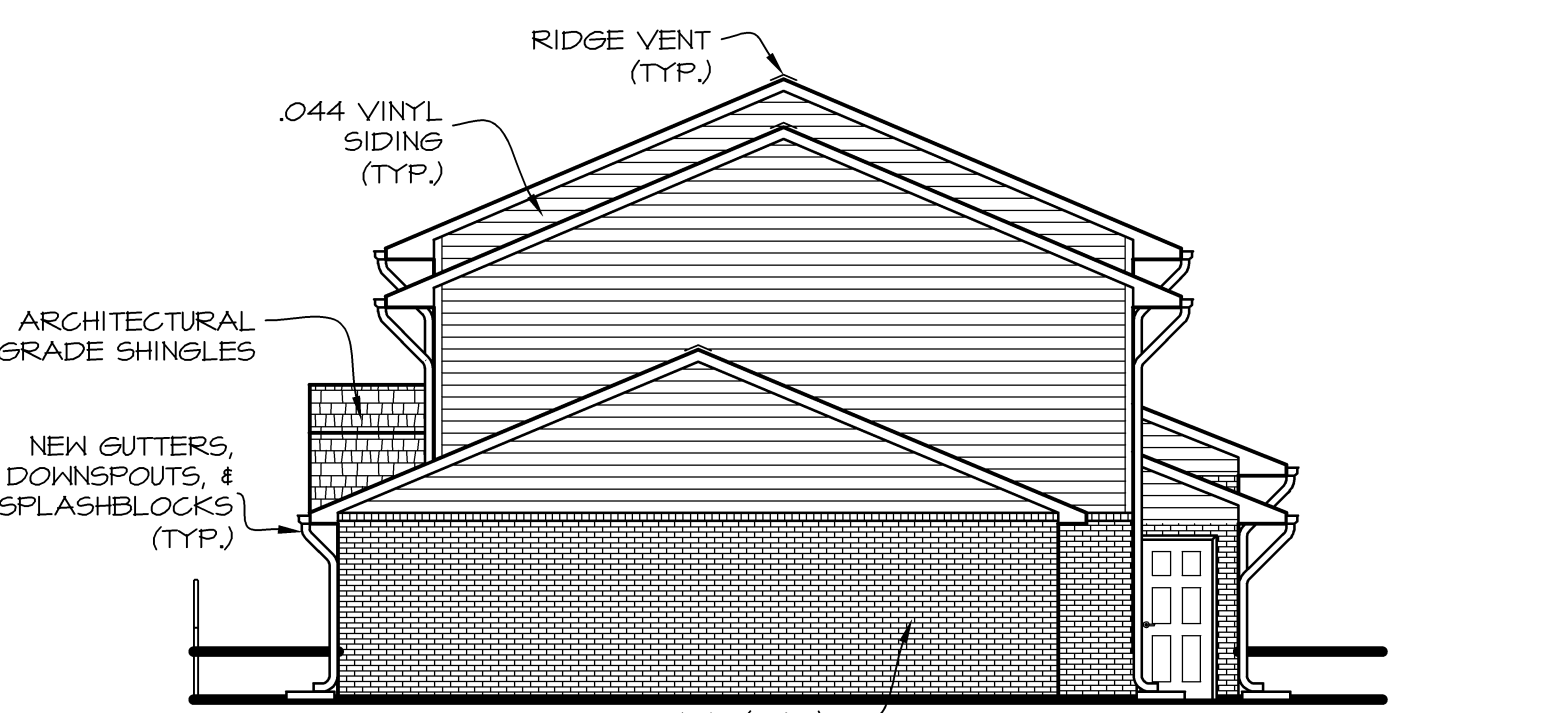
**BUILDINGS "B & C"
LEFT ELEVATION**

SCALE: 1/8" = 1'-0" 5
A3.0



BUILDINGS "B & C" FRONT ELEVATION

SCALE: 1/8" = 1'-0" 6
A3.0



**BUILDINGS "B & C"
RIGHT ELEVATION**

SCALE: 1/8" = 1'-0" 7
A3.0



BUILDINGS "B & C" REAR ELEVATION

SCALE: 1/8" = 1'-0" 8
A3.0

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MEADOW CROSSING APARTMENTS RENOVATION
OMEGA, TIFT COUNTY, GEORGIA

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ARCHITECTS, L.L.C.
Columbia, NJ
P 973-266-7200

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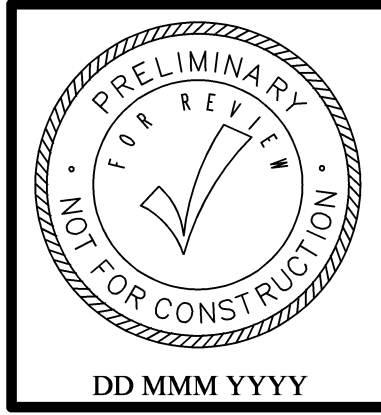
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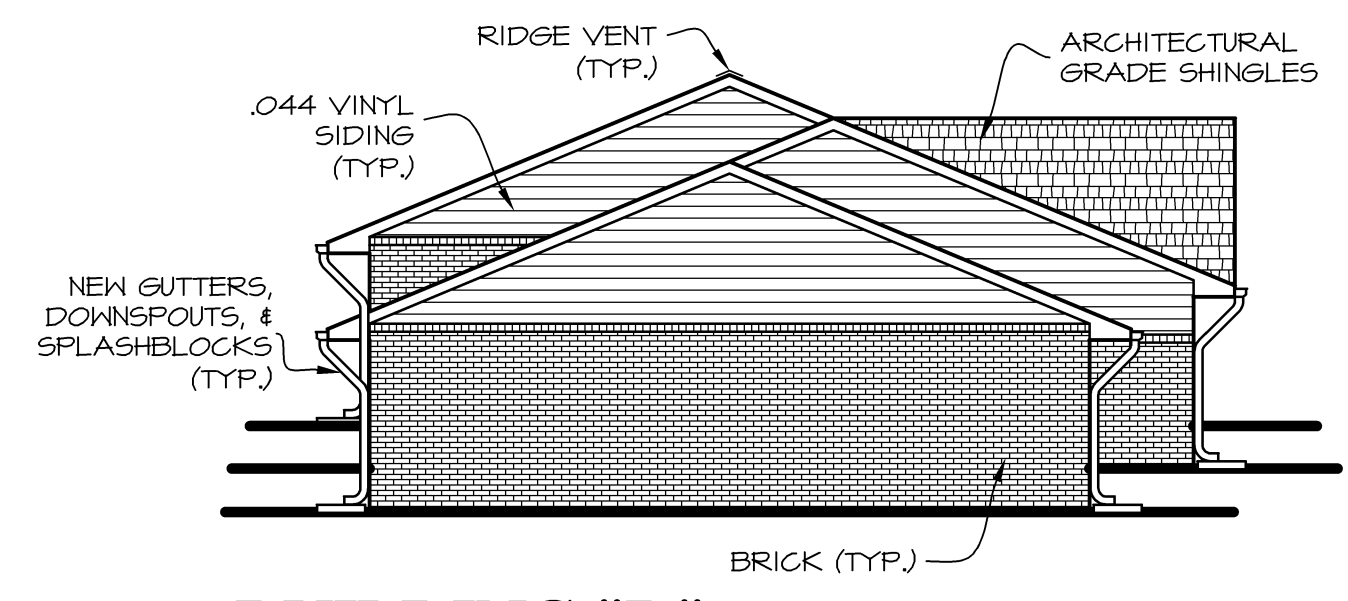


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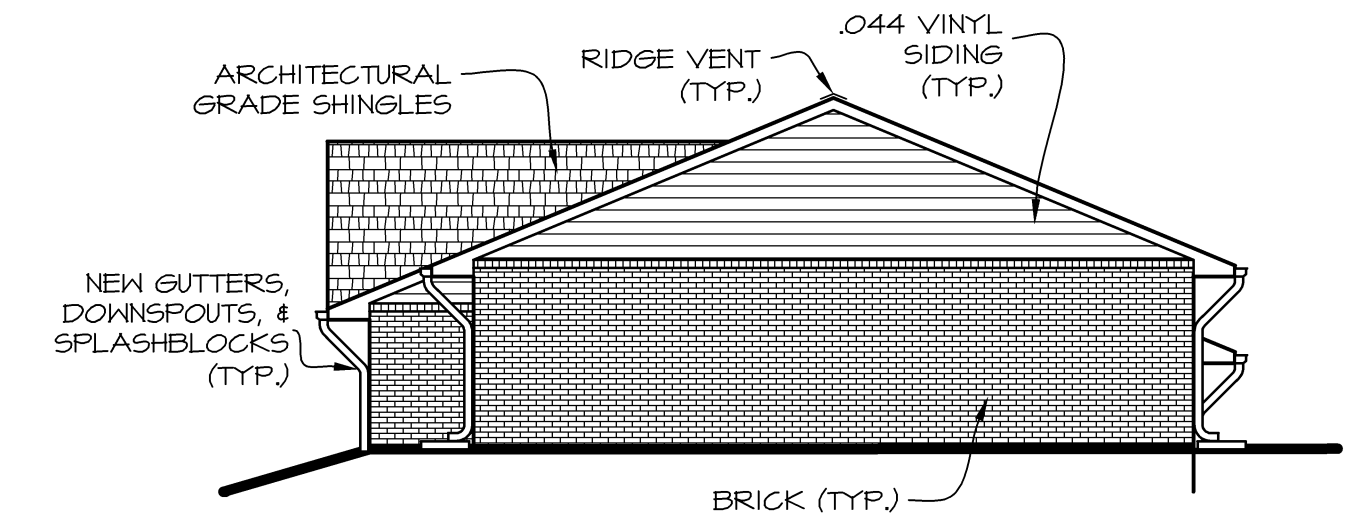
**BUILDING "D"
LEFT ELEVATION**
SCALE: 1/8" = 1'-0"

1
A3.1



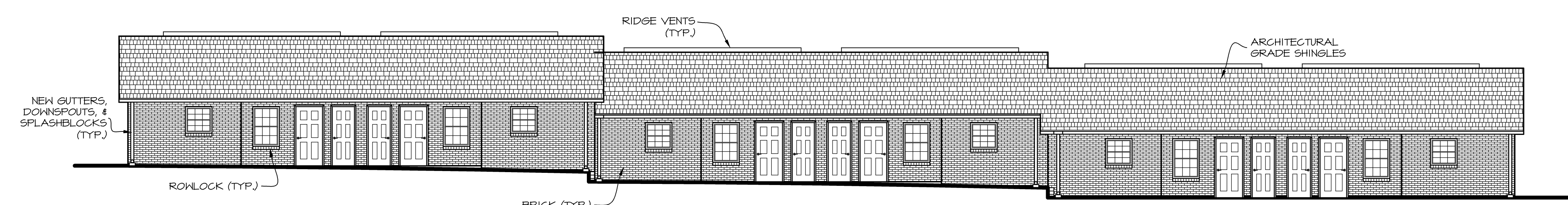
BUILDING "D" FRONT ELEVATION
SCALE: 1/8" = 1'-0"

2
A3.1



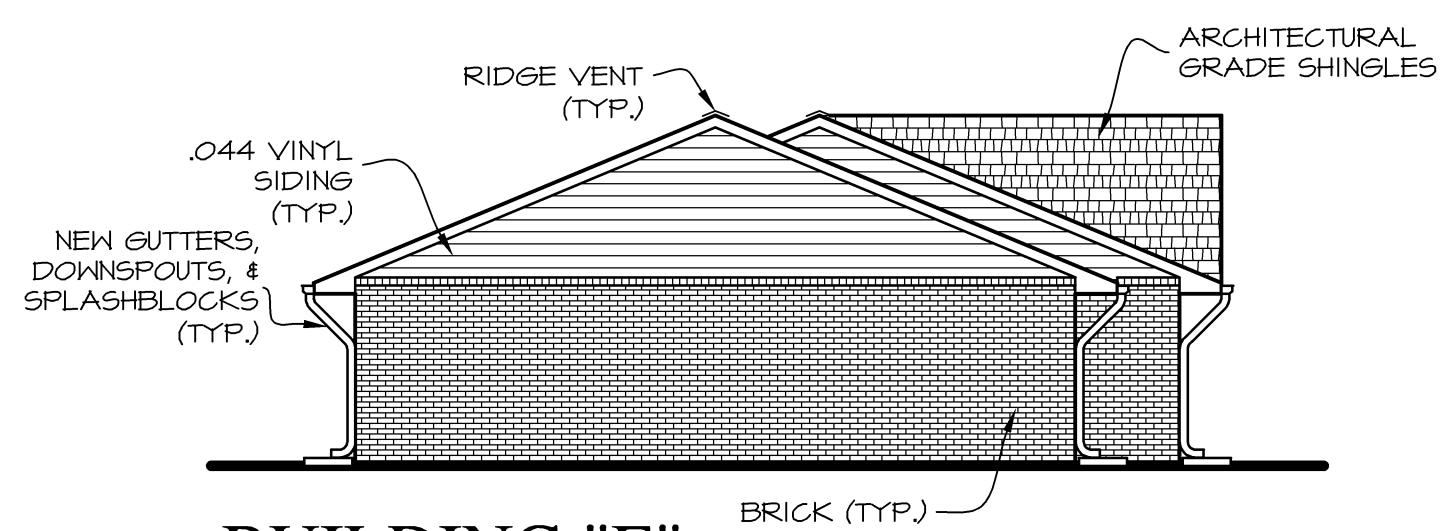
**BUILDING "D"
RIGHT ELEVATION**
SCALE: 1/8" = 1'-0"

3
A3.1



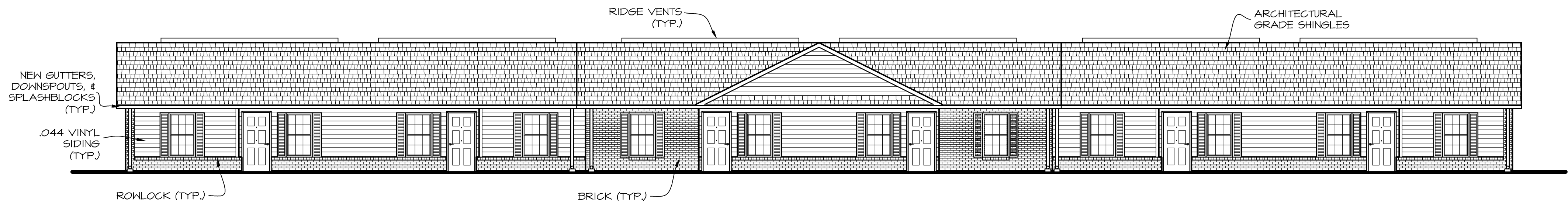
BUILDING "D" REAR ELEVATION
SCALE: 1/8" = 1'-0"

4
A3.1



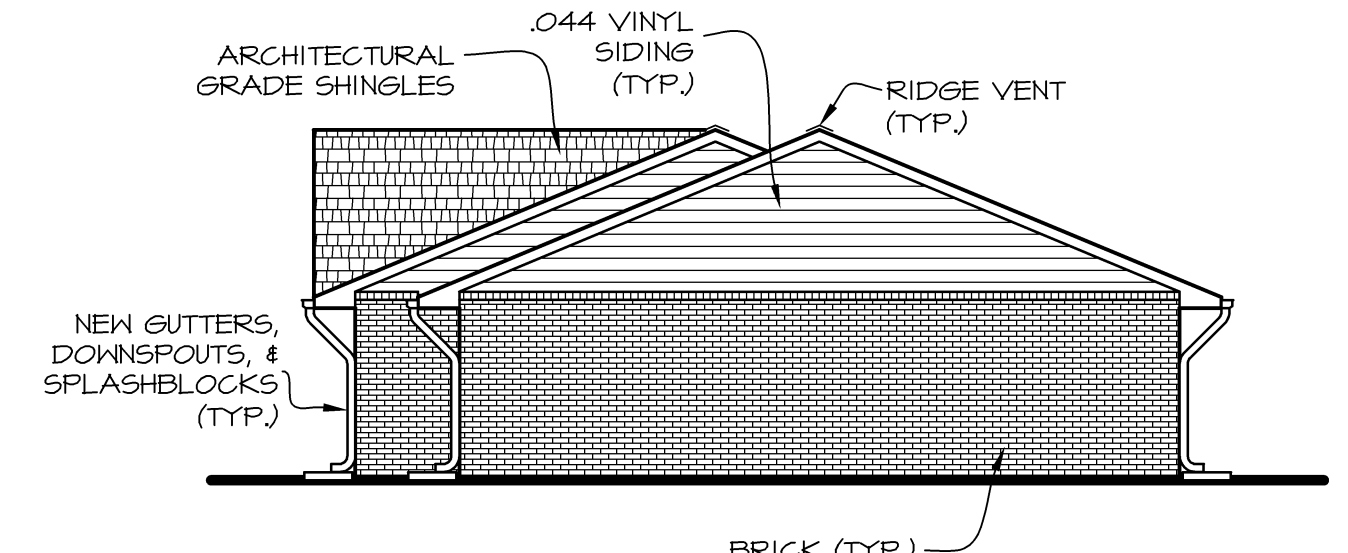
**BUILDING "E"
LEFT ELEVATION**
SCALE: 1/8" = 1'-0"

5
A3.1



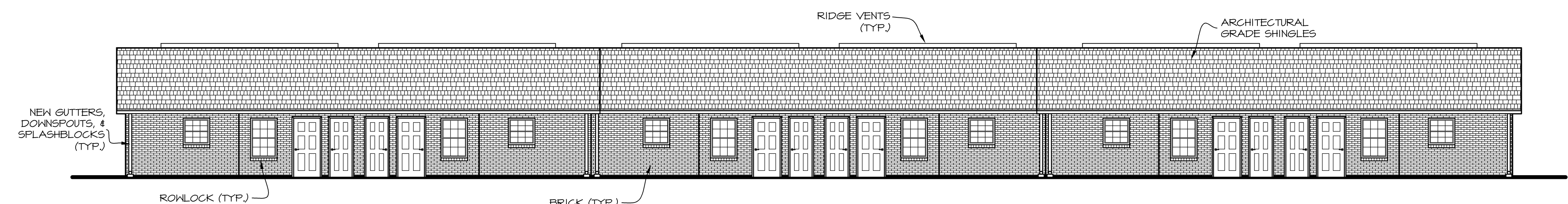
BUILDING "E" FRONT ELEVATION
SCALE: 1/8" = 1'-0"

6
A3.1



**BUILDING "E"
RIGHT ELEVATION**
SCALE: 1/8" = 1'-0"

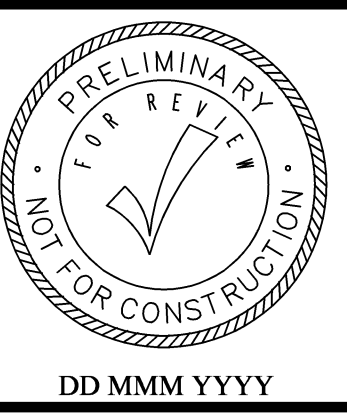
7
A3.1



BUILDING "E" REAR ELEVATION
SCALE: 1/8" = 1'-0"

8
A3.1

NOTE:
CONTRACTOR SHALL FIELD VERIFY ALL
DIMENSIONS AND MEASUREMENTS.



PRELIMINARY NOT FOR CONSTRUCTION, RECORDING PURPOSES OR IMPLEMENTATION

PRELIMINARY NOT FOR CONSTRUCTION, RECORDING PURPOSES OR IMPLEMENTATION

MEADOW CROSSING APARTMENTS RENOVATION
OMEGA, TIFT COUNTY, GEORGIA

Wallace ARCHITECTS, L.L.C.
Columbia, NJ
P 973-256-7200

WALLACE ARCHITECTS, L.L.C.

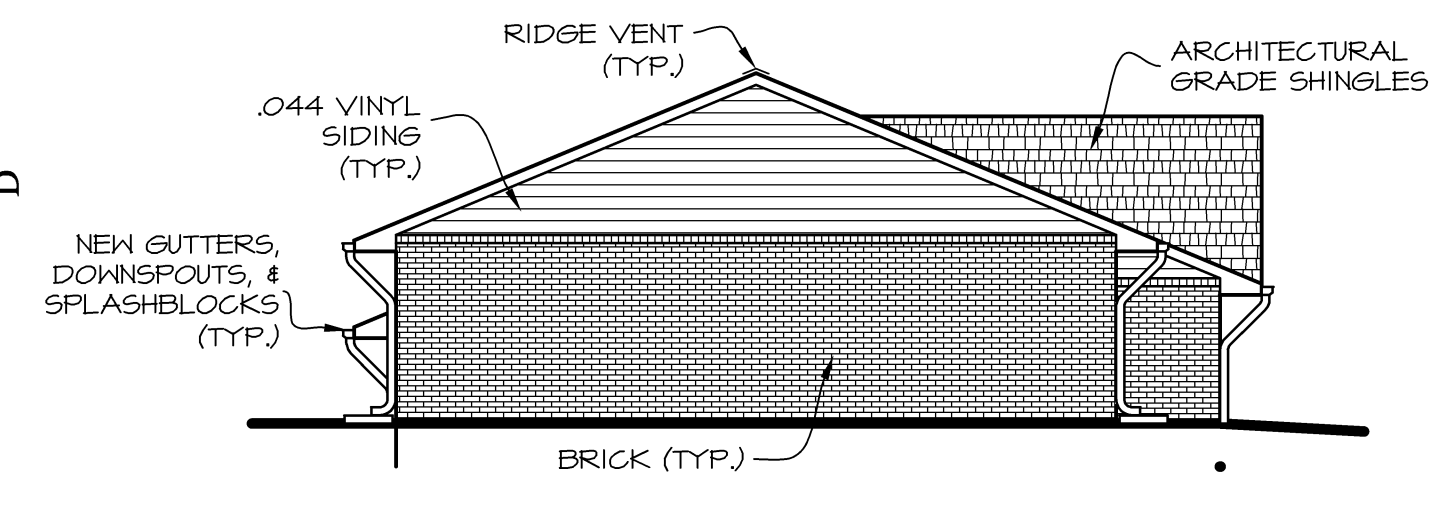
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1ST ISSUE
XX XXX XXXX

REVISIONS
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SHEET NO.
A3.2

JOB NO.
3435

REVIEW SET



**BUILDING "F"
LEFT ELEVATION**

SCALE: 1/8" = 1'-0"

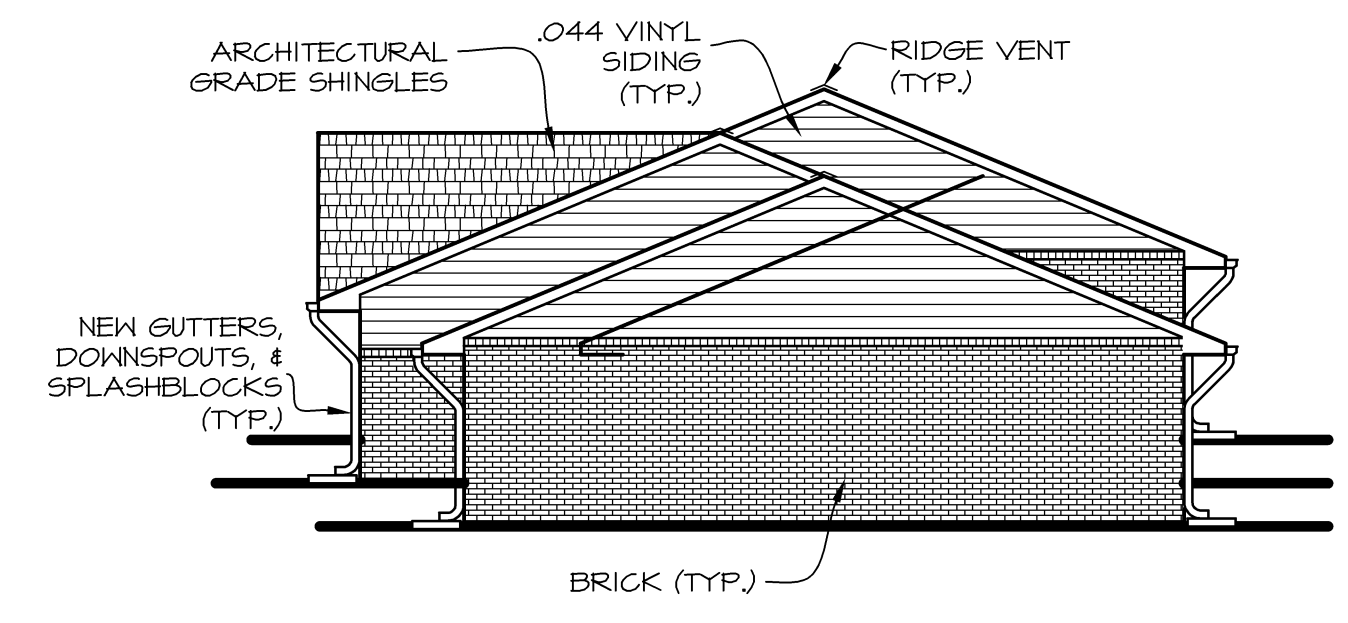
1
A3.2



BUILDING "F" FRONT ELEVATION

SCALE: 1/8" = 1'-0"

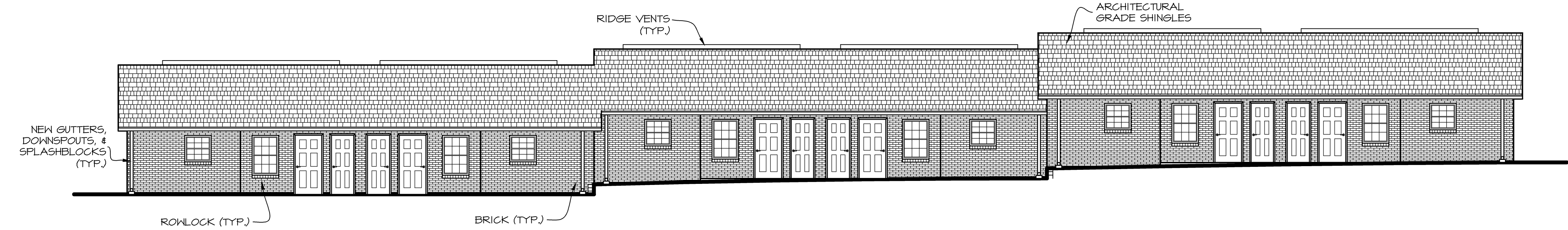
2
A3.2



**BUILDING "F"
RIGHT ELEVATION**

SCALE: 1/8" = 1'-0"

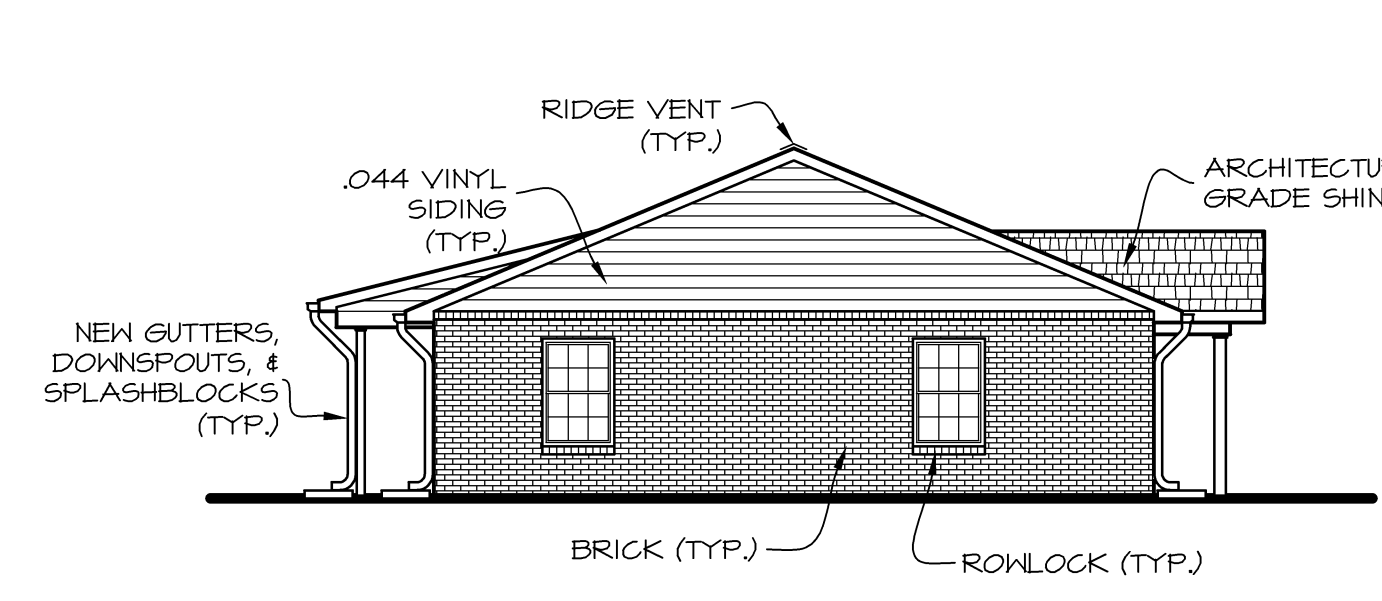
3
A3.2



BUILDING "F" REAR ELEVATION

SCALE: 1/8" = 1'-0"

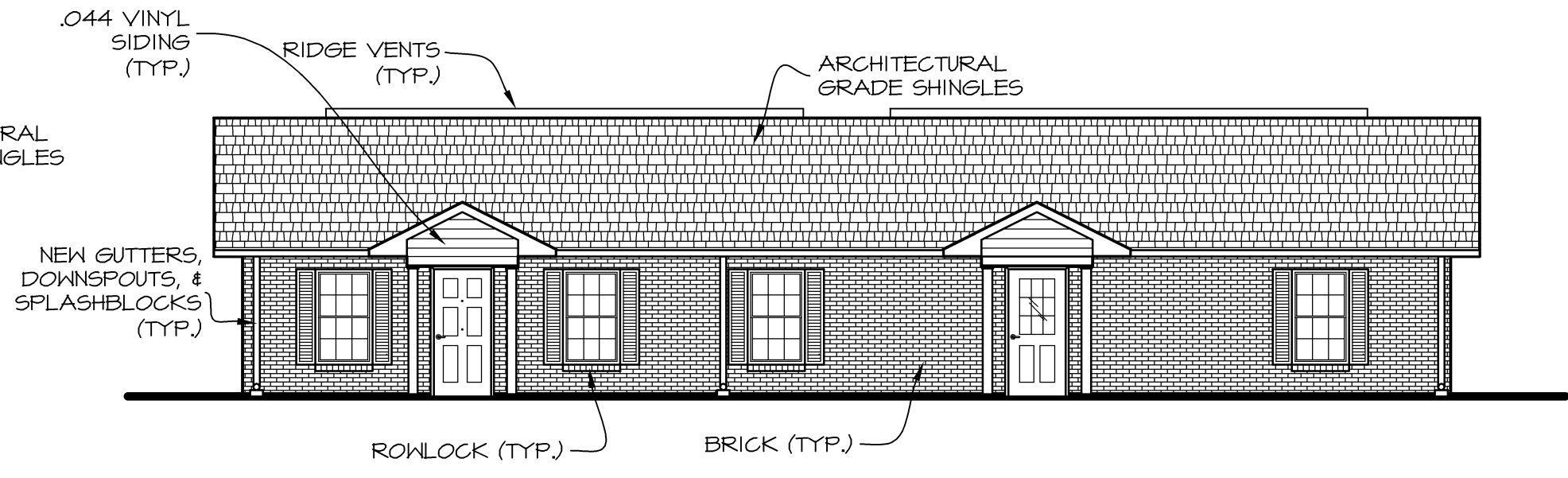
4
A3.2



**BUILDING "G"
LEFT ELEVATION**

SCALE: 1/8" = 1'-0"

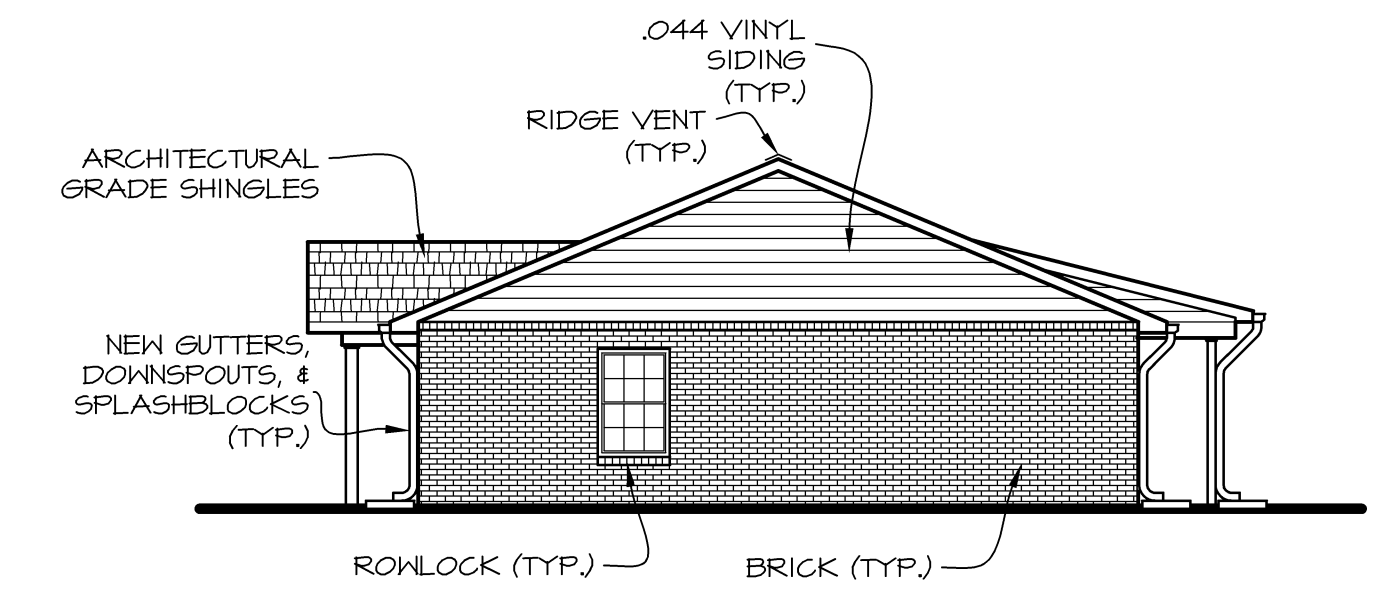
5
A3.2



BUILDING "G" FRONT ELEVATION

SCALE: 1/8" = 1'-0"

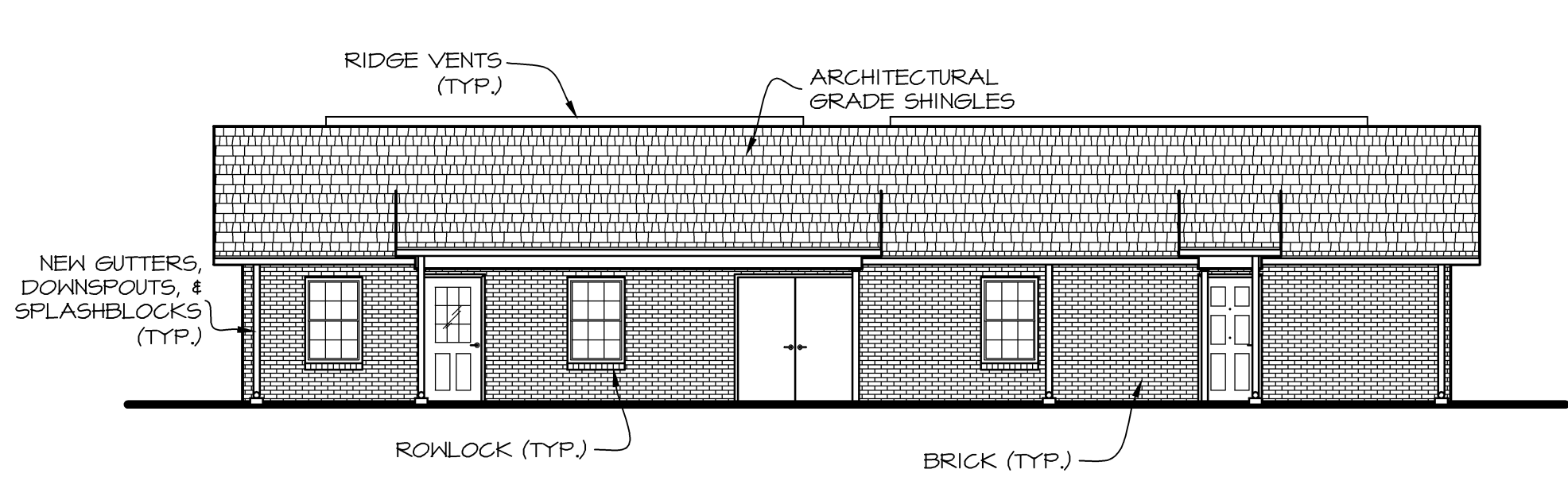
6
A3.2



**BUILDING "G"
RIGHT ELEVATION**

SCALE: 1/8" = 1'-0"

7
A3.2



BUILDING "G" REAR ELEVATION

SCALE: 1/8" = 1'-0"

8
A3.2

SECTION 5. - SCHEDULE OF PERMITTED USES

5-1 - Table of permitted uses[—Using].

Within the various zoning districts as indicated on the "Official Zoning Maps of Tift County," no building, structure or land shall be constructed, erected, altered or used except as indicated in the following schedules:

5-1.1 *Uses permitted by right.* Uses permitted as a matter of right are indicated on the following schedule by the letter "X" in the appropriate column.

5-1.2 *Special exception.* Uses permitted only after special review and approval of the board of appeals are indicated on the following schedule by the letters "SE" in the appropriate column.

5-1.3 *Uses not allowed.* Uses not specifically designated by an "X" or "SE" within the appropriate column are not allowed within the district.

5-1.4 *Conflict of use interpretation.* In the event of a discrepancy between the various provisions of this ordinance as relates to a particular use of land being allowed in a particular zoning district, section 5, schedule of permitted uses, shall govern.

Sec. [5-2 - Table.]

LAND USE		ZONING DISTRICT																
		E-R	A-U	AU-2	R-R	R-1	R-20	R-12	R-8	M-R	R-8-M	M-H-P	R-P	C-C	G-B	WLI	H-I	C-A
<i>Residential and related uses</i>																		
1.	Accessory buildings or uses	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	
2a.	Animals, noncommercial keeping of horses as an accessory use to residential land uses, provided that in R-R, R-1, R-1A, R-20, R-12, R-8, M-R, R-8-M, M-H-P and R-P zones:	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	

	(a) Shall only be permitted on a lot containing not less than two acres;																	
	(b) All buildings used to house the animals shall be set back not less than 150 feet from any property line;																	
	(c) All animals shall be maintained at least 50 feet from any property line except property lines adjoining an A-U zone; and																	
	(d) There shall be not less than 30,000 square feet of fenced lot area not covered by the principle structure for each animal.																	

2b.	Animals, kennel, noncommercial, as an accessory use to residential land uses provided that:	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	
(a)	Minimum lot size of one acre;																	
(b)	All buildings used to house the animals shall be set back 100 feet from any property line.																	
2c.	Farm animals, commercial:																	
(a)	Minimum lot size 20 acres.																	
(b)	All buildings used to house the animals shall be set back 100 feet from any property line.		X															
2d.	Farm animals, noncommercial		X	X														
(a)	Minimum lot size two acres.																	

	(b)	All buildings used to house the animals shall be set back 100 feet from any property line.																		
	(c)	There shall be a minimum of 10,000 square feet of fenced in yard area for each four-legged animal as described in the definition section of this ordinance, being <u>section 2-4a</u> ; and breeding and grazing of these animals will not be considered commercial until the density exceeds the aforestated quantity of one animal per 10,000 square feet of fenced area.																		

	(d) There shall be a limit of not more than 50 fowl allowed on any one lot as a noncommercial accessory to that property.																	
3.	Boarding or rooming house									SE			SE	X	X			
4.	Church or other place of worship, including Sunday school buildings, parish houses, convents, nursery school, kindergartens (subject to developmental standards listed in use item #19) and other related uses on the same premises and operated by the church provided that within R-1, R-1A, R-R, R-20, R-12, R-8, R-8-M, M-R, and R-P zones:	X		X	X	X	X	X	X	X	X	X	X	X	X			
	(a) The lot size shall be no less than two acres;																	

	(b) Any building or structure established with any such use shall have minimum side and rear yards of 50 feet; and																		
	(c) Lot must front collector or arterial street.																		
5.	Dwelling, single-family		X		X	X	X	X	X	X	X	SE	X						
6.	Dwelling, two-family (duplex)		X						X	X	X		X						
7.	Residential group development projects (see <u>section 9-3</u>)									X			SE						
8.	Dwelling, multifamily (see <u>section 9-4</u>)									X			SE						
9.	Family personal care home		X						X	X	X		X						
10.	Fraternities and sororities, located within 500 feet from the nearest point of a main college campus and located on a principal or minor arterial as specified on the Major Thoroughfare Plan, Tift County, Georgia								SE	SE			SE						

11.	Garage apartment, provided no more than one shall be permitted on a lot with the principal dwelling, and provided such shall be permitted only within the rear yard. The lot on which such use is to be established must be 50 percent greater in lot area than the minimum standard lot size for the respective district.	X							X	X	X		X					
12.	Group personal care home, provided that:	X							X	X	X		X					
(a)	Minimum lot size of one acre in all residential zones (except A-U, which requires five acres).																	
(b)	Parking is restricted to rear and side yard and shall be screened per <u>section 3-19</u> .																	

13.	<p>Guest quarters or servant quarters, provided no more than one shall be permitted on a lot with the principal building and provided such shall be permitted only within the rear yard. The lot on which such use is to be established must be 50 percent greater in lot area than the minimum standard lot size for the respective district.</p>		X		X	X	X	X	X	X	X	X						
14.	<p>Home occupation (see sections <u>9-1</u> and <u>12-6.2</u>)</p>		X		X	SE	SE	SE	SE	SE	SE	SE	X	X	X	X	X	
15.	<p>Manufactured home, individually sited, provided that:</p>		X		X						X							
	<p>(a) The manufactured home shall meet the same minimum square footage, setback and yard requirements as any other single family dwelling; and</p>																	

	<p>(b) Must be set on an SBCCI-approved foundation, property underpinned or skirted with material comparable to the proposed manufactured home, and anchored per SBCCI requirements.</p>																		
<p>16.</p>	<p>Manufactured housing park, provided that:</p>										<p>X</p>								

	(a) Access to manufactured housing parks shall be by paved public street and either on or within 1,000 feet of and readily accessible to a principal or minor arterial, or collector street as designated on the Major Thoroughfare Plan, Tift County, Georgia; and																		
	(b) The manufactured housing park meets the requirements of <u>section 9-5</u> of this ordinance.																		
17.	Publicly owned recreation centers, Y.M.C.A. and institutions of a similar nature	SE	SE		SE	SE	SE	SE	SE	SE	SE		X	X	X				
18.	Schools, public or private, elementary through high school		SE		SE	SE	SE	SE	SE	SE	SE		SE	X	X				

19.	Schools, kindergartens, nurseries and day care centers, provided that:		SE		SE	SE	SE	SE	SE	SE	SE			SE	X	SE	SE	
	(a) Off-street loading and unloading spaces are supplied; and																	
	(b) At least 100 square feet of outdoor play area is supplies for each child accommodated; and																	

	(c)	The entire play area is enclosed by a steel mesh security fence or other substantial building material affording equal or better protection having a minimum height of at least four feet and constructed in such a manner that maximum safety to the children is ensured.																
20.	Tourist homes			SE						SE			SE	X	X			
<i>Business uses</i>																		
21.	Adult entertainment establishments, provided that:																	X
	(a)	Lot must front arterial street, and must be at least one acre in size.																

(b)	Adult bookstores shall maintain all windows in a clear unobstructed manner so as to provide an open and unobstructed view through the interior of the bookstore.																		
(c)	Adult movie houses shall maintain all windows in a clear and unobstructed manner, so that the entire reception area, lobby, ticket sales area of the theater is open and unobstructed to view by the public from all adjoining public thoroughfares and rights-of-way.																		

	<p>(d) Adult service establishments (bathhouses, etc.) shall maintain all windows in a clear and unobstructed manner, so that the entire reception area, lobby, ticket sales area of the service establishment is open and unobstructed to view by the public from all adjoining public rights-of-way.</p>																	
<p>22.</p>	<p>Ambulance service or rescue squad, private</p>												<p>X</p>	<p>X</p>	<p>X</p>		<p>X</p>	
<p>23.</p>	<p>Amusement or recreational activities (commercial), carried on outside a building such as a golf or baseball driving range, miniature golf course, softball field and uses of a similar nature</p>												<p>X</p>	<p>X</p>				

24.	Amusement or recreational activities (commercial), carried on outside a building which produces noise and/or noxious fumes, such as drag racing strips, racetracks, motorcycle races or ATV (all terrain vehicle) courses, and uses of a similar nature															SE		
25.	Amusement or recreational activities (commercial), carried on wholly within a building, such as cinema, theater, auditorium, and uses of a similar nature											X	X					
26.	Animal hospital, commercial kennels, veterinary clinic or animal boarding place, located at least 300 feet from the nearest residential district												X	X	X			
27.	Reserved																	
28.	Art studio											X	X	X				

29.	Automobile service station, provided that major auto repair shall not be permitted, nor shall there be outside storage of materials or equipment other than merchandise offered for sale in a C-C or G-B district													X	X	X	X	
30.	Automobile, truck, farm equipment or motorcycle sales, repair or upholstery, auto washerteria, paint shops or tire recapping (including rebuilding of parts or sales of parts and equipment indoors only, no outside storage of equipment or parts except for WLI and H-I districts)														X	X	X	
31.	Automobile parking lot or parking garage (commercial)												SE	X	X	X	X	
<u>32.</u>	Bait and tackle store; in A-U, only when associated with resource oriented amusement or recreational activity	X											X	X	X	X	X	

33.	Banks, financial institutions, and offices not specifically listed elsewhere in this column											X	X	X	X	X	
34.	Bookbinding, printing, engraving, blueprinting, photostating, or letter shop											SE	X	X	X	X	
35.	Building contractor and related activities and storage of building supplies and materials, provided that equipment and materials temporarily stored or displayed outside shall be completely enclosed by a suitable fence. No sawmill or planing mill operations shall take place on the premises within any district other than the H-I district													X	X	X	
36.	Business schools (private)											SE	X	X	X	X	
36a.	Catering service											X	X	X			

37.	Clothing and dry goods stores, including shoe stores, men's shops, women's shops, variety stores and stores of a similar nature												X	X			
38.	Clubs or lodges (private)		SE			SE	SE			SE			SE	X	X		
39.	Public college and universities, including dormitories and fraternity or sorority houses if located on main campus		X		X	X	X	X	X	X	X	X	X	X	X		
40.	Cultural facilities, libraries, museums, and similar facilities		SE		SE	SE	SE	SE	SE	SE	SE		X	X	X		
41.	Dance school or studio												SE	X	X		
42.	Department stores													X	X		
43.	Drive-in restaurants													SE	X		
44.	Drive-in theater														X	X	
45.	Drugstores												SE	X	X		
46.	Electrical repair and similar repair of a heavy commercial nature														X	X	X

47.	Electrical appliance repair, wholly contained within a building													X	X	X	X	
48.	Experimental laboratory		SE												X	X	X	
49.	Freight express office														X	X	X	
50.	Farmers' market														X	X	X	
51.	Farm supplies, including feed, seed, and insecticides, and fertilizer retail sales														X	X	X	
52.	Flower shop										SE			X	X			
53.	Food stores, including retail bakeries, meat markets, dairy products, confectioner shops and stores of a similar nature													X	X	X		
<u>54.</u>	Funeral home										SE	SE		X				
55.	Furniture upholstery shop											SE		X	X	X		
56.	Glass sales and storage, wholly contained within a building													X	X	X		
57.	Golf course, lighted													X	X	X		

58.	Golf course, provided that:		SE		SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	SE	X			
	(a) It shall be for daytime use only; and																			
	(b) All greens and fairways shall be set back at least 100 feet from any exterior property lines; and																			
	(c) Structures shall meet minimum setback requirements for single-family residences within the respective district.																			
59.	Growing of gardens	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
60.	Home furnishings and hardware, such as appliance sales, hardware stores, paint stores, sporting goods stores, furniture stores and stores of a similar nature													X	X	X				

61.	Hospitals, nursing homes, care homes and congregate personal care homes, provided that:									SE	SE	SE		SE	SE	SE			
(a)	The lot size shall be no less than three acres within any district where allowed; and																		
(b)	Any building or structure established with any such use shall have minimum side and rear yard of 50 feet; and																		
(c)	The setback shall be 25 feet more than required for other structures within the same district; and																		

	(d) The lot upon which any hospital is built shall front on a principal or minor arterial as specified on the Major Thoroughfare Plan, Tift County, Georgia.																		
62.	Hotels												X	X					
63.	Laboratory serving professional requirements: medical, dental												X	X	X	X	X		
64.	Laundromat or washerteria													X	X				
65.	Locksmith, gunsmith, repairs and sales only.													X	X				
66.	Medical, dental, or similar clinic												X	X	X				
67.	Motels													X	X				
68.	Music teaching studio												SE	X	X				
69.	Neighborhood drycleaning plants, laundry pick-up stations:													X	X				

(a)	The drycleaning plant and its operation shall meet the requirements of the National Fire Protection Association (NFPA) and the Underwriters Laboratories, Inc.; and																	
(b)	The drycleaning plant shall serve not more than one pick-up and delivery station exclusive of one occupying the same premises as the plant; and																	
(c)	The building for a drycleaning plant shall not contain more than 4,000 square feet of floor area inclusive of drycleaning pick-up facilities within the building; and																	

	<p>(d) The drycleaning plant shall be designed to operate in a manner that will not emit smoke, or odor, or objectionable waste materials and which will not produce noise that will carry beyond the walls of the building occupied by such plant; and</p>																	
	<p>(e) Fuel for operation of equipment shall be smokeless fuel; and</p>																	
	<p>(f) The applicant for the drycleaning plant shall certify in writing at the time of application that all the above conditions will be met.</p>																	

70.	Newspaper or periodical production, sales and distribution															X	X	X		
71.	Newspaper or periodical publishing												X	X	X	X	X	X		
72.	Nightclub or lounge, provided lot must front arterial street																X			
73.	Office equipment sales and service															X	X	X		
74.	Package beer and wine sales, provided lot must front arterial street																X			
75.	Pawnshops and small personal loan offices other than commercial banks															X	X			
76.	Personal service shops, such as barbershops, beautyshops, shoe repair, watch repair and services of a similar nature.												SE	X	X					
77.	Pest control, providing no outside storage other than within a WLI or H-I district																X	X	X	
78.	Photography studio															SE	X	X		

79.	Produce sales, seasonal		X											X	X				
80.	Radio and television studios													SE	X	X			
81.	Radio and television towers and utility substations, provided all buildings, masts and other facilities are located at least 200 feet from adjacent property lines on any lot which adjoins any residential district		X												SE	X	X	X	
<u>82.</u>	Railroad or bus passenger station														X	X	X	X	
83.	Railroad freight station															X	X	X	
84.	Restaurants														X	X	X	X	
85.	Retail auto parts and tire stores														X	X	X	X	
<u>86.</u>	Retail stores, not covered elsewhere in this section														X	X			
87.	Residential mobile home salesroom and sales lot															X	X		
88.	Shell home display yards														SE	X	X		

89.	Shrubbery sales (within a C-C zone, must be wholly contained within the building)													X	X	X			
90.	Specialty shops, such as gift shops, jewelry stores, jewelry repair, antique shops and stores of a similar nature													SE	X	X			
91.	Taxidermist														X	X	X		
92.	Taxi office														SE	X	X		
93.	Telegraph or messenger service														SE	X	X	X	
94.	Trade schools														SE	X	X	X	X
95.	Travel trailer park, provided that:															X			

	<p>(a) No travel trailer nor RV park shall be located except with direct access to a principal or minor arterial with a minimum lot width of not less than 50 feet for that portion used for entrance and exit. No entrances or exits shall be through a residential district, or shall require movement of traffic from the park through a residential district.</p>																		
	<p>(b) The minimum lot area required for a travel trailer park shall be three acres.</p>																		

	<p>(c) Spaces in a travel trailer park may be used by travel trailers provided they shall be rented by the day or week only, and an occupant of such space shall remain in the trailer park for a period of not more than 30 days.</p>																		
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	<p>(d) Management headquarters, recreational facilities, toilets, showers, laundry facilities and other uses and structures customarily incidental to operation of a trailer park are permitted as accessory uses in any district in which travel trailer parks are allowed, provided such establishments and the parking area primarily related to their operations shall not occupy more than ten percent of the area of the park.</p>																	
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	<p>(e) No space shall be located so that any part intended for occupancy for sleeping purposes shall be within 20 feet of the exterior property line.</p>																	
	<p>(f) In addition to meeting the above requirements, the travel trailer park site plan shall be accompanied by a certificate of approval from the Tift County health department.</p>																	
<p><u>96.</u></p>	<p>Utility trailer rentals and rent-alls (no outside storage in C-C district)</p>												<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>		
<p><u>97.</u></p>	<p>Vending machines, located out-of-doors subject to yard and setback requirements for the respective districts (as an accessory use only)</p>											<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>		

<i>Manufacturing, wholesale and industry</i>																			
<u>98.</u>	Acid storage and distribution																		X
99.	Feed, grain or fertilizer wholesaling and storage												X	X	X				
100.	Freezer locker service, ice storage												X	X	X				
101.	Greenhouse and plant nursery (commercial), heavy equipment allowed only in A-U, WLI, and H-I districts. In C-C district must be wholly contained within a building		X										X	X	X	X			
<u>102.</u>	Heavy manufacturing. The like which produce noise, odor, dust, fumes, fire hazards or other nuisance features shall be set back not less than 500 feet from any H-I district boundary.																		
(a)	Asphalt or concrete plant																		X
(b)	Battery manufacturing																		X

(c)	Bone distillation																		SE
(d)	Corrosive acids manufacture																		SE
(e)	Drop forge industry																		SE
(f)	Fat or oil manufacture (including fat rendering)																		SE
(g)	Fertilizer manufacture																		SE
(h)	Grain mill product manufacture																		X
(i)	Leather tanning manufacture																		X
(j)	Linoleum manufacture																		X
(k)	Luggage manufacture																		X
(l)	Lumber manufacture (lumber sawmill and storage)																		X
(m)	Meat processing plant																		SE
(n)	Metal product manufacturing																		X

	(o)	Organic materials reduction																SE	
	(p)	Petroleum refining and related industry																SE	
	(q)	Pulp or paper mill																SE	
	(r)	Rubber or plastic product manufacture																X	
	(s)	Stone, clay or glass manufacture																X	
	(t)	Transportation equipment manufacture																X	
103.		Junkyard or auto graveyard, provided that:																SE	X
	(a)	Minimum lot size of five acres is required; and																	
	(b)	Front yard setback increased 50 feet over requirements for other uses in WLI and H-I zones; and																	

	(c)	Cannot be within 500 feet of any R-R, R-1, R-1A, R-20, R-12, R-8, M-R, R-8-M, M-H-P or R-P districts; and																	
	(d)	The entire junkyard or auto graveyard shall be screened as required in <u>section 3-19</u> ; and																	
	(e)	Must be set back 500 feet from any district boundary.																	
104.	Light manufacturing:																		
	(a)	Appliance and electronic device assembly plant, including the manufacturing of parts for appliances and electronic devices; and																X	X

(b)	Manufacturing of food, cosmetics and pharmaceutical products, but not including fish and meat products, sauerkraut, vinegar, yeast, and rendering plants; and																X	X	
(c)	Machine shop and related activities; and																X	X	
(d)	Construction of signs, including painted signs; and																X	X	
(e)	Cooperage; and																X	X	
(f)	Bottling and canning plants; and																X	X	
(g)	Light sheet metal products such as ventilating ducts and eaves; and																X	X	
(h)	Ice manufacturing; and																X	X	

(i)	Laundry, cleaning and dyeing plants; and															X	X	
(j)	Musical instruments, toys, novelties, and similar products, and															X	X	
(k)	Ceramic products, provided that kilns shall only be by gas or electricity; and															X	X	
(l)	Assembly of products from previously prepared materials; and															X	X	
(m)	Tinsmith and roofing services; and															X	X	

	(n) Other manufacturing, processing, packaging, or handling of a similar nature which shall not omit or produce more smoke, noise, odor, dust, vibration or fumes than the uses listed herein.																	X	X		
105.	Lumber yard, coal storage yards or other storage not specifically listed in this column; such yards if within a WLI district shall be enclosed by a fence and no storage shall be permitted outside such fence																		X	X	
106.	Petroleum storage (wholesale storage and wholesale distribution)																		X	X	
107.	Planing or sawmill																				X
108.	Railroad classification and repair yard																				X
109.	Sale of livestock and fowl		SE																		X

110.	Sanitary landfill or incineration (private)																		X		
111.	Truck terminal																		X	X	
112.	Warehousing (not related to sales on the premises)																		X	X	
113.	Warehousing (mini storage facility), storage for personal property, must be wholly contained within a building														X	X	X			X	X
114.	Wholesaling of a light commercial nature when operated in conjunction with or as part of a retail outlet														X	X	X			X	X
115.	Wholesaling (not covered in other parts of this list)														SE	X	X			X	X
<i>Signs</i>																					
116.	Advertising incidental use sign													X	X	X	X			X	X
117.	Advertising separate use sign												X	X	X	X				X	X

118.	Point of business sign (in accordance with restriction in <u>section 9-1</u> or <u>9-2</u> if for home occupation); in R-P not to exceed 12 square feet; identification sign, bulletin board		X		X	X	X	X	X	X	X	X	X	X	X	X	X	
119.	Signs which do not require a permit (refer to <u>section 10-4</u>)	X	X		X	X	X	X	X	X	X	X	X	X	X	X	X	X
<i>Agricultural and related uses</i>																		
120.	Amusement or recreational activities (resource-oriented), such as parks; marinas, hunting, fishing and shooting preserves and clubs; bird sanctuaries; botanical gardens; archery ranges	SE	X															
121.	Agricultural experimental laboratory and/or facilities		SE															
122.	Apiculture		X															

123.	Crop dusting service, in A-U, if landing strip is associated with activity, landing strip must be set back 500 feet from all property lines		SE												X		
124.	Farming and farm operations, including related structures and other agricultural uses as described in <u>section 2-4</u>		X														
125.	Fish hatcheries		X														
126.	Forestry nurseries (tree farms)		X														
127.	Growing of crops	X	X												X	X	
128.	Horticultural production, including related retail and wholesale activities		X														
129.	Plant farms		X														
130.	Riding or boarding stables		SE														
131.	Rodeo or horse show		X														
132.	Rural home occupation		SE									X	X	X	X		
133.	Worm farm		X														
134.	Vineyards		X														

<i>Miscellaneous</i>																		
135.	Armories, for meetings and training organizations													X	X	X		
136.	Carnival or athletic event, community fair or other event of interest to the public, not to exceed 30 days	X											X	X	X	X		
137.	Cemetery		SE											X				
138.	Religious meetings, held in a tent or other temporary structure, not to exceed 30 days	X											X	X	X	X	X	
139.	Temporary buildings and storage of materials (in conjunction with construction of a building) on a lot where construction is taking place or on adjacent lots such temporary uses to be terminated upon completion of construction. No temporary building shall be used for residential purposes.	X		X	X	X	X	X	X	X	X	X	X	X	X	X		

140.	Temporary batch plants and construction-related facilities for a single development		SE																
------	-------------------------------------------------------------------------------------	--	----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

(Mo. of 11-10-97)

9-4 - Multifamily development projects.

Multifamily development projects are allowed within the M-R zoning district as a matter of right and within the R-P zoning districts as a special exception.

9-4.1 Multiple buildings may be allowed on a single lot in these development types.

9-4.2 Two parking spaces shall be provided for each dwelling unit proposed as part of any multifamily development project.

9-4.3 Multifamily development projects shall conform to the building height restrictions and yard setback requirements listed in section 6 of these regulations.

9-4.4 Each dwelling unit proposed as part of a multifamily development project shall meet the minimum floor area requirements listed in section 6 of these regulations, as well as limitations for efficiency and one-bedroom units as part of the total project development.

9-4.5 All multifamily development projects shall leave 500 square feet per dwelling unit in a natural state as open space or be developed as park and/or open air recreation facilities. (This requirement is in addition to the required square footage per dwelling unit.)



MAP DATA

FEMA Special Flood Hazard Area: **No**
 Map Number: **13277C0225E**
 Zone: **X**
 Map Date: **September 29, 2010**
 FIPS: **13277**

MAP LEGEND

- | | |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
|  Areas inundated by 500-year flooding |  Protected Areas |
|  Areas inundated by 100-year flooding |  Floodway |
|  Velocity Hazard |  Subject Area |

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BRANCH



SPINKS ST

176

SPINKS DR

Nov 5 1993 Recorded Nov 5 1993

STATE OF GEORGIA
COUNTY OF TIFF

VOL 0494 PAGE 354

CORPORATION DEED

THIS INDENTURE is made this 5th day of November, in the year of our Lord One Thousand Nine Hundred and Ninety-three, between **TIFF COUNTY RESIDENTIAL HOUSING CORPORATION**, a Georgia non-profit corporation, of the first part, and **OMEGA RENTAL HOUSING, L.P.**, a Georgia limited partnership of the State of Georgia, of the second part,

W I T N E S S E T H, That the said party of the first part, for and in consideration of eleemosynary purposes and other valuable considerations, in hand paid at and before the sealing and delivery of these presents, the receipt whereof is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey, unto the said party of the second part, its successors and assigns the following described property:

All that tract or parcel of land situate, lying and being in Land Lot 487 of the 6th Land District of Tift County, Georgia and in the City of Omega, more particularly described as follows: For Point of Reference only, begin at the intersection of the North right of way line of Spinks Drive (a 50' right of way) with the East right of way line of Branch Street (a 30' right of way); thence run South 88° 50' 00" East a distance of 367.55 feet to a point which marks the POINT OF BEGINNING; from said POINT OF BEGINNING run North 12° 03' 37" West a distance of 117.01 feet to a point; run thence South 77° 56' 23" West a distance of 200.00 feet to a point; run thence North 12° 03' 37" West a distance of 250.00 feet to a point; run thence North 07° 47' 32" West a distance of 73.62 feet to a point; run thence North 05° 00' 37" East a distance of 82.00 feet to a point; run thence North 88° 12' 45" East a distance of 176.73 feet to a point; run thence North 76° 25' 39" East a distance of 159.72 feet to a point; run thence South 09° 22' 21" East a distance of 304.84 feet to a point; run thence along the right of way of Spinks Drive North 05° 50' 00" West a distance of 143.24 feet to a point which marks the POINT OF BEGINNING. Said tract is depicted as 3.347 acres and being a portion of Block B of the Ford Spinks and Gibbs Patrick Subdivision upon a plat of survey entitled "Topographic Survey for Tift County Residential Corp." prepared by Hampton & Associates Surveying Co., dated January 18, 1993, recorded in Plat Book 25 on page 35 in the office of the Clerk of the Superior Court of Tift County, Georgia.

This conveyance is expressly made subject to:

- (Ad valorem taxes for the year 1993 and subsequent years not yet due and payable.)
- Applicable restrictive covenants and/or any other easements of record.
- Applicable zoning regulations.

TIFF COUNTY, GEORGIA
Real Estate Transfer Tax
said \$ -0-
Date November 5, 1993
Gwen C. Tate
Clerk of Superior Court

TO HAVE AND TO HOLD the said bargained premises, together with all and singular the rights, members, and appurtenances thereof, to the same being, belonging or in anywise appertaining, to the only proper use, benefit, and behoof of Grantee, the said party of the second part, its successors and assigns, against the said party of the first part, its successors and assigns and all persons whatsoever, shall and will warrant and forever defend by virtue of these presents.

IN WITNESS WHEREOF, The said party of the first part has caused these presents to be executed for it and on its behalf by its President and to be attested by its Secretary and its corporate seal hereunto affixed, on the day and year first above written.

TIFF COUNTY RESIDENTIAL HOUSING CORPORATION

By: Sharon Kent
President

Attest: Carolee Sims
Secretary

RECEIVED
TIFF COUNTY
CLERK'S OFFICE
NOV 5 5 PM '93
JOHN T. JONES
CLERK

Signed, sealed and delivered in the presence of:

[Signature]
Unofficial Witness

Gwen Brown
Notary Public

(CORPORATE SEAL)

SHARON C. JONES
Secretary Public, Tift County, Georgia
My Commission Expires Sept. 6, 1997

X entered 2-14-94

42

SURVEY

A survey is not currently available. A site plan has been included in the addendum. Due to the size of this portfolio transaction, and as surveys expire prior to closing, the ALTA Survey will be completed, submitted to the Agency, and approved closer to closing.



Crown Appraisal Group

Corporate Office

6797 N. High Street

Suite 325

Columbus, OH 43085

tel 614.431.3332

fax 614.431.3376

www.crownappraisal.com

October 19, 2016

Caitlin Waldie
Development Coordinator
Greystone Affordable Housing Initiatives, LLC
4025 Lake Boone Trail, Suite 209
Raleigh, NC 27607-2986

RE: Georgia Portfolio

Dear Amie:

Thank you for considering Crown Appraisal Group (“Crown”) for the appraisal of the referenced property portfolio (“portfolio”). The following details my understanding of your needs and presents our proposal.

Assignment

Crown Appraisal Group will prepare and deliver (scope of analysis as noted in Attachment 7-D to HB-1-3560) individual appraisal reports that provide the specific and separate value types as required. The reports will certify a number of entities – the lender, housing agency, USDA/RD, and the LIHTC syndicator – may rely upon our findings. The reports will also be prepared in compliance with USPAP standards and requirements.

As part of the assignment, we will identify the CRCU (Competitive Rents for Comparable Units) on the Executive Summary page for ease of location. The reports will be prepared in a manner similar to previous work product prepared by Crown for Greystone on other assignments.

Values that will be developed and reported (not all values will be developed and reported) are identified are below.

Value	USDA/RD Value	Comments
1	Market within 7 CFR Part 3560.752(b)(1)(ii) (all properties)	As is market value
2	Market value within 7 CFR Part 3560.752(b)(1)(ii), premised upon a hypothetical condition as-if unsubsidized conventional housing in compliance with 7 CFR Part 3560.636(c)(1)(i) (if applicable)	Prospective market value using market rents at stabilized occupancy
3	Prospective market value within 7 CFR Part 3560.752(b)(1)(ii), premised upon a hypothetical condition as-if-conventional housing	Prospective market value at stabilized occupancy, as by the restricted rents (combined with the market rents, if mixed), incorporating a market cap rate
4	Prospective market value, subject to restricted rents within CFR Part 3560.752(b)(1)(i)	7 Prospective market value at stabilized occupancy, as by the restricted rents (combined with the market rents, if mixed), assuming existing (or proposed) bond financing, and incorporating below-market capitalization rate (band of investment method). (If applicable)
5	Market value of underlying land (if applicable)	As is land only value
6	Market value of the interest credit subsidy from assumed 514/515 loan (with new terms)	
7	Market value of the tax credits (if applicable)	
8	Prospective insurable value	

The reports will be addressed and delivered to you at the address noted above. You will be the initial contact for getting information about the properties. You can be reached at the above address, and at 919.882.2384 (o), 919.902.0938 (c), or caitlin.waldie@greycoco.com.

Timing and Fee

We anticipate that the first report(s) will be delivered within three weeks of receipt of the requested information (we recognize that not all requested information will be available). We anticipate that all reports will be sent within 60 days. Should any revisions be required, these will be made as expediently as possible. Subsequent draft reports will be delivered as completed. The final report can be delivered within five business days of approval of the draft copy.

The fee for the multi-property assignment is \$166,050.00. This assumes electronic (PDF) reports, not hard copies. If hard copies are needed, an additional fee of \$400 per report per property will be billed. The property listing at the end of letter breaks down the fee on a property by property basis. The fee is on a gross basis, with all expenses incurred by Crown. Invoices will be delivered concurrent with delivery of the individual draft reports. Payment of the fee is as follows: 10% as an initial deposit and 90% upon delivery of the initial draft reports. As in prior assignments, Crown recognizes that report revisions might be required, and Crown will make those revisions. Of course, should “updates” due to the age of the reports be required, additional compensation arrangements will be made.

Should the assignment be cancelled during any phase, the fee will be pro-rated based upon the time and cost incurred.

As part of the terms and conditions of the assignment, the signatory and any users agree that Crown’s services are and will be subject to the standard statements, limiting conditions, and other terms set forth in the appraisal report(s). The standard statements and limiting conditions include, but are not limited to, recognition of financial liability limitations as well as limitations

as to parties that may rely upon the appraisal report. It is also recognized and acknowledged that during the course of the assignment, Crown may determine additional conditions and terms affecting the appraisal assignment which may be identified in the appraisal report(s). A copy of the standard statements and limiting conditions are at the end of this engagement proposal.

Crown Appraisal Group adds 1.0% per month for delinquent accounts and charges an additional administrative fee of \$500.00 for accounts that are more than three months delinquent. All costs, including legal fees incurred in the recovery of accounts that are delinquent, are also payable by the client. The terms of the agreement shall be governed by and construed under the laws of the state of Ohio.

Authorization to Proceed

This proposal can serve as our agreement and understanding of the assignment. The signature at the bottom of this letter and receipt of the 10% initial deposit serves as our authorization to proceed. After signing, please return one copy to me. You may mail the copy, email it to me (amoye@crownappraisal.com, or edegood@crownappraisal.com). By signing, the signatory is acknowledging that they have the authority to authorize engagement of our services.

Again, thank you for selecting Crown Appraisal Group for this assignment. If you have any questions, please do not hesitate to call me at 614-431-3332.

Sincerely,

CROWN APPRAISAL GROUP



Andrew J. Moye, MAI, AI-GRS
Principal

AJM/ed

AGREED TO AND AUTHORIZED BY:

Jany Eeshward, President
Signature, Caitlin Waldie

10/25/16

Date

Property Identification

GA Portfolio								
Name	Address	City	County	Units	Fee before Discount	Discount	Net Fee	
1 Academy Village	203 Hillsboro Street	Monticello	Jasper	10	\$6,100.00	10.0%	\$5,490.00	
2 Arrowhead	369 Broad Street	Hawkinsville	Pulaski	51	\$6,100.00	10.0%	\$5,490.00	
3 Chester	400 Wynne Avenue	Chester	Dodge	24	\$6,100.00	10.0%	\$5,490.00	
4 Chickasaw	18158 Morgan Road NE	Arlington	Calhoun	18	\$6,100.00	10.0%	\$5,490.00	
5 Colonial Homes	319 Keller Street	Blackshear	Pierce	20	\$6,100.00	10.0%	\$5,490.00	
6 Country Manor	310 Pomeroy Street	Blackshear	Pierce	55	\$6,100.00	10.0%	\$5,490.00	
7 Cumberland Village	116 Martha Drive	St Marys	Camden	65	\$6,100.00	10.0%	\$5,490.00	
8 Gray Gardens	200 Eatonton Highway	Gray	Jones	55	\$6,100.00	10.0%	\$5,490.00	
9 Heritage Villas of Alma	234 Floyd Street	Alma	Bacon	24	\$6,100.00	10.0%	\$5,490.00	
10 Hilltop Terrace I	4059 Martin Luther King Jr Blvd	Kingsland	Camden	55	\$6,100.00	10.0%	\$5,490.00	
11 Hilltop Terrace II	4059 Martin Luther King Jr Blvd	Kingsland	Camden	55	\$3,800.00	10.0%	\$3,420.00	
12 Hunters Run	701 Lupo Lane	Douglas	Coffee	51	\$6,100.00	10.0%	\$5,490.00	
13 Meadow Crossing	408 Spinks Drive	Omega	Tift	37	\$6,100.00	10.0%	\$5,490.00	
14 Piedmont Hills	1001 West Main Street	Forsyth	Monroe	50	\$6,100.00	10.0%	\$5,490.00	
15 Plantation I, Plantation II, Plantation III	201 Casey Drive	Richmond Hill	Bryan	165	\$10,000.00	10.0%	\$9,000.00	
16 Quail Hollow I	888 Carswell Street	Homerville	Clinch	55	\$6,100.00	10.0%	\$5,490.00	
17 Quail Hollow II	962 Carswell Street	Homerville	Clinch	41	\$3,800.00	10.0%	\$3,420.00	
18 Quail Village	199 Memorial Drive	Reidsville	Tattnall	30	\$6,100.00	10.0%	\$5,490.00	
19 Sandalwood Terrace	23 Fourth Street Northwest	Ludowici	Long	31	\$6,100.00	10.0%	\$5,490.00	
20 Satilla Villas	1100 Medonald Avenue	Woodbine	Camden	59	\$6,100.00	10.0%	\$5,490.00	
21 Sawgrass Cove	534 McIntosh Road	Darien	McIntosh	51	\$6,100.00	10.0%	\$5,490.00	
22 Spring Hollow	800 Ash Street Extension	Springfield	Effingham	53	\$6,100.00	10.0%	\$5,490.00	
23 The Forest I & The Forest II	582 26th Avenue SE	Moultrie	Colquitt	119	\$6,100.00	10.0%	\$5,490.00	
24 The Forest III	2701 5th Street S E	Moultrie	Colquitt	53	\$3,600.00	10.0%	\$3,240.00	
25 The Grove	303 Jerriel Street	Vidalia	Toombs	55	\$6,100.00	10.0%	\$5,490.00	
26 Wildwood Villas I	50 Wildwood Circle	Statesboro	Bulloch	53	\$6,100.00	10.0%	\$5,490.00	
27 Wildwood Villas II	54 Wildwood Circle	Statesboro	Bulloch	58	\$3,800.00	10.0%	\$3,420.00	
28 Yester Oaks	51 Yester Oaks Drive	Lafayette	Walker	44	\$7,000.00	10.0%	\$6,300.00	
29 Charlton Court	38 Charlton Court	Folkston	Charlton	41	\$6,100.00	10.0%	\$5,490.00	
30 Hillcrest	1503 John Collins Road NE	Pelham	Mitchell	49	\$6,100.00	10.0%	\$5,490.00	
31 Hillmont	7069 Lakes Boulevard	Lake Park	Lowndes	43	\$6,100.00	10.0%	\$5,490.00	
Plantation I, II, III will be consolidated and presented in a single report - individual market values, consolidated prospective values								
The Forest I and II will be consolidated and presented in a single report - individual market values, consolidated prospective values								
					Total	\$184,500.00	\$166,050.00	

INITIAL DATA REQUEST

(for each Property)

This list details the items we will need to commence the appraisal report:

- Property contact name and telephone number.
- Current rent roll.
- Current rental subsidy contract
- Property Operating Statements for 2013, 2014, 2015, 2016 ytd.
- Completed market studies (it is Crown's understanding that there are no current market studies)
- Details regarding expected tax credits
- Details regarding expected financing (dollar amount, term, interest rate)
- Unit Floor Plans
- Detail re: improvements
 - Units - sizes (square feet and bedrooms), current rental rates, proposed rental rates etc.
 - Amenities—pool, exercise facilities, club house, etc.
- Site plan.
- Legal description and survey.
- Most recent real estate tax bills for the parcels that comprise the subject site.
- Details regarding the capital expenditures (dollar amount, scope of renovations) that are planned to be completed to the property.

Thank you,

Crown Appraisal Group
6797 N. High Street, Suite 325
Columbus, OH 43085
Phone: 614-431-3332
Fax: 614-431-3376

Financial Acknowledgement

The liability of Crown Appraisal Group, Inc. and its employees is limited to the fee collected for the preparation of the appraisal report. There is no accountability or liability to anyone not specifically identified as an intended user.

Assumptions and Limiting Conditions

- The information furnished by others is believed to be reliable. No warranty is given for its accuracy, though.
- No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
- The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated in the report.
- It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations, laws, and license requirements unless otherwise stated in the report.
- The distribution, if any, of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate valuations for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
- The value opinions, and the costs used, are as of the date of the value opinion.
- All engineering is assumed to be correct. The plot plans and other illustrative material in this report are included only to assist the reader in visualizing the property.
- The proposed improvements, if any, on or off-site, as well as any repairs required, are considered, for purposes of the appraisal, to be completed in a good and workmanlike manner according to information submitted and/or considered by the appraiser.
- Responsible ownership and competent property management are assumed.
- It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that make it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering or environmental studies that may be required to discover them.
- Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on or in the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of such substances may affect the value of the property. The value opinion is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
- It is assumed that the utilization of the land and improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
- All mechanical components are assumed to be in good, operable condition unless otherwise noted.

- The appraiser is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
- Our opinion of value does not consider the effect (if any) of possible noncompliance with the requirements of the ADA.
- This appraisal is to be used only in its entirety. Possession of the report or any copy does not carry with it the right of publication. The report may not be used for any purpose by any person or corporation other than the client or the party to whom it is addressed or copied without the written consent of the signing appraiser(s).
- Crown Appraisal Group, Inc. and its employees accept no responsibility for changes in market conditions or the inability of the client, intended user, or any other party to achieve desired outcomes.
- Projections or estimates of desired outcomes by the client, intended user, or any other party may be affected by future events. The client, intended user, or any other party using this report acknowledges and accepts that Crown Appraisal Group, Inc. and its employees have no liability arising from these events.
- Unless specifically set forth, nothing contained herein shall be construed to represent any direct or indirect recommendation of Crown Appraisal Group, Inc., its officers or employees to purchase, sell, or retain the property at the value(s) stated.
- Unless specifically set forth, nothing contained herein shall be construed to represent any direct or indirect recommendation of Crown Appraisal Group, Inc., its officers or employees to provide financing (mortgage, equity, or other) for the property at the value(s) stated.
- Greystone Affordable Housing Initiatives, LLC, or its representative(s), agrees to indemnify and hold Crown Appraisal Group, Inc., its officers and employees, harmless from and against any loss, damages, claims, and expenses (including costs and reasonable attorney fees) sustained as a result of negligence or intentional acts or omissions by Greystone Affordable Housing Initiatives, LLC, or its representative(s) arising from or in any way connected with the use of or purported reliance upon, the appraisal report or any part of the appraisal report.
- The contents of the appraisal report, and all attachments and information that will be contained within the report, is proprietary and confidential. Greystone Affordable Housing Initiatives, LLC, or its representative(s) will not release or provide the report, in any form, in whole or in part, to any third party, including any borrower, potential borrower, buyer or potential buyer, without the signing appraiser's express written authorization.

ACCEPTANCE OF, AND/OR USE OF, THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF THE ABOVE CONDITIONS.

PROFESSIONAL QUALIFICATIONS

ANDREW J. MOYE, MAI, AI-GRS

Business Experience

Crown Appraisal Group, Columbus, Ohio.

Principal

Real estate consulting, including appraisal, appraisal review, business valuation, and market study assignments for commercial and residential real estate.

Vista Capital/Chemical Mortgage Company, Columbus, Ohio.

Vice President.

Appraisal assignments and market studies of commercial real property.

Landauer Associates, Inc., West Palm Beach, Florida.

Assistant Vice President.

Valuation and evaluation of real property, and development of land use studies for large commercial and residential PUDs.

Education

Masters of Business Administration (Finance), The Ohio State University, Columbus, Ohio.

Bachelor of Science in Business Administration (Real Estate), The Ohio State University, Columbus, Ohio.

Professional Education (partial list)

Basic Valuation Procedures	Residential Valuation
Capitalization Theory, Part 1	Standards of Professional Practice
Capitalization Theory, Part 2	Case Studies in Real Estate Valuation
Capitalization Theory and Techniques, Part B	Valuation Analysis and Report Writing
Advanced Applications	Advanced Sales Comparison & Cost Approaches
Basic Income Capitalization	Litigation Appraising: Specialized Topics and Applications
Advanced Income Capitalization	General Appraiser Market Analysis and Highest & Best Use
The Appraiser as Expert Witness: Preparation and Expert Testimony	Market Analysis
Review Theory – General	Condemnation Appraising: Principles and Applications

Professional Qualifications, testimony venues

MAI designation offered by Appraisal Institute

AI-GRS designation offered by Appraisal Institute

Young Advisory Council attendee, moderator, Appraisal Institute

Certified General Appraiser (permanent certification): AL, AZ, CO, FL, GA, IL, IN, KY, MI, NC, NY, OH, SC, VA, WV

Expert witness in Federal Bankruptcy Court, Common Pleas Courts throughout Ohio, various Boards of Revision, State Board of Tax Appeal

STATE OF GEORGIA
REAL ESTATE APPRAISERS BOARD

ANDREW JOHN MOYE

5464

IS AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF GEORGIA IN THE CAPACITY AS

**CERTIFIED GENERAL REAL PROPERTY
APPRAISER**

THE PRIVILEGE AND RESPONSIBILITIES HEREWITH ARE CONTINGENT UPON THE REQUISITE FEES AND ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

D. SCOTT MURPHY
Chairperson

JEFF A. LAWSON
Vice Chairperson

RONALD M. HECKMAN
JEANMARIE HOLMES
KEITH STONE

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