

HOUSING MARKET STUDY

FOR

**HERITAGE AT MCDONOUGH
DCA APPLICATION 2008-092**

**A PROPOSED LIHTC APARTMENT PROJECT FOR SENIORS
AGED 55 OR OLDER (HFOP)**

LOCATED IN:

**THE CITY OF MCDONOUGH
HENRY COUNTY, GEORGIA**

PREPARED FOR:

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

PREPARED BY:

**DOWNING & ASSOCIATES
610 BUTTERWOOD COURT
POWHATAN, VA 23139**

AUGUST 2008

STATEMENT OF CONTINGENT AND LIMITING CONDITIONS

1. The consultant declares that s/he does not have, and will not have in the future, any material interest in the proposed project, and that there is no identity between the consultant and the applicant. Further, the consultant declares that the payment of the study fee is in no way contingent upon a favorable study conclusion, nor upon approval of the project by any agency, before or after the fact.
2. The consultant has based this analysis on information about conditions in the City of McDonough, Henry County, Georgia, which has been obtained from the most pertinent and current available sources, and every reasonable effort has been made to insure its accuracy and reliability. However, the consultant assumes no responsibility for inaccuracies in reporting by any of the Federal, State, or Municipal agencies cited, nor for any data withheld or erroneously reported by sources cited during the normal course of a thorough investigation. The consultant reserves the right to alter the conclusions on the basis of any discovered inaccuracies.
3. No opinion of a legal, architectural or engineering nature is intentionally expressed or implied.
4. The fee charged for this study does not include payment for testimony nor further consultation.
5. This analysis assumes a free and fair real estate market place, with no constraints imposed by any market element based on race, age or gender, except for age eligibility established by law for units designated for occupancy by elderly households.
6. The study is designed to satisfy the underwriting guidelines, rules and methodology requirements of GA-DCA and the conclusions reflect the predicted ability of the project to meet or exceed GA-DCA market thresholds. A positive conclusion does not necessarily imply that the project would be feasible or successful under different underwriting standards, and this study does not necessarily incorporate generally accepted market analysis standards and elements pre-empted by GA-DCA guidelines.

The consultant affirms that the principal has made a physical inspection of the site and market area, and that information has been used in the full assessment of the need and demand for new rental units.

The consultant certifies that no identity of interest exists between the preparer and the developer or owner of the proposed project, and that the market study complies to the best of our ability with the requirements of the 2008 Market Study Manual (OAH Manual H).



Connie L Downing, Principal

Date: August 4, 2008

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EXECUTIVE SUMMARY

The Project:

- The subject project is a proposed new construction project targeting seniors aged 55 or older (HFOP). The Heritage at McDonough has the following profile:

Units	Mix	(Sq. Ft.)	Rent	Allowance	Rent	AMI	PBRA	Type	Rent	Maximum
12	1BR/1Ba	722	\$350	\$131	\$481	50%	None	Mid-rise (3+)	\$667	72.11%
10	2BR/2Ba	1103	\$470	\$168	\$638	50%	None	Mid-rise (3+)	\$801	79.65%
8	1BR/1Ba	722	\$535	\$131	\$666	50%	None	Mid-rise (3+)	\$667	99.85%
10	2BR/2Ba	1103	\$630	\$168	\$798	50%	None	Mid-rise (3+)	\$801	99.63%
34	1BR/1Ba	722	\$575	\$131	\$706	60%	None	Mid-rise (3+)	\$801	88.14%
34	2BR/2Ba	1103	\$685	\$168	\$853	60%	None	Mid-rise (3+)	\$961	88.76%
6	1BR/1Ba	722	\$625	\$0	\$625	MKT	None	Mid-rise (3+)	NA	NA
6	2BR/2Ba	1103	\$735	\$0	\$735	MKT	None	Mid-rise (3+)	NA	NA

- All units would be garden style, in three residential buildings with elevators, connected by covered walkways. A range of unit and site amenities in keeping with other modern LIHTC projects would be provided, including, but not limited to, a full appliance package and a community building with computer center, leasing office and community room. A full description of all amenities proposed by the developer is provided in the text of the report.

Market Area and Site Description:

- Based on field research in McDonough and the balance of Henry County, and an analysis of spatial characteristics, political and natural barriers, the competitive environment and other factors, the Primary Market Area (PMA) for the subject is defined to include nine Census Tracts in southern Henry County. As defined, the PMA includes the City of McDonough and Locust Grove, but excludes the City of Stockbridge and Hampton. The Secondary Market Area includes the balance of Henry County and immediately adjacent rural areas of surrounding counties, and is also considered to include demand from outside the PMA not specific to any given geography (out-of-market demand). Demand from the SMA is not quantified by geography, but is calculated as an adjustment to demand from the PMA.
- The site is an undeveloped ±11.63-acre parcel located on the north side of Bridges Road at the intersection of Bridges with Brisendine Street. The site has no discernable slope, and is tree-covered except for a sanitary sewer easement running SE to NW across the northern part. Development on all sides is residential, including a mix of single-family (north and east, plus 3 lots to the west with frontage on Bridges Road) and multi-family (Amber Chase Apartments) on the northwest. Land immediately south on the opposite side of Bridges Road is undeveloped woodland. Zoning for the site and surrounding parcels is RM-75, with multi-family as a permitted use.
- Nothing was observed during the site visit that would detract from the suitability of the site for the proposed multi-family use. The only observed constraint to marketability is the neighborhood immediately east, which has several dilapidated houses. The application states that this detrimental influence is expected to be removed, as a result of code enforcement but this was

not confirmed by the City Planner. Some persons interviewed during the course of the site work stated that the area had some crime issues, but this could not be confirmed. If the dilapidated structures remain, this could have an effect on marketability, but would not likely cause the project to fail in and of itself.

- The site is conveniently located to residential support services, including full service grocery stores, pharmacies, department stores, banks and medical services.

Community Demographic and Economic Data:

- The McDonough PMA experienced very positive growth during the 1990's decade, with overall population gains of more than 39,300 or 9.3% per year. Household growth was also positive, at 9.4% per year (13,530 households overall). Forecasts by Claritas indicate that these positive trends will continue through 2013 and beyond, but at a lower rate than experienced during the 1990's.
- Population growth among the elderly was also positive during the 90's with gains of 7.3% per year among the 55 and older group and 6.3% per year among the 62 and older group. Continued gains are forecast for each age group, with a cumulative increase of 8.5% per year between 2000 and 2010 for persons aged 55 or older (12,571 persons total) and gains of 8.2% per year (7,239 persons total) among persons aged 62 or older.
- Tenure among elderly households (both age groups) showed an increase in the proportion and absolute number of renters over the 90's for the McDonough Market Area. The renter ratios are projected to change in the PMA over the forecast period, and gradually increase to around 11.2% of all households in 2010 for the 62+ group and to 9.8% for the 55+ group. This results in net growth of 491 renter households aged 62 or older and 725 renter households age 55 or older in this market in the 2000-2010 forecast period, all things being equal. It is emphasized that this forecast includes growth that is estimated to have already occurred since 2000 as well as projected growth over the next two years. Further, while the growth rates are strong, the absolute number of elderly renters is still very modest.
- The Henry County economy has exhibited positive employment trends (by place of residence) between 2000 and 2005, with overall gains of 5.1% per year. The positive trend has continued over the past two years based on preliminary data for 2007. Unemployment increased between 2000 and 2005, but declined in the past two years.
- Jobs data (by place of work) indicate an increase in the number of jobs between 2001 and 2007. The largest sectors of the economy are Trade/Transportation and Utilities, Government and Leisure/Hospitality, and all have exhibited continued growth over the past six years.
- Overall, the Henry County economy is stable to continually improving, with new additions to the employment base and no expected closures or downsizings or any major significance.
- The positive growth trends support the need and demand for additional housing units in this market, of which some would be in demand by senior households.

Competitive Environment:

- The McDonough/Henry County rental market comprises a relatively active area, with a variety of rental options, both market rate and program assisted. The detailed survey comprised 15 projects, with 2,996 units. The stock of units targeted exclusively to seniors is limited, but the comprehensive survey of alternatives available in the McDonough market is sufficiently large to evaluate the subject's position in the McDonough market.
- The assisted rental projects comprise 5 projects with 630 units (inclusive of 147 market rate units at two mixed-income projects). Four were built under the LIHTC program; one was built under the RD 515 program, but also received a LIHTC allocation. Only one of the LIHTC projects (Grier Manor) is targeted to seniors, and as such is the only directly comparable project in the market area. While none of the other LIHTC units are targeted to seniors, all represent affordable alternatives available in the McDonough market, and the tenant profile does include some seniors.
- Grier Manor (FKA Timber Chase) was completed in late 2005, and received a certificate of occupancy (CO) in January 2006. Preleasing began in November 2005, and all units were leased by the end of June 2006. Including the preleasing period, this equates to average absorption of 8 units per month, or 10.7 units per month from availability to full absorption.
- The overall vacancy rate among the assisted projects surveyed was **6.7%**, with 42 reported vacancies. If the market rate units (13 at Grier Manor and 135 at Woodlawn Park) are excluded from the unit counts, the LIHTC vacancy rate increases to 8.71% (42 vacancies/482 units). Some 32 vacancies were reported at Sable Chase (14.3% vacancy rate), which is well above normal, but down from **90 vacancies** in August 2007 (40.2% vacancy rate). No official reason was given for the vacancy rate, aside from issues with non-payment of rent which has led to evictions. There were **no vacancies** among the 64 units at Grier Manor.
- The overall vacancy rate among the 2,996 units in the detailed survey was **8.88%**, representing 266 vacancies (42 in the assisted units and 224 among the market rate units). Adding the 148 market rate units in the LIHTC projects to the 2,366 units in the conventional projects lowers the vacancy rate to **8.91%** (224 vacancies among 2,514 units).

In any case, vacancy rates among the LIHTC units have decreased over the past year commensurate with increased occupancy levels at Sable Chase. Historical trends among the market rate projects are not available, but several managers stated that vacancies have increased during the past few months. Current occupancy levels indicate that market conditions may be becoming soft, and may be exacerbated by rising energy costs and introduction of additional units to the market.

- The rents for the proposed project are positioned near the top of the LIHTC rent range but generally equivalent to rents now being achieved at Grier Manor. The proposed 50% and 60% of AMI rents at the Heritage at McDonough are below the average for market rate units, and in line with the rents being achieved in LIHTC units targeted to seniors. While the differential between the subject and the market rate rents offers a market advantage, they are still considered somewhat high given the incomes of the target group. This implies that while many senior households may be rent overburdened in the subject, they will be less overburdened than if renting a comparable unit in the general market.

- No other assisted rental projects are in development in the PMA at this time according to local officials and lists of projects funded by HUD and GA-DCA. One other LIHTC proposal was submitted for consideration in the current cycle, which would be competitive with the subject. According to the list of applicants for funding, The Reserve at Locust Grove would have 72 unit for seniors aged 55 or older (HFOP) and would be competing within the same market as the subject.

A Tax Exempt Bond application was submitted and approved in 2007 for 4% credits. According to Mary Williams of the McDonough Housing Authority, this is for renovation of Ashley Creek Apartments, a LIHTC project built in the early 1990's. The site is outside the defined PMA.

Two market rate projects are in development on sites just outside the corporate limits of McDonough, both 'Class A' market rate projects. Neither would be considered directly comparable with the subject.

- Based on the data from the survey of the McDonough rental market, and the scale of demand, development of the subject could have a short-term impact on the existing LIHTC project for seniors (Grier Manor). Development of the subject is not considered likely to lead to increased turnover. However, given the limited scale of demand in this market, as normal turnover occurs, vacancies would likely take longer to fill. However, once both projects are stabilized, no long-term effects would be expected.

Quantitative Demand and Capture Rates

- The overall target income range and proportion of income-eligible renter households for the project as proposed is:

Income Range	Eligible Ratio		Units
	Renters	Owners	
\$19,140 - \$28,500 (50%)	14.0%	12.9%	28
\$21,180 - \$34,200 (60%)	17.9%	17.6%	68
\$19,140 - \$34,200 (Overall LIHTC)	21.9%	20.2%	96
\$21,930 - \$50,000 (MKT)	24.9%	35.0%	12

- The overall LIHTC demand for the target AMI levels at the proposed rents is 173 units, which equates to a **55.5%** capture rate for the 96 units proposed. While this capture rate is less than the 70% threshold for all proposed bedroom types, it is considered **very aggressive** for a high-growth suburban market. The capture rate for the project in its entirety (108 units, excluding the 12 units considered leasable in the market) is 39.9%, again **very aggressive** for a senior project in a high growth market.
- The overall capture rate for the 1BR units is **44.4%**. This capture rate exceeds the 30% threshold established by GA-DCA.
- The overall capture rate for the 2BR units is **36.8%**, which exceeds the 30% threshold established by GA-DCA.

Unit Size	Income limits	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate	Absorption	Median Market Rent	Proposed Rents
1BR	50%AMI	12*	NA	NA	NA	NA		\$762	\$350
	50% AMI	8	36	16	20	40.0%	5-10 mo.	\$762	\$535
	60% AMI	34	55	6	49	69.4%	14-18 mo.	\$762	\$575
	Market	6	45	6	39	15.3%	6 mo.	\$762	\$625
1BR	TOTAL	48	136	28	108	44.4%			
2BR	50%AMI								
	50%AMI**	20	47	16	31	64.5%	8-12 mo.	\$892	\$470/\$630
	60% AMI	34	79	6	73	46.6%	14-18 mo.	\$892	\$685
	Market	6	66	7	59	10.2%	6 mo.	\$892	\$725
2BR	TOTAL	60	192	29	163	36.8%			

Proposed Project Capture Rate LIHTC Units	55.5%
Proposed Project Capture Rate Market Rate Units	12.2%
Proposed Project Capture Rate ALL Units	39.9%
Proposed Project Stabilization Period	±14-18 months

* Not included in capture rate total per DCA guidelines

** - Two rent levels proposed

Market Conclusions & Recommendations:

- The resulting capture rates by BR as calculated under the demand methodology specified by GA-DCA exceed the established thresholds; however, the overall capture rate is within the 70% threshold for the project in its entirety.
- The rents proposed by the developer are positioned at the maximum allowable for 2BR units at the 50% of AMI level, and are based on the income limit for a 3-person household. The rents for the 2BR units targeted to the 60% of AMI level are set at 88.8% of the maximum allowable, and are generally more affordable to the target group.
- The use of a rent based on a 3-person household and affordability based on a maximum of two persons per household (which would be appropriate for projects for seniors) results in a narrow band of affordability for the units at the 50% of AMI level. This in turn results in a low estimate of demand, since there are few households who could afford the rents and who would be income-eligible under LIHTC guidelines.
- The rents at the 60% of AMI level would be generally affordable to a 2-person household with income at or near the maximum, but would still represent a somewhat high rent-to-income ratio for single-person households.

Other conclusions regarding the project and its position in the McDonough market include the following:

- The reconciliation of the subject's rents with rents at other LIHTC projects and with market rate units in the PMA indicates that the proposed rents are positioned to be affordable in the market in general, but are not necessarily affordable to the target elderly group. The experience at Grier Manor indicates that the rents are achievable, because they are lower than rents for modern market rate apartments.
- The amenity package at the subject would be equal to that offered at other apartment projects in the McDonough market, and superior to amenities offered at older projects.
- Unit sizes are also competitive in the market, and consistent with those in other LIHTC program assisted offerings.
- The site location is conveniently located to residential support services.
- The potential for long term adverse impact on existing rentals would be limited, but during the initial rent up, any turnover vacancies at Grier Manor would likely take longer to fill than is now the case.
- Given the indicated levels of market support, absorption would likely require 14 months and possibly as long as 18 months. However, once fully leased, stabilized occupancy levels of 93% are considered achievable, but would require a professional on-going, aggressive marketing program. Concessions could be necessary to achieve rent-up, and such concessions would likely need to be maintained to ensure renewals.
- While the rents are certainly more affordable in the market, than other new, modern apartments, there remain relatively few seniors, and renters in particular, who have income sufficient to afford the rents and are within the LIHTC income limits. And as previously stated, while elderly household growth has been relatively strong over the past few years (mostly a function of aging in place), the number of senior households is relatively small, with the number of renters smaller still. While the project is technically feasible given that calculated demand exceeds the proposed project size, a phased development with an initial phase of no more than 60 units is considered more appropriate.
- Given the indicated levels of market support, absorption would likely require 20 months and possibly as long as 24 months. However, once fully leased, stabilized occupancy levels of 93% are considered achievable, but would require a professional on-going, aggressive marketing program. Concessions would also likely be necessary to achieve rent-up, and such concessions would likely need to be maintained to ensure renewals.
- While the reduced rents at the 60% of AMI level are certainly more affordable in the market, there remain relatively few seniors, and renters in particular, who have income sufficient to afford the rents and are within the LIHTC income limits. And as previously stated, while elderly household growth has been relatively strong over the past few years (mostly a function of aging in place), the number of senior households is relatively small, with the number of renters smaller still.

INTRODUCTION

The following is a professional real estate market study for the determination of the need and demand for an assisted multi-family development for seniors (aged 55 or older) in the City of McDonough, Henry County, Georgia. The study follows standard procedures for a multi-family market study, including the identification and analysis of the site circumstances, the demographic and income characteristics, and economic conditions in the market area; evaluation of the existing multi-family housing supply, and determination of projected demand among senior households for rental housing.

The study will conform to professional standards of real estate market analysis, and is designed to satisfy the market study requirements of the Low Income Housing Tax Credit program as outlined in the 2008 Market Study Manual (OAH Manual H) of the Georgia Department of Community Affairs 2008 application instructions, as well as incorporating additional guidelines promulgated by DCA.

The analyst performed a comprehensive on-site analysis in the market area, surrounding neighborhoods, and the site on July 7- 8, 2008. Personal interviews were conducted with local area real estate professionals, city and county officials and other persons knowledgeable of the local housing market, particularly local area rental management firms and apartment managers.

Sources used and cited throughout the study are the U.S. Census of Population and Housing, the Georgia Department of Labor, the U.S. Department of Housing and Urban Development, and pertinent information and materials collected from local professional real estate sources. Throughout the demographic analysis of this study, estimates and projections including households, tenure, household size and age, and income distribution are derived from data supplied by Ribbon Demographics in the form of HISTA tables using **CLARITAS** base data and assumptions.¹ The HISTA data are a method of presenting **CLARITAS** data that is more directly pertinent to this type of demographic analysis.

Other, specific elements of the methodology are discussed in the text of the study.

¹ Rather than comparing demographic estimates from consecutive years for trending purposes, Claritas recommends comparing current-year estimates and five-year projections to the 2000 Census data and specifically states: "each set of estimates and projections is produced independently for improved accuracy. The previous year's estimates are not an input source to the new estimates. Given the approach described above, the difference between the previous year's estimate and current year estimate is not simply a year-to-year comparison". Accordingly, CLARITAS data and five year (post Census) trends applicable to analyses completed in prior years may indicate different trends than the newly released (and most currently available) data used in this report.

PROJECT DESCRIPTION

Heritage at McDonough is a proposed LIHTC project for seniors aged 55 or older to be built on a site in the City of McDonough in Henry County. The project profile includes the following:

- **Project Name:** Heritage at McDonough
- **Address:** Bridges Road and Brisendine Street
McDonough, GA 30253
- **Legal Description:** Not provided in application
- **Construction type:** New construction
- **Occupancy:** Housing for Older Persons (Aged 55 or older)
- **Target Income Group:** 40 units at 50% of AMI
68 units at 60% of AMI
12 market rate units
- **Special Needs Population:** 6 units equipped for Mobility Impaired;
3 units equipped for Sight/Hearing Impaired
- **Number of Buildings:** 3 residential buildings linked by covered walkways
1 non-residential community building with leasing office
- **Structure Type:** Garden apartments in 3-story elevator buildings
1 single-story community building
- **Project-based subsidy:** None proposed
- **Energy source:** Electric for plug load, HW and HVAC (heat pump)
- **Utilities Included:** Trash removal
 - **Tenant Paid Utilities:** Electric, water/sewer and personal utilities (telephone, CATV)
- **Placed in Service Date:** 12/01/2010

The project configuration, with proposed rents and utility allowances, is shown below:

Units	Mix	Size (Sq. Ft.)	Net Rent	Utility Allowance	Gross Rent	Target AMI	PBRA	Structure Type	Maximum Rent	Percent of Maximum
12	1BR/1Ba	722	\$350	\$131	\$481	50%	None	Mid-rise (3+)	\$667	72.11%
10	2BR/2Ba	1103	\$470	\$168	\$638	50%	None	Mid-rise (3+)	\$801	79.65%
8	1BR/1Ba	722	\$535	\$131	\$666	50%	None	Mid-rise (3+)	\$667	99.85%
10	2BR/2Ba	1103	\$630	\$168	\$798	50%	None	Mid-rise (3+)	\$801	99.63%
34	1BR/1Ba	722	\$575	\$131	\$706	60%	None	Mid-rise (3+)	\$801	88.14%
34	2BR/2Ba	1103	\$685	\$168	\$853	60%	None	Mid-rise (3+)	\$961	88.76%
6	1BR/1Ba	722	\$625	\$0	\$625	MKT	None	Mid-rise (3+)	NA	NA
6	2BR/2Ba	1103	\$735	\$0	\$735	MKT	None	Mid-rise (3+)	NA	NA
120										

DEVELOPMENT AMENITIES

- *Community building with:
 - Management office
 - Community room
 - Game room
 - Mail center
 - Fitness center
 - Business/Computer center
 - Library
 - Covered porch
- *Laundry facility
- *Elevators
- *Retention pond/fountain
- *Gazebo
- *Covered pavilion with picnic/barbecue facilities
- *Furnished sitting areas by elevators
- *Swimming pool
- *Social/recreational programs coordinated by management personnel
- *Paved parking (185 spaces)

UNIT AMENITIES

- *Electric range
- *Refrigerator
- *Dishwasher
- *Microwave
- *Washer & dryer connections
- *Ceiling fans
- *Mini-blinds
- *Carpet
- *Central air-conditioning
- *Emergency call system
- *Walk-in closets
- *Patio/balcony with exterior storage
- *Pre-wired for CATV, telephone and high-speed internet access
- *Fire sprinkler system
- *Perimeter security fencing/gated entry

Supportive Services

The application states that social and recreational programs will be planned and overseen by project management. Semi-monthly classes will also be conducted on site.

SITE EVALUATION

The on-site inspection of the subject property was conducted by Connie Downing during the course of the field work in McDonough and Henry County (July 7-8, 2008). Field work included an inspection of the site, surrounding market area, and competitive and/or comparable apartment developments, and other housing alternatives in the McDonough market.

The subject site is located on the western side of the City of McDonough, on the north side of Bridges Road, in Census Tract 703.03. The project address is noted at Bridges Road and Brisendine Street, McDonough, GA 30253; no legal description was provided.

Bridges Road is a minor neighborhood collector road extending from Hampton Street (GA 20) in a westerly direction for roughly 3.5 miles. Observed traffic volumes were light, and would not impede ingress/egress to the project.

The site is rectangular in shape, with frontage on Bridges Road and Brisendine Street. Access to the project will be off Bridges Road, with two entry points; no access from Brisendine is planned based on the preliminary site plan.

A paved parking area will be provided at the front of the community building and leasing office, which will serve visitors and non-residents. Access to the residential parking areas will be restricted, with gated entry on either side of the community building. A paved internal circular drive will serve the three residential buildings.

As noted, Bridges Road extends from Hampton Street (GA 20/81) in a westerly direction out of the City. In the site vicinity Bridges Street is roughly 0.3 mile south and parallel to Jonesboro Road. For purposes of this analysis Jonesboro Road and Hampton Street are considered to be "community roadways". A variety of retail and other residential support services are located on each road.

No road or other infrastructure improvements are planned for the immediate site vicinity aside from activities associated with subdivision development further west on the north side of Bridges Road outside the current municipal limits. Much of the newer retail and residential development is occurring to the west of Interstate-75, in the Jonesboro Road corridor and the Hampton Road corridor and various activities are underway in that area.

SITE AND NEIGHBORHOOD CHARACTERISTICS

The site comprises 11.63 acres more or less and is undeveloped. The only cleared area is a diagonal strip running from SE to NW in the northern half of the site which is indicated as a sanitary sewer easement; the balance of the site is tree covered. Topography is typical of the area, best described as very gently undulating, with little discernable slope. The site is not located within a floodplain and no wetlands were apparent or indicated.

Development on all sides is residential, including a mix of single-family (north and east, plus 3 lots to the west with frontage on Bridges Road) and multi-family (Amber Chase Apartments) on the northwest. Land immediately south on the opposite side of Bridges Road is undeveloped woodland. Zoning for the site and surrounding parcels is RM-75, with multi-family as a permitted use.

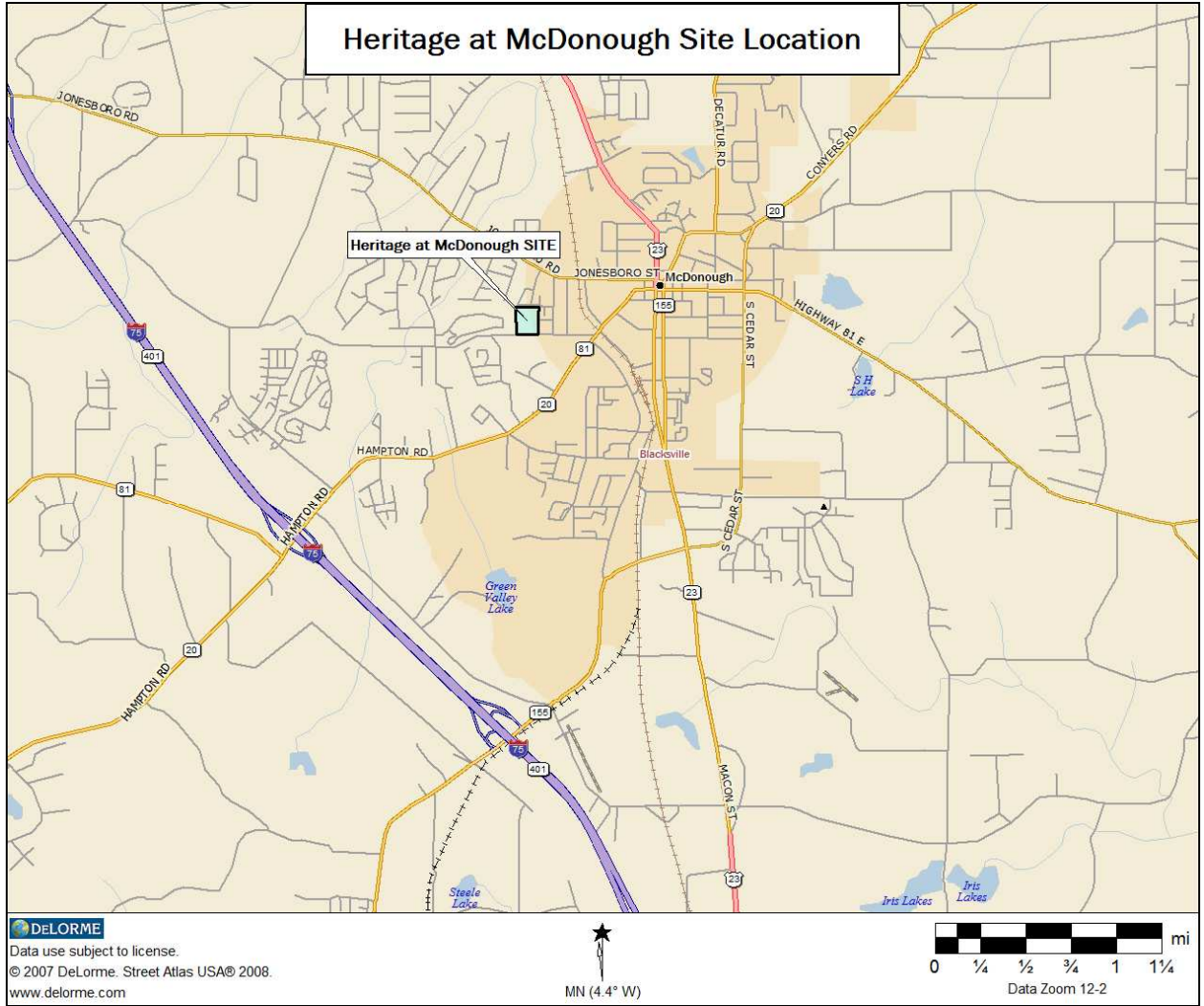
Current land use and zoning for parcels surrounding the site is summarized below:

ADJACENT LAND USE		
Direction	Existing Land Use	Current Zoning
North	Single family subdivision	RM-75; allows single-family,
South	Undeveloped/wooded parcel on south side of Bridges Street	two-family and multi-family dwellings at medium densities
East	Older dilapidated houses on Brisendine and Bridges; SFD (part of subdivision) to northeast	with access to both water and sewer.
West	Older SFD and multi-family (Amber Chase Apartments)	

SOURCE: City of McDonough Planning Department and consultant's observation

The overall character of immediate site area, based on the current development, is residential. The only potential for change in the existing land use pattern would be on the vacant parcel to the south, but given zoning and other considerations, this parcel is likely to be developed as medium density residential. The character of adjacent development limits the potential for any other use.

The following map notes the site location within the City of McDonough and in relation to I-75 and other highways within the city. A graphic noting the site with respect to adjacent development is also provided. Pictures showing the site and surrounding land use are on the 2nd page following.





1. - 2. View of site frontage looking east along Bridges Road toward Brisendine Street



3. View to west along Bridges Road from intersection with Brisendine Street
4. View to north along Brisendine; site to left



5. View on interior of site looking northwest from Brisendine Street along sewer easement
6. View to east along Bridges Road from intersection with Brisendine



7. SFD unit to west of site on Bridges Road
8. SFD house on Brisending Street; site in distance (tree covered area)



9. -10. SFD units on Brisending to east of site (one abandoned)



11. - 12. Typical SFD houses to north and northeast of site in Whispering Pines subdivision

ACCESS TO SERVICES

The site is easily accessible to residential support services located within the City of McDonough and the service/retail areas to the west of I-75, although none are within walking distance. McDonough has a small business district generally centered on square bound by John Frank Ward Blvd. on the north, Keys Ferry Street on the south, Griffin Street on the west and Macon Road on the east. Services in the downtown are typical of small town centers in Georgia, and include town offices, police, pharmacy, restaurants, banks and other typical residential support services. McDonough is the county seat, but the majority of County governmental offices are located outside the CBD in the SW quadrant of the City.

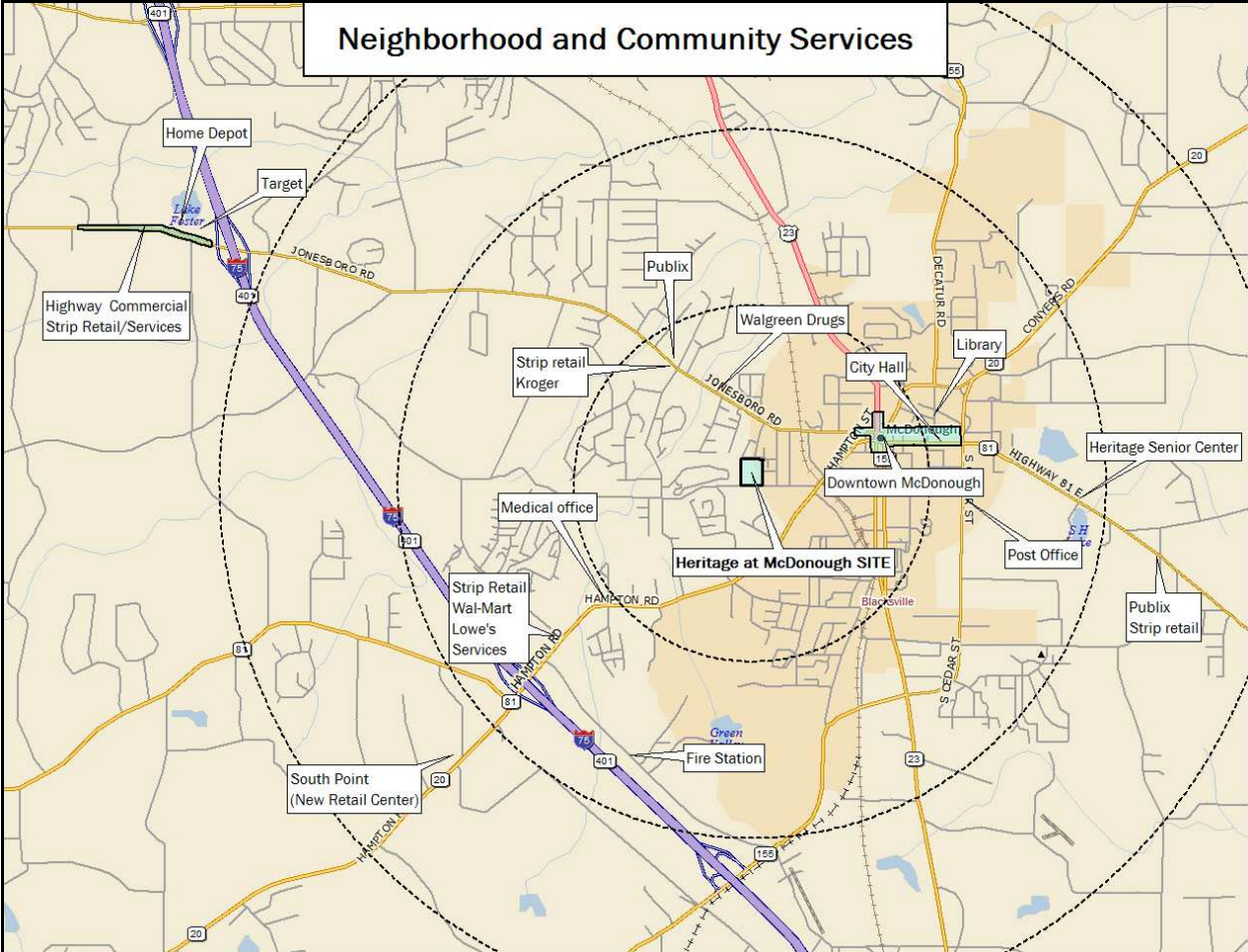
The main retail focus is closer to I-75, in strip centers on Hampton Road at Exit 218 and Jonesboro Road at Exit 222. Additional strip retail is closer to the site, including two full service grocery stores (Kroger and Publix) on Jonesboro Road less than one mile north of the site. These areas are also retail/service employment nodes.

There is no scheduled, set-route public transportation system within Henry County. Tenants would use personal transportation to access services or the Henry County Transit on-call bus service, which provides transportation to medical appointments, grocery shopping and other essential services. Advance reservations are required and the fare for seniors aged 60 or older is \$2 per person per stop (\$4 for persons under age 60).

Medical services available in Henry County include the Henry Medical Center, a full-service hospital located to the north in Stockbridge. Physicians representing most major specialties have offices in Stockbridge and McDonough and urgent care is available at clinics operating seven days per week. Residents would typically utilize hospitals in Atlanta for more extensive medical needs.

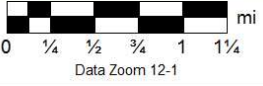
The Heritage Senior Center is located on the east side of McDonough, roughly 2 miles from the site.

A map showing the site and a representative sample of community services follows. Concentric circles set at 1, 2, and 3 mile radii from the site illustrate the proximity of various services. Actual driving distances may be slightly further, but it is noted that all services are easily accessible; none are more than 15 minutes from the site, and most within 10 minutes via car.



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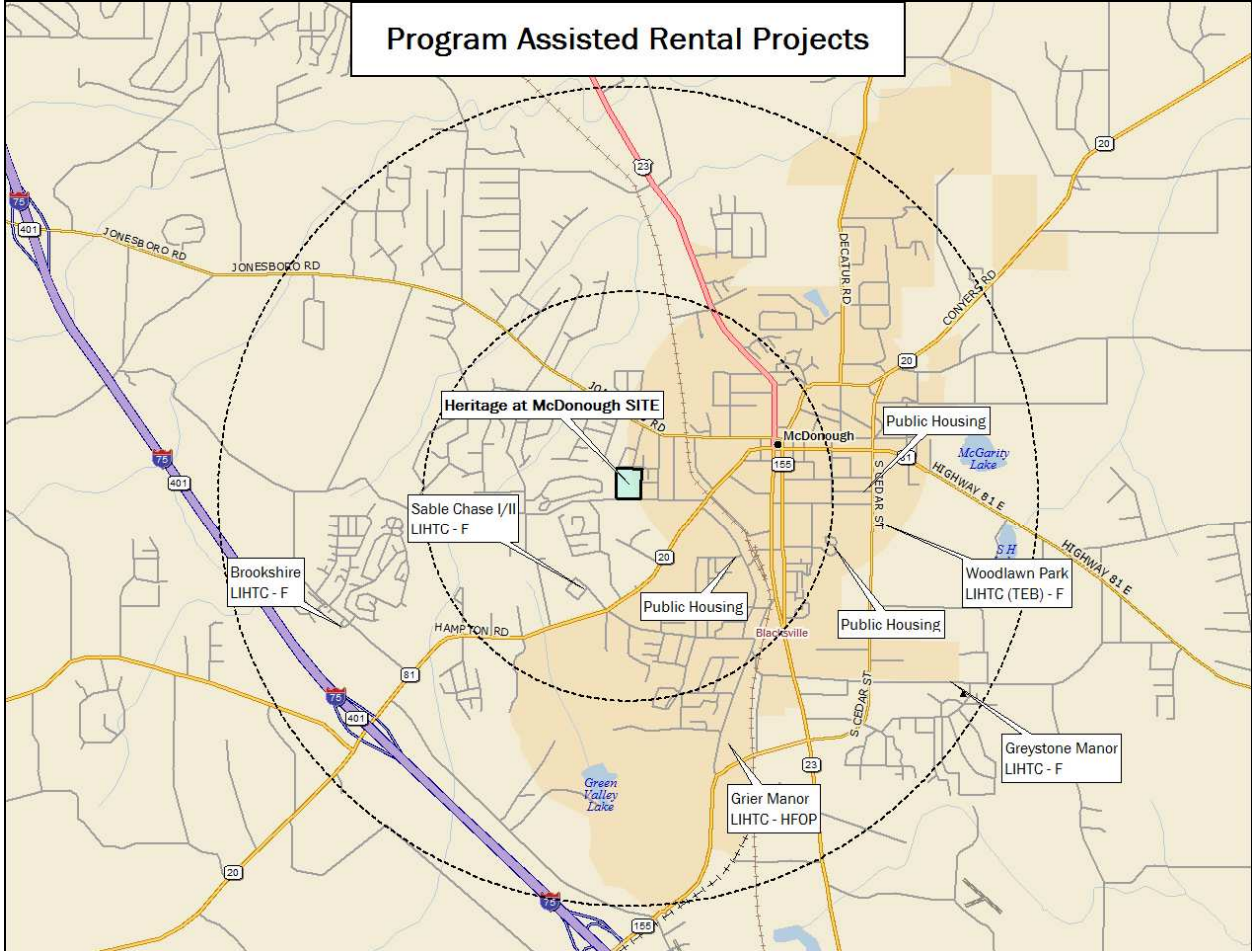


PROGRAM ASSISTED PROJECTS

There are five operational program assisted projects in McDonough and 118 public housing units on three sites. The table notes the distance from the site to each project via commonly traveled City streets from the Bridges Road entrance to the site. The map that follows notes the location of each project with respect to the subject site. Concentric circles set at 1 and 2 mile radii from the site indicate the relative distance. [NOTE: driving distance may be longer than linear map distance.]

Project	Street Address	Program Type	Number of Units	Distance from Site
Sable Chase I/II	102 Sable Chase Blvd	LIHTC - Family	224	1.3
Woodlawn Park	100 Woodlawn Park Drive	LIHTC - Family (TEB)	240	1.6
Grier Manor	391 Old Griffin Road	LIHTC - HFOP	64	1.9
Greystone Manor	100 Greystone Drive	LIHTC - Family	56	2.3
Brookshire Apartments	375 Willow Lane	LIHTC/RD 515 -Family	46	2.4
City of McDonough Housing Authority				
GA 182001	Simpson Drive	Public Housing	61	0.8
GA 182002	Hooten Street	Public Housing	22	1.4
GA 182003	Church Circle	Public Housing	36	1.7

Program Assisted Rental Projects



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MN (4.4° W)

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CONCLUSION

The site is typical of expanding suburban areas in the counties within the Atlanta metro area. Access to services available within the City of McDonough is excellent, and includes most residential support services utilized on a day-to-day basis as well as some used on an occasional basis (medical services, etc.) Access to more extensive support services in the Atlanta is good, and would be considered normal and generally acceptable among residents of McDonough. The neighborhood has been acceptable in the local community for residential use and is considered marketable for the proposed use, with few observed constraints. Compared to other sites **of the same type in the City of McDonough**, the site is considered average to above, and except as noted below, is considered to have good curb appeal.

Nothing was observed during the site visit that would detract from the suitability of the site for the proposed multi-family use. As noted, the site is convenient to US and state highways in McDonough, but is sufficiently distant from major community roadways such that no traffic noise was apparent. No noxious odors were observed and the site is not in proximity to active landfills, rail lines, junk yards or similar incompatible uses. The only observed constraint to marketability is the neighborhood immediately east, which has several dilapidated houses. The application states that this detrimental influence is expected to be removed, as a result of code enforcement but this was not confirmed by the City Planner. Some persons interviewed during the course of the site work stated that the area had some crime issues, but this could not be confirmed. If the dilapidated structures remain, this could have an effect on marketability, but would not likely cause the project to fail in and of itself. Positive (strengths) and negative (weaknesses) attributes of the site are summarized below:

SITE/SUBJECT ATTRIBUTES	
POSITIVE	NEGATIVE
Proximity to services	Condition of SFD
Ingress/egress from Bridges Street	development to east of
Compatibility with current adjacent land use	Brisendine Street
Good access to major roads (I-75, GA20, US23, GA81)	

MARKET AREA DESCRIPTION

The definition of a market area for any real estate use is generally limited to the geographic area within which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly considers the location and proximity to consumer generators, transportation access, and the proximity and scale of competitive options. Frequently, both a primary and a secondary area are defined, where the primary area consumers will have the greatest propensity to choose a specific product at a specific location, and the secondary area consumers are less likely to choose the product but will still generate significant demand.

PRIMARY MARKET AREA

An affordable housing market area definition is typically based on analysis of population and housing development, transportation and geographic patterns, housing stock conditions, and the location of competitive affordable housing. In this case, the primary factors are the location of the City of McDonough within Henry County, the linkages between the cities of McDonough and Stockbridge to the north and the general extent of contiguous development between both cities as well as between McDonough and the smaller town of Locust Grove to the south. A further consideration is the availability of secondary data from the U.S. Census.

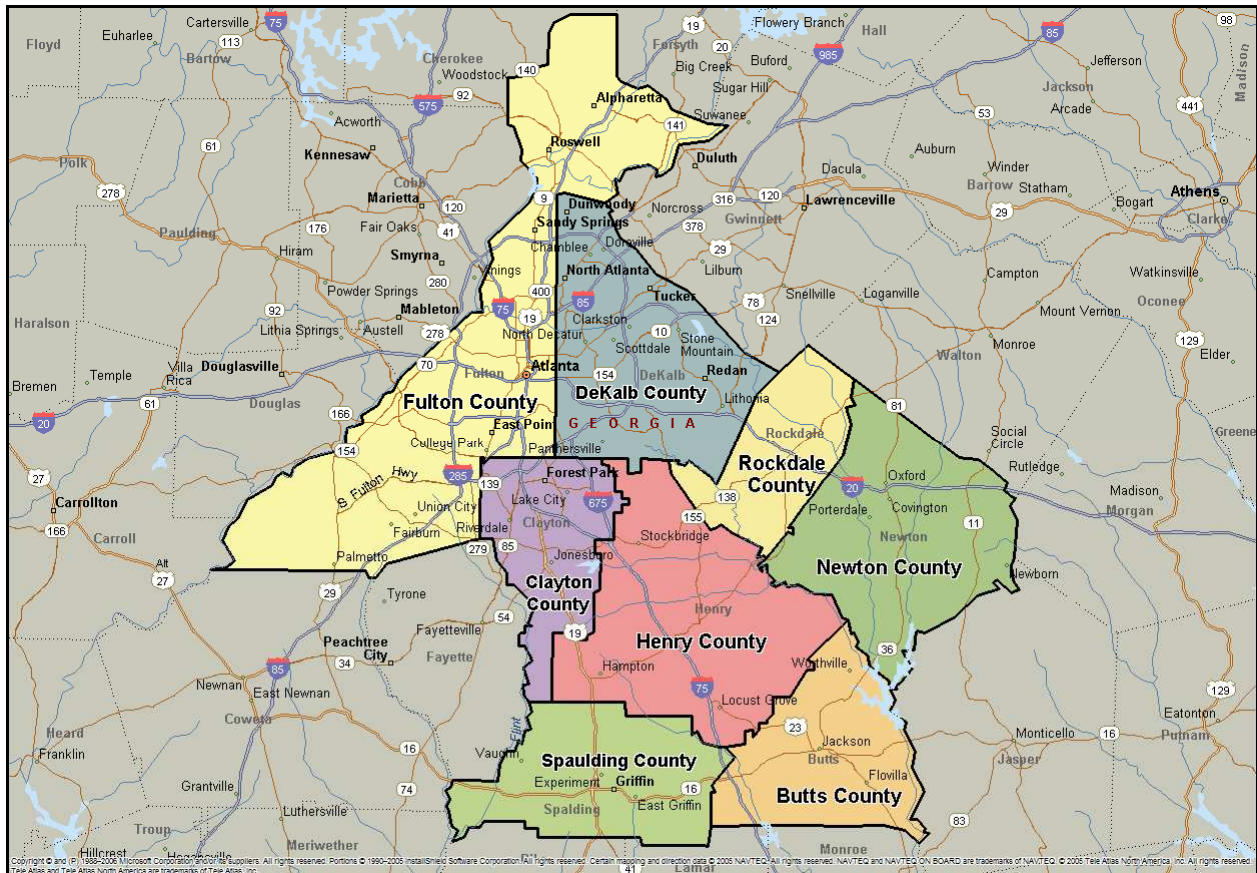
In Georgia, data at the sub-County level are available for incorporated places; Census designated places (CDPs), Census County Divisions (CCDs), Census Tracts, Block Groups and Blocks. Complete data are not available for all levels in the Census hierarchy however; data at the Block Group and Block level are frequently withheld to avoid disclosure. In the rural areas of Georgia, CCD and Census Tract boundaries are frequently arbitrary, defined for ease of data collection and reporting. The final definition of a Primary Market Area is ultimately based on a "best fit" geography, which utilizes the geographic area for which verifiable data are available that most closely corresponds with the area identified through the analysis of the other factors previously noted.

The Primary Market Area was defined subsequent to field research, and considered qualitative information from interviews conducted with property managers, and others during the course of the site visit. The PMA definition considered the spatial orientation of McDonough with respect to the City of Stockbridge to the north as well as smaller incorporated places such as Locust Grove and Hampton, distance decay factors and the gravity model. The market area definition also recognizes that many households prefer to remain close to their "home" town and market center, and are reluctant to move far from friends and service providers used for much of their lives. Based on these factors, the effective Primary Market Area for the project is defined to include nine Census Tracts in southern Henry County.

702.01 702.02 702.03 703.03 703.04 703.05 704.06 704.01 704.02

Henry County is located in north-central Georgia, and is part of the Atlanta metro area. The City of McDonough is centrally located in the County and serves as the County seat. McDonough and Henry County have seen extensive growth over the past 20-30 years. Once considered rural, the area is now more suburban in nature, and a bedroom community to Atlanta.

As can be seen on the map below, Henry County covers a large geographic area. However, the bulk of the population and households are concentrated in/near the I-75 corridor.



The PMA is bound on the north by other census tracts within Henry County considered to comprise a separate PMA centered on Stockbridge and on the west by a smaller rural PMA centered on Hampton. The borders of the PMA to the south, southeast and east are delimited by the borders of adjacent counties.

SECONDARY MARKET AREA

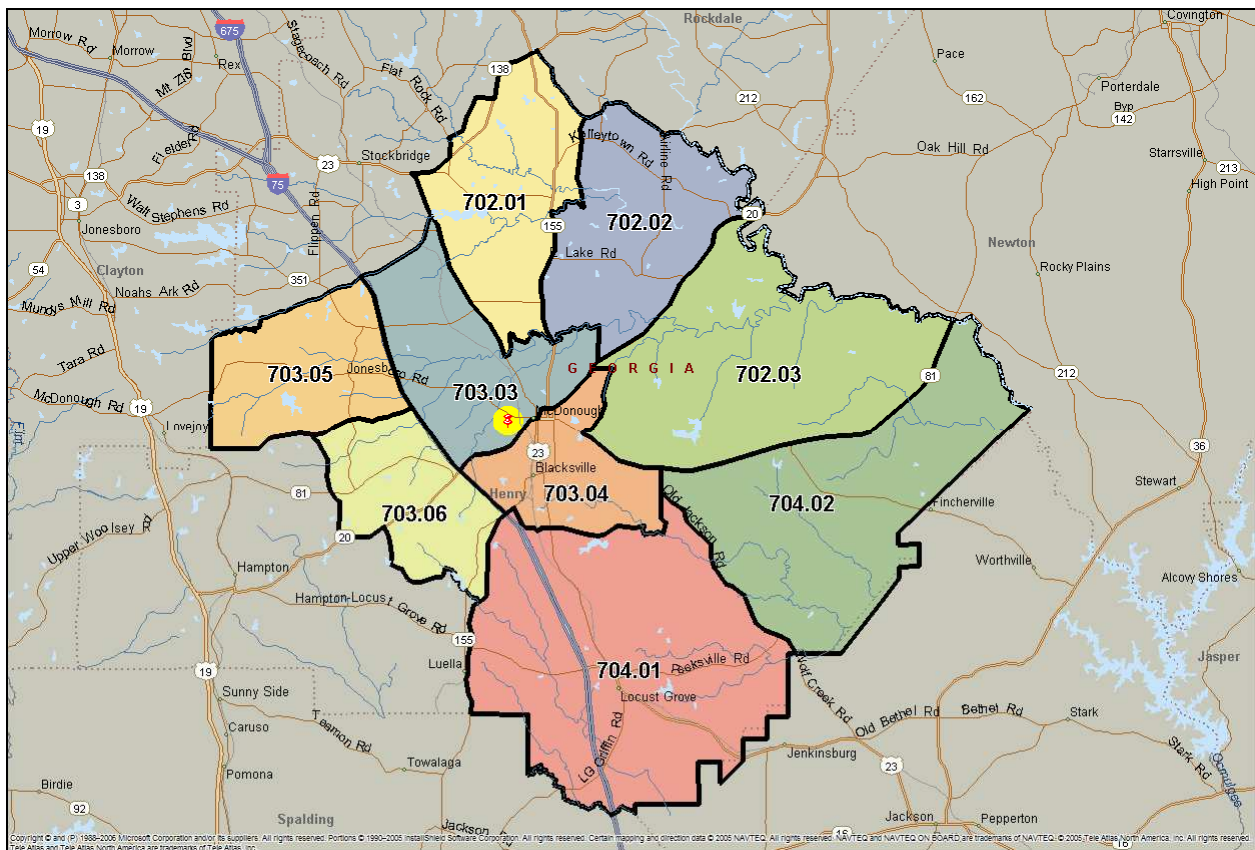
The Secondary Market Area comprises the geographic area beyond the bounds of the PMA which will generate a moderate amount of demand, typically from 5% to 25% of a project’s tenant base. Households in the SMA may consider options in multiple geographies, but will ultimately choose housing in one area because of specific needs (employment opportunities, schools, religious affiliations, for example), affordability, or simply availability of an appropriately sized (and affordable) unit.

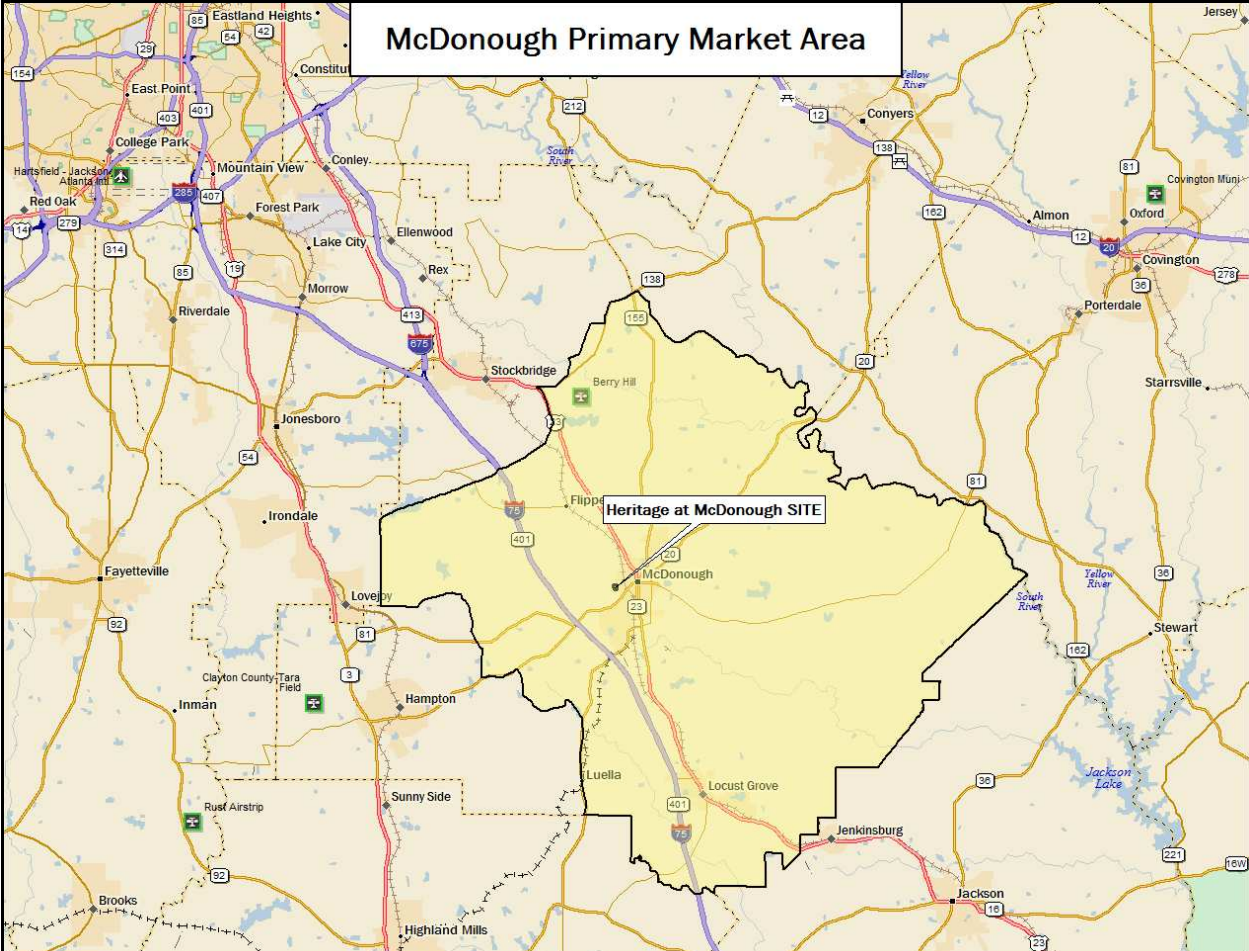
In some markets, a high ratio of tenants originates from a wide area outside the defined PMA which cannot be precisely defined. Out-of-market demand is not specific to any geography, and is often

“opportunity-oriented”: demand is generated by the availability of units. Out-of-market demand includes elderly who return home (move-backs), elderly parents “imported” by their children, and households of any age who move because appropriate and affordable housing options are available.

In this case the SMA is generally considered to comprise the northern part and westernmost parts of Henry County and the rural areas of contiguous counties. Demand from the SMA is not specifically quantified from its residential source; in accordance with DCA guidelines, the segment is estimated as an adjustment to the demand from the PMA, and is limited to a factor of 15%.

The map below notes the boundaries of the Census Tracts which comprise the PMA. The map on the following page depicts the boundaries of the PMA in its entirety.





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Data Zoom 9-5

COMMUNITY DEMOGRAPHIC DATA

Demand for any real estate use is typically a function of three basic indices - employment, population and households, and income. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Population and particularly household data indicate the strength of the consumer base, and the characteristics of those consumer households affect product design and marketing. Analysis of the income distribution identifies the ability of target segments to afford a specific product.

Housing for seniors reflects different demographic trends and characteristics than family housing. As a population ages, its needs change. Family sizes decrease and health care needs increase, and the characteristics of senior housing must conform to these changes. In contrast to family housing, demand for senior housing is in many ways independent of business cycles, financial markets and employment levels. Further, while growth among the younger elderly has been low (reflecting depression era children), the growth rate for seniors will dramatically increase over the next ten years as the baby boom generation begins to reach retirement age.

For this study, reflecting a specified methodology and an affordable product, these three indices are examined with specific demand goals in mind. Need by type is based on household strength and income distribution, segmented by age, to identify eligible households. Demand is estimated using growth trends, mobility, tenure, and income segmentation, to determine the consumer base to evaluate in the competitive environment. Finally, household characteristics such as household size and age help determine the housing features in demand by the consumers.

Normally this type of analysis relies on Department of Housing and Urban Development (HUD) estimates of income medians, levels, and program limits for consumer households. The 2008 HUD income limits and data are used in this study in defining upper income limits for target household segments, as required by the LIHTC guidelines. For comparison purposes, the HUD Fair Market Rents are also identified, and reflect the final 2008 FMR's published in 2007. Proposed FMR's for FY 2009 are also provided for reference.

For the purposes of this analysis, the **forecast period** is defined as ten years, from **2000 to 2010**, in accordance with GA-DCA market study guidelines.

This type of study usually includes data at the County, market area and town; in this case, these levels are represented by the defined Primary Market Area, Henry County and the City of McDonough.

MARKET AREA DEMOGRAPHICS

For purposes of this analysis, data from the 2000 Census for the McDonough Market Area are presented and compared to data from the 1990 Census. As previously noted, estimates and

projections are derived from HISTA tables using CLARITAS base data. Other projections of total population were also reviewed as a cross check. These include:

- Georgia 2010-2015 Residential Population Projections of Georgia Counties, Office of Planning and Budget, Policy, Planning and Technical Support, May 11, 2005;
- Atlanta Regional Commission population projections for Henry County
- Population Estimates 1991-2002 and 2010 Projections, Georgia 2000 Information System
- Selig Center for Economic Growth, Terry College of Business, University of Georgia.

The CLARITAS projections for 2008 and 2013 were ultimately utilized in this analysis. These data form the base for the HISTA household projections and were the most recent of the available projections. Data for 2010 were interpolated based on the 2008 – 2013 trends.

POPULATION AND HOUSEHOLDS

Population trends and projections, and particularly household formations, are the basic indicators of the need and demand for housing. Tables 1 through 11 provide indicators of the trends for population and household growth. For this market area, the McDonough Market Area data are analyzed supplemented by additional data on the City of McDonough and Henry County where appropriate.

The population of the McDonough Market Area experienced an increase of 39,339 persons between 1990 and 2000 (9.3% annually). This positive trend is estimated to have continued, but at a lower rate of 7.5% per year since 2000. Based on Claritas projections, this rate of growth is expected to continue through 2010, with an average of 6,459 persons per year added to the population base from 2000 through 2010. Projections for 2013 indicate an increase in total population to 150,458. Assuming the same rate of growth continues the PMA population will comprise roughly 163,300 persons by 2015.

The population of the City of McDonough recorded a substantial increase of over 5,500 persons, to 8,493 during the 1990's decade, the result of natural increase, in-migration and an active annexation policy. Based on the most recent Census Bureau estimates, the population has increased to an estimated 18,443 persons in 2007². [NOTE: the population of the City of McDonough is subject to significant changes due to annexation. No projection for future years was prepared at the City level, since potential changes due to annexation cannot be predicted with any degree of accuracy.] See Table 1.

The rate of change in the population among the elderly population was also positive for both the 55+ and the 62+ age groups in the 90's, with annual growth of 7.3% among the 55 and older and 6.3% among the 62 and older group. The rate of increase over the forecast period is projected at 8.5% per year for the 55 and older group and 8.2% per year among the 62 and older group for the 2000-2010 forecast period, based on projections by Claritas. Projections for 2013 indicate continued growth,

² Annual Estimates of the Population of Incorporated Places in Georgia, Listed Alphabetically: April 1, 2000 to July 1, 2007 (SUB-EST2007), Population Division, U.S. Census Bureau, July 10, 2008

with an expected increase to 28,223 persons aged 55 and older and 16,707 persons aged 62 and older.

Typically in rural areas, younger people migrate to more urban, socially and economically active areas, while the elderly remain causing a growing concentration of seniors. In Henry County, including the City of McDonough, the senior population has seen both in-migration and has seen normal maturation. Because of the dramatic increase in the younger age groups – again, much of it a function of the expansion of the Atlanta metro suburbs, the proportion of elderly in the population base decreased slightly between 1990 and 2000, but is projected to increase (in line with state and national trends) with the aging of the ‘baby boom’ generation. See Table 1.

TABLE 1
POPULATION TRENDS
MCDONOUGH MARKET AREA
1990 - 2013

	<u>1990</u>	<u>2000</u>	<u>2008</u>	<u>2010</u>	<u>2013</u>
PRIMARY MARKET AREA	27,246	66,585	118,322	131,176	150,458
Aged 55 and Older	4,935	9,995	18,795	22,566	28,223
Percent	18.1%	15.0%	15.9%	17.2%	18.8%
Aged 62 and Older	3,284	6,035	10,986	13,274	16,707
Percent	12.1%	9.1%	9.3%	10.1%	11.1%
Henry County	58,741	119,341	191,818	210,033	237,856
City of McDonough*	2,929	8,493	NA	NA	NA

PRIMARY MARKET AREA

Total Population Change	NUMBER		GROWTH RATE	
	Total	Annual	Total	Annual
1990 - 2000	39,339	3,934	144.4%	9.3%
2000 - 2008	51,737	6,467	77.7%	7.5%
2000 - 2010	64,591	6,459	97.0%	7.0%
Aged 55 and Older Change	NUMBER		GROWTH RATE	
	Total	Annual	Total	Annual
1990 - 2000	5,060	506	102.5%	7.3%
2000 - 2008	8,800	1,100	88.0%	8.2%
2000 - 2010	12,571	1,257	125.8%	8.5%
Aged 62 and Older Change	NUMBER		GROWTH RATE	
	Total	Annual	Total	Annual
1990 - 2000	2,751	275	83.8%	6.3%
2000 - 2008	4,951	619	82.0%	7.8%
2000 - 2010	7,239	724	120.0%	8.2%

- NOTES: 1. 2008 - 2013 data are projections.
2. Annual growth rates are compound rates, not simple averages.

NA Not applicable - See Text

SOURCES: 1990 Census of Population
2000 Census of Population, SF1
2007 Census Estimates
CLARITAS, Inc.

NOTE: Recent population estimates at the County level released by the Census Bureau indicate a population of 186,037 for Henry County as of July 1, 2007, which is roughly equivalent to the 2008 Claritas forecast. Data from the American Community Survey indicate a 2006 total population of 178,033 for Henry County, implying a marginally higher rate of growth between 2000 and 2006. The Claritas forecasts are utilized in this report in order to maintain consistency with respect to forecasts of all variables – population, households, and tenure.

Mobility in the population confirms that a substantial amount of in-migration occurred during the previous decade, and that net migration trend corresponds to the very positive growth in the PMA during the 1990's. Around 39.7% of the Henry County population and 39.2% of the PMA population moved into the area within the five-year period prior to the 2000 Census.

The age distribution tables (Tables 2 and 3) detail the growth rates among the various population segments between 1990 and 2013 for Henry County and the PMA. The change between 1990 and 2000 in the PMA for the household formation segment (18-34) indicated a gain of 118.7%, while the more mature segment of 35 to 54 year olds increased by 123.6%. The younger elderly (65-74) age group reported a gain of 91.4%, while the older elderly – aged 75+ - reported a gain of 74.1%.

Claritas, Inc. estimates for 2008 and projections for 2013 indicate continued growth in all older segments, but lower growth among the 18 -34 age group and in the number of children.

TABLE 2
POPULATION AGE DISTRIBUTION
MCDONOUGH MARKET AREA
1990 - 2013

	<u>1990 - 2000</u>				<u>2000 - 2008</u>			<u>2008 - 2013</u>		
	<u>1990</u>	<u>2000</u>	<u>Change</u>	<u>Percent Change</u>	<u>2008</u>	<u>Change</u>	<u>Percent Change</u>	<u>2013</u>	<u>Change</u>	<u>Percent Change</u>
Less than 18 years	7,355	19,671	12,316	167.5%	33,005	13,334	67.8%	40,440	7,435	22.5%
Proportion	27.0%	29.5%			49.6%			60.7%		
18 - 34 years	7,269	15,896	8,627	118.7%	30,479	14,583	91.7%	35,913	5,434	17.8%
Proportion	26.7%	23.9%			45.8%			53.9%		
35 - 54 years	7,687	21,023	13,336	173.5%	36,043	15,020	71.4%	45,882	9,839	27.3%
Proportion	28.2%	31.6%			54.1%			68.9%		
55 - 64 years	2,290	5,120	2,830	123.6%	10,144	5,024	98.1%	15,223	5,079	50.1%
Proportion	8.4%	7.7%			15.2%			22.9%		
65 - 74 years	1,562	2,989	1,427	91.4%	5,202	2,213	74.0%	8,022	2,820	54.2%
Proportion	5.7%	4.5%			7.8%			12.0%		
75 years and over	1,083	1,886	803	74.1%	3,449	1,563	82.9%	4,978	1,529	44.3%
Proportion	4.0%	2.8%			5.2%			7.5%		
Total Population	27,246	66,585	39,339	144.4%	118,322	51,737	77.7%	150,458	32,136	27.2%
Aged 62 or older	3,284	6,035	2,751	83.8%	10,986	4,951	82.0%	16,707	5,721	52.1%
Aged 55 or older	4,935	9,995	5,060	102.5%	18,795	8,800	88.0%	28,223	9,428	50.2%

SOURCES: 1990 Census of Population and Housing

In the County, the mature wage earner segment recorded an increase of 133.7%, and the household formation segment showed a gain of 70.2%. All elderly groups reported strong gains, and continued growth is expected through 2013.

TABLE 3
POPULATION AGE DISTRIBUTION
HENRY COUNTY
1990 - 2013

	<u>1990 - 2000</u>				<u>2000 - 2008</u>			<u>2008 - 2013</u>		
	<u>1990</u>	<u>2000</u>	<u>Change</u>	<u>Percent Change</u>	<u>2008</u>	<u>Change</u>	<u>Percent Change</u>	<u>2013</u>	<u>Change</u>	<u>Percent Change</u>
Less than 18 years	16,216	34,861	18,645	115.0%	52,697	17,836	51.2%	62,796	10,099	19.2%
Proportion	27.6%	29.2%			27.5%			26.4%		
18 - 34 years	16,649	28,329	11,680	70.2%	49,519	21,190	74.8%	56,826	7,307	14.8%
Proportion	28.3%	23.7%			25.8%			23.9%		
35 - 54 years	16,275	38,033	21,758	133.7%	46,989	8,956	23.5%	56,138	9,149	19.5%
Proportion	27.7%	31.9%			24.5%			23.6%		
55 - 64 years	4,672	9,294	4,622	98.9%	28,411	19,117	205.7%	41,156	12,745	44.9%
Proportion	8.0%	7.8%			14.8%			17.3%		
65 - 74 years	3,003	5,362	2,359	78.6%	8,524	3,162	59.0%	12,912	4,388	51.5%
Proportion	5.1%	4.5%			4.4%			5.4%		
75 years and over	1,926	3,462	1,536	79.8%	5,678	2,216	64.0%	8,028	2,350	41.4%
Proportion	3.3%	2.9%			3.0%			3.4%		
Total Population	58,741	119,341	60,600	103.2%	191,818	72,477	60.7%	237,856	46,038	24.0%
Aged 62 or older	6,196	10,962	4,766	76.9%	18,103	7,141	65.1%	26,944	8,841	48.8%
Aged 55 or older	9,601	18,118	8,517	88.7%	42,613	24,495	135.2%	62,096	19,483	45.7%

Sources: 1990 Census of Population and Housing
2000 Census of Population, SF1
Claritas, Inc.

HOUSEHOLDS

Household growth in the McDonough Market Area was positive during the 90's, at 9.4% per year, corresponding to a very minor increase in household size coupled with the very positive population growth. The number of households is projected to continue to increase in this market, with a gain of over 21,731 households (2,173 annually) between 2000 and 2010. This rate of growth is significantly less than was recorded during the previous decade at 6.9% per year, the result of continued positive population growth coupled with an increase in the average household size.

Projections by Claritas indicate an increase to 50,941 households by 2013. Assuming this growth rate continues, the PMA will comprise over 55,000 households in 2015. See Table 4.

In almost every market, rural and urban, there has been a decline in the household size since 1960, due to a number of sociological factors. These include smaller families, fewer extended or three generation families, greater number of divorces and single parents, increased personal longevity yielding more elderly, one- and two-person households, etc. (By definition, the minimum household size is 1.0.) This typical trend has not been true in the PMA, with an indiscernible increase in household size from 2.89 to 2.90 recorded between 1990 and 2000. Average household size is expected to increase during the next five years, representing a much larger household size than is

typical in most of central Georgia, but consistent with a generally younger population than is the case in many areas.

TABLE 4
HOUSEHOLD TRENDS
MCDONOUGH MARKET AREA
1990 - 2013

	<u>Year</u>	<u>Population</u>	<u>In Group</u>		<u>Persons Per</u>
			<u>Quarters</u>	<u>Households</u>	<u>Household</u>
McDonough PMA	1990	27,246	412	9,271	2.89
	2000	66,585	483	22,801	2.90
	2008	118,322	740	40,252	2.92
	2010	131,176	780	44,532	2.93
	2013	150,458	800	50,951	2.94

HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	<u>NUMBER</u>		<u>GROWTH RATE</u>	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
1990 - 2000	13,530	1,353	145.9%	9.4%
2000 - 2010	21,731	2,173	95.3%	6.9%

- NOTES: 1. 2008 - 2013 data are projections.
2. Annual growth rates are compound rates, not simple averages.

SOURCES: 1990 Census of Population and Housing
2000 Census, SF1
US Census Bureau, 2007 estimates of Group Quarters
Population by County
CLARITAS, Inc.

For elderly households aged 62+, the HISTA projections show an overall increase of around 112%, or 395 households per year for the 2000 - 2010 period. Growth between 2010 and 2013 is positive, and this is likely to continue well into the next decade. Assuming a continuation of the 2008 -2013 Claritas/HISTA growth rates, the number of elderly households would be expected to increase to around 10,400 by 2015.

TABLE 5
ELDERLY HOUSEHOLD TRENDS (62+)
MCDONOUGH MARKET AREA
2000 - 2013

	<u>Year</u>	<u>Population</u>	<u>In Group</u>		<u>Persons Per</u>
			<u>Quarters</u>	<u>Households</u>	<u>Household</u>
McDonough PMA	2000	6,035	204	3,535	1.65
	2008	10,986	300	6,324	1.69
	2010	13,274	320	7,489	1.73
	2013	16,707	350	9,236	1.77

HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	<u>NUMBER</u>		<u>GROWTH RATE</u>	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
2000 - 2008	2,789	349	78.9%	7.5%
2000 - 2010	3,954	395	111.9%	7.8%

- NOTES: 1. 2008 - 2013 data are projections.
2. Annual growth rates are compound rates, not averages.

SOURCES: 1990 Census of Population and Housing
2000 Census, SF1
US Census Bureau, 2007 estimates of Group Quarters Population by County
CLARITAS, Inc.
Ribbon Demographics/CLARITAS HISTA data

For elderly households aged 55+ (the target age group for the subject), household growth was quite positive during the 90's decade, with an average annual increase of 8.1% recorded. The number of households aged 55 or older is projected to continue to increase at a slightly higher rate of 8.3% per year through 2010. At this rate, some 694 households per year are added to the base. The Claritas/HISTA projections show a further increase to 15,613 households age 55+ by 2013, and again, assuming these trends continue, roughly 17,600 households would be expected by 2015. See Table 6.

TABLE 6
ELDERLY HOUSEHOLD TRENDS (55+)
MCDONOUGH MARKET AREA
2000 - 2013

	<u>Year</u>	<u>Population</u>	<u>In Group</u>		<u>Persons Per</u>
			<u>Quarters</u>	<u>Households</u>	<u>Household</u>
McDonough PMA	2000	9,995	204	5,700	1.72
	2008	18,795	300	10,664	1.73
	2010	22,566	320	12,644	1.76
	2013	28,223	350	15,613	1.79

HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	<u>NUMBER</u>		<u>GROWTH RATE</u>	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
2000 - 2008	4,964	621	87.1%	8.1%
2000 - 2010	6,944	694	121.8%	8.3%

- NOTES: 1. 2008 - 2013 data are projections.
2. Annual growth rates are compound rates, not averages.

SOURCES: 1990 Census of Population and Housing
2000 Census, SF1
US Census Bureau, 2007 estimates of Group Quarters Population by County
CLARITAS, Inc.
Ribbon Demographics/CLARITAS HISTA data

Tenure among households showed a decrease in the proportion but a substantial increase in the absolute number of renters over the 90's for the McDonough Market Area, as shown in Table 7. The ratio of renters in this market decreased from 16.3% in 1990 to 13.1% in 2000, but with an increase in absolute numbers from 1,509 to 2,976. The renter ratios are projected to change in the PMA over the forecast period, and gradually increase to around 14.4% of all households in 2010. This results in net growth of 3,455 renter households in this market in the forecast period, all things being equal. This renter growth rate is consistent with observed trends, including the number of multi-family rental units added in this market since 2000.

TABLE 7
HOUSEHOLDS BY TENURE
MCDONOUGH MARKET AREA
1990 - 2013

McDonough PMA					
	<u>Households</u>	<u>Owner</u>	<u>Percent</u>	<u>Renter</u>	<u>Percent</u>
1990	9,271	7,762	83.7%	1,509	16.3%
2000	22,801	19,825	86.9%	2,976	13.1%
2008	40,252	34,554	85.8%	5,698	14.2%
2010	44,532	38,101	85.6%	6,431	14.4%
2013	50,951	43,421	85.2%	7,530	14.8%

RENTER HOUSEHOLD TREND ANALYSIS - PRIMARY MARKET AREA

	NUMBER		GROWTH RATE	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
1990 - 2000	1,467	147	97.2%	7.0%
2000 - 2010	3,455	346	116.1%	8.0%

SOURCES: 1990 Census of Population and Housing
2000 Census, SF1
Ribbon Demographics/CLARITAS HISTA data

Note: The Claritas, Inc. forecasts of households by tenure are for 2008 and 2013 only. A further projection to 2015 is beyond the scope of this report, since renter growth is dependent on a number of interrelated variables which cannot be predicted with any degree of accuracy.

Tables 8 and 9 present projections of household growth by tenure for the 55+ and the 62+ age groups. Among households aged 62+, net renter household growth in this market is projected to be 491 net units in the 2000 - 2010 forecast period, while renter growth among the 55+ group would be around 725 units, all things being equal. This does not take into account the factor that the proposed construction would increase the opportunity for renters in this market, and potentially relieve both pent-up demand among moderate-income elderly and constraints on elderly in-migration.

TABLE 8
ELDERLY HOUSEHOLDS BY TENURE (62+)
MCDONOUGH MARKET AREA
2000 - 2013

Householder Age 62+ McDonough PMA					
	<u>Households</u>	<u>Owner</u>	<u>Percent</u>	<u>Renter</u>	<u>Percent</u>
2000	3,535	3,190	90.2%	345	9.8%
2008	6,324	5,636	89.1%	688	10.9%
2010	7,489	6,653	88.8%	836	11.2%
2013	9,236	8,179	88.6%	1,057	11.4%

SOURCES: 2000 Census, SF1
CLARITAS, Inc.
Ribbon Demographics/CLARITAS HISTA data

TABLE 9
ELDERLY HOUSEHOLDS BY TENURE (55+)
MCDONOUGH MARKET AREA
2000 - 2013

Householder Age 55+ McDonough PMA					
	<u>Households</u>	<u>Owner</u>	<u>Percent</u>	<u>Renter</u>	<u>Percent</u>
2000	5,700	5,188	91.0%	512	9.0%
2008	10,664	9,651	90.5%	1,013	9.5%
2010	12,644	11,407	90.2%	1,237	9.8%
2013	15,613	14,036	89.9%	1,577	10.1%

SOURCES: 2000 Census, SF1
CLARITAS, Inc.
Ribbon Demographics/CLARITAS HISTA data

Tables 10 and 11 present the distribution of elderly households by household size and tenure for the McDonough PMA for 2008 and 2013. As shown in Table 11, the proportion of 1 and 2 person elderly households is quite high among the 62 and older group at 80% overall in 2008. The ratio among elderly renters is about the same at 80.5%. The proportion of 1 and 2-person elderly renters is expected to increase slightly by 2013 and the absolute number is projected to increase from 554 to 858. The ratio of 1-person households within this group is expected to increase, which the ratio of 2-person households will decline.

TABLE 10
ELDERLY HOUSEHOLDS BY SIZE (62+)
MCDONOUGH MARKET AREA
2008 - 2013

2008	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
	<u>Number</u>	<u>Percent</u>	<u>Cumulative Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Cumulative Percentage</u>
Household Size						
One Person	1427	25.3%	25.3%	378	54.9%	54.9%
Two Persons	3084	54.7%	80.0%	176	25.6%	80.5%
Three Persons	686	12.2%	92.2%	74	10.8%	91.3%
Four Persons	197	3.5%	95.7%	45	6.5%	97.8%
Five or More Persons	<u>242</u>	<u>4.3%</u>	100.0%	<u>15</u>	<u>2.2%</u>	100.0%
Total Households	5,636	100.0%		688	100.0%	
2013	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
	<u>Number</u>	<u>Percent</u>	<u>Cumulative Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Cumulative Percentage</u>
One Person	2067	25.3%	25.3%	593	56.1%	56.1%
Two Persons	4379	53.5%	78.8%	265	25.1%	81.2%
Three Persons	1040	12.7%	91.5%	117	11.1%	92.2%
Four Persons	307	3.8%	95.3%	65	6.1%	98.4%
Five or More Persons	<u>386</u>	<u>4.7%</u>	100.0%	<u>17</u>	<u>1.6%</u>	100.0%
Total Households	8,179	100.0%		1,057	100.0%	

SOURCE: Ribbon Demographics/CLARITAS HISTA data

The same data show similar trends among the 55 and older group. Some 78.2% of all households aged 55+ comprised 1 and 2 persons in 2008 and 78.5% among renters. By 2013, the number of 1 and 2 person elderly renters is projected to decrease, and represent a slightly lower ratio of the total (77.2%). The number of households with 3 persons or greater is expected to increase, representing a larger share of the total.

TABLE 11
ELDERLY HOUSEHOLDS BY SIZE (55+)
MCDONOUGH MARKET AREA
2008 - 2013

2008	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
			Cumulative			Cumulative
Household Size	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>
One Person	2,072	21.5%	21.5%	546	53.9%	53.9%
Two Persons	5,470	56.7%	78.1%	249	24.6%	78.5%
Three Persons	1,286	13.3%	91.5%	103	10.2%	88.6%
Four Persons	489	5.1%	96.5%	59	5.8%	94.5%
Five or More Persons	<u>334</u>	<u>3.5%</u>	100.0%	<u>56</u>	<u>5.5%</u>	100.0%
Total Households	9,651	100.0%		1,013	100.0%	

2013	<u>Owner-Occupied</u>			<u>Renter-Occupied</u>		
			Cumulative			Cumulative
	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>	<u>Number</u>	<u>Percent</u>	<u>Percentage</u>
One Person	3,035	21.6%	21.6%	842	53.4%	53.4%
Two Persons	7,795	55.5%	77.2%	375	23.8%	77.2%
Three Persons	1,935	13.8%	90.9%	164	10.4%	87.6%
Four Persons	746	5.3%	96.3%	93	5.9%	93.5%
Five or More Persons	<u>525</u>	<u>3.7%</u>	100.0%	<u>103</u>	<u>6.5%</u>	100.0%
Total Households	14,036	100.0%		1,577	100.0%	

SOURCE: Ribbon Demographics/CLARITAS HISTA data

HOUSEHOLD INCOME TRENDS AND AFFORDABILITY

One of the first discriminating factors in residential analysis is income eligibility and affordability. The market study must distinguish between gross demand and effective demand - effective demand is represented by those households that can both qualify for and afford to rent the proposed low-income multi-family development. (For market-rate housing, the eligibility is unlimited, but affordability is nearly as an important a factor as in assisted housing.) In order to quantify this effective demand, the income distribution of the market area senior households must be analyzed.

Establishing the factor to identify which target households are eligible by income requires the definition of the limits of the affordable income range. Typically in LIHTC demand analysis, the upper limit is set using HUD limits for the LIHTC program for the target AMI level (50% and 60% of AMI in this case) adjusted for household size. This analysis converts household size into bedroom mix using maximum reasonable occupancies. Therefore, a 1BR unit can accommodate three people, but the expected average is 1.5 persons; 2BR = 3 people; and 3BR = 4.5 people. For purposes of this analysis, in accordance with DCA market study guidelines, the maximum income limit for all elderly projects is based on a maximum of 2 persons per household. Income limits, maximum rents, and FMR's for Henry County are shown in the table below:

TABLE 12
 MAXIMUM RENTS AND INCOME LEVELS
 HENRY COUNTY

<u>HH Size</u>	30% of AMI	50% of AMI	60% of AMI		
	Maximum <u>Income</u>	Maximum <u>Income</u>	Maximum <u>Income</u>	Maximum <u>Income</u>	Maximum <u>Income</u>
1-person	\$14,950	\$24,900	\$29,880		
2-person	\$17,100	\$28,500	\$34,200		
3-person	\$19,200	\$32,050	\$38,460		
4-person	\$21,350	\$35,600	\$42,720		
5-person	\$23,050	\$38,450	\$46,140		
6-person	\$24,800	\$41,300	\$49,560		
7-person	\$26,500	\$44,150	\$52,980		
8-person	\$28,200	\$47,000	\$56,400		

	Maximum Monthly Gross Rents				
	<u>0BR</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
30% of AMI	\$373	\$400	\$480	\$555	\$462
50% of AMI	\$622	\$667	\$801	\$925	\$1,032
60% of AMI	\$747	\$801	\$961	\$1,110	\$1,239
2008 FMR	\$684	\$741	\$824	\$1,003	\$1,094
2009 FMR*	\$729	\$789	\$878	\$1,069	\$1,166

- Notes: 1. Gross rent includes contract rent plus tenant paid utility
 2. 2008 Income limits
 * - Proposed; would become effective in FY 2009 if approved

SOURCES: US Department of Housing and Urban Development
 Georgia Department of Community Affairs

LIHTC INCOME LIMITS AND TARGET INCOME RANGE

The affordability range for LIHTC units, including both upper and lower income limits, is defined by the subject rents and general affordability standards. Lower limits in most cases are established by assuming that an elderly household can afford to pay **up to 40%** of its income for housing expenses, including utilities. The upper limit is established by program income limits and the GA-DCA guidelines, and is based on the income limit for 2-person households, which is also consistent with typical elderly utilization patterns.

Based on the affordability threshold established by GA-DCA guidelines (40% rent to income ratio) and the maximum income limits for 1 and 2-person households at the target 50% and 60% of AMI levels, the affordability thresholds and maximum income limits are as follows:

Number of Units	Bedroom Size	Gross Rent	Minimum Income	Maximum Income	Target AMI
12	1BR/1Ba	\$481	\$14,430	\$28,500	50%
10	2BR/2Ba	\$638	\$19,140	\$28,500	50%
8	1BR/1Ba	\$666	\$19,980	\$28,500	50%
10	2BR/2Ba	\$798	\$23,940	\$28,500	50%
34	1BR/1Ba	\$706	\$21,180	\$34,200	60%
34	2BR/2Ba	\$853	\$25,590	\$34,200	60%
6	1BR/1Ba	\$756	\$22,680	\$50,000	MKT
6	2BR/2Ba	\$903	\$27,090	\$50,000	MKT

GA-DCA market study guidelines state: ***“Units that are subsidized with PBRA or whose rents are more than 20% lower than the rent for other unit of the same bedroom size in the same AMI band and comprise less than 10% of the total units, will not be used in determining project demand. These units, if priced 30% lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.”***

In this case, the proposed rents for 12 of the 1BR units targeted to the 50% of AMI level are set at \$481 (gross) which is 27.8% less than the rents for the remaining 1BR units targeted to the 50% of AMI level. Similarly, rents for 10 of the 2BR units are set at \$638 (gross) which is 20% less than the rents for the remaining 2BR units. Given that no more than 10% of the total units may be deducted from the total project for determining capture rates, only the 1BR units will be considered leasable in the market, since these are the most affordable of the proposed units.

Based on the gross rents shown in the application, the overall income range is set at roughly \$19,140 to \$28,500 for units targeting the 50% of AMI level. The affordability range for units at the 60% of AMI level is \$19,980 to \$34,200. The overall range then is \$19,180 to \$34,200.

For the market rate units, the same affordability standard is applied to determine the minimum income required to afford the unit, which results in a minimum income of \$22,680 for the 1BR units using the 40% rent-to-income standard assuming the same \$131 utility allowance. For 2BR units, the minimum income would be \$27,090. Again, while there is no official upper limit, GA-DCA market study guidelines state: ***“For market rate units, the analyst must make some reasonable determination of maximum income level beyond which a household would not likely be a participant in the rental market.”*** For purposes of this analysis, an upper limit of \$50,000 is utilized, which roughly equates to a rent-to-income ratio of just over 21%. Households with income of more than \$50,000 are considered more likely to purchase homes or pursue other rental options.

When dealing with multiple target AMI levels, the concept that a household can qualify for inclusion in more than one income range causes these ranges to overlap. In the proposed project, the target income range for the 50% AMI level units overlaps the 60% AMI level by 56%. However, that overlap is merely tacit recognition that households in the range are eligible at both levels. Indeed, it is that part of the range outside the overlap that belongs only to the lower (or higher) AMI cohort.

Given the degree of overlap in the eligible ranges, it is readily apparent that a significant ratio of households within the individual income segments would be eligible to occupy either a 1BR or a 2BR unit designated for either the 50% of AMI level **or** the 60% of AMI level. In any case, consummation of 'demand' is ultimately based on availability of units. Accordingly, since the target income groups are not discrete, the ultimate allocation of demand by bedroom and target AMI is of necessity somewhat arbitrary, though less so in this case than in many instances.

INCOME TRENDS

Median household incomes among all households in Henry County and the Primary Market Area are moderate but have increased since 1999. [The Census reports the last full year of income; accordingly, incomes reported in the 2000 Census are for 1999.] The median income for all households in Henry County was roughly \$57,309 in 1999, compared to \$61,607 for families. (Note: Family income data exclude 1-person households). Incomes among renters were lower, with a median of only \$37,880 reported in the 2000 Census.

Based on the 2000 Census, incomes among the elderly in the Market Area were lower than for all households, with a median of only \$41,061 among elderly owners (aged 62+) and around \$17,500 for elderly renters. Incomes among households aged 55 or older were somewhat higher, as would be expected at \$50,038 among owners and \$19,854 among renters.

The following tables exhibit data on income trends for owner households and renter households in the McDonough Market Area for the base year (2000) with forecasts for 2008 and 2013. Tables 13 and 14 show income trends among households aged 62 and older; Tables 15 and 16 show the same data for households aged 55 or older. [**Note:** Data reported in the 2000 Census is for the last full year of income (1999). As noted, forecasts for 2008 and 2013 are from the HISTA dataset for Henry County and are based on CLARITAS projections. The ratio of income-eligible renter households for 2010 was interpolated based on the trend for 2008 and 2013, and used in the quantitative demand methodology.

TABLE 13
ELDERLY HOUSEHOLD INCOME DISTRIBUTION (AGE 62+)
MCDONOUGH MARKET AREA

Household Income Range	2000			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	228	7.1%	99	28.7%
\$10,000 - \$20,000	454	14.2%	98	28.4%
\$20,000 - \$30,000	502	15.7%	54	15.7%
\$30,000 - \$40,000	373	11.7%	37	10.7%
\$40,000 - \$50,000	358	11.2%	0	0.0%
\$50,000 and over	<u>1,275</u>	<u>40.0%</u>	<u>57</u>	<u>16.5%</u>
TOTAL	3,190	100.0%	345	100.0%
Median	\$41,061		\$17,500	

SOURCES: Ribbon Demographics/CLARITAS HISTA data

TABLE 14
ELDERLY HOUSEHOLD INCOME DISTRIBUTION (AGE 62+)
MCDONOUGH MARKET AREA 2008 - 2013

Household Income Range	2008			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	345	6.1%	182	26.5%
\$10,000 - \$20,000	626	11.1%	192	27.9%
\$20,000 - \$30,000	821	14.6%	96	14.0%
\$30,000 - \$40,000	695	12.3%	86	12.5%
\$40,000 - \$50,000	651	11.6%	0	0.0%
\$50,000 and over	<u>2,498</u>	<u>44.3%</u>	<u>132</u>	<u>19.2%</u>
TOTAL	5,636	100.0%	688	100.0%

Household Income Range	2013			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	427	5.2%	251	23.7%
\$10,000 - \$20,000	760	9.3%	270	25.5%
\$20,000 - \$30,000	1,111	13.6%	143	13.5%
\$30,000 - \$40,000	981	12.0%	165	15.6%
\$40,000 - \$50,000	912	11.2%	0	0.0%
\$50,000 and over	<u>3,988</u>	<u>48.8%</u>	<u>228</u>	<u>21.6%</u>
TOTAL	8,179	100.0%	1,057	100.0%

SOURCE: Ribbon Demographics/CLARITAS HISTA data

TABLE 15
ELDERLY HOUSEHOLD INCOME DISTRIBUTION (AGE 55+)
MCDONOUGH MARKET AREA

Household Income Range	2000			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	322	6.2%	121	23.6%
\$10,000 - \$20,000	512	9.9%	137	26.8%
\$20,000 - \$30,000	629	12.1%	100	19.5%
\$30,000 - \$40,000	521	10.0%	68	13.3%
\$40,000 - \$50,000	600	11.6%	11	2.1%
\$50,000 and over	<u>2,604</u>	<u>50.2%</u>	<u>75</u>	<u>14.6%</u>
TOTAL	5,188	100.0%	512	100.0%
Median	\$50,038		\$19,854	

SOURCES: Ribbon Demographics/CLARITAS HISTA data

TABLE 16
ELDERLY HOUSEHOLD INCOME DISTRIBUTION (AGE 55+)
MCDONOUGH MARKET AREA 2008 - 2013

Household Income Range	2008			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	508	5.3%	229	22.6%
\$10,000 - \$20,000	709	7.3%	274	27.0%
\$20,000 - \$30,000	1,016	10.5%	164	16.2%
\$30,000 - \$40,000	922	9.6%	143	14.1%
\$40,000 - \$50,000	1,115	11.6%	24	2.4%
\$50,000 and over	<u>5,381</u>	<u>55.8%</u>	<u>179</u>	<u>17.7%</u>
TOTAL	9,651	100.0%	1,013	100.0%

Household Income Range	2013			
	OWNER HOUSEHOLDS		RENTER HOUSEHOLDS	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Less than \$10,000	639	4.6%	325	20.6%
\$10,000 - \$20,000	846	6.0%	390	24.7%
\$20,000 - \$30,000	1,374	9.8%	242	15.3%
\$30,000 - \$40,000	1,273	9.1%	273	17.3%
\$40,000 - \$50,000	1,482	10.6%	35	2.2%
\$50,000 and over	<u>8,422</u>	<u>60.0%</u>	<u>312</u>	<u>19.8%</u>
TOTAL	14,036	100.0%	1,577	100.0%

SOURCE: Ribbon Demographics/CLARITAS HISTA data

SUMMARY

The overall target range for the 28 units in the subject at the 50% of AMI level is \$19,140 - \$28,500. Based on HISTA income projections, approximately **14%** of renter households aged 62 and older will be in the target range in 2010 (**12.9%** for owners).

The overall target income range for the 68 units in the subject at the 60% of AMI level is \$21,180 - \$34,200. Approximately **17.9%** of renter households and **17.6%** of owner households aged 62 and older are projected to have incomes within this range in 2010, based on HISTA projections for the McDonough PMA.

The overall range for the 12 units 'lower rent' units at the 50% of AMI level is \$14,430 - \$28,500 and is projected to comprise roughly **26.7%** of all elderly renter households in 2010. Some **17.8%** of all owners will have income in the overall target range. Again, given that these units are considered leasable in the market no specific demand calculation is prepared for this segment.

Some 24.9% of elderly renters and 35% of owners are projected to have income in the \$21,930 - \$50,000 range and would be eligible for the market rate units.

It is projected that in 2010 some **15.7%** of renter households aged 55 and older in the Primary Market Area will have incomes of \$19,140 - \$28,500. The income eligible group at the 60% of AMI level (\$21,180 - \$34,200) is projected to comprise **20.4%** of the aged 55+ renter households. The overall 'lower rent' 50% of AMI income range is \$14,430 - \$28,500 and is expected to include **28%** of renter households aged 55+. Some 30.5% of renters aged 55+ would be eligible for the market rate component.

ECONOMIC AND EMPLOYMENT TRENDS

Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Generally changes in family households reflect a fairly direct relationship with employment, while elderly household dynamics are much less dependent on immediate local economic changes. However, the employment data reflect the vitality and stability of the area for growth and development in general.

EMPLOYMENT

The economic situation for McDonough and environs is evaluated in this analysis by examining the employment activity, both in workers and jobs, in Henry County as a whole. The County in this case is a somewhat broader geographic and categorical employment base than the City of McDonough and the PMA, but McDonough is an employment center in its own right.

Labor data for 2007 reflect an increase in employment over the past year, continuing the positive trends recorded between 2000 and 2005. These data are subject to revision, as they are based on monthly data for 2007, are not seasonally adjusted, but given the positive trends for prior years, little revision is likely in this case. Unemployment increased each year between 2000 and 2005, but declined in 2006 and again in 2007. Data for the first five months of 2008 indicate another increase in unemployment, but the rate still stands at a relatively moderate 5.2%.

Jobs data have historically been reported using the Standard Industrial Classification (SIC) system. This has now been replaced by the North American Industry Classification System (NAICS), which now serves as the new structure for classifying business activity in the United States. The Georgia Department of Labor began publishing NAICS-based state and local employment estimates in 2001. Unlike some states, revised/converted data for prior years have not been released to replace previously published SIC data. Accordingly, detailed analysis of long-term trends is not possible.

Employment by Industry

Table 17 presents jobs data by place of work for Henry County for 2001 and 2007 reported under the NAICS system. An overall gain of 15,064 jobs was recorded, representing an increase of 6.4% per year. Most of the gains were in private sector employment, with the largest gains in Trade, Transportation and Utilities and Leisure and Hospitality. Government employment also increased during the 6-year period.

TABLE 17
EMPLOYMENT BY INDUSTRY GROUP (NAICS)
HENRY COUNTY
2001 - 2007
(Place of Work)

JOBS:	<u>2001</u>	<u>2007</u>	<u>Annual Growth</u>		<u>Avg. Weekly Wage</u>
Goods-Producing Domain					\$781
Natural Resources and Mining	160	159	0	-0.1%	\$654
Construction	2,635	2,916	47	1.7%	\$754
Manufacturing	3,767	3,531	-39	-1.1%	\$810
Service-Providing Domain					\$545
Trade, Transportation and Utilities	8,157	11,946	632	6.6%	\$570
Information	865	301	-94	-16.1%	\$999
Financial Activities	1,139	2,598	243	14.7%	\$797
Services	3,243	5,288	341	8.5%	\$556
Education and Health Services	2,979	5,001	337	9.0%	\$717
Leisure and Hospitality	3,904	6,504	433	8.9%	\$246
Other Services	838	1,262	71	7.1%	\$492
Unclassified	197	57	-23	-18.7%	\$669
Federal Government	887	1,022	23	2.4%	\$1,966
State Government	156	147	-2	-1.0%	\$615
Local Government	4,689	7,948	543	9.2%	\$687
Total	33,616	48,680	2,511	6.4%	\$630
Total Private	27,884	39,563	1,947	6.0%	\$564

NOTES: 1. Annual growth rates are compound, not simple averages.
2. Data use NAICS system.

SOURCE: Georgia Department of Labor

Major Employers

Table 18 indicates selected major employers in the McDonough area of Henry County, as well as the regional employers (the County schools and the Henry Medical Center). The McDonough area is also home to various distribution facilities employing smaller numbers individually, but which collectively provide significant employment opportunities for local residents.

TABLE 18
SELECTED MAJOR EMPLOYERS
MCDONOUGH MARKET AREA

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
Henry County Board of Education	County schools	4,500
Henry Medical Center	Health Care	1,500
Henry County Government	Government	1,500
Snapper Power Equipment	Lawn mowers	616
Georgia Power Company	Customer care center	550
Wal-Mart Supercenter	Retail	490
GENCO Logistics (3 facilities)	Multiple line logistics/returns	430
Ken's Foods, Inc.	Salad dressing	250
Aero Housewares, Inc.	Plastic housewares	201
Alpla, Inc.	Plastic bottles	140

SOURCES: Henry County Development Authority

The Henry County Economic Development Authority is the lead economic development entity in Henry County, and works in conjunction with the Chamber of Commerce and City/County officials to promote Henry County to potential new employers. Expansions announced in late 2007 included a 340K sq. ft. addition to the 1.3 million square foot distribution facility occupied by Kimberly Clark. Carlisle Tire and Wheel expects to add 75 employees upon completion of their 670K square foot facility and Whirlpool plans to open a distribution center in 2009. Construction on the 1.5 million square foot Whirlpool facilities began in January 2008. Other additions to the employment base in 2007 included the relocation of 170 jobs from Atlanta to McDonough by Litton Loan Service plus the creation of around 100 new jobs in their new 80K square foot building.

Retail jobs were created with the opening of the JC Penney store at the South Point retail center in late 2007 (150 jobs) with additional retail space still under construction.

No significant changes are expected in the local economy over the next few months. The only reported losses were a layoff at XL Logistics (65 jobs) and closure of The Bombay Company (49 jobs).

Employment Trends

There was a 93.7% overall increase in the number of employed persons during the 90's in Henry County, an average gain of 8.8 % per year. Growth was steady throughout the 90's, and there were

no years that recorded a loss. Data from 2000 onward represent a new benchmark series and are not strictly comparable with data for prior years, but the trend remains the same – generally steady growth each year. The unemployment rate has remained below 5% for all but calendar year 2005 when it reached 5.1%. Data for the first five months of 2008 indicate a very slight increase in employment levels and an increase in the unemployment rate to 5.2%. See Table 19.

Again it must be emphasized that some of these data again should be viewed with caution, as they represent different benchmark years. Post 2000 data have been benchmarked to the 2000 Census, but pre-2000 data have not been revised. Further, as previously noted, data for 2007 are preliminary and subject to revision. The changes in the employment data reporting system in the past few years make data difficult to compare directly, both by place of residence and by place of work, but again in this market, all indicators are positive.

Year-to-year changes in employment levels are shown graphically in Figure 1; changes in unemployment are shown in Figure 2.

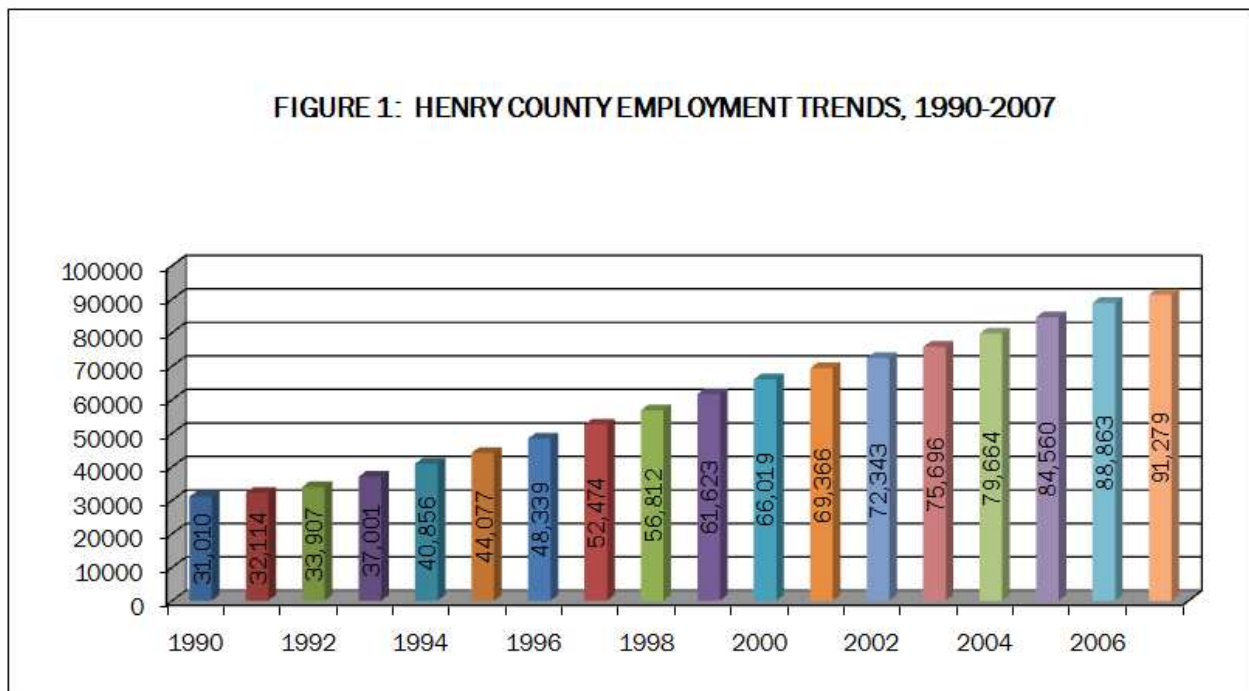


FIGURE 2: HENRY COUNTY UNEMPLOYMENT TRENDS, 1990-2007

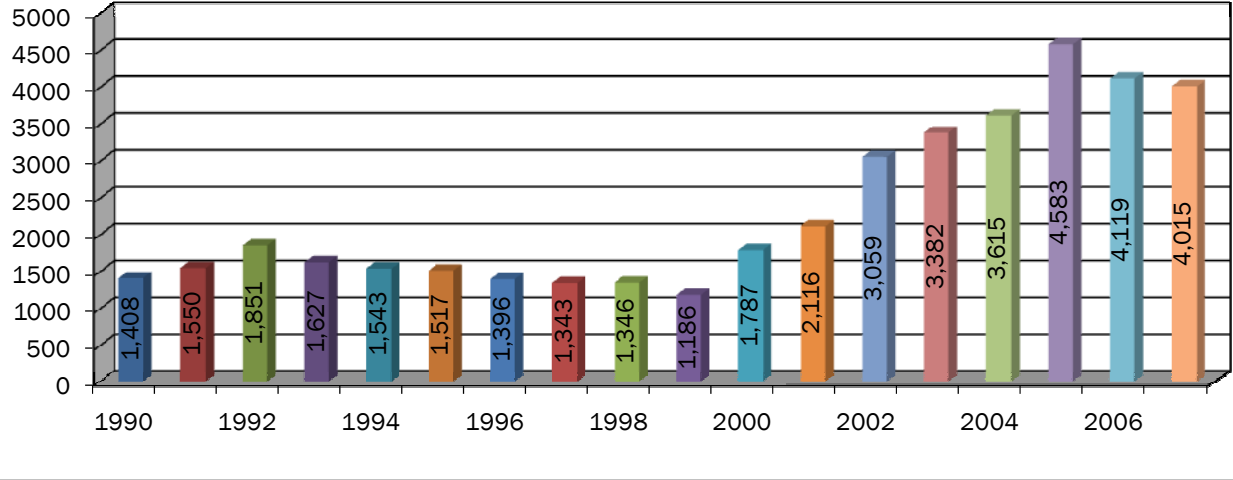


TABLE 19
LABOR FORCE TRENDS
HENRY COUNTY
1990 - 2007
(Place of Residence)

	<u>1990</u>	<u>1999</u>	<u>2000</u>	<u>2005</u>	<u>2007</u>
Civilian Labor Force	32,418	62,809	67,806	89,143	95,294
Employment	31,010	61,623	66,019	84,560	91,279
Unemployment	1,408	1,186	1,787	4,583	4,015
Unemployment Rate	4.3%	1.9%	2.6%	5.1%	4.2%

CHANGES IN EMPLOYMENT LEVELS

	NUMBER		GROWTH RATE	
	<u>Total</u>	<u>Annual</u>	<u>Total</u>	<u>Annual</u>
1990 - 1999	30,391	3,377	93.7%	8.8%
2000 - 2005	18,541	3,708	28.1%	5.1%
2005 - 2007	6,719	3,360	7.9%	3.9%

RECENT EMPLOYMENT & UNEMPLOYMENT TRENDS

YEAR	EMPLOYMENT			UNEMPLOYMENT		UNEMP. RATE
	<u>NUMBER</u>	<u>NUMBER</u>	<u>PERCENT</u>	<u>NUMBER</u>	<u>CHANGE</u>	
1999	61,623	---	---	1,186	---	1.9%
2000	66,019	4,396	7.1%	1,787	601	2.6%
2001	69,366	3,347	5.1%	2,116	329	3.0%
2002	72,343	2,977	4.3%	3,059	943	4.1%
2003	75,696	3,353	4.6%	3,382	323	4.3%
2004	79,664	3,968	5.2%	3,615	233	4.3%
2005	84,560	4,896	6.1%	4,583	968	5.1%
2006	88,863	4,303	5.1%	4,119	(464)	4.4%
2007	91,279	2,416	2.7%	4,015	(104)	4.2%

1. 1990-2007 data are annual averages; due to changes in estimating benchmarks, data are not strictly comparable from year to year.

2. Annual growth rates are compound rates, not simple averages.

SOURCE: Georgia Department of Labor

Commuting patterns from the 2000 Census indicate that 34.8% of the McDonough PMA workers had jobs in the County compared to 31.1% of County residents. The high ratio work out-of-county workers illustrate the position of Henry County as a bedroom community to Atlanta.

The time that workers spent in commuting illustrates that commuting to other areas from the PMA was common, but that there were significant employment opportunities in proximity to the site. Some 14.1% of the market area workers drove 15 minutes or less to work, but 57% traveled 30 minutes or more. The largest group traveled between 30 and 44 minutes (16.3%). Commuting data and proportions are provided in Table 20.

TABLE 20
 COMMUTING TRENDS
 MCDONOUGH MARKET AREA
 2000
 (From Residence)

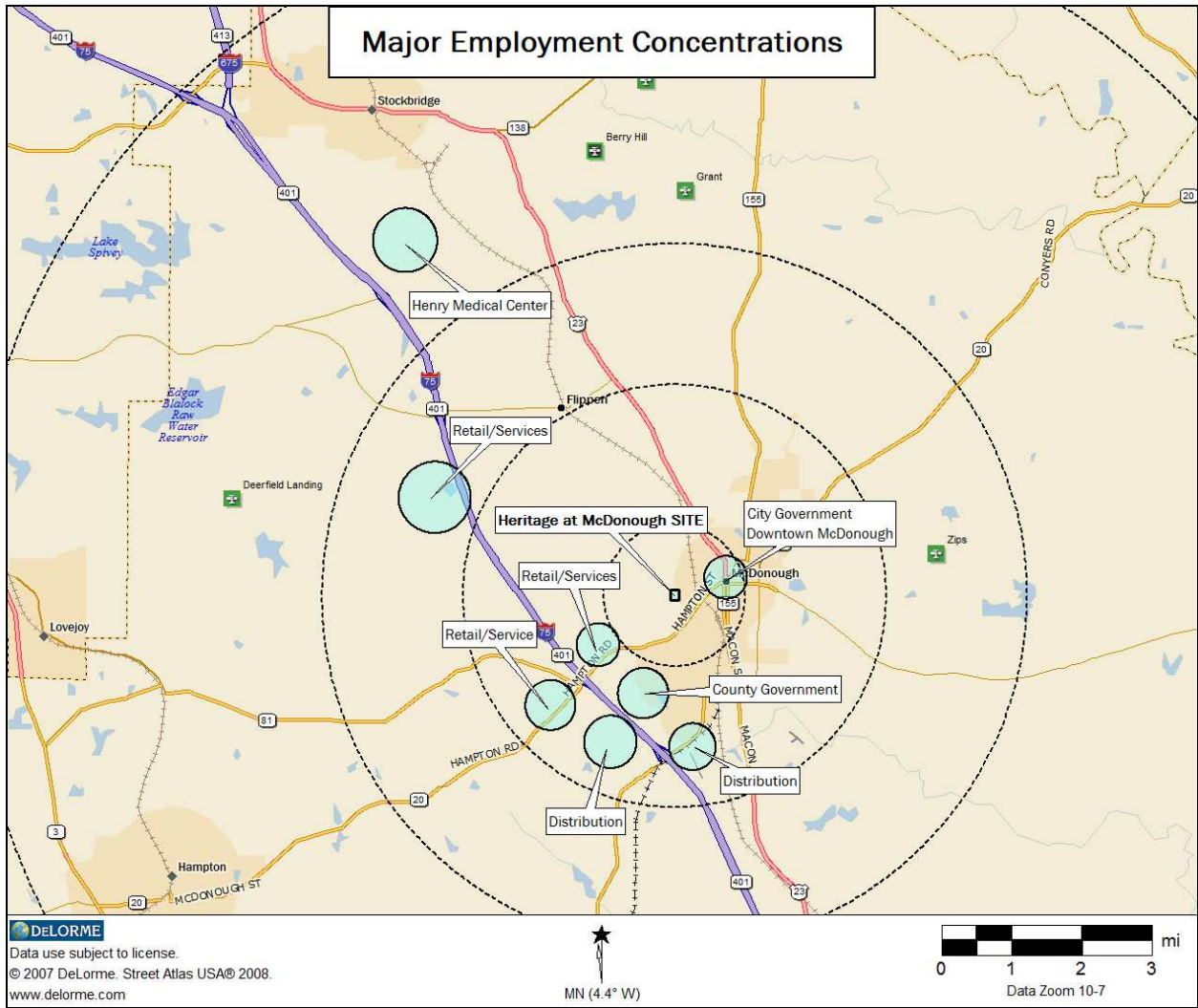
	<u>MCDONOUGH</u> <u>MARKET AREA</u>		<u>HENRY</u> <u>COUNTY</u>	
Workers By Place Of Residence:				
Worked in County	11,665	34.8%	18,751	31.1%
Worked Outside County, In State	21,633	64.5%	41,161	68.2%
Worked Out of State	<u>258</u>	0.8%	<u>469</u>	0.8%
Total Workers	33,556		60,381	
Travel Time to Work:				
Less than 5 minutes	435	1.3%	738	1.2%
5 to 9 minutes	1,698	5.1%	3,393	5.6%
10 to 14 minutes	2,614	7.8%	4,757	7.9%
15 to 19 minutes	3,386	10.1%	6,570	10.9%
20 to 24 minutes	3,953	11.8%	7,844	13.0%
25 to 29 minutes	2,331	6.9%	4,125	6.8%
30 to 34 minutes	5,478	16.3%	9,900	16.4%
35 to 39 minutes	1,838	5.5%	2,716	4.5%
40 to 44 minutes	1,840	5.5%	2,990	5.0%
45 to 59 minutes	4,862	14.5%	8,649	14.3%
60 to 89 minutes	3,206	9.6%	5,323	8.8%
90 or more minutes	1,065	3.2%	1,991	3.3%
Worked at home	<u>850</u>	<u>2.5%</u>	<u>1,385</u>	<u>2.3%</u>
	33,556	100.0%	60,381	100.0%

SOURCE: 2000 Census of Population, SF3

Summary

Overall, the Henry County economy continues to expand at a moderate rate, with new additions to the employment base (mainly service industry) and no expected closures or significant downsizings. These positive trends will likely contribute to continued positive population and household growth which will in turn result in continued demand for housing.

The following map indicates the areas of employment concentration in the PMA with respect to the subject site. Concentric circles set at 1, 3, 5 and 10 mile radii from the site show the relative location of major employment nodes.



PROJECT-SPECIFIC DEMAND ANALYSIS

The demand for Low Income Housing Tax Credit (LIHTC) assisted apartment units for elderly tenants is generated from three major sources, and adjusted for two more minor sources of demand. The first major source is new age-qualified household growth in the market area, adjusted for the demand via affordability/tenure. The second major source of demand is forecast to come from existing age-qualified renter-occupied households within the market area who are currently in a rent overburden condition. The third source of demand is similarly generated from elderly renter households living in substandard units.

These sources will be added together in order to quantify the total effective LIHTC eligible renter demand estimate for the subject development. In accordance with GA-DCA market study guidelines, demand from the PMA is adjusted by a factor of 15% to account for demand from the Secondary Market Area (SMA).

For elderly projects, GA-DCA market study guidelines allow the inclusion of certain additional sources of demand. The first source is demand from current elderly owners who choose to or are required by circumstances to become renters (conversion). This component can be no more than 20% of total demand.

The above components consider demand from elderly aged 62 or older. Since the proposed project is Housing for Older Persons (HFOP) targeting households aged 55 and older, a further adjustment will be required. In accordance with GA-DCA guidelines, the rental demand for HFOP is calculated at 10% of the qualified rental demand for seniors, and the gross demand for HFOP is based on the sum of the gross demand for elderly households plus the rental demand for HFOP.

Total age and income-qualified demand is then adjusted for the supply of directly comparable affordable housing units built, under construction and/or awarded in the PMA between 2000 and the present (if any). The net demand estimate will then be evaluated vis a vis the project, in order to estimate what percentage of the income-eligible target group would need to be attracted to the subject to achieve a feasible development. This section also presents an estimate of absorption for the project.

Finally, this analysis examines the project in relation to general household population, including factors of age, tenure and income qualification. This indicates the proportion of the housing stock the project represents and gives an indication of the scale of the project in the McDonough/Henry County market. Potential impact of the project on the existing housing market is also examined, with respect to other assisted projects in the PMA in particular.

Throughout the demand forecast process, income qualification is based on the income distribution estimates derived in the Income Trends discussion in the Community Demographic Data section of the report, and the maximum household size is assumed to be 2 persons. To recap, the minimum and maximum incomes by BR and AMI level are as follows:

Number of Units	Bedroom Size	Gross Rent	Minimum Income	Maximum Income	Target AMI
12	1BR/1Ba	\$481	\$14,430	\$28,500	50%
10	2BR/2Ba	\$638	\$19,140	\$28,500	50%
8	1BR/1Ba	\$666	\$19,980	\$28,500	50%
10	2BR/2Ba	\$798	\$23,940	\$28,500	50%
34	1BR/1Ba	\$706	\$21,180	\$34,200	60%
34	2BR/2Ba	\$853	\$25,590	\$34,200	60%
6	1BR/1Ba	\$756	\$22,680	\$50,000	MKT
6	2BR/2Ba	\$903	\$27,090	\$50,000	MKT

Based on the rents shown above, and without consideration for overlap in eligibility, the affordability ranges and the estimated proportion of income-eligible households (aged 62+) in each group (as of 2010) are shown below.

Income Range	Eligible Ratio	
	Renters	Owners
\$14,430 - \$28,500 (50%)	26.7%	17.8%
\$21,180 - \$34,200 (60%)	17.9%	17.6%
\$14,430 - \$34,200 (All LIHTC)	34.6%	25.1%
\$21,930 - \$50,000 (MKT)	24.9%	35.0%
\$14,430 - \$50,000 (Total project)	42.5%	43.5%

As previously noted, given the degree of overlap in the 50% and 60% of AMI segments, it is readily apparent that many households within the individual income segments would be eligible to occupy a 1BR unit **or** a 2BR unit at either the 50% of AMI level **or** the 60% of AMI level. The target income groups are not discrete, and the ultimate allocation of demand by bedroom and target AMI is of necessity somewhat arbitrary. The calculations that follow reflect demand for each AMI level, and are adjusted for overlap. Further, the calculations do not include demand for the lowest priced units – the twelve 1BR units at the 50% of AMI level. These units comprise 10% of the total project, and would include households with income as low as \$14,430. Given that households with income of \$14,430-\$19,140 could **only** afford the lower-priced units, inclusion of these units, and use of \$14,430 as the lower limit of affordability would skew the demand forecast. Given that these units are considered leasable in the market, they are therefore excluded, and demand is calculated only among households who would be eligible for, and could afford, the higher priced units which comprise 90% of the project. Without regard for overlap, the target income ranges and ratio of eligible households for the higher rent units are shown below:

Income Range	Eligible Ratio	
	Renters	Owners
\$19,140 - \$28,500 (50%)	14.0%	12.9%
\$21,180 - \$34,200 (60%)	17.9%	17.6%
\$19,140 - \$34,200 (Overall)	21.9%	20.2%
\$21,930 - \$50,000 (MKT)	24.9%	35.0%

Demand will subsequently be allocated to each BR type based on the calculated demand by AMI level for the LIHTC component and for the market rate component, adjusted for overlap in the target segments.

The allocation of demand by AMI level considered the higher ratio of households eligible at the 60% of AMI level compared to the 50% of AMI level. It further considered the proportion of the overall demand that would accrue to only one group – for example, households with income of \$28,500 to \$34,200 would only be eligible for 60% units while households with income between \$21,180 and \$28,500 would be eligible for, and could afford either a unit at 60% of AMI or at the 50% of AMI level. Thus, while the demand calculations segmented by BR and AMI level imply a static condition, this is not actually the case in practice. In any case, the final segmentation of demand by AMI level was 38% at the 50% of AMI level (roughly 8.3% of all senior renter households) and 62% at the 60% of AMI level (roughly 13.6% of all senior renter households). The market rate eligible segment is also reduced to account for the overlap with the LIHTC eligible group, and for purposes of this analysis it is assumed that essentially all households eligible for the LIHTC units would prefer these lower-priced units. Accordingly, demand for market rate units would comprise roughly 14% of all senior renters.

For purposes of this analysis, the effective project size is **108 units** out of a total project size of 120 units. Of these 108 units, 28 units are targeted to the 50% of AMI level, 68 units are targeted to the 60% of AMI level and 12 units are market rate. The remaining 12 units targeted to the 50% of AMI level are assumed to be leasable in the market, and are therefore deducted from the total number of units in the project for determining capture rates.

EFFECTIVE DEMAND POOL

DEMAND FROM NEW RENTER HOUSEHOLD GROWTH

For primary market area, forecast housing demand through household growth (including aging in place) and in-migration reflects a gain of 491 renter households aged 62 or older. By definition, growth equals demand for new housing units, which would imply 491 units of demand from this component. This total is adjusted for income qualification (and overlap) at the target AMI levels. This calculation is summarized below:

New Renter Household Growth Calculation Summary (Age 62+)

Renter Households projected in 2010:			836	
Renter Households in 2000:			345	
Renter-Occupied Unit Need:			491	
Income Qualification Rate:	50% AMI	60% AMI	OVERALL	MARKET
(Adjusted for overlap)	8.3%	13.6%	21.9%	14.0%
Income-Qualified Demand from New Renters:	41	66	107	69

DEMAND FROM EXISTING RENTER HOUSEHOLDS WITH RENT OVERBURDEN

In 2000, there were over 1,200 households and 250 renter households aged 62+ in the primary market area. These households are considered to be the basis for demand by households already occupying housing units in the market area. This excludes existing rental units that are now vacant.

Based on the 2000 Census, it is estimated that 23.3% of all renters in the PMA suffered from rent overburden. The vast majority (65.3%) of rent overburdened households had incomes of less than \$20,000, and only 0.7% had income above \$35,000. Among the elderly, the overall rent-overburden ratio was significantly higher at 35.4%. Applying the rent overburden factor to elderly renter households yields the following, segmented by target AMI:

Existing Renter Household Calculation Summary - Rent Overburden

Gross Rental Pool	345			
Elderly Rent Overburden Rate	35.4%			
	122			
Income Qualification Rate:	50% AMI	60% AMI	OVERALL	MARKET
(Adjusted for overlap)	8.3%	13.6%	21.9%	14.0%
Potential Effective Demand From Existing Renters with Rent Overburden (TARGET GROUP)	10	17	27	See Text

As would be expected, and as can be documented, the incidence of rent overburden decreases as income increases. Given the small prevalence (0.7%) of rent overburden among households with incomes of \$35,000 in this market, demand from rent-overburdened households is not considered an element of market rate demand.

DEMAND FROM EXISTING RENTER HOUSEHOLDS IN SUBSTANDARD UNITS

GA-DCA also allows a demand component from households in substandard units, typically this is likely to be a very limited source of demand, and is limited to households living in units without plumbing or in overcrowded conditions. In the McDonough PMA, the ratio of substandard units is very low. This component calculation assumes that no additional units have been added which lack plumbing, and assumes that the condition is confined to the lower income groups.

According to the 2000 Census, 501 units (around 359 owner occupied and 148 renter occupied) in the McDonough Market Area lacked complete plumbing or were overcrowded, and defined as substandard. Overall, substandard units comprised 2.2% of the occupied stock, and 5% of the occupied rental units. This factor does **not** take any other measures of substandard condition into account, including infestation by insects or other pests, inadequate or no heat source, or general deteriorating condition. However, there were no renter-occupied units which lacked plumbing, and no elderly-occupied renter units were identified as overcrowded. The calculation of demand from this component for the target elderly group is summarized below:

Existing Renter Household Calculation Summary - Substandard

Substandard Rental Units (2000)				148
Elderly Occupied Substandard				0
Income Qualification Rate:	50% AMI	60% AMI	OVERALL	MARKET
(Adjusted for overlap)	8.3%	13.6%	21.9%	14.0%
Potential Effective Demand From Existing Renters in Substandard Units (TARGET GROUP)				
	0	0	0	0

ADJUSTMENT FOR DEMAND FROM SECONDARY MARKET AREA

The demand methodology incorporates an adjustment for demand from the Secondary Market Area (SMA), and the Market Study Guidelines specifically state: ***“to accommodate for the secondary market area, the Demand from Existing Qualified Households within the primary market area will be multiplied by 115% to account for demand from the secondary market area.”*** Application of this adjustment factor to the sum of the demand components previously calculated adds an additional **24 units** to the total LIHTC demand (**9 units** at the 50% of AMI level and **15 units** at the 60% of AMI level). Twelve units are added to the market rate component.

CONVERSION

The fourth source of potential tenants involves elderly householders who currently own a home, but who may switch to a rental unit. This tendency is divergent for non-elderly and elderly households, and is usually the result of changes in circumstances in the households – the financial ability to pay maintenance and taxes, the physical ability to maintain a larger, detached house, or an increased need for security and proximity of neighbors. In most cases, the need is strongest among single-person households, primarily female. Frequently, pressure comes from the householders’ family to make the decision to move.

In a tight market, this segment is often slow to reach a decision to move, but the need to do so frequently precedes the availability of suitable units. This creates a higher propensity to rent from this source in initial leasing, and a lower propensity when an adequate supply of appropriate units is available. GA-DCA guidelines further stipulate that demand from homeowner conversion should be no more than 20% of the total demand. Assuming 10% of the elderly homeowners (6,653 households) in the market would have the potential to be in this category results in demand for only 665 units, without regard to income qualification. The calculation for income qualification is summarized below.

Existing Owner Household Calculation Summary

	50% AMI	60% AMI	OVERALL	MARKET
Projected number of Owner Households		6,653		
Proportion of Owners in Income Range	12.9%	17.6%	20.2%	35.0%
Income-Qualified Owner Households	861	1,173	1,343	2,330
Penetration Rate	<u>10.0%</u>	<u>10.0%</u>	<u>10.0%</u>	<u>10.0%</u>
Total Demand from Conversion	86	117	134	233
Allowable Demand from Conversion (20% of Total Demand)	15	24	39	20
Lesser of Conversion Estimates	15	24	39	20

ADJUSTMENT FOR HFOP RENTAL DEMAND

The previous calculations consider demand from elderly aged 62 or older. Since the proposed project is Housing for Older Persons (HFOP) targeting households aged 55 and older, a further adjustment is required. In accordance with GA-DCA guidelines, the rental demand for HFOP is calculated at 10% of the qualified rental demand for seniors, and the gross demand for HFOP is based on the sum of the gross demand for elderly households plus the rental demand for HFOP. This calculation adds 20 households to the overall LIHTC demand (8 at the 50% of AMI level and 12 at the 60% of AMI level) and 10 units to the market rate demand.

ADJUSTMENT FOR NEW COMPARABLE UNITS

The demand methodology incorporates renter household growth since 2000 as one component, and identifies households experiencing rent overburden and substandard conditions in 2000 as different components. These calculations do not acknowledge the effect that the existing supply has on rental housing as of 2008. An adjustment must be made for comparable units that have been built since 2000, or are funded to be built in the forecast period, that satisfy the demand from these components. In this market, one HFOP project was added in 2005. Grier Manor comprises 64 units, inclusive of 7 units targeted to households at 30% of AMI, 26 units at 50% of AMI, 12 units at 60% of AMI and 13 market rate units. Given the income targeting, the 7 units targeted to the 30% of AMI group are not considered. The adjustment then comprises 57 units (44 LIHTC and 13 market rate). No approved projects for seniors are in the "pipeline", so no further adjustment is necessary.

TOTAL EFFECTIVE DEMAND POOL AND CAPTURE RATE

The net potential demand from all these sources, by target AMI level, is shown in Table 21. This estimate comprises the total age and income qualified demand pool from which the tenants at the proposed project will be drawn.

Based on the demand estimate and the effective project size (96 LIHTC units) as detailed earlier in this section) the subject project would need a capture rate of around **55.5%** of the effective LIHTC

income qualified demand. The capture rate for the 28 units at the 50% of AMI level is 54.9% of the total income qualified demand and 55.7% at the 60% of AMI level. Again, these capture rates by AMI level have been adjusted for overlap in the two groups. Market rate demand is calculated at 96 units, indicating a 12.2% capture rate, again after adjustment for overlap between the LIHTC and market rate eligible groups.

TABLE 21
CALCULATION OF NET DEMAND ESTIMATE
MCDONOUGH MARKET AREA

	HH at 50% AMI \$19,140 - \$28,500	HH at 60% AMI \$21,180 - \$34,200	OVERALL \$19,140 - \$34,200	MARKET RATE \$21,930 - \$50,000	TOTAL PROJECT \$19,140 - \$50,000
Demand from New Household migration into the market and growth from existing households in the market: age and income appropriate	41	66	107	69	176
Plus					
Demand from Existing Renter Households - Substandard Housing	0	0	0	0	0
Plus					
Demand from Existing Renter Households- Rent Over burdened households	10	17	27	0	27
Plus					
Secondary Market Demand adjustment @ 15%	9	15	24	12	36
Sub Total	60	98	158	81	239
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	15	24	39	20	59
Plus					0
Demand for Existing HFOP Rental Households (Limited to 10% where applicable)	8	12	20	10	30
Equals Total Demand	83	134	217	111	328
Less					
Supply of directly comparable affordable housing units built and/or awarded in the project market between 2000 and the present	32	12	44	13	57
Equals Net Demand	51	122	173	98	271
Proposed Units	28	68	96	12	108
Capture Rate	54.9%	55.7%	55.5%	12.2%	39.9%

NOTE: Income bands reflect entire affordability range by AMI for LIHTC and for market rate segment

ESTIMATE OF DEMAND BY BEDROOM MIX AND TARGET AMI

Demand by bedroom mix can be estimated using typical occupancy ratios among seniors and the renter household size distribution from the HISTA dataset, which is summarized in Table 14. A further examination of HISTA data (included in the Addenda) reveals that the ratio of renter households aged 62+ with more than 2 persons that would have income within the target LIHTC range is relatively small. Accordingly, this report assumes that the demand estimate comprises only one and two-person households, and that likely demand among this group for rental units larger than 2BR is negligible.

The allocation by BR considered the ratio of persons per household among elderly renters in this market (projected to be 1.73 in 2010), general trends in elderly housing that suggest that demand for 2BR units is increasing, and the more limited availability of 2BR units in the market to satisfy potential demand among the elderly. The allocation rate used was 40% 1BR and 60% 2BR.

Demand for market rate units was allocated by BR in the same ratio as the LIHTC demand – 40% 1BR and 60% 2BR.

The resulting net demand and capture rates by BR and AMI are as follows:

Target AMI	Units Proposed	Net Demand	Capture Rate
50%	28	51	54.9%
1BR:	8	20	40.0%
2BR:	20	31	64.5%
60%	68	122	55.7%
1BR:	34	49	69.4%
2BR:	34	73	46.6%
MARKET	12	98	12.2%
1BR:	6	39	15.3%
2BR:	6	59	10.2%
All 1BR:	48	108	44.4%
All 2BR:	60	163	36.9%
Overall	108	271	39.9%

ABSORPTION RATE ANALYSIS

The overall gross capture rate for the subject 108-unit project is 39.9% of the calculated demand of 271 units, before segmentation of demand by bedroom. This overall capture rate is within the 70% threshold established by GA-DCA, but does not consider demand by bedroom mix.

- The overall demand at the 50% of AMI level is 54.9%. After segmentation by bedroom, the resulting 1BR capture rate is **40%** and the 2BR capture rate at the 50% of AMI level is **69.4%**.
- The overall capture rate for the 68 units at the 60% of AMI level is 55.7%, but **64.5%** for the 1BR units and **46.6%** for the 2BR units **after segmentation by bedroom**.
- As calculated, the capture rates by bedroom size and income group assume that units are rented to households in the exact proportions shown in the application, and **without the use of HUD Housing Choice Vouchers or other rent subsidies**. Further, this calculation assumes that each of the AMI segments and the bedroom preference segments are discrete.
- Given the analysis and conclusions of each of the report sections, development of a 120-unit mixed income project, with a mix of 1BR and 2BR units and at the rents proposed by the developer would appear to entail an element of market risk. Despite the strong growth in this market, which includes significant growth among the elderly, persons age 62+ (and 55+) still represent a relatively small component of the overall market. While the calculated individual LIHTC capture rates are not necessarily insurmountable, the overall and individual capture rates for the LIHTC units suggests slow absorption of the project in its entirety.
- The high capture rates are a function of a relatively narrow band of affordability for the 96 LIHTC units for which demand was calculated (the 12 lower rent 1BR units are excluded). The higher 50% of AMI gross rents were set at >99% of the maximum allowable. For the 2BR units these rents are based on a 3-person household – whereas the actual tenant group will comprise only 1- or 2-person households, with a majority 1-person expected. The proposed 2BR gross rent (\$853) at the 60% of AMI level would represent a 29.9% rent-to-income ratio for a 2-person household with income at the top of the eligible range (\$34,200). This rent is certainly more affordable to the target group, but is slightly higher than other units for seniors in this market.
- Given the indicated levels of market support, the Heritage at McDonough would likely require a 14-18 month absorption period, at an average rate of around 6-8 units per month. The time required to reach and maintain a stabilized occupancy rate of 93% or better would likely be on the higher side of the estimate due to the potential for initial turnover coinciding with absorption of the final units.

OVERALL PROJECT SCALE AND POSITION IN THE MARKET

This section presents data on the gross household population, and the proportion of the totals represented by the subject project. Within this general category, broad qualifications for tenure, income and age are also provided. The data is used to give a general indication of the scale of this project in total and its position in the McDonough market, at the expected placed-in-service date (2010).

TABLE 22
PROJECT SCALE
HERITAGE AT MCDONOUGH

	<u>Total</u>	<u>Project Size (Units)*</u>	<u>Project Proportion</u>
Total Households (2010)	44,532	96	0.2%
Total Renters	6,431	96	1.5%
Total Elderly Renters (Aged 62+)	836	96	11.5%
Total Income Qualified Renters	183	96	52.5%
Total Elderly Renters (Aged 55+)	1,237	96	7.8%
Total Income Qualified Renters	304	96	31.6%
Total Owners	38,101	96	0.3%
Total Elderly Owners (Aged 62+)	6,653	96	1.4%
Total Income Qualified Owners	1,343	96	7.1%
Total Elderly Owners (Aged 55+)	11,407	96	0.8%
Total Income Qualified Owners	1,093	96	8.8%

* Effective project size (96 units) includes higher rent LIHTC units only; 12 1BR units at 50% of AMI with lower rents and 12 market rate units are excluded

As noted, while the subject represents a very small proportion of the overall rental market (all ages), the proportion of the elderly renters is relatively high and significantly higher among the income-qualified renter households. In this case, given the narrow range of affordability, the ratio of elderly owners who would be income qualified is not as high among the 62 and older and the 55 and older as in some markets, and the number of income qualified owners is correspondingly low. Accordingly, the project represents a somewhat high proportion of elderly owners in this market as well. [NOTE: this is not an estimate of potential demand, capture rate, or penetration rate; it is simply a general indicator of the scale of the project compared to the market as a whole.]

OVERALL IMPACT ON THE RENTAL MARKET

Based on the data from the survey of the McDonough PMA rental market in Henry County, the subject project would have no significant long-term negative impact on the existing program-assisted apartment market as currently proposed. It is noted that during the initial rent up, any turnover vacancies at Grier Manor would likely take longer to fill than is now the case, since both projects would compete for tenants from within the same pool of age and income-eligible households.

HOUSING SUPPLY ANALYSIS

This section of the study examines the existing multi-family housing supply and its ability to satisfy the needs of the household population segments identified in the prior section, based on data from the 2000 Census. Further, the competitive environment is explored to define general rental market conditions, focusing on affordable options. The most directly competitive units are examined in greater detail regarding vacancy and waiting lists, unit and project features, rent levels and subsidies.

For purposes of this analysis, seasonal or second homes are excluded; only year-round units are considered. In the McDonough PMA this is not significant, with only 55 such units identified in the 2000 Census, or 0.2% of the total housing stock.

HOUSING STOCK CONDITION AND AFFORDABILITY

In 2000, there were 501 occupied units (2.2% of the occupied housing stock) that either lacked plumbing or were overcrowded, and therefore defined as substandard. Of these, 148 or 29.5% were renter occupied. None of these occupied units lacked plumbing; all were defined as overcrowded, which implies a need for some units with higher bedroom mix among family households. A modest proportion (7.1%) of the PMA housing stock was in mobile homes in 2000. Other factors yielding substandard or non-competitive conditions are not evaluated.

Rent overburden affects a very low ratio of renters in the PMA compared to many parts of Georgia. According to the 2000 Census, some 21.5% of all renters in the PMA paid more than 35% of income for rent, compared to 20.9% of renters in Henry County as a whole.

GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME IN 1999

	MARKET AREA		HENRY COUNTY	
Less than 10 percent	143	5.0%	295	4.9%
10 to 14 percent	402	13.9%	895	15.0%
15 to 19 percent	536	18.6%	1,018	17.1%
20 to 24 percent	382	13.2%	974	16.3%
25 to 29 percent	312	10.8%	572	9.6%
30 to 34 percent	265	9.2%	489	8.2%
35 to 39 percent	123	4.3%	284	4.8%
40 to 49 percent	98	3.4%	287	4.8%
50 percent or more	399	13.8%	677	11.3%
Not computed	<u>225</u>	<u>7.8%</u>	<u>475</u>	<u>8.0%</u>
Total	2,885	100.0%	5,966	100.0%
>35%	620	21.5%	1,248	20.9%
>40%	497	17.2%	964	16.2%

As would be expected, rent overburden was prevalent in the <\$10,000 income group, but also comprised 68.9% of all households with income of \$10,000-\$19,999. Households with income above \$35,000 were much less likely to be rent overburdened. Only 10 such households were identified in the Census, representing 0.7% of the households in the \$35,000 or over income group.

HOUSEHOLD INCOME BY GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME

Gross Rent/Income	Income Range (000)				Total
	<\$10	\$10-20	\$20-35	>\$35	
Less than 20 percent	0	38	85	958	1,081
20 to 24 percent	0	0	107	275	382
25 to 29 percent	0	0	172	140	312
30 to 34 percent	11	27	156	71	265
35 percent or more	206	199	205	10	620
Not computed	<u>81</u>	<u>25</u>	<u>68</u>	<u>51</u>	<u>225</u>
	298	289	793	1,505	2,885
Overburden Ratio	69.1%	68.9%	25.9%	0.7%	21.5%

The elderly have a higher incidence of rent overburden in this market – some 35.4% of all elderly households were rent overburdened according to the 2000 Census. Given the income distribution shown above, ROB would be essentially confined to elderly households with income of less than \$35,000 and would be most prevalent among households with income of less than \$20,000.

Gross Rent/Income	55-64	65-74	75+	Total
Less than 20 percent	41	48	24	113
20 to 24 percent	31	13	26	70
25 to 29 percent	18	0	0	18
30 to 34 percent	11	0	0	11
35 percent or more	60	72	42	174
Not computed	<u>12</u>	<u>71</u>	<u>23</u>	<u>106</u>
	173	204	115	492
ROB RATIO	34.7%	35.3%	36.5%	35.4%

HOUSING STOCK PROFILE

Table 23 summarizes housing stock characteristics as reported in the 1990 and 2000 Census for the PMA. The distribution of occupied housing units by tenure and structure type is shown for 2000. The number of overcrowded units and units which lacked plumbing is also presented. It should be noted that the number of units reported as built before 1960 illogically increased. This is likely due to an error in reporting in one or both Census years.

TABLE 23
HOUSING STOCK GROWTH
MCDONOUGH MARKET AREA
1990 - 2000

	<u>1990</u>	<u>2000</u>	<u>1990 - 2000</u>	
			<u>Annual Change</u>	<u>Percentage Change/Yr.</u>
Total Housing Units	9,921	23,816	1,390	9.2%
Seasonal Vacancies	<u>46</u>	<u>55</u>	1	1.8%
Year Round Units	9,875	23,761	1,389	9.2%
Units Built before 1960	1,565	1,582	2	0.1%
Occupied Units	9,271	22,801	1,353	9.4%
Units Per Building			<u>Owner</u>	<u>Renter</u>
1 Unit	8,010	20,315	18,400	1,184
2 - 9 Units	559	1,261	70	1,065
10 or more Units	0	549	6	487
Mobile Homes	1,271	1,691	1,349	240
Other	81	0	0	0
2000 Substandard Units:				
	<u>Owner</u>	<u>Renter</u>	<u>Total</u>	
Units Lacking Plumbing	18	0	18	
Overcrowded Units (>1.01 person/room)	<u>341</u>	<u>148</u>	<u>489</u>	
Subtotal	359	148	507	
Overcrowded Units AND lacking plumbing	<u>6</u>	<u>0</u>	<u>6</u>	
Total Substandard Units	353	148	501	
Proportion	1.8%	5.0%	2.2%	
Elderly renter occupied substandard		0		

SOURCES: 1990 Census of Population and Housing
2000 Census of Population
Downing & Associates Calculations

BUILDING PERMIT ACTIVITY

Table 24 exhibits building permit activity for McDonough and Henry County (inclusive of McDonough, Hampton, Stockbridge, Locust Grove and the unincorporated area of the County) for the 1990 – May 2008 period. As noted, over 54,000 permits were issued county-wide for an average of 2,937 per year. The ratio number of multi-family permits issued during the 90's was less than the renter tenure ratio in this market, which is in line with in the renter ratio during the 90's decade. The ratio of multi-family permits has increased since 2000, which implies that the renter tenure has also likely increased, but owner-occupants dominate the household profile. The number of permits declined in 2007 and for the first 5 months of 2008, as would be expected given trends in the housing market nation-wide.

Permit activity in the City of McDonough since 1990 has represented just over 10% of all permits issued. The City accounted for roughly 25% of all multi-family permits issued.

TABLE 24
HOUSING UNITS AUTHORIZED
CITY OF MCDONOUGH AND HENRY COUNTY
1990 - 2008

YEAR	CITY OF MCDONOUGH			HENRY COUNTY		
	SINGLE-FAMILY	MULTI-FAMILY	TOTAL	SINGLE-FAMILY	MULTI-FAMILY	TOTAL
1990	6	2	8	1,092	200	1,292
1991	35	5	40	1,229	17	1,246
1992	83	3	86	1,663	123	1,786
1993	53	0	53	1,956	418	2,374
1994	66	8	74	1,848	30	1,878
1995	101	2	103	2,103	30	2,133
1996	99	10	109	2,679	298	2,977
1997	101	0	101	2,570	20	2,590
1998	91	336	427	2,852	828	3,680
1999	198	58	256	2,907	536	3,443
2000	15	0	15	3,401	729	4,130
2001	195	0	195	3,521	260	3,781
2002	487	2	489	4,061	628	4,689
2003	501	458	959	3,764	702	4,466
2004	575	264	839	3,591	264	3,855
2005	526	39	565	3,697	206	3,903
2006	503	113	616	2,992	173	3,165
2007	344	208	552	1,652	766	2,418
2008 (Jan-May)	<u>93</u>	<u>36</u>	<u>129</u>	<u>254</u>	<u>38</u>	<u>292</u>
TOTAL	4,072	1,544	5,616	47,832	6,266	54,098
ANNUAL AVERAGE:	221	84	305	2,597	340	2,937
PROPORTION	72.5%	27.5%		88.4%	11.6%	

SOURCE: US Census, C-40 Construction Reports

PRIMARY SURVEY SUMMARY

Market conditions in rental housing in the McDonough Market area, based on the survey conducted by Downing & Associates in July 2008, indicate several key factors, including the following:

- The McDonough/Henry County rental market comprises a relatively active area, with a variety of rental options, both market rate and program assisted. The detailed survey comprised 15 projects, with 2,996 units. Two further large modern market rate projects were also identified (Mandalay Villas and Empirian at Waterford Landing) along with one older small project (Commodore Apartments). The sample was considered sufficiently large such that the inclusion of the two newer market rate projects did not add information about the market; the older project was excluded based on the observed condition of units, which renders them non-competitive.

Assisted Rentals

- The assisted rental projects comprise 5 projects with 630 units (inclusive of 147 market rate units at two mixed-income projects). Four were built under the LIHTC program; one was built under the RD 515 program, but also received a LIHTC allocation. Only one of the LIHTC projects (Grier Manor) is targeted to seniors, and as such is the only directly comparable project in the market area. While none of the other LIHTC units are targeted to seniors, all represent affordable alternatives available in the McDonough market, and the tenant profile does include some seniors.
- The LIHTC family projects were completed between 1989 and 2005 and collectively comprise 566 units, inclusive of 135 market rate units at Woodlawn Park. All are typical multi-family product – either stacked flats (3 projects) or a mix of single-story and two-story townhouse units (Brookshire Apartments).
- Grier Manor (FKA Timber Chase) was completed in late 2005, and received a certificate of occupancy (CO) in January 2006. Preleasing began in November 2005, and all units were leased by the end of June 2006. Including the preleasing period, this equates to average absorption of 8 units per month, or 10.7 units per month from availability to full absorption.
- The unit mix among the assisted rentals includes 144 1BR (22.9%), 350 2BR (55.6%), and 136 3BR (21.6%). Grier Manor has a mix of 32 1BR and 32 2BR.
- The overall vacancy rate among the assisted projects surveyed was **6.7%**, with 42 reported vacancies. Some 32 vacancies were reported at Sable Chase (14.3% vacancy rate), which is well above normal, but down from **90 vacancies** in August 2007 (40.2% vacancy rate). No official reason was given for the vacancy rate, aside from issues with non-payment of rent which has led to evictions. There were **no vacancies** among the 64 units at Grier Manor.
- Net rents for LIHTC units range from \$272-\$620 for 1BR with a median of \$518; 2BR rents are \$317-\$795 with a median of \$638. These are the net “street rents”, and reflect units offered at 30% of AMI, 50% of AMI and the 60% of AMI level. Excluding the 30% of AM units raised the median to \$539 and \$649. Some net rents decreased during the past year due to increases in utility allowances.

- The McDonough Housing Authority manages a 118-unit public housing inventory on three sites in McDonough. These units are not competitive or comparable to the subject, and were not included in the detailed survey, but are noted on the map of assisted rental projects included in this report. Occupancy levels in all public housing are high, and a waiting list of around 280 households was reported, but no breakdown by age was available. The waiting list is currently closed. Executive Director Mary Williams indicated that the average wait time for seniors seeking public housing units is about 3 years.
- The GA-DCA office in Carrollton currently administers the HUD Housing Choice Voucher program for Henry County. An estimated 538 Vouchers are utilized in Henry County, mostly by non-elderly households. The current waiting list comprises 65 households; none are seniors. Payment standard is set at 110% of FMR, or \$815 for 1BR and \$906 for 2BR units, inclusive of utility allowance. The Regional Administrator (LaRuth Holloway) stated that there is little problem finding acceptable units, and that landlords constantly call indicating availability of units and willingness to accept tenants with Vouchers.

Market Rate

- The primary survey also included 10 conventional (market rate) projects with a combined 2,366 units.
- The overall vacancy rate among the market rate projects was **9.5%** with 224 vacancies reported, inclusive of the estimated count derived from the vacancy percentage provided by management of Villas at South Point. Management of 8 projects (1,748 units) provided vacancies by BR size. The highest vacancy rate was among 3BR units (13.6%; the 1BR vacancy rate was 7.8% and 10.4% for 2BR units.
- Only one project was built prior to 1990; most were completed in the late 90's and five were completed since 2000.
- Street rents among the market rate units (inclusive of the 135 market rate units at Woodlawn Park) ranged from \$635-\$952 for 1BR and averaged \$751. Two-bedroom rents were \$651-\$1,179 and averaged \$849. Three-bedroom units rented for \$795 to \$1,269, and averaged \$994. Median rents were slightly higher than the weighted average at \$762 (1BR), \$892 (2BR) and \$980 (3BR). These rents are not adjusted for inclusion of utilities or any concessions that may be offered.
- Unit sizes ranged from 675-1794 for 1BR (average of 866 sq. ft.), skewed slightly upward by the large 1BR carriage units at Preston Creek. Two-Bedroom units ranged from 917-1378 and averaged 1152 square feet; 3BR units were 1200-1561 with an average of 1388 square feet. Rents per square foot averaged \$0.87 for 1BR, \$0.74 for 2BR and \$0.72 for 3BR.
- Most of the market rate projects offer concessions, ranging from a reduction in security deposit and application fee (\$99 'move-in' special) to one month free rent. Concessions change on a weekly or monthly basis based on unit availability. Some projects have tiered rents, but may offer a cheaper rent for a shorter lease term in order to control timing of renewals project-wide. Concessions change frequently, and may be withdrawn altogether when occupancy increases.

Summary

- The overall vacancy rate among the 2,996 units in the detailed survey was 8.88%, representing 266 vacancies (42 in the assisted units and 224 among the market rate units). The vacancy rate among the LIHTC projects was 6.7%. If the market rate units (13 at Grier Manor and 135 at Woodlawn Park) are excluded from the unit counts, the LIHTC vacancy rate increases to 8.71% (42 vacancies/482 units). Conversely, adding the 148 market rate units to the 2,366 units in the conventional projects lowers the vacancy rate to 8.91% (224 vacancies among 2,514 units).

In any case, vacancy rates among the LIHTC units have decreased over the past year commensurate with increased occupancy levels at Sable Chase. Occupancy trends among the market rate projects are not available, but several managers stated that vacancies have increased during the past few months. Current occupancy levels indicate that market conditions may be becoming soft, and may be exacerbated by rising energy costs and introduction of additional units to the market.

- No other assisted rental projects are in development in the PMA at this time according to local officials and lists of projects funded by HUD and GA-DCA. One other LIHTC proposal was submitted for consideration in the current cycle, which would be competitive with the subject. According to the list of applicants for funding, The Reserve at Locust Grove would have 72 unit for seniors aged 55 or older (HFOP) and would be competing within the same market as the subject.

A Tax Exempt Bond application was submitted and approved in 2007 for 4% credits. According to Mary Williams of the McDonough Housing Authority, this is for renovation of Ashley Creek Apartments, a LIHTC project built in the early 1990's. The site is outside the defined PMA.

Two market rate projects are in development on sites just outside the corporate limits of McDonough, both 'Class A' market rate projects. The Trees of Avalon has 102 units completed, and had leased 22 units since opening in June 2008. Rents are comparable to other upper-end projects in the McDonough area, ranging from \$740-\$800 for 1BR, \$950-1030 for 2BR and \$1125-1405 for 3BR. Some 500 units are planned with a rolling delivery.

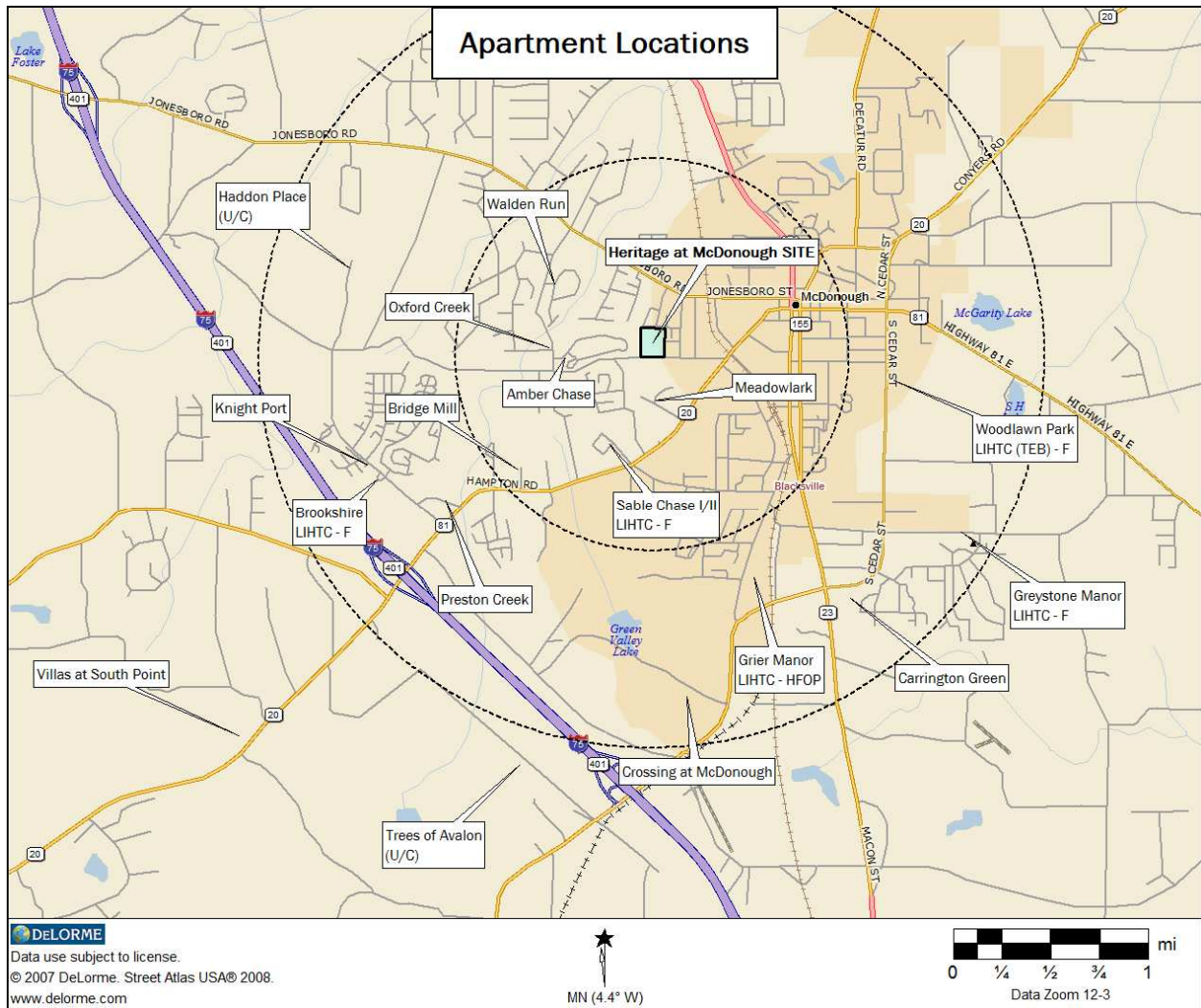
Haddon Place expects to have the first buildings completed later this year. The developer (Andrews Properties) was contacted but did not provide any information on rents, unit mix or project size. Based on information available to the public on other projects built by this developer, rents will be comparable to the other upper end product in the market.

- Based on the data from the survey of the McDonough rental market, and the scale of demand, development of the subject could have a short-term impact on the existing LIHTC project for seniors (Grier Manor). Development of the subject is not considered likely to lead to increased turnover. However, given the limited scale of demand in this market, as normal turnover occurs, vacancies would likely take longer to fill. However, once both projects are stabilized, no long-term effects would be expected.

It is emphasized that local managers and realtors provide the individual project information voluntarily. In some cases, the managers were unwilling or unable to provide complete information, or may have inadvertently provided incorrect information. Despite these potential problems, the

compilation and synthesis of the status of the comparables (and alternatives) is considered to provide the best indication of the competitive position of the subject project.

The following map notes the location of the surveyed projects with respect to the subject site. Summary tables follow showing details of rents and amenities offered at each project included in the survey, presented in comparison to the proposed project. Detailed descriptions and a photograph of each project included in the survey are also provided.



Primary Survey Summary - Assisted Rental Projects

Project	Year Built	Total	1BR	2BR	3BR	Included Utilities	Vacant	Wait List	Program
SUBJECT - PROPOSED									
The Heritage at McDonough									
Bridges Street	Net Rent	108	54	54		T	--	--	LIHTC
McDonough, GA	SF		\$350/\$535/\$575	\$470/\$630/\$685					50%/60%
	Util. Allow.		722	1103					
			\$131	\$168					
		12	6	6					12 Mkt Rate
	Net Rent		\$625	\$735					
	SF		722	1103					
Grier Manor									
391 Old Griffin Road	Rent	2005	51	26	25	None	0	18	LIHTC - HFOP
McDonough, GA	SF			\$272/\$539/\$590	\$317/\$638/\$660		0.0%		30%/50%/60%
770-288-2311	Util. Allow.			655	908				
	Vacant			\$128	\$163				
				0	0				
		13	6	7					Market Rate
	Rent		\$625	\$725					
	SF		\$655	\$908					
	Vacant		0	0					
Greystone Manor									
100 Greystone Drive	Rent	2000	56		40	16	W/S/T	1	LIHTC
McDonough, GA	SF				\$595/\$685	\$655/\$755		1.8%	50%/60%
(678) 583-1812	Util. Allow.				968	1180			
	Vacant				\$115	\$144			
					1	0			
Sable Chase I/II									
100 Sable Chase Blvd.	Rent	1995	224	48	104	72	W/S/T	32	LIHTC
McDonough, GA	SF			\$470/\$497	\$520/\$610	\$622/\$647		14.3%	HOME
(770) 954-1254	Util. Allow.			781	857-968	1180			50%/60%
	Vacant			\$90.00	\$115	\$144			
				4	21	7			
Woodlawn Park									
150 Postmaster Drive	Rent	2003	105	29	48	28	T	8	LIHTC (TEB)
McDonough, GA	SF			\$670	\$770/\$795	\$905		7.6%	60%
(770) 957-2578	Util. Allow.			787	917/1059	1271			
	Vacant			\$113	\$145	\$178			
				2	5	1			
		135	19	96	20			0	Market Rate
	Rent		\$709	\$800/\$834	\$959			0%	
	SF		787	917/1059	1271				
	Vacant		0	0	0				
Brookshire Apts.									
375 Willow Lane	Rent	1989	46	16	30		W/S/T	1	RD 515
McDonough, GA	SF			\$420-\$517	\$465-\$662			2.2%	LIHTC
(770) 954-9365	Util. Allow.			650	1000				60%
	Vacant			\$97	\$127				
				0	1				
	Total Units		630	144	350	136			
	Proportion			22.9%	55.6%	21.6%			
	Vacancy by BR		42	6	28	8			
	Rate		6.7%	4.2%	8.0%	5.9%			

Primary Survey Summary - Market Rate Projects

Project	Year Built	Total	Market Rate			Included Utilities	Vacant
			1BR	2BR	3BR		
SUBJECT - PROPOSED							
The Heritage at McDonough							
Bridges Street McDonough, GA		108	54	54		T	-
	Net Rent		\$350/\$535/\$575	\$470/\$630/\$685			
	SF		722	1103			
	Util. Allow.		\$131	\$168			
		12	6	6			
	Net Rent		\$625	\$735			
	SF		722	1103			
Amber Chase							
		1999	352	80	232	40	None
							43
570 McDonough Pkwy. McDonough, GA (678) 432-0087	Rent		\$635/\$680	\$715/\$765/ \$735/\$785/\$765/ \$795	\$850-\$880		12.2%
	SF		800-900	1117-1253	1332		
	Rent/SF		\$0.79-0.76	\$0.64-0.63	\$0.64-0.66		
	Vacant		5	36	2		
Bridge Mill							
		1990	276	88	122	66	None
820 Hampton Road McDonough, GA (770) 954-0078	Rent	1999	\$649	\$779	\$879		13
	SF		908	1152	1390		4.7%
	Rent/SF		\$0.71	\$0.68	\$0.63		
	Vacant		1	4	8		
Carrington Green							
		2004	264	92	124	48	None
745 Highway 42 South McDonough, GA (770) 288-2873	Rent		\$705/\$795/\$895	\$905/\$989/ \$979/\$1079	\$1079/\$1209		47
	SF		691-880	1177-1378	1479-1561		17.8%
	Rent/SF		\$1.02-0.90	\$0.74-0.84	\$0.73-0.77		
	Vacant		17	20	10		
The Crossing at McDonough							
		2004-05	252	40	176	36	CATV
100 Crossing Blvd. McDonough, GA (770) 692-1630	Rent		\$745-\$775	\$805-\$885	\$970-\$990	Alarm	25
	SF		908	1152	1390		9.9%
	Rent/SF		\$0.82-0.85	\$0.70-0.77	\$0.70-0.71		
	Vacant		5	12	8		
Knight Port							
		1999	76	12	48	16	W/S/T
201 Willow Chase Road McDonough, GA (678) 583-0930	Rent		\$650	\$760	\$870		4
	SF		800	1000	1200		5.3%
	Rent/SF		\$0.81	\$0.76	\$0.73		
	Vacant		0	2	2		
Preston Creek							
		2002	334	86	184	64	T
100 Preston Creek Drive McDonough, GA (770) 957-9955	Rent	2004	\$762/\$837/\$932/ \$952	\$862/\$892/ \$957/\$987	\$1017/\$1047/\$1102/\$1142		47
	SF		767/1046/ 1217/1794	1062/1233	1296/1467		14.1%
	Rent/SF		\$0.99-0.52	\$0.90-0.80	\$0.85-0.71		
	Vacant		*	*	*		
Meadowlark							
		1987	56	24	28	4	W/S/T
101 Meadowlark Drive McDonough, GA (770) 957-6170	Rent		\$645-\$665	\$745-\$765	\$865-\$885		1
	SF		929-988	1104-1182	1469		1.8%
	Rent/SF		\$0.69-0.67	\$0.67-0.65	\$0.59-0.60		
	Vacant		0	1	0		
Oxford Creek TH							
		2004-05	232	116	116		None
575 McDonough Parkway McDonough, GA (770) 888-2424	Rent		\$785/\$815	\$920/\$930/ \$940/\$950/ \$990			9
	SF		768/864	1049/1152/ 1081/1052			3.9%
	Rent/SF		\$1.02-0.94	\$0.81-0.94			
	Vacant		4	5			
Villas at South Point							
		2005-06	284	104	128	52	CATV
1690 Highway 20 West McDonough, GA (678) 432-0292	Rent		\$825/\$845/\$920/ \$795	\$945/\$1020/ \$1045/\$1179/ \$915	\$1145/\$1269	Alarm	23
	SF		675/822/1004/ 821	1099/1165/ 1325/1450/ 997/1139	1446-1519		8.1%
	Rent/SF		\$1.22-0.84	\$0.92-0.72	\$0.88-0.75		
	Vacant		*	*	*		
Walden Run							
		1997	240	64	144	32	T
100 Walden Run Place McDonough, GA (770) 898-8400	Rent		\$650/\$695/\$650/ \$670	\$651/\$746/ \$680/\$755	\$795/\$835		12
	SF		867/961	1155/1285	1390		5.0%
	Rent/SF		\$0.68-0.80	\$0.56-0.68	\$0.57-0.60		
	Vacant		8	23	3		
Total Units		2,366	706	1,302	358		224
Proportion			29.8%	55.0%	15.1%		9.5%
With Vacancy by BR Reported		1,748	516	990	242		
Vacancy by BR		176	40	103	33		
Rate		10.1%	7.8%	10.4%	13.6%		

UNIT FEATURES/AMENITIES

Refrigerator	Stove	Dishwasher	Disposal	Microwave	W-D Connections	Carpeting	Window Treatments	Emergency Calls	Air Conditioning	Garage	Ceiling Fans	Patio / Balcony / Porch / Sunroom	Storage
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Heritage at McDonough

X	X	X	X	X	X	X	X	X	X		X	X	X
---	---	---	---	---	---	---	---	---	---	--	---	---	---

ASSISTED RENTALS

Grier Manor

X	X	X	X		X	X	X	X	X			X	
---	---	---	---	--	---	---	---	---	---	--	--	---	--

Greystone Manor

X	X	X	X	X	X	X	X		X			X	
---	---	---	---	---	---	---	---	--	---	--	--	---	--

Sable Chase I/II

X	X	X	X	X	X	X	X		X		X	X	X
---	---	---	---	---	---	---	---	--	---	--	---	---	---

Woodlawn Park

X	X	X	X	X	X	X	X		X		X	X	
---	---	---	---	---	---	---	---	--	---	--	---	---	--

Brookshire Apartments

X	X		X		X	X	X		X				
---	---	--	---	--	---	---	---	--	---	--	--	--	--

MARKET RATE RENTALS

Amber Chase

X	X	X	X		X	X	X		X	\$	X	X	X
---	---	---	---	--	---	---	---	--	---	----	---	---	---

Bridge Mill

X	X	X	X		X	X	X		X		X		
---	---	---	---	--	---	---	---	--	---	--	---	--	--

Carrington Green

X	X	X	X		X	X	X		X	S	X	X	
---	---	---	---	--	---	---	---	--	---	---	---	---	--

The Crossing at McDonough

X	X	X	X	X	X	X	X		X	\$	X	X	\$
---	---	---	---	---	---	---	---	--	---	----	---	---	----

Kinght Port

X	X	X	X		X	X	X		X		X	X	
---	---	---	---	--	---	---	---	--	---	--	---	---	--

Preston Creek

X	X	S	X	X	X	X	X		X	\$	X	X	X
---	---	---	---	---	---	---	---	--	---	----	---	---	---

Meadowlark

X	X	X	X	S	X	X	X		X		X	X	
---	---	---	---	---	---	---	---	--	---	--	---	---	--

Oxford Creek TH

X	X	X	X		X	X	X		X		S	X	
---	---	---	---	--	---	---	---	--	---	--	---	---	--

Villas at South Point

X	X	X	X	X	X	X	X		X	S	X	X	X
---	---	---	---	---	---	---	---	--	---	---	---	---	---

Walden Run

X	X	X	X	X	X	X	X		X	\$	X	X	X
---	---	---	---	---	---	---	---	--	---	----	---	---	---

S - In some units A - Available \$ - Fee

SITE/PROJECT AMENITIES

	On-Site management	Community Room/Clubhouse	Fitness Center	Laundry Facility	Computer Center or Business Cen	Tennis	Playground/Tot Lot	Swimming Pool	Picnic/Grill Area	Gazebo/Seating Area	Walking Trails	Community Garden	Elevator	Gated Entry or Secure Entry
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Heritage at McDonough

X	X	X	X	X			X	X	X	X	X	X	X	X
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ASSISTED RENTALS

Grier Manor

X	X	X	X	X				X	X		X	X	X	X
---	---	---	---	---	--	--	--	---	---	--	---	---	---	---

Greystone Manor

X	X	X			X	X		X						
---	---	---	--	--	---	---	--	---	--	--	--	--	--	--

Sable Chase I/II

X	X	X	X			X	X	X						
---	---	---	---	--	--	---	---	---	--	--	--	--	--	--

Woodlawn Park

X	X	X	X	X	X	X	X	X					X	X
---	---	---	---	---	---	---	---	---	--	--	--	--	---	---

Brookshire Apartments

X	X					X								
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MARKET RATE RENTALS

Amber Chase

X	X	X	X		X	X	X	X					X	X
---	---	---	---	--	---	---	---	---	--	--	--	--	---	---

Bridge Mill

X	X	X	X			X	X							
---	---	---	---	--	--	---	---	--	--	--	--	--	--	--

Carrington Green

X	X	X	X	X		X	X						X	X
---	---	---	---	---	--	---	---	--	--	--	--	--	---	---

The Crossing at McDonough

X	X	X	X	X	X	X	X	X		X			X	X
---	---	---	---	---	---	---	---	---	--	---	--	--	---	---

Kinght Port

X														
---	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Preston Creek

X	X	X	X	X	X	X	X	X					X	X
---	---	---	---	---	---	---	---	---	--	--	--	--	---	---

Meadowlark

X						X	X							
---	--	--	--	--	--	---	---	--	--	--	--	--	--	--

Oxford Creek TH

X	X	X		X				X					X	X
---	---	---	--	---	--	--	--	---	--	--	--	--	---	---

Villas at South Point

X	X	X	X	X		X	X	X					X	X
---	---	---	---	---	--	---	---	---	--	--	--	--	---	---

Walden Run

X	X	X	X			X	X	X						
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Grier Manor (FKA Timber Chase)

391 Old Griffin Road
McDonough, GA
(770) 288-2311

Community Type: LIHTC - HFOP
Completion Date: 2005
Survey Date: 7/7/2008
Contact: Kathy Heard on-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Utility	Vacant	AMI Restriction
BR	Bath				Allowance	Allowance	Allowance				
1	1	4	GA	655	\$272	\$272	\$0.42	\$0.42	\$128	0	30%
1	1	16	GA	655	\$539	\$539	\$0.82	\$0.82	\$128	0	50%
1	1	6	GA	655	\$590	\$590	\$0.90	\$0.90	\$128	0	60%
1	1	6	GA	655	\$625	\$625	\$0.95	\$0.95	NA	0	MKT
2	2	3	GA	908	\$317	\$317	\$0.35	\$0.35	\$163	0	30%
2	2	16	GA	908	\$638	\$638	\$0.70	\$0.70	\$163	0	50%
2	2	6	GA	908	\$660	\$660	\$0.73	\$0.73	\$163	0	60%
2	2	7	GA	908	\$725	\$725	\$0.80	\$0.80	NA	0	MKT
Totals		64								0	

Vacancy Rate: 0.0%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Shuffleboard
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Garden Plot
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	55+	In Lease-up:	No	Application Fee:	\$25
Project-Based Subsidy Type	None	Absorption Rate:	see below	Security Deposit:	\$87.50 bond*
# of units with subsidy	None	Turnover Rate:	Low	Administration Fee:	None
# Housing Choice Vouchers	7	Waiting List	18	Pet Fees:	NA

ADDITIONAL INFORMATION *Security can go as high as \$500+bond for 'red' credit. Began pre-leasing in November 2005; all units leased by end of June 2006. Had roughly 30% from outside Henry County; mostly older (65+)



Greystone Manor
 100 Greystone Drive
 McDonough, GA
 (678) 583-1812

Community Type: LIHTC
Completion Date: 2000
Survey Date: 7/7/2008
Contact: Judith Murphy On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Utility	Vacant	AMI Restriction
BR	Bath				Allowance	Allowance	Allowance	Allowance			
2	2	24	GA	968	\$595	\$595	\$0.61	\$0.61	\$115	0	50%
2	2	16	GA	968	\$685	\$685	\$0.71	\$0.71	\$115	1	60%
3	2	7	GA	1180	\$655	\$655	\$0.56	\$0.56	\$144	0	50%
3	2	9	GA	1180	\$755	\$755	\$0.64	\$0.64	\$144	0	60%
Totals		56								1	
										Vacancy Rate:	1.8%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground/Tot Lot
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None
Project-Based Subsidy Type: None
of units with subsidy: None
Housing Choice Vouchers: 3

In Lease-up: No
Absorption Rate: Na
Turnover Rate: Fairly low
Waiting List: 1 household

Application Fee: \$30
Security Deposit: \$250
Administration Fee: \$0
Pet Fees: \$300 (1) \$500 (2) +\$10 mo

ADDITIONAL INFORMATION



Sable Chase I & II
 100 Sable Chase Blvd.
 McDonough, GA
 (770) 954-1254

Community Type: LIHTC
Completion Date: 1995
Survey Date: 7/7/2008
Contact: Latisha Walls On=site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Utility Allowance	Vacant	AMI Restriction
BR	Bath										
1	1	16	GA	781	\$470	\$470	\$0.60	\$0.60	\$90	2	50%
1	1	32	GA	781	\$497	\$497	\$0.64	\$0.64	\$90	2	60%
2	1	32	GA	857	\$520	\$520	\$0.61	\$0.61	\$115	3	50%
2	2	72	GA	968	\$610	\$610	\$0.63	\$0.63	\$115	18	60%
3	2	48	GA	1180	\$622	\$622	\$0.53	\$0.53	\$144	2	50%
3	2	24	GA	1180	\$647	\$647	\$0.55	\$0.55	\$144	5	60%
Totals		224								32	
										Vacancy Rate:	14.3%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Community Room
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Hot Tub/Jacuzzi
- Tennis
- Sports Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Gathering Area
- Elevator
- Computer Center
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$30
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$250
# of units with subsidy	None	Turnover Rate:	Moderate-high	Administration Fee:	\$0
# Housing Choice Vouchers	5	Waiting List	None	Pet Fees:	\$300 (1) \$500 (2) +\$10 mo.

ADDITIONAL INFORMATION Special: 1/2 off 1st month rent on 2BR/2Ba. **Had 90 vacancies in August 2007 - gradually increased occupancy over past year.** Problems with evictions, non-payment, etc.



Woodlawn Park
 150 Postmaster Drive
 McDonough, GA
 (770) 957-2578

Community Type: LIHTC (TEB)
Completion Date: 2003
Survey Date: 7/7/2008
Contact: Patti Stookey on-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Utility Allowance	Vacant	AMI Restriction
BR	Bath										
1	1	29	GA	787	\$670	\$670	\$0.85	\$0.85	\$113	2	60%
1	1	19	GA	787	\$709	\$709	\$0.90	\$0.90		0	MKT
2	1	29	GA	917	\$770	\$770	\$0.84	\$0.84	\$145	2	60%
2	1	58	GA	917	\$800	\$800	\$0.87	\$0.87		0	MKT
2	2	19	GA	1059	\$795	\$795	\$0.75	\$0.75	\$145	3	60%
2	2	38	GA	1059	\$834	\$834	\$0.79	\$0.79		0	MKT
3	2	28	GA	1271	\$905	\$905	\$0.71	\$0.71	\$178	1	60%
3	2	20	GA	1271	\$959	\$959	\$0.75	\$0.75		0	MKT
Totals		240								8	
										Vacancy Rate:	3.3%

UNIT AMENITIES	COMMUNITY AMENITIES	LANDLORD-PD UTILITIES	PREMIUMS	\$
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Patio/Balcony	<input checked="" type="checkbox"/> Site Manager	<input checked="" type="checkbox"/> Controlled/Gated Entry	<input type="checkbox"/> All
<input checked="" type="checkbox"/> Stove	<input type="checkbox"/> Storage Closet	<input type="checkbox"/> Concierge Service	<input type="checkbox"/> Car-Care Area	<input type="checkbox"/> None
<input checked="" type="checkbox"/> Dishwasher	<input type="checkbox"/> Fireplace	<input checked="" type="checkbox"/> Community Room	<input type="checkbox"/> Mini-Storage	<input type="checkbox"/> Water - Sewer
<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Vaulted Ceiling	<input checked="" type="checkbox"/> Fitness Center	<input type="checkbox"/> Garage/carport	<input checked="" type="checkbox"/> Trash
<input checked="" type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Walk-in Closets	<input checked="" type="checkbox"/> Business Center	<input checked="" type="checkbox"/> Picnic/Grill Area	<input type="checkbox"/> Hot Water
<input type="checkbox"/> Pantry	<input checked="" type="checkbox"/> Ceiling Fans	<input checked="" type="checkbox"/> Laundry Facility	<input type="checkbox"/> Gathering Area	<input type="checkbox"/> Heat
<input type="checkbox"/> Granite Countertop	<input checked="" type="checkbox"/> CATV prewire	<input checked="" type="checkbox"/> Swimming Pool	<input type="checkbox"/> Elevator	<input type="checkbox"/> Gas - Cooking
<input type="checkbox"/> Washer & Dryer	<input type="checkbox"/> HSI prewire	<input type="checkbox"/> Hot Tub/Jacuzzi	<input type="checkbox"/> Computer Center	<input type="checkbox"/> Gas - Other
<input checked="" type="checkbox"/> W-D Hook-ups	<input type="checkbox"/> Security Alarms	<input type="checkbox"/> Tennis	<input type="checkbox"/> Planned Activities	<input type="checkbox"/> Electric (Plug Load)
<input checked="" type="checkbox"/> Window Treatments	<input type="checkbox"/> Emergency Call	<input type="checkbox"/> Basketball Court	<input type="checkbox"/> Pet Area	<input type="checkbox"/> Internet Access
<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/> VCT Flooring	<input type="checkbox"/> Walking Trails	<input type="checkbox"/> WI-FI Hot spot	<input type="checkbox"/> CATV/Satellite
<input type="checkbox"/> Hardwood Floors	<input checked="" type="checkbox"/> A/C	<input checked="" type="checkbox"/> Playground	<input type="checkbox"/> Game Room	<input type="checkbox"/>

Age Restriction	None	In Lease-up:	No	Application Fee:	\$50
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$150
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$0
# Housing Choice Vouchers	±50-55	Waiting List	Yes	Pet Fees:	\$300 to \$500

ADDITIONAL INFORMATION Had 23 units physically vacant but deposits on 17 - 8 units currently 'vacant/available'. SPECIALS: waive application fee + \$50-\$75 off selected units, depending on availability.



Brookshire Apartments

375 Willow Lane
McDonough, GA
(770) 954-9365

Community Type: RD 515/LIHTC
Completion Date: 1989
Survey Date: 7/7/2008
Contact: Tammy Thomas On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	RD Basic - Note		Utility			Vacant	AMI Restriction
BR	Bath				Rent Range	Net Rent/SF	Allowance				
1	1	16	GA	650	\$420 \$517	\$0.65 \$0.80	\$97	0	60%		
2	1.5	30	TH	1000	\$465 \$662	\$0.47 \$0.66	\$127	1	60%		
Totals		46						1			
								Vacancy Rate:	2.2%		

UNIT AMENITIES	COMMUNITY AMENITIES	LANDLORD-PD UTILITIES	PREMIUMS	\$
<input checked="" type="checkbox"/> Refrigerator	<input type="checkbox"/> Patio/Balcony	<input checked="" type="checkbox"/> Site Manager	<input type="checkbox"/> Controlled/Gated Entry	<input type="checkbox"/> All
<input checked="" type="checkbox"/> Stove	<input type="checkbox"/> Storage Closet	<input type="checkbox"/> Concierge Service	<input type="checkbox"/> Car-Care Area	<input type="checkbox"/> None
<input type="checkbox"/> Dishwasher	<input type="checkbox"/> Fireplace	<input checked="" type="checkbox"/> Community Room	<input type="checkbox"/> Mini-Storage	<input type="checkbox"/> Water - Sewer
<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Vaulted Ceiling	<input type="checkbox"/> Fitness Center	<input type="checkbox"/> Garage/carport	<input checked="" type="checkbox"/> Trash
<input type="checkbox"/> Microwave	<input type="checkbox"/> Walk-in Closets	<input type="checkbox"/> Business Center	<input type="checkbox"/> Picnic/Grill Area	<input type="checkbox"/> Hot Water
<input type="checkbox"/> Pantry	<input type="checkbox"/> Ceiling Fans	<input type="checkbox"/> Laundry Facility	<input type="checkbox"/> Gathering Area	<input type="checkbox"/> Heat
<input type="checkbox"/> Granite Countertop	<input checked="" type="checkbox"/> CATV prewire	<input type="checkbox"/> Swimming Pool	<input type="checkbox"/> Elevator	<input type="checkbox"/> Gas - Cooking
<input type="checkbox"/> Washer & Dryer	<input type="checkbox"/> HSI prewire	<input type="checkbox"/> Hot Tub/Jacuzzi	<input type="checkbox"/> Computer Center	<input type="checkbox"/> Gas - Other
<input checked="" type="checkbox"/> W-D Hook-ups	<input type="checkbox"/> Security Alarms	<input type="checkbox"/> Tennis	<input type="checkbox"/> Planned Activities	<input type="checkbox"/> Electric (Plug Load)
<input checked="" type="checkbox"/> Window Treatments	<input type="checkbox"/> Emergency Call	<input type="checkbox"/> Sports Court	<input type="checkbox"/> Pet Area	<input type="checkbox"/> Internet Access
<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/> VCT Flooring	<input type="checkbox"/> Walking Trails	<input type="checkbox"/> WI-FI Hot spot	<input type="checkbox"/> CATV/Satellite
<input type="checkbox"/> Hardwood Floors	<input checked="" type="checkbox"/> A/C	<input checked="" type="checkbox"/> Playground	<input type="checkbox"/> Game Room	<input type="checkbox"/> Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$35
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	Basic rent
# of units with subsidy	None	Turnover Rate:	Fairly low	Reservation Fee:	\$0
# Housing Choice Vouchers	None	Waiting List	1BR: 3; 2BR: 4	Pet Fees:	NA

ADDITIONAL INFORMATION Two households pay note rent; few other overages - most pay basic only. Manager state that there were "lots of seniors".



Amber Chase
 570 McDonough Parkway
 McDonough, GA
 (678) 432-0087

Community Type: Conventional
Completion Date: 1999
Survey Date: 7/7/2008
Contact: John
 On-site interview

Unit Mix		Size		Rent Range		Net Rent/SF		Vacant	Type	
BR	Bath	Units	Type	(Sq.Ft.)						
1	1	60	GA	800	\$635	\$635	\$0.79	\$0.79	5	Standard
1	1	20	GA	900	\$680	\$680	\$0.76	\$0.76	0	Sunroom
2	1	52	GA	1117	\$715	\$715	\$0.64	\$0.64	9	Standard
2	1	12	GA	1212	\$765	\$765	\$0.63	\$0.63	3	Sunroom
2	2	64	GA	1157	\$735	\$735	\$0.64	\$0.64	10	Standard
2	2	32	GA	1253	\$785	\$785	\$0.63	\$0.63	7	Sunroom
2	2	72	GA	1223	\$765	\$795	\$0.63	\$0.65	7	Standard
3	2	40	GA	1332	\$850	\$880	\$0.64	\$0.66	2	Standard
Totals		352							43	

Vacancy Rate: 12.2%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- Wi-Fi Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None
Project-Based Subsidy Type: None
of units with subsidy: None
Housing Choice Vouchers: Not accepted
In Lease-up: No
Absorption Rate: NA
Turnover Rate: Moderate
Waiting List: No
Application Fee: \$49/applicant
Security Deposit: \$0-\$500
Administration Fee: \$150
Pet Fees: \$350

ADDITIONAL INFORMATION: Specials: \$99 application + administration fee; 2BR/1Ba and 2BR/2Ba w/o sunroom: 1 month free. 2BR/1Ba w/sunroom: 1/2 month free; 2BR/2Ba w/sunroom: 2 months free.



Bridge Mill (FKA Saddle Creek)
 820 Hampton Road
 McDonough, GA
 (770) 954-0078

Community Type: Conventional
Completion Date: 1990 & 1999
Survey Date: 7/7/2008
Contact: Layondra

On-site interview

Unit Mix				Size	Rent Range		Net Rent/SF		Vacant
BR	Bath	Units	Type	(Sq.Ft.)					
1	1	88	GA	908	\$649	\$649	\$0.71	\$0.71	1
2	2	122	GA	1152	\$779	\$779	\$0.68	\$0.68	4
3	2	66	GA	1390	\$879	\$879	\$0.63	\$0.63	8
Totals		276							13
									Vacancy Rate: 4.7%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- Wi-Fi Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction: None
Project-Based Subsidy Type: None
of units with subsidy: None
Housing Choice Vouchers: Not accepted

In Lease-up: No
Absorption Rate: NA
Turnover Rate: Moderate
Waiting List: No

Application Fee:
Security Deposit: \$199-2 mo. rent
Administration Fee: \$99
Pet Fees: NA

ADDITIONAL INFORMATION SPECIALS: 1BR: \$599; 2BR: \$699; 3BR: \$779



Carrington Green
 745 Highway 42 South
 McDonough, GA
 (770) 288-2873

Community Type: Conventional
Completion Date: 2004
Survey Date: 7/7/2008
Contact: Bryan McGonnagill On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Vacant	Type
BR	Bath									
1	1		GA	691	\$705	\$705	\$1.02	\$1.02		
1	1	92	GA	880	\$795	\$795	\$0.90	\$0.90	17	
1	1		GA	880	\$895	\$895	\$1.02	\$1.02		Garage
2	2		GA	1177	\$905	\$905	\$0.77	\$0.77		
2	2	124	GA	1177	\$989	\$989	\$0.84	\$0.84	20	Garage
2	2		GA	1320	\$979	\$979	\$0.74	\$0.74		
2	2		GA	1378	\$1,079	\$1,079	\$0.78	\$0.78		Garage
3	2	48	GA	1479	\$1,079	\$1,079	\$0.73	\$0.73	10	Garage
3	2		GA	1561	\$1,209	\$1,209	\$0.77	\$0.77		
Totals		264							47	
									Vacancy Rate:	17.8%

UNIT AMENITIES	COMMUNITY AMENITIES	LANDLORD-PD UTILITIES	PREMIUMS	\$
<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Patio/Balcony	<input checked="" type="checkbox"/> Site Manager	<input checked="" type="checkbox"/> Controlled/Gated Entry	<input type="checkbox"/> All
<input checked="" type="checkbox"/> Stove	<input type="checkbox"/> Storage Closet	<input type="checkbox"/> Concierge Service	<input checked="" type="checkbox"/> Car-Care Area	<input type="checkbox"/> None
<input checked="" type="checkbox"/> Dishwasher	<input type="checkbox"/> Fireplace	<input checked="" type="checkbox"/> Clubhouse	<input type="checkbox"/> Mini-Storage	<input type="checkbox"/> Water - Sewer
<input checked="" type="checkbox"/> Disposal	<input type="checkbox"/> Vaulted Ceiling	<input checked="" type="checkbox"/> Fitness Center	<input checked="" type="checkbox"/> Garage/carport	<input type="checkbox"/> Trash
<input type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Walk-in Closets	<input checked="" type="checkbox"/> Business Center	<input checked="" type="checkbox"/> Picnic/Grill Area	<input type="checkbox"/> Hot Water
<input type="checkbox"/> Pantry	<input checked="" type="checkbox"/> Ceiling Fans	<input checked="" type="checkbox"/> Laundry Facility	<input checked="" type="checkbox"/> Media Room	<input type="checkbox"/> Heat
<input type="checkbox"/> Granite Countertop	<input checked="" type="checkbox"/> CATV prewire	<input checked="" type="checkbox"/> Swimming Pool	<input type="checkbox"/> Elevator	<input type="checkbox"/> Gas - Cooking
<input type="checkbox"/> Washer & Dryer	<input checked="" type="checkbox"/> HSI prewire	<input type="checkbox"/> Sauna	<input type="checkbox"/> DVD Library	<input type="checkbox"/> Gas - Other
<input checked="" type="checkbox"/> W-D Hook-ups	<input type="checkbox"/> Security Alarms	<input type="checkbox"/> Tennis	<input type="checkbox"/> Planned Activities	<input type="checkbox"/> Electric (Plug Load)
<input checked="" type="checkbox"/> Window Treatments	<input type="checkbox"/> Emergency Call	<input checked="" type="checkbox"/> Volleyball Court	<input type="checkbox"/> Pet Area	<input type="checkbox"/> Internet Access
<input checked="" type="checkbox"/> Carpet	<input type="checkbox"/> VCT Flooring	<input type="checkbox"/> Walking Trails	<input checked="" type="checkbox"/> WI-FI Hot spot	<input checked="" type="checkbox"/> CATV/Satellite
<input type="checkbox"/> Hardwood Floors	<input checked="" type="checkbox"/> Central A/C	<input checked="" type="checkbox"/> Playground	<input type="checkbox"/> Game Room	<input type="checkbox"/>

Age Restriction	None	In Lease-up:	No	Application Fee:	\$50
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$150
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$150
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	Accepted; fees NA

ADDITIONAL INFORMATION SPECIALS: August free +\$20 off each month



The Crossing at McDonough

100 Crossing Blvd.
 McDonough, GA
 (770) 692-1630

Community Type: Conventional
Completion Date: 2004/2005
Survey Date: 7/7/2008
Contact: Jessica On-site interview

Unit Mix		Size		Rent Range		Net Rent/SF		Vacant	
BR	Bath	Units	Type	(Sq.Ft.)					
1	1	40	GA	908	\$745	\$775	\$0.82	\$0.85	5
2	2	176	GA	1152	\$805	\$885	\$0.70	\$0.77	12
3	2	36	GA	1390	\$970	\$990	\$0.70	\$0.71	8
Totals		252							25
Vacancy Rate:									9.9%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
 - View
 - Garage
 - Carport
 - Storage
 - Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
 - Low-Rise
 - Mid-Rise
 - High-Rise
 - Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$35
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$0
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$100
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	\$300

ADDITIONAL INFORMATION SPECIALS: 1/2 off 1st mont rent; can prorate or take all at once. Higher rents are for units with vaulted ceiling and fireplace



Knight Port

201 Willow Chase Road
 McDonough, GA
 (678) 583-0930

Community Type: Conventional
Completion Date: 1999
Survey Date: 7/7/2008
Contact: Carol Ennis

On-site interview

Unit Mix				Size	Rent Range		Net Rent/SF		Vacant
BR	Bath	Units	Type	(Sq.Ft.)					
1	1	12	GA	800	\$650	\$650	\$0.81	\$0.81	0
2	2	48	GA	1000	\$760	\$760	\$0.76	\$0.76	2
3	2	16	GA	1200	\$870	\$870	\$0.73	\$0.73	2
Totals		76							4
									Vacancy Rate: 5.3%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$45/adult
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$100
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$150
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	No pets

ADDITIONAL INFORMATION SPECIALS: \$30 off each floor plan. **NOTE: rents shown include charges for water currently \$25 (1BR), \$35 (2BR) and \$45 (3BR). Had waiting list until past winter now higher turnover.**



Meadowlark

101 Meadowlark Drive
 McDonough, GA
 (770) 957-6170

Community Type: Conventional
Completion Date: 1987
Survey Date: 7/7/2008
Contact: Tammy Estes
 On-site interview

Unit Mix		Size		Rent Range		Net Rent/SF		Vacant	
BR	Bath	Units	Type	(Sq.Ft.)					
1	1	24	GA	929-988	\$645	\$665	\$0.69	\$0.67	0
2	2	28	GA	1104-1182	\$745	\$765	\$0.67	\$0.65	1
3	2	4	GA	1469	\$865	\$885	\$0.59	\$0.60	0
Totals		56							1
									Vacancy Rate: 1.8%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Front Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Basketball
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$35/adult
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	1 mo. rent
# of units with subsidy	None	Turnover Rate:	Low	Administration Fee:	\$0
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	No pets

ADDITIONAL INFORMATION



Oxford Creek TH
 575 McDonough Parkway
 McDonough, GA
 (770) 898-2424

Community Type: Conventional
Completion Date: 2004-05
Survey Date: 7/7/2008
Contact: Barbie Laggis
 On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Vacant	Special
BR	Bath									
1	1	84	TH	768	\$785	\$785	\$1.02	\$1.02	4	\$729
1	1.5	32	TH	864	\$815	\$815	\$0.94	\$0.94		\$736
2	2	4	TH	1049	\$920	\$920	\$0.88	\$0.88	5	\$891
2	2.5	20	TH	1152	\$930	\$930	\$0.81	\$0.81		\$872
2	2	16	TH	1081	\$940	\$940	\$0.87	\$0.87		\$823
2	2.5	18	TH	1081	\$950	\$950	\$0.88	\$0.88		\$920
2	2.5	34	TH	1052	\$990	\$990	\$0.94	\$0.94		\$928
2	2.5	24	TH	1052	\$990	\$990	\$0.94	\$0.94		\$959
Totals		232							9	

Vacancy Rate: 3.9%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Front Porch
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Sauna
- Tennis
- Basketball
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$50
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$100
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$0
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	\$500

ADDITIONAL INFORMATION Current rent special shown; run different specials depending on vacancy. Was 89% occupied but 96% leased as of survey date. Vacancies shown were "vacant available" units.



Preston Creek

100 Preston Creek Drive
 McDonough, GA
 (770) 957-9955

Community Type: Conventional
Completion Date: Phase I (260 units) 2002; Phase II (84 units) 2004
Survey Date: 7/8/2008
Contact: Beth Thorne; Property Manager On-site interview

Unit Mix				Size	Rent Range		Net Rent/SF		Vacant	Type
BR	Bath	Units	Type	(Sq.Ft.)						
1	1	48	GA	767	\$762	\$762	\$0.99	\$0.99		Standard
1	1.5	12	GA	1046	\$837	\$837	\$0.80	\$0.80		Deluxe
2	2	106	GA	1062	\$862	\$862	\$0.81	\$0.81		Standard
2	2	16	GA	1062	\$892	\$892	\$0.84	\$0.84		Fireplace
2	2	38	GA	1233	\$892	\$892	\$0.72	\$0.72		Sunroom
3	2	38	GA	1296	\$1,017	\$1,017	\$0.78	\$0.78		Standard
3	2	2	GA	1467	\$1,047	\$1,047	\$0.71	\$0.71		Sunroom
1	1.5	10	GA	1046	\$932	\$932	\$0.89	\$0.89		Upgrade
1	1.5	10	GA	1217	\$952	\$952	\$0.78	\$0.78		Sunroom
1	1	6	Carriage	1794	\$932	\$932	\$0.52	\$0.52		Carriage w/garage
2	2	14	GA	1062	\$957	\$957	\$0.90	\$0.90		Upgrade
2	2	10	GA	1233	\$987	\$987	\$0.80	\$0.80		Sunroom
3	2	16	GA	1296	\$1,102	\$1,102	\$0.85	\$0.85		Upgrade
3	2	8	GA	1467	\$1,142	\$1,142	\$0.78	\$0.78		Upgrade
Totals		334							47	

Vacancy Rate: 14.1%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Emergency Call
- VCT Flooring
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Heated Spa
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage/carport
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- Wi-Fi Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
-

PREMIUMS \$

- Floor
- View
- Garage \$150
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$50
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$200
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$125
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	\$250 Dep + \$250 Fee

ADDITIONAL INFORMATION *Pre-wired for intrusion alarms; "\$99 move-in special" includes application fee and deposit. Higher ratio of non-renewals than in past years. Many tenants moving closer to work.



Villas at South Point
 1690 Highway 20 West
 McDonough, GA
 (678) 432-0292

Community Type: Conventional
Completion Date: 2005-2006
Survey Date: 7/7/2008
Contact: Wanda Saunders

On-site interview

Unit Mix		Size		Rent Range		Net Rent/SF		Vacant	Type
BR	Bath	Units	Type	(Sq.Ft.)					
1	1		GA	675-822	\$825	\$825	\$1.22	\$1.00	Garage
1	1	104	GA	1004	\$845	\$845	\$0.84	\$0.84	Standard
1	1		GA	1004	\$920	\$920	\$0.92	\$0.92	1-car Garage
1	1		GA	821	\$795	\$795	\$0.97	\$0.97	Standard
2	2		GA	1099-1165	\$945	\$945	\$0.86	\$0.81	Standard
2	2	128	GA	1165	\$1,020	\$1,020	\$0.88	\$0.88	1-car Garage
2	2		GA	1325-1450	\$1,045	\$1,045	\$0.79	\$0.72	Standard
2	2		GA	1325-1450	\$1,179	\$1,179	\$0.89	\$0.81	2-car Garage
2	2		GA	997-1139	\$915	\$915	\$0.92	\$0.80	Standard
3	2	52	GA	1446-1519	\$1,145	\$1,145	\$0.79	\$0.75	Standard
3	2		GA	1446-1519	\$1,269	\$1,269	\$0.88	\$0.84	2-car Garage
Totals		284							23

Vacancy Rate: 8.1%

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Garden Tubs
- Computer nook
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Heated Spa
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- Wi-Fi Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
- View
- Garage
- Carport
- Storage
- Washer-Dryer
- BUILDING STYLE(S)**
- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction	None	In Lease-up:	No	Application Fee:	\$50
Project-Based Subsidy Type	None	Absorption Rate:	NA	Security Deposit:	\$150
# of units with subsidy	None	Turnover Rate:	Moderate	Administration Fee:	\$150
# Housing Choice Vouchers	Not accepted	Waiting List	No	Pet Fees:	\$300 - \$500

ADDITIONAL INFORMATION Optional third-party alarm monitoring fee: \$50



Walden Run
 100 Walden Run Place
 McDonough, GA
 (770) 898-8400

Community Type: Conventional
Completion Date: 1997
Survey Date: 7/7/2008
Contact: Nettie Horton

On-site interview

Unit Mix		Units	Type	Size (Sq.Ft.)	Rent Range		Net Rent/SF		Vacant	Type	
BR	Bath										
1	1	64	GA	867	\$650	\$695	\$0.75	\$0.80	8	Garage	
1	1		GA	961	\$650	\$670	\$0.68	\$0.70		Standard	
2	2	144	GA	1155	\$651	\$746	\$0.56	\$0.65	12	Standard	
2	2		GA	1285	\$680	\$755	\$0.53	\$0.59		Standard	
3	2	32	GA	1390	\$795	\$835	\$0.57	\$0.60	3	Standard	
Totals		240								34	
									Vacancy Rate:	14.2%	

UNIT AMENITIES

- Refrigerator
- Stove
- Dishwasher
- Disposal
- Microwave
- Pantry
- Granite Countertop
- Washer & Dryer
- W-D Hook-ups
- Window Treatments
- Carpet
- Hardwood Floors
- Patio/Balcony
- Storage Closet
- Fireplace
- Vaulted Ceiling
- Walk-in Closets
- Ceiling Fans
- CATV prewire
- HSI prewire
- Security Alarms
- Garden Tubs
- Computer nook
- Central A/C

COMMUNITY AMENITIES

- Site Manager
- Concierge Service
- Clubhouse
- Fitness Center
- Business Center
- Laundry Facility
- Swimming Pool
- Heated Spa
- Tennis
- Volleyball Court
- Walking Trails
- Playground
- Controlled/Gated Entry
- Car-Care Area
- Mini-Storage
- Garage
- Picnic/Grill Area
- Media Room
- Elevator
- DVD Library
- Planned Activities
- Pet Area
- WI-FI Hot spot
- Game Room

LANDLORD-PD UTILITIES

- All
- None
- Water - Sewer
- Trash
- Hot Water
- Heat
- Gas - Cooking
- Gas - Other
- Electric (Plug Load)
- Internet Access
- CATV/Satellite
- Alarm

PREMIUMS \$

- Floor
- View
- Garage \$75
- Carport
- Storage
- Washer-Dryer

BUILDING STYLE(S)

- Single-story
- Low-Rise
- Mid-Rise
- High-Rise
- Townhouse

Age Restriction None
Project-Based Subsidy Type None
of units with subsidy None
Housing Choice Vouchers Not accepted

In Lease-up: No
Absorption Rate: NA
Turnover Rate: Moderate
Waiting List No

Application Fee: \$50
Security Deposit: \$150
Administration Fee: \$125
Pet Fees: \$300-\$450

ADDITIONAL INFORMATION Optional third-party alarm monitoring fee. Rents are adjusted for availability, location and lease term. Some shorter-term leases are less expensive to control renewal timing.

RECONCILIATION WITH SUBJECT PROPERTY RENTS

The rents for the proposed project are positioned at the top of the LIHTC rent range now being achieved in the general occupancy projects but are in line with rents at Grier Manor. This suggests that the rents are achievable in this market in and of themselves.

The rent position compared to unadjusted net LIHTC rents in the McDonough PMA is shown in the following table.

TABLE 25
LIHTC RENT RECONCILIATION TABLE
PRIMARY MARKET AREA

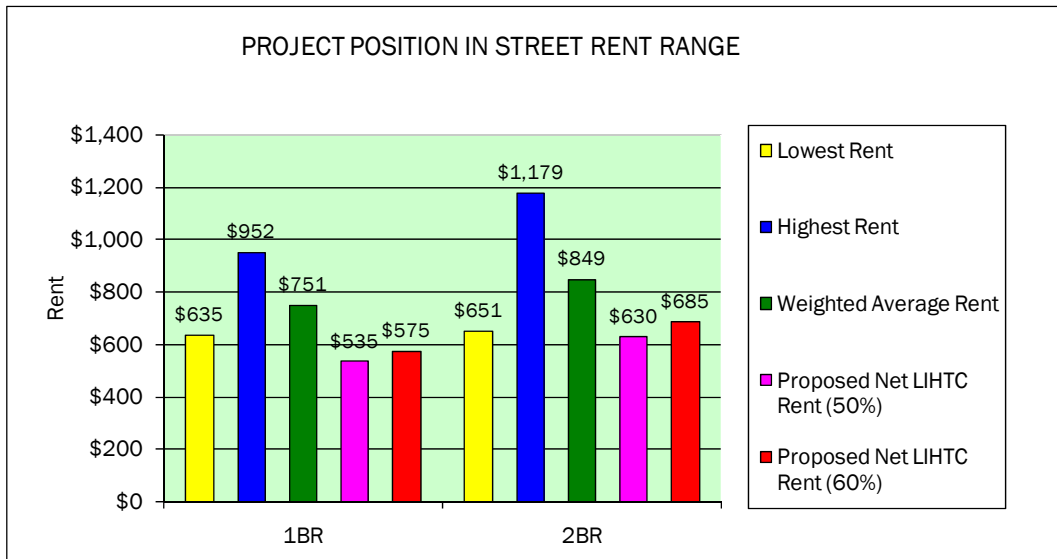
<u>LIHTC Net Rents*</u>	<u>1BR</u>	<u>1BR HFOP</u>	<u>2BR</u>	<u>2BR HFOP</u>
Lowest Rent	\$470	\$539	\$520	\$638
Highest Rent	\$497	\$590	\$610	\$660
<u>Proposed LIHTC Net Rents</u>	<u>1BR</u>		<u>2BR</u>	
Net Rent (50% AMI units)	\$350 & \$535		\$470 & \$630	
Net Rent (60% AMI units)	\$575		\$685	

Table 26 shows the project compared to unadjusted “street rents” in the market-rate apartment projects. At the proposed rent levels, the project is well positioned with respect to rents now being charged in the McDonough market.

TABLE 26
MARKET RENT RECONCILIATION TABLE
PRIMARY MARKET AREA

<u>Market Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
Lowest Rent	\$635	\$651	\$795	NA
Highest Rent	\$952	\$1,179	\$1,269	NA
Weighted Average Rent	\$751	\$849	\$994	NA
<u>Proposed LIHTC Net Rents</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
Net Rent (50% AMI units)	\$535	\$630	NA	NA
Net Rent (60% AMI units)	\$575	\$685	NA	NA

NOTE: Rents for the 50% of AMI units reflect higher tier



As the foregoing tables and graphic illustrate, proposed 50% and 60% of AMI rents at the Heritage at McDonough are below the average for market rate units, and in line with the rents being achieved in LIHTC units targeted to seniors. While the differential between the subject and the market rate rents offers a market advantage, they are still considered somewhat high given the incomes of the target group. This implies that while many senior households may be rent overburdened in the subject, they will be less overburdened than if renting a comparable unit in the general market.

Reconciliation ratios comparing the subject with unadjusted market rents (street rents) are shown below. A comparison of the proposed gross rents with current FMR's is also provided.

<u>Market Rents (Unadjusted)</u>	<u>1BR</u>		<u>2BR</u>	
Lowest Rent	\$635		\$651	
Highest Rent	\$952		\$1,179	
Weighted Average Rent	\$751		\$849	
<u>FMR's</u>	\$741		\$824	
<u>Proposed LIHTC Units</u>	<u>1BR (50%)</u>	<u>1BR (60%)</u>	<u>2BR (50%)</u>	<u>2BR (60%)</u>
Net Rent	\$535	\$575	\$630	\$685
Utility Allowance	\$131	\$131	\$168	\$168
Gross Rent	\$666	\$706	\$798	\$853
<u>Reconciliation Ratios</u>				
Net Rent: Highest Market Rent	56.2%	60.4%	96.8%	105.2%
Net Rent: Lowest Market Rent	84.3%	90.6%	53.4%	58.1%
Net Rent: Weighted Average Rent	71.2%	76.6%	74.2%	80.7%
Gross Rent: FMR	90%	95%	97%	103.5%

The net rents for the market rate units in the subject (\$625 for 1BR and \$735 for 2BR) are also in line with market-rate rents now being charged in the PMA.

SUMMARY OF INTERVIEWS

This section of the report summarizes specific comments made by City officials and others in the City of McDonough regarding the proposed LIHTC projects or other matters pertinent to the evaluation of the LIHTC application in McDonough.

Ms. Tina Tebo, Community Development Secretary, City of McDonough Community Development Department, (678) 432-4622 was interviewed in person. Mrs. Tebo confirmed zoning for the site and adjacent parcels. Ms. Tebo also stated that no other apartment projects were proposed for sites within the City at this time.

Mr. Rodney C. Heard, Chief Planner, City of McDonough Community Development Department, (678) 432-4622 was also contacted but did not provide any additional information.

Stacey Jordon, Chief Short Range Planner, Henry County Planning & Zoning, (770) 288-7535 provided information on the status of planned multi-family projects in development in the unincorporated part of the County in the McDonough area.

Mrs. LaRuth Holloway, GA-DCA, Carrolton, GA (770) 838-2600 provided information of utilization of Housing Choice Vouchers in Henry County. Mrs. Holloway also stated that the lower rents at the 50% of AMI level sounded good, but that the higher rents at both AMI levels would be too high for most seniors on a fixed income.

Sara O'Neal, Executive Assistant, Henry County Development Authority, (770) 288-8000, was interviewed in-person. Mrs. O'Neal provided current information on major employers in Henry County, and an overview of economic development activities in the County.

Mrs. Mary H. Williams, Executive Director, The Housing Authority of the City of McDonough, (770) 957-4494 was interviewed in-person. Mrs. Williams provided information on public housing units in McDonough and confirmed the status of the TEB LIHTC allocation approved in 2007.

Contact details for managers of individual apartment projects included in detailed survey are provided on the individual project data sheets. Some comments are included in the body of the report where appropriate.

CONCLUSIONS AND RECOMMENDATIONS

Based on the preceding analysis, the following conclusions and recommendations can be reached regarding the rental market in the McDonough Primary Market Area in Henry County.

- The positive population and household growth trends and forecasts support the need and demand for additional housing units in this market. The income levels among households in the PMA indicate a continuing need for affordable rental units.
- For purposes of this analysis, the effective project size is 108 units, inclusive of 28 LIHTC units at 50% of AMI, 68 LIHTC units at 60% of AMI and 12 market rate units. The 12 'lower rent' 1BR units at the 50% of AMI level are considered leasable in the market, and are deducted from the total number of units in the project for determining capture rates.
- The target elderly tenant group would be expected to comprise a majority one-person households, and in fact, the GA-DCA market study guidelines specifically state that ***"the maximum income limit for Senior developments will be limited to 2 person households regardless of the bedroom type proposed."***
- The rents proposed by the developer are positioned at the maximum allowable for 2BR units at the 50% of AMI level, and are based on the income limit for a 3-person household. The rents for the 2BR units targeted to the 60% of AMI level are set at 88.8% of the maximum allowable, and are generally more affordable to the target group.
- The use of a rent based on a 3-person household and affordability based on a maximum of two persons per household (which would be appropriate for projects for seniors) results in a narrow band of affordability for the units at the 50% of AMI level. This in turn results in a low estimate of demand, since there are few households who could afford the rents and who would be income-eligible under LIHTC guidelines.
- The rents at the 60% of AMI level would be generally affordable to a 2-person household with income at or near the maximum, but would still represent a somewhat high rent-to-income ratio for single-person households.
- The overall LIHTC demand for the target AMI levels at the proposed rents is 173 units, which equates to a **55.5%** capture rate for the 96 units proposed. While this capture rate is less than the 70% threshold for all proposed bedroom types, it is considered **very aggressive** for a high-growth suburban market. The capture rate for the project in its entirety (108 units, excluding the 12 units considered leasable in the market) is 39.9%, again **very aggressive** for a senior project in a high growth market.
- In Henry County, as in most of the Atlanta metro area, a significant component of the elderly household 'growth' is aging in place, not new household formation. Accordingly, growth in the number of householders who are elderly does not imply a one-to-one demand for a new housing unit, particularly when considered in the context of a 10-year forecast.
- After further segmentation for demand by bedroom mix for each AMI level, the overall capture rate for the 1BR units at the 50% of AMI level is 40% (8 units/20 units in demand) and 64.5% for the 2BR units (20 units/31 units in demand). For the 60% of AMI level, 1BR

capture rates are 69.4% (34 units/49 units in demand) and 2BR capture rates are 46.6% (34 units/73 units in demand).

- The overall capture rate for the 1BR units is **44.4%**. This capture rate exceeds the 30% threshold established by GA-DCA.
- The overall capture rate for the 2BR units is **36.8%**, which exceeds the 30% threshold established by GA-DCA.

Other conclusions regarding the project and its position in the market include the following:

- The reconciliation of the subject's rents with rents at other LIHTC projects and with market rate units in the PMA indicates that the proposed rents are positioned to be affordable in the market in general, but are not necessarily affordable to the target elderly group. The experience at Grier Manor indicates that the rents are achievable, because they are lower than rents for modern market rate apartments.
- The amenity package at the subject would be equal to that offered at other apartment projects in the McDonough market, and superior to amenities offered at older projects.
- The BR mix would allow the project to adequately serve elderly households with 2 persons, some of whom require a 2nd bedroom for health or other reasons. Demand for 2BR units is generally increasing, particularly for appropriately priced, affordable units.
- Unit sizes are also competitive in the market, and consistent with those in other LIHTC program assisted offerings.
- The site location is conveniently located to residential support services.
- The potential for long term adverse impact on existing rentals would be limited, but during the initial rent up, any turnover vacancies at Grier Manor would likely take longer to fill than is now the case.
- Given the indicated levels of market support, absorption would likely require 14 months and possibly as long as 18 months. However, once fully leased, stabilized occupancy levels of 93% are considered achievable, but would require a professional on-going, aggressive marketing program. Concessions could be necessary to achieve rent-up, and such concessions would likely need to be maintained to ensure renewals.
- While the rents are certainly more affordable in the market, than other new, modern apartments, there remain relatively few seniors, and renters in particular, who have income sufficient to afford the rents and are within the LIHTC income limits. And as previously stated, while elderly household growth has been relatively strong over the past few years (mostly a function of aging in place), the number of senior households is relatively small, with the number of renters smaller still. While the project is technically feasible given that calculated demand exceeds the proposed project size, a phased development with an initial phase of no more than 60 units is considered more appropriate.

MARKET ANALYST'S CERTIFICATION

I affirm that I, Connie L. Downing, have made a physical inspection of the market area and the subject site and that information has been used in the full study of the need and demand for the proposed units. To the best of my knowledge, the market can support the project as shown in the study and evaluated under GA-DCA guidelines. It is emphasized that the depth of market support is limited, the project is very large one for an age-restricted project, and the resulting capture rates are aggressive. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

Connie L. Downing

Market Analyst/Author

August 4, 2008

Date

Connie L. Downing

Professional Experience:

- 2005 – Principal, Downing & Associates
Powhatan, Virginia
- 2000 – 2005: Research Director/Senior Analyst, The Waverly Research Group, Inc.
Midlothian, Virginia
- 1990 – 2000: Principal, Weir Associates
Winston-Salem, North Carolina and Leyland, Lancashire, UK
- 1986 – 1990: Vice-President of Research, Perry C. Craven Associates, Inc.
Winston-Salem, North Carolina
- 1983 – 1986: Senior Analyst, Bell & Gardner, Inc.
Winston-Salem, North Carolina
- 1981 – 1983: Housing Planner II and Appalachian Regional Commission Housing Technical
Assistance Coordinator, Northwest Piedmont Council of Governments
Winston-Salem, North Carolina
- 1980 – 1981: Executive Director, Kankakee River Basin Commission
Highland, Indiana
- 1977 – 1980: Planner II, Northwestern Indiana Regional Planning Commission
Highland, Indiana

Education:

- University of North Carolina at Greensboro, B.A. in Geography, 1973
Indiana State University, M.A. in Geography, 1981
University of North Carolina at Greensboro, M.B.A., 1986

Professional Affiliations:

Former Member, Board of Directors, and Former Chair, Market Analysts Research Committee (MARC)
Council for Rural Housing and Development (CRHD), Washington, D.C.

Member in Good Standing, Professional Real Estate Market Analyst Coalition (PREMAC)

Training and Seminars:

US Department of Housing and Urban Development, Multifamily Accelerated Processing (MAP) Tune-Up II Workshop, Underwriter Training in Underwriting Disciplines, September 2007

New York Department of Housing and Community Renewal (NY-DHCR) Market Analysis Seminar, Syracuse, 2003

NCAHMA Annual Meeting and Continuing Education, Chicago, 2004

SUMMARY OF EXPERIENCE

Downing & Associates is a real estate market research and consulting firm specializing in market analysis for multi-family housing. The principal, Connie Downing, has worked as a professional real estate market analyst since the early 1980s, and has conducted economic and market feasibility studies for private and public sector clients throughout the United States.

The firm has extensive experience in both urban and rural markets. During the past 24 years, studies have been completed for projects in New England (Maine, Rhode Island, Massachusetts, Connecticut, Vermont), the Mid-Atlantic (New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia), Southeast (North Carolina, South Carolina, Tennessee, Kentucky, West Virginia), South (Florida, Georgia, Louisiana), Midwest (Iowa, Missouri, Ohio, Michigan, Illinois, Indiana) and the Southwest (Arizona, New Mexico, Colorado).

Market studies are conducted for conventional, affordable, and subsidized apartment developments, including:

- Low Income Housing Tax Credit projects (including bond-financed developments)
- USDA Rural Development housing (Section 515 Rural Rental Housing, Section 514/516 Farm Labor Housing and Section 538)
- Market rate apartments
- HUD programs (Section 202, Section 221(d)4, Section 232)

All studies are targeted to each client's specific needs. An in-depth analysis of each market, including findings, conclusions and recommendations are presented in a professional format. In keeping with recognized professional standards, the firm pays strict attention to state agency underwriting guidelines and market study requirements, and studies are designed to satisfy each state's specific requirements. The firm also works closely with syndicators to ensure that each study addresses their questions and underwriting criteria.

The firm is a member of a voluntary coalition of professional market analysts who have around 150 years combined experience in providing market studies for affordable and market rate housing. The Professional Real Estate Market Analyst Coalition (PREMAC) provides a forum for members to share information with regard to industry trends, discuss and work out critical issues and/or market study problems as the need arises and promotes professional research standards.

INTRODUCTION

The following is a professional real estate market study for the determination of the need and demand for an assisted multi-family development for families (no age restriction) in the City of Fort Valley, Peach County, Georgia. The study follows standard procedures for a multi-family market study, including the identification and analysis of the site circumstances, the demographic and income characteristics, and economic conditions in the market area; evaluation of the existing multi-family housing supply, and determination of projected demand among family households for rental housing.

The study will conform to professional standards of real estate market analysis, and is designed to satisfy the market study requirements of the Low Income Housing Tax Credit program as outlined in the 2008 Market Study Manual (OAH Manual H) of the Georgia Department of Community Affairs 2008 application instructions, as well as incorporating additional guidelines promulgated by DCA.

The analyst performed a comprehensive on-site analysis in the market area, surrounding neighborhoods, and the site on **July 8 - 9, 2008**. Personal interviews were conducted with local area real estate professionals, city and county officials and other persons knowledgeable of the local housing market, particularly local area rental management firms and apartment managers.

Sources used and cited throughout the study are the U.S. Census of Population and Housing, the Georgia Department of Labor, the U.S. Department of Housing and Urban Development, and pertinent information and materials collected from local professional real estate sources. Throughout the demographic analysis of this study, estimates and projections including households, tenure, household size and age, and income distribution are derived from data supplied by Ribbon Demographics in the form of HISTA tables using **CLARITAS** base data and assumptions.¹ The HISTA data are a method of presenting **CLARITAS** data that is more directly pertinent to this type of demographic analysis.

Other, specific elements of the methodology are discussed in the text of the study.

¹ Rather than comparing demographic estimates from consecutive years for trending purposes, Claritas recommends comparing current-year estimates and five-year projections to the 2000 Census data and specifically states: "each set of estimates and projections is produced independently for improved accuracy. The previous year's estimates are not an input source to the new estimates. Given the approach described above, the difference between the previous year's estimate and current year estimate is not simply a year-to-year comparison". Accordingly, CLARITAS data and five year (post Census) trends applicable to analyses completed in prior years may indicate different trends than the newly released (and most currently available) data used in this report.

PROJECT DESCRIPTION

Lakeview Apartments is an existing HUD-subsidized general occupancy project for families proposed for acquisition and rehabilitation under the LIHTC program. Lakeview was originally built under the HUD 221(d)3 program; financing was restructured in 2001 under the Mart-to-Market program. The project is located in the City of Fort Valley in Peach County, and includes the following:

- **Project Name:** Lakeview Apartments
- **Address:** 1105 Edwards Street
Fort Valley, GA 30130
- **Legal Description:** Not provided in application
- **Construction type:** Acquisition-Rehabilitation
- **Occupancy:** Family (Open Occupancy)
- **Target Income Group:** 29 units at 50% of AMI
67 units at 60% of AMI
- **Special Needs Population:** 5 units (non-specific)
5 units equipped for Mobility Impaired;
2 units equipped for Sight/Hearing Impaired
- **Number of Buildings:** 6 residential buildings
1 non-residential community building (to be enlarged and improved)
- **Structure Type:** Garden apartments in 2-story walk-up breezeway buildings
Single-story community building
- **Project-based subsidy:** HUD Section 8 HAP contract in place through 2021
- **Energy source:** Electric (plug load and AC); Natural Gas Heat, HW and cooking
- **Utilities Included:** Electric, gas, water/sewer and trash removal
 - **Tenant Paid Utilities:** Personal utilities (telephone, CATV)
- **Placed in Service Date:** 12/31/2009

The project configuration, with proposed rents and utility allowances, is shown below:

Number of Units	Bedroom Mix	Size (Sq. Ft.)	Net Rent	Utility Allowance	Gross Rent	Target AMI	PBRA	Structure Type	Maximum Rent	Percent of Maximum
3	EFF/1Ba	506	\$417	\$0	\$417	50%	Sec. 8	2-story walk-up	\$471	88.54%
4	1BR/1Ba	660	\$460	\$0	\$460	50%	Sec. 8	2-story walk-up	\$515	89.32%
10	2BR/1Ba	914	\$551	\$0	\$551	50%	Sec. 8	2-story walk-up	\$618	89.16%
8	3BR/2Ba	1066	\$656	\$0	\$656	50%	Sec. 8	2-story walk-up	\$715	91.75%
4	4BR/2Ba	1215	\$762	\$0	\$762	50%	Sec. 8	2-story walk-up	\$797	95.61%
7	EFF/1Ba	506	\$417	\$0	\$417	60%	Sec. 8	2-story walk-up	\$577	72.27%
10	1BR/1Ba	660	\$460	\$0	\$460	60%	Sec. 8	2-story walk-up	\$618	74.43%
24	2BR/1Ba	914	\$551	\$0	\$551	60%	Sec. 8	2-story walk-up	\$742	74.26%
18	3BR/2Ba	1066	\$656	\$0	\$656	60%	Sec. 8	2-story walk-up	\$858	76.46%
8	4BR/2Ba	1215	\$762	\$0	\$762	60%	Sec. 8	2-story walk-up	\$957	79.62%

DEVELOPMENT AMENITIES

- *Community building (to be enlarged) with:
 - Management office
 - Community room
 - Laundry facility
- *Playground/tot lot
- *Gazebo (to be added)
- *Picnic area with grills (to be added)
- *Walking path (to be added)
- *Bus shelter (to be added)
- *Soccer Field (to be added)
- *Horseshoe pit (to be added)
- *Garden plot (to be added)
- *Social programs

UNIT AMENITIES

- *Range
- *Refrigerator
- *Dishwasher (to be added)
- *Disposal (to be added)
- *Integrated range hood with Microwave (to be added)
- *Ceiling fans
- *Blinds
- *Carpet
- *Central air-conditioning
- *Pre-wired for CATV, telephone and high-speed internet access

SUPPORTIVE SERVICES

The application states that planned supportive services are to be provided by Disability Connections, who will also refer eligible special needs tenants for housing.

CURRENT PROFILE

Lakeview Apartments has a HUD Section 8 Housing Assistance Payments (HAP) contract for all units, with current tenant-paid rents based on income. The HAP contract was renewed for an extended period as part of the Mark-to-Market restructuring, and is in effect until 2021. The current rents are HUD contract rents which became effective August 1, 2008, and in this case are equivalent to the 'proposed' rents.

As of the date of the on-site interview, 88 of the 96 units were occupied (91.7% occupancy level). Vacancies by BR were as follows:

Number of Units	Bedroom Mix	Occupied	Vacant	Percent Vacant
10	EFF/1Ba	10	0	0.0%
14	1BR/1Ba	13	1	7.1%
34	2BR/1Ba	33	1	2.9%
26	3BR/2Ba	23	3	11.5%
<u>12</u>	4BR/2Ba	<u>9</u>	<u>3</u>	25.0%
96		88	8	8.3%

An analysis of the rent roll confirms that all tenants are very low income. Among the current tenants receiving RD Rental Assistance, the total tenant payment (TTP) from \$0 to \$559, and averages \$124. Some 71 tenants have adjusted annual income of less than \$10,000, and only four tenants have adjusted annual income of \$20,000 or more. The median income among all tenants is extremely low, at \$1,776; the average income is higher at \$5,563. The highest tenant income is \$24,830. Two tenants paid market rent: one in an Efficiency unit and another in a 2BR unit, but both are LIHTC-qualified to remain in the project.

The household size distribution mirrors the renter population in general. Household sizes ranged from one to seven persons, distributed as follows:

HH Size	Number	Ratio
1	25	27.8%
2	26	28.9%
3	18	20.0%
4	11	12.2%
5	5	5.6%
6	4	4.4%
7	1	1.1%

Average HH size: 2.57 persons/HH

The tenant population is considered very stable. Some 29 tenants moved into their unit before 2001, including one who has been a resident since 1973 and 10 who moved to Lakeview during the 1980's. Only 19 tenants moved to the project during 2007 or 2008.

SCOPE OF WORK

Lakeview was completed in 1971, and has reached a point in its economic life where renovations are needed beyond the scope of normal turnover maintenance. A moderate rehabilitation was completed in 2001, but further work is needed to preserve the housing. A statement of the scope of work was provided by the applicant and included in the application. The scope of work is not repeated here in its entirety, but has been reviewed as part of this evaluation.

In addition to the planned amenities previously noted (community center, etc.), the scope of work includes a range of improvements to the exterior of the buildings, unit interiors and grounds. The most significant improvements will be the addition of a second bathroom in the 3BR and 4BR units and addition of pitched roofs to replace the current flat roof. Total renovation costs are expected to be in excess of \$5.6million, or around \$59.2K per unit including hard costs, overhead and contractor profit.

No tenants are expected to be permanently displaced as a result of the renovations. The renovations will be on a building by building basis, and it is anticipated that 6 units will be vacant through attrition when renovations commence. It is anticipated that 31 tenants will be moved off-site, and the developer expects that some of these tenants will move into newly renovated units at College Square, the HUD-subsidized project that received a LIHTC award in 2007. Priority will be given to families with children to remain on-site. All tenants will move within the project at least once, but no more than twice.

SITE EVALUATION

The on-site inspection of the subject property was conducted on Tuesday July 8, 2008, by Connie Downing during the course of the field work in Fort Valley and Peach County (July 8 - 9, 2008). Field work included an inspection of the site, surrounding market area, and competitive and/or comparable apartment developments, and other housing alternatives in the Fort Valley market.

The subject site is located in the south-central section of the City of Fort Valley on the east side of Edwards Street in Census Tract 404. The specific project address is noted as 1105 Edwards Street, Fort Valley, GA, 30130. No legal description was provided. Edwards Street extends from Spruce Street to the north to Kathleen Street, a total distance of less than ½ mile. Traffic on Edwards Street is generally destination-specific; it is not a collector road.

The site comprises an irregularly shaped parcel with ±12.04 acres, and is developed with the subject's six residential buildings and separate community building with leasing office and laundry facility. The site is level, and all buildings are served by paved driveway and sidewalks. Fencing separates Lakeview from the adjacent College Square project, but otherwise the project is open plan, with expansive areas surrounding each building laid to lawn.

The most proximate 'community roadway' is State University Drive, located roughly ¼ mile to the west. State University Drive extends from the Fort Valley State University campus northward to the downtown area of Fort Valley, terminating at the intersection with Camellia Blvd. (GA 49) just southeast of the downtown area.

SITE AND NEIGHBORHOOD CHARACTERISTICS

The site is located in an established residential neighborhood, including both single-family detached units and three other multi-family projects. A small convenience store occupies a parcel on Edwards Street immediately adjacent to the site on the north; all other development is residential. The neighborhood is mature, and some of the single-family units are in poor condition. Others are modest, but well kept, typical of small towns in predominately rural counties of Georgia.

The site and surrounding parcels are zoned R-2, with multi-family as a permitted use. The site is not located within a flood plain, and there are no observed or known constraints to the continued residential multi-family use.

No infrastructure improvements are planned or underway in the site vicinity. Other parts of Fort Valley have on-going improvements, particularly in the area around the University. Significant improvements are underway in the neighborhood however. College Square received a LIHTC allocation in 2007, and is undergoing a substantial rehabilitation. Once renovations are completed, College Square will have the same appearance as newly built apartments, and will offer a full range of unit and project amenities.

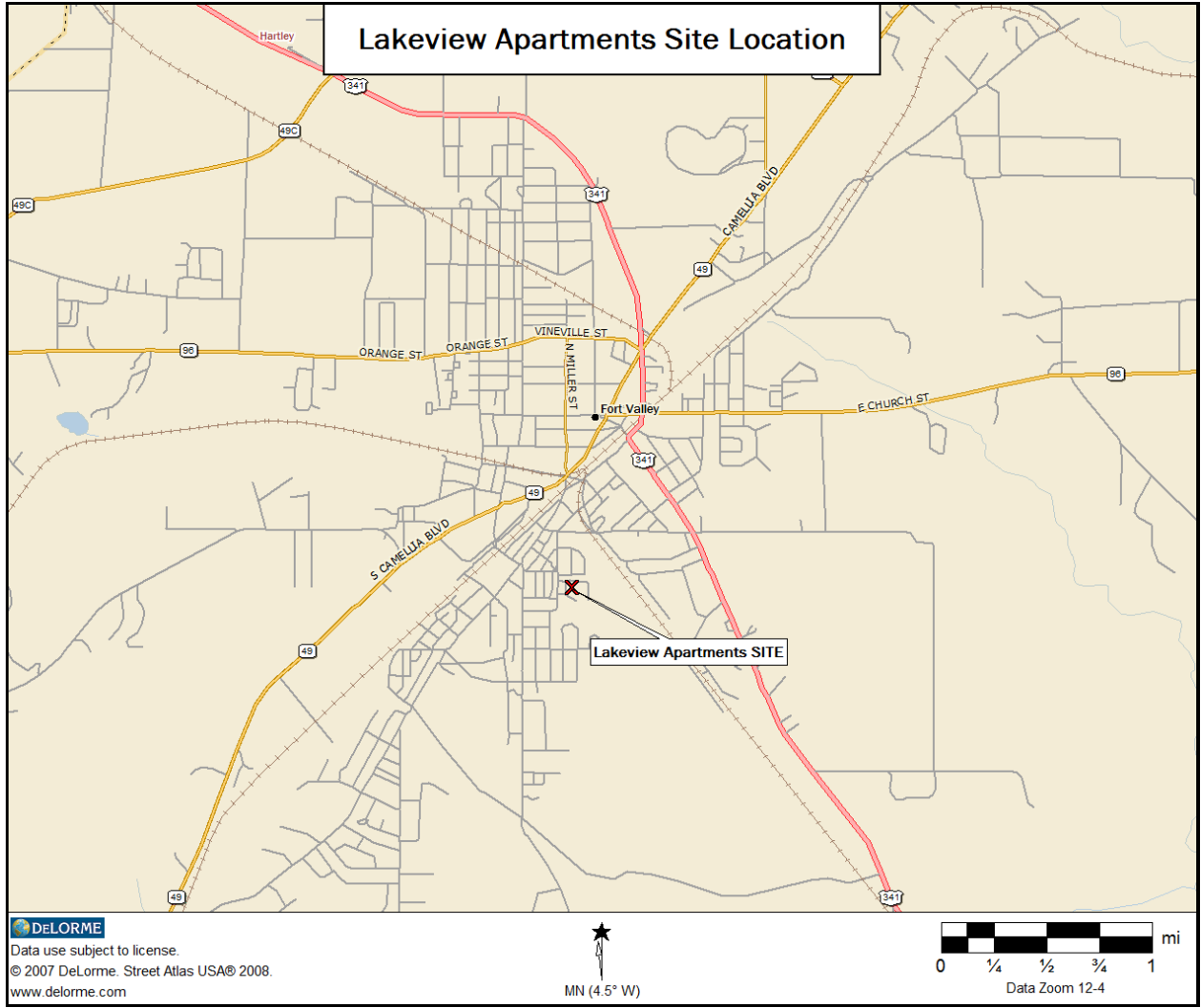
Current land use and zoning for parcels surrounding the site is summarized below:

ADJACENT LAND USE		
Direction	Existing Land Use	Current Zoning
North	Convenience store, single-family detached (on Edward Street); multi-family (Marvin	
South	Vacant, then public housing	R-2
East	MF (Marvin Gardens I); vacant	
West	College Square Apartments and older single-family detached	

SOURCE: Peach County Building and Zoning Department
Consultant's observation

The following map notes the site location within the City of Fort Valley. An aerial photograph with a general outline of the site is also provided.





The following pictures show the site and surrounding land uses.



1. Entrance to site and signage off Edwards Street looking along Edwards Court
2. View of site looking east from Edwards Street



3. Interior aspect of site
4. Office and laundry facility (to be enlarged and improved)



5. Playground area
6. Rear of typical residential building



7. Breezeway entry of typical building
8. View to west toward College Square renovation in process



9. Typical Kitchen
10. Typical living area



11. Typical dining area
12. Typical bathroom



13. View to north along Edwards Street from site entrance

14. View to south along Edwards Street from site entrance; College Square in distance to left



15. Well-kept house on Edwards Street to north of site

16. Dilapidated abandoned house on Fagan Street at Edwards Street to SW of site

ACCESS TO SERVICES

The site is easily accessible to residential support services located within the City of Fort Valley and reasonably proximate to the roads connecting Fort Valley to the larger retail centers in Warner Robins and Macon.

The Fort Valley Central Business District (CBD) and the City Hall and County offices, banks, Library, and Post Office are less than one mile north of from the site.

The largest retail/service areas are in the CBD along Main Street and Camellia Blvd. (including the hardware, pharmacy and discount department store, and along Vineville Street in free-standing retail sites and in strip centers including the Harvey's grocery store and CVS drug store at Vineville and Camellia.

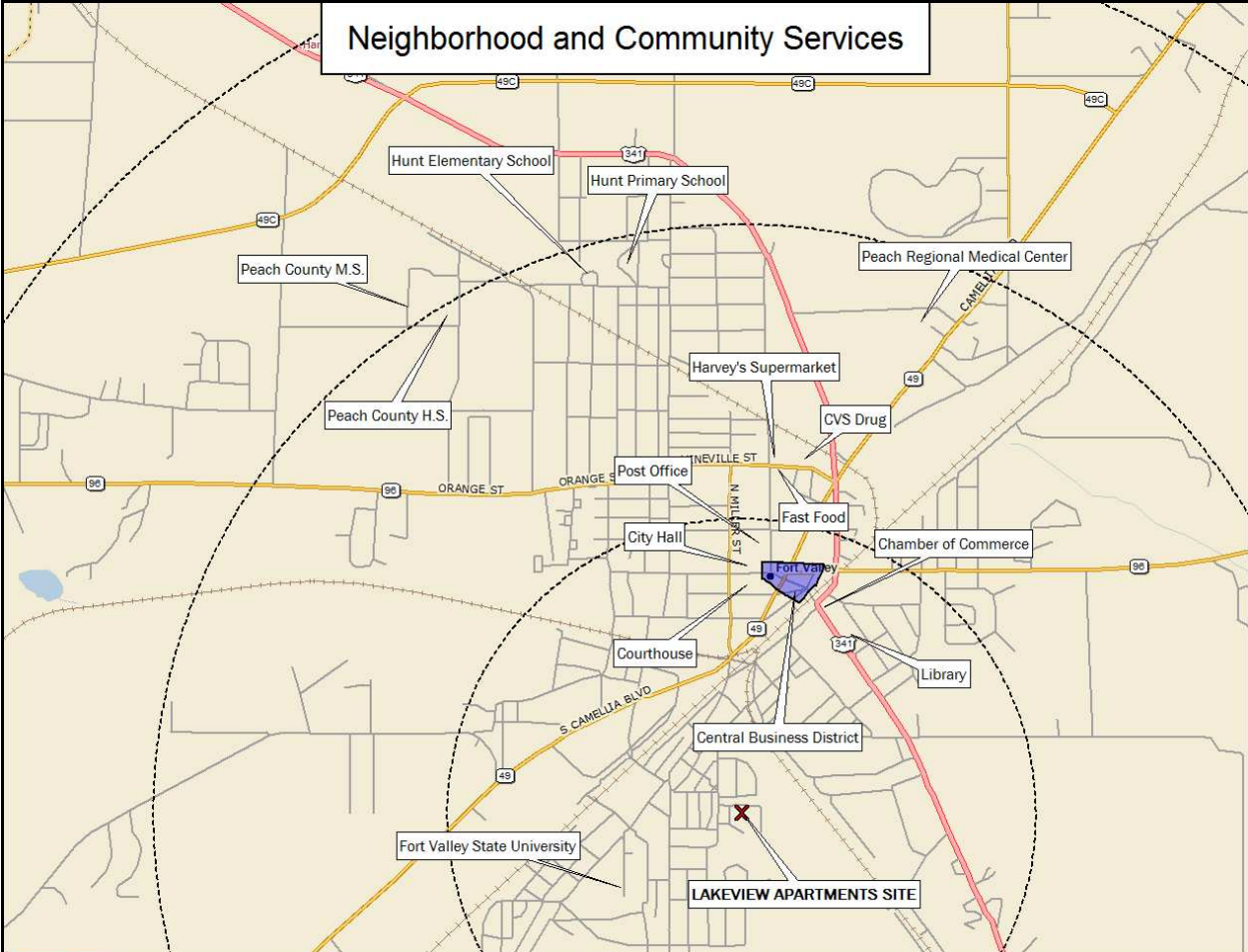
The Peach Regional Medical Center is within 2 miles northeast on Camellia Blvd (Route 49). Several doctors have offices near the hospital, and others are in various locations in the town.

Elementary, primary, middle and high schools are located in the northwest quadrant of Fort Valley. The high school and the middle school campus are just over 2 miles northwest of the site off Campus Drive. The elementary and primary schools are also located just over 2 miles from the site on Tulip Drive.

Fort Valley is also home to a growing university, originally founded as a land grant college. Fort Valley State University is located southwest of the site, and could be considered within walking distance. FVSU is a major employer as well as providing higher education opportunities for area residents.

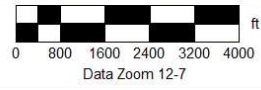
Employment opportunities in the immediate site vicinity include various retail outlets and Peach General Hospital. The school system locations and the University are all easily accessible to the site, and the largest County employer - Blue Bird - is less than two miles northeast on Camellia near the hospital. Smaller manufacturing employers are in several locations in the US 341 corridor south of town in particular. The former Dan River Mills building is in this area, soon to become part of the Blue Bird facility. Route 96 east toward Perry serves several peach orchards and pecan groves, with the large, nationally known Lane Packing located roughly five miles east of town.

A map showing the site and a representative sample of community services follows. Concentric circles set at 1, 2, and 3 mile radii from the site illustrate the proximity of various services. Actual driving distances may be slightly further, but it is noted that all services are easily accessible; none are more than 10 minutes from the site, and most within 5 minutes via car.



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Project	Street Address	Program Type	Number of Units	Distance from Site
College Square	1201 Edwards Court	LIHTC - Family/HUD 8	60	Adjacent
Marvin Gardens I	301 Edwards Court	LIHTC - Family	80	Adjacent
Marvin Gardens II	101 Atlantic Avenue	LIHTC - Family	50	Adjacent
Magnolia Terrace	714 Green Street	LIHTC - Family	50	0.5
Magnolia Terrace II*	Green Street	LIHTC - Family	36	0.5
Valley Pines III/IV	104 Brooks Blvd.	RD 515	76	1.5
Westside Villas	108 Brooks Blvd.	RD 515/LIHTC	44	1.5
Indian Oaks	1103 E. Church Street	HUD Section 8	150	1.7
Windsor Court*	1201 Orange Street	LIHTC - HFOP	56	1.9
Fort Valley Housing Authority				
Young Homes	Murray Road	Public Housing	30	1.1
Tabor Heights	Hunt Street/Tabor Circle	Public Housing	70	0.4

* - Under construction

CONCLUSION

The site is typical of small towns in rural counties of middle Georgia. Access to services available within the City of Fort Valley is excellent, and includes most residential support services utilized on a day-to-day basis as well as some used on an occasional basis (medical services, etc.) Access to more extensive support services in the City of Macon is good, and would be considered normal and generally acceptable among residents of Fort Valley. The neighborhood has been acceptable in the local community for residential use and is considered marketable for the continued use, with no observed constraints. Compared to other sites **of the same type in the City of Fort Valley**, the site is considered average to above, with good curb appeal. The curb appeal of the neighborhood in general is improving with the renovation of College Square. Renovation of the subject would further enhance the stability of the area as a whole.

Nothing was observed during the site visit that would detract from marketability or suitability of the site for the existing multi-family use. As noted, the site is convenient to US and state highways in Fort Valley, but is sufficiently distant from major community roadways such that no traffic noise was apparent. No noxious odors were observed and the site is not in proximity to active landfills, junk yards or similar incompatible uses. There is an active rail line to the east, but this has not presented any concerns over the life of the project. Positive (strengths) and negative (weaknesses) attributes of the site are summarized below:

SITE/SUBJECT ATTRIBUTES	
POSITIVE	NEGATIVE
Proximity to services and highways	None observed
Space for active and passive recreation	
Compatibility with current adjacent land use	
Proximity to local employment	

MARKET AREA DESCRIPTION

The definition of a market area for any real estate use is generally limited to the geographic area within which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly considers the location and proximity to consumer generators, transportation access, and the proximity and scale of competitive options. Frequently, both a primary and a secondary area are defined, where the primary area consumers will have the greatest propensity to choose a specific product at a specific location, and the secondary area consumers are less likely to choose the product but will still generate significant demand.

PRIMARY MARKET AREA

An affordable housing market area definition is typically based on analysis of population and housing development, transportation and geographic patterns, housing stock conditions, and the location of competitive affordable housing. In the case of Fort Valley, the primary factors are the town's position as County seat and population center, and focus for commercial and employment opportunities, the location of Interstate 75 on the eastern side of the County, which acts both a physical barrier and a road transportation linkage, transportation patterns in the County and region, the availability of services and the extent, type and density of development in the unincorporated area around the City. A further consideration is the availability of secondary data from the U.S. Census.

In Georgia, data at the sub-County level are available for incorporated places; Census designated places (CDPs), Census County Divisions (CCDs), Census Tracts, Block Groups and Blocks. Complete data are not available for all levels in the Census hierarchy however; data at the Block Group and Block level are frequently withheld to avoid disclosure. In the rural areas of Georgia, CCD and Census Tract boundaries are frequently arbitrary, defined for ease of data collection and reporting. The final definition of a Primary Market Area is ultimately based on a "best fit" geography, which utilizes the geographic area for which verifiable data are available that most closely corresponds with the area identified through the analysis of the other factors previously noted.

Peach County is a predominately rural county, and is typical of much of middle Georgia, with a few large employers dominating the economy. Peach County benefits from the presence of four highways: Interstate 75 on the eastern border connects the area to Macon and Atlanta to the north, and Perry and on to Florida to the south. US 341, which runs north-south through the center of the County, Highway 49, which travels northeast-southwest from Byron (and Macon beyond) to Americus, and Highway 96, which runs east west from Warner Robins to Columbus. The Routes 49, 96 and 341 converge in Fort Valley, the County seat and largest town. The largest concentration of population, housing, and commercial activity is located in Fort Valley.

The southwestern, southern and western sections of Peach County are the most rural in nature, and are the least densely populated section of the County. The character of the surrounding counties on those sides (Crawford, Taylor and Macon), is similar to Peach County, while the counties to the east and northeast (Houston and Bibb) are more urban with larger concentrations of population and employment.

The Primary Market Area was defined subsequent to the field research, and considered qualitative information from interviews conducted with property managers and others with knowledge of the area. Fort Valley serves as the retail and service center for most of Peach County, and to a large extent the employment center, and some residents of the more distant parts of the County have taken advantage of housing opportunities there. Rental options were historically concentrated in Fort Valley and to a lesser extent in Byron to the northeast, with few units in the remainder of the County. Byron, however, is becoming increasingly oriented to the Warner Robins area, and is now considered to be a separate market. The PMA also implicitly considered the gravity model and distance decay factors.

Based on these factors, the effective Primary Market Area for the project is defined to include four Census Tracts in Peach County.

CT403.01 CT403.02 CT402 CT404 (the location of the site)

SECONDARY MARKET AREA

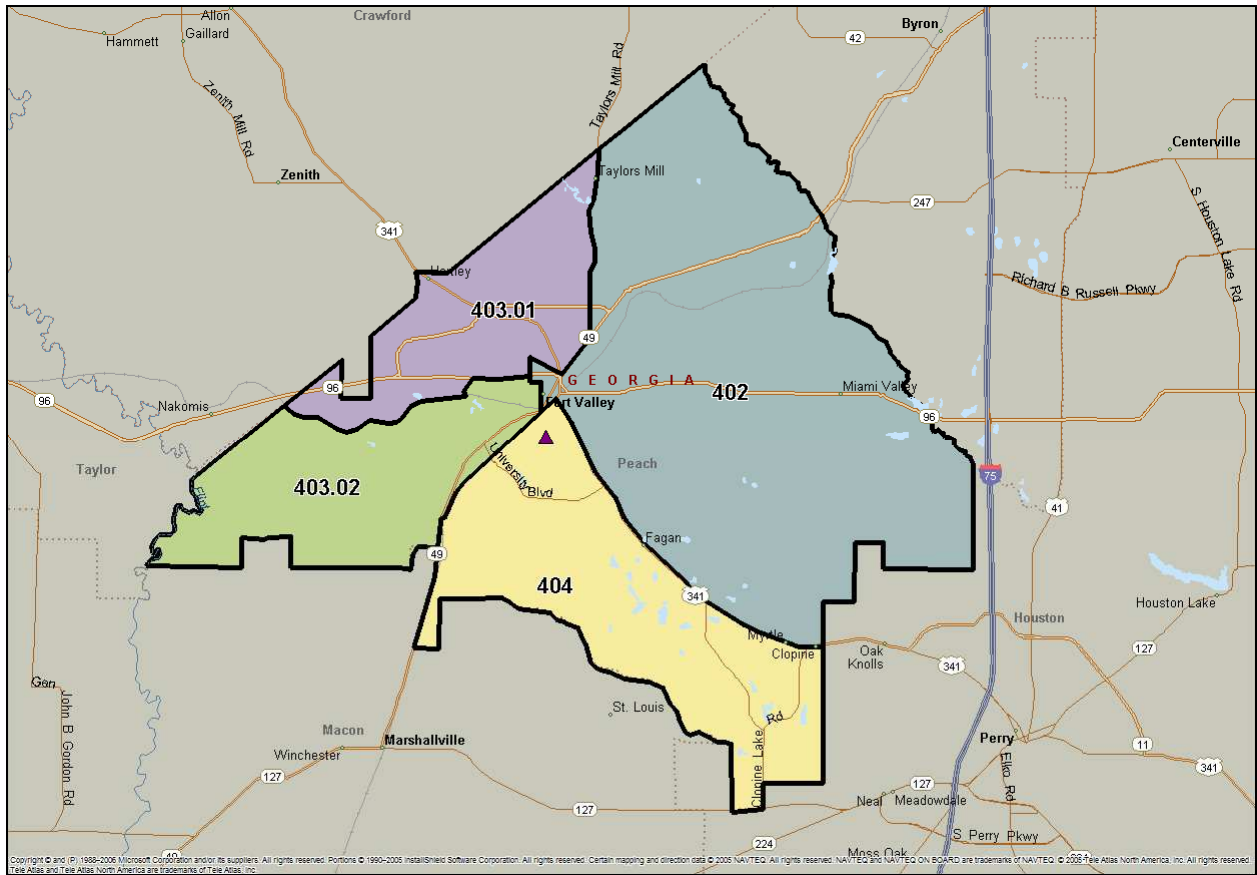
The Secondary Market Area comprises the geographic area beyond the bounds of the PMA which will generate a moderate amount of demand, typically from 5% to 25% of a project's tenant base. Households in the SMA may consider options in multiple geographies, but will ultimately choose housing in one area because of specific needs (employment opportunities, schools, religious affiliations, for example), affordability, or simply availability of an appropriately sized (and affordable) unit.

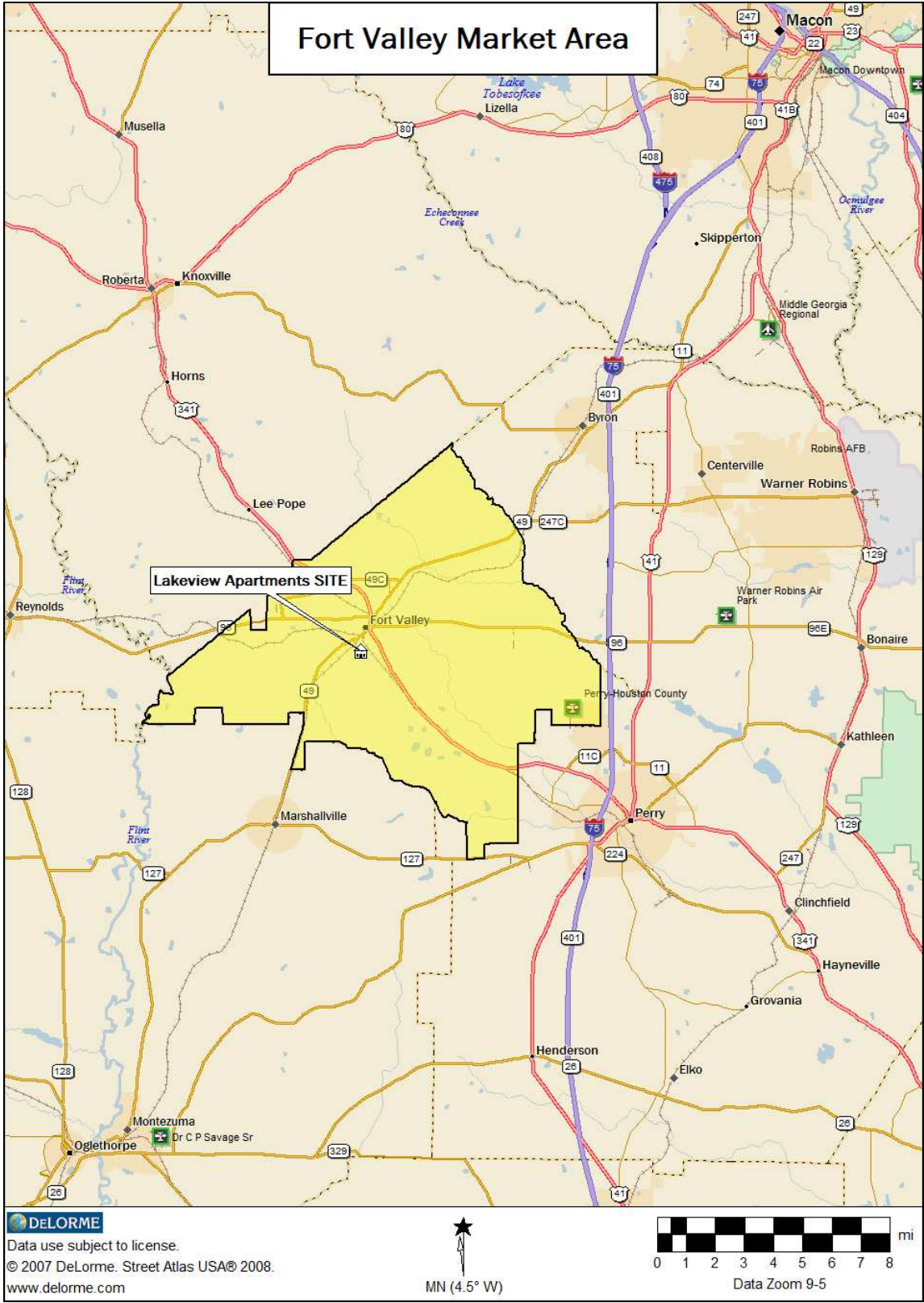
In some markets, a high ratio of tenants originates from a wide area outside the defined PMA which cannot be precisely defined. Out-of-market demand is not specific to any geography, and is often "opportunity-oriented": demand is generated by the availability of units. Out-of-market demand includes elderly who return home (move-backs), elderly parents "imported" by their children, and households of any age who move because appropriate and affordable housing options are available.

In this case the SMA is generally considered to comprise the more rural parts of Peach County and rural parts of adjacent counties. Demand from the SMA is not specifically quantified from its residential source; in accordance with DCA guidelines, the segment is estimated as an adjustment to the demand from the PMA, and is limited to a factor of 15%.

The map below notes the boundaries of the Census Tracts which comprise the PMA. The map that follows depicts the boundaries of the PMA in its entirety.

FORT VALLEY PRIMARY MARKET AREA



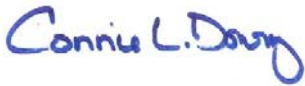


Market Analyst Certification and Checklist

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

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

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



Signed: _____

Date: August 4, 2008

A. Executive Summary

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Projected Stabilized Occupancy Level and Timeframe	Page	v
Appropriateness of unit mix, rent and unit sizes	Page	iv
Appropriateness of interior and exterior amenities including appliances	Page	ii & iv
Location and distance of subject property in relationship to local amenities	Page	ii & iv
Discussion of capture rates in relationship to subject	Page	iv - v
Conclusion regarding the strength of the market for subject	Page	vi

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For rehab proposals, current occupancy levels, rents, and tenant incomes (if available), as well as detailed information as to renovation of property	Page	NA
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Map identifying Subject's Location within SMA, if applicable	Page	NA

E. Community Demographic Data

Data on Population and Households Five Years Prior to Market Entry, and Projected Five Years Post-Market Entry.	Page	19-20 and 23-24
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**** If using sources other than U.S. Census (I.e., Claritas or other reputable source of data), please include in Addenda – The source of all tables in the market study must be clearly identified.***

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b. Households by tenure (# of owner and renter households)	Page	27
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d. Renter households by # of persons in the household	Page	29-30

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b. contractions in work forces, as well as newly planned employers and impact on employment in the PMA		
c. Unemployment trends for the PMA and, where possible, the county total workforce for unemployment trends for the last two to four years.	Page	40-42
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e. Overall conclusions	Page	43

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* PHA properties are not considered comparable with LIHTC units

H. Interviews

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Recommendation as to Subject's Viability in PMA	Page	85-86

J. Signed Statement

Signed Statement from Analyst	Page	87
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K. Comparison of Competing Properties

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APPENDIX A
DATA SOURCES



Population by Age & Sex
McDonough PMA

<i>Census 2000</i>				<i>Current Year Estimates - 2008</i>				<i>Five-Year Projections - 2013</i>			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	2,870	2,692	5,562	0 to 4 Years	4,735	4,487	9,222	0 to 4 Years	5,843	5,561	11,404
5 to 9 Years	2,954	2,825	5,779	5 to 9 Years	4,628	4,394	9,022	5 to 9 Years	5,695	5,394	11,089
10 to 14 Years	2,735	2,728	5,463	10 to 14 Years	4,703	4,486	9,189	10 to 14 Years	5,576	5,332	10,908
15 to 17 Years	1,518	1,349	2,867	15 to 17 Years	2,868	2,704	5,572	15 to 17 Years	3,630	3,409	7,039
18 to 20 Years	1,135	1,085	2,220	18 to 20 Years	2,330	2,303	4,633	18 to 20 Years	3,012	2,925	5,937
21 to 24 Years	1,297	1,370	2,667	21 to 24 Years	3,121	2,982	6,103	21 to 24 Years	4,161	3,869	8,030
25 to 34 Years	5,302	5,707	11,009	25 to 34 Years	9,245	10,498	19,743	25 to 34 Years	10,237	11,709	21,946
35 to 44 Years	6,129	6,127	12,256	35 to 44 Years	9,903	10,243	20,146	35 to 44 Years	11,725	11,935	23,660
45 to 49 Years	2,337	2,411	4,748	45 to 49 Years	4,312	4,421	8,733	45 to 49 Years	5,772	6,075	11,847
50 to 54 Years	1,996	2,023	4,019	50 to 54 Years	3,513	3,651	7,164	50 to 54 Years	5,082	5,293	10,375
55 to 59 Years	1,492	1,478	2,970	55 to 59 Years	2,837	3,043	5,880	55 to 59 Years	4,098	4,328	8,426
60 to 64 Years	1,050	1,100	2,150	60 to 64 Years	2,082	2,182	4,264	60 to 64 Years	3,242	3,555	6,797
65 to 74 Years	1,413	1,576	2,989	65 to 74 Years	2,466	2,736	5,202	65 to 74 Years	3,800	4,222	8,022
75 to 84 Years	561	913	1,474	75 to 84 Years	1,065	1,532	2,597	75 to 84 Years	1,559	2,148	3,707
85 Years and Up	<u>110</u>	<u>302</u>	<u>412</u>	85 Years and Up	<u>256</u>	<u>596</u>	<u>852</u>	85 Years and Up	<u>398</u>	<u>873</u>	<u>1,271</u>
Total	32,899	33,686	66,585	Total	58,064	60,258	118,322	Total	73,830	76,628	150,458
62+ Years	n/a	n/a	6,035	62+ Years	n/a	n/a	10,986	62+ Years	n/a	n/a	16,707



Population by Age & Sex
Henry County, GA

<i>Census 2000</i>				<i>Current Year Estimates - 2008</i>				<i>Five-Year Projections - 2013</i>			
Age	Male	Female	Total	Age	Male	Female	Total	Age	Male	Female	Total
0 to 4 Years	5,002	4,686	9,688	0 to 4 Years	7,467	7,028	14,495	0 to 4 Years	8,948	8,520	17,468
5 to 9 Years	5,230	4,879	10,109	5 to 9 Years	7,398	7,037	14,435	5 to 9 Years	8,828	8,318	17,146
10 to 14 Years	4,979	4,845	9,824	10 to 14 Years	7,603	7,137	14,740	10 to 14 Years	8,764	8,339	17,103
15 to 17 Years	2,760	2,480	5,240	15 to 17 Years	4,679	4,348	9,027	15 to 17 Years	5,761	5,318	11,079
18 to 20 Years	2,024	1,935	3,959	18 to 20 Years	3,732	3,631	7,363	18 to 20 Years	4,672	4,486	9,158
21 to 24 Years	2,401	2,525	4,926	21 to 24 Years	5,081	4,925	10,006	21 to 24 Years	6,574	6,143	12,717
25 to 34 Years	9,377	10,067	19,444	25 to 34 Years	15,139	17,011	32,150	25 to 34 Years	16,400	18,551	34,951
35 to 44 Years	10,995	11,250	22,245	35 to 44 Years	15,859	16,710	32,569	35 to 44 Years	18,316	18,948	37,264
45 to 49 Years	4,169	4,312	8,481	45 to 49 Years	7,100	7,320	14,420	45 to 49 Years	9,177	9,697	18,874
50 to 54 Years	3,573	3,734	7,307	50 to 54 Years	5,753	6,016	11,769	50 to 54 Years	8,191	8,553	16,744
55 to 59 Years	2,753	2,666	5,419	55 to 59 Years	4,614	4,998	9,612	55 to 59 Years	6,566	6,974	13,540
60 to 64 Years	1,892	1,983	3,875	60 to 64 Years	3,430	3,600	7,030	60 to 64 Years	5,163	5,709	10,872
65 to 74 Years	2,512	2,850	5,362	65 to 74 Years	4,062	4,462	8,524	65 to 74 Years	6,144	6,768	12,912
75 to 84 Years	989	1,678	2,667	75 to 84 Years	1,714	2,548	4,262	75 to 84 Years	2,476	3,485	5,961
85 Years and Up	<u>212</u>	<u>583</u>	795	85 Years and Up	<u>426</u>	<u>990</u>	1,416	85 Years and Up	<u>640</u>	<u>1,427</u>	2,067
Total	58,868	60,473	119,341	Total	94,057	97,761	191,818	Total	116,620	121,236	237,856
62+ Years	n/a	n/a	10,962	62+ Years	n/a	n/a	18,103	62+ Years	n/a	n/a	26,944

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Renter Households						
Under Age 55 Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	65	61	20	34	0	180
\$10,000-20,000	23	43	14	42	34	156
\$20,000-30,000	133	89	93	54	56	425
\$30,000-40,000	168	79	119	107	29	502
\$40,000-50,000	54	97	120	34	33	338
\$50,000-60,000	40	65	31	25	50	211
\$60,000+	<u>120</u>	<u>166</u>	<u>90</u>	<u>100</u>	<u>167</u>	<u>643</u>
Total	603	600	487	396	369	2,455

Renter Households						
Aged 55-61 Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	22	0	0	0	0	22
\$10,000-20,000	39	0	0	0	0	39
\$20,000-30,000	4	39	1	1	1	46
\$30,000-40,000	7	7	0	1	16	31
\$40,000-50,000	11	0	0	0	0	11
\$50,000-60,000	0	0	3	0	0	3
\$60,000+	<u>0</u>	<u>0</u>	<u>8</u>	<u>3</u>	<u>4</u>	<u>15</u>
Total	83	46	12	5	21	167

Renter Households						
Aged 62+ Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	81	0	9	0	9	99
\$10,000-20,000	62	18	0	18	0	98
\$20,000-30,000	13	33	8	0	0	54
\$30,000-40,000	13	15	9	0	0	37
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	16	5	0	0	21
\$60,000+	<u>14</u>	<u>10</u>	<u>8</u>	<u>4</u>	<u>0</u>	<u>36</u>
Total	183	92	39	22	9	345

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Owner Households						
Under Age 55 Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	40	51	45	36	37	209
\$10,000-20,000	60	84	59	40	31	274
\$20,000-30,000	175	109	214	166	75	739
\$30,000-40,000	273	257	342	241	143	1,256
\$40,000-50,000	257	388	316	496	247	1,704
\$50,000-60,000	140	458	457	550	226	1,831
\$60,000+	<u>261</u>	<u>2,208</u>	<u>2,189</u>	<u>2,571</u>	<u>1,395</u>	<u>8,624</u>
Total	1,206	3,555	3,622	4,100	2,154	14,637

Owner Households						
Aged 55-61 Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	37	52	5	0	0	94
\$10,000-20,000	30	21	7	0	0	58
\$20,000-30,000	62	55	1	4	5	127
\$30,000-40,000	41	80	9	18	0	148
\$40,000-50,000	31	125	51	24	11	242
\$50,000-60,000	51	106	35	9	10	211
\$60,000+	<u>66</u>	<u>753</u>	<u>186</u>	<u>90</u>	<u>23</u>	<u>1,118</u>
Total	318	1,192	294	145	49	1,998

Owner Households						
Aged 62+ Years						
<i>Census 2000</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	138	90	0	0	0	228
\$10,000-20,000	241	187	9	13	4	454
\$20,000-30,000	186	265	26	14	11	502
\$30,000-40,000	78	236	59	0	0	373
\$40,000-50,000	15	290	43	7	3	358
\$50,000-60,000	46	170	41	11	20	288
\$60,000+	<u>80</u>	<u>564</u>	<u>181</u>	<u>72</u>	<u>90</u>	<u>987</u>
Total	784	1,802	359	117	128	3,190

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Renter Households						
Under Age 55 Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	122	133	30	50	0	335
\$10,000-20,000	44	75	18	82	70	289
\$20,000-30,000	230	133	130	76	85	654
\$30,000-40,000	331	123	194	166	37	851
\$40,000-50,000	123	166	194	57	64	604
\$50,000-60,000	84	113	82	41	78	398
\$60,000+	<u>371</u>	<u>386</u>	<u>210</u>	<u>212</u>	<u>375</u>	<u>1,554</u>
Total	1,305	1,129	858	684	709	4,685

Renter Households						
Aged 55-61 Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	47	0	0	0	0	47
\$10,000-20,000	82	0	0	0	0	82
\$20,000-30,000	5	60	1	1	1	68
\$30,000-40,000	10	13	1	1	32	57
\$40,000-50,000	24	0	0	0	0	24
\$50,000-60,000	0	0	6	0	0	6
\$60,000+	<u>0</u>	<u>0</u>	<u>21</u>	<u>12</u>	<u>8</u>	<u>41</u>
Total	168	73	29	14	41	325

Renter Households						
Aged 62+ Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	152	0	15	0	15	182
\$10,000-20,000	120	36	0	36	0	192
\$20,000-30,000	27	58	11	0	0	96
\$30,000-40,000	40	29	17	0	0	86
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	32	13	0	0	45
\$60,000+	<u>39</u>	<u>21</u>	<u>18</u>	<u>9</u>	<u>0</u>	<u>87</u>
Total	378	176	74	45	15	688

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Owner Households						
Under Age 55 Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	63	83	54	46	46	292
\$10,000-20,000	99	117	83	54	30	383
\$20,000-30,000	268	119	287	181	118	973
\$30,000-40,000	440	335	440	274	171	1,660
\$40,000-50,000	446	507	437	682	347	2,419
\$50,000-60,000	244	696	721	832	313	2,806
\$60,000+	<u>655</u>	<u>4,176</u>	<u>4,254</u>	<u>4,678</u>	<u>2,607</u>	<u>16,370</u>
Total	2,215	6,033	6,276	6,747	3,632	24,903

Owner Households						
Aged 55-61 Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	69	86	8	0	0	163
\$10,000-20,000	46	29	8	0	0	83
\$20,000-30,000	91	87	1	11	5	195
\$30,000-40,000	80	111	7	28	1	227
\$40,000-50,000	68	243	82	57	14	464
\$50,000-60,000	103	199	66	7	26	401
\$60,000+	<u>188</u>	<u>1,631</u>	<u>428</u>	<u>189</u>	<u>46</u>	<u>2,482</u>
Total	645	2,386	600	292	92	4,015

Owner Households						
Aged 62+ Years						
<i>Current Year Estimates - 2008</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	228	117	0	0	0	345
\$10,000-20,000	355	236	9	20	6	626
\$20,000-30,000	346	374	41	20	40	821
\$30,000-40,000	164	415	116	0	0	695
\$40,000-50,000	37	519	79	9	7	651
\$50,000-60,000	107	286	65	15	23	496
\$60,000+	<u>190</u>	<u>1,137</u>	<u>376</u>	<u>133</u>	<u>166</u>	<u>2,002</u>
Total	1,427	3,084	686	197	242	5,636

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Renter Households						
Under Age 55 Years						
<i>Five Year Projections - 2013</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	146	154	33	53	0	386
\$10,000-20,000	54	79	20	96	82	331
\$20,000-30,000	251	132	129	78	91	681
\$30,000-40,000	409	136	220	187	39	991
\$40,000-50,000	175	206	232	76	86	775
\$50,000-60,000	111	129	106	49	90	485
\$60,000+	<u>612</u>	<u>543</u>	<u>304</u>	<u>297</u>	<u>548</u>	<u>2,304</u>
Total	1,758	1,379	1,044	836	936	5,953

Renter Households						
Aged 55-61 Years						
<i>Five Year Projections - 2013</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	74	0	0	0	0	74
\$10,000-20,000	120	0	0	0	0	120
\$20,000-30,000	5	90	1	1	2	99
\$30,000-40,000	15	20	2	2	69	108
\$40,000-50,000	35	0	0	0	0	35
\$50,000-60,000	0	0	7	0	0	7
\$60,000+	<u>0</u>	<u>0</u>	<u>37</u>	<u>25</u>	<u>15</u>	<u>77</u>
Total	249	110	47	28	86	520

Renter Households						
Aged 62+ Years						
<i>Five Year Projections - 2013</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	Total
	Household	Household	Household	Household	Household	
\$0-10,000	216	0	18	0	17	251
\$10,000-20,000	174	47	0	49	0	270
\$20,000-30,000	44	84	15	0	0	143
\$30,000-40,000	85	48	32	0	0	165
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	53	25	0	0	78
\$60,000+	<u>74</u>	<u>33</u>	<u>27</u>	<u>16</u>	<u>0</u>	<u>150</u>
Total	593	265	117	65	17	1,057

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Owner Households						
Under Age 55 Years						
<i>Five Year Projections - 2013</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	68	85	51	49	46	299
\$10,000-20,000	105	109	86	54	28	382
\$20,000-30,000	264	98	265	156	122	905
\$30,000-40,000	477	311	426	252	160	1,626
\$40,000-50,000	535	505	439	720	373	2,572
\$50,000-60,000	289	738	780	923	342	3,072
\$60,000+	<u>922</u>	<u>5,085</u>	<u>5,356</u>	<u>5,863</u>	<u>3,303</u>	<u>20,529</u>
Total	2,660	6,931	7,403	8,017	4,374	29,385

Owner Households						
Aged 55-61 Years						
<i>Five Year Projections - 2013</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	94	111	7	0	0	212
\$10,000-20,000	50	29	7	0	0	86
\$20,000-30,000	128	105	1	22	7	263
\$30,000-40,000	112	131	8	39	2	292
\$40,000-50,000	85	286	113	69	17	570
\$50,000-60,000	178	284	94	10	46	612
\$60,000+	<u>321</u>	<u>2,470</u>	<u>665</u>	<u>299</u>	<u>67</u>	<u>3,822</u>
Total	968	3,416	895	439	139	5,857

Owner Households						
Aged 62+ Years						
<i>Five Year Projections - 2013</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	290	137	0	0	0	427
\$10,000-20,000	455	264	10	24	7	760
\$20,000-30,000	499	468	55	28	61	1,111
\$30,000-40,000	242	580	159	0	0	981
\$40,000-50,000	59	714	114	17	8	912
\$50,000-60,000	189	421	96	25	47	778
\$60,000+	<u>333</u>	<u>1,795</u>	<u>606</u>	<u>213</u>	<u>263</u>	<u>3,210</u>
Total	2,067	4,379	1,040	307	386	8,179