

Market Feasibility Analysis

Clemons Greene
Approximately 1020 Highway 378
Lexington, Lexington County, South Carolina 29072

Prepared For

Mr. Yuval Greenshtein
Woda Cooper Companies, Inc.
500 South Front Street, 10th Floor
Columbus, Ohio 43215

Effective Date

May 21, 2020

Job Reference Number

20-269 JP



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

Table of Contents

- A. Primary Market Area Analysis Summary (Exhibit S-2)
- B. Project Description
- C. Site Description and Evaluation
- D. Primary Market Area Delineation
- E. Market Area Economy
- F. Community Demographic Data
- G. Project-Specific Demand Analysis
- H. Rental Housing Analysis (Supply)
 - I. Interviews
 - J. Recommendations
- K. Signed Statement Requirement
- L. Qualifications
- M. Methodologies, Disclaimers & Sources
 - Addendum A – Phone Survey of Conventional Rentals
 - Addendum B – NCHMA Member Certification & Checklist
 - Addendum C – Achievable Market Rent

2020 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Clemons Greene	Total # Units: 90
Location:	Near 1020 Highway 378, Lexington, SC 29072 (Lexington County)	90
		# LIHTC Units: _____
PMA Boundary:	U.S. Highway 378, Census Tract 210.22, Census Tract 210.26 and Census Tract 210.27 and Census Tract 210.32 to the north; Lexington town limits to the east; Interstate 20 to the south; and Calks Ferry Road to the west.	
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 8.3 miles

RENTAL HOUSING STOCK (found on page H-1 & H-15)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	13	1,886	93	95.1%
Market-Rate Housing	7	1,560	68	95.6%
Assisted/Subsidized Housing not to include LIHTC	3	180	0	100.0%
LIHTC (All that are stabilized)*	2	96	0	100.0%
Stabilized Comps**	2	96	0	100.0%
Non-stabilized Comps	1	50	25	50.0%

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					HUD Area FMR			Highest Unadjusted Comparable Rent	
Units	Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1	One-Br.	1.0	815	\$245	\$818	\$1.00	70.05%	\$1,076	\$1.54
2	One-Br.	1.0	815	\$500	\$818	\$1.00	38.88%	\$1,076	\$1.54
3	One-Br.	1.0	815	\$620	\$818	\$1.00	24.21%	\$1,076	\$1.54
3	Two-Br.	1.0	979	\$270	\$931	\$0.95	70.97%	\$1,076	\$1.54
20	Two-Br.	1.0	979	\$580	\$931	\$0.95	37.70%	\$1,076	\$1.54
37	Two-Br.	1.0	979	\$725	\$931	\$0.95	22.13%	\$1,076	\$1.54
1	Three-Br.	2.0	1,179	\$285	\$1,204	\$1.02	76.33%	\$1,315	\$1.09
8	Three-Br.	2.0	1,179	\$645	\$1,204	\$1.02	46.43%	\$1,315	\$1.09
15	Three-Br.	2.0	1,179	\$810	\$1,204	\$1.02	32.73%	\$1,315	\$1.09
Gross Potential Rent Monthly*				\$59,935	\$89,664		33.16%		

*Market Advantage is calculated using the following formula: Gross HUD FMR (minus) Net Proposed Tenant Rent (divided by) Gross HUD FMR. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page F-4 & G-5)

	2010	2019		2022	
Renter Households		4,211	23.7%	4,407	76.6%
Income-Qualified Renter HHs (LIHTC)		1,462	34.7%	1,438	32.6%
Income-Qualified Renter HHs (MR)		-	-	-	-

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	30%	50%	60%	Other: __	Other: __	Overall
Renter Household Growth	2	-11	-24	-	-	-24
Existing Households (Overburd + Substand)	365	425	367	-	-	809
Homeowner conversion (Seniors)	0	0	0	-	-	0
Other:	0	0	0	-	-	0
Less Comparable/Competitive Supply	0	0	0	-	-	0
Net Income-qualified Renter HHs	367	414	343	-	-	785

CAPTURE RATES (found on page G-5)						
Targeted Population	30%	50%	60%	Other: __	Other: __	Overall
Capture Rate	1.4%	7.2%	16.0%	-	-	11.5%
ABSORPTION RATE (found on page G-7)						
Absorption Period 7 months						

2/2020

2020 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Fair Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
1	1 BR	\$245	\$245	\$818	\$818	
2	1 BR	\$500	\$1,000	\$818	\$1,636	
3	1 BR	\$620	\$1,860	\$818	\$2,454	
3	2 BR	\$270	\$810	\$931	\$2,793	
20	2 BR	\$580	\$11,600	\$931	\$18,620	
37	2 BR	\$725	\$26,825	\$931	\$34,447	
1	3 BR	\$285	\$285	\$1,204	\$1,204	
8	3 BR	\$645	\$5,160	\$1,204	\$9,632	
15	3 BR	\$810	\$12,150	\$1,204	\$18,060	
Totals	90		\$59,935		\$89,664	33.16%

B. Project Description

Project Name:	Clemons Greene
Location:	Approximately 1020 Highway 378, Lexington, South Carolina 29072 (Lexington County)
Census Tract:	210.22
Target Market:	Family
Construction Type:	New Construction
Funding Source:	LIHTC

The subject project involves the new construction of the 90-unit Clemons Greene rental community at approximately 1020 Highway 378 in Lexington, South Carolina. The project will target general-occupancy (family) households earning up to 30%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. None of the units within the subject development will receive project-based rental assistance. The proposed project is expected to be complete by April 2022. Additional details of the subject development are summarized as follows:

Proposed Unit Configuration									
Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
1	One-Br.	1.0	Garden	815	30%	\$245	\$142	\$387	\$408
2	One-Br.	1.0	Garden	815	50%	\$500	\$142	\$642	\$681
3	One-Br.	1.0	Garden	815	60%	\$620	\$142	\$762	\$817
3	Two-Br.	1.0	Garden	979	30%	\$270	\$191	\$461	\$490
20	Two-Br.	1.0	Garden	979	50%	\$580	\$191	\$771	\$817
37	Two-Br.	1.0	Garden	979	60%	\$725	\$191	\$916	\$981
1	Three-Br.	2.0	Garden	1,179	30%	\$285	\$250	\$535	\$566
8	Three-Br.	2.0	Garden	1,179	50%	\$645	\$250	\$895	\$944
15	Three-Br.	2.0	Garden	1,179	60%	\$810	\$250	\$1,060	\$1,133
90	Total								

Source: Woda Cooper Companies, Inc.

AMHI – Area Median Household Income (Columbia, SC HUD Metro FMR Area; 2020)

Building/Site Information	
Residential Buildings:	Three (3) three-story buildings
Building Style:	Walk-up
Community Space:	Integrated throughout
Acres:	4.7

Construction Timeline	
Original Year Built:	Not Applicable
Construction Start:	April 2021
Begin Preleasing:	January 2022
Construction End:	April 2022

Unit Amenities		
• Electric Range	• Microwave	• Carpet
• Refrigerator	• Central Air Conditioning	• Window Blinds
• Garbage Disposal	• Washer/Dryer Hookups	• Patio/Balcony
• Dishwasher		

Community Amenities

- On-Site Management
- Laundry Room
- Surface Parking Lot (181 Spaces)
- Computer Center
- Fitness Center
- Community Room with Kitchen
- Playground

Utility Responsibility

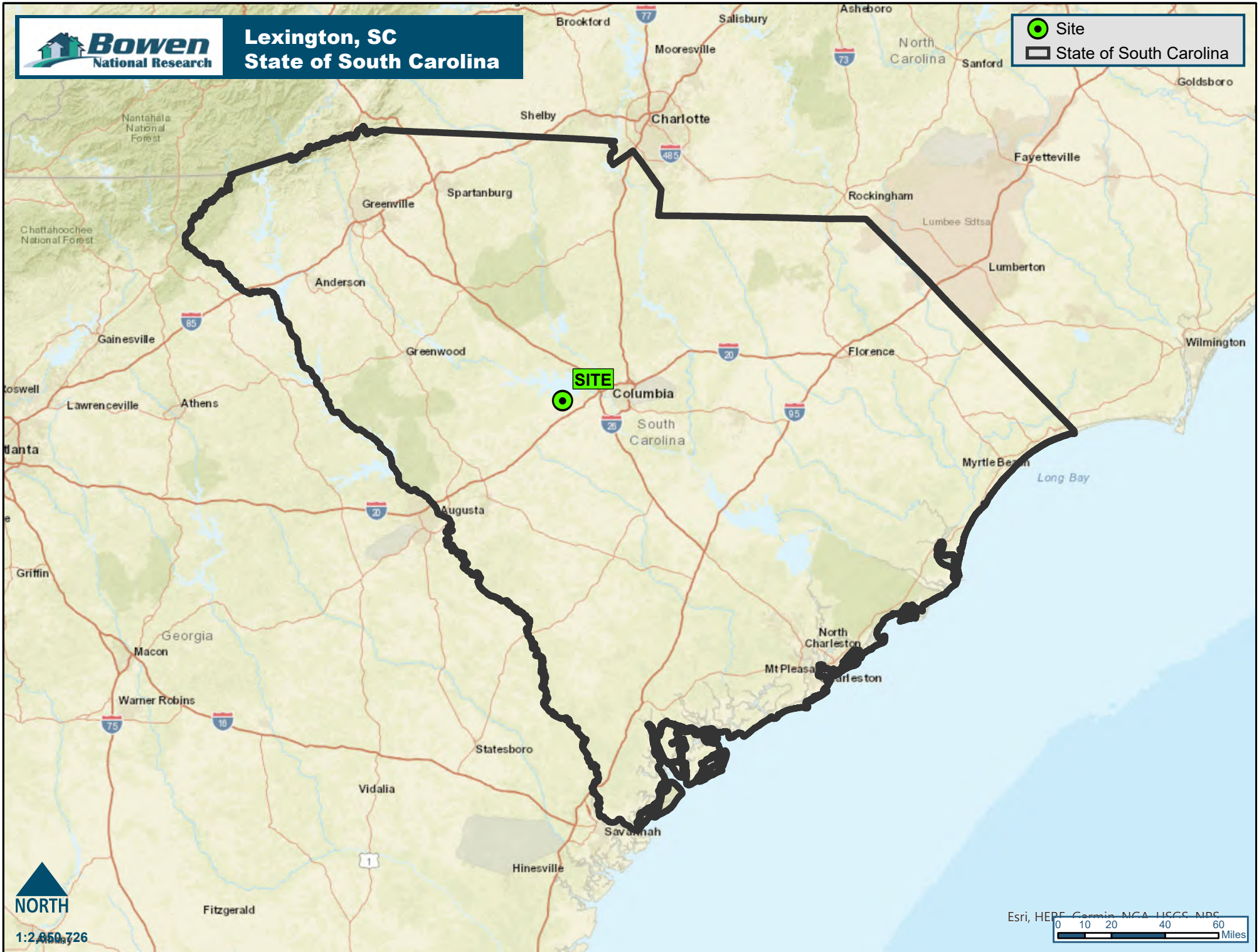
	Heat	Hot Water	Cooking	General Electric	Cold Water	Sewer	Trash
Paid By	Tenant	Tenant	Tenant	Tenant	Tenant	Tenant	Landlord
Source	Electric	Electric	Electric				

A state map and an area map are on the following pages.



Lexington, SC State of South Carolina

● Site
▭ State of South Carolina



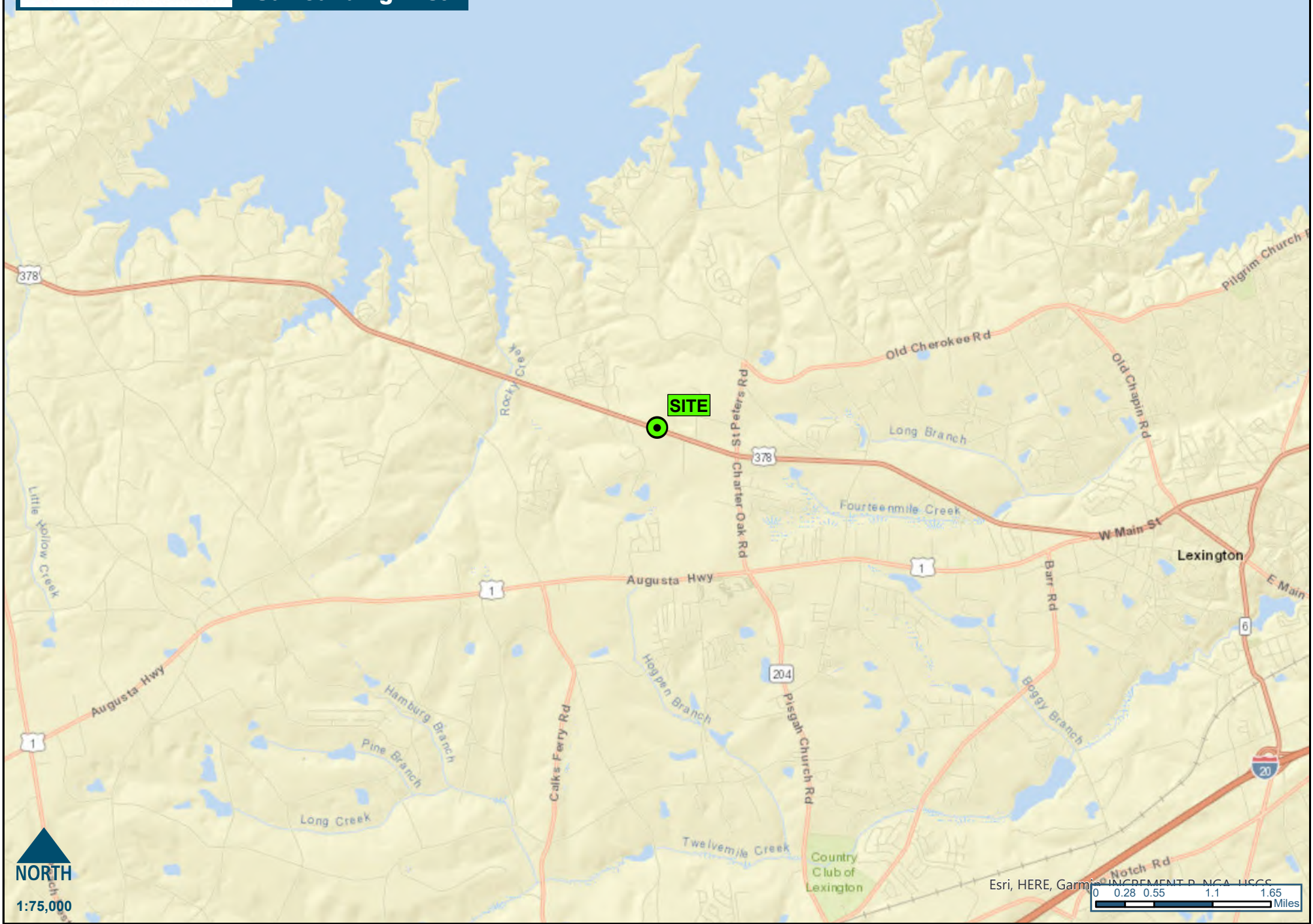
1:2,850,726

Esri, HERE, Garmin, NGA, USGS, NPS
0 10 20 40 60 Miles



Lexington, SC Surrounding Area

Site



NORTH
1:75,000

Esri, HERE, Garmin, UNICOM, INC, NCA, USGS
0 0.28 0.55 1.1 1.65 Miles

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of April 13, 2020. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site consists of approximately 4.7 acres of wooded located near 1020 U.S. Highway 378, west of Lexington, South Carolina. Located within Lexington County, the site is approximately 20.0 miles west of Columbia, South Carolina and approximately 62.0 miles northeast of Augusta, Georgia. Following is a description of surrounding land uses:

North -	A single-family home and outbuildings border the site to the north. A utility easement is located north of this property, followed by wooded land. Single-family homes on estate lots and wooded land extend farther north of the site to Lake Murray.
East -	A storage area for boats and recreational vehicles (The Boat and RV Storage Yard) borders the site to the east. Single-family homes, wooded land, a fire station and commercial/retail businesses extend farther southeast of the site along U.S. Highway 378, a moderately traveled arterial roadway.
South -	U.S. Highway 378 borders the site to the south. This four-lane roadway includes a center turn lane and typically experiences moderate vehicular traffic. Lake Murray Baptist Church is located south of U.S. Highway 378. This church property consists of large one-story buildings and adjacent surface parking lots in good condition. Wooded land, single-family homes on estate lots, agricultural land and a single-family subdivision extends farther south of the site to U.S. Highway 1, a moderately traveled arterial roadway.
West -	A parcel containing a cellular tower borders the site to the west. A large single-family subdivision (Summer Place) and the campus of Beechwood Middle School extend farther northwest of the site along U.S. Highway 378.

The site is located within a developing mixed-use neighborhood with residential, commercial/retail land uses, as well as schools. The single-family subdivision located northwest of the site (Summer Place) is actively selling new homes by several builders and these homes are in excellent condition. In addition,

Beechwood Middle School is a newer campus located 1.0 mile northwest of the site and is one of three public schools assigned to the site area. Note that the site is adjacent to a parcel containing a cellular tower. This land use is not expected to adversely impact the marketability of the subject site. According to site plans provided at the time of this analysis, there will be buffering along the eastern boundary of the site, which is adjacent to a boat and recreational vehicle storage area. This buffering should limit visibility of the adjacent storage area from the site. Overall, the new construction subject site is expected to fit well with the surrounding land uses and they should contribute to its marketability.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 378 U.S. Highway 1 Interstate 20	Adjacent South 1.6 Southeast 7.5 East
Public Bus Stop	The COMET (Vanpool Service)	Pickup on site
Major Employers/ Employment Centers	Publix Super Markets Inc. Lexington County Government Michelin North America Inc. Wal-Mart Associates Inc. Lexington County School District One	0.8 Southeast 5.1 East 5.6 Southeast 5.8 East 6.6 East
Convenience Store	Pitt Stop 7-Eleven	0.8 East 1.6 Southeast
Grocery	Publix BI-LO Lowe's Foods	0.8 Southeast 0.8 East 1.6 Southeast
Discount Department Store	Dollar General	3.1 Southeast
Shopping Center/Mall	Hendrix Crossing Town Square Lexington Walmart Supercenter	0.8 Southeast 4.0 Southeast 5.8 East
Schools: Elementary Middle/Junior High High	Rocky Creek Elementary Beechwood Middle Lexington High	3.0 Southwest 1.0 Northwest 2.3 Southeast
Hospital	Doctors Care – Lexington West LMC Lexington Lexington Medical Center (Main Campus)	0.6 Southeast 4.1 Southeast 13.8 East
Police	Lexington County Sheriff	4.0 Southeast
Fire	Lexington County Fire Station 15	0.4 East
Post Office	U.S. Post Office	4.0 Southeast
Bank	Grow Financial Federal Credit Union First Citizens Bank Ameris Bank	0.8 Southeast 4.0 Southeast 4.0 Southeast
Recreational Facilities	Dynamic Health and Fitness Xtreme Fitness	1.2 Southeast 3.5 Southeast

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Gas Station	Shell	0.8 East
	Mobil	1.6 Southeast
	Lowes Foods Fuel Station	1.7 Southeast
Pharmacy	Publix Pharmacy	0.8 Southeast
	CVS Pharmacy	1.7 Southeast
Restaurant	Zaxby's	0.6 Southeast
	Subway	0.8 Southeast
	San Jose Express	0.8 Southeast
	Marco's Pizza	0.8 Southeast
	Waffle House	0.8 Southeast
	Goodfellas Grill & Bar	0.8 East
	China King	0.8 East
Day Care	Lake Murray Baptist Church Kindergarten	0.1 South
	Lake Murray Child Development	1.9 Southeast
	Lexington Day School	3.2 Southeast
Community Center	Lake Murray Community Center	1.3 Northeast
	Lexington Leisure Center	4.2 Southeast
Library	Lexington County Public Library	6.0 Southeast
Park	Ball Park Road Rec Complex	3.6 Southeast
	Caractor Park	3.9 Southeast
	Bundrick Island	4.0 North

As the preceding illustrates, the site is within 6.0 miles of most community services in the Lexington area, which are primarily located along U.S. Highway 378 and U.S. Highway 1. The nearest shopping center (Hendrix Crossing) is located 0.8 miles southeast of the site at the intersection of U.S. Highway 378 and Charter Oak Road. Hendrix Crossing includes the nearest supermarket, pharmacy, financial institution, urgent care facility and restaurants to the site. The nearest gas station and convenience store is also within 1.0 mile of the site. Additional community services are located at the intersection of Charter Oak Road and U.S. Highway 1, approximately 1.6 miles southeast of the site. Community services in this area include a grocery store, two gas stations, a convenience store, a pharmacy, and restaurants. A wider variety of community services is in the town of Lexington, including county government offices, a community center, post office, and library. The nearest Walmart Supercenter is also located in the town of Lexington, approximately 5.8 miles east of the site.

Although a public bus stop is not located within walking distance of the subject site, COMET offers a call-ahead public transportation service throughout the area through reservations must be made in advance. Overall, the subject project's proximity to area community services is expected to contribute to the marketability of the site.

4. SITE PHOTOGRAPHS

Photographs of the subject site and surrounding land uses are on the following pages.



Site Entryway



View of site from the southeast



View of site from the south



View of site from the southwest



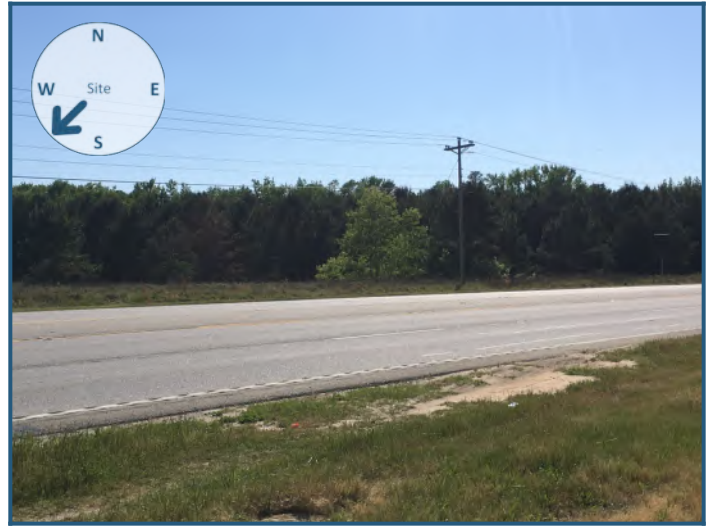
East of site



Southeast view from site



South view from site



Southwest view from site



West view from site



Streetscape: Northwest view of U.S. Highway 378



Streetscape: Southeast view of U.S. Highway 378

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.





Lexington, SC Site Neighborhood

Legend
Site Area

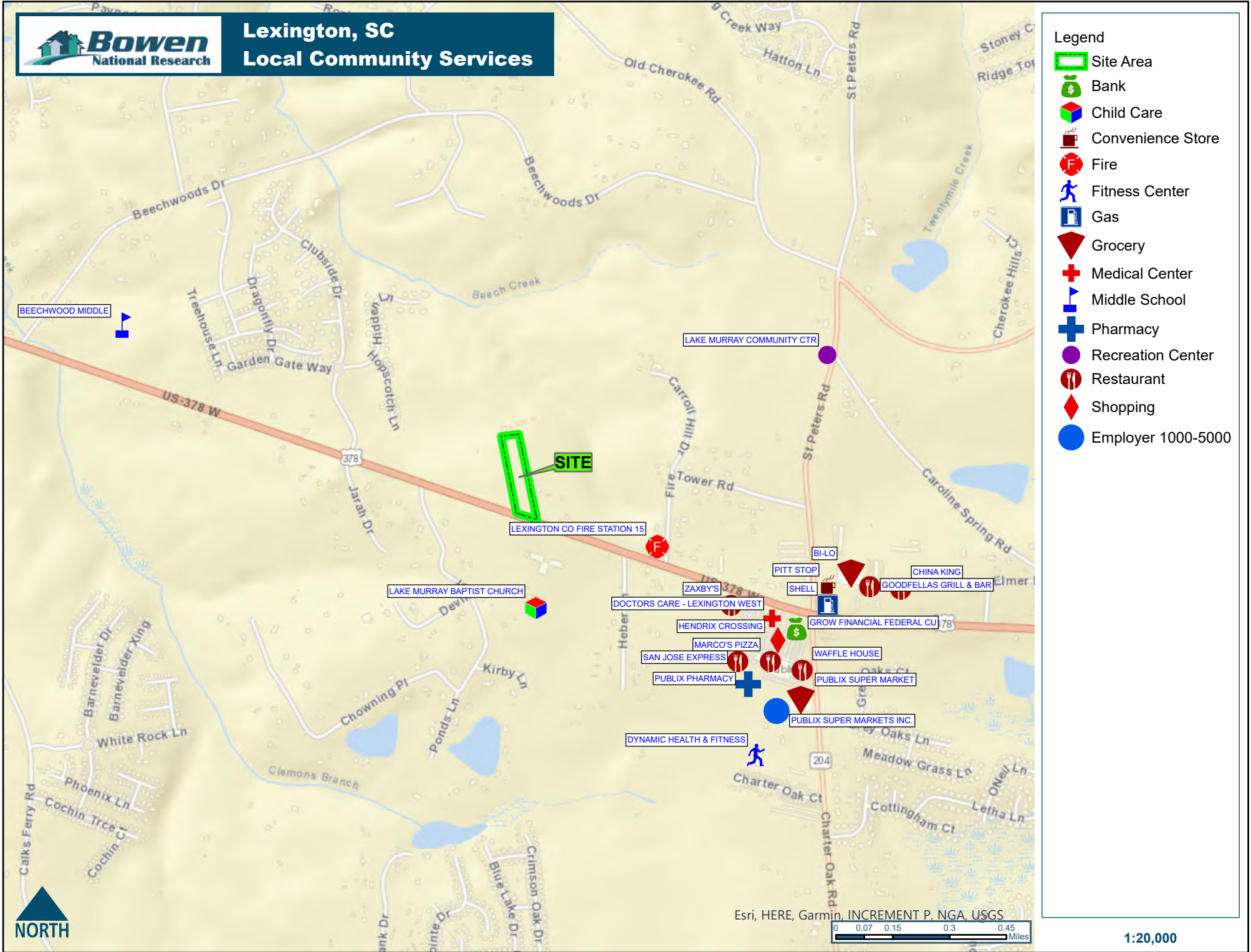


NORTH
1:5,268

0 0.03 0.05 0.1 0.16 Miles



Lexington, SC Local Community Services



- Legend**
- Site Area
 - Bank
 - Child Care
 - Convenience Store
 - Fire
 - Fitness Center
 - Gas
 - Grocery
 - Medical Center
 - Middle School
 - Pharmacy
 - Recreation Center
 - Restaurant
 - Shopping
 - Employer 1000-5000

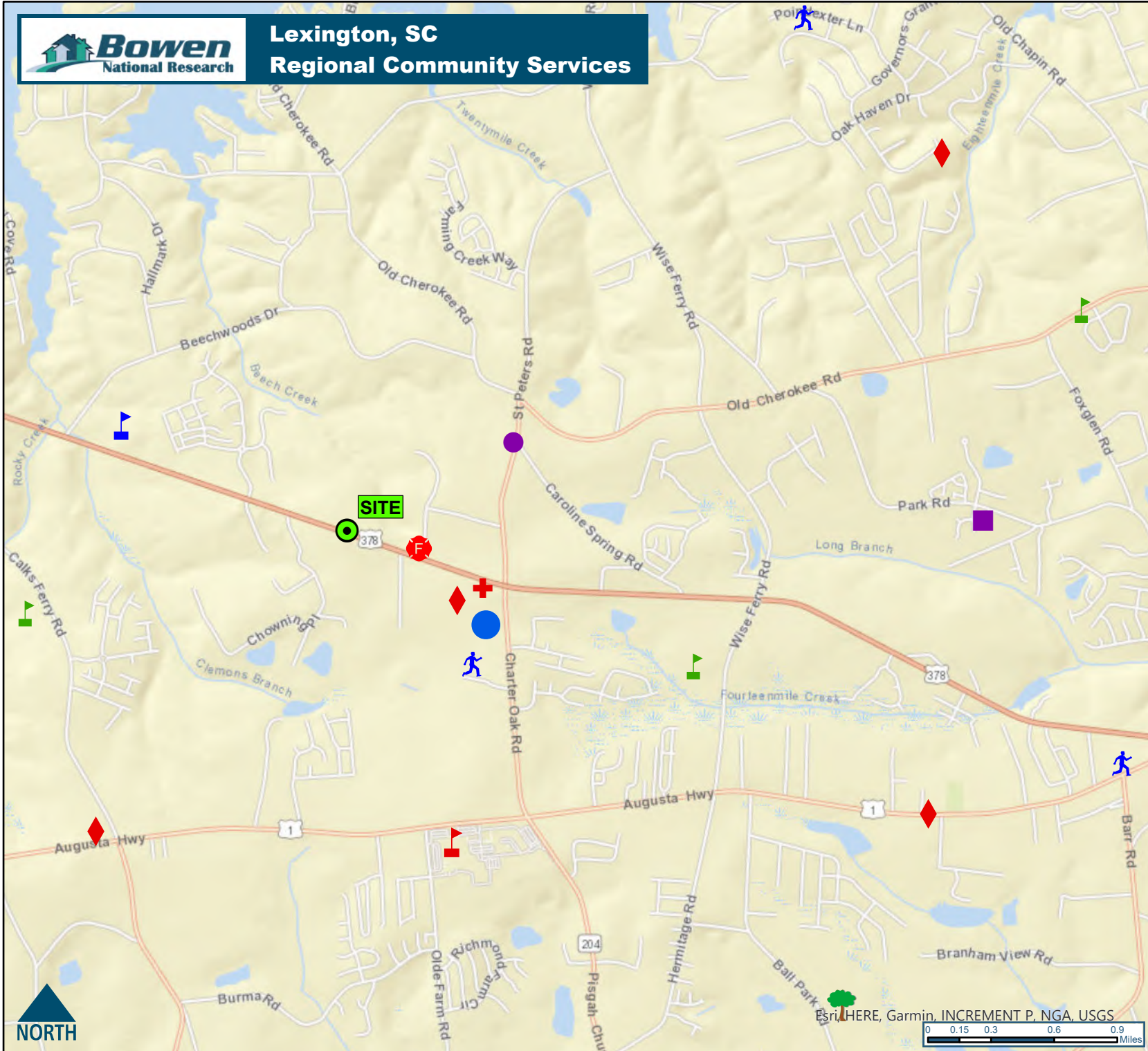
Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:20,000



Lexington, SC Regional Community Services



- Legend
- Site
 - Elementary School
 - Fire
 - Fitness Center
 - High School
 - Medical Center
 - Middle School
 - Park
 - Recreation Center
 - Senior Services
 - Shopping
 - Employer 1000-5000



Esri, HERE, Garmin, INCREMENT P, NGA, USGS



1:40,000

6. CRIME ISSUES

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

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

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (83) for the Site ZIP code is below the national average with an overall personal crime index of 56 and a property crime index of 87. Total crime risk (100) for Lexington County is above the national average with indexes for personal and property crime of 86 and 102, respectively.


	Crime Risk Index	
	Site ZIP Code	Lexington County
Total Crime	83	100
Personal Crime	56	86
Murder	42	59
Rape	42	94
Robbery	35	48
Assault	68	102
Property Crime	87	102
Burglary	59	103
Larceny	99	102
Motor Vehicle Theft	53	94

Source: Applied Geographic Solutions





The crime risk index reported for the Site ZIP Code (83) is lower than that reported for Lexington County (100), which is positioned equal to the national average. As such, crime is below average at the site area. Based on these low crime rates, we do not anticipate crime having any adverse impact on the overall marketability of the property.

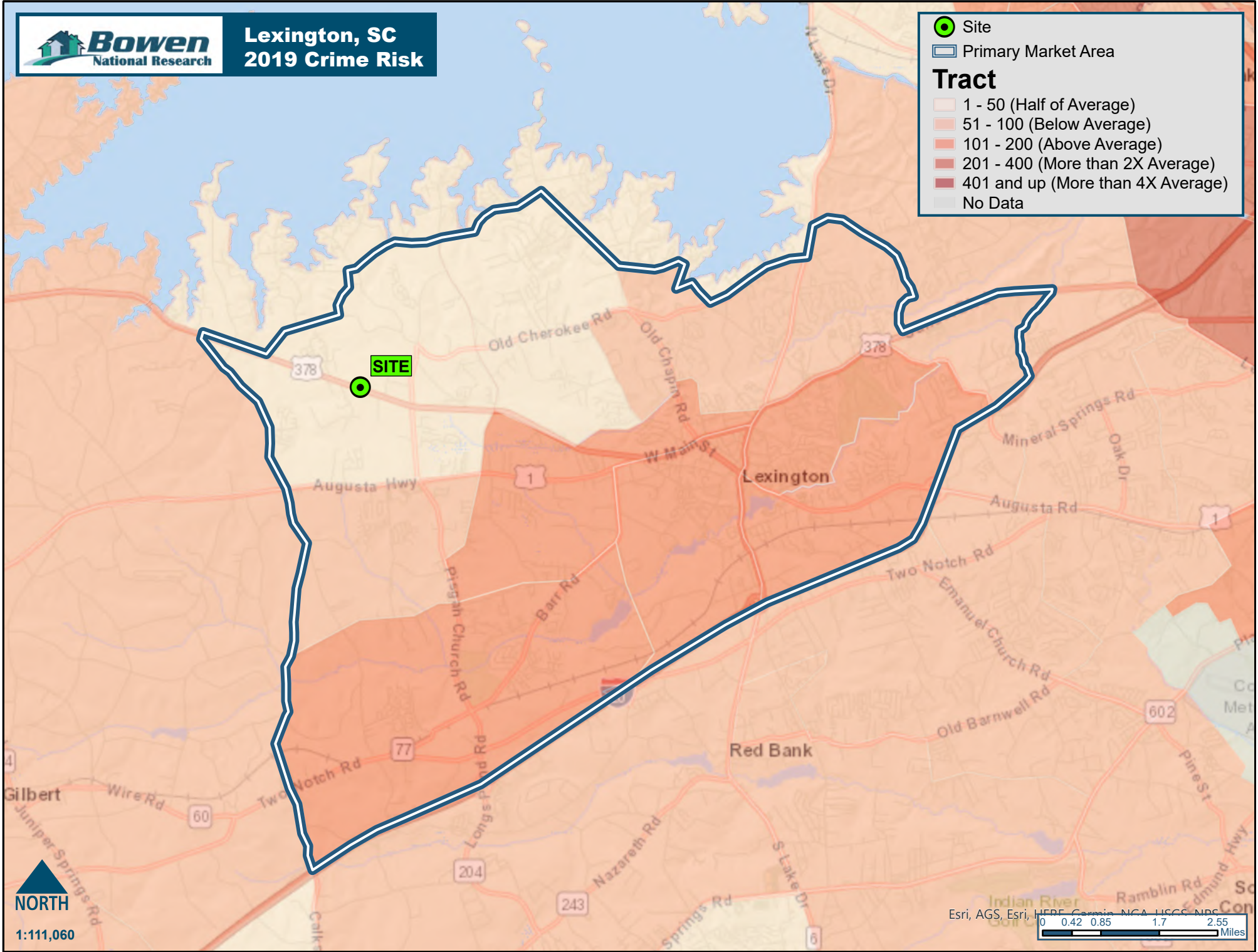
A map illustrating crime risk is on the following page.

 Site

 Primary Market Area

Tract

-  1 - 50 (Half of Average)
-  51 - 100 (Below Average)
-  101 - 200 (Above Average)
-  201 - 400 (More than 2X Average)
-  401 and up (More than 4X Average)
-  No Data



7. ACCESS AND VISIBILITY

The site will maintain frontage along U.S. Highway 378, a moderately-traveled arterial roadway that borders the site to the south. The site is expected to be clearly visible from this roadway, but proper signage is recommended at the site's vehicular access point to mitigate any potential obstructions caused by the surrounding wooded land. The moderate traffic patterns along this arterial roadway and clear views of the site will provide good passerby traffic for the proposed project.

The site plan provided by the developer indicates that the proposed project will consist of three residential buildings with adjacent surface parking lots. The eastern-most building (Building A-1) will be situated near U.S. Highway 378. It is expected that a portion of this three-story building will be visible for motorists along U.S. Highway 378. Access to the site is expected to be good from U.S. Highway 378, as multiple lanes along this roadway will allow for continuous traffic flow and convenient access to the site. The site's proximity to arterial roadways further enhances accessibility of the site, as U.S. Highway 378 and U.S. Highway 1 are conveniently accessed within 1.6 miles of the site. Overall visibility and access are considered good and are expected to contribute to the marketability of the site.

8. VISIBLE OR ENVIRONMENTAL ISSUES

Note that the site is adjacent to a parcel containing a cellular tower. According to the site plan, none of the three proposed site buildings will be constructed within proximity of this aforementioned land use. Therefore, the adjacent cellular tower is not expected to adversely impact marketability of the subject site. There is also a boat storage facility located east of the site, however, there is buffering proposed to buffer the site from this land use. As such, neither of these land uses are expected to adversely impact the site's marketability.

9. OVERALL SITE CONCLUSIONS

The site is a 4.70-acre property located at 1020 U.S. Highway 378, west of Lexington and is expected to fit well with the surrounding land uses. Surrounding land uses include single-family houses, wooded land, a cellular tower, a storage area for boats and recreational vehicles and a church. Visibility of the site is good due to frontage along U.S. Highway 378, a moderately traveled arterial roadway bordering the site to the south. Access to the subject project will be via an existing driveway that serves the adjacent residential property to the north. The dedicated center turn lane on U.S. Highway 378 is expected to allow for convenient ingress and egress. In addition, the site's proximity to arterial roadways further enhances accessibility of the site, as U.S. Highway 378 and U.S. Highway 1 are

conveniently accessed within 1.6 miles of the site. The nearest community services (i.e. grocery stores, gas stations, convenience stores, restaurants) are within 2.0 miles of the site. Overall, we consider the site's location and proximity to community services to have a positive impact on its marketability.

D. Primary Market Area Delineation

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

The Lexington Site PMA includes the town of Lexington and unincorporated portions of Lexington County. The boundaries of the Site PMA consist of U.S. Highway 378, Census Tract 210.22, Census Tract 210.26 and Census Tract 210.27 and Census Tract 210.32 to the north; Lexington town limits to the east; Interstate 20 to the south; and Calks Ferry Road to the west. All boundaries of the Site PMA are generally within 8.3 miles from the site. The Site PMA includes all of, or portions of, the following Beaufort County Census Tracts:

210.14	210.22*	210.23	210.24
210.26	210.27	210.28	210.29
210.30	210.31	210.32	

*Subject site location

Interviews were conducted with leasing agents at apartment properties in the Lexington area to help determine the Site PMA. Trivia Bradley, Property Manager at Scarlett Oaks and Town & Country Apartments in Lexington, stated that most tenants at this property originate from the Lexington area. Scarlett Oaks is a 40-unit senior LIHTC property with an RD 515 subsidy, and Town & Country Apartments is a 46-unit family LIHTC property with a RD 515 subsidy. The leasing agent at Fern Hall and Fern Hall Crossing (Teresa) stated that most tenants at these properties originate from the Lexington area, specifically within the boundaries of the Site PMA. Fern Hall and Fern Hall Crossing are both family LIHTC properties with a combined 88 units.

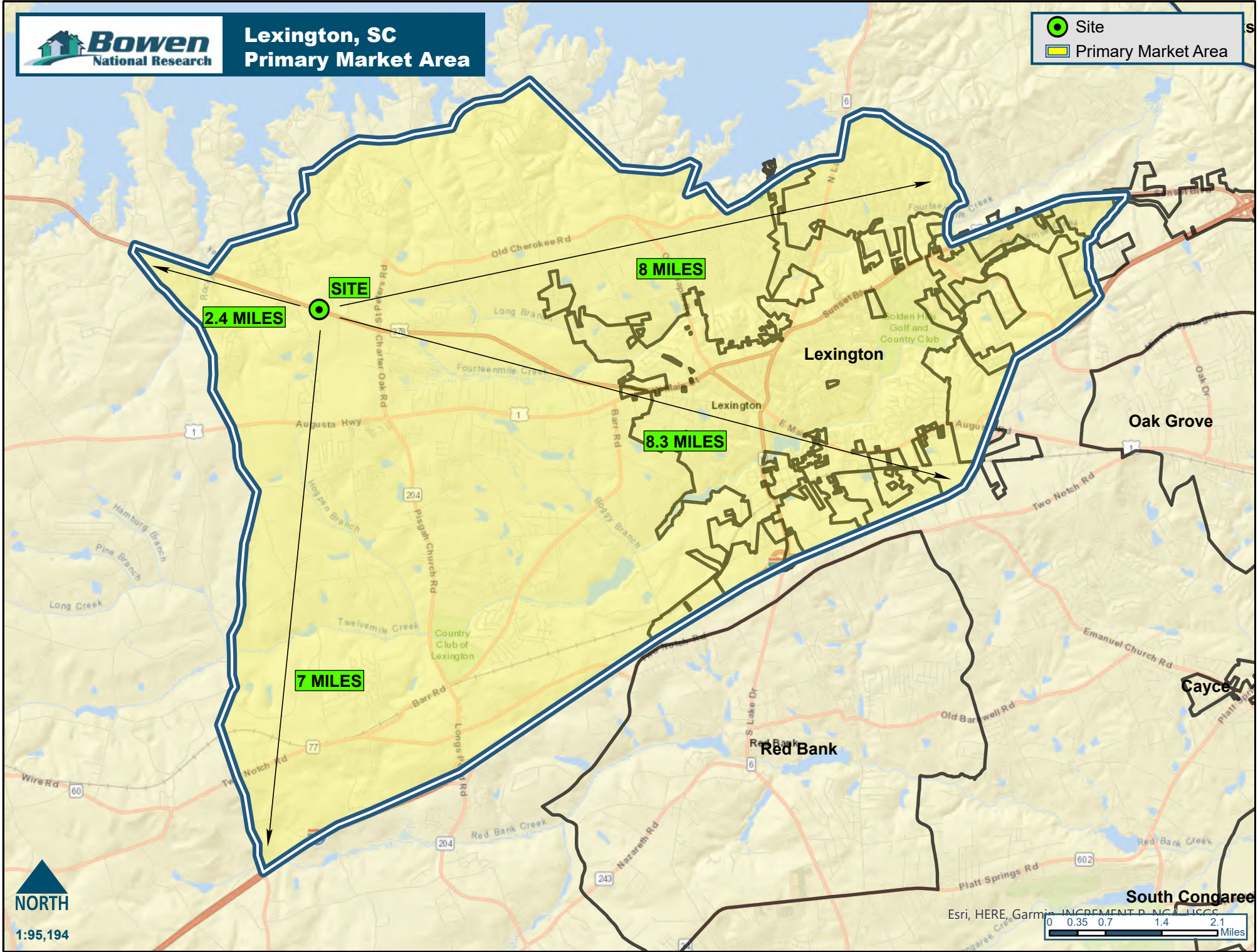
A modest portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered any secondary market area in this report.

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



Lexington, SC Primary Market Area

● Site
▭ Primary Market Area



1:95,194

Esri, HERE, Garmin, INCREMENT P, NOAA, USGS

0 0.35 0.7 1.4 2.1 Miles

E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

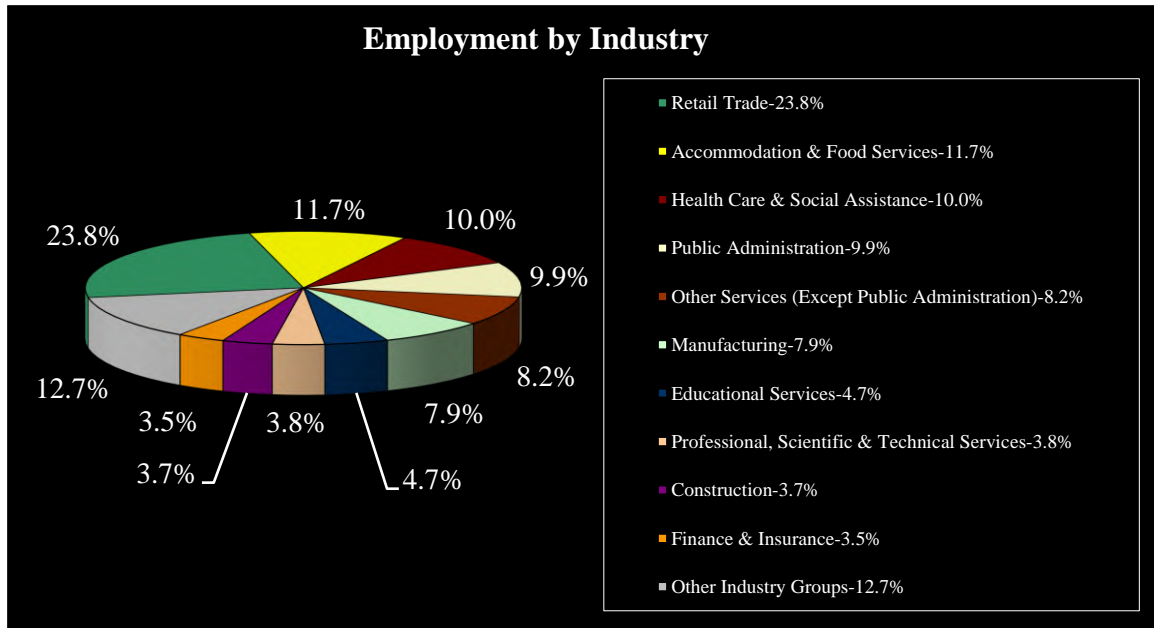
The labor force within the Lexington Site PMA is based primarily in four sectors. Retail Trade (which comprises 23.8%), Accommodation & Food Services, Health Care & Social Assistance and Public Administration comprise over 55% of the Site PMA labor force. Employment in the Lexington Site PMA, as of 2019, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	4	0.2%	161	0.7%	40.3
Mining	1	0.1%	16	0.1%	16.0
Utilities	4	0.2%	235	1.1%	58.8
Construction	120	6.9%	826	3.7%	6.9
Manufacturing	53	3.1%	1,755	7.9%	33.1
Wholesale Trade	49	2.8%	486	2.2%	9.9
Retail Trade	264	15.3%	5,288	23.8%	20.0
Transportation & Warehousing	16	0.9%	285	1.3%	17.8
Information	27	1.6%	325	1.5%	12.0
Finance & Insurance	135	7.8%	787	3.5%	5.8
Real Estate & Rental & Leasing	89	5.1%	456	2.1%	5.1
Professional, Scientific & Technical Services	144	8.3%	855	3.8%	5.9
Management of Companies & Enterprises	4	0.2%	26	0.1%	6.5
Administrative, Support, Waste Management & Remediation Services	56	3.2%	437	2.0%	7.8
Educational Services	51	2.9%	1,046	4.7%	20.5
Health Care & Social Assistance	143	8.3%	2,216	10.0%	15.5
Arts, Entertainment & Recreation	41	2.4%	347	1.6%	8.5
Accommodation & Food Services	126	7.3%	2,602	11.7%	20.7
Other Services (Except Public Administration)	229	13.2%	1,831	8.2%	8.0
Public Administration	85	4.9%	2,211	9.9%	26.0
Nonclassifiable	89	5.1%	46	0.2%	0.5
Total	1,730	100.0%	22,237	100.0%	12.9

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

Typical wages by job category for the Columbia Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Columbia MSA	South Carolina
Management Occupations	\$109,050	\$105,040
Business and Financial Occupations	\$63,710	\$66,740
Computer and Mathematical Occupations	\$73,360	\$76,040
Architecture and Engineering Occupations	\$75,270	\$80,210
Community and Social Service Occupations	\$43,520	\$43,500
Art, Design, Entertainment and Sports Medicine Occupations	\$51,890	\$50,200
Healthcare Practitioners and Technical Occupations	\$73,510	\$73,000
Healthcare Support Occupations	\$27,620	\$28,060
Protective Service Occupations	\$38,760	\$39,030
Food Preparation and Serving Related Occupations	\$21,910	\$22,610
Building and Grounds Cleaning and Maintenance Occupations	\$26,230	\$26,190
Personal Care and Service Occupations	\$27,260	\$26,760
Sales and Related Occupations	\$38,320	\$36,110
Office and Administrative Support Occupations	\$37,360	\$36,750
Construction and Extraction Occupations	\$44,010	\$43,550
Installation, Maintenance and Repair Occupations	\$47,000	\$45,540
Production Occupations	\$41,040	\$39,570
Transportation and Moving Occupations	\$32,710	\$33,080

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

Most annual blue-collar salaries range from \$21,910 to \$51,890 within the Columbia MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$78,980. It is important to note that most occupational types within the Columbia MSA have similar typical wages than the state of South Carolina's typical wages. The area employment base has a significant number of income-appropriate households from which the proposed subject project will be able to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Lexington County area are summarized in the following table:

Employer Name	Business Type
Amazon Services Inc.	Logistics
Babcock Center Inc.	Services for those with disabilities
Charter Communications, LLC	Telecommunications
General Information Solutions, LLC	Background Screening
House of Raeford Farms Inc.	Food Services
Lexington County	Government
Lexington County Health Service District	Healthcare
Lexington County School District 1	Education
Local County School District 2	Education
Local County School District 5	Education

Source: S.C. Department of Employment & Workforce; 4/16/2020

Due to the COVID-19 pandemic, several small businesses were ordered to close which has resulted in protesters gathering outside of the South Carolina State House in April 2020. Towns and cities in South Carolina, including Lexington, are doing what they can to support businesses, but money is running out for those applying for the Payment Protection Program loans. The Town of Lexington set aside millions of dollars for situations like the COVID-19 pandemic and town officials decided to offer funding that will come from the hospitality tax that is to be used to pay rent, utilities, and employees. Since road projects are being delayed, the town can use these funds to help businesses. Business owners had to reply to a survey that was offered online to be part of the program. As of April 2020, several smaller businesses have opened while others are waiting. Prior to the COVID-19 pandemic, businesses were expanding, and new businesses were continuing to open. According to the Lexington County Economic Development no planned projects have been put on hold due to the COVID-19 epidemic. The following are summaries of some additional notable/recent economic development activity/announcements within the county:

- In October 2019, the Town of Lexington held a ribbon cutting for the new \$3.4 million Maintenance Operations Center. Consisting of three new buildings, the town will be able to better serve the water and sewer systems for residents.

- The Town of Lexington and Lexington Medical Center have implemented an Adaptive Computerized Signalization System that was completed in 2019 and cost around \$7 million. The new lighting system helps with congestion on roadways leading to the medical center and helps with persons needing to get to the medical center faster.
- In 2019, Amazon Logistics added delivery services and added a location in West Columbia. The capital investment remains confidential, but the facility did create 150 jobs.
- Harsco Rail, a supplier for railway track maintenance and construction, expanded their operations in 2019 by investing \$70 million on the expansion that also created ten jobs in Lexington County.
- In 2019, Terminix expanded their headquarters in Columbia and invested \$19.2 million and created 40 new jobs.
- C.R. Jackson announced in 2019 they would be expanding by adding a new asphalt mixing plant at the Batesburg-Leesville Industrial Park. The \$5 million project was to start construction in March 2020 and will create about five new jobs when completed. As part of the project they will participate in the road widening project on U.S. Highway 1 towards Batesburg-Leesville.
- JUUL Labs, an E-cigarette company, announced in 2019 they plan on investing \$125 million on a new facility that would bring 500 jobs to Lexington County. They plan to have the facility completed in summer 2020.
- In 2019 the Lexington Medical Center finished construction of the new patient tower and a 955-space parking garage and central energy plant. The \$400 million project includes 545,000 square feet, 200 patient beds, eight new operating rooms and expanded recovery area.
- CMC Steel invested \$40 million in 2019 and created ten jobs in Lexington County.
- In 2019, Nucor Building Systems, a manufacturer of custom metal building systems, finished a \$7 million 57,000-square-foot expansion that created 60 new jobs in the Swansea area.
- Ferrous Engineering and Tool announced they would be investing \$12.9 million on an expansion project that could create 33 additional jobs.

- The Lexington County Industrial Park, located in West Columbia, added several new tenants in 2019. Domino's Pizza opened an estimated \$20 million 67,000-square-foot processing facility and created 75 jobs; Laguna Tools leased a 50,000-square-foot facility and invested \$1.75 million and created 20 jobs; Garden State Lumber leased a 150,000-square-foot distribution space and invested \$10.3 million and created about 58 jobs.
- Several hotels either opened in 2019 or are currently under construction/or in the planning stages for downtown Columbia. The hotels include a 144-room Choice Cambria, a 90-room Holiday Inn, a 100-room Home2Suites, a 123-room Hilton Garden Inn, a 105-room Holiday Inn Express and a 150-room boutique hotel known as The Anthem.
- A developer is also working with the city of Columbia on a \$40 million 11-story 350-room full-service hotel that will coincide with the expansion of the Metropolitan Convention Center. Plans for the convention center expansion include an additional 100,000 square feet of hotels, restaurants, retail, office space and possibly residential component. The cost is estimated around \$60 million.
- Savage Craft Ale is expected to open their brewery in summer 2020. The \$6.58 million adaptive reuse is expected to create 20 jobs. The building was the former Brookland Fire Station/City hall located in West Columbia.

WARN (layoff notices):

WARN Notices of large-scale layoffs/closures were reviewed on May 8, 2020 and according to the SC Works there have been no WARN notices reported for Lexington, SC over the past 18 months.

4. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

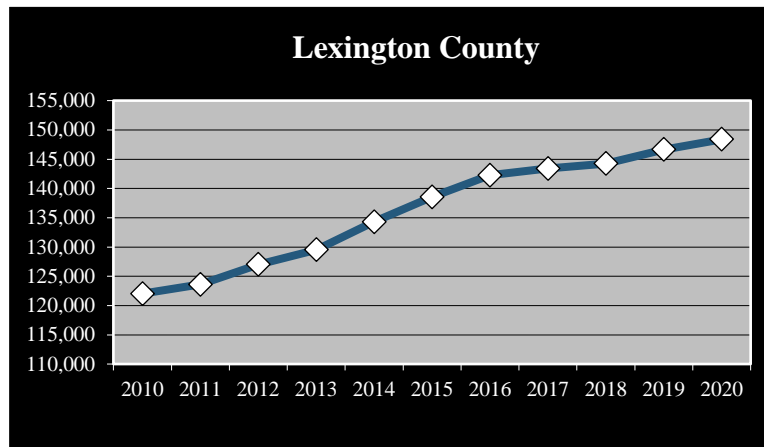
Excluding 2020, the employment base has increased by 5.8% over the past five years in Lexington County, less than the South Carolina state increase of 8.0%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Lexington County, the state of South Carolina and the United States.

Year	Total Employment					
	Lexington County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2010	122,033	-	1,915,045	-	140,469,139	-
2011	123,621	1.3%	1,945,900	1.6%	141,791,255	0.9%
2012	127,020	2.7%	1,985,618	2.0%	143,621,634	1.3%
2013	129,529	2.0%	2,023,642	1.9%	145,017,562	1.0%
2014	134,295	3.7%	2,078,592	2.7%	147,313,048	1.6%
2015	138,552	3.2%	2,137,158	2.8%	149,500,941	1.5%
2016	142,252	2.7%	2,181,587	2.1%	151,887,366	1.6%
2017	143,404	0.8%	2,212,845	1.4%	154,160,937	1.5%
2018	144,255	0.6%	2,259,057	2.1%	156,081,212	1.2%
2019	146,650	1.7%	2,308,362	2.2%	158,102,439	1.3%
2020*	148,402	1.2%	2,322,656	0.6%	157,927,470	-0.1%

Source: Department of Labor; Bureau of Labor Statistics

*Through March

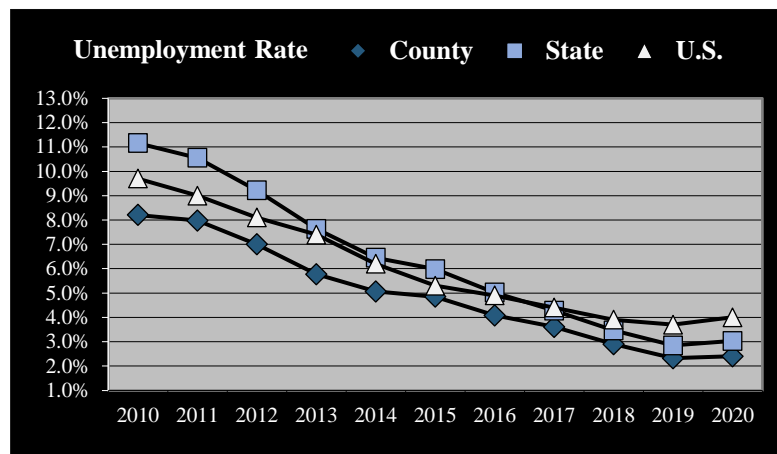


As the preceding illustrates, the Lexington County employment base has steadily increased over the past ten-year period. In total, 26,369 jobs have been added to the county employment base since 2010, an increase of 21.6% through March 2020. Despite this continued growth, the COVID-19 pandemic has caused business closures and it is likely that the employment base will decline in coming months, similar to trends that will be experienced by the nation.

Unemployment rates for Lexington County, the state of South Carolina and the United States are illustrated as follows:

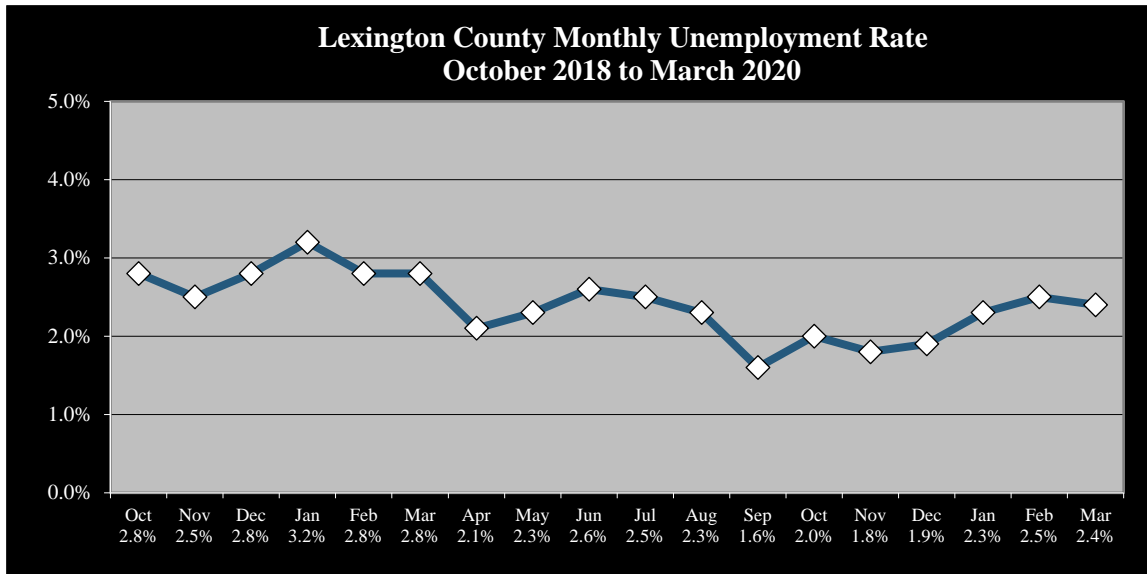
Year	Unemployment					
	Lexington County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2010	10,904	8.2%	240,623	11.2%	15,070,017	9.7%
2011	10,723	8.0%	229,623	10.6%	14,035,049	9.0%
2012	9,566	7.0%	201,260	9.2%	12,691,553	8.1%
2013	7,953	5.8%	167,326	7.6%	11,634,201	7.4%
2014	7,179	5.1%	143,753	6.5%	9,776,089	6.2%
2015	7,063	4.9%	135,838	6.0%	8,417,793	5.3%
2016	6,061	4.1%	115,213	5.0%	7,854,801	4.9%
2017	5,358	3.6%	98,921	4.3%	7,093,912	4.4%
2018	4,297	2.9%	80,882	3.5%	6,385,787	3.9%
2019	3,510	2.3%	67,707	2.9%	6,073,924	3.7%
2020*	3,640	2.4%	71,695	3.0%	6,602,253	4.0%

Source: Department of Labor; Bureau of Labor Statistics
 *Through March



The unemployment rate in Lexington County has generally declined each year since 2010 and by a total of nearly six full percentage points between 2010 and 2019. The 2.3% unemployment rate reported at the end of 2019 is very low and below the state and the nation. Although nominal, the unemployment rate has increased thus far in 2020 and will likely continue to increase due to the COVID-19 pandemic, similar to trends of the entire country.

The following table illustrates the monthly unemployment rate in Lexington County for the most recent 18-month period for which data is currently available.



Despite fluctuations, the unemployment has generally remained stable over the preceding 18-month period.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Lexington County.

In-Place Employment Lexington County			
Year	Employment	Change	Percent Change
2009	92,789	-	-
2010	92,978	189	0.2%
2011	94,523	1,545	1.7%
2012	98,859	4,336	4.6%
2013	102,544	3,685	3.7%
2014	108,309	5,765	5.6%
2015	113,091	4,782	4.4%
2016	116,084	2,993	2.6%
2017	117,790	1,706	1.5%
2018	119,766	1,976	1.7%
2019*	122,113	2,347	2.0%

Source: Department of Labor, Bureau of Labor Statistics

*Through December



Data for 2018, the most recent year that year-end figures are available, indicates in-place employment in Lexington County to be 83.0% of the total Lexington County employment. This means that Lexington County has more employed persons leaving the county for daytime employment than those who work in the county.

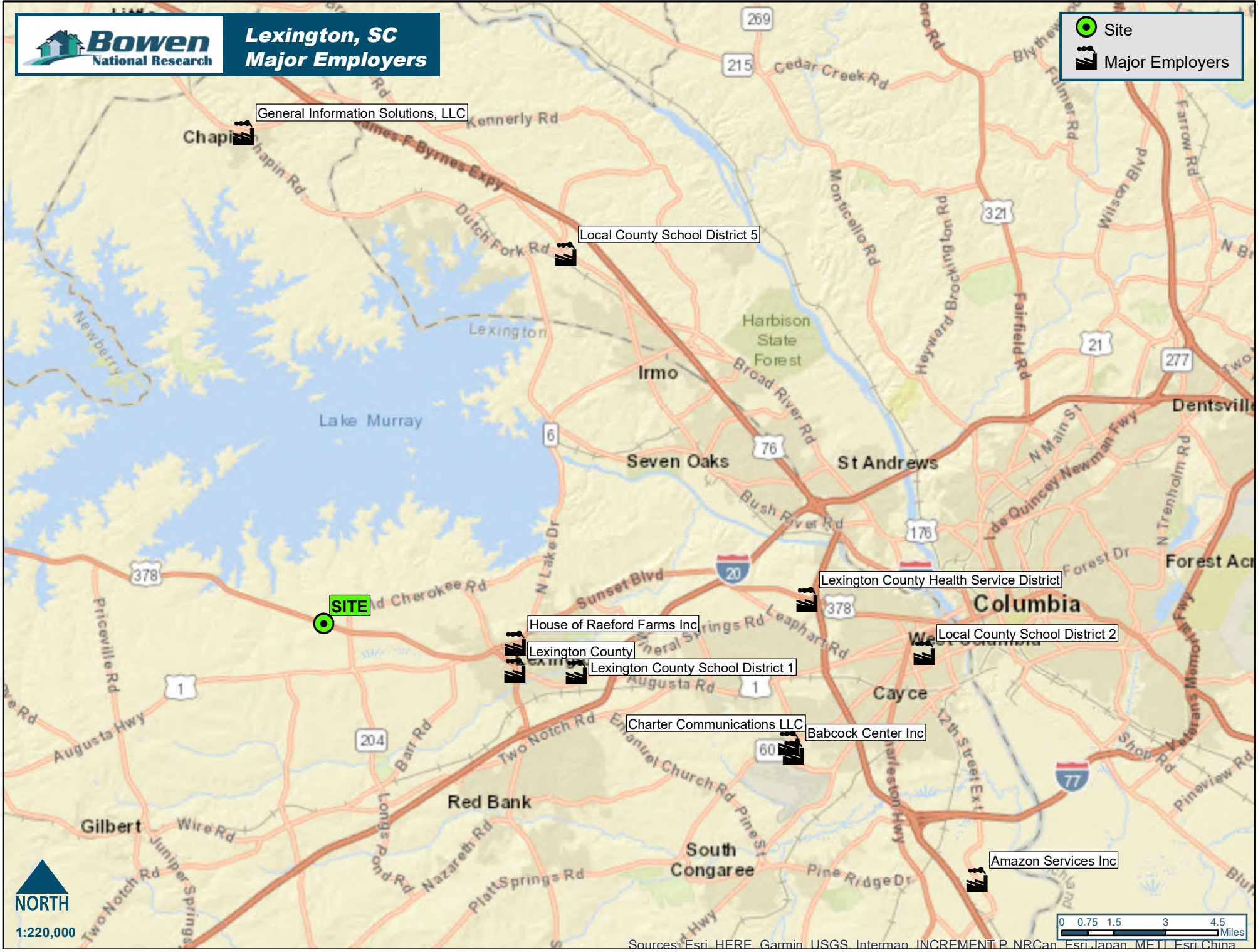
5. **EMPLOYMENT CENTERS MAP**


A map illustrating the location of the area's largest employers is included on the following page.



Lexington, SC Major Employers

 Site
 Major Employers




 NORTH
 1:220,000



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China

6. COMMUTING PATTERNS

Based on the American Community Survey (2014-2018), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	18,297	84.9%
Carpooled	1,409	6.5%
Public Transit	29	0.1%
Walked	315	1.5%
Other Means	349	1.6%
Worked at Home	1,158	5.4%
Total	21,557	100.0%

Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

Nearly 85% of all workers drove alone, 6.5% carpoled and only 0.1% used public transportation.

Typical travel times to work for the Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	4,319	20.0%
15 to 29 Minutes	7,272	33.7%
30 to 44 Minutes	5,694	26.4%
45 to 59 Minutes	1,989	9.2%
60 or More Minutes	1,124	5.2%
Worked at Home	1,158	5.4%
Total	21,556	100.0%

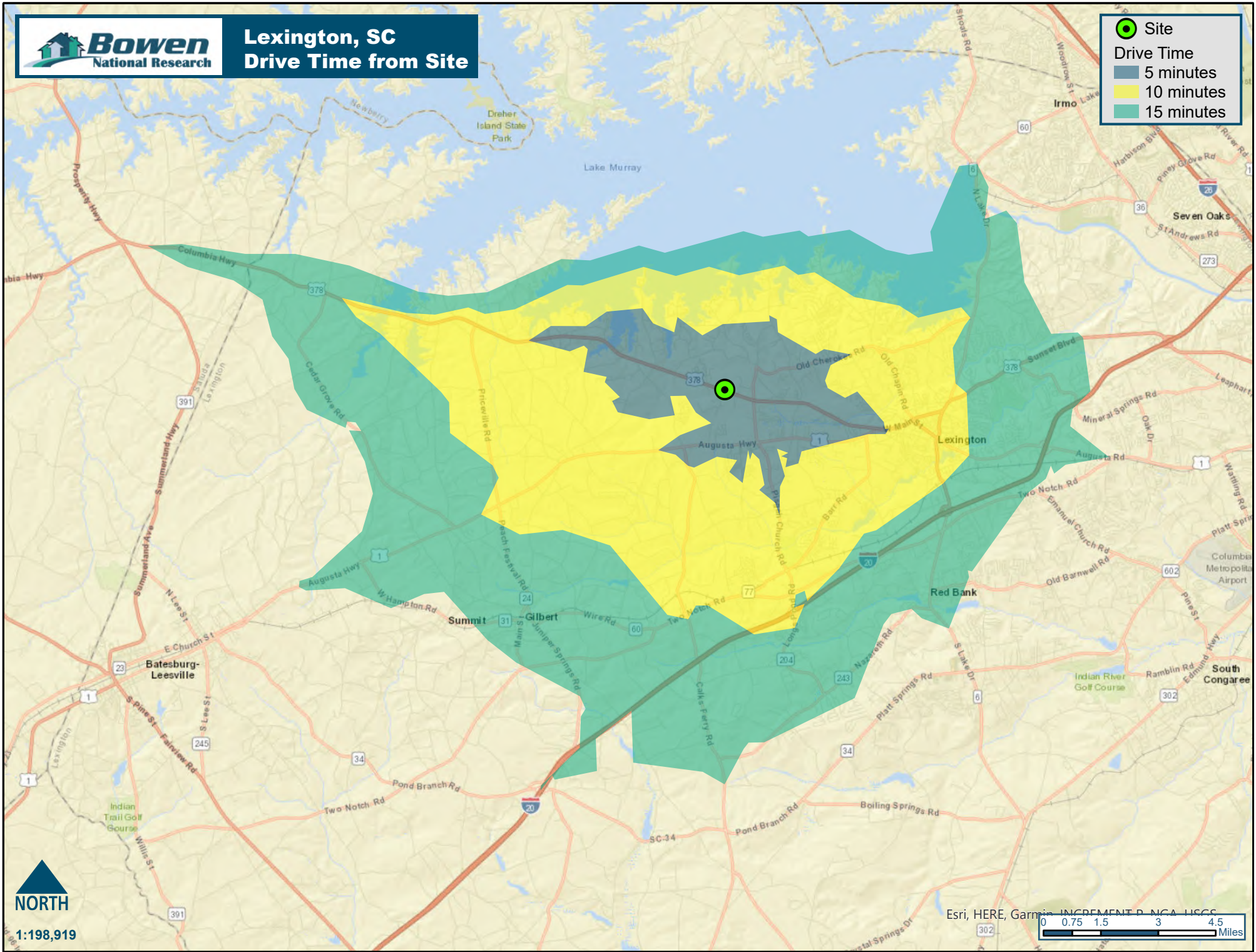
Source: American Community Survey (2014-2018); ESRI; Urban Decision Group; Bowen National Research

The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 20-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.



Lexington, SC Drive Time from Site

● Site
■ Drive Time
■ 5 minutes
■ 10 minutes
■ 15 minutes



NORTH
1:198,919

Esri, HERE, Garmin, INCREMENT P, NOAA, USGS
0 0.75 1.5 3 4.5 Miles

7. ECONOMIC FORECAST AND HOUSING IMPACT

The labor force within the Lexington Site PMA is relatively well-balanced as no single industry segment represents more than 23.8% of the total labor force. It is important to point out that nearly half (45.4%) of the labor force within the Site PMA is comprised within the Retail, Public Administration, and Accommodation & Food Services industries. Typically, such industry segments offer lower-wage positions conducive to affordable housing alternatives such as that proposed for the subject site.

The Lexington County economy is performing well and has experienced improvement in terms of both total employment and unemployment rate trends over much of the past ten-year period. Notably, the employment base has increased by 26,369 jobs since 2010, an increase of 21.6% (through March of 2020). The unemployment rate has declined by nearly six full percentage points since 2010, to a rate of just 2.3% through 2019. The unemployment rate within the county has been consistently below the statewide average over the past ten-year period. Based on the preceding factors, we expect the Lexington County economy will remain strong and continue to expand in terms of total employment for the foreseeable future. While these trends are indicative of an improving and well-performing economy, it is important to understand these are reflective of the local economy prior to the COVID-19 pandemic. It is anticipated that employment growth will slow/decline and unemployment rates will increase, both nationally and within the Lexington County area, due to the impact of the COVID-19 crisis.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2019 (estimated) and 2022 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2022 (Projected)
Population	23,575	38,519	47,699	50,758
Population Change	-	14,944	9,180	3,059
Percent Change	-	63.4%	23.8%	6.4%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Lexington Site PMA population base increased by 14,944 between 2000 and 2010. This represents a 63.4% increase over the 2000 population, or an annual rate of 5.0%. Between 2010 and 2019, the population increased by 9,180, or 23.8%. It is projected that the population will increase by 3,059, or 6.4%, between 2019 and 2022.

Based on the 2010 Census, the population residing in group-quarters is represented by 3.4% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	1,308	3.4%
Population not in Group Quarters	37,211	96.6%
Total Population	38,519	100.0%

Source: 2010 Census

b. Population by Age Group

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

Population by Age	2010 (Census)		2019 (Estimated)		2022 (Projected)		Change 2019-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	11,226	29.1%	12,726	26.7%	13,375	26.3%	649	5.1%
20 to 24	1,980	5.1%	2,985	6.3%	3,028	6.0%	43	1.4%
25 to 34	5,301	13.8%	6,480	13.6%	7,299	14.4%	819	12.6%
35 to 44	6,323	16.4%	6,644	13.9%	7,160	14.1%	516	7.8%
45 to 54	5,678	14.7%	6,769	14.2%	6,690	13.2%	-79	-1.2%
55 to 64	3,955	10.3%	5,756	12.1%	5,983	11.8%	227	4.0%
65 to 74	2,179	5.7%	3,766	7.9%	4,225	8.3%	459	12.2%
75 & Over	1,877	4.9%	2,573	5.4%	2,999	5.9%	426	16.6%
Total	38,519	100.0%	47,699	100.0%	50,758	100.0%	3,059	6.4%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 54% of the population is expected to be between 25 and 64 years old in 2019. This age group is the primary group of potential support for the subject site and will likely represent a significant number of the tenants.

c. Elderly and Non-Elderly Population

The subject project is not age-restricted; therefore, all persons with appropriate incomes will be eligible to live at the subject development. As a result, we have not included an analysis of the PMA’s senior and non-senior population.

d. Special Needs Population

The subject project will not offer special needs units. Therefore, we have not provided any population data regarding special needs populations.

e. Minority Concentrations

The following table compares the concentration of minorities in the state of South Carolina to the site Census Tract.

Minority Group	Statewide Share	Equal To or Greater Than	Site Census Tract Share
Total Minority Population	33.8%	33.8% + 20.0% = 53.8%	11.3%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	6.7%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.7%
Asian	1.3%	1.3% + 20.0% = 21.3%	2.0%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.0%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	1.8%

Source: U.S. Census Bureau, 2010 Census

Based on the data in the preceding table, the site Census Tract does not have a high concentration of minorities.

2. HOUSEHOLD TRENDS

a. Total Households

Household trends within the Lexington Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2019 (Estimated)	2022 (Projected)
Households	8,363	14,475	17,757	18,858
Household Change	-	6,112	3,282	1,101
Percent Change	-	73.1%	22.7%	6.2%
Household Size	2.82	2.66	2.61	2.62

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Lexington Site PMA, households increased by 6,112 (73.1%) between 2000 and 2010. Between 2010 and 2019, households increased by 3,282 or 22.7%. By 2022, there will be 18,858 households, an increase of 1,101 households, or 6.2% over 2019 levels. This is an increase of approximately 367 households annually over the next three years.

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

Households by Age	2010 (Census)		2019 (Estimated)		2022 (Projected)		Change 2019-2022	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 25	553	3.8%	678	3.8%	686	3.6%	8	1.2%
25 to 34	2,576	17.8%	3,018	17.0%	3,378	17.9%	360	11.9%
35 to 44	3,380	23.4%	3,430	19.3%	3,666	19.4%	236	6.9%
45 to 54	3,203	22.1%	3,679	20.7%	3,606	19.1%	-73	-2.0%
55 to 64	2,300	15.9%	3,213	18.1%	3,304	17.5%	91	2.8%
65 to 74	1,366	9.4%	2,282	12.9%	2,527	13.4%	245	10.7%
75 to 84	780	5.4%	1,099	6.2%	1,276	6.8%	177	16.1%
85 & Over	317	2.2%	358	2.0%	415	2.2%	57	15.9%
Total	14,475	100.0%	17,757	100.0%	18,858	100.0%	1,101	6.2%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Household growth is projected for most age cohorts within the Lexington Site PMA between 2019 and 2022. The primary age group of potential support (25 to 64) for the subject project is projected to comprise nearly three-quarters (73.9%) of the overall household base in 2022.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2019 (Estimated)		2022 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	10,934	75.5%	13,546	76.3%	14,451	76.6%
Renter-Occupied	3,541	24.5%	4,211	23.7%	4,407	23.4%
Total	14,475	100.0%	17,757	100.0%	18,858	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2019, homeowners occupied 76.3% of all occupied housing units, while the remaining 23.7% were occupied by renters. The share of renters is relatively low, however, the number of renter households is projected to increase by 196, or 4.7%, between 2019 and 2022.

c. Households by Income

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

Household Income	2010 (Census)		2019 (Estimated)		2022 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	764	5.3%	573	3.2%	547	2.9%
\$10,000 to \$19,999	1,151	8.0%	845	4.8%	818	4.3%
\$20,000 to \$29,999	1,165	8.0%	891	5.0%	853	4.5%
\$30,000 to \$39,999	984	6.8%	1,135	6.4%	1,116	5.9%
\$40,000 to \$49,999	987	6.8%	1,185	6.7%	1,141	6.1%
\$50,000 to \$59,999	1,401	9.7%	1,712	9.6%	1,653	8.8%
\$60,000 to \$74,999	1,603	11.1%	2,163	12.2%	2,202	11.7%
\$75,000 to \$99,999	2,647	18.3%	2,151	12.1%	2,166	11.5%
\$100,000 to \$124,999	1,747	12.1%	2,644	14.9%	2,935	15.6%
\$125,000 to \$149,999	910	6.3%	1,456	8.2%	1,748	9.3%
\$150,000 to \$199,999	693	4.8%	1,781	10.0%	2,191	11.6%
\$200,000 & Over	423	2.9%	1,221	6.9%	1,488	7.9%
Total	14,475	100.0%	17,757	100.0%	18,858	100.0%
Median Income	\$67,350		\$79,353		\$87,685	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$67,350. This increased by 17.8% to \$79,353 in 2019. By 2022, it is projected that the median household income will be \$87,685, an increase of 10.5% over 2019.

d. Average Household Size

Information regarding average household size is considered in 2. a. *Total Households* of this section.

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2010, 2019 and 2022 for the Lexington Site PMA:

Renter Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	145	118	80	66	41	450
\$10,000 to \$19,999	227	134	91	75	47	573
\$20,000 to \$29,999	146	118	80	66	41	451
\$30,000 to \$39,999	107	99	67	55	35	364
\$40,000 to \$49,999	110	99	67	55	34	364
\$50,000 to \$59,999	80	80	54	44	28	286
\$60,000 to \$74,999	90	92	62	51	32	327
\$75,000 to \$99,999	102	105	71	58	37	372
\$100,000 to \$124,999	42	43	29	24	15	153
\$125,000 to \$149,999	22	22	15	12	8	80
\$150,000 to \$199,999	21	21	14	12	7	75
\$200,000 & Over	13	13	9	7	4	46
Total	1,105	944	638	525	330	3,541

Source: ESRI; Urban Decision Group

Renter Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	111	87	57	45	35	335
\$10,000 to \$19,999	192	112	73	58	45	480
\$20,000 to \$29,999	138	108	71	56	44	417
\$30,000 to \$39,999	126	117	76	60	47	427
\$40,000 to \$49,999	116	116	76	60	47	415
\$50,000 to \$59,999	126	121	79	63	49	438
\$60,000 to \$74,999	158	153	101	79	62	554
\$75,000 to \$99,999	135	133	87	69	54	478
\$100,000 to \$124,999	70	77	51	40	31	269
\$125,000 to \$149,999	40	42	27	22	17	148
\$150,000 to \$199,999	40	42	28	22	17	149
\$200,000 & Over	28	29	19	15	12	102
Total	1,280	1,136	745	588	462	4,211

Source: ESRI; Urban Decision Group

Renter Households	2022 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	106	84	55	43	35	322
\$10,000 to \$19,999	192	114	74	58	48	485
\$20,000 to \$29,999	135	108	71	55	45	414
\$30,000 to \$39,999	120	112	73	57	47	410
\$40,000 to \$49,999	106	108	70	55	45	384
\$50,000 to \$59,999	132	127	83	65	53	460
\$60,000 to \$74,999	179	168	110	86	71	614
\$75,000 to \$99,999	159	154	101	78	65	556
\$100,000 to \$124,999	77	84	55	43	35	295
\$125,000 to \$149,999	47	50	33	25	21	176
\$150,000 to \$199,999	45	50	32	25	21	173
\$200,000 & Over	32	33	22	17	14	118
Total	1,331	1,191	779	606	499	4,407

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for 2010, 2019 and 2022 for the Lexington Site PMA:

Owner Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	87	106	53	45	23	314
\$10,000 to \$19,999	190	182	90	77	39	578
\$20,000 to \$29,999	196	242	120	103	52	714
\$30,000 to \$39,999	144	223	110	95	48	620
\$40,000 to \$49,999	146	223	111	95	48	623
\$50,000 to \$59,999	230	414	205	176	89	1,115
\$60,000 to \$74,999	249	480	238	205	104	1,276
\$75,000 to \$99,999	419	869	430	370	187	2,275
\$100,000 to \$124,999	291	610	302	260	132	1,594
\$125,000 to \$149,999	153	317	157	135	68	830
\$150,000 to \$199,999	116	235	116	100	51	618
\$200,000 & Over	69	144	71	61	31	377
Total	2,291	4,046	2,003	1,722	873	10,934

Source: ESRI; Urban Decision Group

Owner Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	66	80	39	34	20	238
\$10,000 to \$19,999	110	118	57	50	30	365
\$20,000 to \$29,999	128	160	78	67	41	474
\$30,000 to \$39,999	178	245	119	103	62	708
\$40,000 to \$49,999	173	276	135	117	70	770
\$50,000 to \$59,999	281	459	224	194	117	1,274
\$60,000 to \$74,999	351	582	283	245	148	1,609
\$75,000 to \$99,999	328	622	303	262	158	1,673
\$100,000 to \$124,999	423	903	440	381	229	2,375
\$125,000 to \$149,999	236	496	241	209	126	1,308
\$150,000 to \$199,999	291	620	302	261	157	1,632
\$200,000 & Over	210	421	205	177	107	1,119
Total	2,774	4,982	2,426	2,100	1,264	13,546

Source: ESRI; Urban Decision Group

Owner Households	2022 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	64	74	36	31	19	225
\$10,000 to \$19,999	102	107	52	45	28	333
\$20,000 to \$29,999	119	148	72	62	38	439
\$30,000 to \$39,999	179	244	118	102	63	706
\$40,000 to \$49,999	170	272	132	114	70	758
\$50,000 to \$59,999	262	431	209	180	112	1,193
\$60,000 to \$74,999	364	566	274	237	147	1,588
\$75,000 to \$99,999	322	595	288	249	154	1,610
\$100,000 to \$124,999	474	1,002	485	419	260	2,640
\$125,000 to \$149,999	281	597	289	250	155	1,573
\$150,000 to \$199,999	355	769	372	321	200	2,017
\$200,000 & Over	256	515	249	215	134	1,370
Total	2,950	5,320	2,576	2,226	1,380	14,451

Source: ESRI; Urban Decision Group

The following tables illustrate all household income by household size for 2010, 2019 and 2022 for the Lexington Site PMA:

All Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	231	225	133	111	64	764
\$10,000 to \$19,999	417	316	181	152	86	1,151
\$20,000 to \$29,999	342	361	200	169	94	1,165
\$30,000 to \$39,999	252	322	177	150	83	984
\$40,000 to \$49,999	255	322	177	150	83	987
\$50,000 to \$59,999	310	494	259	221	117	1,401
\$60,000 to \$74,999	340	572	300	256	136	1,603
\$75,000 to \$99,999	520	974	501	428	224	2,647
\$100,000 to \$124,999	333	653	331	283	147	1,747
\$125,000 to \$149,999	176	339	172	147	76	910
\$150,000 to \$199,999	137	256	130	112	58	693
\$200,000 & Over	82	157	80	69	36	423
Total	3,395	4,989	2,641	2,247	1,202	14,475

Source: ESRI; Urban Decision Group

All Households	2019 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	177	167	96	79	56	573
\$10,000 to \$19,999	302	230	131	107	75	845
\$20,000 to \$29,999	266	268	149	123	85	891
\$30,000 to \$39,999	304	362	196	164	110	1,135
\$40,000 to \$49,999	288	392	211	176	117	1,185
\$50,000 to \$59,999	407	580	303	256	166	1,712
\$60,000 to \$74,999	510	735	384	324	210	2,163
\$75,000 to \$99,999	463	755	390	331	212	2,151
\$100,000 to \$124,999	493	980	490	420	260	2,644
\$125,000 to \$149,999	276	538	269	231	143	1,456
\$150,000 to \$199,999	330	663	330	283	175	1,781
\$200,000 & Over	238	449	224	192	118	1,221
Total	4,054	6,118	3,171	2,687	1,725	17,757

Source: ESRI; Urban Decision Group

All Households	2022 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	170	158	91	74	54	547
\$10,000 to \$19,999	295	220	126	102	75	818
\$20,000 to \$29,999	254	256	142	117	84	853
\$30,000 to \$39,999	299	356	191	159	110	1,116
\$40,000 to \$49,999	276	379	202	169	115	1,141
\$50,000 to \$59,999	394	558	292	245	165	1,653
\$60,000 to \$74,999	543	735	384	323	217	2,202
\$75,000 to \$99,999	481	749	389	327	219	2,166
\$100,000 to \$124,999	551	1,086	540	462	295	2,935
\$125,000 to \$149,999	328	647	322	275	176	1,748
\$150,000 to \$199,999	401	818	404	347	221	2,191
\$200,000 & Over	288	548	271	232	148	1,488
Total	4,281	6,512	3,354	2,832	1,880	18,858

Source: ESRI; Urban Decision Group

Demographic Summary

The Lexington Site PMA is projected to experience both population and household growth between 2019 and 2022, a trend which has been ongoing since 2000. Household growth is projected to occur among nearly all age cohorts and among both owner and renter households during this time period. Renter households are projected to increase by 196, or 4.7%, between 2019 and 2022. More than one-third (38.4%) of all renter households projected for the market through 2022 will earn between \$10,000 and \$50,000. Based on the preceding factors, a good base of potential renter support for affordable rental product such as that proposed will continue to exist within the Lexington Site PMA for the foreseeable future.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

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

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

The subject site is within the Columbia, SC HUD Metro FMR Area, which has a four-person median household income of \$72,600 for 2020. The subject property will be restricted to households with incomes of up to 30%, 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Maximum Allowable Income		
	30%	50%	60%
One-Person	\$15,270	\$25,450	\$30,540
Two-Person	\$17,430	\$29,050	\$34,860
Three-Person	\$19,620	\$32,700	\$39,240
Four-Person	\$21,780	\$36,300	\$43,560
Five-Person	\$23,550	\$39,250	\$47,100

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is **\$47,100**.

2. AFFORDABILITY

Leasing industry standards typically require households to have rent-to-income ratios of 25% to 30%. Pursuant to SCSHFDA market study guidelines, the maximum rent-to-income ratio permitted for a family project is 35% and for a senior project is 40%.

The proposed LIHTC units will have a lowest gross rent of \$387. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$4,644. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of **\$13,269**.

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units built to serve households earning up to 30%, 50% and 60% of AMHI are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 30% of AMHI)	\$13,269	\$23,550
Tax Credit (Limited To 50% of AMHI)	\$22,011	\$39,250
Tax Credit (Limited To 60% of AMHI)	\$26,126	\$47,100
Overall Project	\$13,269	\$47,100

3. DEMAND COMPONENTS

The following are the demand components as outlined by the South Carolina State Housing Finance and Development Authority:

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2019 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2022) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

In instances where a significant number (more than 20%) of proposed rental units are comprised of three- and/or four-bedroom units, analysts must conduct the required capture rate analysis, followed by an additional refined overall capture rate analysis for the proposed three- and/or four-bedroom units by considering only the number of large households (generally three- or four+-persons). A demand analysis which does not consider both the overall capture rate and the additional refined larger-households analysis may not accurately illustrate the demographic support base.

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2000 and 2010 Census data (as available), ACS 5 year estimates or demographic estimates provided by reputable companies. All data in tables should be projected from the same source:*

- 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35%, or in the case of elderly 40%, of their gross income toward gross rent rather than some greater percentage. If an analyst feels strongly that the rent-overburdened analysis should focus on a greater percentage, they must give an in-depth explanation why this assumption*

should be included. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.

Based on Table B25074 of the American Community Survey (ACS) 2014-2018 5-year estimates, approximately 17.2% to 71.6% of qualified renter households within the market were rent overburdened.

- 2) **Households living in substandard housing (units that lack complete plumbing or those that are overcrowded).** *Households in substandard housing should be adjusted for age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The market analyst is encouraged to be conservative in their estimate of demand from both households that are rent-overburdened and/or living in substandard housing.*

Based on Table B25016 of the ACS 2014-2018 5-Year Estimates, 6.0% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *The Authority recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.*

Not applicable; subject site is general occupancy.

- 4) **Other:** *Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, she/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. METHODOLOGY

Please note that the Authority's stabilized level of occupancy is 93.0%

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2019 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2019 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. DEMAND/CAPTURE RATE CALCULATIONS

Within the Site PMA, we identified and surveyed a total of three LIHTC properties, all of which are age-restricted. The two established age-restricted LIHTC developments are 100.0% occupied, while the remaining age-restricted LIHTC property is still in lease-up, as detailed in *Section H*. Additionally, there are not any *directly competitive* (general-occupancy) properties currently in the development pipeline within the Lexington Site PMA. Based on the preceding factors, we have not considered any directly competitive supply units in our demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income			
	30% AMHI (\$13,269 - \$23,550)	50% AMHI (\$22,011 - \$39,250)	60% AMHI (\$26,126 - \$47,100)	Overall (\$13,269 - \$47,100)
Demand From New Renter Households (Age- And Income-Appropriate)	473 - 471 = 2	717 - 728 = -11	859 - 883 = -24	1,438 - 1,462 = -24
+				
Demand From Existing Households (Rent Overburdened)	471 X 71.6% = 337	728 X 52.4% = 381	883 X 35.6% = 314	1,462 X 49.3% = 721
+				
Demand From Existing Households (Renters In Substandard Housing)	471 X 6.0% = 28	728 X 6.0% = 44	883 X 6.0% = 53	1,462 X 6.0% = 88
+				
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	367	414	343	785
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2019)	0	0	0	0
=				
Net Demand	367	414	343	785
Proposed Units	5	30	55	90
Proposed Units/ Net Demand	5 / 367	30 / 414	55 / 343	90 / 785
Capture Rate	1.4%	7.2%	16.0%	11.5%

Typically, utilizing this methodology, capture rates below 30.0% are acceptable, while capture rates under 20% are ideal. As such, the subject's overall capture rate of 11.5% is considered achievable and demonstrates a sufficient base of support for the subject project. This is particularly true when considering the strong occupancy rates and waiting lists maintained among the existing LIHTC properties.

Based on the distribution of persons per household and the share of rental units in the market, we estimate the share of demand by bedroom type within the Site PMA as follows:

Estimated Demand by Bedroom	
Bedroom Type	Percent
One-Bedroom	30.0%
Two-Bedroom	50.0%
Three-Bedroom+	20.0%
Total	100.0%

Applying the preceding shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as illustrated in the following tables:

Units Targeting 30% Of AMHI (367 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (30%)	110	0	110	1	0.9%
Two-Bedroom (50%)	184	0	184	3	1.6%
Three-Bedroom (20%)	73	0	73	1	1.4%

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

Units Targeting 50% Of AMHI (414 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (30%)	124	0	124	2	1.6%
Two-Bedroom (50%)	207	0	207	20	9.7%
Three-Bedroom (20%)	83	0	83	8	9.6%

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

Units Targeting 60% Of AMHI (343 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (30%)	103	0	103	3	2.9%
Two-Bedroom (50%)	171	0	171	37	21.6%
Three-Bedroom (20%)	69	0	69	15	21.7%

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

As the preceding illustrates, the subject property has capture rates by bedroom type ranging from 0.9% to 21.7%. These are all considered acceptable and achievable capture rates, demonstrating sufficient support for each of the subject unit types proposed within the Lexington Site PMA.

As the subject property will offer 26.7% of its units as three-bedroom units, we have provided a separate capture rate calculation specific to these unit types. The following summarizes the capture rate for the subject's three-bedroom units and are limited to households containing three or more persons, per SCSHFDA guidelines.

Demand Component	Percent Of Median Household Income			
	30% AMHI (\$18,343 - \$23,550)	50% AMHI (\$30,686 - \$39,250)	60% AMHI (\$36,343 - \$47,100)	Overall* (\$18,343 - \$47,100)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	91 - 90 = 1	152 - 158 = -6	186 - 197 = -11	377 - 391 = -14
+				
Demand From Existing Households (Rent Overburdened)	90 X 69.2% = 62	158 X 39.5% = 62	197 X 17.2% = 34	391 X 37.6% = 147
+				
Demand From Existing Households (Renters In Substandard Housing)	90 X 6.0% = 5	158 X 6.0% = 9	196 X 6.0% = 12	391 X 6.0% = 23
=				
Total Large Household Demand	68	65	35	156
-				
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2019)	0	0	0	0
=				
Net Large Household Demand	68	65	35	156
Proposed (Three-Br.+) Units	1	8	15	24
Proposed (Three-Br.+) Units/ Net Large Household Demand	1 / 68	8 / 65	15 / 35	24 / 156
Large-Household Capture Rate	1.5%	12.3%	42.9%	15.4%

*Accounts for gaps in affordability levels

As the preceding illustrates, the subject's three-bedroom units have large-household capture rates ranging from of 1.5% to 42.9%, with an overall capture rate of 15.4%, which are considered achievable when utilizing this methodology and considering the pent-up demand for product similar to that proposed for the subject site within the Site PMA. Although the subject's 60% large-household capture rate is slightly elevated, this is still considered achievable, especially when considering the lack of three-bedroom LIHTC units in this market.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow agency guidelines that assume a 2022 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2022.

It is our opinion that the proposed 90 LIHTC units at the subject site will reach a stabilized occupancy rate of 93.0% within seven months of opening. This is reflective of an average absorption rate of approximately 12 units per month. These absorption projections assume the project will be built as outlined in this

report and assume that market conditions remain favorable. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

The proposed subject project will offer one- through three-bedroom units targeting households (general occupancy) earning up to 30%, 50% and 60% of Area Median Household Income (AMHI) under the Low-Income Housing Tax Credit (LIHTC) program. Within the Lexington Site PMA, we identified and surveyed a total of three LIHTC properties offering non-subsidized units considered comparable to the subject project in terms of unit types offered and income (AMHI) levels targeted. While these three non-subsidized LIHTC rental communities surveyed in the market are age-restricted, we have selected this properties for this comparability analysis, as the rents offered at this development provide a gauge as to what low-income households are paying for LIHTC product in the Site PMA. However, it is important to note that these three age-restricted developments are not considered competitive with the subject development. We have also selected three general-occupancy LIHTC developments located outside of the Site PMA, but within the region in Lexington and Columbia. These developments located outside the Site PMA are not considered competitive, as they derive demographic support from a different geographical region. As such, these properties located outside of the market have been included for comparison purposes only. The six selected LIHTC developments and the subject site are summarized in the following table:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Clemons Greene	2022	90	-	-	-	Families; 30%, 50% & 60% AMHI
1	Autumnwood Crossing	2019	50	*50.0%	4.0 Miles	None	Seniors 55+; 50% & 60% AMHI
4	Hamptons Crossing	2017	48	100.0%	5.3 Miles	11 HH	Seniors 55+; 50% & 60% AMHI
8	Pebble Creek Senior Apts.	2011	48	100.0%	6.1 Miles	6 HH	Seniors 55+; 50% & 60% AMHI
903	Fern Hall	2004	40	100.0%	10.4 Miles	None	Families; 50% & 60% AMHI
904	Fern Hall Crossing	2008	48	100.0%	10.4 Miles	None	Families; 50% & 60% AMHI
908	Regent Park Apts.	2011	72	93.1%	26.9 Miles	None	Families; 50% & 60% AMHI

900 Map IDs are located outside the Site PMA

OCC. – Occupancy

HH – Households

*Still in lease-up

The six LIHTC projects have a combined occupancy rate of 90.2%. However, this includes one age-restricted property within the Site PMA that is still in its initial lease-up period. When excluding this property, the remaining five comparable LIHTC properties have a combined occupancy rate of 98.0% and two of the five properties maintain a waiting list for their next available units. This is a clear indication of high and pent-up demand for additional non-subsidized LIHTC product in the market and region. It is also important to note that the subject project will be the only general-occupancy LIHTC property in the market. This will allow the subject project to attract a demographic base that is currently underserved.

The newest comparable property (Autumnwood Crossing), opened in December 2019 and has experienced an average monthly absorption rate of approximately six to eight units per month. Considering the COVID-19 pandemic has created challenges leasing up apartments, this is considered a good absorption rate.

The following table identifies the properties that accept Housing Choice Vouchers as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
1	Autumnwood Crossing	50	5	10.0%
4	Hamptons Crossing	48	8	16.7%
8	Pebble Creek Senior Apts.	48	10	20.8%
903	Fern Hall	40	23	57.5%
904	Fern Hall Crossing	48	19	39.6%
908	Regent Park Apts.	72	35	48.6%
Total		306	100	32.7%

900 Map IDs are located outside the Site PMA

As the preceding table illustrates, there are a total of approximately 100 voucher holders residing at the comparable properties in the market and region. This comprises 32.7% of the 306 total non-subsidized LIHTC units offered among these properties. This is considered a moderate share of voucher support but also indicates the gross rents at these properties are achievable and will serve as accurate benchmarks with which to compare the subject property, considering that approximately 67.0% of the units offered among these properties are occupied by non-voucher holders.



The gross rents for the comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Clemons Greene	\$387/30% (1) \$642/50% (2) \$762/60% (3)	\$461/30% (3) \$771/50% (20) \$916/60% (37)	\$535/30% (1) \$895/50% (8) \$1,060/60% (15)	-
1	Autumnwood Crossing	\$616/50% (4/2) \$691/60% (6/3)	\$631/50% (6/3) \$776/60% (34/17)	-	None
4	Hamptons Crossing	\$691/60% (12/0)	\$701/50% (10/0) \$776/60% (26/0)	-	None
8	Pebble Creek Senior Apts.	-	\$786/50% (24/0) \$901/60% (24/0)	-	None
903	Fern Hall	-	\$806/50% (5/0) \$967/60% (11/0)	\$931/50% (5/0) \$1,117/60% (19/0)	None
904	Fern Hall Crossing	\$649/50% (4/0)	\$772/50% (10/0) \$967/60% (10/0)	\$892/50% (12/0) \$1,117/60% (12/0)	None
908	Regent Park Apts.	\$656/50% (4/0) \$762/60% (8/0)	\$797/50% (10/1) \$941/60% (20/2)	\$927/50% (10/0) \$1,096/60% (20/2)	None

900 Map IDs are located outside the Site PMA

The subject's proposed rents are competitive with those reported among similar unit types at the comparable LIHTC properties. It is also worth noting that considering four of the five established LIHTC properties are currently 100.0% occupied, these properties could likely increase rents without adversely impacting occupancy levels. Although some of the comparable LIHTC properties within the market have recently been constructed, the subject project will be the newest LIHTC property in the market, which will enable it to charge higher rents. As such, the subject's proposed gross LIHTC rents appear to be appropriate for this market.

Four of the five established comparable LIHTC properties provided historic rent data at the time of our survey and experienced rent increases over the past year. These rent increases ranged from 1.1% to 6.2% depending upon property and unit type. This rent growth is a good indication of the strength of the LIHTC market within the Lexington market and region, particularly when considering the high occupancy rates and waiting lists maintained among these properties following these increases.

One-page summary sheets, including property photographs of each comparable Tax Credit property, are included on the following pages.

1 Autumnwood Crossing 4.0 miles to site



Address: 207 Topsider Ct, Lexington, SC 29072
 Phone: (803) 520-6483 Contact: Melanie (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 50 Year Built: 2019
 Vacant Units: 25 *AR Year:
 Occupancy: 50.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist:
 Rent Special:

Ratings
 Quality: A
 Neighborhood: B
 Access/Visibility: C/C

Notes: Tax Credit; HCV (5 units); Opened 12/2019, still in lease-up



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; E-Call System; W/D Hookup; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer); Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	2	775	\$0.68	\$525	50%
1	1	G	6	3	775	\$0.77	\$600	60%
2	2	G	6	3	975	\$0.52	\$505	50%
2	2	G	34	17	975	\$0.67	\$650	60%

* Adaptive Reuse

4 **Hamptons Crossing** 5.3 miles to site



Address: 515 Northwood Rd., Lexington, SC 29072
 Phone: (803) 520-4379 Contact: Shandra (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 48 Year Built: 2017
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 11 HH;
 Rent Special:

Ratings
 Quality: A
 Neighborhood: B
 Access/Visibility: B/C

Notes: Tax Credit; HCV (8 units); Preleasing 2/2017, opened 3/2017



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; E-Call System; W/D Hookup; Window Treatments; Flooring (Vinyl)

Property Amenities: Business Center (Computer); Community Room; Elevator; Laundry Room; On-Site Management; Recreation Areas (Fitness Center, Picnic Table / Area); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	12	0	775	\$0.77	\$600	60%
2	2	G	10	0	975	\$0.59	\$575	50%
2	2	G	26	0	975	\$0.67	\$650	60%

* Adaptive Reuse

8 Pebble Creek Senior Apts. 6.1 miles to site



Address: 136 Library Hill Ln., Lexington, SC 29072
 Phone: (803) 520-6481 Contact: Melanie (By Phone)
 Property Type: Tax Credit
 Target Population: Senior 55+
 Total Units: 48 Year Built: 2011
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3 (w/Elev)
 Waitlist: 6 HH;
 Rent Special:

Ratings
 Quality: A
 Neighborhood: B
 Access/Visibility: B/C

Notes: Tax Credit; HCV (10 units)

Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority

Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Controlled Access; E-Call System; W/D Hookup; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse, Community Room; Salon; Gazebo; Elevator; Laundry Room; On-Site Management; Recreation Areas (Game Room-Billiards)

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	24	0	905 - 947	\$0.73 - \$0.70	\$660	50%
2	2	G	24	0	905 - 947	\$0.86 - \$0.82	\$775	60%

* Adaptive Reuse

903 Fern Hall 10.4 miles to site



Address: 600 Fern Hall Dr., Lexington, SC 29073
 Phone: (803) 951-1874 Contact: Teresa (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 40 Year Built: 2004
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 2
 Waitlist:
 Rent Special:

Ratings
 Quality: B
 Neighborhood: B
 Access/Visibility: B/B

Notes: Tax Credit; HCV (23 units)



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Range; Refrigerator; Central AC; Balcony; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse, Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Playground); Police Substation; Extra Storage

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
2	2	G	5	0	1,100	\$0.58	\$634	50%
2	2	G	11	0	1,100	\$0.72	\$795	60%
3	2	G	5	0	1,300	\$0.55	\$714	50%
3	2	G	19	0	1,300	\$0.69	\$900	60%

* Adaptive Reuse

904 Fern Hall Crossing 10.4 miles to site



Address: 123 Brevard Pkwy, Lexington, SC 29073
 Phone: (803) 951-1874 Contact: Teresa (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 48 Year Built: 2008
 Vacant Units: 0 *AR Year:
 Occupancy: 100.0% Yr Renovated:
 Turnover: Stories: 3
 Waitlist:
 Rent Special:

Ratings
 Quality: B+
 Neighborhood: B
 Access/Visibility: B/B

Notes: Tax Credit; HCV (19 units)



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority
 Utility Type & Responsibility: Landlord pays Trash

Unit Amenities: Dishwasher; Disposal; Icemaker; Microwave; Range; Refrigerator; Central AC; Ceiling Fan; Sunroom; W/D Hookup; Window Treatments; Flooring (Carpet, Wood Laminate / Plank)

Property Amenities: Business Center (Computer, Copy, Fax); Clubhouse, Community Room; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Playground); Police Substation

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	879	\$0.59	\$520	50%
2	2	G	10	0	1,157	\$0.52	\$600	50%
2	2	G	10	0	1,157	\$0.69	\$795	60%
3	2	G	12	0	1,315	\$0.51	\$675	50%
3	2	G	12	0	1,315	\$0.68	\$900	60%

* Adaptive Reuse

908 Regent Park Apts. 26.9 miles to site



Address: 680 Windsor Lake Way, Columbia, SC 29223
 Phone: (803) 708-4700 Contact: Litish (By Phone)
 Property Type: Tax Credit
 Target Population: Family
 Total Units: 72 Year Built: 2011
 Vacant Units: 5 *AR Year:
 Occupancy: 93.1% Yr Renovated:
 Turnover: Stories: 3
 Waitlist:
 Rent Special:

Ratings
 Quality: A
 Neighborhood: B
 Access/Visibility: B/B

Notes: Tax Credit; HCV (35 units)



Features And Utilities

Utility Schedule Provided by: SC State Housing Finance and Development Authority
 Utility Type & Responsibility: Landlord pays Water, Sewer, Trash

Unit Amenities: Dishwasher; Disposal; Microwave; Range; Refrigerator; Central AC; Deck / Patio; Ceiling Fan; W/D Hookup; Window Treatments; Flooring (Carpet, Vinyl)

Property Amenities: Business Center (Computer); Clubhouse; Gazebo; Laundry Room; On-Site Management; Recreation Areas (Playground); CCTV

Parking Type: Surface Lot

Unit Configuration

Beds	Baths	Type	Units	Vacant	Sq Ft	\$ / Sq Ft	Collected Rent	AMHI
1	1	G	4	0	750	\$0.75	\$565	50%
1	1	G	8	0	750	\$0.89	\$671	60%
2	2	G	10	1	950	\$0.71	\$671	50%
2	2	G	20	2	950	\$0.86	\$815	60%
3	2	G	10	0	1,150	\$0.67	\$766	50%
3	2	G	20	2	1,150	\$0.81	\$935	60%

* Adaptive Reuse

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Clemons Greene	815	979	1,179
1	Autumnwood Crossing	775	975	-
4	Hamptons Crossing	775	975	-
8	Pebble Creek Senior Apts.	-	905 - 947	-
903	Fern Hall	-	1,100	1,300
904	Fern Hall Crossing	879	1,157	1,315
908	Regent Park Apts.	750	950	1,150

900 Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Clemons Greene	1.0	1.0	2.0
1	Autumnwood Crossing	1.0	2.0	-
4	Hamptons Crossing	1.0	2.0	-
8	Pebble Creek Senior Apts.	-	2.0	-
903	Fern Hall	-	2.0	2.0
904	Fern Hall Crossing	1.0	2.0	2.0
908	Regent Park Apts.	1.0	2.0	2.0

900 Map IDs are located outside the Site PMA

The proposed development will be competitive with the existing LIHTC projects in the market based on unit size (square footage). However, the lack of an additional bathroom in the two-bedroom units could limit the subject’s rent potential. It is also worth noting that the subject project’s unit sizes will be the largest among the LIHTC properties within the market. This will enhance marketability of the property.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.



Tax Credit Unit Amenities by Map ID								
	Site**	1	4	8	903	904	908	
Appliances	Dishwasher	X	X	X	X	X	X	X
	Disposal	X	X	X	X	X	X	X
	Icemaker		X	X	X	X	X	
	Microwave	X	X	X	X		X	X
	Range	X	X	X	X	X	X	X
	Refrigerator	X	X	X	X	X	X	X
	No Appliances							
Unit Amenities	AC-Central	X	X	X	X	X	X	X
	AC-Other							
	Balcony	X				X		
	Deck / Patio	X	S			X		X
	Basement							
	Ceiling Fan		X	X	X	X	X	X
	Controlled Access				X			
	E-Call System		X	X	X			
	Fireplace							
	Furnished							
	Security System							
	Sunroom						X	
	W/D Hookup	X	X	X	X	X	X	X
	W/D							
	Walk-In Closet							
	Window Treatments	X	X	X	X	X	X	X
Flooring	Carpet	X	X		X	X	X	X
	Ceramic Tile							
	Composite (VCT)(LVT)							
	Hardwood							
	Finished Concrete							
	Vinyl		X	X	X	X		X
Upgraded	Wood Laminate / Plank					X		
	Premium Appliances							
	Premium Countertops							
	Premium Cabinetry							
	Premium Fixtures							
	High Ceilings							
	Vaulted Ceilings							
	Crown Molding							
Oversized Windows								
Parking	Attached Garage							
	Detached Garage							
	Surface Lot	X	X	X	X	X	X	X
	Carport							
	Property Parking Garage							
	Podium Parking							
No Provided Parking								

** Proposed Site(s): Clemons Greene

X = All Units, S = Some Units, O = Optional with Fee

* Details in Comparable Property Profile Report

Tax Credit Property Amenities by Map ID

	Site**	1	4	8	903	904	908
Bike Racks / Storage							
Business Center *	X	X	X	X	X	X	X
Car Care *							
Common Patio							
Community Garden							
Community Space	Activity / Craft Room						
	Chapel						
	Clubhouse				X	X	X
	Conference Room						
	Community Kitchen	X					
	Community Room	X	X	X	X	X	X
	Dining Room - Private						
	Dining Room - Public						
	Rooftop Lounge						
	Study Lounge						
	TV Lounge						
	Concierge Service *						
	Convenience Amenities *				X		
	Courtyard						
Covered Outdoor Area *				X	X	X	
Elevator		X	X	X			
Laundry Room	X	X	X	X	X	X	
Meals							
On-Site Management	X	X	X	X	X	X	
Pet Care *							
Recreation	Basketball						
	Bocce Ball						
	Firepit						
	Fitness Center	X	X	X			
	Grill						
	Game Room - Billiards				X		
	Hiking - Walking Trail						
	Hot Tub						
	Library						
	Media Room / Theater						
	Picnic Table / Area		X	X			
	Playground	X				X	X
	Putting Green						
	Racquetball						
	Shuffleboard						
	Sports Court						
	Swimming Pool - Indoor						
	Swimming Pool - Outdoor						
	Tennis						
	Volleyball						
Security	CCTV		X	X			X
	Courtesy Officer						
	Gated Community						
	Gated Parking						
	Police Substation					X	X
	Social Services *						
	Storage - Extra					X	
	Water Feature						
WiFi							

** Proposed Site(s): Clemons Greene

X = All Units, S = Some Units, O = Optional with Fee

* Details in Comparable Property Profile Report

The subject property will offer a comprehensive unit and community amenity package which will be very competitive with those offered among the comparable LIHTC properties, as detailed in the preceding tables. Most notably, the subject property will feature a full kitchen appliance package, washer/dryer hookups, patio/balcony areas, community space with kitchen, fitness center and playground. These aforementioned features are expected to enhance marketability of the subject property and contribute to the subject's ability to command premium rents in the Lexington market. The subject property does not appear to lack any key amenities that would adversely impact its marketability within the Lexington Site PMA.

Comparable/Competitive Tax Credit Summary

The five established comparable LIHTC properties surveyed have a combined occupancy rate of 98.0% and two of the five properties maintain a waiting list for their next available units. This is a clear indication of high and pent-up demand for additional non-subsidized LIHTC product in the market and region. It is also important to note that the subject project will be the only general-occupancy LIHTC property in the market. This will allow the subject project to attract a demographic base that is currently underserved. The subject property will be competitive in terms of price point (gross rent), particularly when considering the newness and anticipated quality of the subject property. Several existing properties also reported notable rent increases of between 1.1% and 6.2% over the past year, further indication of the strength of the LIHTC market. The subject property will also be very competitive in terms of unit size (square feet) and amenities offered. Overall, the proposed development is expected to compete well and represent a good value to lower-income households within the Lexington Site PMA.

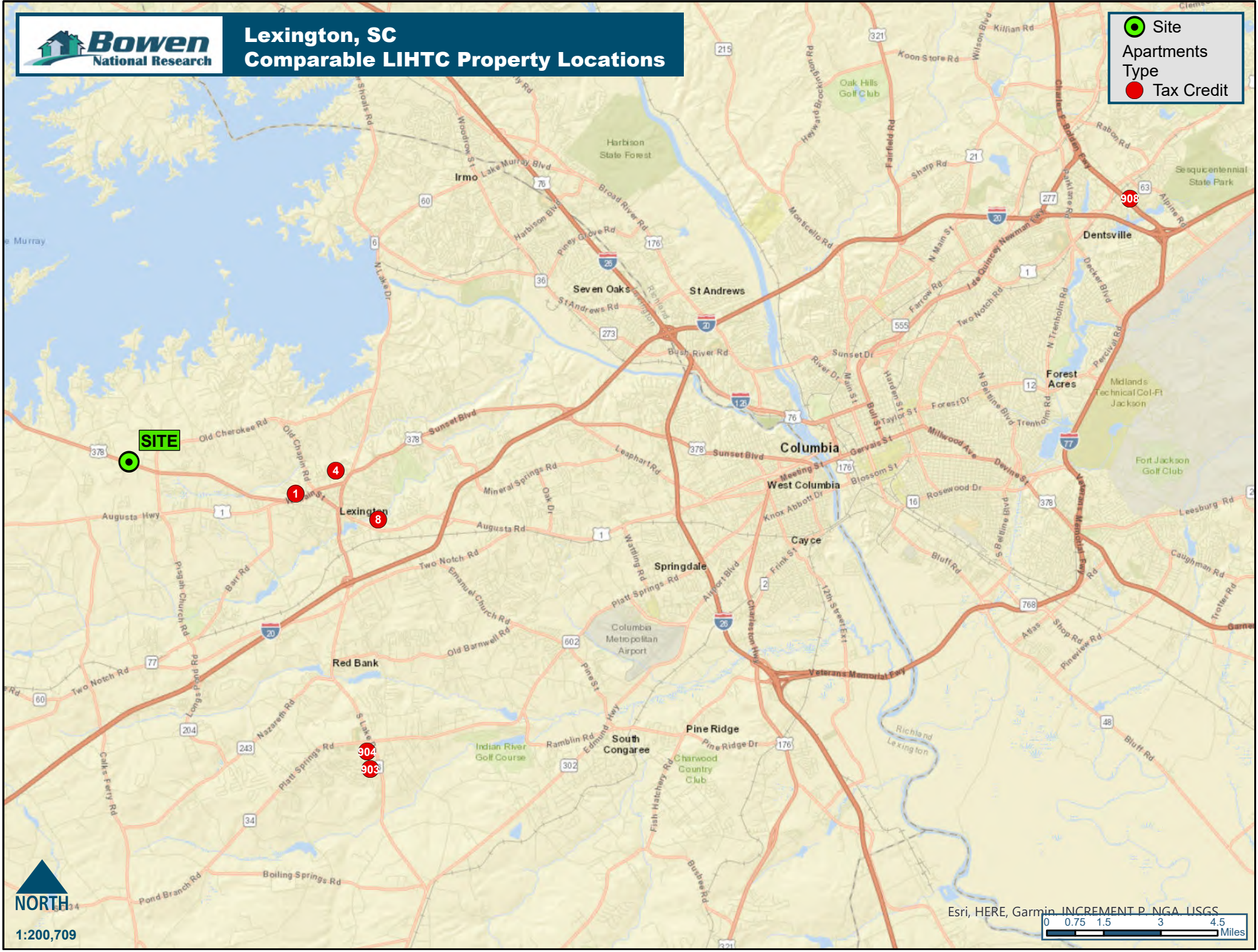
2. COMPARABLE TAX CREDIT PROPERTIES MAP

A map illustrating the location of the comparable Tax Credit properties we surveyed is on the following page.



Lexington, SC Comparable LIHTC Property Locations

- Site
- Apartments
- Type
- Tax Credit



NORTH
1:200,709

Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.75 1.5 3 4.5 Miles

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Lexington Site PMA in 2010 and 2019 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2019 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	14,475	92.8%	17,757	93.0%
Owner-Occupied	10,934	75.5%	13,546	76.3%
Renter-Occupied	3,541	24.5%	4,211	23.7%
Vacant	1,119	7.2%	1,329	7.0%
Total	15,594	100.0%	19,086	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2019 update of the 2010 Census, of the 19,086 total housing units in the market, 7.0% were vacant. In 2019, it was estimated that homeowners occupied 76.3% of all occupied housing units, while the remaining 23.7% were occupied by renters.

Conventional Apartments

We identified and personally surveyed 13 conventional housing projects containing a total of 1,886 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 95.1%. However, when excluding the property in lease-up (Autumnwood Crossing), the combined occupancy rate of the surveyed rental properties is 96.3%, a good rate for rental housing. Each rental housing segment surveyed is summarized in the following table.

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	7	1,560	68	95.6%
Tax Credit	3	146	25	82.9%
Government-Subsidized	3	180	0	100.0%
Total	13	1,886	93	95.1%

As stated throughout this report, there is one age-restricted LIHTC property currently in lease-up and reporting 25 vacant units. As such, the affordable (i.e. Tax Credit and/or government-subsidized) units surveyed are 100.0% occupied. These are good indications of the generally limited supply of, and lack of available, affordable rental product in this market. The subject property is expected to help alleviate a portion of the pent-up demand for such product within the Lexington Site PMA.

The following table summarizes the breakdown of market-rate and non-subsidized Tax Credit units surveyed within the Site PMA.

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	454	29.1%	20	4.4%	\$1,084
Two-Bedroom	1.0	244	15.6%	9	3.7%	\$1,304
Two-Bedroom	2.0	615	39.4%	28	4.6%	\$1,212
Three-Bedroom	2.0	247	15.8%	11	4.5%	\$1,480
Total Market-Rate		1,560	100.0%	68	4.4%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	22	15.1%	5	22.7%	\$691
Two-Bedroom	2.0	124	84.9%	20	16.1%	\$776
Total Tax Credit		146	100.0%	25	17.1%	-

The market-rate units are 95.6% occupied and the non-subsidized Tax Credit units are 100.0% occupied (when excluding one property in lease-up). All of the non-subsidized Tax Credit product offered and surveyed in the market is comprised of one- and two-bedroom units. Thus, the three-bedroom units proposed for the subject property are expected to help fill a void in the Tax Credit market within the Lexington Site PMA. Also note the median gross Tax Credit rents in the preceding table, as they are positioned significantly lower than the median gross rents reported for similar unrestricted market-rate units. These lower median gross rents, along with the 100.0% occupancy rate, are clear indications of the value non-subsidized Tax Credit product represents within the Lexington Site PMA.

The following is a distribution of non-subsidized units surveyed by year built for the Site PMA:

Year Built	Projects	Units	Vacancy Rate
Before 1970	0	0	0.0%
1970 to 1979	0	0	0.0%
1980 to 1989	0	0	0.0%
1990 to 1999	1	200	1.5%
2000 to 2009	6	1,360	4.8%
2010 to 2014	1	48	0.0%
2015	0	0	0.0%
2016	0	0	0.0%
2017	1	48	0.0%
2018	0	0	0.0%
2019	1	50	50.0%
2020*	0	0	0.0%

*As of May

Excluding the property still in lease-up, all non-subsidized properties report low vacancy rates, as none exceed 4.8%. The newness of the subject property is expected to enhance its overall marketability.

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

Market-Rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	3	680	5.6%
A-	1	180	1.1%
B+	1	300	5.0%
B	2	400	3.3%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	3	146	17.1%

Non-subsidized product surveyed is of very good quality, as illustrated in the preceding table. The subject property is expected to have a very good overall quality upon completion, which will contribute to its marketability within the Lexington Site PMA.

Government-Subsidized

The government-subsidized units in the Site PMA are summarized as follows.

Government-Subsidized					
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant
One-Bedroom	1.0	44	24.4%	0	0.0%
Two-Bedroom	1.0	102	56.7%	0	0.0%
Three-Bedroom	2.0	26	14.4%	0	0.0%
Four-Bedroom	2.0	8	4.4%	0	0.0%
Total Subsidized		180	100.0%	0	0.0%

The subsidized units are 100.0% occupied. Also note that a wide variety of subsidized units is offered within the Site PMA, in terms of bedroom type. When considering the 100.0% occupancy rate of these units, it can be concluded that rental product affordable to very low-income households is clearly in high demand among households of all sizes.

A complete phone survey of all conventional apartments we surveyed, as well as an apartment location map, is included in *Addendum A, Phone Survey of Conventional Rentals*.



4. RENTAL HOUSING INVENTORY MAP

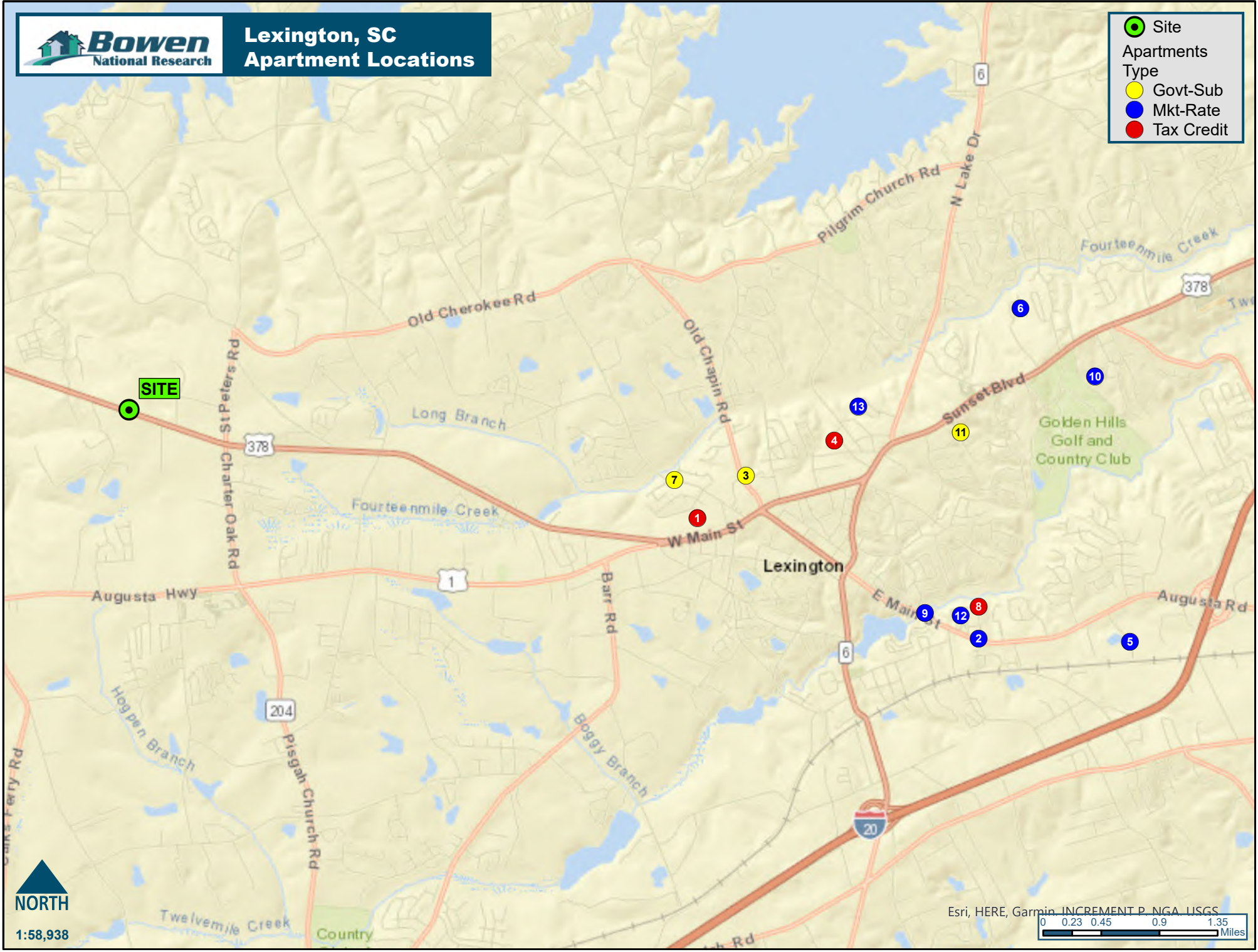
A map identifying the location of all properties surveyed within the Lexington Site PMA is on the following page.



Lexington, SC Apartment Locations

Legend:

- Site (Green circle with 'SITE' label)
- Apartment Type:
 - Govt-Sub (Yellow circle)
 - Mkt-Rate (Blue circle)
 - Tax Credit (Red circle)



1:58,938

Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.23 0.45 0.9 1.35 Miles

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with planning representatives, it was determined that there is one rental housing project in the development pipeline within the Site PMA, which is summarized as follows:

- Villas at Northlake was allocated Tax Credits in 2019 and will be located on Citizens Drive, just west of N. Lake Drive, in Lexington. This property will consist of 43 one- and two-bedrooms restricted to seniors earning up to 50% and 60% of AMHI. It is anticipated that rents at this property will range from \$525 to \$750.

Considering this project in the development pipeline will target a different population (seniors) than the subject site, it is not expected to have any tangible impact on the marketability of the subject development which targets families.

7. MARKET ADVANTAGE

Per the direction of the South Carolina State Housing Finance and Development Authority (SCSHFDA), the subject's market advantage must be based on current HUD Fair Market Rents (FMRs) for the statistical area the site is located. All developments must have an overall minimum market advantage of **10%**.

The current HUD FMRs within the Columbia, SC HUD Metro FMR Area are \$818 for a one-bedroom unit, \$931 for a two-bedroom unit and \$1,204 for a three-bedroom unit.

Market Advantage - Proposed Tax Credit Rents

The market advantages for the proposed LIHTC rents evaluated throughout this report are illustrated in the following table:

Bedroom Type	Proposed Collected Rent (AMHI)	Fair Market Rent	Market Advantage
One-Bedroom	\$245 (30%)	\$818	70.05%
	\$500 (50%)		38.88%
	\$620 (60%)		24.21%
Two-Bedroom	\$270 (30%)	\$931	70.97%
	\$580 (50%)		37.70%
	\$725 (60%)		22.13%
Three-Bedroom	\$285 (30%)	\$1,204	76.33%
	\$645 (50%)		46.43%
	\$810 (60%)		32.73%
Weighted Average			33.16%

The proposed collected Tax Credit rents represent market advantages between 22.13% and 76.33%. Note that the weighted average market advantage is 33.16%. Typically, Tax Credit rents should represent market advantages around 10.0% in order to be considered a value in most markets. Therefore, it is likely that the subject's Tax Credit units will be viewed as good values within the Site PMA.

Achievable Tax Credit Rent Conclusions

Although not required by SCSHFDA, we have derived achievable Tax Credit rents for the subject project, assuming the project is developed as outlined in this report. The achievable Tax Credit rents are the highest rent an income-eligible renter would be expected (or willing) to pay. These rents are determined by considering the achievable market rents (as shown in *Addendum C*), the rents, occupancy rates and quality levels of competing/comparable LIHTC properties (as detailed earlier in this section), the performance of other affordable projects, the status and occupancy rates of other rental choices and the depth of support (capture rate) from income-eligible renters within the Site PMA.

Bedroom Type	Programmatic Rent*	Proposed Collected LIHTC Rent	Achievable LIHTC Rent
One-Bedroom	\$266	\$245	\$266
One-Bedroom	\$539	\$500	\$539
One-Bedroom	\$675	\$620	\$620
Two-Bedroom	\$299	\$270	\$299
Two-Bedroom	\$626	\$580	\$626
Two-Bedroom	\$790	\$725	\$750
Three-Bedroom	\$316	\$285	\$316
Three-Bedroom	\$694	\$645	\$694
Three-Bedroom	\$883	\$810	\$835

*Maximum allowable rents less the value of tenant-paid utilities

As illustrated in the preceding table, all of the proposed subject rents are positioned equal to or below the achievable LIHTC rent levels. Therefore, the proposed collected LIHTC rents at the subject project are considered appropriate for the market.

8. AFFORDABLE HOUSING IMPACT

As previously noted, there are no non-subsidized *general-occupancy* LIHTC projects within the Site PMA. There are, however, three age-restricted LIHTC properties within the Site PMA, two of which are 100.0% occupied with waiting lists, while the remaining property is still in lease-up. Considering the different demographic targeted, these projects are not considered directly competitive with the subject development. Regardless, given the high occupancy rates and waiting lists maintained among the existing age-restricted LIHTC properties,

the development of the subject project is not expected to adversely impact the existing age-restricted LIHTC properties. Based on the preceding factors, we do not anticipate the subject project having any adverse impact on existing LIHTC product within the Lexington Site PMA. Considering the subject project will be the only general-occupancy LIHTC property in the market, it will fill a void in the Lexington rental market.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$227,645. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$227,645 home is \$1,370, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$227,645
Mortgaged Value = 95% of Median Home Price	\$216,263
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$1,096
Estimated Taxes and Insurance*	\$274
Estimated Monthly Mortgage Payment	\$1,370

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$245 to \$810 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is at least \$560 more than the cost of renting at the subject property. Therefore, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As detailed throughout this report, the subject property will be comprised of one- through three-bedroom units targeting households earning up to 30%, 50% and 60% of AMHI. Within the Site PMA we identified three existing LIHTC properties, however, these three properties are age-restricted. Regardless, the two established properties are 100.0% occupied with waiting lists and the remaining property is still in lease-up. Considering there are no general-occupancy LIHTC properties in the market, the subject project will accommodate a population that is currently underserved, especially large households that would prefer a three-bedroom unit, as there are currently no three-bedroom LIHTC projects in the market.

I. Interviews

The following are summaries of interviews conducted with various government and private sector individuals regarding the need for affordable housing within the Lexington area.

- According to Ron Phillips, Assistant Director Voucher Program at the SC State Housing Finance and Development Authority, there is an immediate need for affordable family within Lexington County. The current affordable units in the area are mostly for the elderly or disabled. Ron Phillips went on to say the previous low-income complexes are now market-rate and do not accept the voucher from HUD.

Mr. Phillips added that there are approximately 995 Housing Choice Voucher holders within the housing authority's jurisdiction, and 148 people currently on the waiting list for additional Vouchers. The waiting list is closed, and it is unknown when the waiting list will reopen. Annual turnover is estimated at 60 households. This reflects the continuing need for Housing Choice Voucher assistance.

- Trivia Bradley, Property Manager at Scarlett Oaks and Town & Country Apartments in Lexington, stated that there is a "huge market" for Tax Credit units in the Lexington area, as many tenants are looking for apartments in the market. Ms. Bradley further stated that the Lexington area could support additional family Tax Credit units.
- Teresa, Leasing Agent at Fern Hall and Fern Hall Crossing, stated that the Lexington market could support additional Tax Credit units, as most apartment properties in Lexington are either senior Tax Credit or conventional market-rate. Fern Hall and Fern Hall Crossing are both family Tax Credit properties located outside the Site PMA.

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 90 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, floor plans, rents, amenities or opening date may alter these findings.

The proposed subject site is situated within a good quality neighborhood and is easily accessible given its location along U.S. Highway 378. The property will fit well with existing surrounding structures, particularly with nearby residential product. No known nuisances/deterrents were observed at/near the subject site.

The proposed property is marketable and competitive with existing comparable product as proposed and will alleviate a portion of the unmet demand for family-oriented LIHTC product such as that proposed. In fact, the subject development is expected to help fill a void in the local rental market, given the subject project would be the only general-occupancy LIHTC property in a market that currently has three-age-restricted LIHTC developments, two of which are 100.0% occupied with waiting lists, while the remaining property is still in lease-up. In addition, the subject project will provide the only three-bedroom LIHTC units to the market.

In terms of price point, the subject property will be competitive with existing comparable LIHTC product, particularly when considering the newness and anticipated quality of the subject property. The subject rents will also represent significant market rent advantages of at least 31.9%, as illustrated in *Addendum C*.

A deep base of demographic support also exists for the subject project, as evident by the subject's capture rate of 11.5%. This is considered an achievable capture rate and is below the SCSHFDA threshold of 30.0%.

For reasons detailed above and throughout this report, we have no recommendations to the proposed subject development at this time and expect the subject property will be met with positive demand within the Lexington Site PMA.

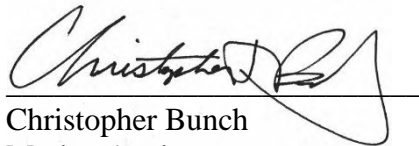
K. Signed Statement Requirement

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance and Development Authority's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SCSHFDA's market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low-income housing rental market.

Certified:



Jeff Peters (Primary Contact)
Market Analyst
jeffp@bowennational.com
Date: May 21, 2020



Christopher Bunch
Market Analyst
christopherb@bowennational.com
Date: May 21, 2020



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: May 21, 2020

L. Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Christopher T. Bunch, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Ambrose Lester, Market Analyst, has conducted detailed research and analysis on a variety of residential alternatives, including rental and for-sale housing. She has conducted on-site research of buildable sites, surveyed existing rental and for-sale housing and conducted numerous stakeholder interviews. She has also conducted research on unique housing issues such as accessory dwelling units, government policy and programs and numerous special needs populations. Ms. Lester has a degree in Economics from Franciscan University of Steubenville.

Sidney McCrary, Market Analyst, is experienced in the on-site analysis of residential and commercial properties. He has the ability to analyze a site's location in relation to community services, competitive properties and the ease of access and visibility. Mr. McCrary has a Bachelor of Science in Business Administration from Ohio Dominican University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country since 2014. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Ron Pompey, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Pompey has a Bachelor of Science in Electrical Engineering from the University of Florida.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Nathan Stelts, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Stelts has a Bachelor of Science in Business Administration from Bowling Green State University.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg University.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by the South Carolina State Housing Finance and Development Authority (SCSHFDA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the acceptable definitions of key terms used in market studies for affordable housing projects and model standards for the content of market studies for affordable housing projects. The standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A phone survey of modern apartment developments is conducted. The intent of the phone survey is twofold. First, the phone survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the phone survey is to establish those projects that are most likely directly comparable to the proposed property.
- Two types of directly comparable properties are identified through the phone survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the proposed development. An in-depth evaluation of these two property types provides an indication of the potential of the proposed development.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis of the proposed project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows SCSHFDA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

Please note that non-numbered items in this report are not required by SCSHFDA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the development potential of proposed projects.

2. REPORT LIMITATIONS

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

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Bowen National Research is strictly prohibited.

3. SOURCES

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

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- South Carolina State Housing Finance and Development Authority

ADDENDUM A:

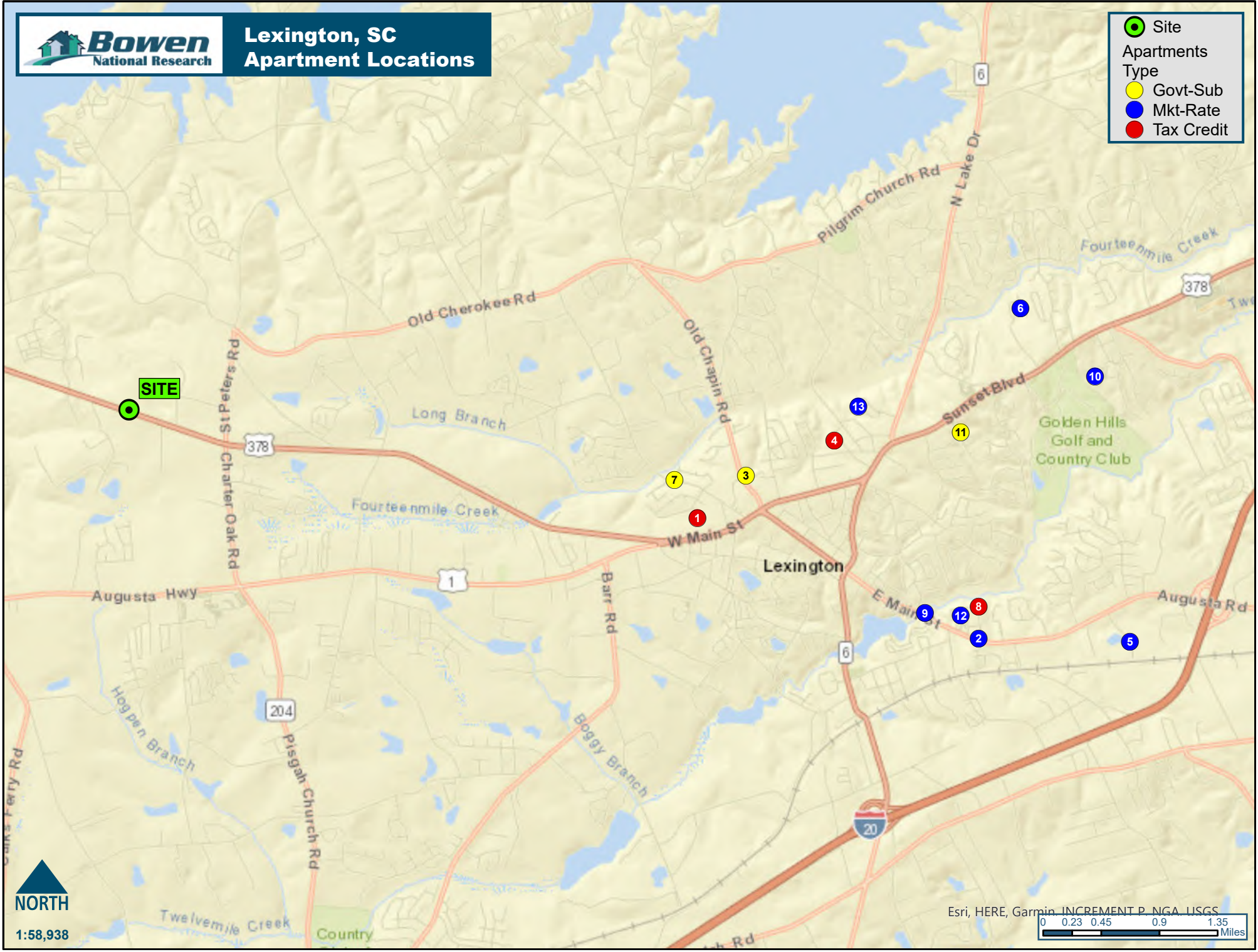
PHONE SURVEY OF
CONVENTIONAL RENTALS



Lexington, SC Apartment Locations

Legend:

- Site (Green circle with 'SITE' label)
- Apartment Type:
 - Govt-Sub (Yellow circle)
 - Mkt-Rate (Blue circle)
 - Tax Credit (Red circle)



NORTH
1:58,938


Esri, HERE, Garmin, INCREMENT P, NGA, USGS
0 0.23 0.45 0.9 1.35 Miles

Map ID	Property	Prop Type	Quality Rating	Year Built	Total Units	Vacant	Occ. Rate	Distance To Site*
✓ 1	Autumnwood Crossing	TAX	A	2019	50	25	50.0%	4.0
✓ 2	Cedarcrest Village Apts.	MRR	B+	2007	300	15	95.0%	5.9
3	Churchwood Apts.	GSS	B+	1986	48	0	100.0%	4.6
✓ 4	Hamptons Crossing	TAX	A	2017	48	0	100.0%	5.3
✓ 5	Lauren Ridge Apts.	MRR	A	2008	216	9	95.8%	7.0
✓ 6	Overlook at Golden Hills	MRR	A	2008	204	13	93.6%	6.9
7	Park North	GSS	B-	1978	84	0	100.0%	4.7
✓ 8	Pebble Creek Senior Apts.	TAX	A	2011	48	0	100.0%	6.1
✓ 9	Reserve at Mill Landing	MRR	A	2001	260	16	93.8%	5.5
10	River Bluff of Lexington	MRR	B	1996	200	3	98.5%	7.2
11	Sweetbriar Apts.	GSS	C+	1985	48	0	100.0%	5.8
12	Thornhill Apts.	MRR	A-	2001	180	2	98.9%	6.0
✓ 13	Waterway	MRR	B	2000	200	10	95.0%	5.8
✓ 903	Fern Hall	TAX	B	2004	40	0	100.0%	10.4
✓ 904	Fern Hall Crossing	TAX	B+	2008	48	0	100.0%	10.4
✓ 908	Regent Park Apts.	TAX	A	2011	72	5	93.1%	26.9


*Drive distance in miles


✓ Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
◆ Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
■ (MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
■ (MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	■ (GSS) Govt Subsidized
■ (MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	■ (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
■ (MIN) Market-Rate & Income Restricted (not LIHTC)		




1	Autumnwood Crossing 207 Topsider Ct, Lexington, SC 29072	Contact: Melanie (By Phone) Phone: (803) 520-6483
	 <p>Total Units: 50 UC: 0 Occupancy: 50.0% Stories: 3 w/Elevator Year Built: 2019 BR: 1, 2 Vacant Units: 25 Waitlist: Target Population: Senior 55+ AR Year: Rent Special: Yr Renovated: Notes: Tax Credit; HCV (5 units); Opened 12/2019, still in lease-up</p>	




2	Cedarcrest Village Apts. 959 E. Main St., Lexington, SC 29072	Contact: Ashley (By Phone) Phone: (803) 957-2555
	 <p>Total Units: 300 UC: 0 Occupancy: 95.0% Stories: 3 Year Built: 2007 BR: 1, 2, 3 Vacant Units: 15 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Rents change daily</p>	

3	Churchwood Apts. 144 Old Chapin Rd., Lexington, SC 29072	Contact: Doreena (By Phone) Phone: (803) 957-4908
	 <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 1,2 Year Built: 1986 BR: 1, 2 Vacant Units: 0 Waitlist: 12 mos; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, has RA (48 units); Does not accept HCV</p>	




4	Hamptons Crossing 515 Northwood Rd., Lexington, SC 29072	Contact: Shandra (By Phone) Phone: (803) 520-4379
	 <p>Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2017 BR: 1, 2 Vacant Units: 0 Waitlist: 11 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (8 units); Preleasing 2/2017, opened 3/2017</p>	




5	Lauren Ridge Apts. 500 Carlen Ave, Lexington, SC 29072	Contact: Tabitha (By Phone) Phone: (803) 520-4623
	 <p>Total Units: 216 UC: 0 Occupancy: 95.8% Stories: 3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 9 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Rents change daily</p>	

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		





6	Overlook at Golden Hills 300 Caughman Farm Ln, Lexington, SC 29072	Contact: Amanda (By Phone) Phone: (803) 359-2009
	Total Units: 204 UC: 0 Occupancy: 93.6% Stories: 3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 13 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Rent range due to upgraded units and select units with wood laminate flooring; Rents change daily	




7	Park North 200 Brookhill Rd. W, Lexington, SC 29072	Contact: Susan (By Phone) Phone: (803) 359-9083
	Total Units: 84 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1978 BR: 1, 2, 3, 4 Vacant Units: 0 Waitlist: 6-24 mos; AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: HUD Section 8	

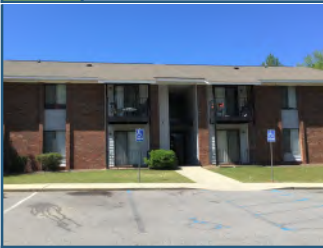






















8	Pebble Creek Senior Apts. 136 Library Hill Ln., Lexington, SC 29072	Contact: Melanie (By Phone) Phone: (803) 520-6481
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 w/Elevator Year Built: 2011 BR: 2 Vacant Units: 0 Waitlist: 6 HH; AR Year: Target Population: Senior 55+ Yr Renovated: Rent Special: Notes: Tax Credit; HCV (10 units)	

9	Reserve at Mill Landing 809 E. Main St., Lexington, SC 29072	Contact: Kelsey (By Phone) Phone: (803) 599-2481
	Total Units: 260 UC: 0 Occupancy: 93.8% Stories: 2,3 Year Built: 2001 BR: 1, 2, 3 Vacant Units: 16 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Rent range based on amenities & location	

10	River Bluff of Lexington 300 Palmetto Park Blvd., Lexington, SC 29072	Contact: Megan (By Phone) Phone: (803) 356-8000
	Total Units: 200 UC: 0 Occupancy: 98.5% Stories: 3 Year Built: 1996 BR: 1, 2, 3 Vacant Units: 3 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV; Former Tax Credit property; Rent range based on location, view & floor level	

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		

11	Sweetbriar Apts. 200 Libby Ln., Lexington, SC 29072	Contact: Mary Phone: (803) 359-2006	(By Phone)
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 1985 BR: 1, 2 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: RD 515, no RA; HCV (9 units)		
12	Thornhill Apts. 930 E Main St., Lexington, SC 29072	Contact: Maureen Phone: (803) 356-0542	(By Phone)
	Total Units: 180 UC: 0 Occupancy: 98.9% Stories: 2.5 Year Built: 2001 BR: 1, 2, 3 Vacant Units: 2 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV		
13	Waterway 121 Northpoint Dr., Lexington, SC 29072	Contact: Josh Phone: (803) 951-2025	(By Phone)
	Total Units: 200 UC: 0 Occupancy: 95.0% Stories: 2 Year Built: 2000 BR: 1, 2, 3 Vacant Units: 10 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Does not accept HCV		
903	Fern Hall 600 Fern Hall Dr., Lexington, SC 29073	Contact: Teresa Phone: (803) 951-1874	(By Phone)
	Total Units: 40 UC: 0 Occupancy: 100.0% Stories: 2 Year Built: 2004 BR: 2, 3 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; HCV (23 units)		
904	Fern Hall Crossing 123 Brevard Pkwy, Lexington, SC 29073	Contact: Teresa Phone: (803) 951-1874	(By Phone)
	Total Units: 48 UC: 0 Occupancy: 100.0% Stories: 3 Year Built: 2008 BR: 1, 2, 3 Vacant Units: 0 Waitlist: AR Year: Target Population: Family Yr Renovated: Rent Special: Notes: Tax Credit; HCV (19 units)		

 Comparable Property	 Senior Restricted	 (MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	 (TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
 (MRR) Market-Rate	 (TAX) Tax Credit	 (TGS) Tax Credit & Govt Subsidized	 (INR) Income Restricted (not LIHTC)
 (MRT) Market-Rate & Tax Credit	 (TIN) Tax Credit & Income Restricted (not LIHTC)	 (TMG) Tax Credit, Market-Rate & Govt Subsidized	 (ING) Income Restricted (not LIHTC) & Govt Subsidized
 (MRG) Market-Rate & Govt Subsidized			 (GSS) Govt Subsidized
 (MIN) Market-Rate & Income Restricted (not LIHTC)			 (ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted



908	Regent Park Apts. 680 Windsor Lake Way, Columbia, SC 29223		Contact: Litish (By Phone) Phone: (803) 708-4700		
	Total Units: 72	UC: 0	Occupancy: 93.1%	Stories: 3	Year Built: 2011
	BR: 1, 2, 3		Vacant Units: 5	Waitlist:	AR Year:
	Target Population: Family				Yr Renovated:
	Rent Special:				
	Notes: Tax Credit; HCV (35 units)				

Comparable Property	(MIG) Market-Rate, Income Restricted (not LIHTC) & Govt Subsidized	(TIG) Tax Credit, Income Restricted (not LIHTC) & Govt Subsidized
Senior Restricted	(TAX) Tax Credit	(INR) Income Restricted (not LIHTC)
(MRR) Market-Rate	(TGS) Tax Credit & Govt Subsidized	(ING) Income Restricted (not LIHTC) & Govt Subsidized
(MRT) Market-Rate & Tax Credit	(TIN) Tax Credit & Income Restricted (not LIHTC)	(GSS) Govt Subsidized
(MRG) Market-Rate & Govt Subsidized	(TMG) Tax Credit, Market-Rate & Govt Subsidized	(ALL) Tax Credit, Market-Rate, Govt Subsidized & Income Restricted
(MIN) Market-Rate & Income Restricted (not LIHTC)		

Source: SC State Housing Finance and Development Authority
 Effective: 10/2019

Monthly Dollar Allowances

		Garden						Townhome					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas	30	30	36	52	61	61	30	30	36	52	61	61
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
	Bottled Gas	32	32	39	57	66	66	32	32	39	57	66	66
	Electric	29	29	34	46	55	55	29	29	34	46	55	55
	Heat Pump	0	0	0	0	0	0	0	0	0	0	0	0
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Cooking	Natural Gas	6	6	7	10	14	14	6	6	7	10	14	14
	Bottled Gas	10	10	12	15	19	19	10	10	12	15	19	19
	Electric	2	2	3	6	8	8	2	2	3	6	8	8
Other Electric	29	29	44	55	64	64	29	29	44	55	64	64	
	+Base Charge	0	0	0	0	0	0	0	0	0	0	0	0
Air Conditioning		13	13	20	24	29	29	13	13	20	24	29	29
Water Heating	Natural Gas	15	15	23	25	30	30	15	15	23	25	30	30
	Bottled Gas	20	20	28	32	37	37	20	20	28	32	37	37
	Electric	18	18	25	30	33	33	18	18	25	30	33	33
	Oil	0	0	0	0	0	0	0	0	0	0	0	0
Water		18	18	21	25	32	32	18	18	21	25	32	32
Sewer		20	20	25	31	41	41	20	20	25	31	41	41
Trash Collection		11	11	11	11	11	11	11	11	11	11	11	11
Internet*		20	20	20	20	20	20	20	20	20	20	20	20
Cable*		20	20	20	20	20	20	20	20	20	20	20	20
Alarm Monitoring*		0	0	0	0	0	0	0	0	0	0	0	0

* Estimated- not from source

Addendum B – Member Certification & Checklist

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

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

Certified:



Patrick M. Bowen
President
patrickb@bowennational.com
Date: May 21, 2020



Jeff Peters
Market Analyst
jeffp@bowennational.com
Date: May 21, 2020

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com>.

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	E
19.	Historical unemployment rate	E
20.	Area major employers	E
21.	Five-year employment growth	E
22.	Typical wages by occupation	E
23.	Discussion of commuting patterns of area workers	E
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	F
25.	Area building permits	H
26.	Distribution of income	F
27.	Households by tenure	F
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H & Addendum E
46.	Derivation of Achievable Restricted Rent	H
47.	Precise statement of key conclusions	J
48.	Market strengths and weaknesses impacting project	J
49.	Recommendations and/or modification to project discussion	J
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	G & J
52.	Discussion of risks or other mitigating circumstances impacting project projection	J
53.	Interviews with area housing stakeholders	I

CHECKLIST (Continued)

OTHER REQUIREMENTS		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	K
57.	Statement of qualifications	L
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A

Addendum C – Achievable Market Rent Analysis

A. INTRODUCTION

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

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

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

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

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

It is important to note that one or more of the selected properties may be more similar to the subject property than others. These properties are given more weight in terms of reaching the final achievable market rent determination. While monetary adjustments are made for various unit and project features, the final market rent determination is based upon the judgments of our market analysts.

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

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Clemons Greene	2022	90	-	6 (-)	60 (-)	24 (-)
2	Cedarcrest Village Apts.	2007	300	95.0%	60 (95.0%)	180 (95.0%)	60 (95.0%)
5	Lauren Ridge Apts.	2008	216	95.8%	70 (95.7%)	130 (96.2%)	16 (93.8%)
6	Overlook at Golden Hills	2008	204	93.6%	72 (93.1%)	59 (94.9%)	73 (93.2%)
9	Reserve at Mill Landing	2001	260	93.8%	76 (94.7%)	156 (93.6%)	28 (92.9%)
13	Waterway	2000	200	95.0%	72 (94.4%)	120 (95.0%)	8 (100.0%)

Occ. – Occupancy

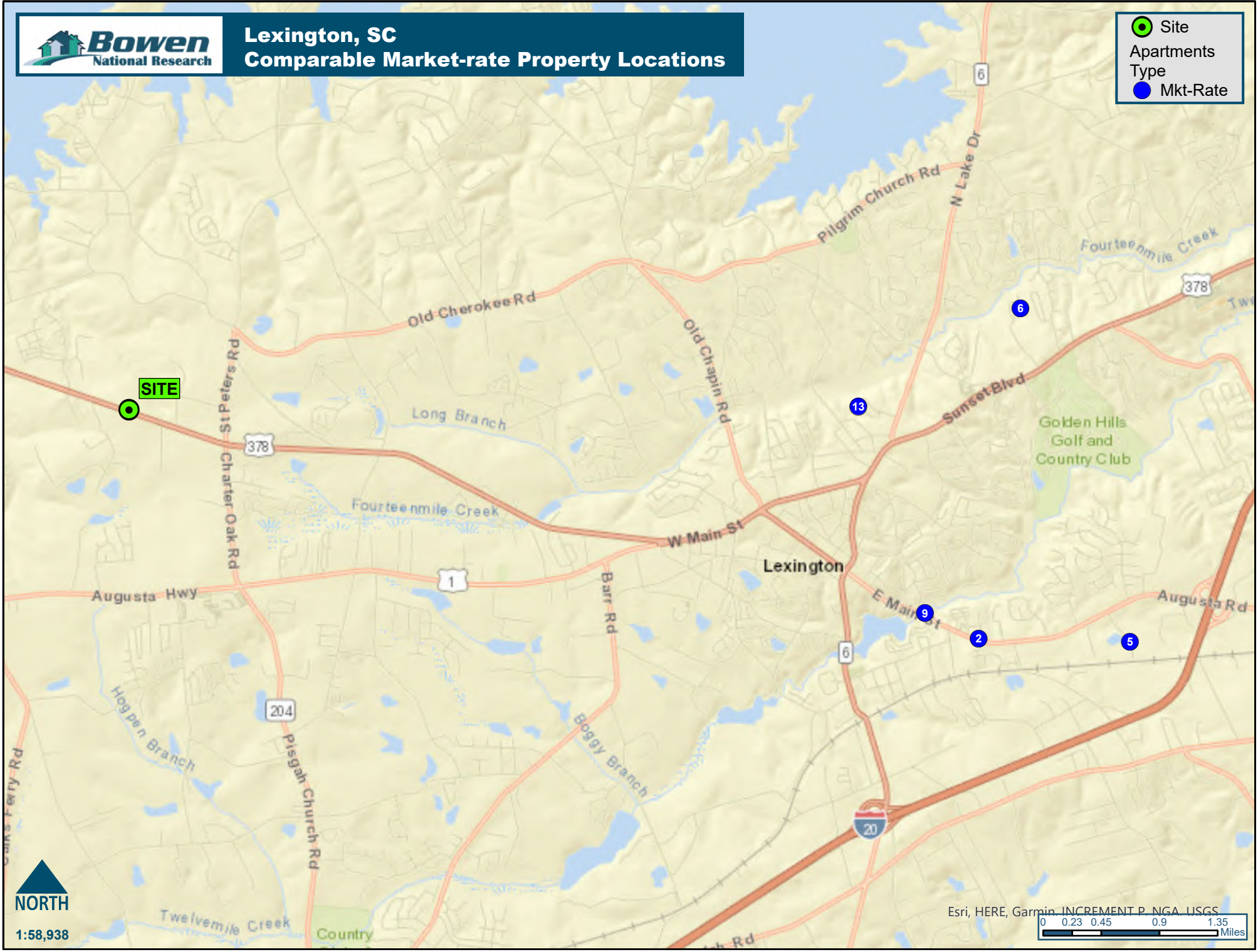
The five selected market-rate projects have a combined total of 1,180 units with an overall occupancy rate of 94.7%. These high occupancy rates reported among the selected properties indicate that these properties are well-received and will serve as accurate benchmarks with which to compare the subject property.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the subject development. In addition to the Rent Comparability Grids, a map of the comparable market-rate properties in relation to the subject site is also included on the following page.



Lexington, SC Comparable Market-rate Property Locations

- Site
- Apartments
- Mkt-Rate



1:58,938

Esri, HERE, Garmin, INCREMENT P, NGA, USGS

0	0.23	0.45	0.9	1.35
Miles				

Rent Comparability Grid

Unit Type →

ONE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Clemons Greene		Cedarcrest Village Apts.		Lauren Ridge Apts.		Overlook at Golden Hills		Reserve at Mill Landing		Waterway	
Approx. 1020 Highway 378		959 E. Main St.		500 Carlen Ave		300 Caughman Farm Ln		809 E. Main St.		121 Northpoint Dr.	
Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,048		\$1,076		\$1,030		\$944		\$955	
2	Date Surveyed	Apr-20		Apr-20		Apr-20		Apr-20		Apr-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	95%		96%		93%		95%		94%	
5	Effective Rent & Rent/ sq. ft	\$1,048	1.36	\$1,076	1.54	\$1,030	1.31	\$944	1.21	\$955	1.20
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/3		WU/3		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2022	\$15	2008	\$14	2008	\$14	2001	\$21	2000	\$22
8	Condition/Street Appeal	E	\$15	E		E		E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	1		1		1		1		1	
12	# Baths	1		1		1		1		1	
13	Unit Interior Sq. Ft.	815	\$14	771	\$38	788	\$9	780	\$12	798	\$6
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L	\$5	W/D	(\$25)	W/D	(\$25)	HU/L		W/D	(\$25)
19	Floor Coverings	C		C/T		C/L		C/T/L		C/V/L	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	N/N	(\$10)	Y/Y	(\$10)	Y/N	(\$5)	S/N		Y/Y	(\$10)
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N	(\$5)	Y	(\$5)	Y	(\$5)	N		Y	(\$5)
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$13)	P/F/S	(\$13)	P/F/T	(\$13)	P/F	(\$10)
29	Computer/Business Center	Y	\$3	N	\$3	Y		Y		Y	
30	Picnic Area/Grills	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		Y		N	\$3	Y		Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		Y/Y	(\$38)	Y/Y	(\$38)	N/N		N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		N/N	\$11	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	4	2	5	4	5	3	2	3	5
41	Sum Adjustments B to D	\$52	(\$31)	\$52	(\$59)	\$31	(\$51)	\$38	(\$16)	\$43	(\$53)
42	Sum Utility Adjustments				(\$38)		(\$38)	\$11			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$21	\$83	(\$45)	\$149	(\$58)	\$120	\$33	\$65	(\$10)	\$96
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,069		\$1,031		\$972		\$977		\$945	
45	Adj Rent/Last rent		102%		96%		94%		103%		99%
46	Estimated Market Rent	\$990		\$1.21 ←		Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

TWO-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Clemons Greene		Cedarcrest Village Apts.		Lauren Ridge Apts.		Overlook at Golden Hills		Reserve at Mill Landing		Waterway	
Approx. 1020 Highway 378		959 E. Main St.		500 Carlen Ave		300 Caughman Farm Ln		809 E. Main St.		121 Northpoint Dr.	
Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC	
Data		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
A. Rents Charged											
1	\$ Last Rent / Restricted?	\$1,168		\$1,198		\$1,105		\$1,029		\$1,035	
2	Date Surveyed	Apr-20		Apr-20		Apr-20		Apr-20		Apr-20	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	95%		96%		95%		94%		95%	
5	Effective Rent & Rent/ sq. ft	\$1,168	1.23	\$1,198	1.33	\$1,105	1.20	\$1,029	0.97	\$1,035	0.99
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/3		WU/3		WU/3		WU/2,3		WU/2	
7	Yr. Built/Yr. Renovated	2022		2007	\$15	2008	\$14	2008	\$14	2001	\$21
8	Condition/Street Appeal	E		G	\$15	E		E		G	\$15
9	Neighborhood	G		G		G		G		G	
10	Same Market?			Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1	(\$30)	2		1		2	(\$30)	2	(\$30)
13	Unit Interior Sq. Ft.	979	\$8	950	\$8	900	\$22	922	\$16	1058	(\$22)
14	Patio/Balcony	Y		Y		Y		Y		Y	
15	AC: Central/Wall	C		C		C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/Y		Y/Y		N/Y	\$5	Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU	\$5	W/D	(\$25)	W/D	(\$25)	HU/L	
19	Floor Coverings	C		C/T		C/L		C/T/L		C/V/L	
20	Window Treatments	Y		Y		Y		Y		Y	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	Y		Y		Y		Y		Y	
23	Ceiling Fan/Storage	N/N		Y/Y	(\$10)	Y/Y	(\$10)	Y/N	(\$5)	S/N	
D. Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Features	N	(\$5)	Y	(\$5)	Y	(\$5)	N		Y	(\$5)
27	Community Space	Y		Y		Y		N	\$5	Y	
28	Pool/Recreation Areas	F	(\$13)	P/F/MT	(\$13)	P/F/L/WT	(\$16)	P/F/S	(\$13)	P/F/T	(\$13)
29	Computer/Business Center	Y		N	\$3	Y		Y		Y	
30	Picnic Area/Grills	N	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31	Playground	Y		Y		Y		N	\$3	Y	
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/G	
37	Other Electric	N		N		N		N		N	
38	Cold Water/Sewer	N/N		N/N		Y/Y	(\$46)	Y/Y	(\$46)	N/N	
39	Trash/Recycling	Y/N		Y/N		Y/N		Y/N		N/N	\$11
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	5	5	2	5	4	5	2	4	2	7
41	Sum Adjustments B to D	\$46	(\$61)	\$36	(\$59)	\$38	(\$51)	\$26	(\$68)	\$37	(\$101)
42	Sum Utility Adjustments				(\$46)		(\$46)	\$11			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$15)	\$107	(\$69)	\$141	(\$59)	\$135	(\$31)	\$105	(\$64)	\$138
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,153		\$1,129		\$1,046		\$998		\$971	
45	Adj Rent/Last rent		99%		94%		95%		97%		94%
46	Estimated Market Rent	\$1,065		\$1.09 ←		Estimated Market Rent/ Sq. Ft					

Rent Comparability Grid

Unit Type →

THREE-BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Clemons Greene		Cedarcrest Village Apts.		Lauren Ridge Apts.		Overlook at Golden Hills		Reserve at Mill Landing		Waterway	
Approx. 1020 Highway 378		959 E. Main St.		500 Carlen Ave		300 Caughman Farm Ln		809 E. Main St.		121 Northpoint Dr.	
Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC		Lexington, SC	
A. Rents Charged	Data	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1 \$ Last Rent / Restricted?		\$1,263		\$1,292		\$1,315		\$1,304		\$1,205	
2 Date Surveyed		Apr-20		Apr-20		Apr-20		Apr-20		Apr-20	
3 Rent Concessions		None		None		None		None		None	
4 Occupancy for Unit Type		95%		94%		93%		93%		100%	
5 Effective Rent & Rent/ sq. ft		\$1,263	0.87	\$1,292	1.03	\$1,315	1.09	\$1,304	0.98	\$1,205	0.90
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6 Structure / Stories	WU/3	WU/3		WU/3		WU/3		WU/2,3		WU/2	
7 Yr. Built/Yr. Renovated	2022	2007	\$15	2008	\$14	2008	\$14	2001	\$21	2000	\$22
8 Condition/Street Appeal	E	G	\$15	E		E		E		G	\$15
9 Neighborhood	G	G		G		G		G		G	
10 Same Market?		Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11 # Bedrooms	3	3		3		3		3		3	
12 # Baths	2	2		2		2		2		2	
13 Unit Interior Sq. Ft.	1179	1456	(\$67)	1250	(\$17)	1206	(\$7)	1337	(\$38)	1345	(\$40)
14 Patio/Balcony	Y	Y		Y		Y		Y		Y	
15 AC: Central/Wall	C	C		C		C		C		C	
16 Range/Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17 Microwave/Dishwasher	Y/Y	Y/Y		Y/Y		N/Y	\$5	Y/Y		Y/Y	
18 Washer/Dryer	HU/L	HU	\$5	W/D	(\$25)	W/D	(\$25)	HU/L		W/D	(\$25)
19 Floor Coverings	C	C/T		C/L		C/L		C/T/L		C/V/L	
20 Window Treatments	Y	Y		Y		Y		Y		Y	
21 Secured Entry	N	N		N		N		N		N	
22 Garbage Disposal	Y	Y		Y		Y		Y		Y	
23 Ceiling Fan/Storage	N/N	Y/Y	(\$10)	Y/Y	(\$10)	Y/N	(\$5)	S/N		Y/Y	(\$10)
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24 Parking (\$ Fee)	LOT/\$0	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25 On-Site Management	Y	Y		Y		Y		Y		Y	
26 Security Features	N	Y	(\$5)	Y	(\$5)	Y	(\$5)	N		Y	(\$5)
27 Community Space	Y	Y		Y		Y		N	\$5	Y	
28 Pool/Recreation Areas	F	P/F/MT	(\$13)	P/F/L/WT	(\$16)	P/F/S	(\$13)	P/F/T	(\$13)	P/F	(\$10)
29 Computer/Business Center	Y	N	\$3	Y		Y		Y		Y	
30 Picnic Area/Grills	N	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)	Y	(\$3)
31 Playground	Y	Y		Y		N	\$3	Y		Y	
32 Social Services	N	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33 Heat (in rent?/ type)	N/E	N/E		N/E		N/E		N/G		N/E	
34 Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35 Cooking (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
36 Hot Water (in rent?/ type)	N/E	N/E		N/E		N/E		N/G		N/E	
37 Other Electric	N	N		N		N		N		N	
38 Cold Water/Sewer	N/N	N/N		Y/Y	(\$56)	Y/Y	(\$56)	N/N		N/N	
39 Trash/Recycling	Y/N	Y/N		Y/N		Y/N		N/N	\$11	Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40 # Adjustments B to D		4	5	1	6	3	6	2	3	2	6
41 Sum Adjustments B to D		\$38	(\$98)	\$14	(\$76)	\$22	(\$58)	\$26	(\$54)	\$37	(\$93)
42 Sum Utility Adjustments					(\$56)		(\$56)	\$11			
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43 Net/ Gross Adjmts B to E		(\$60)	\$136	(\$118)	\$146	(\$92)	\$136	(\$17)	\$91	(\$56)	\$130
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44 Adjusted Rent (5+ 43)		\$1,203		\$1,174		\$1,223		\$1,287		\$1,149	
45 Adj Rent/Last rent			95%		91%		93%		99%		95%
46 Estimated Market Rent	\$1,205	\$1.02 ←	Estimated Market Rent/ Sq. Ft								

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

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rent for units similar to the subject development are as follows:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	30%	\$245	\$990	75.3%
One-Br.	50%	\$500	\$990	44.4%
One-Br.	60%	\$620	\$990	37.4%
Two-Br.	30%	\$270	\$1,065	74.6%
Two-Br.	50%	\$580	\$1,065	45.5%
Two-Br.	60%	\$725	\$1,065	31.9%
Three-Br.	30%	\$285	\$1,205	76.4%
Three-Br.	50%	\$645	\$1,205	47.5%
Three-Br.	60%	\$810	\$1,205	32.9%

Typically, Tax Credit rents are set 10% or more below achievable market rents to ensure that the project will have a sufficient flow of tenants. As such, the proposed collected rents should be perceived as significant values, as they represent market rent advantages ranging from 31.9% to 76.4%.

B. RENT ADJUSTMENT EXPLANATIONS (RENT COMPARABILITY GRID)

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

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

7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 2000 and 2008. As such, we have adjusted the rents at the selected properties by \$1 per year of effective age difference to reflect the age of these properties as compared to the subject project.

8. It is anticipated that the subject project will have an excellent quality and attractive aesthetic appeal upon completion. We have made adjustments for those properties that we consider to be inferior to the subject property in terms of overall quality/condition.
12. There is a variety of the number of bathrooms offered at each of the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package which is generally similar to those offered among the selected market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' unit amenities.
- 24.-32. The subject project offers a comprehensive project amenities package which is also generally competitive with the comparable market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences in utility responsibility at each selected property. The utility adjustments were based on the local housing authority's utility cost estimates.