

**A MARKET FEASIBILITY STUDY OF:**  
**THE MAGNOLIA**

# **A MARKET FEASIBILITY STUDY OF:**

# **THE MAGNOLIA**

Whiskey Road north of Stratford Drive  
Aiken, Aiken County, South Carolina 29803

Effective Date: April 20, 2021  
Report Date: May 27, 2021

Prepared for:  
Tim Thrasher  
Managing Member  
Magnolia Apartments, LP  
1909 Central Parkway SW  
Decatur, AL 35601

Prepared by:  
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May 27, 2021

Tim Thrasher  
Managing Member  
Magnolia Apartments, LP  
1909 Central Parkway SW  
Decatur, AL 35601

Re: Market Study for The Magnolia, located in Aiken, South Carolina

Dear Mr. Thrasher:

At your request, Novogradac Consulting LLP has performed a study of the multifamily rental market in the Aiken, Aiken County, South Carolina area relative to the above-referenced Low-Income Housing Tax Credit (LIHTC) project known as The Magnolia, (the Subject). We have completed no additional work pertaining to the Subject over the three-year period preceding this engagement.

The purpose of this market study is to assess the viability of the Subject, a proposed 60-unit LIHTC project. The Subject will be a newly constructed, age-restricted (55+), affordable LIHTC project, with 60 units restricted to households earning 20, 50, 60, and 70 percent of the Area Median Income (AMI) or less. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the South Carolina State Housing Finance and Development Agency (SCSHFDA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed Subject's unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy levels for the market area.
- Investigating the health and conditions of the multifamily housing market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, both Low-Income Housing Tax Credit (LIHTC) and market-rate.

The depth of discussion contained in the report is specific to the needs of the client, specifically the requirements of SCSHFDA market study requirements. The National Council of Housing Market Analysts (NCHMA) is a professional organization chartered to promote the development of high-quality market analysis for the affordable housing industry. Novogradac is a charter member of this organization. NCHMA has compiled model content standards for market studies. This report, which Novogradac certifies as a NCHMA-compliant comprehensive market analysis full narrative report, conforms to those standards; any slight modifications or departures from those standards are

considered incidental. Novogradac is a disinterested third party. The report and the conclusions are subject to the Assumptions and Limiting Conditions attached.

The Stated Purpose of this assignment is for tax credit application. You agree not to use the Report other than for the Stated Purpose, and you agree to indemnify us for any claims, damages or losses that we may incur as the result of your use of the Report for other than the Stated Purpose. Without limiting the general applicability of this paragraph, under no circumstances may the Report be used in advertisements, solicitations and/or any form of securities offering.

*In the wake of the COVID-19 pandemic there has been significant turmoil and uncertainty. Governments across the globe are taking dramatic efforts reduce the strain on health care systems. These efforts result in extensive impacts to economic activity. However, governments are also implementing significant economic stimulus packages to help with this economic disruption. At this point it is unclear how long it will be before the emergency restrictions are lifted or loosened or how effectively the stimulus packages will blunt the impact from the emergency measures. Further it is unclear as to how these measures will impact the specific housing market surrounding the Subject. However, some trends are clear:*

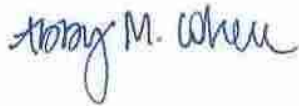
- 1) Clients and market participants throughout the country report April collections that are better than expected for all types of multifamily properties. According to a report from the National Multifamily Housing Council, April 2021 rent collections were up by 1.9 percentage points year-over-year from April 2020. Note that the apartments in this sample are market rate apartments in multifamily buildings and do not include affordable units. Through April 6, 2021, 79.8 percent of households made full or partial rent payments for April, according to the National Multifamily Housing Council. Although one-in-five renters did not pay their rent in the first week of the month, the majority of these missed payments are made up with late payments by the end of the month. A significant change in the market is not yet discernible and we continue to be relatively optimistic about the market's ability to weather the current economic storm.*
- 2) Based upon various conversations with market participants and published articles and webinars many believe that multifamily real estate will be impacted but significantly less so than other sectors. Further, the impact is expected be shorter lived. Many view multifamily as a safer haven during this period of uncertainty. This bodes well for the Subject, which is a proposed general tenancy affordable multifamily development. Of note, the average occupancy among the comparables surveyed is 1.7 percent.*
- 3) Novogradac maintains a proprietary database of operating results from our surveys of affordable and market rate properties. The database was implemented in 2005 and contains over 100,000 individual properties. The national occupancy rate for two-bedroom, 60 percent LIHTC properties dipped slightly during the Great Recession, but began a rebound after 2009. In 2008, the occupancy rate was at 96.3 percent and it dropped less than one percentage point during the slowdown, dropping to 95.4 percent in 2009 before beginning a gradual increase that slowed between 2016 and 2018 but continued through 2020. While this recession will undoubtedly be different than the last this performance supports the points made above and illustrates the resilience in the affordable housing sector.*
- 4) There have been transactions that were started prior to shut-down that have recently closed without adjustment.*
- 5) Finally, the Subject is located in a lower density neighborhood outside of the major population centers in the region. Such areas have demonstrated lower case incidence and resulting economic impact than major population centers. The comparables in the immediate market area*

*did not report any significant disruption to performance or rent collections due to the COVID-19 pandemic.*

*All of the comparable properties were interviewed in May 2021. Property managers reported that market demand has not softened as a result of the COVID-19 pandemic and state and local restrictions. Overall, we did not experience significant barriers to local data collection as a result of the pandemic and we believe the quality of data collected in this report supports the credibility of our conclusions.*

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac Consulting LLP can be of further assistance. It has been our pleasure to assist you with this project.

Respectfully submitted,  
Novogradac Consulting LLP



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# **EXECUTIVE SUMMARY**

**Property Summary of Subject**

**Subject Property Overview:**

The Magnolia, the Subject, is a proposed 60-unit apartment community for seniors age 55 and older that will offer one and two-bedroom units restricted to households earning 20, 50, 60, and 70 percent of AMI or less. As proposed, the Subject will consist of one elevator-serviced, three-story lowrise-style residential building.

**Targeted Tenancy:**

Seniors, age 55 and older.

**Proposed Rents, Unit Mix and Utility Allowance:**

The following table details the Subject’s proposed rents, utility allowances, unit mix, and unit sizes.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2021 LIHTC Maximum Allowable Gross Rent	2021 HUD Fair Market Rents	
@20%								
1BR / 1BA	750	6	\$131	\$128	\$259	\$259	\$708	
@50%								
1BR / 1BA	750	3	\$465	\$128	\$593	\$648	\$708	
2BR / 1.75BA	922	1	\$535	\$172	\$707	\$777	\$815	
2BR / 1.75BA	956	1	\$535	\$172	\$707	\$777	\$815	
@60%								
1BR / 1BA	750	27	\$575	\$128	\$703	\$777	\$708	
2BR / 1.75BA	956	12	\$625	\$172	\$797	\$933	\$815	
2BR / 1.75BA	922	3	\$625	\$172	\$797	\$933	\$815	
2BR / 1.75BA	1,040	2	\$625	\$172	\$797	\$933	\$815	
@70%								
2BR / 1.75BA	956	5	\$680	\$172	\$852	\$1,088	\$815	
		<b>60</b>						

Notes (1) Source of Utility Allowance provided by the Developer.

**Market Vacancy**

The following table illustrates the market vacancy at the comparable properties.



**OVERALL VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Longleaf Senior Village Phase I	LIHTC	Senior	50	0	0.0%
The Edgewater*	LIHTC	Senior	48	0	0.0%
Village At Dupont Landing	LIHTC/HOME	Senior	46	0	0.0%
Villages At Horse Creek*	LIHTC	Senior	36	0	0.0%
Gatewood Apartments	Market	Family	134	5	3.7%
Haven At Market Street Station	Market	Family	284	7	2.5%
New London Apartments	Market	Family	64	1	1.6%
The Colony At South Park	Market	Family	168	2	1.2%
Trotters Run	Market	Family	96	1	1.0%
<b>Total LIHTC</b>			<b>180</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>746</b>	<b>16</b>	<b>2.1%</b>
<b>Overall Total</b>			<b>926</b>	<b>16</b>	<b>1.7%</b>

\*Located outside of the PMA

**LIHTC VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Longleaf Senior Village Phase I	LIHTC	Senior	50	0	0.0%
The Edgewater*	LIHTC	Senior	48	0	0.0%
Village At Dupont Landing	LIHTC/HOME	Senior	46	0	0.0%
Villages At Horse Creek*	LIHTC	Senior	36	0	0.0%
<b>Total LIHTC</b>			<b>180</b>	<b>0</b>	<b>0.0%</b>

\*Located outside of the PMA

**MARKET VACANCY**

Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Gatewood Apartments	Market	Family	134	5	3.7%
Haven At Market Street Station	Market	Family	284	7	2.5%
New London Apartments	Market	Family	64	1	1.6%
The Colony At South Park	Market	Family	168	2	1.2%
Trotters Run	Market	Family	96	1	1.0%
<b>Total Market Rate</b>			<b>746</b>	<b>16</b>	<b>2.1%</b>

The comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 1.7 percent. The LIHTC comparables reported no vacancy, and all reported maintenance of waiting lists up to 1.5 years in length. The market rate comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 2.1 percent. Overall, the local rental market appears to be healthy and we believe that the Subject will be able to maintain a stabilized vacancy rate of seven percent or less following stabilization per state guideline standards. In fact, we would also expect that after completion of absorption, the Subject will operate with a waiting list.

## Capture Rates

The following table illustrates the capture rates for the Subject.

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR @20%	\$7,770	\$11,060	6	46	0	46	13.2%
1BR @50%	\$17,790	\$27,650	3	127	0	127	2.4%
1BR @60%	\$21,090	\$33,180	27	135	0	135	20.0%
1BR Overall	\$7,770	\$33,180	36	295	0	295	12.2%
2BR @50%	\$21,210	\$27,650	2	60	0	60	3.4%
2BR @60%	\$23,910	\$33,180	17	63	0	63	26.8%
2BR @70%	\$25,560	\$38,710	5	69	0	69	7.2%
2BR Overall	\$21,210	\$38,710	24	139	0	139	17.3%
@20% Overall	\$7,770	\$11,060	6	46	0	46	13.2%
@50% Overall	\$17,790	\$27,650	5	186	0	186	2.7%
@60% Overall	\$21,090	\$33,180	44	198	0	198	22.2%
@70% Overall	\$25,560	\$38,710	5	69	0	69	7.2%
Overall	\$7,770	\$38,710	60	434	0	434	13.8%

As the analysis illustrates, the Subject's capture rates range from 2.4 to 26.8 percent with an overall capture rate of 13.8 percent. The Subject's overall capture rates are within SCSHFDA guidelines and we believe that there is ample demand for the Subject's units.

## Projected Absorption Period

Three of the comparables were able to report on absorption information. The following table details our findings.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Village At Dupont Landing	LIHTC	Senior	2020	46	23
The Edgewater	LIHTC	Senior	2017	48	24
Longleaf Senior Village Phase I	LIHTC	Senior	2015	50	25

The properties reported absorption rates ranging from 23 to 25 units per month, with an overall average of 24 units per month. The LIHTC properties demonstrate a tight range of absorption with all absorbing within two months following completion. Additionally, the LIHTC comparables utilized in this report indicated low vacancy rates with all reporting waiting lists as well. As such, we believe the Subject should be able to experience an absorption rate within this range. Therefore, based upon the demand calculations presented within this report which indicate capture rates within SCSHFDA guidelines, an ample number income-qualified households, and the Subject's tenancy, we believe that the Subject could absorb approximately 24 units per month upon opening. Thus, we expect the Subject to reach stabilized occupancy of 93 percent within three months.

## Market Conclusions

The comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 1.7 percent. The LIHTC comparables all reported high occupancy and all maintain waiting lists up to 1.5 years in

length. When compared to the current 20, 50, 60, and 70 percent rents at the LIHTC properties, the Subject's proposed 20, 50, 60, and 70 percent AMI rents appear reasonable. We concluded to achievable LIHTC rents equal to the proposed rents and similar to moderately below maximum allowable rent levels. Overall, they are 30 to 85 percent below what we have determined to be the achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

### **Recommendations**

We believe there is adequate demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's capture rates vary from 2.4 to 26.8 percent with an overall capture rate of 13.8 percent. These capture rates are all considered achievable in the PMA, and are considered very conservative for a senior property. In addition, the affordable properties in the PMA maintain low vacancy rates and all maintain waiting lists, which indicates a need for affordable housing such as the proposed Subject. The Subject site is located within 3.0 miles of most community services and facilities that seniors would utilize on a consistent basis.

There are no vacancies among the LIHTC comparables. Further, all of the surveyed LIHTC properties maintain waiting lists. The proposed rents offer a greater than 27 percent advantage to HUD Fair Market Rents, which is within SCSHFDA thresholds. The proposed rents will also compete well with the LIHTC rents at the most similar LIHTC comparables we surveyed.

### **Long Term Impact on Existing LIHTC Properties in the PMA**

There are no comparable vacant LIHTC units surveyed, and all of the LIHTC comparables maintain waiting lists. There are two senior LIHTC properties we surveyed in the PMA. With a relatively limited supply of senior affordable housing options in the market and a growing demographic base, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments. Between 2020 and market entry, the total number of senior renter households is expected to increase in the PMA. Since the Subject will not operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

**THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY**

<b>2021 EXHIBIT S – 2 SCSHFA PRIMARY MARKET AREA ANALYSIS SUMMARY:</b>	
Development Name: The Magnolia	Total # Units: 60
Location: Whiskey Rd	# LIHTC Units: 60
PMA Boundary: South: Route 278; East: Route 491 and Route 1304; North: Route 207 and Interstate 20; West: Route 191 and Route 87	
Development Type: <input type="checkbox"/> Family <input checked="" type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 11.6 miles

<b>RENTAL HOUSING STOCK (found on pages 104)</b>				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	926	16	98.3%
Market-Rate Housing	5	746	16	97.9%
Assisted/Subsidized Housing not to include LIHTC	0	0	N/A	N/A
<b>LIHTC (All that are stabilized)*</b>	4	180	0	100.0%
Stabilized Comps**	9	926	16	98.3%
Non-stabilized Comps	0	N/Ap	N/Ap	N/Ap

\* 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.

<b>Subject Development</b>					<b>HUD Area FMR</b>			<b>Highest Unadjusted Comp Rent</b>	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
6	1	1	750	\$131	\$708	\$0.94	81.5%	\$957	\$1.28
3	1	1	750	\$465	\$708	\$0.94	34.3%	\$957	\$1.28
27	1	1	750	\$575	\$708	\$0.94	18.8%	\$957	\$1.28
1	2	1.75	922	\$535	\$815	\$0.88	34.4%	\$1,087	\$1.18
1	2	1.75	956	\$535	\$815	\$0.85	34.4%	\$1,087	\$1.14
12	2	1.75	956	\$625	\$815	\$0.85	23.3%	\$1,087	\$1.14
3	2	1.75	922	\$625	\$815	\$0.88	23.3%	\$1,087	\$1.18
2	2	1.75	1,040	\$625	\$815	\$0.78	23.3%	\$1,087	\$1.05
5	2	1.75	956	\$680	\$815	\$0.85	16.6%	\$1,087	\$1.14
<b>Gross Potential Rent Monthly*</b>				<b>\$32,801</b>	<b>\$45,048</b>		<b>27.2%</b>		

\*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. 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.

<b>DEMOGRAPHIC DATA (found on page 34, 54)</b>						
	2000		2020		2023	
Renter Households	1,067	13.6%	2,747	15.6%	2,848	15.5%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	779	28.4%	786	27.6%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

<b>TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 57)</b>						
Type of Demand	20%	50%	60%	70%	Other:___	Overall Affordable
Renter Household Growth	0	-4	1	14		10
Existing Households (Overburd + Substand)	64	180	186	188		398
Homeowner conversion (Seniors)	12	37	39	43		85
Other:						
Less Comparable/Competitive Supply	0	0	0	0		0
<b>Net Income-qualified Renter HHs</b>	76	212	226	245		493

<b>CAPTURE RATES (found on page 58)</b>						
Targeted Population	20%	50%	60%	70%	Other:___	Overall
Capture Rate	13.2%	2.7%	22.2%	7.2%		13.8%

**ABSORPTION RATE (found on page 58)**

Absorption Period 3 months

THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY

# Units	Bedroom Type	Proposed Tenant Paid Rent	Net Proposed Tenant Rent	Gross HUD FMR	Gross FMR Total	Tax Credit Gross Rent Advantage
6	1BR	\$131	\$786	\$708	\$4,248	81.5%
3	1BR	\$465	\$1,395	\$708	\$2,124	34.3%
27	1BR	\$575	\$15,525	\$708	\$19,116	18.8%
2	2BR	\$535	\$1,070	\$815	\$1,630	34.4%
17	2BR	\$625	\$10,625	\$815	\$13,855	23.3%
5	2BR	\$680	\$3,400	\$815	\$4,075	16.6%
Totals	60		\$32,801		\$45,048	27.2%

Source: SCSHFDA, Novogradac Consulting LLP, May 2021

# **A. PROJECT DESCRIPTION**

**PROPERTY DESCRIPTION**

- Development Location:** The Subject site is located on Whiskey Road north of Stratford Drive in Aiken, Aiken County, South Carolina.
- Date of Construction:** According to the developer, construction is expected to begin in June 2022, with an anticipated completion date in June 2023.
- Construction Type:** The Subject will involve the new construction of 60 units in one, elevator-serviced, three-story residential building.
- Occupancy Type:** Senior, minimum age 55.
- Target Income Group:** The Subject’s units will target senior households with one to two persons earning 20, 50, 60, and 70 percent of AMI or less. Based on the unit mix, the annual household income levels will range from \$7,770 to \$38,710.
- Special Population Target:** None.
- Number of Units by Unit Type:** The Subject will include 36 one-bedroom units and 24 two-bedroom units.
- Number of Buildings and Stories:** The Subject will be constructed in one, elevator-serviced, three-story residential building.
- Unit Mix:** The following table summarizes the Subject’s proposed unit sizes.

**UNIT MIX AND SQUARE FOOTAGE**

Unit Type	Number of Units	Unit Size (SF)	Net Leasable
1BR / 1BA	36	750	27,000
2BR / 1.75BA	4	922	3,688
2BR / 1.75BA	18	956	17,208
2BR / 1.75BA	2	1,040	2,080
<b>TOTAL</b>	<b>60</b>		<b>49,976</b>

- Structure Type/Design:** The Subject will offer one, elevator-serviced, three-story lowrise-style residential building.
- Proposed Rents and Utility Allowance:** The following table details the Subject’s proposed rents and utility allowances.

**PROPOSED RENTS**

Unit Type	Unit Size (SF)	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2021 LIHTC Maximum Allowable Gross Rent	2021 HUD Fair Market Rents	
@20%								
1BR / 1BA	750	6	\$131	\$128	\$259	\$259	\$708	
@50%								
1BR / 1BA	750	3	\$465	\$128	\$593	\$648	\$708	
2BR / 1.75BA	922	1	\$535	\$172	\$707	\$777	\$815	
2BR / 1.75BA	956	1	\$535	\$172	\$707	\$777	\$815	
@60%								
1BR / 1BA	750	27	\$575	\$128	\$703	\$777	\$708	
2BR / 1.75BA	956	12	\$625	\$172	\$797	\$933	\$815	
2BR / 1.75BA	922	3	\$625	\$172	\$797	\$933	\$815	
2BR / 1.75BA	1,040	2	\$625	\$172	\$797	\$933	\$815	
@70%								
2BR / 1.75BA	956	5	\$680	\$172	\$852	\$1,088	\$815	
		<b>60</b>						

Notes (1) Source of Utility Allowance provided by the Developer.

**Utility Structure/Allowance:**

The tenant will pay for electric expenses, including cooking, general electric, heat, hot water, and central air conditioning, and water and sewer expenses. The landlord will be responsible for trash expenses. The estimated utility allowances for the Subject are \$128 for its one-bedroom units and \$174 for its two-bedroom units. For adjustment purposes, we utilized a utility allowance furnished by the South Carolina Housing Finance and Development Agency for the Midland Region (which includes Aiken County), effective February 24, 2021, the most recent available.

**Existing or Proposed Project-Based Rental Assistance:**

The Subject is proposed and will not operate with project-based rental assistance subsidy.

**Community Amenities:**

See following Subject Profile sheet.

**Unit Amenities:**

See following Subject Profile sheet.

**Current Occupancy/Rent Levels:**

The Subject will be proposed new construction.

**Scope of Renovation:**

The Subject will be proposed new construction.



THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY

The Magnolia	
Location	2799 Whiskey Road Aiken, SC 29803 Aiken County
Units	60
Vacant Units	N/A
Vacancy Rate	N/A
Type	Lowrise (3 stories)
Year Built / Renovated	2023 / n/a



Utilities			
A/C	not included – central	Other Electric	not included
Cooking	not included – electric	Water	not included
Water Heat	not included – electric	Sewer	not included
Heat	not included – electric	Trash Collection	included

Unit Mix (face rent)											
Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	Lowrise (3 stories)	6	750	\$131	\$0	@20%	n/a	N/A	N/A	yes
1	1	Lowrise (3 stories)	3	750	\$465	\$0	@50%	n/a	N/A	N/A	no
1	1	Lowrise (3 stories)	27	750	\$575	\$0	@60%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	1	922	\$535	\$0	@50%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	1	956	\$535	\$0	@50%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	12	956	\$625	\$0	@60%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	3	922	\$625	\$0	@60%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	2	1040	\$625	\$0	@60%	n/a	N/A	N/A	no
2	1.75	Lowrise (3 stories)	5	950	\$680	\$0	@70%	n/a	N/A	N/A	no

Amenities		
In-Unit	Blinds	Security
	Carpeting	In-Unit Alarm
	Central A/C	Intercom (Buzzer)
	Coat Closet	Limited Access
	Dishwasher	Video Surveillance
	Ceiling Fan	
	Garbage Disposal	
	Grab Bars	
	Hand Rails	
	Microwave	
	Oven	
	Pull Cords	
	Refrigerator	
	Washer/Dryer hookup	
	Property	Business Center/Computer Lab
	Clubhouse/Meeting Room/Community Room	none
	Courtyard	
	Elevators	
	Exercise Facility	
	Central Laundry	
	Off-Street Parking	
	On-Site Management	
Services	none	Other
		Library

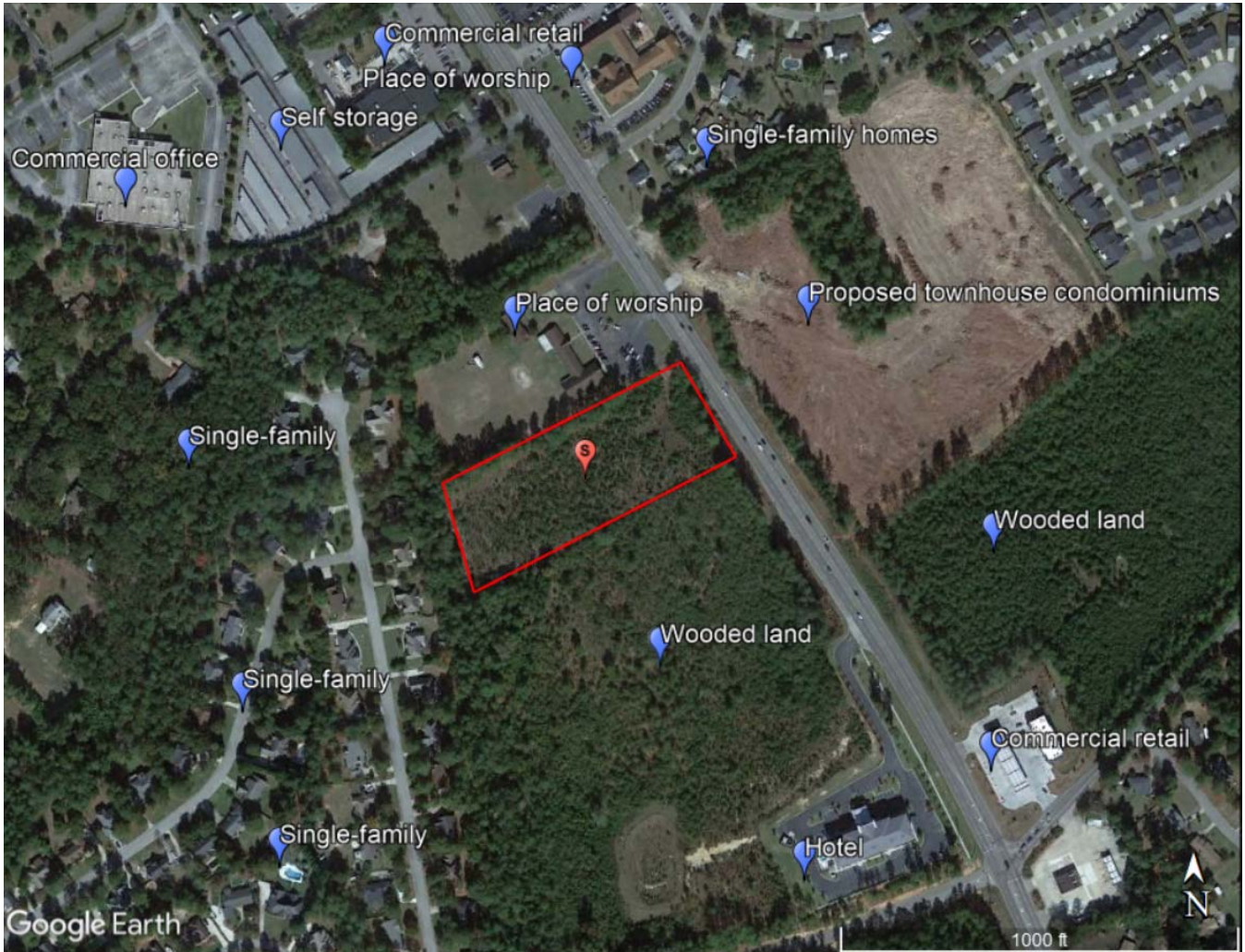
## **B. SITE DESCRIPTION**

**SITE DESCRIPTION**

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description discusses the physical features of the site, as well as the layout, access issues, and traffic flow.

**Date of Site Visit:** April 20, 2021.

**Surrounding Land Uses:** The following map and pictures illustrate the surrounding land uses.



Source: Google Earth, April 2021

**Physical Features of Site:** The Subject site is located within Aiken, South Carolina and is primarily forested land.

**Location/Surrounding Uses:** The Subject site is located in a primarily residential neighborhood consisting of undeveloped, forested land, single-family residential, and commercial retail and office developments. Land uses to the north of the Subject site include a place of worship and commercial office uses in average condition. Further north are commercial retail



uses along Whiskey Road. Land use to the east consists of vacant land that is currently under construction with site related work and proposed for townhouse condominium construction. The proposed townhomes will be priced in the \$200,000 to \$300,000 range. Also to the east is vacant wooded land and single-family and condominium residential uses in good condition. Land use to the south consists of vacant wooded land and a Holiday Inn Express hotel in good condition. Further south are single-family homes in average condition and commercial retail uses along Whiskey Road. Land use to the west consists of single-family homes in good condition. Overall, the Subject site is considered a desirable site for rental housing.

**Photographs of Subject Site and Surrounding Uses**



View of the Subject site



View of the Subject site



View of the Subject site



View of the Subject site





View of the Subject site



View of the Subject site



View south along Whiskey Road



View north along Whiskey Road



Hotel south of Subject site



Commercial retail use east of Subject site





Single-family home in Subject neighborhood



Single-family home in Subject neighborhood



Single-family home in Subject neighborhood



Single-family home in Subject neighborhood



Place of worship to the north



Single-family home in Subject neighborhood



Commercial retail use in Subject neighborhood



Commercial retail use in Subject neighborhood

**Visibility/Views:**

The Subject will have good visibility from Whiskey Road upon completion. Immediate views in all directions from the Subject site will consist of the wooded periphery of the site. Views further north will consist of a place of worship in average condition. Views to the east are of a developing townhome development and vacant wooded land. Views to the south consist of vacant wooded land. Views to the west consists of wooded land and single-family homes in good condition. The Subject site is within a residential neighborhood with good visibility and average views.

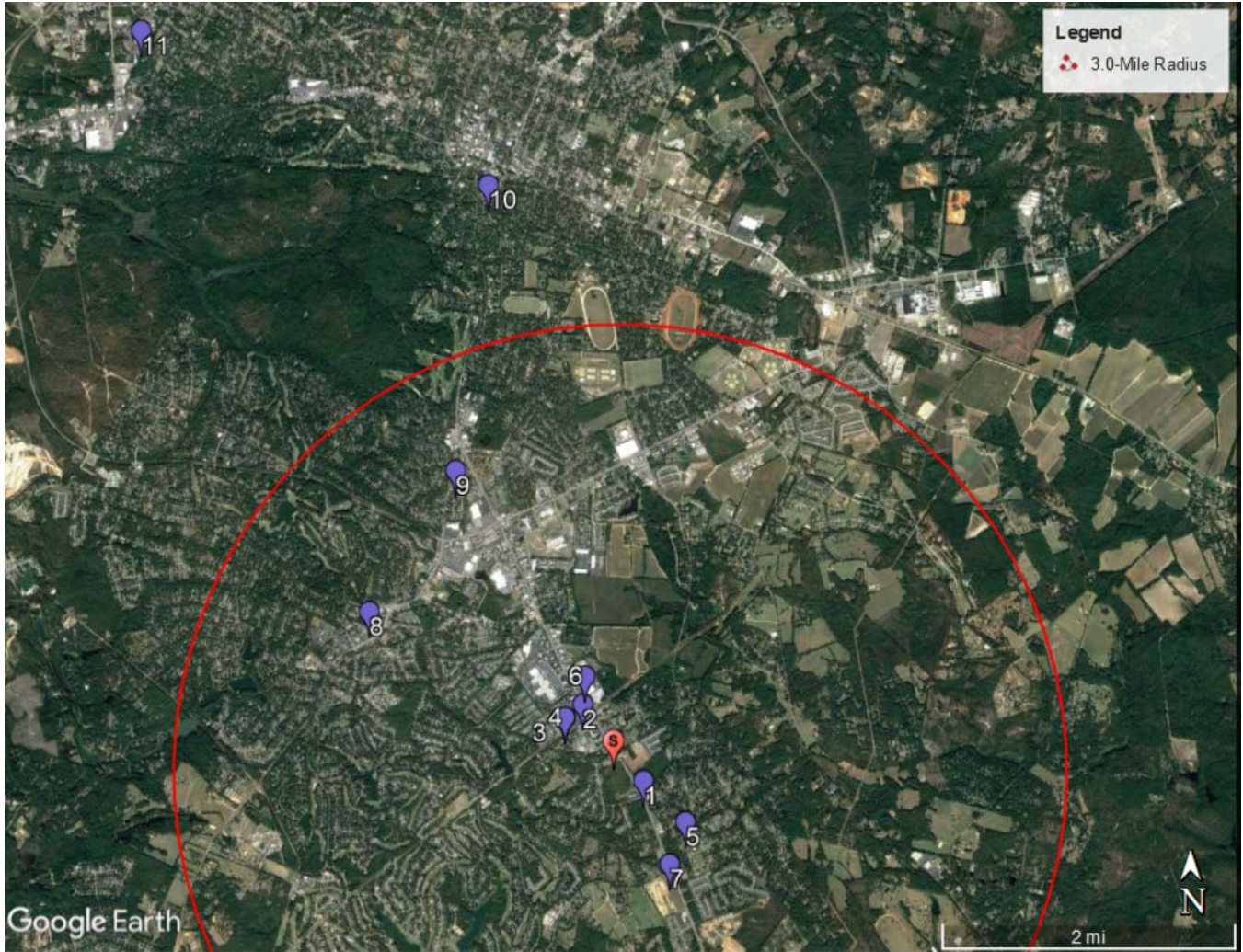
**Detrimental Influence:**

There are no detrimental influences in the Subject's immediate neighborhood.

**Proximity to Local Services:**

The Subject is located in reasonable proximity to local services including retail uses, banks, schools and a library. The following table details the Subject's distance from key locational amenities. A *Locational Amenities Map*, corresponding to the following table, is located following.





Source: Google Earth, April 2021

**LOCATIONAL AMENITIES**

Map #	Service or Amenity	Distance from Subject (Crow)
1	Gas Station & Convenience Store	0.2 miles
2	Security Federal Bank	0.4 miles
3	Target	0.5 miles
4	CVS Pharmacy	0.5 miles
5	Fire Station	0.6 miles
6	Aldi Grocery	0.6 miles
7	Dollar General	0.8 miles
8	US Post Office	2.0 miles
9	Police Station	2.2 miles
10	Public Library	4.0 miles
11	Aiken Regional Medical Center	5.9 miles



**Availability of Public Transportation:**

Three different methods of public transportation are available throughout Aiken County. The most widely accessible form of public transportation is The Best Friend Express, which provides fixed-route bus transportation to anyone who wishes to use the service. The nearest bus stop is located 0.3 miles north of the Subject at Whiskey Road and Heathwood Drive. The bus stop is serviced by the Red Route, which provides service throughout the city of Aiken every two hours. Bus fare costs \$1.00 for seniors aged 60 and above, and \$2.00 for adults. Another form of public transportation available to seniors is Dial-A-Ride, which is available only to persons with disabilities who cannot access The Best Friend Express. Dial-A-Ride offers door-to-door transportation. One-way costs \$3, and the service must be booked one day in advance. Aiken Senior Life Services, the nearest senior center to the Subject site, also offers transportation to seniors throughout Aiken County through their bus service the Pony Express. The Pony Express offers transportation along the same routes as The Best Friend Express, but the bus is able to deviate from these routes to pick up nearby individuals. The Pony Express is available to seniors with transportation needs, people with disabilities, and Vocational Rehabilitation Center participants who need to travel for medical non-emergencies, to rural areas, and transportation for shopping. The Pony Express is free of charge, but must be booked three days in advance.

**Road/Infrastructure Proposed Improvements:**

We witnessed no current road improvements within the Subject’s immediate neighborhood.

**Crime Rates:**

Based upon our site inspection, there appeared to be no crime issues in the Subject’s neighborhood and property managers did not report having issues with crime. The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

**2020 CRIME INDICES**

	PMA	MSA
<b>Total Crime*</b>	<b>187</b>	<b>123</b>
<b>Personal Crime*</b>	<b>177</b>	<b>119</b>
Murder	138	140
Rape	139	98
Robbery	118	107
Assault	210	127
<b>Property Crime*</b>	<b>188</b>	<b>124</b>
Burglary	211	160
Larceny	185	112
Motor Vehicle Theft	150	122

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

\*Unweighted aggregations

The total crime risk index in the PMA and MSA are above the nation. The Subject will feature limited access, intercom entry, unit alarms, and video surveillance as security features. The majority of the

comparables offer one or more security features. Overall, we believe the Subject's proposed security features are competitive and market-oriented.

**Access and Traffic Flow:**

The Subject site will have access from Whiskey Road. Whiskey Road extends north into downtown Aiken and south into southern Aiken County. It provides access to Route 78 and Interstate 20, which provides access throughout the metro area.

**Positive/Negative Attributes:**

The Subject will have overall average access to area retail and community services in Aiken, the majority of which are less than three miles from the Subject site. Additionally, there are no detrimental influences in the Subject's immediate neighborhood.

## **C. MARKET AREA**

**PRIMARY MARKET AREA**

For the purpose of this study, it is necessary to define the primary market area (PMA), or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The Subject is a proposed 60-unit senior development to be constructed in Aiken, South Carolina. The PMA encompasses the city of Aiken, in addition to the outlying areas surrounding the city. Its boundaries are generally defined as Route 207 and Interstate 20 to the north, Route 491 and Route 1304 to the east, Route 278 to the south, and Route 191 and Route 87 to the west. Based on interviews with local property managers, most of the tenants will originate from Aiken and other communities in Aiken County. Therefore, we anticipate that the majority of the Subject’s tenants will come from within the boundaries of the PMA. Approximate distances to the farthest boundaries of the PMA in each direction are as follows:

North: 11.6 miles  
 East: 9.2 miles  
 South: 9.5 miles  
 West: 7.3 miles

The PMA includes all or part of the following census tracts:

PMA Census Tracts		
45003020401	45003020200	45003021401
45003021603	45003020903	45003021201
45003021204	45003022004	45003021205
45003020303	45003021500	45003021601
45003021604	45003020402	45003021102
45003022001	45003020304	45003021202
45003021402	45003020301	45003021300
45003022003	45003021902	45003021901
45003980100	45003021101	-

The PMA has been identified based upon conversations with management at market-rate and LIHTC properties in the area as well as other market participants in addition to demographic characteristics of census tracts within the area. Although we believe that neighborhood characteristics and geographic/infrastructure barriers are typically the best indicators of PMA boundaries, we have also examined demographic characteristics of census tracts in and around the Aiken area in an effort to better identify the Subject’s PMA. It is important to note however that we do not base our PMA determinations on census tract information alone as these boundaries are rarely known to the average person.

The secondary market area (SMA) for the Subject is considered to be the August-Richmond County, GA-SC Metropolitan Statistical Area (MSA), which consists of Richmond, Burke, Columbia, Lincoln, and McDuffie Counties in Georgia and Aiken and Edgefield Counties in South Carolina.

As per SCSHFDA guidelines, we have provided a table that illustrates the racial characteristics of the PMA, as well as data for the MSA.

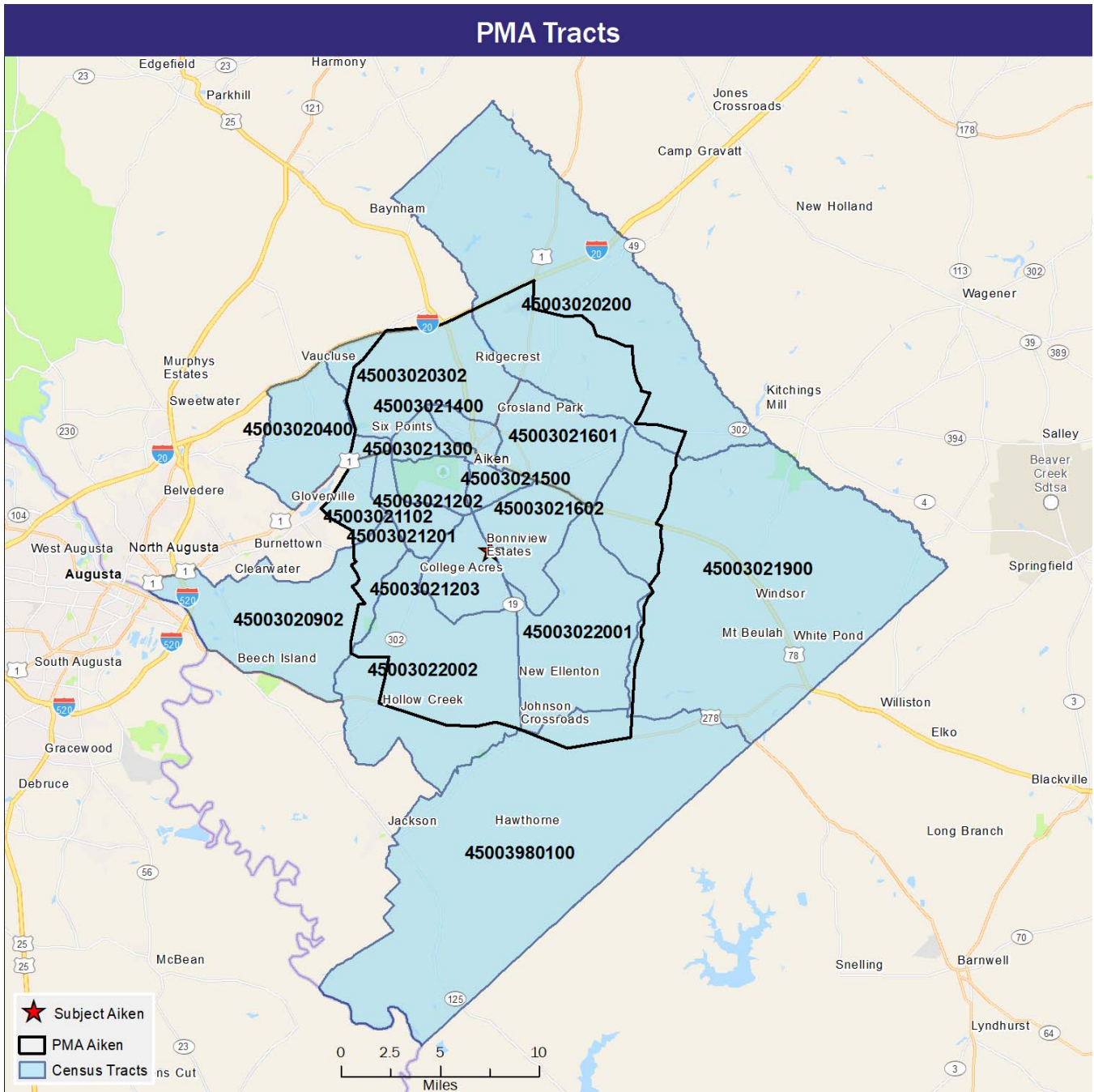
2010 POPULATION BY RACE

	PMA		SMA		USA	
<b>Total</b>	<b>70,561</b>	-	<b>564,873</b>	-	<b>308,745,538</b>	-
White	48,486	68.7%	330,618	58.5%	223,553,265	72.4%
Black	18,545	26.3%	199,265	35.3%	38,929,319	12.6%
American Indian	313	0.4%	1,969	0.3%	2,932,248	0.9%
Asian	872	1.2%	9,701	1.7%	14,674,252	4.8%
Pacific	29	0.0%	709	0.1%	540,013	0.2%
Other	1,088	1.5%	9,763	1.7%	19,107,368	6.2%
Two or More Races	1,228	1.7%	12,848	2.3%	9,009,073	2.9%
<b>Total Hispanic</b>	<b>2,590</b>	-	<b>24,810</b>	-	<b>50,477,594</b>	-
Hispanic: White	1,179	45.5%	10,748	43.3%	26,735,713	53.0%
Hispanic: Black	131	5.1%	2,130	8.6%	1,243,471	2.5%
Hispanic: American Indian	47	1.8%	268	1.1%	685,150	1.4%
Hispanic: Asian	7	0.3%	111	0.4%	209,128	0.4%
Hispanic: Pacific	0	0.0%	51	0.2%	58,437	0.1%
Hispanic: Other	1,010	39.0%	8,978	36.2%	18,503,103	36.7%
Hispanic: Two or More Races	216	8.3%	2,524	10.2%	3,042,592	6.0%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

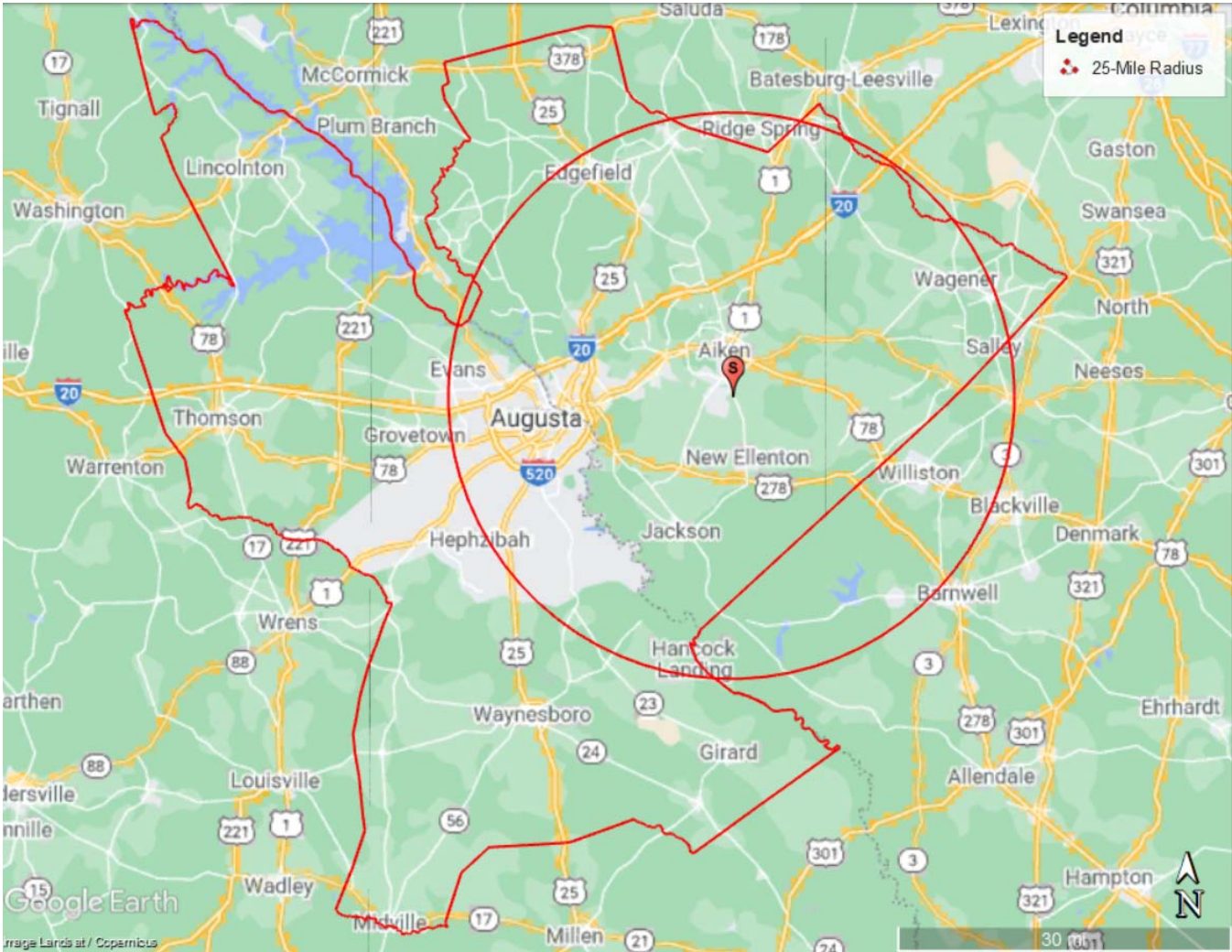
Per SCSHFDA guidelines, we have not accounted for leakage and have assumed 100 percent of demand will come from within the PMA boundaries.

The following map outlines the PMA and identifies the census tracts included within these boundaries.





The following map outlines the MSA.



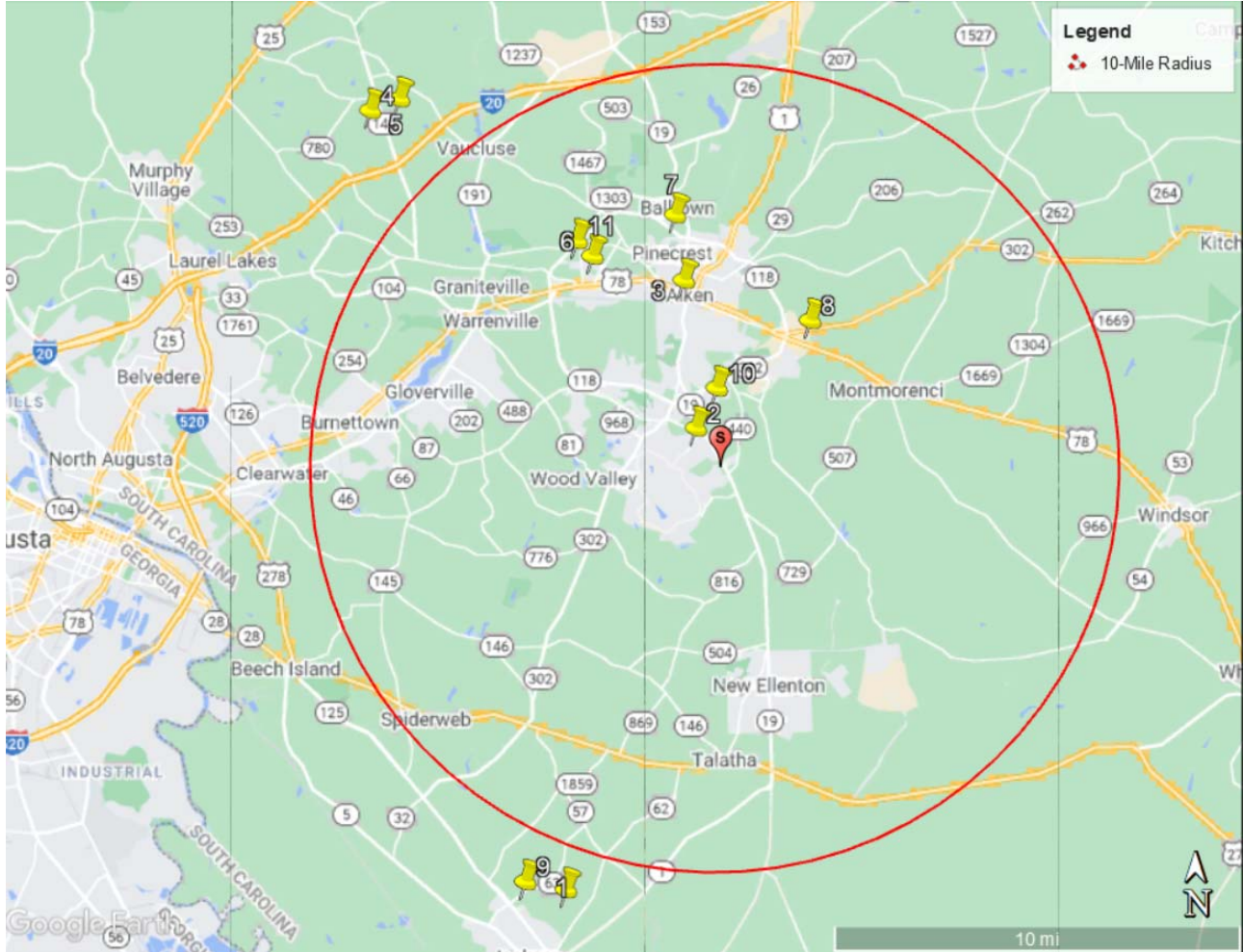
## **D. MARKET AREA ECONOMY**



## REGIONAL AND LOCAL ECONOMIC OVERVIEW

### Map of Employment Centers

The following map illustrates the Subject's location compared to major employment centers in the surrounding areas.



Source: Google Earth, April 2021

### MAJOR EMPLOYERS - AIKEN COUNTY, SC

#	Employer Name	Industry
1	Savannah River Nuclear Solutions LLC	Manufacturing
2	Aiken County Public Schools	Education
3	Savannah River Remediation	Utilities
4	Bridgestone Americas Tire Operations	Manufacturing
5	Kimberly Clark Corporation	Manufacturing
6	Aiken Regional Medical Center	Healthcare
7	Aiken County	Public Administration
8	AGY	Manufacturing
9	Centerra (WSI)	Manufacturing
10	UPS Customs Brokerage	Transportation/Logistics
11	University of South Carolina Aiken	Education

## Employment by Industry

The following table illustrates employment by industry for the PMA as of 2020 (most recent year available).

### 2020 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Healthcare/Social Assistance	4,502	14.8%	22,313,586	15.1%
Manufacturing	4,415	14.5%	15,550,554	10.6%
Educational Services	2,999	9.8%	14,320,448	9.7%
Retail Trade	2,846	9.3%	14,356,334	9.7%
Prof/Scientific/Tech Services	2,770	9.1%	12,049,828	8.2%
Construction	2,430	8.0%	10,829,187	7.4%
Accommodation/Food Services	1,863	6.1%	8,202,612	5.6%
Other Services	1,442	4.7%	6,772,309	4.6%
Public Administration	1,400	4.6%	7,071,492	4.8%
Admin/Support/Waste Mgmt Svcs	1,364	4.5%	5,786,624	3.9%
Finance/Insurance	873	2.9%	7,169,665	4.9%
Utilities	849	2.8%	1,274,383	0.9%
Transportation/Warehousing	778	2.6%	6,959,787	4.7%
Arts/Entertainment/Recreation	562	1.8%	2,329,497	1.6%
Real Estate/Rental/Leasing	427	1.4%	3,082,197	2.1%
Wholesale Trade	363	1.2%	3,744,789	2.5%
Information	300	1.0%	2,723,217	1.8%
Agric/Forestry/Fishing/Hunting	258	0.8%	1,852,333	1.3%
Mining	53	0.2%	729,605	0.5%
Mgmt of Companies/Enterprises	0	0.0%	210,175	0.1%
<b>Total Employment</b>	<b>30,494</b>	<b>100.0%</b>	<b>147,328,622</b>	<b>100.0%</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

Employment in the PMA is concentrated in the healthcare/social assistance, manufacturing, and educational services industries, which collectively comprise 39.1 percent of local employment. The large share of PMA employment in manufacturing is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Relative to the overall nation, the PMA features comparatively greater employment in the manufacturing, utilities, and prof/scientific/tech services industries. Conversely, the PMA is underrepresented in the transportation/warehousing, finance/insurance, and wholesale trade industries.

The following table illustrates the changes in employment by industry from 2000 to 2020, in the Subject's PMA.

2010-2020 CHANGE IN EMPLOYMENT - PMA

Industry	2010		2020		2010-2020	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Growth	Annualized Percent
Healthcare/Social Assistance	3,916	13.5%	4,502	14.8%	586	1.5%
Manufacturing	3,433	11.9%	4,415	14.5%	982	2.9%
Educational Services	2,881	10.0%	2,999	9.8%	118	0.4%
Retail Trade	3,152	10.9%	2,846	9.3%	-306	-1.0%
Prof/Scientific/Tech Services	1,614	5.6%	2,770	9.1%	1,156	7.2%
Construction	2,295	7.9%	2,430	8.0%	135	0.6%
Accommodation/Food Services	1,455	5.0%	1,863	6.1%	408	2.8%
Other Services	946	3.3%	1,442	4.7%	496	5.2%
Public Administration	1,467	5.1%	1,400	4.6%	-67	-0.5%
Admin/Support/Waste Mgmt Svcs	1,415	4.9%	1,364	4.5%	-51	-0.4%
Finance/Insurance	792	2.7%	873	2.9%	81	1.0%
Utilities	2,607	9.0%	849	2.8%	-1,758	-6.7%
Transportation/Warehousing	509	1.8%	778	2.6%	269	5.3%
Arts/Entertainment/Recreation	588	2.0%	562	1.8%	-26	-0.4%
Real Estate/Rental/Leasing	442	1.5%	427	1.4%	-15	-0.3%
Wholesale Trade	530	1.8%	363	1.2%	-167	-3.2%
Information	461	1.6%	300	1.0%	-161	-3.5%
Agric/Forestry/Fishing/Hunting	323	1.1%	258	0.8%	-65	-2.0%
Mining	70	0.2%	53	0.2%	-17	-2.4%
Mgmt of Companies/Enterprises	5	0.0%	0	0.0%	-5	-10.0%
<b>Total Employment</b>	<b>28,901</b>	<b>100.0%</b>	<b>30,494</b>	<b>100.0%</b>	<b>1,593</b>	<b>0.6%</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

\* Industry data current as of 2010. Other projections current as of 2020.

\* Change in percentage is calculated as a rate of change by industry.

Total employment in the PMA increased at an annualized rate of 0.6 percent between 2010 and 2020. The industries which expanded most substantially during this period include prof/scientific/tech services, manufacturing, and healthcare/social assistance. Conversely, the utilities, retail trade, and wholesale trade sectors experienced the least growth.

## Major Employers

The table below shows the largest employers in Aiken County, SC.

### MAJOR EMPLOYERS AIKEN COUNTY, SC

Employer Name	Industry	# Of Employees
Savannah River Nuclear Solutions LLC	Manufacturing	5,696
Aiken County Public Schools	Education	3,400
Savannah River Remediation	Utilities	2,415
Bridgestone Americas Tire Operations	Manufacturing	1,884
Kimberly Clark Corporation	Manufacturing	1,200
Aiken Regional Medical Center	Healthcare	1,167
Aiken County	Public Administration	975
AGY	Manufacturing	766
Centerra (WSI)	Manufacturing	678
UPS Customs Brokerage	Transportation/Logistics	610
University of South Carolina Aiken	Education	606
<b>Totals</b>		<b>19,397</b>

Source: Aiken Chamber of Commerce, April 2021

The largest employers in Aiken County are concentrated in a variety of sectors including manufacturing, education, utilities, healthcare/social assistance, and public administration. Although manufacturing is historically more volatile during periods of economic downturn, the education, healthcare/social assistance, and public administration sectors are traditionally more stable, which bodes well for the local economy.

## Expansions/Contractions

We made several attempts to reach the Economic Development Partnership for Aiken, Edgefield, Saluda, and McCormick Counties regarding business expansions and relocations. However, we were unable to reach anyone for an interview. Based on our internet research, the following business expansions and relocations are planned for the county.

- Generac Power Systems announced in February 2021 plans to establish operations in Edgefield County by creating a new facility that will create 450 jobs and be completed by fall 2021. The company manufactures power generators.
- Central States Manufacturing Inc announced in April 2020 plans to establish operations in Aiken County with a \$13 million investment that will create 70 new jobs. The company manufactures and distributes metal building products.

## WARN Notices

The following table illustrates the contractions in Aiken County as provided by the South Carolina Department of Employment and Workforce between 2018 and 2021 year-to-date (YTD). Jobs affected represent job losses.

**WARN LISTINGS  
AIKEN COUNTY, SC**

Company	Industry	Employees Affected	Layoff Date
Orano Federal Services	Manufacturing (Government Contracting)	51	4/1/2019
CB&I Project Services Group	Manufacturing (Government Contracting)	500	4/1/2019
Orano Federal Services	Manufacturing (Government Contracting)	70	2/4/2019
CB&I Project Services Group	Manufacturing (Government Contracting)	372	2/4/2019
Orano Federal Services	Manufacturing (Government Contracting)	114	1/7/2019
CB&I Project Services Group	Manufacturing (Government Contracting)	502	1/7/2019
<b>Total</b>		<b>1,609</b>	

Source: SC Works, retrieved 4/2021

As the table depicts, there were 1,609 layoffs/closures in Aiken County that took effect between January 2018 and 2021 YTD. It should be noted that none of these layoffs occurred since March 2020 and are thus not the result of the ongoing COVID-19 pandemic, indicating a more modest effect of the pandemic on the local economy compared to the nation overall.

The above layoffs are from two companies that are both government contractors that were working under a contract with the National Nuclear Security Administration (of the U.S. Department of Energy) at the Savannah River Site in a Mixed Oxide Fuel Fabrication Facility to turn weapons-grade plutonium into nuclear fuel. On October 10, 2018, the NNSA terminated the contract effective immediately and in full. The NNSA recommended repurposing the facility in the near future, though at this time there is no known regarding the future use or workforce related to this component of the Savannah River Site facilities (which is operated by the U.S. Department of Energy.)

**Employment and Unemployment Trends**

The following table details employment and unemployment trends for the MSA from 2004 to 2020 (through December).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)								
Augusta-Richmond County, GA-SC Metropolitan Statistical Area					USA			
Year	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2004	239,637	-	5.8%	-	139,252,000	-	5.5%	-
2005	240,105	0.2%	6.6%	0.7%	141,730,000	1.8%	5.1%	-0.5%
2006	242,981	1.2%	6.3%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2007	246,502	1.4%	5.9%	-0.5%	146,047,000	1.1%	4.6%	0.0%
2008	245,926	-0.2%	6.8%	0.9%	145,363,000	-0.5%	5.8%	1.2%
2009	239,756	-2.5%	9.6%	2.8%	139,878,000	-3.8%	9.3%	3.5%
2010	231,551	-3.4%	9.9%	0.3%	139,064,000	-0.6%	9.6%	0.3%
2011	233,906	1.0%	9.7%	-0.1%	139,869,000	0.6%	9.0%	-0.7%
2012	235,347	0.6%	9.1%	-0.6%	142,469,000	1.9%	8.1%	-0.9%
2013	236,155	0.3%	8.3%	-0.8%	143,929,000	1.0%	7.4%	-0.7%
2014	237,001	0.4%	7.3%	-1.0%	146,305,000	1.7%	6.2%	-1.2%
2015	240,361	1.4%	6.4%	-0.9%	148,833,000	1.7%	5.3%	-0.9%
2016	246,894	2.7%	5.7%	-0.7%	151,436,000	1.7%	4.9%	-0.4%
2017	254,657	3.1%	4.9%	-0.8%	153,337,000	1.3%	4.4%	-0.5%
2018	256,805	0.8%	4.2%	-0.7%	155,761,000	1.6%	3.9%	-0.4%
2019	258,762	0.8%	3.7%	-0.6%	157,538,000	1.1%	3.7%	-0.2%
2020 YTD Average*	251,606	-2.8%	5.8%	2.2%	147,794,750	-6.2%	8.1%	4.4%
Dec-2019	261,678	-	3.1%	-	158,504,000	-	3.4%	-
Dec-2020	255,791	-2.2%	5.3%	2.2%	149,613,000	-5.6%	6.5%	3.1%

Source: U.S. Bureau of Labor Statistics, May 2021

\*2020 data is through December



Prior to the national recession, average employment growth in the MSA generally trailed the nation. Annual job growth in the MSA lagged the nation in all but three years between 2003 and 2007. The effects of the recession were particularly pronounced in the MSA, which experienced a 6.1 percent contraction in employment growth (2007-2010), well above the 4.8 percent contraction reported by the nation as a whole (2007-2010). Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the overall nation. Since 2012, average employment growth in the MSA trailed the nation in all but two years. As of December 2020, MSA employment is below record levels, and declined 2.2 percent over the past year, compared to a 5.6 percent decline across the overall nation.

The MSA experienced a higher average unemployment rate relative to the overall nation during the years preceding the recession. However, the local labor market demonstrated relative strength during the recession, as the rate of unemployment increased by only 0.3 percentage points, compared to a 0.3 percentage point increase across the overall nation. Since 2012, the MSA generally experienced a higher unemployment rate compared to the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 5.3 percent, lower than the current national unemployment rate of 6.5 percent.

The sudden and sharp contraction is due to the economic fallout from the COVID-19 pandemic; however, thus far, performance in the MSA is faring better than national trends. However, given the underlying cause of the current recession, the varying response and approach by the state and municipal governments nationwide, and the uncertainty regarding treatment and vaccine timeframes, it is unclear if that pattern will hold true. It is assumed that tourism will certainly decline by some amount compared to years prior. The economic impact will become more evident in the coming months as restrictions continue to be lifted and stimulus funds work their way through the economy.

*This report was developed as the COVID-19 crisis continues to significantly impact the national and global economies. Unemployment has decreased from the record high of 14.7 percent nationally in May 2020 to 6.5 as of December 2020. Stimulus plans have been implemented, and the hope is that the economic fallout will be mitigated, to some extent, by these measures. Furthermore, an additional \$1.9 trillion stimulus package was passed by Congress and signed into law on April 20, 2021; this package includes but is not limited to direct stimulus payments, a boost in unemployment benefits, local and state government funding, tax incentives/credits, and funds to help with COVID-19 vaccinations.*

## **Housing and Economy**

There are 18 LIHTC and subsidized properties in the Subject's PMA, of which only two are unsubsidized with a senior tenancy. Given the very low vacancy rates and presence of waiting lists among the LIHTC comparables, the availability of housing for low-income renters is considered limited, particularly among older person households.

As noted prior, as of December 2020, the unemployment rate in the MSA is 5.3 percent, which is lower than the current national unemployment rate of 6.5 percent. The current recession caused by COVID-19 could lead residents in Aiken to consider more affordable housing options, such as the Subject.

According to Zillow, the median home value in Columbia is \$201,537, up 11.2 percent from last year. Further, the single-family home market is still a buyer's market, however this may change due to the current economic uncertainty due to COVID-19.

According to RealtyTrac's March 2021 estimates, the city of Aiken experienced a foreclosure rate of one in every 4,691 housing units. Aiken County experienced a slightly higher foreclosure rate compared to the city of Aiken, and experienced a foreclosure rate of one in every 3,197 housing units in March 2021. The state of South Carolina had a foreclosure rate of one in every 8,350 housing units.

## COMMUTING PATTERNS

The following table details travel time to work for residents within the PMA as of 2020. The average travel time in the PMA is 26 minutes. Approximately 65.9 percent of households within the PMA have commute times of less than 30 minutes. It should be noted that the Subject will have a senior tenancy, and as such many tenants are expected to no longer be part of the workforce.

COMMUTING PATTERNS		
ACS Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	918	3.1%
Travel Time 5-9 min	3,065	10.3%
Travel Time 10-14 min	5,353	18.0%
Travel Time 15-19 min	5,012	16.9%
Travel Time 20-24 min	3,440	11.6%
Travel Time 25-29 min	1,790	6.0%
Travel Time 30-34 min	4,230	14.2%
Travel Time 35-39 min	1,158	3.9%
Travel Time 40-44 min	1,116	3.8%
Travel Time 45-59 min	1,777	6.0%
Travel Time 60-89 min	1,531	5.2%
Travel Time 90+ min	301	1.0%
<b>Weighted Average</b>	<b>26 minutes</b>	

Source: US Census 2020, Novogradac Consulting LLP, May 2021

## CONCLUSION

Employment in the PMA is concentrated in the healthcare/social assistance, manufacturing, and educational services industries, which collectively comprise 39.1 percent of local employment. The large share of PMA employment in manufacturing is notable as this industry is historically volatile, and prone to contraction during economic downturns. However, the PMA also has a significant share of employment in the healthcare industry, which is historically known to exhibit greater stability during recessionary periods. Employment in the MSA recovered and surpassed pre-recessionary levels in 2016, two years after the overall nation. Since 2012, average employment growth in the MSA trailed the nation in all but two years. As of December 2020, MSA employment is below record levels, and declined 2.2 percent over the past year, compared to a 5.6 percent decline across the overall nation. According to the most recent labor statistics, the unemployment rate in the MSA is 5.3 percent, lower than the current national unemployment rate of 6.5 percent. The sudden and sharp contraction as of late is due to the economic fallout from the COVID-19 pandemic; however, thus far, performance in Aiken is faring better than national trends. However, given the underlying cause of the current recession, the varying response and approach by the state and municipal governments nationwide, and the uncertainty regarding treatment and vaccine timeframes, it is unclear if that pattern will hold true. It is assumed that tourism will certainly decline by some amount compared to years prior. The economic impact will become more evident in the coming months as restrictions continue to be lifted and stimulus funds work their way through the economy.

# **E. COMMUNITY DEMOGRAPHIC DATA**



## COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the PMA. Data such as population, households and growth patterns will be studied to determine if the PMA and the MSA, which serves as the Secondary Market Area, are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA, MSA, and nation.

### Population Trends

The following tables illustrate (a) Total Population, both for the geographic areas a whole and for the population age 55 and older, and (b) Population by Age Group, and (c) Population Growth Rate.

#### POPULATION

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical		USA	
	<i>Number</i>	<i>Annual</i>	<i>Number</i>	<i>Annual</i>	<i>Number</i>	<i>Annual</i>
2000	55,305	-	500,576	-	280,304,282	-
2010	70,560	2.8%	564,873	1.3%	308,745,538	1.0%
2020	76,585	0.8%	625,458	1.0%	333,793,107	0.8%
Projected Mkt Entry June 2023	78,497	0.9%	644,385	1.0%	340,926,209	0.7%
2025	79,863	0.9%	657,905	1.0%	346,021,282	0.7%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

#### SENIOR POPULATION, 55+

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical Area		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	13,178	-	97,125	-	59,006,921	-
2010	22,879	7.4%	140,284	4.4%	76,750,713	3.0%
2020	29,199	2.7%	186,906	3.2%	98,878,570	2.8%
Projected Mkt Entry June 2023	30,555	1.6%	197,445	1.9%	103,516,592	1.6%
2025	31,524	1.6%	204,973	1.9%	106,829,465	1.6%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

POPULATION BY AGE GROUP

Age Cohort	PMA			Projected Mkt	
	2000	2010	2020	Entry June 2023	2025
0-4	3,415	3,951	3,854	3,933	3,989
5-9	4,014	3,975	4,133	4,156	4,172
10-14	4,129	4,255	4,309	4,381	4,433
15-19	3,982	4,792	4,175	4,388	4,540
20-24	3,324	4,609	4,129	3,987	3,885
25-29	3,193	4,167	4,622	4,291	4,055
30-34	3,586	3,733	5,001	4,818	4,688
35-39	4,204	3,748	4,604	4,946	5,190
40-44	4,532	4,063	3,980	4,453	4,791
45-49	4,085	4,959	4,058	4,169	4,248
50-54	3,667	5,429	4,521	4,421	4,349
55-59	2,826	5,185	5,494	5,068	4,763
60-64	2,316	5,000	5,957	5,921	5,896
65-69	2,308	4,183	5,733	6,081	6,330
70-74	2,049	3,041	4,782	5,140	5,395
75-79	1,674	2,319	3,262	3,848	4,267
80-84	1,101	1,713	2,018	2,386	2,649
85+	904	1,438	1,953	2,111	2,224
<b>Total</b>	<b>55,309</b>	<b>70,560</b>	<b>76,585</b>	<b>78,498</b>	<b>79,864</b>

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

The total population in the PMA increased from 2010 to 2020. In comparison, the MSA and nation experienced growth in total population during the same period of analysis. The population in the PMA is expected to increase through both market entry in January 2023 and 2025 at 0.9 percent per annum, a rate slightly below that of the MSA and slightly above that of the nation. The senior population age 55 and older increased at a slightly lower rate than the MSA but similar to the nation, and is expected to continue increasing at a slightly rate than the MSA but similar to the nation overall. The population in the PMA in 2020 was concentrated most heavily in the age groups of 55 through 69. Through market entry these age groups will continue to have the highest representation in the PMA.

**HOUSEHOLD TRENDS**

**Total Number of Households, Average Household Size, and Group Quarters**

HOUSEHOLDS

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	21,543	-	185,402	-	105,081,032	-
2010	29,086	3.5%	215,496	1.6%	116,716,293	1.1%
2020	31,905	0.9%	239,761	1.1%	126,083,847	0.8%
Projected Mkt Entry June 2023	32,757	0.9%	247,300	1.1%	128,752,389	0.7%
2025	33,366	0.9%	252,685	1.1%	130,658,491	0.7%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

**HOUSEHOLDS WITH SENIOR HOUSEHOLDER, 55+**

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	7,863	-	60,841	-	36,303,837	-
2010	14,180	8.0%	94,439	5.5%	50,932,454	4.0%
2020	17,590	2.3%	111,138	1.7%	58,202,331	1.4%
Projected Mkt Entry June 2023	18,330	1.4%	117,379	1.9%	61,107,834	1.7%
2025	18,858	1.4%	121,836	1.9%	63,183,194	1.7%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical		USA	
	Number	Annual	Number	Annual	Number	Annual
2000	2.50	-	2.62	-	2.59	-
2010	2.37	-0.5%	2.55	-0.3%	2.57	-0.1%
2020	2.34	-0.1%	2.53	-0.1%	2.58	0.0%
Projected Mkt Entry June 2023	2.34	0.0%	2.53	0.0%	2.59	0.0%
2025	2.34	0.0%	2.53	0.0%	2.59	0.0%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

**POPULATION IN GROUP QUARTERS**

Year	PMA		Augusta-Richmond County, GA- SC Metropolitan Statistical Area		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	1,514	-	14,773	-	7,651,876	-
2010	1,525	0.1%	15,120	0.2%	8,273,003	0.8%
2020	1,839	2.0%	18,459	2.2%	8,091,273	-0.2%
Projected Mkt Entry June 2023	1,839	0.0%	18,459	0.0%	8,091,273	0.0%
2025	1,839	0.0%	18,459	0.0%	8,091,273	0.0%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

The total number of households in the PMA increased moderately between 2010 and 2020, at a slightly slower rate than the MSA and slightly above the nation over the same time period. Through market entry date and 2025, the total number of households in the PMA is expected to continue to increase, similar to the MSA and nation. Similarly, the total number of senior households in the PMA increased moderately between 2010 and 2020, at a slower rate than the MSA and the nation, a trend that is projected to continue through market entry and 2025. The average household sizes are expected to remain relatively stable for all areas of analysis. The number of persons in group quarters increased in the PMA and MSA between 2000 and 2020, while this population decreased in the nation overall. Note that forecasted data for the population in group quarters is not available as growth in this population is more often a result of changes to local facilities than macro demographic trends.

### Households by Tenure

The table below depicts household growth by tenure from 2000 through 2025.

TENURE PATTERNS PMA				
Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	16,057	74.5%	5,486	25.5%
2020	23,032	72.2%	8,873	27.8%
Projected Mkt Entry June 2023	23,640	72.2%	9,117	27.8%
2025	24,074	72.2%	9,292	27.8%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

PMA TENURE PATTERNS OF SENIORS 55+				
Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	6,796	86.4%	1,067	13.6%
2020	14,843	84.4%	2,747	15.6%
Projected Mkt Entry June 2023	15,482	84.5%	2,848	15.5%
2025	15,938	84.5%	2,920	15.5%

Source: Esri Demographics 2020, Novogradac Consulting LLP, May 2021

Senior households within the PMA reside in predominately owner-occupied residences. Nationally, approximately two-thirds of the population resides in owner-occupied housing units, and one-third resides in renter-occupied housing units. Therefore, there is a slightly smaller percentage of renters in the PMA than the nation. This percentage is projected to remain stable over the next five years, and the total number of senior renter-occupied units is projected to increase.

### Household Income Distribution

The following table depicts household income in the PMA in 2020, market entry, and 2025.

Income Cohort	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	2,163	6.8%	2,143	6.5%	2,128	6.4%
\$10,000-19,999	2,652	8.3%	2,628	8.0%	2,611	7.8%
\$20,000-29,999	3,824	12.0%	3,698	11.3%	3,608	10.8%
\$30,000-39,999	3,053	9.6%	3,102	9.5%	3,137	9.4%
\$40,000-49,999	2,842	8.9%	2,892	8.8%	2,928	8.8%
\$50,000-59,999	2,499	7.8%	2,497	7.6%	2,495	7.5%
\$60,000-74,999	3,594	11.3%	3,582	10.9%	3,574	10.7%
\$75,000-99,999	3,796	11.9%	4,007	12.2%	4,157	12.5%
\$100,000-124,999	2,814	8.8%	2,926	8.9%	3,006	9.0%
\$125,000-149,999	1,771	5.6%	1,933	5.9%	2,049	6.1%
\$150,000-199,999	1,594	5.0%	1,792	5.5%	1,934	5.8%
\$200,000+	1,303	4.1%	1,557	4.8%	1,739	5.2%
<b>Total</b>	<b>31,905</b>	<b>100.0%</b>	<b>32,757</b>	<b>100.0%</b>	<b>33,366</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

**HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

Income Cohort	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,018	5.8%	1,013	5.5%	1,009	5.4%
\$10,000-19,999	1,657	9.4%	1,655	9.0%	1,654	8.8%
\$20,000-29,999	2,410	13.7%	2,369	12.9%	2,339	12.4%
\$30,000-39,999	1,706	9.7%	1,761	9.6%	1,801	9.6%
\$40,000-49,999	1,609	9.1%	1,669	9.1%	1,711	9.1%
\$50,000-59,999	1,348	7.7%	1,375	7.5%	1,394	7.4%
\$60,000-74,999	1,803	10.3%	1,824	10.0%	1,839	9.8%
\$75,000-99,999	1,790	10.2%	1,906	10.4%	1,988	10.5%
\$100,000-124,999	1,526	8.7%	1,615	8.8%	1,679	8.9%
\$125,000-149,999	945	5.4%	1,052	5.7%	1,129	6.0%
\$150,000-199,999	943	5.4%	1,070	5.8%	1,161	6.2%
\$200,000+	835	4.7%	1,021	5.6%	1,154	6.1%
<b>Total</b>	<b>17,590</b>	<b>100.0%</b>	<b>18,330</b>	<b>100.0%</b>	<b>18,858</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

The Subject's units will target senior households earning between \$7,770 and \$38,710. As the table above depicts, approximately 32.8 percent of senior households in the PMA earned between \$10,000 and \$39,999 in 2020. Many households within these income cohorts will provide support for the Subject.

**Renter Household Income Distribution**

The following tables depict renter household incomes in the PMA in 2020, market entry, and 2025.

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA**

Income Cohort	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,186	13.4%	1,177	12.9%	1,171	12.6%
\$10,000-19,999	1,328	15.0%	1,328	14.6%	1,328	14.3%
\$20,000-29,999	1,237	13.9%	1,200	13.2%	1,173	12.6%
\$30,000-39,999	1,110	12.5%	1,144	12.5%	1,168	12.6%
\$40,000-49,999	863	9.7%	889	9.8%	908	9.8%
\$50,000-59,999	737	8.3%	742	8.1%	745	8.0%
\$60,000-74,999	810	9.1%	825	9.1%	836	9.0%
\$75,000-99,999	572	6.4%	641	7.0%	690	7.4%
\$100,000-124,999	389	4.4%	423	4.6%	448	4.8%
\$125,000-149,999	301	3.4%	321	3.5%	336	3.6%
\$150,000-199,999	175	2.0%	211	2.3%	237	2.6%
\$200,000+	165	1.9%	216	2.4%	252	2.7%
<b>Total</b>	<b>8,873</b>	<b>100.0%</b>	<b>9,117</b>	<b>100.0%</b>	<b>9,292</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

**RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA, 55+**

Income Cohort	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	360	13.1%	359	12.6%	358	12.3%
\$10,000-19,999	548	19.9%	546	19.2%	545	18.7%
\$20,000-29,999	346	12.6%	341	12.0%	337	11.5%
\$30,000-39,999	289	10.5%	308	10.8%	321	11.0%
\$40,000-49,999	232	8.4%	237	8.3%	241	8.3%
\$50,000-59,999	207	7.5%	210	7.4%	212	7.3%
\$60,000-74,999	215	7.8%	221	7.8%	225	7.7%
\$75,000-99,999	137	5.0%	150	5.3%	159	5.4%
\$100,000-124,999	118	4.3%	130	4.6%	139	4.8%
\$125,000-149,999	99	3.6%	107	3.7%	112	3.8%
\$150,000-199,999	97	3.5%	117	4.1%	131	4.5%
\$200,000+	99	3.6%	123	4.3%	140	4.8%
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>	<b>2,848</b>	<b>100.0%</b>	<b>2,920</b>	<b>100.0%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

Senior renter households with incomes between \$10,000 and \$39,999 represent 43.1 percent of the renter households in the PMA in 2020. This share is expected to decrease to 41.9 percent through market entry.

**Renter Households by Number of Persons in the Household**

The following table illustrates household size for renter households in the PMA.

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA**

Household Size	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	3,971	44.8%	4,115	45.1%	4,217	45.4%
2 Persons	2,169	24.4%	2,195	24.1%	2,214	23.8%
3 Persons	1,279	14.4%	1,312	14.4%	1,336	14.4%
4 Persons	862	9.7%	891	9.8%	912	9.8%
5+ Persons	592	6.7%	604	6.6%	613	6.6%
<b>Total Households</b>	<b>8,873</b>	<b>100%</b>	<b>9,117</b>	<b>100%</b>	<b>9,292</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

**RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA, 55+**

Household Size	2020		Projected Mkt Entry June 2023		2025	
	Number	Percentage	Number	Percentage	Number	Percentage
1 Person	1,638	59.6%	1,716	60.2%	1,771	60.7%
2 Persons	772	28.1%	787	27.6%	797	27.3%
3 Persons	158	5.8%	160	5.6%	161	5.5%
4 Persons	88	3.2%	90	3.2%	92	3.2%
5+ Persons	91	3.3%	96	3.4%	99	3.4%
<b>Total Households</b>	<b>2,747</b>	<b>100%</b>	<b>2,848</b>	<b>100%</b>	<b>2,920</b>	<b>100%</b>

Source: HISTA Data / Ribbon Demographics 2020, Novogradac Consulting LLP, May 2021

Approximately 93.5 percent of senior renter households resided in a one to three-person household in the PMA in 2020. Over the next five years, this percentage is projected to remain stable.

## **CONCLUSION**

The total population in the PMA increased from 2010 to 2020. In comparison, the MSA and nation experienced growth in total population during the same period of analysis. The population in the PMA is expected to increase through both market entry in June 2023 and 2025 at 0.9 percent per annum, a rate slightly below that of the MSA and slightly above that of the nation. The senior population age 55 and older increased at a slightly lower rate than the population as a whole in all areas, and is expected to continue increasing at a strong rate well outpacing the total population growth. The total number of households in the PMA increased moderately between 2010 and 2020, at a slightly slower rate than the MSA and above the nation over the same time period. Through market entry date and 2025, the total number of households in the PMA is expected to continue to increase, slightly below the MSA and above the rate nationally. Similarly, the total number of senior households in the PMA increased moderately between 2010 and 2020, at a slower rate than the MSA and the nation, a trend that is projected to continue through market entry and 2025. Senior renter households with incomes between \$10,000 and \$39,999 represent 43.1 percent of the renter households in the PMA in 2020. This share is expected to decrease to 41.9 percent through market entry. Many of these households would income-qualify at the Subject.

# **F. PROJECT-SPECIFIC DEMAND ANALYSIS**



## PROJECT SPECIFIC DEMAND ANALYSIS

The following demand analysis evaluates the potential number of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by SCSHFDA.

### 1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (AMI), adjusted for household size and utilities. South Carolina State Housing Finance and Development Agency (SCSHFDA) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum gross rent a family household will pay is 35 percent of its household income at the appropriate AMI level and the maximum gross rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

According to SCSHFDA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, for one-bedroom units we assume the average income limits of a one- and two-person household and for three-bedroom units we assume the average income limits for a four- and five-person household. This applies to family projects. For elderly projects, we have used a maximum income based on two-person households.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Business Information Solutions to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from Novogradac Consulting LLP’s website.

### 2. Affordability

As discussed above, the maximum income for LIHTC units is set by SCSHFDA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 40 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. SCSHFDA guidelines utilize 35 for families and 40 percent for senior households, which we will use to set the minimum income levels for the demand analysis.

### 3. Minimum and Maximum Income Levels

The following tables illustrate the minimum and maximum allowable income levels for the Subject’s units, as proposed.

55+ INCOME LIMITS

Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	@20%		@50%		@60%		@70%	
1BR	\$7,770	\$11,060	\$17,790	\$27,650	\$21,090	\$33,180	-	-
2BR	-	-	\$21,210	\$27,650	\$23,910	\$33,180	\$25,560	\$38,710

#### 4. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated on the attached table.

##### 4a. Demand from New Renter Households

The number of new households entering the market is the first level of demand calculated. SCSHFDA has requested that we utilize 2021 as the base year for the analysis, with demographic projections to 2023 (Subject’s market entry/anticipated completion date). This is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure.

##### 4b. Demand from Existing Households

Demand for existing households is estimated by summing three sources of potential tenants. (a) The first source is tenants who are rent overburdened. These are households who are paying over 35 percent of their income in housing costs for general occupancy housing or over 40 percent of their income in housing costs for elderly housing. This number is estimated using census 2010 or American Community Survey (ACS) data. (b) The second source is households living in substandard housing. This number is estimated using 2000 Census data. (c) The third source is those seniors likely to move from their own homes into rental housing. Data from the American Housing Survey and interviews with area senior apartment property managers regarding the number or share of current renters who originated from homeownership must be used to refine the analysis. As seniors age, many opt for housing that does not require them to perform maintenance and repairs. This is often considered a burden to seniors, and they may choose to lease as opposed to continuing with homeownership. The senior comparable properties managers surveyed were generally reluctant to provide information about tenants regarding the number of previous homeowners, citing fair housing laws; however, based on our previous experience, we conservatively estimated a rate for those senior households choosing to convert from homeownership based upon these statistics, and utilize a 20 percent conversion rate. (d) The fourth potential “Other” source of demand is demand which may exist that is not captured by the above methods, which may be allowed if the factors used can be fully justified.

##### 4c. Additions to Supply

SCSHFDA guidelines indicate that units in all competing projects that were allocated, under construction, placed in service, or funded in 2019 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis. According to South Carolina Housing, there have been two project allocated tax credits within the PMA, since 2017. The following table illustrates that LIHTC properties that have been awarded tax credits since 2017 in the PMA.

LIHTC ALLOCATIONS

Property Name	Allocation Year	Tenancy	Total Units	Competitive Units	Construction Status
Woodford Trace	2019	Family	48	0	Under Construction
Village at Dupont Landing*	2018	Senior	46	46	Completed
<b>Total</b>			<b>148</b>	<b>0</b>	

Source: South Carolina Housing, April 2021

\*Used as a comparable

- **Woodford Trace** was awarded tax credits in 2019 for the new construction of 48 LIHTC units. This property will be located approximately 1.4 miles from the Subject site. Upon completion, this property will offer two and three-bedroom units restricted to family households earning 50 and 60 percent of the AMI. Construction has begun and it is expected to be completed in 2022. Given the differing tenancy, we do not expect this property to be directly competitive with the Subject, and we have not removed any units from our demand analysis.

- **Village at Dupont Landing** was awarded tax credits in 2018 for the new construction of 46 LIHTC units. This property was recently completed and is located approximately 5.0 miles from the Subject site. This property offers targets seniors and features two-bedroom units restricted to senior households earning 50 and 60 percent of the AMI. This property was allocated in 2018, is utilized as a comparable in our analysis, and is fully occupied, and as such the units are not deducted from our demand analysis.

## 5. Method – Capture Rates

The above calculations and derived capture rates are illustrated in the following tables.

**20% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @20%**

Minimum Income Limit		\$7,770		Maximum Income Limit		\$11,060	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2020 to Prj Mrkt Entry June 2023						
\$0-9,999	-1	-1.2%	\$2,228	22.3%	0		
\$10,000-19,999	-2	-1.7%	\$1,061	10.6%	0		
\$20,000-29,999	-5	-5.2%	\$0	0.0%	0		
\$30,000-39,999	19	18.5%	\$0	0.0%	0		
\$40,000-49,999	5	5.2%	\$0	0.0%	0		
\$50,000-59,999	3	2.9%	\$0	0.0%	0		
\$60,000-74,999	6	5.8%	\$0	0.0%	0		
\$75,000-99,999	13	12.7%	\$0	0.0%	0		
\$100,000-124,999	12	12.1%	\$0	0.0%	0		
\$125,000-149,999	8	7.5%	\$0	0.0%	0		
\$150,000-199,999	20	19.7%	\$0	0.0%	0		
\$200,000+	24	23.7%	\$0	0.0%	0		
<b>Total</b>	<b>101</b>	<b>100.0%</b>		<b>-0.4%</b>	<b>0</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @20%**

Minimum Income Limit		\$7,770		Maximum Income Limit		\$11,060	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	360	13.1%	\$2,228	22.3%	80		
\$10,000-19,999	548	19.9%	\$1,061	10.6%	58		
\$20,000-29,999	346	12.6%	\$0	0.0%	0		
\$30,000-39,999	289	10.5%	\$0	0.0%	0		
\$40,000-49,999	232	8.4%	\$0	0.0%	0		
\$50,000-59,999	207	7.5%	\$0	0.0%	0		
\$60,000-74,999	215	7.8%	\$0	0.0%	0		
\$75,000-99,999	137	5.0%	\$0	0.0%	0		
\$100,000-124,999	118	4.3%	\$0	0.0%	0		
\$125,000-149,999	99	3.6%	\$0	0.0%	0		
\$150,000-199,999	97	3.5%	\$0	0.0%	0		
\$200,000+	99	3.6%	\$0	0.0%	0		
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>		<b>5.0%</b>	<b>138</b>		

**ASSUMPTIONS - @20%**

ASSUMPTIONS - @20%					
Tenancy	55+		% of Income towards Housing		40%
Rural/Urban	Urban		Maximum # of Occupants		2
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	90%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2020 to June 2023**

Income Target Population	@20%
New Renter Households PMA	101
Percent Income Qualified	-0.4%
<b>New Renter Income Qualified Households</b>	<b>0</b>

**Demand from Existing Households 2020**

**Demand from Rent Overburdened Households**

Income Target Population	@20%
Total Existing Demand	2,747
Income Qualified	5.0%
Income Qualified Renter Households	138
Percent Rent Overburdened Prj Mrkt Entry June 2023	44.2%
<b>Rent Overburdened Households</b>	<b>61</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	138
Percent Living in Substandard Housing	2.2%
<b>Households Living in Substandard Housing</b>	<b>3</b>

**Senior Households Converting from Homeownership**

Income Target Population	@20%
Total Senior Homeowners	15,482
Rural Versus Urban	0.1%
<b>Senior Demand Converting from Homeownership</b>	<b>12</b>

**Total Demand**

Total Demand from Existing Households	77
Total New Demand	0
<b>Total Demand (New Plus Existing Households)</b>	<b>76</b>

Demand from Seniors Who Convert from Homeownership	12
Percent of Total Demand From Homeownership Conversion	16.3%
Is this Demand Over 20 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.2%	46
Two Persons	27.6%	21
Three Persons	5.6%	4
Four Persons	3.2%	2
Five Persons	3.4%	3
<b>Total</b>	<b>100.0%</b>	<b>76</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	41
Of two-person households in 1BR units	20%	4
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	5
Of two-person households in 2BR units	80%	17
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	4
Of four-person households in 3BR units	70%	2
Of five-person households in 3BR units	50%	1
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	1
Of five-person households in 4BR units	50%	1
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0

**Total Demand** **76**

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	46	-	0	=	46
2 BR	-	-	-	=	-
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>46</b>		<b>0</b>		<b>46</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	6	/	46	=	13.2%
2 BR	-	/	-	=	-
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>6</b>		<b>46</b>		<b>13.2%</b>

**50% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

Minimum Income Limit		\$17,790		Maximum Income Limit		\$27,650	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter		
	in Households PMA 2020 to Prj Mrkt Entry June 2023				Households within Bracket		
\$0-9,999	-1	-1.2%	\$0	0.0%	0		
\$10,000-19,999	-2	-1.7%	\$2,208	22.1%	0		
\$20,000-29,999	-5	-5.2%	\$7,651	76.5%	-4		
\$30,000-39,999	19	18.5%	\$0	0.0%	0		
\$40,000-49,999	5	5.2%	\$0	0.0%	0		
\$50,000-59,999	3	2.9%	\$0	0.0%	0		
\$60,000-74,999	6	5.8%	\$0	0.0%	0		
\$75,000-99,999	13	12.7%	\$0	0.0%	0		
\$100,000-124,999	12	12.1%	\$0	0.0%	0		
\$125,000-149,999	8	7.5%	\$0	0.0%	0		
\$150,000-199,999	20	19.7%	\$0	0.0%	0		
\$200,000+	24	23.7%	\$0	0.0%	0		
<b>Total</b>	<b>101</b>	<b>100.0%</b>		<b>-4.4%</b>	<b>-4</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @50%**

Minimum Income Limit		\$17,790		Maximum Income Limit		\$27,650	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	360			13.1%	\$0	0.0%
\$10,000-19,999	548	19.9%	\$2,208	22.1%	121		
\$20,000-29,999	346	12.6%	\$7,651	76.5%	265		
\$30,000-39,999	289	10.5%	\$0	0.0%	0		
\$40,000-49,999	232	8.4%	\$0	0.0%	0		
\$50,000-59,999	207	7.5%	\$0	0.0%	0		
\$60,000-74,999	215	7.8%	\$0	0.0%	0		
\$75,000-99,999	137	5.0%	\$0	0.0%	0		
\$100,000-124,999	118	4.3%	\$0	0.0%	0		
\$125,000-149,999	99	3.6%	\$0	0.0%	0		
\$150,000-199,999	97	3.5%	\$0	0.0%	0		
\$200,000+	99	3.6%	\$0	0.0%	0		
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>		<b>14.0%</b>	<b>386</b>		

**ASSUMPTIONS - @50%**

ASSUMPTIONS - @50%					
Tenancy	55+		% of Income towards Housing		40%
Rural/Urban	Urban		Maximum # of Occupants		2
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	90%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2020 to June 2023**

Income Target Population	@50%
New Renter Households PMA	101
Percent Income Qualified	-4.4%
<b>New Renter Income Qualified Households</b>	<b>-4</b>

**Demand from Existing Households 2020**

**Demand from Rent Overburdened Households**

Income Target Population	@50%
Total Existing Demand	2,747
Income Qualified	14.0%
Income Qualified Renter Households	386
Percent Rent Overburdened Prj Mrkt Entry June 2023	44.2%
<b>Rent Overburdened Households</b>	<b>171</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	386
Percent Living in Substandard Housing	2.2%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

Income Target Population	@50%
Total Senior Homeowners	15,482
Rural Versus Urban	0.2%
<b>Senior Demand Converting from Homeownership</b>	<b>37</b>

**Total Demand**

Total Demand from Existing Households	216
Total New Demand	-4
<b>Total Demand (New Plus Existing Households)</b>	<b>212</b>

Demand from Seniors Who Convert from Homeownership	37
Percent of Total Demand From Homeownership Conversion	17.5%
Is this Demand Over 20 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.2%	128
Two Persons	27.6%	59
Three Persons	5.6%	12
Four Persons	3.2%	7
Five Persons	3.4%	7
<b>Total</b>	<b>100.0%</b>	<b>212</b>



**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	115
Of two-person households in 1BR units	20%	12
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	13
Of two-person households in 2BR units	80%	47
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	12
Of four-person households in 3BR units	70%	5
Of five-person households in 3BR units	50%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	2
Of five-person households in 4BR units	50%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>212</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	127	-	0	=	127
2 BR	60	-	0	=	60
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>186</b>		<b>0</b>		<b>186</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	3	/	127	=	2.4%
2 BR	2	/	60	=	3.4%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>5</b>		<b>186</b>		<b>2.7%</b>

**60% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$21,090		Maximum Income Limit		\$33,180	
Income Category	New Renter Households - Total Change		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	in Households PMA 2020 to Prj Mrkt Entry June 2023						
\$0-9,999	-1	-1.2%	\$0	0.0%	0		
\$10,000-19,999	-2	-1.7%	\$0	0.0%	0		
\$20,000-29,999	-5	-5.2%	\$8,908	89.1%	-5		
\$30,000-39,999	19	18.5%	\$3,181	31.8%	6		
\$40,000-49,999	5	5.2%	\$0	0.0%	0		
\$50,000-59,999	3	2.9%	\$0	0.0%	0		
\$60,000-74,999	6	5.8%	\$0	0.0%	0		
\$75,000-99,999	13	12.7%	\$0	0.0%	0		
\$100,000-124,999	12	12.1%	\$0	0.0%	0		
\$125,000-149,999	8	7.5%	\$0	0.0%	0		
\$150,000-199,999	20	19.7%	\$0	0.0%	0		
\$200,000+	24	23.7%	\$0	0.0%	0		
<b>Total</b>	<b>101</b>	<b>100.0%</b>		<b>1.2%</b>	<b>1</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @60%**

Minimum Income Limit		\$21,090		Maximum Income Limit		\$33,180	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
\$0-9,999	360	13.1%	\$0	0.0%	0		
\$10,000-19,999	548	19.9%	\$0	0.0%	0		
\$20,000-29,999	346	12.6%	\$8,908	89.1%	308		
\$30,000-39,999	289	10.5%	\$3,181	31.8%	92		
\$40,000-49,999	232	8.4%	\$0	0.0%	0		
\$50,000-59,999	207	7.5%	\$0	0.0%	0		
\$60,000-74,999	215	7.8%	\$0	0.0%	0		
\$75,000-99,999	137	5.0%	\$0	0.0%	0		
\$100,000-124,999	118	4.3%	\$0	0.0%	0		
\$125,000-149,999	99	3.6%	\$0	0.0%	0		
\$150,000-199,999	97	3.5%	\$0	0.0%	0		
\$200,000+	99	3.6%	\$0	0.0%	0		
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>		<b>14.6%</b>	<b>400</b>		

**ASSUMPTIONS - @60%**

ASSUMPTIONS - @60%					
Tenancy	55+		% of Income towards Housing		40%
Rural/Urban	Urban		Maximum # of Occupants		2
Persons in Household	OBR	1BR	2BR	3BR	4BR+
1	0%	90%	10%	0%	0%
2	0%	20%	80%	0%	0%
3	0%	0%	0%	100%	0%
4	0%	0%	0%	70%	30%
5+	0%	0%	0%	50%	50%

**Demand from New Renter Households 2020 to June 2023**

Income Target Population	@60%
New Renter Households PMA	101
Percent Income Qualified	1.2%
<b>New Renter Income Qualified Households</b>	<b>1</b>

**Demand from Existing Households 2020**

**Demand from Rent Overburdened Households**

Income Target Population	@60%
Total Existing Demand	2,747
Income Qualified	14.6%
Income Qualified Renter Households	400
Percent Rent Overburdened Prj Mrkt Entry June 2023	44.2%
<b>Rent Overburdened Households</b>	<b>177</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	400
Percent Living in Substandard Housing	2.2%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

Income Target Population	@60%
Total Senior Homeowners	15,482
Rural Versus Urban	0.3%
<b>Senior Demand Converting from Homeownership</b>	<b>39</b>

**Total Demand**

Total Demand from Existing Households	225
Total New Demand	1
<b>Total Demand (New Plus Existing Households)</b>	<b>226</b>

Demand from Seniors Who Convert from Homeownership	39
Percent of Total Demand From Homeownership Conversion	17.1%
Is this Demand Over 20 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.2%	136
Two Persons	27.6%	62
Three Persons	5.6%	13
Four Persons	3.2%	7
Five Persons	3.4%	8
<b>Total</b>	<b>100.0%</b>	<b>226</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	122
Of two-person households in 1BR units	20%	12
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	14
Of two-person households in 2BR units	80%	50
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	13
Of four-person households in 3BR units	70%	5
Of five-person households in 3BR units	50%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	2
Of five-person households in 4BR units	50%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0
<b>Total Demand</b>		<b>226</b>

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	135	-	0	=	135
2 BR	63	-	0	=	63
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>198</b>		<b>0</b>		<b>198</b>

	Developer's Unit Mix		Net Demand		Capture Rate
0 BR	-	/	-	=	-
1 BR	27	/	135	=	20.0%
2 BR	17	/	63	=	26.8%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>44</b>		<b>198</b>		<b>22.2%</b>

**70% AMI**

**NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - @70%**

Minimum Income Limit		\$25,560		Maximum Income Limit		\$38,710	
Income Category	New Renter Households - Total Change in Households PMA 2020 to Prj Mrkt Entry June 2023		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-1			-1.2%	\$0	0.0%
\$10,000-19,999	-2	-1.7%	\$0	0.0%	0		
\$20,000-29,999	-5	-5.2%	\$4,438	44.4%	-2		
\$30,000-39,999	19	18.5%	\$8,711	87.1%	16		
\$40,000-49,999	5	5.2%	\$0	0.0%	0		
\$50,000-59,999	3	2.9%	\$0	0.0%	0		
\$60,000-74,999	6	5.8%	\$0	0.0%	0		
\$75,000-99,999	13	12.7%	\$0	0.0%	0		
\$100,000-124,999	12	12.1%	\$0	0.0%	0		
\$125,000-149,999	8	7.5%	\$0	0.0%	0		
\$150,000-199,999	20	19.7%	\$0	0.0%	0		
\$200,000+	24	23.7%	\$0	0.0%	0		
<b>Total</b>	<b>101</b>	<b>100.0%</b>		<b>13.8%</b>	<b>14</b>		

**POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - @70%**

Minimum Income Limit		\$25,560		Maximum Income Limit		\$38,710	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	360			13.1%	\$0	0.0%
\$10,000-19,999	548	19.9%	\$0	0.0%	0		
\$20,000-29,999	346	12.6%	\$4,438	44.4%	154		
\$30,000-39,999	289	10.5%	\$8,711	87.1%	252		
\$40,000-49,999	232	8.4%	\$0	0.0%	0		
\$50,000-59,999	207	7.5%	\$0	0.0%	0		
\$60,000-74,999	215	7.8%	\$0	0.0%	0		
\$75,000-99,999	137	5.0%	\$0	0.0%	0		
\$100,000-124,999	118	4.3%	\$0	0.0%	0		
\$125,000-149,999	99	3.6%	\$0	0.0%	0		
\$150,000-199,999	97	3.5%	\$0	0.0%	0		
\$200,000+	99	3.6%	\$0	0.0%	0		
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>		<b>14.8%</b>	<b>405</b>		

**ASSUMPTIONS - @70%**

Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	

**Demand from New Renter Households 2020 to June 2023**

Income Target Population	@70%
New Renter Households PMA	101
Percent Income Qualified	13.8%
<b>New Renter Income Qualified Households</b>	<b>14</b>

**Demand from Existing Households 2020**

**Demand from Rent Overburdened Households**

Income Target Population	@70%
Total Existing Demand	2,747
Income Qualified	14.8%
Income Qualified Renter Households	405
Percent Rent Overburdened Prj Mrkt Entry June 2023	44.2%
<b>Rent Overburdened Households</b>	<b>179</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	405
Percent Living in Substandard Housing	2.2%
<b>Households Living in Substandard Housing</b>	<b>9</b>

**Senior Households Converting from Homeownership**

Income Target Population	@70%
Total Senior Homeowners	15,482
Rural Versus Urban	0.3%
<b>Senior Demand Converting from Homeownership</b>	<b>43</b>

**Total Demand**

Total Demand from Existing Households	232
Total New Demand	14
<b>Total Demand (New Plus Existing Households)</b>	<b>245</b>

Demand from Seniors Who Convert from Homeownership	43
Percent of Total Demand From Homeownership Conversion	17.7%
Is this Demand Over 20 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.2%	148
Two Persons	27.6%	68
Three Persons	5.6%	14
Four Persons	3.2%	8
Five Persons	3.4%	8
<b>Total</b>	<b>100.0%</b>	<b>245</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	133
Of two-person households in 1BR units	20%	14
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	15
Of two-person households in 2BR units	80%	54
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	14
Of four-person households in 3BR units	70%	5
Of five-person households in 3BR units	50%	4
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	2
Of five-person households in 4BR units	50%	4
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0

**Total Demand** **245**

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	-	-	-	=	-
2 BR	69	-	0	=	69
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>69</b>		<b>0</b>		<b>69</b>

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	-	/	-	=	-
2 BR	5	/	69	=	7.2%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>5</b>		<b>69</b>		<b>7.2%</b>

All Units

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC

Minimum Income Limit		\$7,770		Maximum Income Limit		\$38,710	
Income Category	New Renter Households - Total Change in Households PMA 2020 to Prj Mrkt Entry June 2023		Income Brackets	Percent within Cohort	Renter Households within Bracket		
	\$0-9,999	-1			-1.2%	\$2,228	22.3%
\$10,000-19,999	-2	-1.7%	\$3,269	32.7%	-1		
\$20,000-29,999	-5	-5.2%	\$9,999	100.0%	-5		
\$30,000-39,999	19	18.5%	\$8,711	87.1%	16		
\$40,000-49,999	5	5.2%	\$0	0.0%	0		
\$50,000-59,999	3	2.9%	\$0	0.0%	0		
\$60,000-74,999	6	5.8%	\$0	0.0%	0		
\$75,000-99,999	13	12.7%	\$0	0.0%	0		
\$100,000-124,999	12	12.1%	\$0	0.0%	0		
\$125,000-149,999	8	7.5%	\$0	0.0%	0		
\$150,000-199,999	20	19.7%	\$0	0.0%	0		
\$200,000+	24	23.7%	\$0	0.0%	0		
<b>Total</b>	<b>101</b>	<b>100.0%</b>		<b>10.1%</b>	<b>10</b>		

POTENTIAL EXISTING HOUSEHOLD DEMAND BY INCOME COHORT - Overall LIHTC

Minimum Income Limit		\$7,770		Maximum Income Limit		\$38,710	
Income Category	Total Renter Households PMA 2020		Income Brackets	Percent within Cohort	Households within Bracket		
	\$0-9,999	360			13.1%	\$2,228	22.3%
\$10,000-19,999	548	19.9%	\$3,269	32.7%	179		
\$20,000-29,999	346	12.6%	\$9,999	100.0%	346		
\$30,000-39,999	289	10.5%	\$8,711	87.1%	252		
\$40,000-49,999	232	8.4%	\$0	0.0%	0		
\$50,000-59,999	207	7.5%	\$0	0.0%	0		
\$60,000-74,999	215	7.8%	\$0	0.0%	0		
\$75,000-99,999	137	5.0%	\$0	0.0%	0		
\$100,000-124,999	118	4.3%	\$0	0.0%	0		
\$125,000-149,999	99	3.6%	\$0	0.0%	0		
\$150,000-199,999	97	3.5%	\$0	0.0%	0		
\$200,000+	99	3.6%	\$0	0.0%	0		
<b>Total</b>	<b>2,747</b>	<b>100.0%</b>		<b>31.2%</b>	<b>857</b>		

ASSUMPTIONS - Overall LIHTC

ASSUMPTIONS - Overall LIHTC						
Tenancy	55+		% of Income towards Housing			40%
Rural/Urban	Urban		Maximum # of Occupants			2
Persons in Household	OBR	1BR	2BR	3BR	4BR+	
1	0%	90%	10%	0%	0%	
2	0%	20%	80%	0%	0%	
3	0%	0%	0%	100%	0%	
4	0%	0%	0%	70%	30%	
5+	0%	0%	0%	50%	50%	



**Demand from New Renter Households 2020 to June 2023**

Income Target Population	Overall LIHTC
New Renter Households PMA	101
Percent Income Qualified	10.1%
<b>New Renter Income Qualified Households</b>	<b>10</b>

**Demand from Existing Households 2020**

**Demand from Rent Overburdened Households**

Income Target Population	Overall LIHTC
Total Existing Demand	2,747
Income Qualified	31.2%
Income Qualified Renter Households	857
Percent Rent Overburdened Prj Mrkt Entry June 2023	44.2%
<b>Rent Overburdened Households</b>	<b>379</b>

**Demand from Living in Substandard Housing**

Income Qualified Renter Households	857
Percent Living in Substandard Housing	2.2%
<b>Households Living in Substandard Housing</b>	<b>19</b>

**Senior Households Converting from Homeownership**

Income Target Population	Overall LIHTC
Total Senior Homeowners	15,482
Rural Versus Urban	0.6%
<b>Senior Demand Converting from Homeownership</b>	<b>85</b>

**Total Demand**

Total Demand from Existing Households	483
Total New Demand	10
<b>Total Demand (New Plus Existing Households)</b>	<b>493</b>

Demand from Seniors Who Convert from Homeownership	85
Percent of Total Demand From Homeownership Conversion	17.3%
Is this Demand Over 20 percent of Total Demand?	No

**By Bedroom Demand**

One Person	60.2%	297
Two Persons	27.6%	136
Three Persons	5.6%	28
Four Persons	3.2%	16
Five Persons	3.4%	17
<b>Total</b>	<b>100.0%</b>	<b>493</b>

**To place Person Demand into Bedroom Type Units**

Of one-person households in studio units	0%	0
Of two-person households in studio units	0%	0
Of three-person households in studio units	0%	0
Of four-person households in studio units	0%	0
Of five-person households in studio units	0%	0
Of one-person households in 1BR units	90%	267
Of two-person households in 1BR units	20%	27
Of three-person households in 1BR units	0%	0
Of four-person households in 1BR units	0%	0
Of five-person households in 1BR units	0%	0
Of one-person households in 2BR units	10%	30
Of two-person households in 2BR units	80%	109
Of three-person households in 2BR units	0%	0
Of four-person households in 2BR units	0%	0
Of five-person households in 2BR units	0%	0
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	100%	28
Of four-person households in 3BR units	70%	11
Of five-person households in 3BR units	50%	8
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	5
Of five-person households in 4BR units	50%	8
Of one-person households in 5BR units	0%	0
Of two-person households in 5BR units	0%	0
Of three-person households in 5BR units	0%	0
Of four-person households in 5BR units	0%	0
Of five-person households in 5BR units	0%	0

**Total Demand** **493**

	Total Demand (Subject Unit Types)		Additions to Supply		Net Demand
0 BR	-	-	-	=	-
1 BR	295	-	0	=	295
2 BR	139	-	0	=	139
3 BR	-	-	-	=	-
4 BR	-	-	-	=	-
5 BR	-	-	-	=	-
<b>Total</b>	<b>433</b>		<b>0</b>		<b>433</b>

	Developer's Unit Mix		Net Demand	Capture Rate	
0 BR	-	/	-	=	-
1 BR	36	/	295	=	12.2%
2 BR	24	/	139	=	17.3%
3 BR	-	/	-	=	-
4 BR	-	/	-	=	-
5 BR	-	/	-	=	-
<b>Total</b>	<b>60</b>		<b>433</b>		<b>13.8%</b>

**Conclusions**

We have conducted such an analysis to determine a base of demand for the Subject as a tax credit property. Several factors affect the indicated capture rates and are discussed following.

- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option. Property managers at senior apartments in the PMA indicated that many tenants come from areas outside the PMA and often from out of state. As an age-restricted property, the Subject will likely attract tenants from other regions looking to be near family or, given the Subject’s location in a warm climate, those looking to move south to get away from snow. Therefore, we conservatively estimated that approximately 20 percent of the Subject’s residents will originate from areas outside of the PMA. Since the demand analysis does not account for support from tenants moving from outside the PMA, it is very conservative.

The following table illustrates demand and net demand for the Subject’s units. Note that these capture rates are not based on appropriate bedroom types, as calculated previously.

**DEMAND AND NET DEMAND**

	HH at @20% AMI (\$7,770 to \$11,060)	HH at @50% AMI (\$17,790 to \$27,650)	HH at @60% AMI (\$21,090 to \$33,180)	HH at @70% AMI (\$25,560 to \$38,710)	Overall Demand
Demand from New Households (age and income appropriate)	0	-4	1	14	10
<b>PLUS</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>
Demand from Existing Renter Housholds - Rent Overburdened Households	61	171	177	179	379
<b>PLUS</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>	<b>+</b>
Demand from Existing Renter Households - Substandard Housing	3	9	9	9	19
<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>	<b>=</b>
<b>Sub Total</b>	<b>64</b>	<b>175</b>	<b>187</b>	<b>202</b>	<b>408</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	12	37	39	43	85
<b>Equals Total Demand</b>	<b>76</b>	<b>212</b>	<b>226</b>	<b>245</b>	<b>493</b>
<b>Less</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
New Supply	0	0	0	0	0
<b>Equals Net Demand</b>	<b>76</b>	<b>212</b>	<b>226</b>	<b>245</b>	<b>493</b>

Note that the previous *Demand and Net Demand* estimates include all income-eligible renter households. These estimates are then adjusted to reflect only the size-appropriate households by bedroom type in the following *Capture Rate Analysis*.

**CAPTURE RATE ANALYSIS CHART**

Unit Type	Minimum Income	Maximum Income	Units Proposed	Total Demand	Supply	Net Demand	Capture Rate
1BR @20%	\$7,770	\$11,060	6	46	0	46	13.2%
1BR @50%	\$17,790	\$27,650	3	127	0	127	2.4%
1BR @60%	\$21,090	\$33,180	27	135	0	135	20.0%
1BR Overall	\$7,770	\$33,180	36	295	0	295	12.2%
2BR @50%	\$21,210	\$27,650	2	60	0	60	3.4%
2BR @60%	\$23,910	\$33,180	17	63	0	63	26.8%
2BR @70%	\$25,560	\$38,710	5	69	0	69	7.2%
2BR Overall	\$21,210	\$38,710	24	139	0	139	17.3%
@20% Overall	\$7,770	\$11,060	6	46	0	46	13.2%
@50% Overall	\$17,790	\$27,650	5	186	0	186	2.7%
@60% Overall	\$21,090	\$33,180	44	198	0	198	22.2%
@70% Overall	\$25,560	\$38,710	5	69	0	69	7.2%
Overall	\$7,770	\$38,710	60	434	0	434	13.8%

As the analysis illustrates, the Subject’s capture rates range from 2.4 to 26.8 percent with an overall capture rate of 13.8 percent. The Subject’s overall capture rates are within SCSHFDA guidelines and we believe that there is ample demand for the Subject’s units.

**Absorption Rate**

Three of the comparables were able to report on absorption information. The following table details our findings.

**ABSORPTION**

Property Name	Rent	Tenancy	Year	Total Units	Absorption (units/month)
Village At Dupont Landing	LIHTC	Senior	2020	46	23
The Edgewater	LIHTC	Senior	2017	48	24
Longleaf Senior Village Phase I	LIHTC	Senior	2015	50	25

The properties reported absorption rates ranging from 23 to 25 units per month, with an overall average of 24 units per month. The LIHTC properties demonstrate a tight range of absorption with all absorbing within two months following completion. Additionally, the LIHTC comparables utilized in this report indicated low vacancy rates with all reporting waiting lists as well. As such, we believe the Subject should be able to experience an absorption rate within this range. Therefore, based upon the demand calculations presented within this report which indicate capture rates within SCSHFDA guidelines, an ample number income-qualified households, and the Subject's tenancy, we believe that the Subject could absorb approximately 24 units per month upon opening. Thus, we expect the Subject to reach stabilized occupancy of 93 percent within three months.

## **G. SUPPLY ANALYSIS**

## SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. We surveyed many properties that we chose not to use in the survey because they were not as comparable to the Subject as others that were selected.

### Description of Property Types Surveyed/Determination of Number of Tax Credit Units

We interviewed numerous properties to determine which ones were considered “true” competition for the Subject. Several properties in the market area were interviewed and not included because of their dissimilarity or other factors. Fully subsidized properties were excluded due to differing rent structures from the Subject without a subsidy; however, it should be noted that subsidized properties in the market area were found to have stable occupancies.

The following table illustrates the excluded properties and the vacancy rates, where they were available, for the excluded properties.

#### EXCLUDED PROPERTIES

Property Name	Rent Structure	Tenancy	Total Units	Vacancy Rate	Reason for Exclusion
Cushman Arms Apts	LIHTC	Family	34	n/a	Dissimilar tenancy
Oxford Trace Apts	LIHTC	Family	29	n/a	Dissimilar tenancy
Busch Crossing	LIHTC	Family	23	0.0%	Dissimilar tenancy
Glen Arbor Apts	LIHTC	Family	56	1.8%	Dissimilar tenancy
Olde South Terrace	LIHTC	Family	48	n/a	Dissimilar tenancy
Meadow Brook Acres	LIHTC	Family	48	n/a	Dissimilar tenancy
Dupont Landing	LIHTC	Family	44	0.0%	Dissimilar tenancy
Aiken Apartments	Section 8	Senior	20	n/a	Subsidized
Aiken Co. Residential Services, Inc	Section 8	Senior/Disabled	16	n/a	Subsidized
Arh, Inc.	Section 8	Senior/Disabled	4	n/a	Subsidized
Croft House	Section 8	Senior	60	n/a	Subsidized
Crosland Apartments	Section 8	Family	56	1.8%	Subsidized / Dissimilar tenancy
Pace's Run	Section 8	Family	56	n/a	Subsidized / Dissimilar tenancy
Northgate Apts.	Section 8	Senior/Disabled	20	n/a	Subsidized
Ana, Inc.	Section 8	Senior/Disabled	8	n/a	Subsidized
Windham House, Inc.	Section 8	Senior/Disabled	47	0.0%	Subsidized
<b>Total LIHTC Only*</b>			<b>282</b>	<b>0.6%</b>	
<b>Total Rent Assisted*</b>			<b>287</b>	<b>0.9%</b>	

\*Vacancy rates are calculated using only properties reporting vacancy information



### LIHTC Competition

According to South Carolina Housing, there have been three project allocated tax credits within the PMA, since 2017. The following table illustrates that LIHTC properties that have been awarded tax credits since 2017 in the PMA.

LIHTC ALLOCATIONS

Property Name	Allocation Year	Tenancy	Total Units	Competitive Units	Construction Status
Woodford Trace	2019	Family	48	0	Under Construction
Village at Dupont Landing*	2018	Senior	46	46	Completed
<b>Total</b>			<b>148</b>	<b>0</b>	

Source: South Carolina Housing, April 2021

\*Used as a comparable

- **Woodford Trace** was awarded tax credits in 2019 for the new construction of 48 LIHTC units. This property will be located approximately 1.4 miles from the Subject site. Upon completion, this property will offer two and three-bedroom units restricted to family households earning 50 and 60 percent of the AMI. Construction has begun and it is expected to be completed in 2022. Given the differing tenancy, we do not expect this property to be directly competitive with the Subject, and we have not removed any units from our demand analysis.
- **Village at Dupont Landing** was awarded tax credits in 2018 for the new construction of 46 LIHTC units. This property was recently completed and is located approximately 5.0 miles from the Subject site. This property offers targets seniors and features two-bedroom units restricted to senior households earning 50 and 60 percent of the AMI. This property was allocated in 2018, is utilized as a comparable in our analysis, and is fully occupied, and as such the units are not deducted from our demand analysis.

### Pipeline Construction

We made several attempts to contact the City of Aiken Planning and Development Department; however, as of the date of this report our phone calls have not been returned. As such, we have utilized CoStar to identify under construction and proposed multifamily developments in the PMA. According to our research, there are no other under construction or proposed multifamily developments in the PMA besides the LIHTC property noted above. following table illustrates multifamily projects in the PMA according to CoStar.

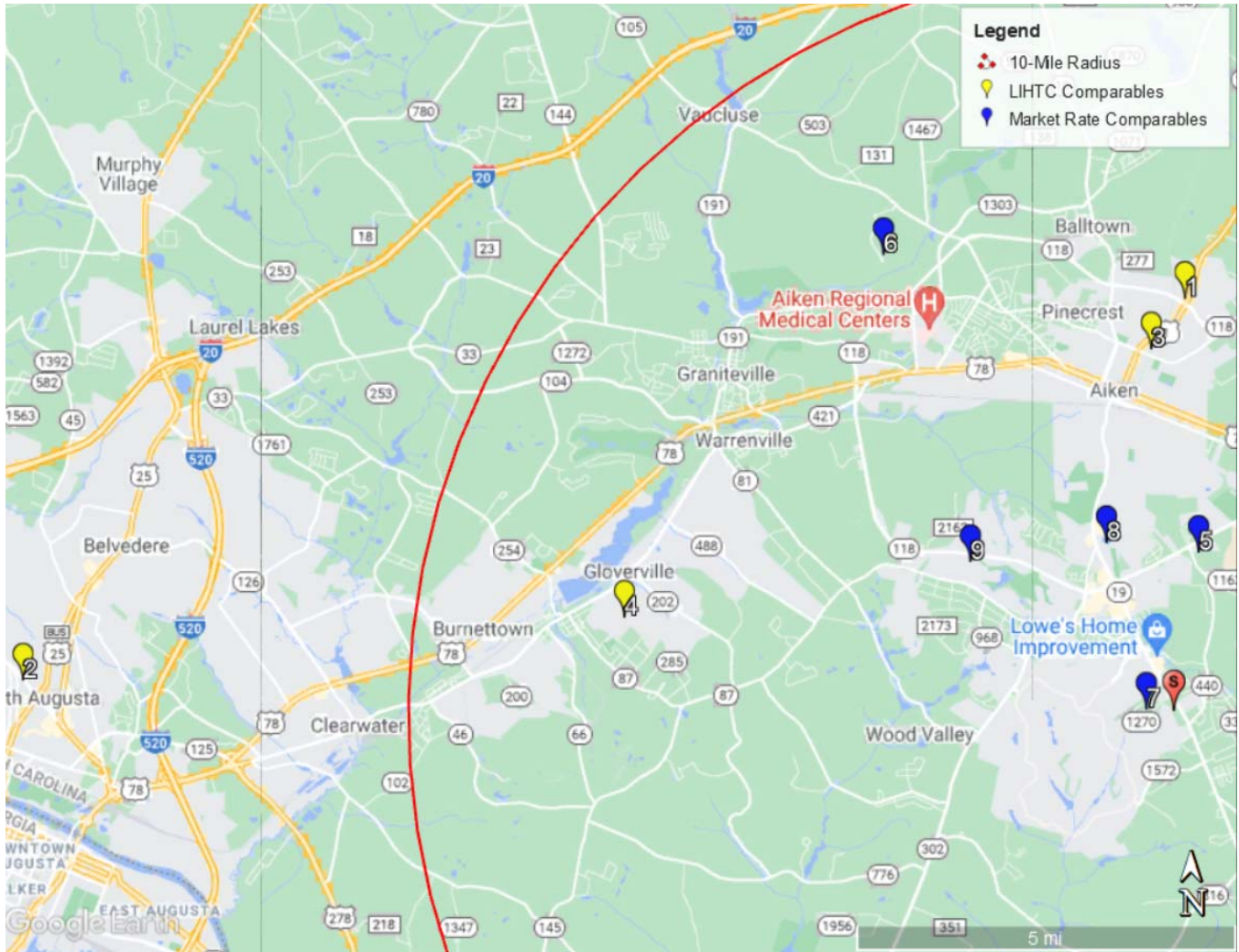
## Comparable Properties

Property managers and realtors were interviewed for information on unit mix, size, absorption, unit features and project amenities, tenant profiles, and market trends in general. Our competitive survey includes nine “true” comparable properties containing 926 units.

The availability of multifamily data in the PMA and specifically in the Aiken area was good; however, there are limited age-restricted LIHTC comparables and no age-restricted market rate comparables in the area. Of the four LIHTC comparables, two are located within the PMA and all are age-restricted. All of the LIHTC comparables are located within 15.1 miles of the Subject site. Market data available for market-rate apartments in the PMA is considered good. We were able to identify five market-rate properties in the PMA, within 7.3 miles of the Subject site, as comparables.

A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A Comparable Properties Map, illustrating the location of the Subject in relation to comparable properties is also provided on the following page. The properties are further profiled in the write-ups following. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available. Throughout the course of performing this analysis of the local rental market, many apartment managers, realtors, leasing agents, and owners were contacted in person, or through the telephone or email.

**COMPARABLE RENTAL PROPERTY MAP I**



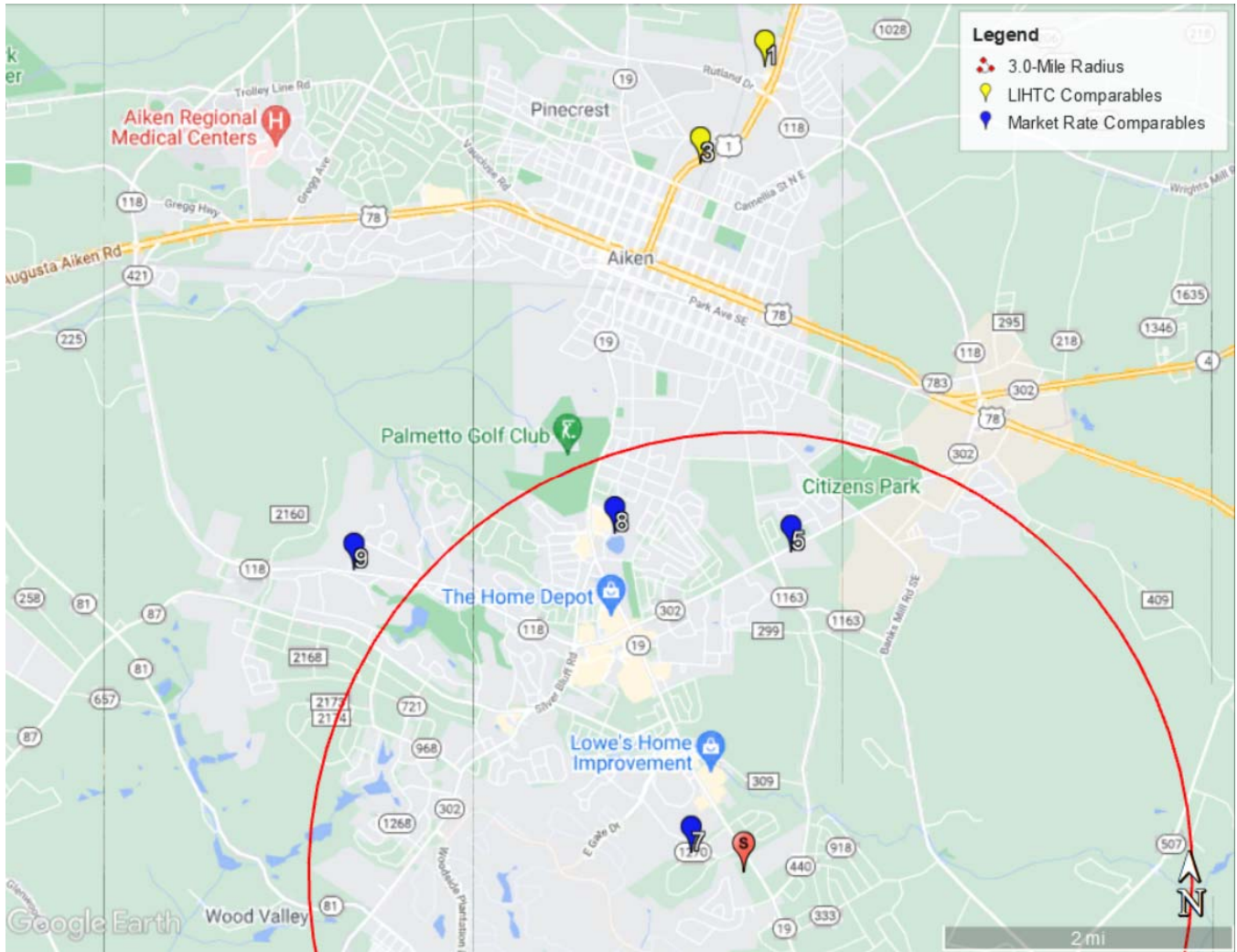
Source: Google Earth, April 2021

**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
<b>S</b>	<b>The Magnolia</b>	<b>Aiken</b>	<b>LIHTC</b>	<b>Family</b>	<b>-</b>
1	Longleaf Senior Village Phase I	Aiken	LIHTC	Senior	5.6 miles
2	The Edgewater*	North Augusta	LIHTC	Senior	15.1 miles
3	Village At Dupont Landing	Aiken	LIHTC/HOME	Senior	5.0 miles
4	Villages At Horse Creek*	Gloverville	LIHTC	Senior	7.4 miles
5	Gatewood Apartments	Aiken	Market	Family	2.3 miles
6	Haven At Market Street Station	Aiken	Market	Family	7.3 miles
7	New London Apartments	Aiken	Market	Family	0.5 miles
8	The Colony At South Park	Aiken	Market	Family	2.6 miles
9	Trotters Run	Aiken	Market	Family	3.5 miles

\* Located outside PMA

**COMPARABLE RENTAL PROPERTY MAP II**



Source: Google Earth, April 2021

**COMPARABLE PROPERTIES**

#	Comparable Property	City	Rent Structure	Tenancy	Distance to Subject
<b>S</b>	<b>The Magnolia</b>	<b>Aiken</b>	<b>LIHTC</b>	<b>Family</b>	-
1	Longleaf Senior Village Phase I	Aiken	LIHTC	Senior	5.6 miles
2	The Edgewater*	North Augusta	LIHTC	Senior	15.1 miles
3	Village At Dupont Landing	Aiken	LIHTC/HOME	Senior	5.0 miles
4	Villages At Horse Creek*	Gloverville	LIHTC	Senior	7.4 miles
5	Gatewood Apartments	Aiken	Market	Family	2.3 miles
6	Haven At Market Street Station	Aiken	Market	Family	7.3 miles
7	New London Apartments	Aiken	Market	Family	0.5 miles
8	The Colony At South Park	Aiken	Market	Family	2.6 miles
9	Trotters Run	Aiken	Market	Family	3.5 miles

\* Located outside PMA



THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY

The following tables illustrate unit mix by bedroom type, square footage and income level, year built, common area and in-unit amenities, rent per square foot, monthly rents and utilities included, and vacancy information for the comparable properties and the Subject in a comparative framework.

SUMMARY MATRIX

Comp #	Property Name	Distance to Subject	Type / Built / Renovated	Rent Structure	Unit Description	#	%	Size (SF)	Restriction	Rent (Adj)	Max Rent?	Waiting List?	Vacant Units	Vacancy Rate
Subject	The Magnolia	-	Lowrise	@20%, @50%, @60%, @70%	1BR / 1BA	6	10.0%	750	@20%	\$131	Yes	N/A	N/A	N/A
	2799 Whiskey Road		3-stories		1BR / 1BA	3	5.0%	750	@50%	\$465	No	N/A	N/A	N/A
	Aiken, SC 29803		2023 / n/a		1BR / 1BA	27	45.0%	750	@60%	\$575	No	N/A	N/A	N/A
	Aiken County		Family		2BR / 1.75BA	1	1.7%	922	@50%	\$535	No	N/A	N/A	N/A
					2BR / 1.75BA	1	1.7%	956	@50%	\$535	No	N/A	N/A	N/A
					2BR / 1.75BA	12	20.0%	956	@60%	\$625	No	N/A	N/A	N/A
					2BR / 1.75BA	3	5.0%	922	@60%	\$625	No	N/A	N/A	N/A
					2BR / 1.75BA	2	3.3%	1,040	@60%	\$625	No	N/A	N/A	N/A
					2BR / 1.75BA	5	8.3%	956	@70%	\$680	No	N/A	N/A	N/A
					60							N/A	N/A	
1	Longleaf Senior Village Phase I	5.6 miles	Garden	@50%, @60%	1BR / 1BA	1	2.0%	850	@50%	\$354	No	Yes	0	0.0%
	205 Bushwillow Circle		1-stories		1BR / 1BA	5	10.0%	850	@60%	\$384	No	Yes	0	0.0%
	Aiken, SC 29801		2015 / n/a		2BR / 2BA	12	24.0%	1,100	@50%	\$416	No	Yes	0	0.0%
	Aiken County		Senior		2BR / 2BA	32	64.0%	1,100	@60%	\$476	No	Yes	0	0.0%
					50							0	0.0%	
2	The Edgewater	15.1 miles	Lowrise	@50%, @60%	2BR / 2BA	10	20.8%	965	@50%	\$540	Yes	Yes	0	0.0%
	175 Assurance Lane		3-stories		2BR / 2BA	38	79.2%	965	@60%	\$600	No	Yes	0	0.0%
	North Augusta, SC 29841		2017 / n/a											
	Aiken County		Senior			48						0	0.0%	
3	Village At Dupont Landing	5.0 miles	Duplex	@50% (HOME), @60%	2BR / 2BA	10	21.7%	1,117	@50% (HOME)	\$484	No	Yes	0	0.0%
	1000 Clyburn Place		1-stories		2BR / 2BA	36	78.3%	1,117	@60%	\$529	No	Yes	0	0.0%
	Aiken, SC 29801		2020 / n/a											
	Aiken County		Senior			46						0	0.0%	
4	Villages At Horse Creek	7.4 miles	Garden	@50%	1BR / 1BA	36	100.0%	700	@50%	\$437	No	Yes	0	0.0%
	456 Lawana Drive		2-stories											
	Gloverville, SC 29828		2008 / n/a											
	Aiken County		Senior			36						0	0.0%	
5	Gatewood Apartments	2.3 miles	Garden	Market	2BR / 1.5BA	28	20.9%	975	Market	\$923	N/A	No	1	3.6%
	303 Pebble Lane		2-stories		2BR / 2.5BA	76	56.7%	1,053	Market	\$973	N/A	No	3	4.0%
	Aiken, SC 29801		1984 / n/a		3BR / 2BA	30	22.4%	1,125	Market	\$1,083	N/A	No	1	3.3%
	Aiken County		Family			134							5	3.7%
6	Haven At Market Street Station	7.3 miles	Garden	Market	1BR / 1BA	68	23.9%	776	Market	\$957	N/A	None	2	2.9%
	8034 Macbean Loop		3-stories		1.5BR / 1BA	50	17.6%	998	Market	\$1,007	N/A	None	1	2.0%
	Aiken, SC 29801		2008 / n/a		2BR / 2BA	142	50.0%	1,150	Market	\$1,087	N/A	None	3	2.1%
	Aiken County		Family		3BR / 2BA	24	8.5%	1,292	Market	\$1,307	N/A	None	1	4.2%
					284							7	2.5%	
7	New London Apartments	0.5 miles	Garden	Market	1BR / 1BA	32	50.0%	725	Market	\$867	N/A	No	1	3.1%
	3000 London Court SW		2-stories		2BR / 2BA	32	50.0%	985	Market	\$947	N/A	No	0	0.0%
	Aiken, SC 29803		2012 / n/a											
	Aiken County		Family			64						1	1.6%	
8	The Colony At South Park	2.6 miles	Garden	Market	1BR / 1BA	45	26.8%	750	Market	\$935	N/A	No	0	0.0%
	101 Greengate Circle		2-stories		2BR / 2BA	78	46.4%	950	Market	\$1,018	N/A	No	2	2.6%
	Aiken, SC 29803		1989 / n/a		3BR / 2BA	45	26.8%	1,150	Market	\$1,440	N/A	No	0	0.0%
	Aiken County		Family			168							2	1.2%
9	Trotters Run	3.5 miles	Garden	Market	1BR / 1BA	24	25.0%	700	Market	\$899	N/A	No	1	4.2%
	925 Trail Ridge Rd		3-stories		2BR / 2BA	60	62.5%	1,005	Market	\$979	N/A	No	0	0.0%
	Aiken, SC 29803		2001 / n/a		3BR / 2BA	12	12.5%	1,230	Market	\$195	N/A	No	0	0.0%
	Aiken County		Family			96							1	1.0%

THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY

RENT AND SQUARE FOOTAGE RANKING – All rents adjusted for utilities and concessions extracted from the market.				
	Units Surveyed:	926	Weighted Occupancy:	98.3%
	Market Rate	746	Market Rate	97.9%
	Tax Credit	180	Tax Credit	100.0%
One Bedroom One Bath		Two Bedroom Two Bath		
RENT	Property	Average	Property	Average
	Haven At Market Street Station (Market)	\$957	Haven At Market Street Station (Market)(2BA)	\$1,087
	The Colony At South Park (Market)	\$935	The Colony At South Park (Market)(2BA)	\$1,018
	Trotters Run (Market)	\$899	Trotters Run (Market)(2BA)	\$979
	New London Apartments (Market)	\$867	Gatewood Apartments (Market)(2.5BA)	\$973
	<b>The Magnolia (@60%)</b>	<b>\$575</b>	New London Apartments (Market)(2BA)	\$947
	<b>The Magnolia (@50%)</b>	<b>\$465</b>	Gatewood Apartments (Market)(1.5BA)	\$923
	Villages At Horse Creek (@50%)	\$437	<b>The Magnolia (@70%)</b>	<b>\$680</b>
	Longleaf Senior Village Phase I (@60%)	\$384	<b>The Magnolia (@60%)</b>	<b>\$625</b>
	Longleaf Senior Village Phase I (@50%)	\$354	The Edgewater (@60%)(2BA)	\$600
	<b>The Magnolia (@20%)</b>	<b>\$131</b>	The Edgewater (@50%)(2BA)	\$540
			<b>The Magnolia (@50%)</b>	<b>\$535</b>
			Village At Dupont Landing (@60%)(2BA)	\$529
			Village At Dupont Landing (@50%)(2BA)	\$484
			Longleaf Senior Village Phase I (@60%)(2BA)	\$476
			Longleaf Senior Village Phase I (@50%)(2BA)	\$416
SQUARE FOOTAGE	Longleaf Senior Village Phase I (@50%)	850	Haven At Market Street Station (Market)(2BA)	1,150
	Longleaf Senior Village Phase I (@60%)	850	Village At Dupont Landing (@50%)(2BA)	1,117
	Haven At Market Street Station (Market)	776	Village At Dupont Landing (@60%)(2BA)	1,117
	<b>The Magnolia (@60%)</b>	<b>750</b>	Longleaf Senior Village Phase I (@50%)(2BA)	1,100
	The Colony At South Park (Market)	750	Longleaf Senior Village Phase I (@60%)(2BA)	1,100
	<b>The Magnolia (@20%)</b>	<b>750</b>	Gatewood Apartments (Market)(2.5BA)	1,053
	<b>The Magnolia (@50%)</b>	<b>750</b>	Trotters Run (Market)(2BA)	1,005
	New London Apartments (Market)	725	New London Apartments (Market)(2BA)	985
	Villages At Horse Creek (@50%)	700	Gatewood Apartments (Market)(1.5BA)	975
	Trotters Run (Market)	700	The Edgewater (@50%)(2BA)	965
			The Edgewater (@60%)(2BA)	965
			The Colony At South Park (Market)(2BA)	950
			<b>The Magnolia (@50%)</b>	<b>922</b>
			<b>The Magnolia (@50%)</b>	<b>956</b>
			<b>The Magnolia (@70%)</b>	<b>956</b>
			<b>The Magnolia (@60%)</b>	<b>956</b>
			<b>The Magnolia (@60%)</b>	<b>922</b>
			<b>The Magnolia (@60%)</b>	<b>1,040</b>
RENT PER SQUARE FOOT	Trotters Run (Market)	\$1.28	The Colony At South Park (Market)(2BA)	\$1.07
	The Colony At South Park (Market)	\$1.25	Trotters Run (Market)(2BA)	\$0.97
	Haven At Market Street Station (Market)	\$1.23	New London Apartments (Market)(2BA)	\$0.96
	New London Apartments (Market)	\$1.20	Gatewood Apartments (Market)(1.5BA)	\$0.95
	<b>The Magnolia (@60%)</b>	<b>\$0.77</b>	Haven At Market Street Station (Market)(2BA)	\$0.95
	Villages At Horse Creek (@50%)	\$0.62	Gatewood Apartments (Market)(2.5BA)	\$0.92
	<b>The Magnolia (@50%)</b>	<b>\$0.62</b>	<b>The Magnolia (@70%)</b>	<b>\$0.71</b>
	Longleaf Senior Village Phase I (@60%)	\$0.45	<b>The Magnolia (@60%)</b>	<b>\$0.68</b>
	Longleaf Senior Village Phase I (@50%)	\$0.42	<b>The Magnolia (@60%)</b>	<b>\$0.65</b>
	<b>The Magnolia (@20%)</b>	<b>\$0.17</b>	The Edgewater (@60%)(2BA)	\$0.62
			<b>The Magnolia (@60%)</b>	<b>\$0.60</b>
			<b>The Magnolia (@50%)</b>	<b>\$0.58</b>
			<b>The Magnolia (@50%)</b>	<b>\$0.56</b>
			The Edgewater (@50%)(2BA)	\$0.56
			Village At Dupont Landing (@60%)(2BA)	\$0.47
			Village At Dupont Landing (@50%)(2BA)	\$0.43
			Longleaf Senior Village Phase I (@60%)(2BA)	\$0.43
			Longleaf Senior Village Phase I (@50%)(2BA)	\$0.38



THE MAGNOLIA – AIKEN, SC – APPLICATION MARKET STUDY

AMENITY MATRIX

Subject	Longleaf Senior	The Edgewater	Village At Dupont	Villages At Horse Creek	Gatewood Apartments	Haven At Market Street	New London Apartments	The Colony At South	Trotters Run	
<b>Rent Structure</b>	LIHTC	LIHTC	LIHTC	LIHTC/HOME	LIHTC	Market	Market	Market	Market	
<b>Building</b>										
<b>Property Type</b>	Lowrise	Garden	Lowrise	Duplex	Garden	Garden	Garden	Garden	Garden	Garden
<b># of Stories</b>	3–stories	1–stories	3–stories	1–stories	2–stories	2–stories	3–stories	2–stories	2–stories	3–stories
<b>Year Built</b>	2023	2015	2017	2020	2008	1984	2008	2012	1989	2001
<b>Year Renovated</b>	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Elevators</b>	yes	no	yes	no	yes	no	no	no	no	no
<b>Utility Structure</b>										
<b>Cooking</b>	no	no	no	no	yes	no	no	no	no	no
<b>Water Heat</b>	no	no	no	no	yes	no	no	no	no	no
<b>Heat</b>	no	no	no	no	yes	no	no	no	no	no
<b>Other Electric</b>	no	no	no	no	yes	no	no	no	no	no
<b>Water</b>	no	no	no	yes	yes	no	no	no	no	yes
<b>Sewer</b>	no	no	no	yes	yes	no	no	no	no	yes
<b>Trash</b>	yes	yes	yes	yes	yes	yes	no	no	no	yes
<b>Accessibility</b>										
<b>Unit Amenities</b>										
<b>Balcony/Patio</b>	no	no	no	yes	no	yes	yes	yes	yes	yes
<b>Blinds</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Carpeting</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Central A/C</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Ceiling Fan</b>	yes	yes	yes	yes	yes	no	yes	no	yes	yes
<b>Coat Closet</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Exterior Storage</b>	no	no	no	yes	no	yes	no	no	yes	yes
<b>Fireplace</b>	no	no	no	no	no	no	no	no	yes	no
<b>Vaulted Ceilings</b>	no	no	no	no	no	no	no	yes	no	no
<b>Walk-In Closet</b>	no	yes	no	no	no	no	yes	yes	no	no
<b>Washer/Dryer</b>	no	no	no	no	no	no	no	yes	no	no
<b>W/D Hookup</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Kitchen</b>										
<b>Dishwasher</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Disposal</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Microwave</b>	yes	yes	yes	yes	no	no	no	no	no	yes
<b>Oven</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Refrigerator</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Community</b>										
<b>Business Center</b>	yes	yes	yes	yes	yes	yes	yes	no	yes	yes
<b>Community Room</b>	yes	yes	yes	yes	no	yes	yes	no	yes	yes
<b>Central Laundry</b>	yes	yes	yes	yes	yes	no	yes	no	yes	no
<b>On-Site Mgmt</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Recreation</b>										
<b>Exercise Facility</b>	yes	yes	no	yes	yes	no	yes	no	yes	yes
<b>Playground</b>	no	no	no	no	no	yes	yes	no	yes	no
<b>Swimming Pool</b>	no	no	no	no	no	yes	yes	no	yes	yes
<b>Picnic Area</b>	yes	no	no	yes	no	no	yes	yes	yes	yes
<b>Hot Tub</b>	no	no	no	no	no	no	no	no	no	yes
<b>Security</b>										
<b>In-Unit Alarm</b>	yes	no	no	no	no	no	no	no	no	no
<b>Intercom (Buzzer)</b>	yes	no	yes	no	no	no	no	no	no	no
<b>Limited Access</b>	yes	no	yes	no	yes	no	no	no	no	no
<b>Patrol</b>	no	no	no	no	no	no	no	no	yes	no
<b>Perimeter Fencing</b>	no	yes	no	no	yes	yes	yes	no	no	no
<b>Video Surveillance</b>	yes	no	no	yes	yes	no	no	no	no	no
<b>Parking</b>										
<b>Garage</b>	no	no	no	no	no	no	yes	no	no	yes
<b>Garage Fee</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$75	\$0	\$0	\$50
<b>Off-Street Parking</b>	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Off-Street Fee</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

# PROPERTY PROFILE REPORT

## Longleaf Senior Village Phase I

Effective Rent Date	4/20/2021
Location	205 Bushwillow Circle Aiken, SC 29801 Aiken County
Distance	5.6 miles
Units	50
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted)
Year Built/Renovated	2015 / N/A
Marketing Began	1/01/2015
Leasing Began	5/29/2015
Last Unit Leased	6/29/2015
Major Competitors	Glen Arbor Apartments, Northgate Apartments
Tenant Characteristics	Seniors age 55 and older
Contact Name	Nona Weddan
Phone	803-648-1097



### Market Information

Program	@50%, @60%
Annual Turnover Rate	4%
Units/Month Absorbed	25
HCV Tenants	16%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 2%
Concession	None
Waiting List	1.5 years

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden	1	850	\$354	\$0	@50%	Yes	0	0.0%	no	None
1	1	Garden	5	850	\$384	\$0	@60%	Yes	0	0.0%	no	None
2	2	Garden	12	1,100	\$416	\$0	@50%	Yes	0	0.0%	no	None
2	2	Garden	32	1,100	\$476	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$354	\$0	\$354	\$0	\$354	1BR / 1BA	\$384	\$0	\$384	\$0	\$384
2BR / 2BA	\$416	\$0	\$416	\$0	\$416	2BR / 2BA	\$476	\$0	\$476	\$0	\$476

## Longleaf Senior Village Phase I, continued

### Amenities

In-Unit		Security	Services
Blinds	Carpeting	Perimeter Fencing	None
Central A/C	Coat Closet		
Dishwasher	Ceiling Fan		
Garbage Disposal	Hand Rails		
Microwave	Oven		
Pull Cords	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		

### Comments

The contact reports high demand for affordable senior housing in the area. According to the contact, current asking rents are lower than achievable rents as increases must be approved by the housing authority, which does not allow large increases. Thus, rents at the property lag achievable rents. The contact reported no significant adverse performance due to the ongoing pandemic.

Photos





Comments

Management stated demand for senior housing is strong and there has been minimal impact on performance due to the ongoing pandemic.



Photos



# PROPERTY PROFILE REPORT

## Village At Dupont Landing

Effective Rent Date	4/20/2021
Location	1000 Clyburn Place Aiken, SC 29801 Aiken County
Distance	5 miles
Units	46
Vacant Units	0
Vacancy Rate	0.0%
Type	Duplex (age-restricted)
Year Built/Renovated	2020 / N/A
Marketing Began	N/A
Leasing Began	9/01/2020
Last Unit Leased	11/01/2020
Major Competitors	N/A
Tenant Characteristics	N/A
Contact Name	N/A
Phone	N/A



### Market Information

Program	@50% (HOME), @60%
Annual Turnover Rate	N/A
Units/Month Absorbed	23
HCV Tenants	5%
Leasing Pace	Prelease
Annual Chg. in Rent	N/A
Concession	None
Waiting List	Yes; 10+ households

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Duplex	10	1,117	\$570	\$0	@50% (HOME)	Yes	0	0.0%	no	None
2	2	Duplex	36	1,117	\$615	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 2BA	\$570	\$0	\$570	-\$86	\$484	2BR / 2BA	\$615	\$0	\$615	-\$86	\$529

## Village At Dupont Landing, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Video Surveillance	Adult Education
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Hand Rails		
Microwave	Oven		
Pull Cords	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Exercise Facility	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area			

### Comments

The HOME units are subject to low HOME rent limits. The property is comprised of 23 one-story duplexes and one community building. It is part of a larger mixed-used planned development that includes nine homes in a single-family subdivision known as Dupont Pointe, a general family tenancy LIHTC development known as Dupont Landing, and a medical facility run by Rural Health Services. The contact reported that the property opened in September 2020 and the property was fully occupied within two months of completion. The contact reported that lease-up was slowed by the logistical challenges caused by COVID-19 but that there is strong demand in the market for affordable senior housing.

Photos



# PROPERTY PROFILE REPORT

## Villages At Horse Creek

Effective Rent Date	4/20/2021
Location	456 Lawana Drive Gloverville, SC 29828 Aiken County
Distance	7.4 miles
Units	36
Vacant Units	0
Vacancy Rate	0.0%
Type	Garden (age-restricted) (2 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Seniors from Warrentonville, neighboring states
Contact Name	Juvelle
Phone	803-594-0588



### Market Information

Program	@50%
Annual Turnover Rate	8%
Units/Month Absorbed	N/A
HCV Tenants	N/A
Leasing Pace	Within one week
Annual Chg. in Rent	Increased to max
Concession	None
Waiting List	Yes

### Utilities

A/C	included -- central
Cooking	included -- electric
Water Heat	included -- electric
Heat	included -- electric
Other Electric	included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	36	700	\$565	\$0	@50%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$565	\$0	\$565	-\$128	\$437

### Amenities

In-Unit	Security	Services
Blinds	Limited Access	None
Central A/C	Perimeter Fencing	
Ceiling Fan	Video Surveillance	
Hand Rails		
Pull Cords		
Washer/Dryer hookup		
Property	Premium	Other
Business Center/Computer Lab	None	None
Exercise Facility		
Off-Street Parking		

Comments

The contact reported a short waiting list. The contact reported that demand for senior housing in the area is strong, and there were no adverse impacts on performance due to the pandemic.



Photos



# PROPERTY PROFILE REPORT

## Gatewood Apartments

Effective Rent Date	4/20/2021
Location	303 Pebble Lane Aiken, SC 29801 Aiken County
Distance	2.3 miles
Units	134
Vacant Units	5
Vacancy Rate	3.7%
Type	Garden (2 stories)
Year Built/Renovated	1984 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Churchill Commons, Other outlying Aiken apartments
Tenant Characteristics	None identified
Contact Name	Susan
Phone	803.642.6553



### Market Information

Program	Market
Annual Turnover Rate	27%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Prelease to 3 weeks
Annual Chg. in Rent	Increased 1-2%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1.5	Garden (2 stories)	28	975	\$923	\$0	Market	No	1	3.6%	N/A	None
2	2.5	Garden (2 stories)	76	1,053	\$973	\$0	Market	No	3	3.9%	N/A	None
3	2	Garden (2 stories)	30	1,125	\$1,083	\$0	Market	No	1	3.3%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
2BR / 1.5BA	\$923	\$0	\$923	\$0	\$923
2BR / 2.5BA	\$973	\$0	\$973	\$0	\$973
3BR / 2BA	\$1,083	\$0	\$1,083	\$0	\$1,083

## Gatewood Apartments, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
Property		Premium	Other
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Off-Street Parking	On-Site Management		
Playground	Swimming Pool		

### Comments

The contact reported stable performance throughout the ongoing pandemic, noting strong demand for rental housing in the area.

Photos



# PROPERTY PROFILE REPORT

## Haven At Market Street Station

Effective Rent Date	4/20/2021
Location	8034 Macbean Loop Aiken, SC 29801 Aiken County
Distance	7.3 miles
Units	284
Vacant Units	7
Vacancy Rate	2.5%
Type	Garden (3 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Summit
Tenant Characteristics	Locals and several families
Contact Name	Jessica
Phone	803-641-3111



### Market Information

Program	Market
Annual Turnover Rate	13%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3-5%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- gas
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	68	776	\$945	\$0	Market	None	2	2.9%	N/A	None
1.5	1	Garden (3 stories)	50	998	\$995	\$0	Market	None	1	2.0%	N/A	None
2	2	Garden (3 stories)	142	1,150	\$1,075	\$0	Market	None	3	2.1%	N/A	None
3	2	Garden (3 stories)	24	1,292	\$1,295	\$0	Market	None	1	4.2%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$945	\$0	\$945	\$12	\$957
1.5BR / 1BA	\$995	\$0	\$995	\$12	\$1,007
2BR / 2BA	\$1,075	\$0	\$1,075	\$12	\$1,087
3BR / 2BA	\$1,295	\$0	\$1,295	\$12	\$1,307

## Haven At Market Street Station, continued

### Amenities

In-Unit		Security	Services
Balcony/Patio	Blinds	Perimeter Fencing	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Ceiling Fan	Garbage Disposal		
Oven	Refrigerator		
Walk-In Closet	Washer/Dryer hookup		
Property		Premium	Other
Business Center/Computer Lab	Car Wash	None	None
Clubhouse/Meeting Room/Community	Exercise Facility		
Garage(\$75.00)	Central Laundry		
Off-Street Parking	On-Site Management		
Picnic Area	Playground		
Swimming Pool			

### Comments

This property does not accept Housing Choice Vouchers. The contact indicated that the property has not had significant adverse performance due to the ongoing pandemic. Garage parking is available to tenants for an additional \$75 per month.



Photos







## Comments

The contact reported strong performance throughout the ongoing pandemic, with demand actually increasing and significant rent increases of 10-12 percent. Washer/dryer rentals are available for \$40/month. The contact reported that the property offers a limited number of one-bedroom furnished units for \$1,600.

Photos



# PROPERTY PROFILE REPORT

## The Colony At South Park

Effective Rent Date	4/19/2021
Location	101 Greengate Circle Aiken, SC 29803 Aiken County
Distance	2.6 miles
Units	168
Vacant Units	2
Vacancy Rate	1.2%
Type	Garden (2 stories)
Year Built/Renovated	1989 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Churchill Commons, Trotters Run
Tenant Characteristics	Families
Contact Name	Laura
Phone	(803)649-4140



### Market Information

Program	Market
Annual Turnover Rate	30%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 2-10%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	not included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (2 stories)	45	750	\$923	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (2 stories)	78	950	\$1,006	\$0	Market	No	2	2.6%	N/A	None
3	2	Garden (2 stories)	45	1,150	\$1,428	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$923	\$0	\$923	\$12	\$935
2BR / 2BA	\$1,006	\$0	\$1,006	\$12	\$1,018
3BR / 2BA	\$1,428	\$0	\$1,428	\$12	\$1,440

## The Colony At South Park, continued

### Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	Patrol	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Fireplace	Garbage Disposal		
Oven	Refrigerator		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Car Wash	None	Dog Park, sun deck, gazebo
Clubhouse/Meeting Room/Community	Exercise Facility		
Central Laundry	Off-Street Parking		
On-Site Management	Picnic Area		
Playground	Swimming Pool		

### Comments

The contact reported that rents have increased and vacancy decreased since the onset of the pandemic, with most significant rent growth in the three-bedroom unit types.



Photos





# PROPERTY PROFILE REPORT

## Trotters Run

Effective Rent Date	4/20/2021
Location	925 Trail Ridge Rd Aiken, SC 29803 Aiken County
Distance	3.5 miles
Units	96
Vacant Units	1
Vacancy Rate	1.0%
Type	Garden (3 stories)
Year Built/Renovated	2001 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	Families
Contact Name	Christie
Phone	803.641.7163



### Market Information

Program	Market
Annual Turnover Rate	24%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within one week
Annual Chg. in Rent	Increased 3-8%
Concession	None
Waiting List	None

### Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

### Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	24	700	\$960	\$0	Market	No	1	4.2%	N/A	None
2	2	Garden (3 stories)	60	1,005	\$1,065	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	12	1,230	\$315	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util. Adj.	Adj. Rent
1BR / 1BA	\$960	\$0	\$960	-\$61	\$899
2BR / 2BA	\$1,065	\$0	\$1,065	-\$86	\$979
3BR / 2BA	\$315	\$0	\$315	-\$120	\$195

## Trotters Run, continued

### Amenities

<b>In-Unit</b>		<b>Security</b>	<b>Services</b>
Balcony/Patio	Blinds	None	None
Carpeting	Central A/C		
Coat Closet	Dishwasher		
Exterior Storage	Ceiling Fan		
Garbage Disposal	Microwave		
Oven	Refrigerator		
Washer/Dryer hookup			
<b>Property</b>		<b>Premium</b>	<b>Other</b>
Business Center/Computer Lab	Clubhouse/Meeting Room/Community	None	None
Courtyard	Exercise Facility		
Garage(\$50.00)	Jacuzzi		
Off-Street Parking	On-Site Management		
Picnic Area	Swimming Pool		

### Comments

The contact reported stable vacancy and significant rent increases since the onset of the pandemic, reporting strong demand for rental housing in the area.

Photos



## COMPARABLE PROPERTY ANALYSIS

### Vacancy

The following table illustrates the market vacancy at the comparable properties.

OVERALL VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Longleaf Senior Village Phase I	LIHTC	Senior	50	0	0.0%
The Edgewater*	LIHTC	Senior	48	0	0.0%
Village At Dupont Landing	LIHTC/HOME	Senior	46	0	0.0%
Villages At Horse Creek*	LIHTC	Senior	36	0	0.0%
Gatewood Apartments	Market	Family	134	5	3.7%
Haven At Market Street Station	Market	Family	284	7	2.5%
New London Apartments	Market	Family	64	1	1.6%
The Colony At South Park	Market	Family	168	2	1.2%
Trotters Run	Market	Family	96	1	1.0%
<b>Total LIHTC</b>			<b>180</b>	<b>0</b>	<b>0.0%</b>
<b>Total Market Rate</b>			<b>746</b>	<b>16</b>	<b>2.1%</b>
<b>Overall Total</b>			<b>926</b>	<b>16</b>	<b>1.7%</b>

\*Located outside of the PMA

LIHTC VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Longleaf Senior Village Phase I	LIHTC	Senior	50	0	0.0%
The Edgewater*	LIHTC	Senior	48	0	0.0%
Village At Dupont Landing	LIHTC/HOME	Senior	46	0	0.0%
Villages At Horse Creek*	LIHTC	Senior	36	0	0.0%
<b>Total LIHTC</b>			<b>180</b>	<b>0</b>	<b>0.0%</b>

\*Located outside of the PMA

MARKET VACANCY					
Property Name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Gatewood Apartments	Market	Family	134	5	3.7%
Haven At Market Street Station	Market	Family	284	7	2.5%
New London Apartments	Market	Family	64	1	1.6%
The Colony At South Park	Market	Family	168	2	1.2%
Trotters Run	Market	Family	96	1	1.0%
<b>Total Market Rate</b>			<b>746</b>	<b>16</b>	<b>2.1%</b>

The comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 1.7 percent. The LIHTC comparables reported no vacancy, and all reported maintenance of waiting lists up to 1.5 years in length. The market rate comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 2.1 percent. Overall, the local rental market appears to be healthy and we believe that the Subject will be able to maintain a stabilized vacancy rate of seven percent or less following stabilization per state guideline standards. In fact, we would also expect that after completion of absorption, the Subject will operate with a waiting list.

**LIHTC Vacancy – All LIHTC Properties in PMA**

There are 180 total LIHTC units in the PMA that we included in this comparable analysis. There are zero vacancies among these units and all of the properties maintain waiting lists. This indicates strong demand for affordable rental housing in the PMA.

**REASONABILITY OF RENTS**

This report is written to SCSHFDA guidelines. Therefore, the conclusions contained herein may not be replicated by a more stringent analysis. We recommend that the sponsor understand the guidelines of all those underwriting the Subject development to ensure the proposed rents are acceptable to all.

Rents provided by property managers at some properties may include all utilities while others may require tenants to pay all utilities. To make a fair comparison of the Subject rent levels to comparable properties, rents at comparable properties are typically adjusted to be consistent with the Subject. Adjustments are made using the South Carolina Housing Finance and Development Agency’s Midlands Region Utility Allowance, effective February 24, 2021, the most recent available. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following tables summarize the Subject’s proposed 20, 50, 60 and 70 percent AMI net rents compared to the maximum allowable 20, 50, 60 and 70 percent AMI rents, the net rents at the comparables, and the averages of these comparable net rents.

**LIHTC RENT COMPARISON @20%**

Property Name	County	Tenancy	1BR	Rents at Max?
The Magnolia	Aiken	Senior	\$131	Yes
<b>LIHTC Maximum Rent (Net)</b>	<b>Aiken</b>		<b>\$131</b>	
<b>Achievable LIHTC Rent</b>			<b>\$131</b>	

**LIHTC RENT COMPARISON @50%**

Property Name	County	Tenancy	1BR	2BR	Rents at Max?
The Magnolia	Aiken	Senior	\$465	\$535	No
<b>LIHTC Maximum Rent (Net)</b>	<b>Aiken</b>		<b>\$520</b>	<b>\$605</b>	
Longleaf Senior Village Phase I	Aiken	Senior	\$354	\$416	No
The Edgewater	Aiken	Senior	-	\$540	No
Village At Dupont Landing	Aiken	Senior	-	\$484	No
Villages At Horse Creek	Aiken	Senior	\$437	-	No
<b>Average</b>			<b>\$396</b>	<b>\$480</b>	
<b>Achievable LIHTC Rent</b>			<b>\$465</b>	<b>\$535</b>	



**LIHTC RENT COMPARISON @60%**

Property Name	County	Tenancy	1BR	2BR	Rents at Max?
The Magnolia	Aiken	Senior	\$575	\$625	No
<b>LIHTC Maximum Rent (Net)</b>	<b>Aiken</b>		<b>\$649</b>	<b>\$761</b>	
Longleaf Senior Village Phase I	Aiken	Senior	\$384	\$476	No
The Edgewater	Aiken	Senior	-	\$600	No
Village At Dupont Landing	Aiken	Senior	-	\$529	No
<b>Average</b>	<b>Aiken</b>	<b>Senior</b>	<b>\$384</b>	<b>\$535</b>	
<b>Achievable LIHTC Rent</b>			<b>\$575</b>	<b>\$625</b>	

The Subject’s proposed 20 percent AMI rents are set at 2021 maximum allowable levels. There are no comparables with 20 percent AMI rents. These rents will be the lowest non-subsidized rents in the market area, and based on the depth of demand, we believe the maximum allowable 20 percent AMI rents are achievable.

The Subject’s proposed 50 percent AMI rents are set slightly below the 2021 maximum allowable rent levels. None of the comparable properties reported offering units at the maximum allowable 50 percent AMI level. However, it should be noted that several managers reported that rent increases were modest in order to provide greater affordability, and as such higher rents are likely achievable. The Subject will be considered similar to slightly superior to the comparables, and the proposed rents are within or slightly above the surveyed ranges. Overall, we believe the proposed 50 percent AMI rents are achievable.

The Subject’s proposed 60 percent AMI rents are set below the 2021 maximum allowable rent levels. None of the comparable properties reported offering units at the maximum allowable 60 percent AMI level. The Subject will be considered most similar to Village at Dupont Landing and The Edgewater upon completion.

Village at Dupon Landing is a 46-unit age-restricted LIHTC development offering two-bedroom units to senior households earning 50 and 60 percent of AMI or lower. The property was constructed in 2020 and exhibits excellent condition, similar to the Subject upon completion. Village at Dupon Landing offers a single-story walkup design, which is considered generally similar to the Subject’s elevator-serviced, midrise-style design. Village at Dupon Landing offers slightly superior unit sizes, similar in-unit and common area amenities, and a similar location relative to the proposed Subject. Village at Dupon Landing is currently 100 percent occupied and maintains a waiting list. Overall, we believe Village at Dupon Landing is a similar product relative to the proposed Subject.

The Edgewater is a 58-unit mixed-income LIHTC and market rate development offering two-bedroom units to senior households earning 50 and 60 percent of AMI or lower. The property was constructed in 2017 and exhibits excellent condition, similar to the Subject upon completion. The Edgewater offers an elevator-serviced, lowrise-style design, which is considered generally similar to the Subject’s elevator-serviced, midrise-style design. Additionally, The Edgewater offers generally similar unit sizes, similar inferior in-unit, slightly inferior community amenities, and a similar location relative to the proposed Subject. The Edgewater is currently 100 percent occupied and maintains a waiting list. Overall, we believe The Edgewater is a slightly inferior product relative to the proposed Subject.

Overall, the LIHTC comparables were well occupied and all have waiting lists. As such, they generally do not appear to be testing the top of the market. The LIHTC units at all of the comparables are currently 100 percent occupied and all of the comparables maintain a waiting list. As such, we believe the developer’s proposed rents at the 60 percent AMI levels are achievable.



The Subject will offer units at 70 percent AMI. The Subject’s proposed rents at 70 percent AMI are set below maximum allowable levels. None of the comparable properties offer rents at this moderate income level. Therefore, we believe the most comparable rents for the Subject’s 70 percent AMI units are market rate rents.

**LIHTC RENT COMPARISON @70%**

Property Name	County	Tenancy	2BR	Rents at Max?
The Magnolia	Aiken	Family	\$680	No
<b>LIHTC Maximum Rent (Net)</b>			<b>\$916</b>	
Gatewood Apartments (Market)	Aiken	Family	\$973	N/Ap
Haven At Market Street Station (Market)	Aiken	Family	\$1,087	N/Ap
New London Apartments (Market)	Aiken	Family	\$947	N/Ap
The Colony At South Park (Market)	Aiken	Family	\$1,018	N/Ap
Trotters Run (Market)	Aiken	Family	\$979	N/Ap
<b>Average</b>			<b>\$1,001</b>	
<b>Achievable LIHTC Rent</b>			<b>\$680</b>	

The Subject’s proposed rents at the 70 percent AMI level are well below the surveyed average of the unrestricted rents in the market. The qualifying incomes for this unit type, as illustrated in our demand analysis, are near or above the 60 percent AMI maximum income level. This indicates that the majority of tenants who would qualify for the Subject’s unit types are likely living in market rate housing and the Subject’s units at the 70 percent of the AMI level would be in direct competition with these units. As discussed below in our analysis of the Subject’s achievable market rents, we believe the Subject can achieve market rents within the range of those currently achieved at the comparables. Therefore, we believe that the Subject’s proposed rents are reasonable based on the anticipated excellent condition and competitive amenities that the Subject will offer.

**Achievable Market Rents**

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject’s rental rates are well below the achievable market-rates for the Subject’s area. The following table shows both market rent comparisons and achievable market rents.

**SUBJECT COMPARISON TO MARKET RENTS**

Unit Type	Rent Level	Subject Pro Forma Rent	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rent	Subject Rent Advantage
1BR / 1BA	@20%	\$131	\$867	\$957	\$915	\$875	85%
1BR / 1BA	@50%	\$465	\$867	\$957	\$915	\$875	47%
1BR / 1BA	@60%	\$575	\$867	\$957	\$915	\$875	34%
2BR / 1.75BA	@50%	\$535	\$923	\$1,087	\$988	\$975	45%
2BR / 1.75BA	@60%	\$625	\$923	\$1,087	\$988	\$975	36%
2BR / 1.75BA	@70%	\$680	\$923	\$1,087	\$988	\$975	30%

The Subject’s LIHTC rents are below the achievable market rents. The Subject’s proposed and achievable LIHTC rents represent a rent advantage of 30 to 85 percent over the achievable market rents. We have compared the Subject to Haven at Market Street Station and New London Apartments.

Haven at Market Street Station is a 284-unit, garden-style development located 7.3 miles from the Subject site, in a neighborhood considered similar relative to the Subject's location. This property was constructed in 2008 and is in good condition, slightly inferior to the Subject. The manager at Haven at Market Street Station reported a vacancy rate of 2.5 percent. The following table compares the Subject with Haven at Market Street Station.

**SUBJECT COMPARISON TO HAVEN AT MARKET STREET STATION**

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	Haven At Market Street Station Rent	Square Feet	Haven At Market Street Station RPSF	Subject Rent Advantage
1BR / 1BA	\$875	750	\$1.17	\$957	776	\$1.23	86.3%
2BR / 1.75BA	\$975	922 - 1,040	\$0.94 - \$1.06	\$1,087	1,150	\$0.95	37.4%

Haven at Market Street Station offers slightly superior in-unit and property amenities and slightly superior unit sizes compared to the Subject. In addition, the Subject will offer an inferior bathroom count in two-bedroom units relative to this comparable. In overall terms, we believe the Subject will be a slightly inferior product relative to the Haven at Market Street Station and we have placed rents below this property.

New London Apartments is a 64-unit market rate development offering one-and two-bedroom units and located 0.5 miles from the Subject site in a similar location. This property was constructed in 2012 and exhibits good condition, slightly inferior to the Subject's anticipated condition upon completion. The manager at New London Apartments reported a vacancy rate of 1.6 percent. The following table compares the Subject with New London Apartments.

**SUBJECT COMPARISON TO NEW LONDON APARTMENTS**

Unit Type	Subject Achievable Market Rent	Square Feet	Subject RPSF	New London Apartments Rent	Square Feet	New London Apartments RPSF	Subject Rent Advantage
1BR / 1BA	\$875	750	\$1.17	\$867	725	\$1.20	84.9%
2BR / 1.75BA	\$975	922 - 1,040	\$0.94 - \$1.06	\$947	985	\$0.96	28.2%

New London Apartments offers slightly inferior in-unit amenities, similar property amenities, and similar unit sizes when compared to the Subject. In addition, the Subject will offer an inferior bathroom count in two-bedroom units relative to this comparable. In overall terms, we believe the Subject will be a slightly superior product relative to New London Apartments and we concluded to rents slightly above this property.

In conclusion, we believe that the Subject's achievable market rents are **\$875 and \$975** for its one and two-bedroom units, respectively. Our concluded market rents result in a rent advantage of 30 to 85 percent for the Subject's proposed and achievable LIHTC rents.

**Impact of Subject on Other Affordable Units in Market**

All of the LIHTC comparables reported being well occupied and all maintain waiting list. We utilized two LIHTC properties in the PMA. We also attempted to contact other LIHTC properties located within the PMA; those we spoke with reported an average overall vacancy rate of 0.6 percent. Additionally, the Subject will target the senior population and there are a limited number of affordable housing options for seniors in the market. As such, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments.

### **Availability of Affordable Housing Options**

There is somewhat limited supply of age-restricted LIHTC units without subsidies in the PMA. Therefore, the availability of age-restricted LIHTC housing targeting moderate incomes is considered inadequate given the demographic growth of the PMA. The Subject would bring better balance to the supply of affordable rental housing in the PMA.

### **SUMMARY EVALUATION OF THE PROPOSED PROJECT**

The comparables reported vacancy rates ranging from zero to 3.7 percent, with an overall average of 1.7 percent. The LIHTC comparables all reported high occupancy and all maintain waiting lists up to 1.5 years in length. When compared to the current 20, 50, 60, and 70 percent rents at the LIHTC properties, the Subject's proposed 20, 50, 60, and 70 percent AMI rents appear reasonable. We concluded to achievable LIHTC rents equal to the proposed rents and similar to moderately below maximum allowable rent levels. Overall, they are 30 to 85 percent below what we have determined to be the achievable market rents. Overall, we believe that the Subject will be successful in the local market as proposed.

## **H. INTERVIEWS**

## **INTERVIEWS**

The following section details interviews with local market participants regarding the housing market.

### **Planning**

We made several attempts to contact the City of Aiken Planning and Development Department; however, as of the date of this report our phone calls have not been returned. As such, we have utilized CoStar to identify under construction and proposed multifamily developments in the PMA. According to our research, there are no other under construction or proposed multifamily developments in the PMA besides the LIHTC property noted above. following table illustrates multifamily projects in the PMA according to CoStar.

### **Section 8/Public Housing**

We interviewed staff with the South Carolina Regional Housing Authority No. 3 for information regarding the local voucher program. The contact indicated that the Housing Authority is authorized to distribute over 1,300 tenant-based Housing Choice Vouchers in the region that includes Aiken, Allendale, Bamberg, Barnwell, Berkeley, Calhoun, Hampton, Jasper, and Orangeburg Counties. All available vouchers are currently in use. The waiting list for the HCV program is currently closed. The payment standards for one and two-bedroom units are \$664 and \$780, respectively. The payment standards are above the Subject's 20 and 50 percent AMI proposed LIHTC rents, indicating tenants in these units would not have to pay additional money out of pocket.

### **Property Managers**

The results from our interviews with property managers are included in the comments section of the property profile reports included in the previous section.

# **I. RECOMMENDATIONS**



## RECOMMENDATIONS

We believe there is adequate demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's capture rates vary from 2.4 to 26.8 percent with an overall capture rate of 13.8 percent. These capture rates are all considered achievable in the PMA, and are considered very conservative for a senior property. In addition, the affordable properties in the PMA maintain low vacancy rates and all maintain waiting lists, which indicates a need for affordable housing such as the proposed Subject. The Subject site is located within 3.0 miles of most community services and facilities that seniors would utilize on a consistent basis.

There are no vacancies among the LIHTC comparables. Further, all of the surveyed LIHTC properties maintain waiting lists. The proposed rents offer a greater than 27 percent advantage to HUD Fair Market Rents, which is within SCSHFDA thresholds. The proposed rents will also compete well with the LIHTC rents at the most similar LIHTC comparables we surveyed.

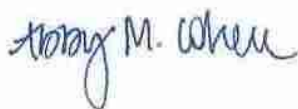
# **J. SIGNED STATEMENT REQUIREMENTS**

## SIGNED STATEMENT REQUIREMENTS

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 new rental LIHTC units. I understand that any misrepresentation of this statement may result in 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.

Respectfully submitted,  
Novogradac Consulting LLP

May 27, 2021  
Date



Abby Cohen  
Partner  
Abby.Cohen@novoco.com

**ADDENDUM A**  
**Qualifications of Consultants**

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## ABBY M. COHEN

### I. Education

The Pennsylvania State University, University Park, PA  
Bachelor of Arts

### II. Licensing and Professional Affiliation

Certified General Appraiser, FL License #RZ4143  
Certified General Appraiser, MD License #40032823  
Certified General Appraiser, NC License #A8127  
Certified General Appraiser, NJ License #42RG00255000  
Certified General Appraiser, SC License #7487

Designated Member of the National Council of Housing Market Analysts (NCHMA)  
Member of Commercial Real Estate Women (CREW) Network

### III. Professional Experience

Novogradac & Company LLP, Partner  
Novogradac & Company LLP, Principal  
Novogradac & Company LLP, Manager  
Novogradac & Company LLP, Senior Real Estate Analyst

### IV. Professional Training

7-Hour National USPAP Update for 2020-2021, February 2020  
Appraisal of Fast Food Facilities, February 2020  
Appraisal of Self-Storage Facilities, February 2020  
The Odd Side of Appraisal, February 2020  
Basic Hotel Appraising – Limited Service Hotels, October 2019  
Advanced Hotel Appraising – Full Service Hotels, October 2019  
Appraisal of REO and Foreclosure Properties, October 2019  
Appraisal of Land Subject to Ground Leases, December 2017  
Business Practices and Ethics, January 2017  
General Appraiser Report Writing and Case Studies, February 2015  
General Appraiser Sales Comparison Approach, February 2015  
General Appraiser Site Valuation and Cost Approach, February 2015  
Expert Witness for Commercial Appraisers, January 2015  
Commercial Appraisal Review, January 2015  
Real Estate Finance Statistics and Valuation Modeling, December 2014  
General Appraiser Income Approach Part II, December 2014  
General Appraiser Income Approach Part I, November 2014  
General Appraiser Market Analysis and Highest & Best Use, November 2014  
IRS Valuation Summit, October 2014  
15-Hour National USPAP Equivalent, April 2013  
Basic Appraisal Procedures, March 2013  
Basic Appraisal Principles, January 2013

### V. Publications

Co-authored “Post Rev. Proc. 2014-12 Trend Emerges: Developer Fee Reasonableness Opinions,” Novogradac Journal of Tax Credits, March 2016

## VI. Real Estate Assignments

A representative sample of Asset Management, Due Diligence, and Valuation Engagements includes:

- Performed a variety of asset management services for a lender including monitoring and reporting property performance on a monthly basis. Data points monitored include economic vacancy, levels of concessions, income and expense levels, NOI and status of capital projects. Data used to determine these effects on the project's ability to meet its income-dependent obligations.
- Performed asset management services for lenders and syndicators on underperforming assets to identify significant issues facing the property and recommend solutions. Scope of work included analysis of deferred maintenance and property condition, security issues, signage, marketing strategy, condition of units upon turnover and staffing plan. Performed a physical inspection of the assets, to include interior and exterior of property and assessed how the property compares to competition. Analyzed operating expense results.
- Prepared market studies for proposed Low-Income Housing Tax Credit, market rate, HOME financed, USDA Rural Development, and HUD subsidized properties, on a national basis. Analysis includes property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis, and operating expenses analysis. Property types include proposed multifamily, senior independent living, large family, and acquisition with rehabilitation. Completed market studies in all states.
- Assisted in appraisals of proposed new construction, rehabilitation, and existing Low-Income Housing Tax Credit properties, USDA Rural Development, and market rate multifamily developments. Analysis includes property screenings, valuation analysis, rent comparability studies, expense comparability analysis, determination of market rents, and general market analysis.
- Assisted in appraisal work for retail and commercial properties in various parts of the country for various lenders. The client utilized the study for underwriting purposes.
- Conducted market studies and appraisals for projects under the HUD Multifamily Accelerated Processing program.
- Prepared Rent Comparability Studies for expiring Section 8 contracts for subsidized properties located throughout the United States. Engagements included site visits to the subject property, interviewing and inspecting potentially comparable properties, and the analyses of collected data including adjustments to comparable data to determine appropriate adjusted market rents using HUD form 92273.
- Performed all aspects of data collection and data mining for web-based rent reasonableness systems for use by local housing authorities.
- Completed numerous reasonableness opinions related to Revenue Procedure 2014-12. Transactions analyzed include projects involving the use of Historic Tax Credits, New Markets Tax Credits and Investment Tax Credits. Fees and arrangements tested for reasonableness include developer fees, construction management fees, property management fees, asset management fees, various leasing-related payments and overall master lease terms.



**STATEMENT OF PROFESSIONAL QUALIFICATIONS  
ETHAN C. HOUTS**

**I. Education**

Taylor University, Upland, IN  
Bachelor of Science, Finance (*Magna Cum Laude*)

**II. State Certification and Professional Affiliation**

State of Ohio Certified General Real Estate Appraiser No. 2017002055  
Candidate for Designation, Appraisal Institute  
Housing Credit Certified Professional (HCCP) (*Inactive*)

**III. Professional Experience**

*Analyst / Consultant*, Novogradac & Company LLP  
*Principal / Analyst*, 27ONE Consulting LLC  
*Manager*, Novogradac & Company LLP  
*Analyst*, Wallick Communities  
*Analyst*, Novogradac & Company LLP

**IV. Professional Training**

Basic Appraisal Procedures, January 2012  
Basic Appraisal Principles, January 2012  
National Uniform Standards of Professional Appraisal Practice, February 2012  
Real Estate Finance, Statistics, & Valuation Modeling, January 2013  
General Appraiser Sales Comparison Approach, January 2014  
Business Practices & Ethics, January 2014  
National USPAP 7-Hour Update, February 2014  
General Appraiser Income Approach Part I, June 2014  
General Appraiser Income Approach Part II, July 2014  
General Appraiser Market Analysis and Highest and Best Use, October 2014  
General Appraiser Report Writing and Case Studies, January 2015  
Advanced Market Analysis and Highest & Best Use, October 2015  
General Appraiser Site Valuation and Cost Approach, January 2016

**V. Real Estate Assignments**

A representative sample of Market Research, Due Diligence, and Valuation Engagements includes the following:

- Conducted numerous market and feasibility studies for affordable housing projects on a national basis. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: physical inspection of the site and market, unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Conducted numerous rent comparability studies of proposed new construction and existing subsidized properties in accordance with HUD guidelines.

- Conducted numerous appraisals of proposed new construction and existing subsidized properties in accordance with HUD guidelines.
- Conducted numerous appraisals of proposed new construction and existing LIHTC properties. Analysis typically includes physical inspection of the property and market, concept analysis, demographic and economic analysis, demand and absorption projections, comparable surveying, supply analysis and rent determination, operating expense analysis to determine cost estimates, capitalization rate determination, valuation utilizing the three approaches to value, insurable value estimation, and LIHTC equity valuation.
- Conducted numerous appraisals of retail, office, industrial, hospitality, special use, and commercial land properties.

**ADDENDUM B**  
**NCHMA Checklist and Certification**

# Certificate of Professional Designation

*This certificate verifies that*

**Abby Cohen**  
Novogradac & Company LLP

*Has completed NCHMA's Professional Designation Requirements  
and is hence an approved member in good standing of:*



Formerly known as  
NCAHMA

National Council of Housing Market Analysts  
1400 16<sup>th</sup> St. NW  
Suite 420  
Washington, DC 20036  
202-939-1750

**Membership Term**  
1/1/2021 to 12/31/2021



A handwritten signature in black ink, appearing to read 'Thomas Amdur'.

**Thomas Amdur**  
President, NCHMA

## NCHMA Market Study Index

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
<b>Executive Summary</b>		
1	Executive Summary	Section I
<b>Scope of Work</b>		
2	Scope of Work	Section I
<b>Project Description</b>		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	Section II
4	Utilities (and utility sources) included in rent	Section II
5	Target market/population description	Section II
6	Project description including unit features and community amenities	Section II
7	Date of construction/preliminary completion	Section II
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/Ap
<b>Location</b>		
9	Concise description of the site and adjacent parcels	Section III
10	Site photos/maps	Section III
11	Map of community services	Section III
12	Site evaluation/neighborhood including visibility, accessibility, and crime	Section III
<b>Market Area</b>		
13	PMA description	Section IV
14	PMA Map	Section IV
<b>Employment and Economy</b>		
15	At-Place employment trends	Section V
16	Employment by sector	Section V
17	Unemployment rates	Section V
18	Area major employers/employment centers and proximity to site	Section V
19	Recent or planned employment expansions/reductions	Section V
<b>Demographic Characteristic</b>		
20	Population and household estimates and projections	Section VI
21	Area building permits	Section VI
22	Population and household characteristics including income, tenure, and size	Section VI
23	For senior or special needs projects, provide data specific to target market	N/Ap
<b>Competitive Environment</b>		
24	Comparable property profiles and photos	Section VI
25	Map of comparable properties	Section VI
26	Existing rental housing evaluation including vacancy and rents	Section VI
27	Comparison of subject property to comparable properties	Section VI
28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	Section VI
29	Rental communities under construction, approved, or proposed	Section VII
30	For senior or special needs populations, provide data specific to target market	N/Ap

**Introduction:** Members of the National Council of Housing Market Analysts provide the following checklist referencing various components necessary to conduct a comprehensive market study for rental housing. By completing the following checklist, the NCHMA Analyst certifies that he or she has performed all necessary work to support the conclusions included within the comprehensive market study. By completion of this checklist, the analyst asserts that he/she has completed all required items per section.

		Section(s)
<b>Affordability, Demand, and Penetration Rate Analysis</b>		
31	Estimate of demand	Section VII
32	Affordability analysis with capture rate	Section VII
33	Penetration rate analysis with capture rate	Section VII
<b>Analysis/Conclusions</b>		
34	Absorption rate and estimated stabilized occupancy for subject	Section V
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	Section V
36	Precise statement of key conclusions	Section III
37	Market strengths and weaknesses impacting project	Section III
38	Product recommendations and/or suggested modifications to subject	Section III
39	Discussion of subject property's impact on existing housing	Section III
40	Discussion of risks or other mitigating circumstances impacting subject	Section III
41	Interviews with area housing stakeholders	Section II
<b>Other Requirements</b>		
42	Certifications	Addendum A
43	Statement of qualifications	Addendum C
44	Sources of data not otherwise identified	N/A