

Market Feasibility Analysis

Berea Heights Townhomes
Corner of Berea Heights Road and Farris Bridge Road
Berea, Greenville County, South Carolina 29617

Prepared For

Ms. Randal A. Dressler
Tri-State Development, Inc.
1039 Linwood Drive
Florence, Alabama 35630

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14-157 CR/PB



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

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2014 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	Berea Heights Townhomes	Total # Units:	36
Location:	West of Berea Heights Road and Farris Bridge Road Intersection, Berea, South Carolina 29617 (Greenville County)		# LIHTC Units: 36
PMA Boundary:	Rutledge Lake Road and Roe Ford Road to the north; U.S. Highway 276 to the east; U.S. Highway 123 to the south; and the Greenville County line to the west.		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	4.2 miles

RENTAL HOUSING STOCK (found on page H-12)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	16	1,853	102	94.5%
Market-Rate Housing	9	1,411	102	92.8%
Assisted/Subsidized Housing not to include LIHTC	2	116	0	100.0%
LIHTC (All that are stabilized)*	5	326	0	100.0%
Stabilized Comps**	4	226	0	100.0%
Non-stabilized Comps	0	N/A	N/A	N/A

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

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

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
3	Two-Br.	1.75	1,100	\$410	\$705	\$0.64	41.84%	\$895	\$0.82
9	Two-Br.	1.75	1,100	\$470	\$705	\$0.64	33.33%	\$895	\$0.82
6	Three-Br.	2.5	1,250	\$440	\$810	\$0.65	45.68%	\$1,045	\$0.82
18	Three-Br.	2.5	1,250	\$500	\$810	\$0.65	38.27%	\$1,045	\$0.82
Gross Potential Rent Monthly*				\$17,100	27,900		38.71%		

*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.

DEMOGRAPHIC DATA (found on page F-3)

	2000		2013		2016	
Renter Households	N/A	N/A	8,793	48.0%	9,081	47.7%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	2,282	12.4%	2,355	12.4%
Income-Qualified Renter HHs (MR)	(if applicable)	N/A	N/A	N/A	N/A	N/A

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

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall
Renter Household Growth	51	63				73
Existing Households (Overburd + Substand)	618	568				742
Homeowner conversion (Seniors)	N/A	N/A				N/A
Other:	N/A	N/A				N/A
Less Comparable/Competitive Supply	16	72				88
Net Income-qualified Renter HHs	653	559				727

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	1.4%	4.8%				5.0%

ABSORPTION RATE (found on page G-7)

Absorption Period	6 months
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2014 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
3	2 BR	\$410	\$1,230	\$705	\$2,115	
9	2 BR	\$470	\$4,230	\$705	\$6,345	
	2 BR		\$0		\$0	
6	3 BR	\$440	\$2,640	\$810	\$4,860	
18	3 BR	\$500	\$9,000	\$810	\$14,580	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	36		\$17,100		\$27,900	38.71%

B. PROJECT DESCRIPTION

The subject project involves the new construction of the 36-unit Berea Heights Townhomes property in Berea, Greenville County, South Carolina. The proposed project, which will offer two- and three-bedroom townhome units, will be developed under the Low-Income Housing Tax Credit (LIHTC) program and will target households with incomes of up to 50% and 60% of Area Median Household Income (AMHI). The site will consist of 12 two-bedroom/1.75-bath and 24 three-bedroom/2.5-bath units with proposed collected Tax Credit rents ranging from \$410 to \$500, depending upon bedroom type and AMHI level. The project is anticipated to be complete in August 2015. Additional details regarding the project are as follows:

- a. Property Location:** Corner of Berea Heights Road and Farris Bridge Road
Berea, South Carolina 29617
(Greenville County)
- QCT: No DDA: No
- b. Construction Type:** New Construction
- c. Occupancy Type:** Family
- d. Target Income Group:** 50% and 60% of AMHI
- e. Special Needs Population:** Not applicable
- f. and h. to j. Unit Configuration and Rents:**

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Program Rents			
						Collected Rent	Utility Allowance	Gross Rent	Max. Allowable LIHTC Gross Rent
3	Two-Br.	1.75	Townhome	1,100	50%	\$410	\$159	\$569	\$655
9	Two-Br.	1.75	Townhome	1,100	60%	\$470	\$159	\$629	\$786
6	Three-Br.	2.5	Townhome	1,250	50%	\$440	\$200	\$640	\$756
18	Three-Br.	2.5	Townhome	1,250	60%	\$500	\$200	\$700	\$908
36	Total								

Source: Tri-State Development, Inc.

AMHI – Area Median Household Income (Greenville-Mauldin-Easley, SC MSA; 2014)

- g. Number Of Stories/Buildings:** One (1) two-story, walk-up residential building
- k. Project-Based Rental Assistance (Existing or Proposed):** Not applicable

l. Community Amenities:

The subject property will include the following community features:

- On-site Management
- Laundry Facility
- Community Room
- Fitness Center
- Computer Center
- Security Cameras
- Playground
- Picnic Area
- Covered Gazebo with Benches
- Perimeter Fencing

m. Unit Amenities:

Each unit will include the following amenities:

- Electric Range
- Refrigerator with Icemaker
- Dishwasher
- Microwave Oven
- Washer/Dryer Hookups
- Exterior Storage Closet
- Carpet
- Window Blinds
- Central Air Conditioning
- Patio/Balcony
- Ceiling Fan

n. Parking:

Open, paved lot parking will be included at the subject site

o. Utility Responsibility:

Trash collection costs are included in the rent, while tenants are responsible for all other utilities and services, including the following:

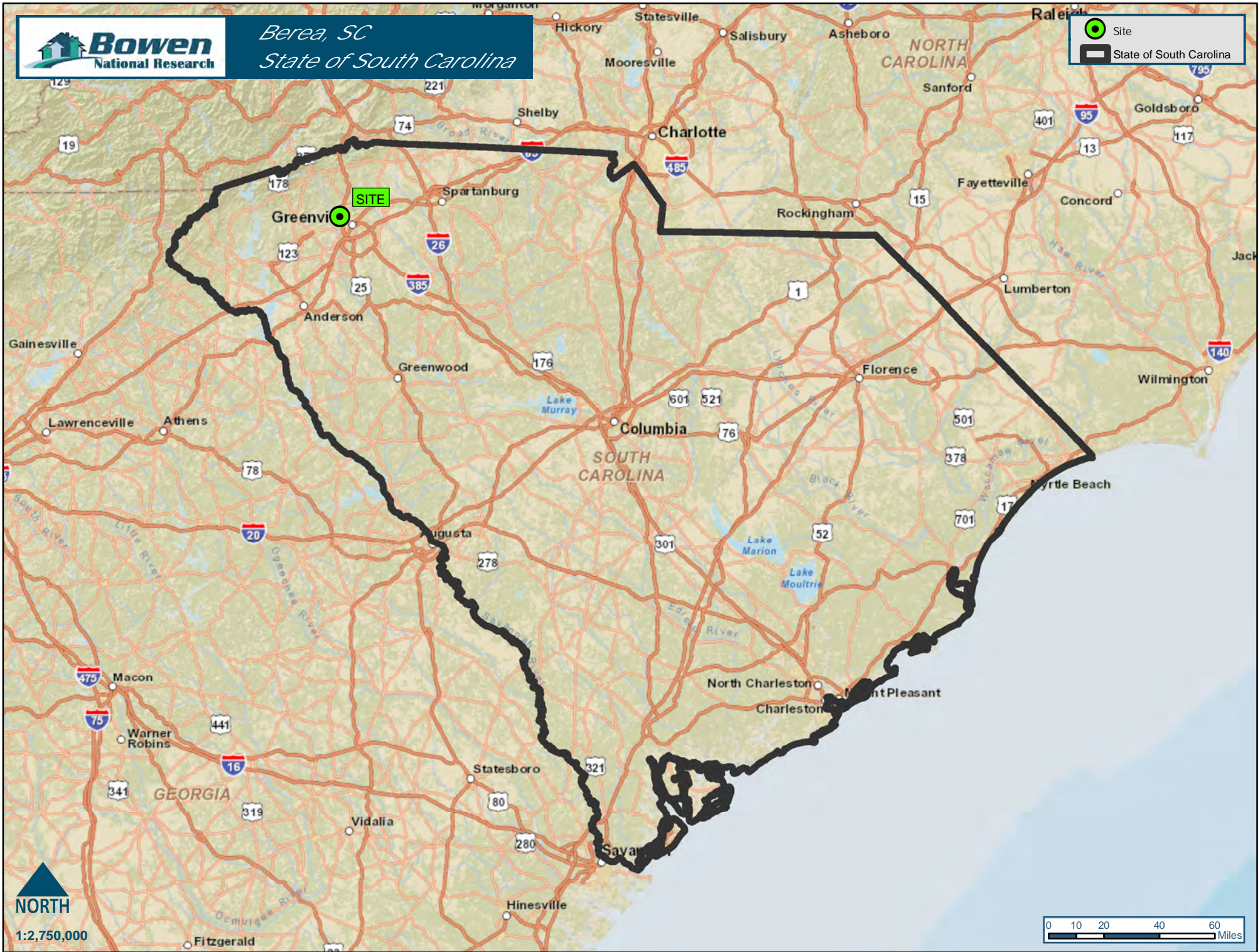
- Electric Heat Pump
- Electric Air Conditioning
- General Electric
- Water
- Electric Water Heating
- Electric Cooking
- Sewer

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



Berea, SC
State of South Carolina

● Site
▭ State of South Carolina

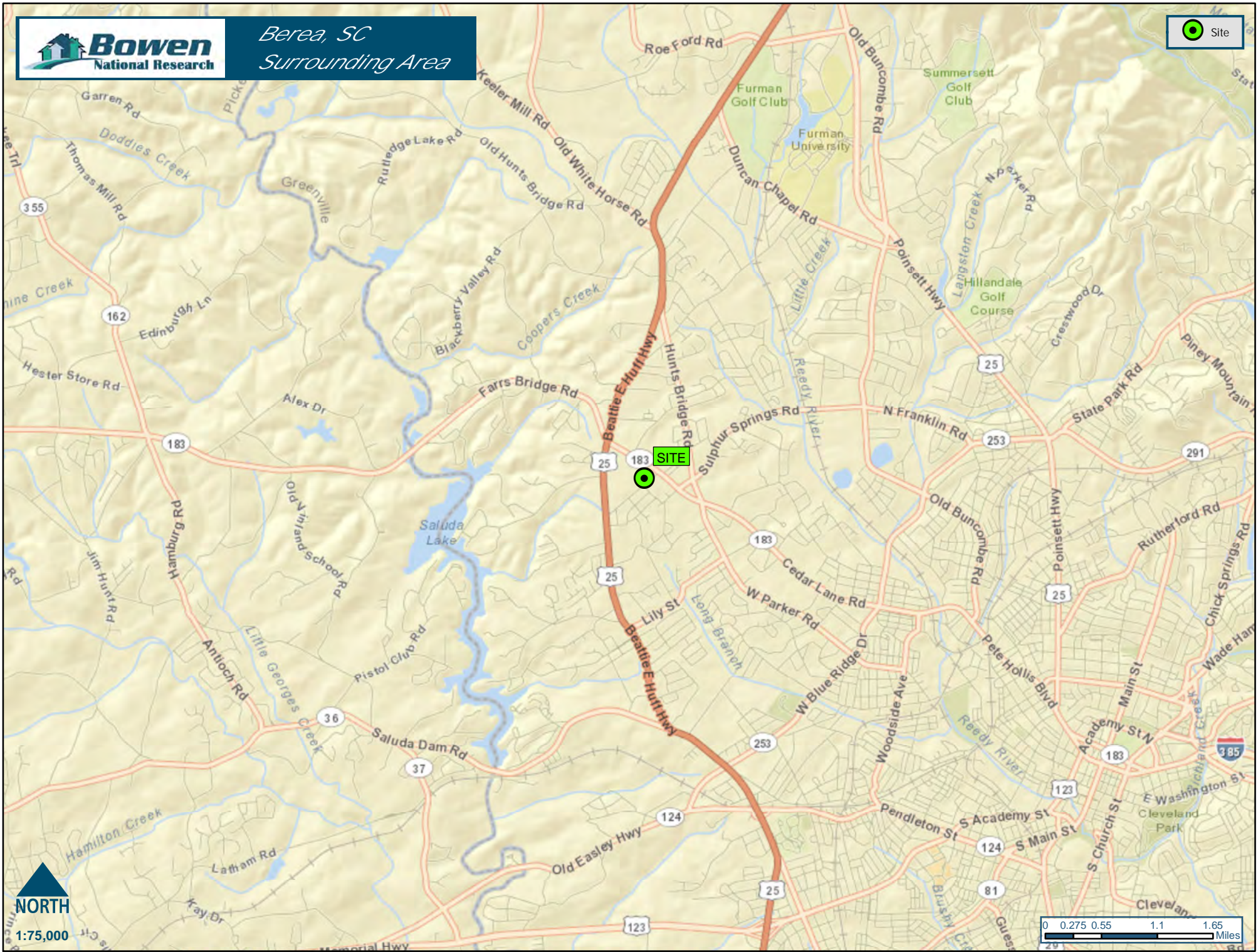


NORTH
1:2,750,000

0 10 20 40 60
Miles



*Berea, SC
Surrounding Area*



NORTH
1:75,000

0 0.275 0.55 1.1 1.65 Miles

C. SITE DESCRIPTION AND EVALUATION

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of February 17, 2014. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site is located west of the Berea Heights Road and Farris Bridge Road intersection in Berea, South Carolina. Located within Greenville County, Berea is approximately 4.5 miles northwest of downtown Greenville, South Carolina. The site neighborhood comprises mix of residential and commercial land uses near the U.S. Highway 25 arterial corridor. Established land uses generally include single-family homes, various local businesses and major arterial roadways. Adjacent land uses are detailed as follows:

North -	A small portion of wooded undeveloped land is adjacent to the site to the north as well as single-family homes in good condition on small parcels. Also north of the site are high tension power lines as well as Farris Bridge Road (State Route 183), a four-lane arterial providing access throughout the Berea area. Continuing north of Farris Bridge Road is wooded land and single family homes in good condition.
East -	Berea Heights Road, a residential thoroughfare is adjacent the site to the east. Farther east of the site is a small shopping center that includes shops such as West Family Kitchen and Liberty Tax Service, while a vacant building, the Berea Shopping Center and residential structures in good condition are located beyond.
South -	Berea Heights Road also borders the site to the south, with wooded land and single-family homes in good condition located beyond. Single-family homes continue south of the site and extend to the Stratford Villa Apartments, a market-rate property.
West -	A small tree farm and high tension power lines are immediately west of the site, while three radio towers which are visible from the site are also located west of the site. Southwest of the site is a U.S. Post Office located along U.S. Highway 25 north/south arterial located farther west of the site. Residential land uses extend beyond.

The proposed subject site is located along Berea Heights Road, east of the U.S. Highway 25 corridor. The site neighborhood is primarily comprised of residential structures in good condition, while undeveloped land and various local businesses are also located throughout the site neighborhood. Considering the primarily residential nature of the site neighborhood, the proposed subject project will fit well with the surrounding land uses. Note that while high tension power lines and three radio towers are visible from the site to the west, it does not appear that these existing land uses have adversely impacted marketability of the residential neighborhood, as the residential structures in the area are occupied and are considered to be well-maintained. As such, we do not anticipate these existing structures to negatively impact marketability of the subject site.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance (In Miles)
Major Highways	State Route 183	0.1 Northeast
	U.S. Highway 25	0.2 Southwest
Public Bus Stop	Greenville Public Transit (Greenlink)	0.3 Southeast
Major Employers/ Employment Centers	St Francis Hospital	4.6 Southeast
	Orion Group	7.5 East
	Greenville Technical College	7.7 Southeast
Convenience Store	Quicktrip	0.6 Northwest
	Spinx	0.6 Northwest
	Marathon	0.6 Northwest
Grocery	Save-A-Lot	0.7 North
	Bi-Lo	0.8 East
	Ingles Market	1.1 South
Discount Department Store	Big Lots	0.8 East
	Dollar General	0.8 East
	Kmart	0.9 East
	Walmart Supercenter	2.4 South
Shopping Center/Mall	Berea Shopping Center	0.3 Southeast
	Westowne Shopping Center	0.4 Southeast
Schools: Elementary Middle/Junior High Senior High	Berea Elementary School	1.0 East
	Lakeview Middle School	2.6 East
	Berea High School	0.7 South
Hospital	St Francis Hospital	4.6 Southeast
Police	Greenville Police Department	4.1 Southeast
Fire	Berea Fire Department	0.4 Southwest
Post Office	U.S. Post Office	0.1 Southwest
Bank	Cornerstone National Bank	0.5 Southeast
	Suntrust Bank	0.5 Southeast
	BB&T	0.8 East

Community Services	Name	Driving Distance (In Miles)
Gas Station	Quicktrip	0.6 Northwest
	Spinx	0.6 Northwest
	Marathon	0.6 Northwest
Pharmacy	Save-A-Lot	0.7 North
	Bi-Lo Drug Store	0.8 East
	Rite Aid	1.1 South
Restaurant	Susan's Family Restaurant	0.1 Northeast
	Bojangles	0.6 Northwest
	Mama Maria's Greek Italian	0.6 Northwest
	Huddle House	0.8 South
	Subway	0.9 East
Library	Greenville County Library	4.6 Southeast
Fitness Center	Anytime Fitness	4.3 East

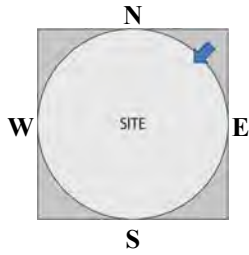
The location of the site next to a mixed use neighborhood allows for many community services to be within close proximity while maintaining the appeal of a residential neighborhood. As previously detailed, grocery stores, pharmacies, restaurants, convenience stores, gas stations, banks and shopping centers are all within a reasonable distance of the site. These services are accessible along well maintained thoroughfares. Collectively, these services form a low-income employment center within close proximity of the site as there are many retail and service jobs available. It should also be noted that the subject site's proximity to downtown Greenville also provides convenient access to more extensive community services within the area.

Greenville County Schools served the subject site, as all applicable attendance schools are located within 2.6 miles of the subject site. Additionally, all public safety services are provided by the Greenville Police and Berea Fire Departments, which are also located within 4.1 miles of the site. The nearest acute care hospital is St. Francis Hospital, located 4.6 miles southwest of the site. St. Francis Hospital services include but are not limited to, a trauma center, cancer care, maternity care and cardiovascular care.

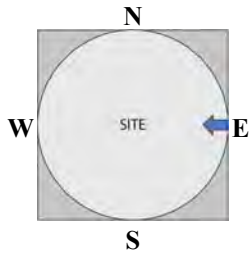
4. SITE PHOTOGRAPHS

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

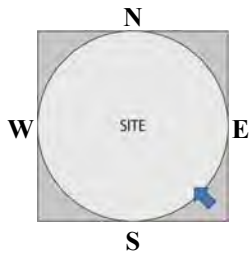
SITE PHOTOGRAPHS



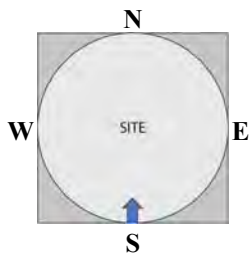
View of site from the northeast



View of site from the east



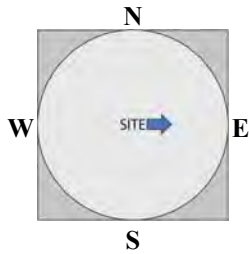
View of site from the southeast



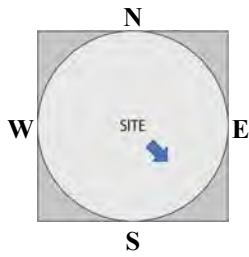
View of site from the south



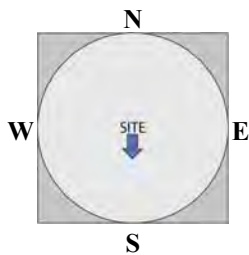
Northeast view from site



East view from site



Southeast view from site



South view from site



Northeast view along Berea Heights Road

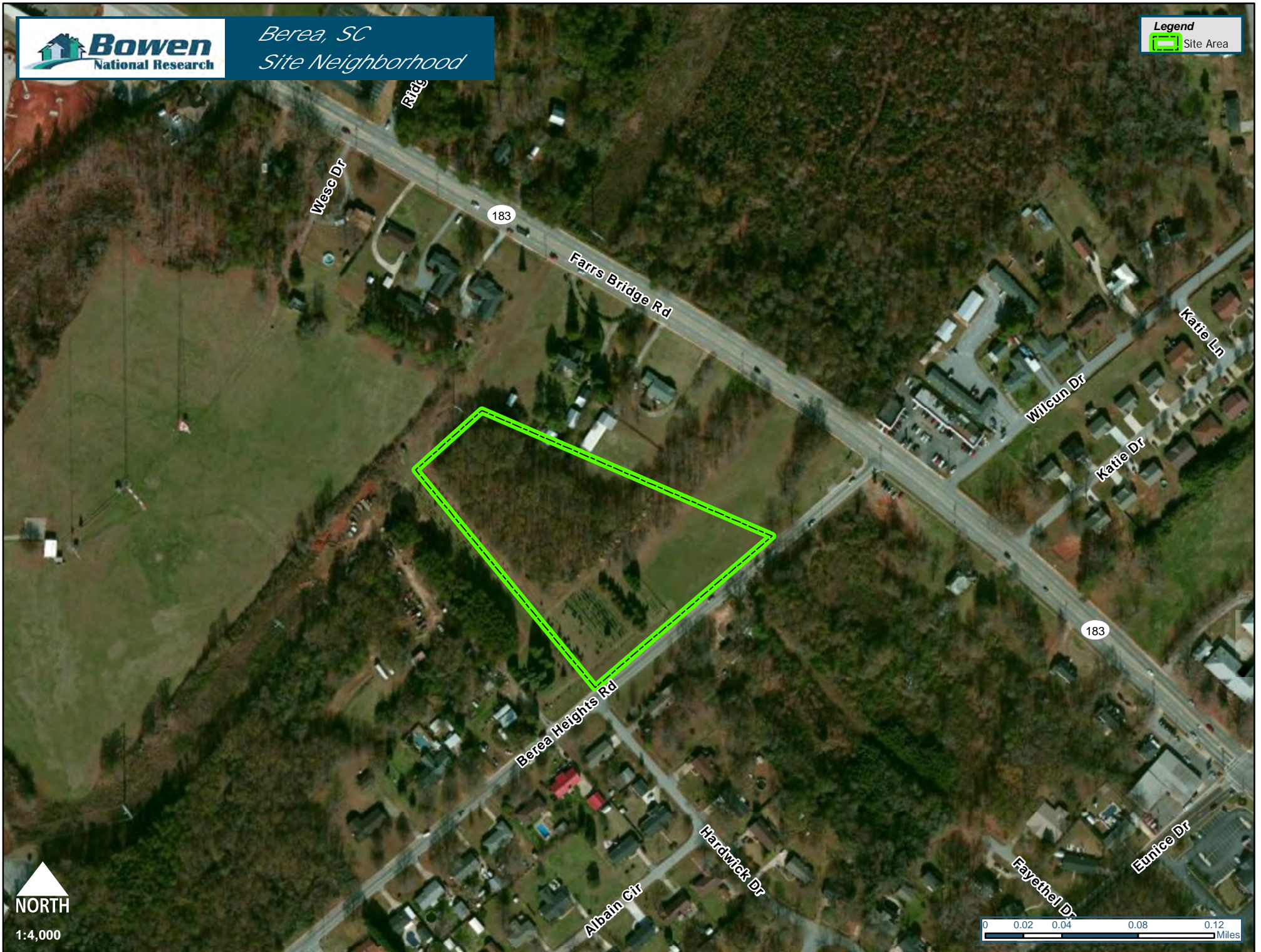


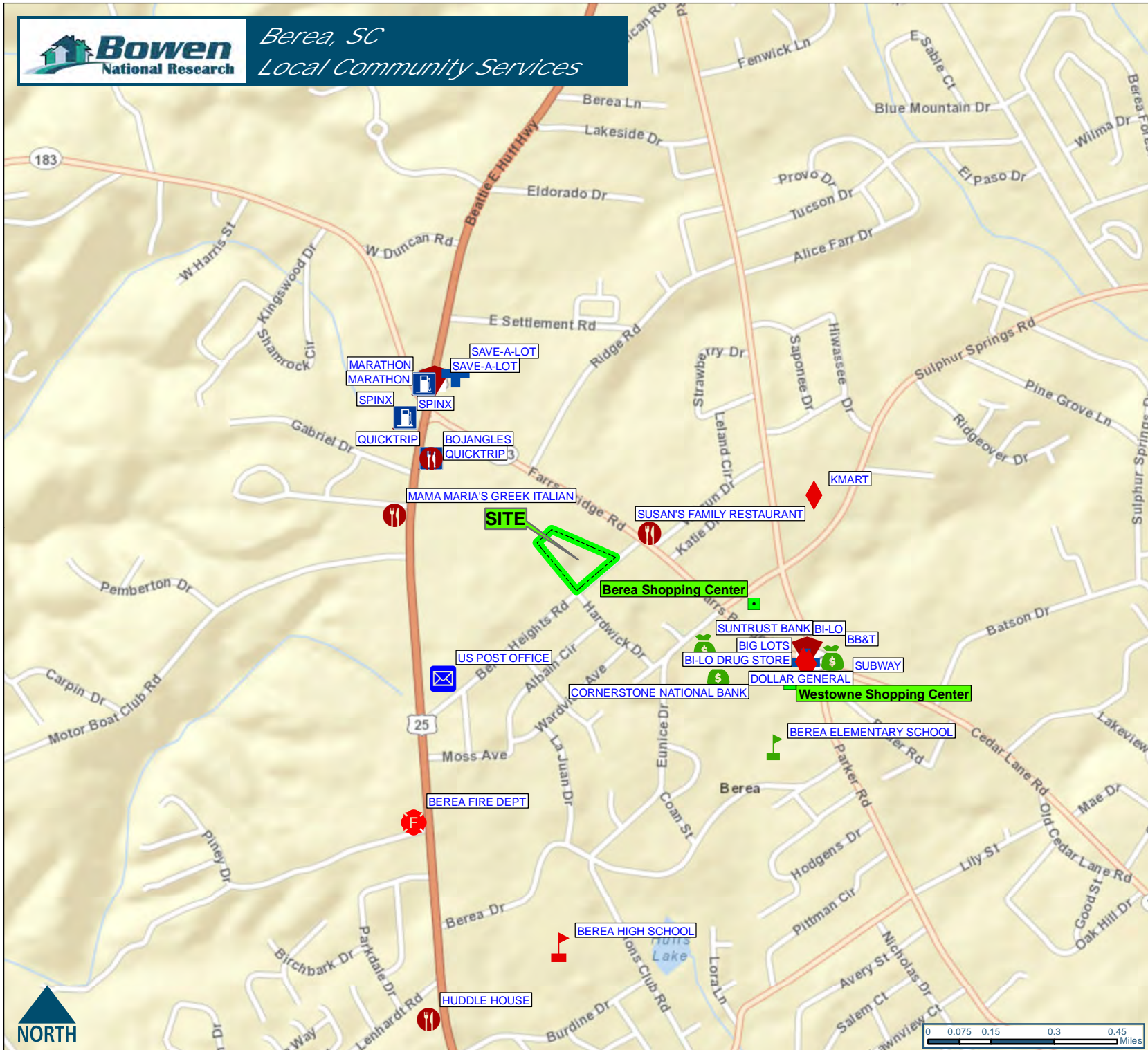
Southwest view along Berea Heights Road

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.







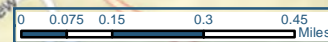
Legend

- Site Area
- bank
- convenience store
- elementary school
- fire
- gas
- grocery
- high school
- pharmacy
- post office
- restaurant
- shopping

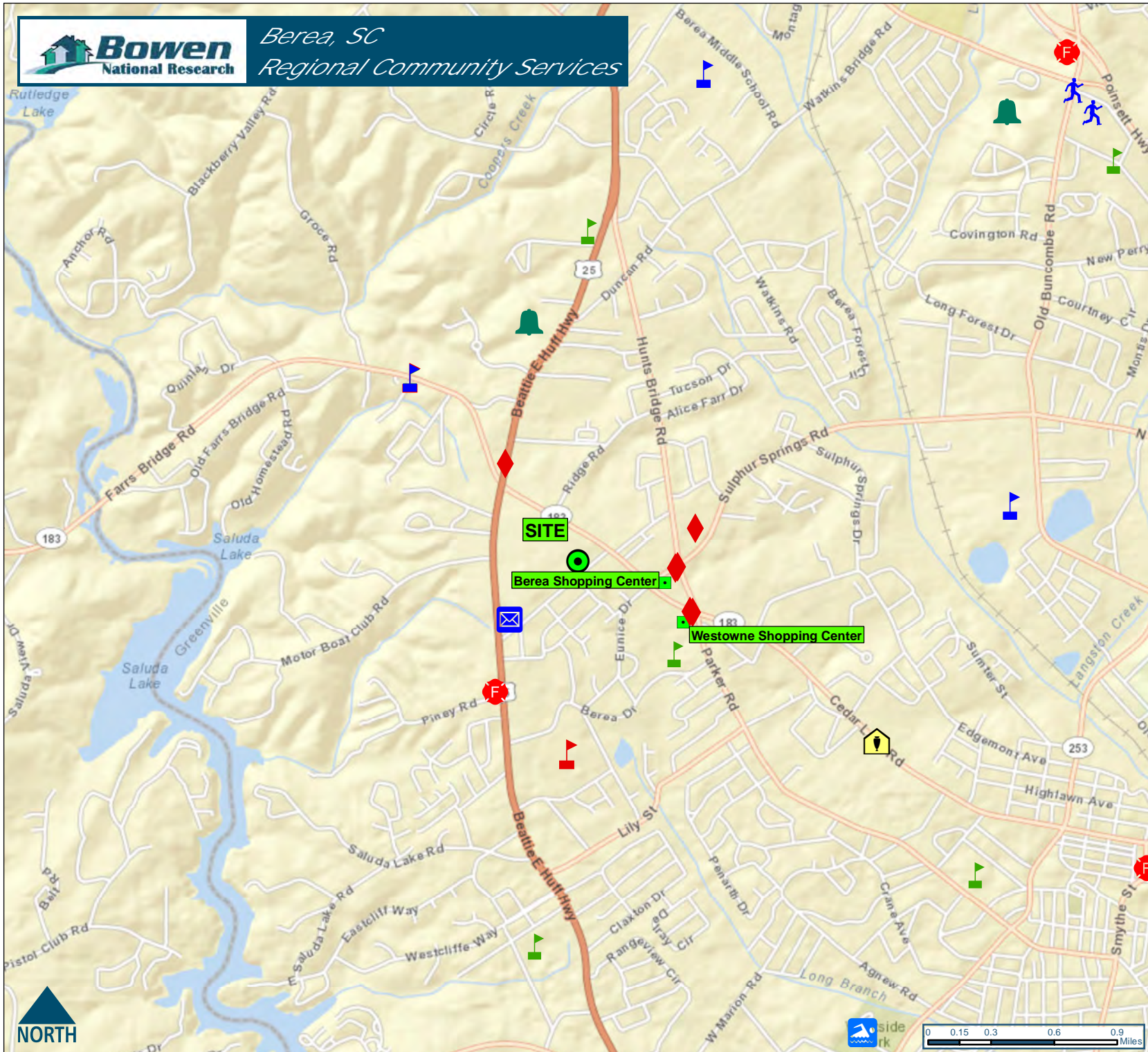
Shopping Center

Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



1:20,000



Legend

- Site
- elementary school
- fire
- fitness center
- high school
- middle school
- museum
- post office
- shopping
- swimming
- university

**Shopping Center
Gross Leasable Area**

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



1:40,000

6. ROAD AND INFRASTRUCTURE IMPROVEMENTS

The subject site is located within proximity of the U.S. Highway 25 corridor. According to local planning and zoning officials, no significant road construction or infrastructure improvements are planned for the immediate neighborhood.

7. CRIME ISSUES

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

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

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

Total crime risk for the Site PMA is 130, with an overall personal crime index of 157 and a property crime index of 132. Total crime risk for Greenville County is 131, with indexes for personal and property crime of 159 and 132, respectively.

	Crime Risk Index	
	Site PMA	Greenville County
Total Crime	130	131
Personal Crime	157	159
Murder	119	124
Rape	127	129
Robbery	96	94
Assault	199	203
Property Crime	132	132
Burglary	148	146
Larceny	149	145
Motor Vehicle Theft	79	85

Source: Applied Geographic Solutions

As the preceding illustrates, the crime index reported for the Site PMA (130) is nearly identical to that reported for Greenville County (131). These crime indexes, although slightly higher than the national average (100), are considered relatively low for more developed areas such as the Berea Site PMA. As such, crime should not adversely impact the marketability of the subject project.

A map illustrating crime risk is on the following page.



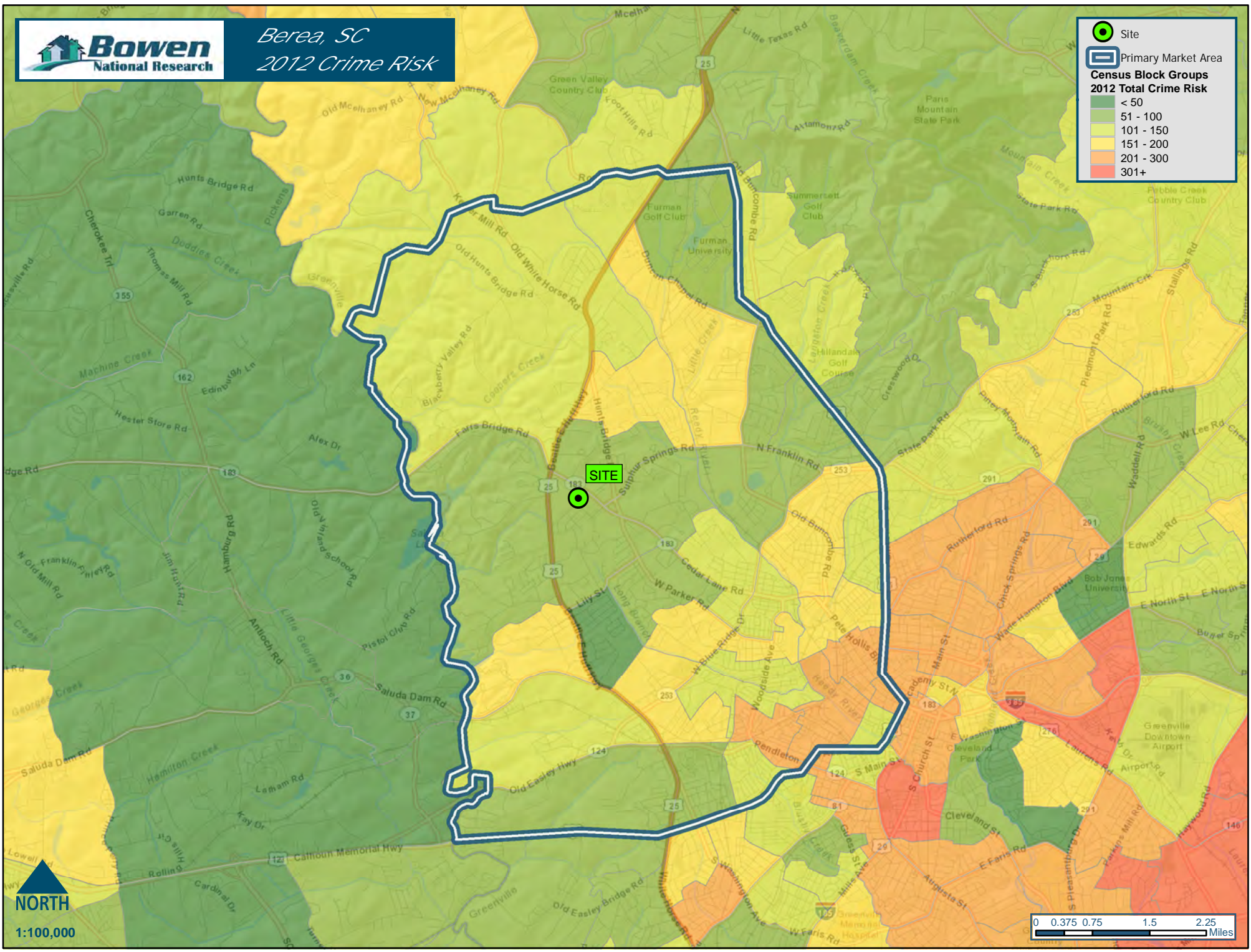
Berea, SC
2012 Crime Risk

● Site

▭ Primary Market Area

Census Block Groups
2012 Total Crime Risk

- < 50
- 51 - 100
- 101 - 150
- 151 - 200
- 201 - 300
- 301+



NORTH
1:100,000



8. ACCESS AND VISIBILITY

Overall site plans depicting a specific access point were not provided for the subject project at the time of this report. However, it is likely that the subject project will derive access from Berea Heights Road, which borders the site to the south/east. This two-lane residential roadway was observed to experience moderate vehicular traffic patterns, though due to the residential nature of the immediate site neighborhood, traffic patterns are expected to increase slightly during peak commuting hours. Regardless, residents and visitors of the subject project should not experience any major traffic delays upon ingress and egress. It should also be noted that Berea Heights Road provides convenient access both to and from Farris Bridge Road (State Route 183) and U.S. Highway 25, two major arterial roadways providing access throughout the Site PMA. Additionally, the subject site area is also served by Greenville Public Transit (Greenlink), which operates a public bus stop just 0.3 miles southeast of the subject site. Based on the preceding factors, overall access to the subject site is considered good and should contribute to the marketability of the subject project.

Visibility of the subject site is also considered good, as the proposed subject site maintains frontage along and is clearly visible from Berea Heights Road which borders the site to the south/east. Considering the moderate vehicular traffic patterns observed along Berea Heights Road, the subject site should receive a significant amount of passerby traffic, which will further enhance awareness of the subject project within the Berea market. Although the subject site is clearly visible from Berea Heights Road, it is also recommended that promotional signage be placed near the Farris Bridge Road and U.S. Highway 25 intersections of Berea Heights Road during the initial lease-up period of the subject site, as these two major arterials experience moderate to heavy traffic patterns which will further enhance marketability of the subject site.

9. VISIBLE OR ENVIRONMENTAL ISSUES

High tension power lines and three radio towers are visible from the site to the west. However, it does not appear that these existing land uses have adversely impacted marketability of the immediate site neighborhood, as the residential structures in the area are occupied and are considered to be well-maintained. As such, we do not anticipate these existing structures to negatively impact marketability of the subject site.

10. OVERALL SITE CONCLUSIONS

The subject site is situated within a predominantly residential area of Berea, which should contribute to the marketability of the subject project, as it will be consistent with the primarily residential nature of the immediate site neighborhood. The existing structures within the site neighborhood were observed to be generally well-maintained which will also contribute to the marketability of the subject project. Note that while high tension power lines and three radio towers are visible from the site to the west, we do not anticipate these existing structures to negatively impact marketability of the subject site. Access and visibility of the subject site are both considered good as the proposed site is conveniently accessible and easily visible from Berea Heights Road which borders the site to the south/east. Further, Berea Heights Road also provides convenient access to and from Farris Bridge Road and U.S. Highway 25, two major arterial roadways providing convenient access throughout the Site PMA. The subject site is also located within proximity of a public bus stop operated by Greenville Public Transit (Greenlink), further enhancing accessibility of the subject site. Most basic community services are also located within 1.0 mile of the subject site and are also accessible via public transportation, if needed. Overall, we expect the site's location and proximity to community services will have a positive impact on its marketability.

D. PRIMARY MARKET AREA DELINEATION

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

Tammie Roe is the Property Manager for the Vinings at Duncan Chapel Apartments, a general-occupancy market-rate project located in the Site PMA. Ms. Roe stated that the majority of her tenants originate from within the Greenville area and also that she also receives support from the Berea area. Based on the support Ms. Roe's project receives and the location of the proposed subject project, Ms. Roe believes that the proposed subject project would likely generate support primarily from the Berea and northwest portion of Greenville. Ms. Roe believes that a majority of the residents in this area prefer to remain in Berea and the northwestern portion of Greenville in order to remain close to family and friends.

Judy Rhodes, Property Manager for the Pine Ridge Apartments, a general-occupancy government-subsidized property in the Site PMA, also stated that the majority of her tenants originate from within the Berea and northwestern Greenville areas. Ms. Rhodes further stated that this predominantly local support is due to the fact that these areas are well served by area services and provide a sufficient amount of rental housing options, thus area residents tend not to relocate to other areas within the region.

The Berea Site PMA includes the city of Berea, as well as portions of the city of Greenville. The boundaries of the Site PMA include Rutledge Lake Road and Roe Ford Road to the north; U.S. Highway 276 to the east; U.S. Highway 123 to the south; and the Greenville County line to the west. The PMA is comprised of the following Census Tracts:

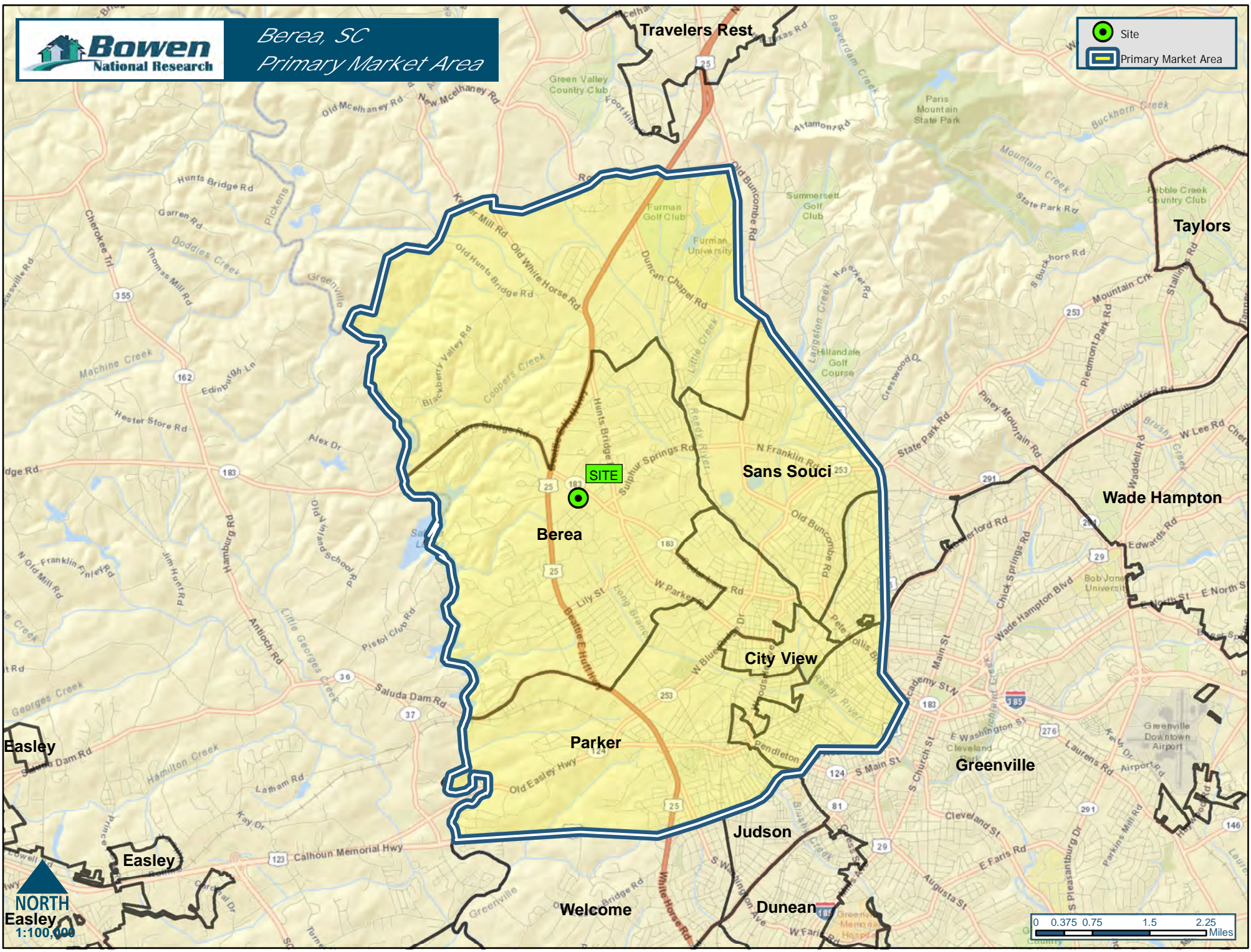
7.00	8.00	9.00	10.00	21.04
21.05	22.02	22.02	23.01	23.02
23.03	36.01	37.01	37.04	37.05
37.06	37.07	38.01		

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



*Berea, SC
Primary Market Area*

- Site
- Primary Market Area



NORTH
Easley
1:100,000

0 0.375 0.75 1.5 2.25
Miles

E. MARKET AREA ECONOMY

1. EMPLOYMENT BY INDUSTRY

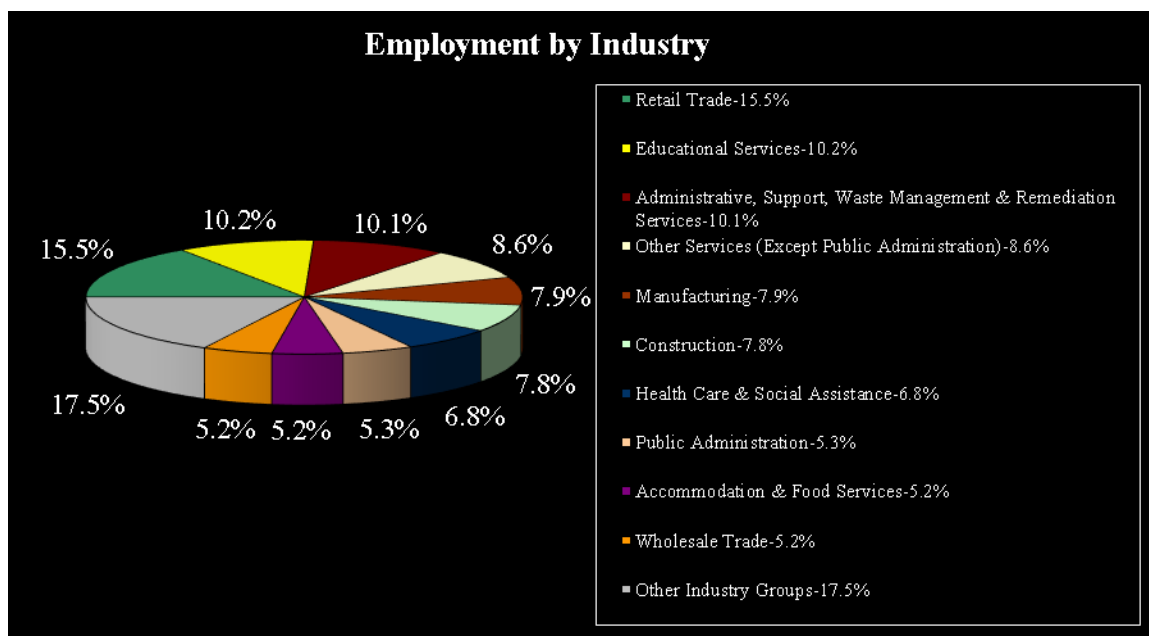
The labor force within the Berea Site PMA is based primarily in three sectors. Retail Trade (which comprises 15.5%), Educational Services and Administrative, Support, Waste Management & Remediation Services comprise nearly 36% of the Site PMA labor force. Employment in the Berea Site PMA, as of 2013, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	5	0.3%	13	0.1%	2.6
Mining	0	0.0%	0	0.0%	0.0
Utilities	1	0.1%	10	0.1%	10.0
Construction	237	12.0%	1,015	7.8%	4.3
Manufacturing	79	4.0%	1,030	7.9%	13.0
Wholesale Trade	93	4.7%	672	5.2%	7.2
Retail Trade	279	14.1%	2,017	15.5%	7.2
Transportation & Warehousing	45	2.3%	670	5.1%	14.9
Information	33	1.7%	503	3.9%	15.2
Finance & Insurance	70	3.5%	281	2.2%	4.0
Real Estate & Rental & Leasing	74	3.7%	235	1.8%	3.2
Professional, Scientific & Technical Services	158	8.0%	431	3.3%	2.7
Management of Companies & Enterprises	1	0.1%	3	0.0%	3.0
Administrative, Support, Waste Management & Remediation Services	285	14.4%	1,314	10.1%	4.6
Educational Services	38	1.9%	1,324	10.2%	34.8
Health Care & Social Assistance	91	4.6%	890	6.8%	9.8
Arts, Entertainment & Recreation	35	1.8%	126	1.0%	3.6
Accommodation & Food Services	90	4.6%	677	5.2%	7.5
Other Services (Except Public Administration)	342	17.3%	1,116	8.6%	3.3
Public Administration	21	1.1%	684	5.3%	32.6
Total	1,977	100.0%	13,011	100.0%	6.6

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

E.P.E. - Average Employees Per Establishment

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



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

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

Typical Wage by Occupation Type		
Occupation Type	Greenville-Mauldin-Easley MSA	South Carolina
Management Occupations	\$98,090	\$93,820
Business and Financial Occupations	\$60,600	\$58,660
Computer and Mathematical Occupations	\$64,070	\$63,670
Architecture and Engineering Occupations	\$75,180	\$72,610
Community and Social Service Occupations	\$42,960	\$38,950
Art, Design, Entertainment and Sports Medicine Occupations	\$45,990	\$41,300
Healthcare Practitioners and Technical Occupations	\$64,220	\$64,670
Healthcare Support Occupations	\$25,790	\$25,010
Protective Service Occupations	\$35,600	\$33,430
Food Preparation and Serving Related Occupations	\$19,000	\$19,610
Building and Grounds Cleaning and Maintenance Occupations	\$21,640	\$22,080
Personal Care and Service Occupations	\$22,710	\$22,420
Sales and Related Occupations	\$34,700	\$30,660
Office and Administrative Support Occupations	\$31,560	\$31,280
Construction and Extraction Occupations	\$36,010	\$35,900
Installation, Maintenance and Repair Occupations	\$41,190	\$40,140
Production Occupations	\$34,050	\$34,750
Transportation and Moving Occupations	\$27,910	\$29,620

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

Most annual blue-collar salaries range from \$19,000 to \$45,990 within the Greenville-Mauldin-Easley MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$72,432. It is important to note that most occupational types within the Greenville-Mauldin-Easley MSA have similar typical wages as compared to the State of South Carolina's typical wages. The proposed project will generally target households with incomes between \$19,000 and \$38,000. As such, the area employment base appears to have a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Greenville area comprise a total of 44,765 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Greenville Hospital Systems	Health services	10,925
School Districts of Greenville County	Public Education	10,850
Greenville Hospital System	Health services	4,500
Michelin North America Inc	Headquarters/R&D/Mfg	4,000
GE Energy	Manufacturing	3,200
SC State Government	State Government	3,036
Fluor Corporation	Engineering/Construction Services	2,500
Bi-Lo Supermarkets	Distribution & Retail	2,089
Greenville County Government	County Government	1,830
U.S. Government	Federal Government	1,835
Total		44,765

Source: GADC Greenville Area Development Corporation

According to a representative with the Greenville Area Development Corporation (GADC), the Greenville County economy is improving with most development occurring within the eastern and southern portions of the county. This representative stated that these areas are popular for development at this time due to most other areas of the greater Greenville area already being developed, or consisting of undevelopable land. This representative also stated that the Old Dan River Textile Plant is currently being demolished to make room for additional buildings with the hope to bring more businesses to the area. Further, there have been several business expansions in the Greenville area, which are summarized as follows:

- E-surance announced plans to invest \$2.1 million in a sales and claims office that will bring 450 new jobs to the Greenville area.

- TD Bank invested in a 300,000 square foot facility located on 67-acres along Interstate 85. TD Bank has already hired 600 employees with plans to add an additional 800 employees within the next few years.

WARN (layoff notices):

According to the South Carolina (SC) Works website, there have been six WARN notices (large-scale layoffs/closures) reported for the Greenville area since the beginning of 2013. Note that there have been no WARN notices announced for the Berea area since 2009. Below is a table summarizing the notices reported for Greenville.

WARN Notices			
Company	Location	Jobs	Effective Date
Bi-Lo	Greenville	130	4-17-13
Sunland Logistics Solution	Greenville	47	7-1-13
Sunland Staffing	Greenville	52	7-1-13
Capital Management Services, LP	Greenville	36	7-9-13
First Center, LLC	Greenville	85	7-29-13
Gannette Publishing Services	Greenville	117	3-3-14

These six WARN notices affected approximately 467 employees, which comprises approximately 0.2% of the total employment base within Greenville County through December of 2013. As such, we do not believe these WARN notices have, or will have, any significant impact on the Greenville County economy. The stability of the Greenville County economy is further demonstrated on the following pages.

4. EMPLOYMENT TRENDS

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

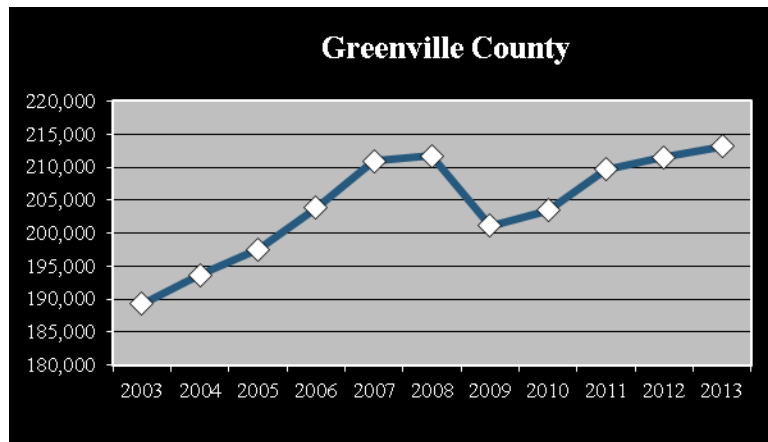
Excluding 2013, the employment base has declined by 0.1% over the past five years in Greenville County, less than the South Carolina state decline of 1.4%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Greenville County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2003	189,340	-	1,854,419	-	137,936,674	-
2004	193,648	2.3%	1,888,050	1.8%	138,386,944	0.3%
2005	197,585	2.0%	1,922,367	1.8%	139,988,842	1.2%
2006	203,849	3.2%	1,970,912	2.5%	142,328,023	1.7%
2007	210,958	3.5%	2,010,252	2.0%	144,990,053	1.9%
2008	211,741	0.4%	1,998,368	-0.6%	146,397,529	1.0%
2009	201,164	-5.0%	1,908,839	-4.5%	146,068,824	-0.2%
2010	203,448	1.1%	1,917,747	0.5%	140,721,369	-3.7%
2011	209,701	3.1%	1,941,654	1.2%	140,483,185	-0.2%
2012	211,508	0.9%	1,970,112	1.5%	141,748,955	0.9%
2013*	213,185	0.8%	1,995,454	1.3%	141,772,241	0.0%

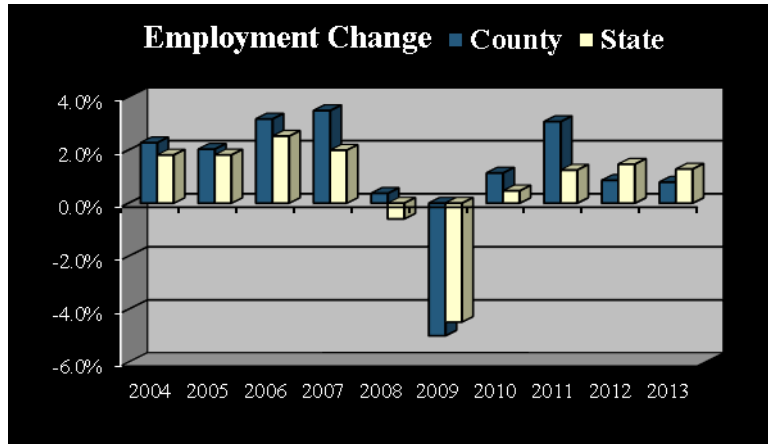
Source: Department of Labor; Bureau of Labor Statistics

*Through December



The Greenville County employment base experienced a slight downturn between 2008 and 2009, due to the national recession. However, the employment base within Greenville County quickly recovered, increasing by more than 12,000 employees since 2009, through December of 2013. Notably, the employment base reported through December of 2013 is above pre-recession levels, indicating that the Greenville County employment base has fully recovered from the impact of the national recession.

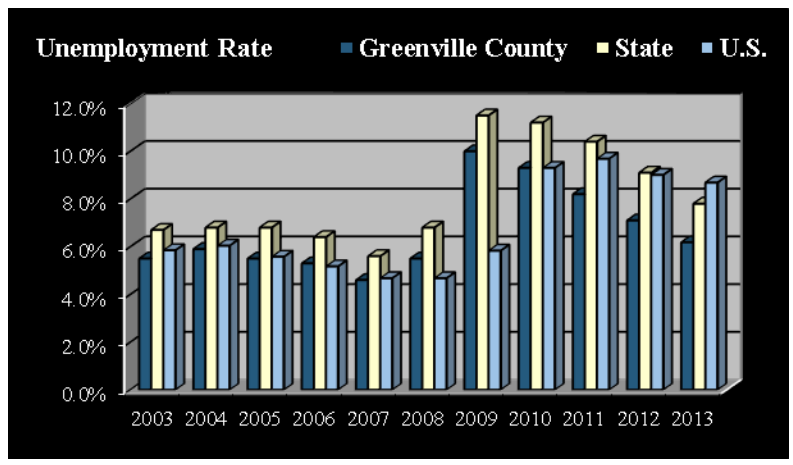
The following table illustrates the percent change in employment for Greenville County and South Carolina.



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

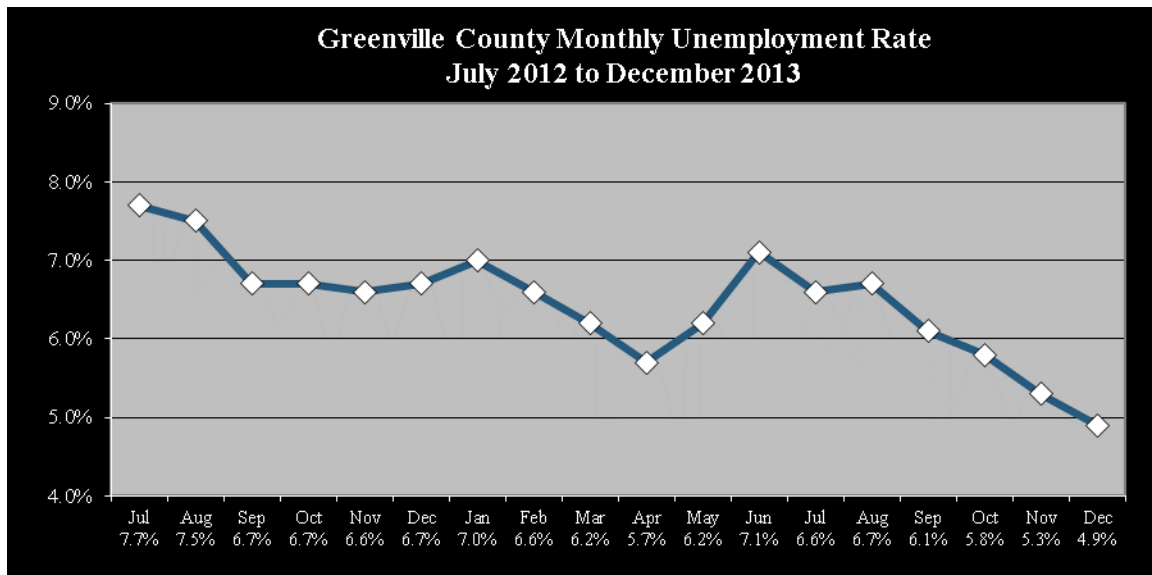
Year	Unemployment Rate		
	Greenville County	South Carolina	United States
2003	5.5%	6.7%	5.8%
2004	5.9%	6.8%	6.0%
2005	5.5%	6.8%	5.6%
2006	5.3%	6.4%	5.2%
2007	4.6%	5.6%	4.7%
2008	5.5%	6.8%	4.7%
2009	10.0%	11.5%	5.8%
2010	9.3%	11.2%	9.3%
2011	8.2%	10.4%	9.7%
2012	7.1%	9.1%	9.0%
2013*	6.2%	7.8%	8.7%

Source: Department of Labor, Bureau of Labor Statistics
*Through December



The unemployment rate was also negatively impacted by the national recession, increasing from 5.5% in 2008 to 10.0% in 2009. However, similar to employment base trends the unemployment rate has steadily improved since the impact of the national recession, declining nearly four full percentage points since 2009, through December of 2013.

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



As the preceding table illustrates, the unemployment rate has declined from a high of 7.7% in July of 2012 to a low of 4.9% in December of 2013. This significant decline in the unemployment rate indicates that the Greenville County economy is improving.

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

In-Place Employment Greenville County			
Year	Employment	Change	Percent Change
2003	221,826	-	-
2004	222,359	533	0.2%
2005	226,532	4,173	1.9%
2006	231,817	5,285	2.3%
2007	237,996	6,179	2.7%
2008	241,370	3,374	1.4%
2009	223,852	-17,518	-7.3%
2010	225,168	1,316	0.6%
2011	230,107	4,939	2.2%
2012	233,974	3,867	1.7%
2013*	234,935	961	0.4%

Source: Department of Labor, Bureau of Labor Statistics

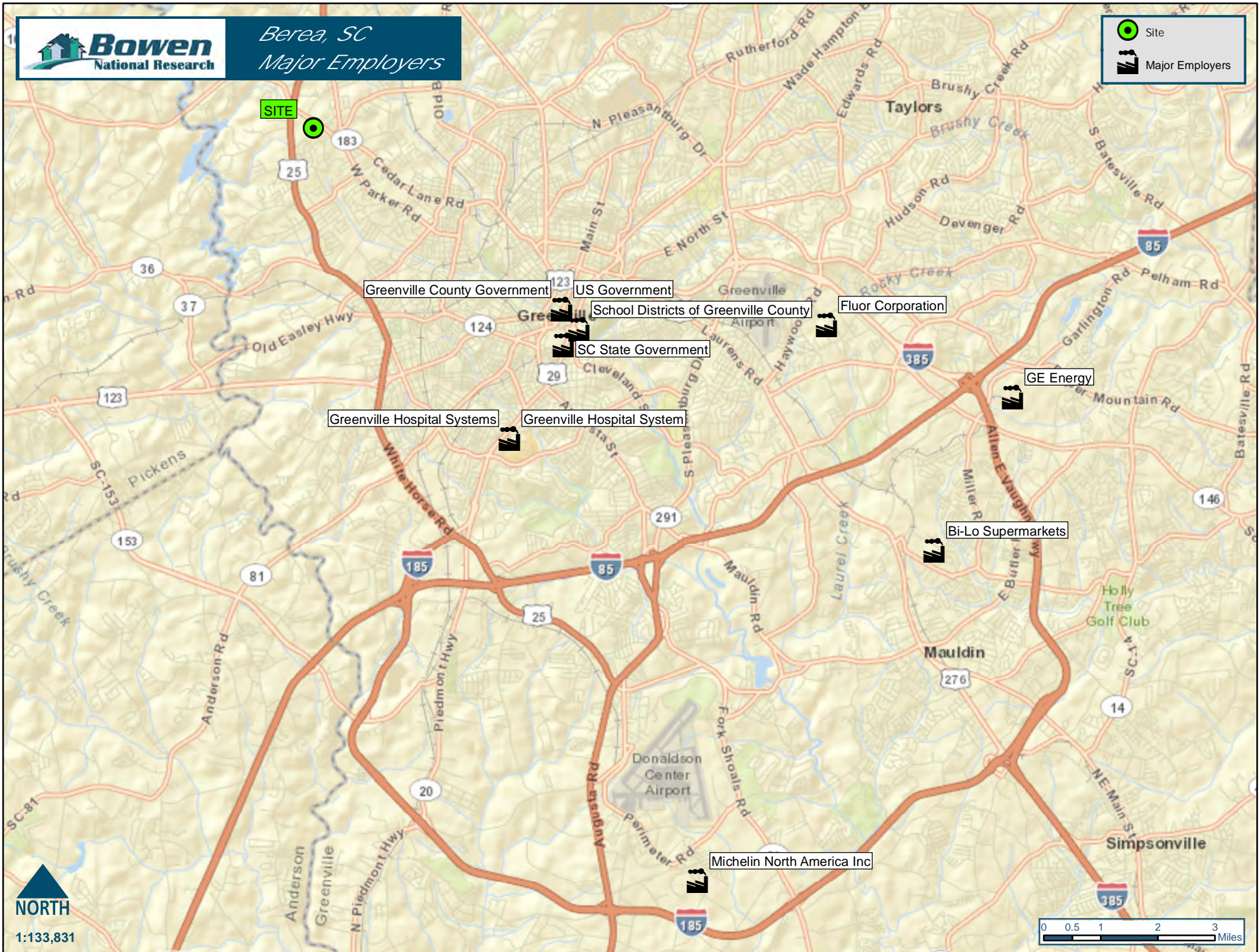
*Through June

Data for 2012, the most recent year that year-end figures are available, indicates in-place employment in Greenville County to be 110.6% of the total Greenville County employment. This means that Greenville County has more employed persons coming to the county from other counties for work (daytime employment) than those who both live and work there. This large share of in-place employment should contribute to the marketability of the subject project as it is likely that most residents of the subject project will have relatively short commute times to their respective place of employment.

5. EMPLOYMENT CENTERS MAP

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

 Site
 Major Employers



6. COMMUTING PATTERNS

Based on the American Community Survey (2006-2010), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	13,712	75.3%
Carpooled	2,945	16.2%
Public Transit	304	1.7%
Walked	624	3.4%
Other Means	287	1.6%
Worked at Home	347	1.9%
Total	18,219	100.0%

Source: American Community Survey (2006-2010); ESRI; Urban Decision Group; Bowen National Research

Over 75% of all workers drove alone, 16.2% carpooled and only 1.7% used public transportation. Given the subject site serves very low-income households and is located within 0.3 miles of a public bus stop, we anticipate a higher than normal share of site residents' use of public transportation.

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

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	5,109	28.0%
15 to 29 Minutes	8,248	45.3%
30 to 44 Minutes	2,975	16.3%
45 to 59 Minutes	957	5.3%
60 or More Minutes	582	3.2%
Worked at Home	347	1.9%
Total	18,219	100.0%

Source: American Community Survey (2006-2010); ESRI; Urban Decision Group; Bowen National Research

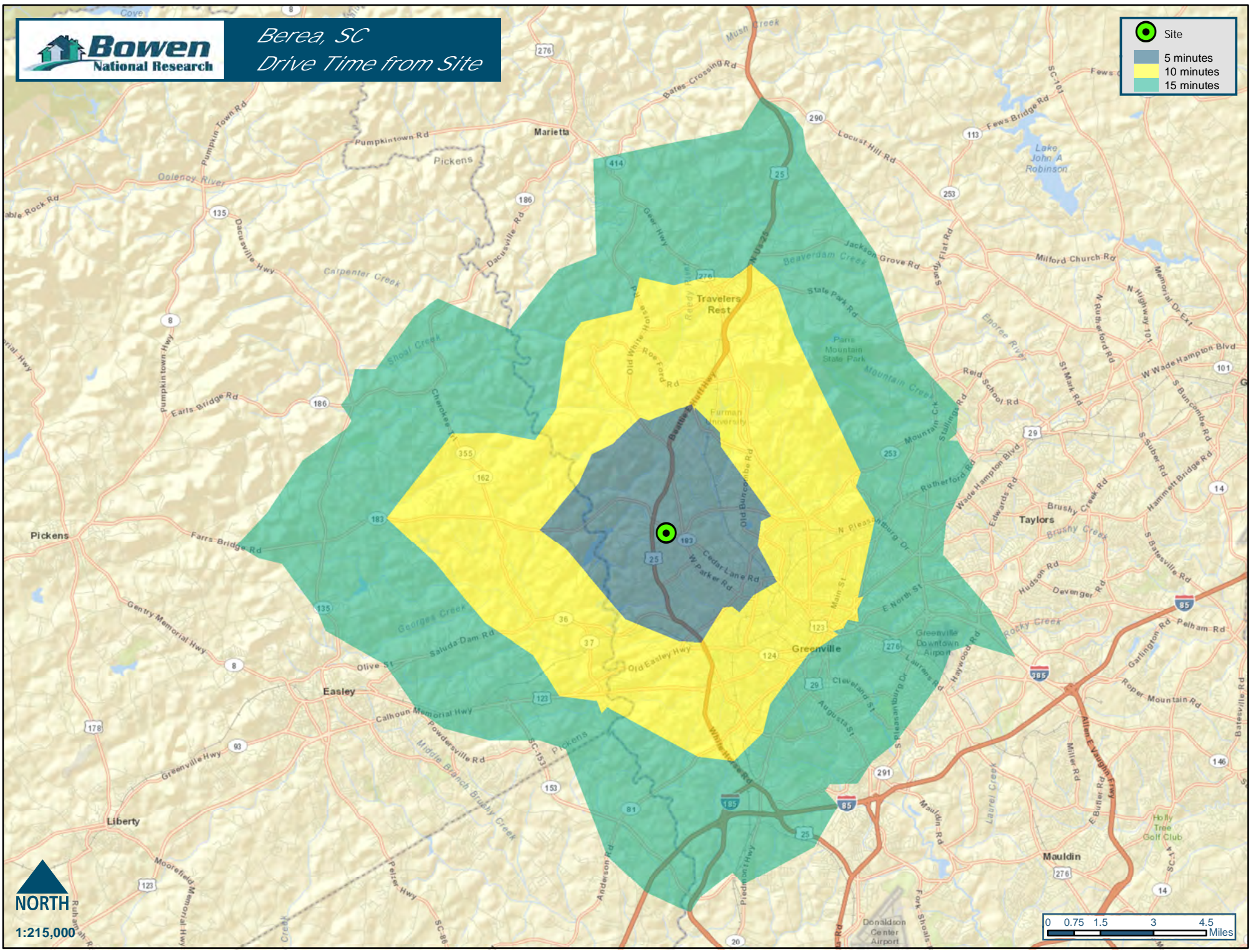
The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 30-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following page.



Berea, SC
Drive Time from Site

● Site

- 5 minutes
- 10 minutes
- 15 minutes



NORTH
1:215,000



7. ECONOMIC FORECAST AND HOUSING IMPACT

According to a local economic representative, the Greenville area economy is continuing to improve since the impact of the national recession. Notably, two recent announcements by E-surance and TD Bank indicate the creation of more than 1,200 new jobs within the Greenville area over the next few years. Additionally, data provided by the U.S. Department of Labor, Bureau of Labor Statistics, further demonstrates the strength of the Greenville economy. Similar to most markets, the Greenville County economy was adversely impacted by the national recession between 2008 and 2009. However, the local Greenville economy quickly rebounded from this downturn, as the employment base and unemployment rates have both improved each of the past three years, as well as through December of 2013. Notably, the employment base within Greenville County has increased by more than 12,000 employees during this time period and the total employment base reported through December of 2013 is above pre-recession levels. Further, the unemployment rate has declined by more than four full percentage points since the downturn caused by the national recession. Based on the economic trends contained within this report, we expect the Greenville County economy will continue to experience positive economic trends for the foreseeable future. However, the high occupancy rates and extensive waiting lists reported among the affordable rental housing projects in the market indicate significant pent-up demand for affordable housing in the market. As such, demand for affordable rental housing will likely remain high within the Berea market, despite positive economic trends.

F. COMMUNITY DEMOGRAPHIC DATA

The following demographic data relates to the Site PMA. It is important to note that not all 2016 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2016 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2013 (estimated) and 2016 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2016 (Projected)
Population	46,275	48,245	49,759	51,596
Population Change	-	1,970	1,514	1,837
Percent Change	-	4.3%	3.1%	3.7%

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

The Berea Site PMA population base increased by 1,970 between 2000 and 2010. This represents a 4.3% increase over the 2000 population, or an annual rate of 0.4%. Between 2010 and 2013, the population increased by 1,514, or 3.1%. It is projected that the population will increase by 1,837, or 3.7%, between 2013 and 2016.

Based on the 2010 Census, the population residing in group-quarters is represented by 6.3% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	3,049	6.3%
Population not in Group Quarters	45,196	93.7%
Total Population	48,245	100.0%

Source: 2010 Census

b. Population by Age Group

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

Population by Age	2010 (Census)		2013 (Estimated)		2016 (Projected)		Change 2013-2016	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	13,132	27.2%	13,414	27.0%	13,997	27.1%	583	4.3%
20 to 24	4,734	9.8%	4,683	9.4%	4,531	8.8%	-152	-3.2%
25 to 34	6,932	14.4%	7,158	14.4%	7,157	13.9%	-1	0.0%
35 to 44	6,024	12.5%	6,200	12.5%	6,496	12.6%	296	4.8%
45 to 54	6,169	12.8%	6,183	12.4%	6,263	12.1%	80	1.3%
55 to 64	4,965	10.3%	5,525	11.1%	5,811	11.3%	286	5.2%
65 to 74	3,250	6.7%	3,537	7.1%	4,046	7.8%	509	14.4%
75 & Over	3,041	6.3%	3,059	6.1%	3,294	6.4%	235	7.7%
Total	48,247	100.0%	49,759	100.0%	51,596	100.0%	1,837	3.7%

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

As the preceding table illustrates, over 50% of the population is expected to be between 25 and 64 years old in 2013. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants. Note that aside from the 20 to 24 and 25 to 34 age cohorts, each age cohort within the Site PMA is projected to experience population growth between 2013 and 2016.

c. Elderly and Non-Elderly Population

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

d. Special Needs Population

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

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2013 (Estimated)	2016 (Projected)
Households	17,648	17,801	18,330	19,022
Household Change	-	153	529	692
Percent Change	-	0.9%	3.0%	3.8%
Household Size	2.62	2.71	2.55	2.55

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

Within the Berea Site PMA, households increased by 153 (0.9%) between 2000 and 2010. Between 2010 and 2013, households increased by 529 or 3.0%. By 2016, there will be 19,022 households, an increase of 692 households, or 3.8% over 2013 levels. This is an increase of approximately 231 households annually over the next three years. This is considered significant household growth and will likely result in increased housing demand within the Site PMA.

b. Household by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2013 (Estimated)		2016 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	9,638	54.1%	9,537	52.0%	9,941	52.3%
Renter-Occupied	8,163	45.9%	8,793	48.0%	9,081	47.7%
Total	17,801	100.0%	18,330	100.0%	19,022	100.0%

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

In 2013, homeowners occupied 52.0% of all occupied housing units, while the remaining 48.0% were occupied by renters. The share of renters is relatively high and represents a good base of potential support in the market for the subject development. Note that the number of renter households is projected to increase by 288 between 2013 and 2016.

c. Households by Income

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

Household Income	2010 (Census)		2013 (Estimated)		2016 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$10,000	2,526	14.2%	2,991	16.3%	3,162	16.6%
\$10,000 to \$19,999	3,791	21.3%	4,306	23.5%	4,501	23.7%
\$20,000 to \$29,999	2,881	16.2%	2,903	15.8%	3,023	15.9%
\$30,000 to \$39,999	1,983	11.1%	2,090	11.4%	2,164	11.4%
\$40,000 to \$49,999	1,636	9.2%	1,618	8.8%	1,660	8.7%
\$50,000 to \$59,999	1,288	7.2%	1,214	6.6%	1,255	6.6%
\$60,000 to \$74,999	1,368	7.7%	1,299	7.1%	1,317	6.9%
\$75,000 to \$99,999	1,355	7.6%	1,150	6.3%	1,176	6.2%
\$100,000 to \$124,999	511	2.9%	422	2.3%	427	2.2%
\$125,000 to \$149,999	155	0.9%	112	0.6%	113	0.6%
\$150,000 to \$199,999	151	0.8%	118	0.6%	119	0.6%
\$200,000 & Over	155	0.9%	106	0.6%	106	0.6%
Total	17,801	100.0%	18,330	100.0%	19,022	100.0%
Median Income	\$28,967		\$26,432		\$26,115	

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

In 2010, the median household income was \$28,967. This declined by 8.8% to \$26,432 in 2013. By 2016, it is projected that the median household income will be \$26,115, a decline of 1.2% over 2013.

Between 2013 and 2016, most of the household growth will be among households with incomes of up to \$40,000.

d. Average Household Size

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

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2010, 2013 and 2015 for the Berea Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	663	424	287	148	253	1,775
\$10,000 to \$19,999	851	660	369	211	255	2,346
\$20,000 to \$29,999	503	374	193	181	166	1,417
\$30,000 to \$39,999	200	213	191	112	120	836
\$40,000 to \$49,999	46	182	51	150	124	554
\$50,000 to \$59,999	52	35	113	131	59	390
\$60,000 to \$74,999	61	75	134	55	84	408
\$75,000 to \$99,999	36	114	5	27	30	212
\$100,000 to \$124,999	20	22	31	21	27	119
\$125,000 to \$149,999	8	5	6	5	5	30
\$150,000 to \$199,999	13	11	4	3	9	41
\$200,000 & Over	8	7	7	7	4	34
Total	2,461	2,123	1,393	1,050	1,136	8,163

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2013 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$10,000	789	522	349	195	279	2,134
\$10,000 to \$19,999	936	752	436	218	319	2,661
\$20,000 to \$29,999	542	374	202	198	171	1,487
\$30,000 to \$39,999	215	197	221	116	110	858
\$40,000 to \$49,999	38	195	44	161	118	556
\$50,000 to \$59,999	49	31	97	134	53	363
\$60,000 to \$74,999	47	73	117	40	92	369
\$75,000 to \$99,999	34	102	3	31	24	194
\$100,000 to \$124,999	11	13	22	18	29	93
\$125,000 to \$149,999	4	7	4	5	4	25
\$150,000 to \$199,999	9	4	2	7	6	29
\$200,000 & Over	5	7	1	3	6	23
Total	2,680	2,277	1,499	1,126	1,211	8,793

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2016 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$10,000	844	541	355	208	289	2,238
\$10,000 to \$19,999	963	776	462	225	326	2,753
\$20,000 to \$29,999	551	389	210	203	176	1,528
\$30,000 to \$39,999	224	203	229	119	119	894
\$40,000 to \$49,999	41	198	46	162	111	557
\$50,000 to \$59,999	57	31	95	135	55	374
\$60,000 to \$74,999	46	75	114	40	93	368
\$75,000 to \$99,999	31	104	5	33	30	203
\$100,000 to \$124,999	14	14	22	18	24	92
\$125,000 to \$149,999	4	4	2	3	7	20
\$150,000 to \$199,999	10	5	3	8	4	30
\$200,000 & Over	5	4	5	3	6	24
Total	2,791	2,344	1,548	1,156	1,241	9,081

Source: Ribbon Demographics; ESRI; Urban Decision Group

As the preceding tables illustrate, there is a significant number of low-income renter households (those earning below \$30,000) in the Site PMA. Specifically, in 2013 it was estimated that approximately 71.0% (6,282 households) of all renter households were comprised of those earning below \$30,000. Notably, the number of low-income renter households is projected to increase by 288 between 2013 and 2016.

Demographic Summary

Between 2013 and 2016 the Berea Site PMA is projected to experience both population and household growth. Specifically, the total population is projected to increase by 1,837 (3.7%), while the total number of households will increase by 692 (3.8%) during this time period. Further, it was estimated that there were 8,793 renter households in the market in 2013. This number of renter households is projected to increase by nearly 288 households by 2016. Notably, it was estimated that approximately 71.0% of all renter households in the Berea Site PMA earned incomes below \$30,000 in 2013. Based on the preceding analysis, there appears to be a deep and expanding base of potential renter support within the Site PMA for the subject project.

G. PROJECT-SPECIFIC DEMAND ANALYSIS

1. INCOME RESTRICTIONS

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

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

The subject site is within the Greenville-Mauldin-Easley, SC MSA, which has a four-person median household income of \$58,200 for 2014. The subject property will be restricted to households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI level.

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$20,400	\$24,480
Two-Person	\$23,300	\$27,960
Three-Person	\$26,200	\$31,440
Four-Person	\$29,100	\$34,920
Five-Person	\$31,450	\$37,740

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is \$37,740.

2. AFFORDABILITY

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

The proposed LIHTC units will have a lowest gross rent of \$569 (at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,828. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$19,509.

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

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$19,509	\$31,450
Tax Credit (Limited To 60% Of AMHI)	\$21,566	\$37,740
Overall Project	\$19,509	\$37,740

3. DEMAND COMPONENTS

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

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2013 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2016) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

In instances where a significant number (more than 20%) of proposed rental units are comprised of three- and four-bedroom units, analysts must refine the analysis by factoring in the number of large households (generally four-person +). A demand analysis that does not consider this may overestimate demand.

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

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

Based on Table B25074 of the American Community Survey (ACS) 2006-2010 5-year estimates, approximately 23.0% to 28.9% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

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

Based on the 2010 ACS 5-Year Estimates Table B25016, 6.6% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *The Authority recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. A narrative of the steps taken to arrive at this demand figure should be included.*
- 4) **Other:** *Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, she/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. METHODOLOGY

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

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service in 2013 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2013 which have not reached stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. DEMAND/CAPTURE RATE CALCULATIONS

Within the Site PMA, we identified four non-subsidized LIHTC properties. None of these properties were funded and/or built during the projection period (2013 to current). Additionally, we did not identify any projects that were placed in service prior to 2013 that have not reached a stabilized occupancy. However, one of the four non-subsidized LIHTC projects, Parker at Cone I & II (Map ID 14), is currently in the process of adding a second phase which is currently under construction. The second phase of this non-subsidized LIHTC project currently under construction is summarized as follows:

Map I.D.	Project Name	Year Built	Total Units	Unit Type	Units At Targeted AMHI	
					50% AMHI	60% AMHI
14	Parker at Cone I & II	U/C	96	One-Br.	8	-
				Two-Br.	16	42
				Three-Br.	-	30

U/C – Under Construction

The directly comparable two- and three-bedroom units currently under construction at this project were included in the following demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income		
	50% AMHI (\$19,509-\$31,450)	60% AMHI (\$21,566-\$37,740)	Overall (\$19,509-\$37,740)
Demand From New Renter Households (Age- And Income-Appropriate)	1,793 - 1,742 = 51	1,981 - 1,918 = 63	2,355 - 2,282 = 73
+			
Demand From Existing Households (Rent Overburdened)	1,742 X 28.9% = 503	1,918 X 23.0% = 441	2,282 X 25.9% = 591
+			
Demand From Existing Households (Renters In Substandard Housing)	1,742 X 6.6% = 115	1,918 X 6.6% = 127	2,282 X 6.6% = 151
+			
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A
=			
Total Demand	669	631	815
-			
Supply	16	72	88
=			
Net Demand	653	559	727
Proposed Units	9	27	36
Proposed Units/ Net Demand	9 / 653	27 / 559	36 / 727
Capture Rate	= 1.4%	= 4.8%	= 5.0%

Typically utilizing this methodology, capture rates below 30% are acceptable, while capture rates under 20% are ideal. Therefore, the required overall capture rate of 5.0% for the subject project is considered low and easily achievable within the Berea market. Note that the capture rates by AMHI level are also considered low and easily achievable within this market at 1.4% and 4.8% for the proposed units at 50% and 60% of AMHI, respectively. These low capture rates are indicative of a deep base of demographic support for the subject project as proposed.

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

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	20%
Two-Bedroom	40%
Three-Bedroom	35%
Four-Bedroom	5%
Total	100.0%

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

Units Targeting 50% Of AMHI (653 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (20%)	130	8	122	-	N/A
Two-Bedroom (40%)	261	16	245	3	1.2%
Three-Bedroom (35%)	229	0	229	6	2.6%
Four-Bedroom (5%)	33	0	33	-	N/A

*Directly comparable units built, funded and/or under construction in the project market during the projection period

Units Targeting 60% Of AMHI (559 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (20%)	111	0	111	-	N/A
Two-Bedroom (40%)	224	42	182	9	4.9%
Three-Bedroom (35%)	196	30	166	18	10.8%
Four-Bedroom (5%)	28	0	28	-	N/A

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

As the preceding illustrates, the capture rates by bedroom type range between 1.2% and 10.8%, depending upon bedroom type and AMHI level. These capture rates are considered low and achievable and further indicate that sufficient demographic support exists within the Berea market for the proposed subject project.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow Agency guidelines that assume a 2016 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2016, though the subject project may complete prior to this date. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has also been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

Considering the facts contained in this market study, as well as the preceding factors, and comparing them with other projects with similar characteristics in other markets, we are able to establish absorption projections for the proposed subject development. It is our opinion that the proposed 36 LIHTC units at the subject site will reach a stabilized occupancy of 93.0% within six months of opening. This absorption period is based on an absorption rate of approximately six units per month.

H. RENTAL HOUSING ANALYSIS (SUPPLY)

1. COMPETITIVE DEVELOPMENTS

The proposed subject project will offer two- and three-bedroom units targeting general-occupancy (family) households earning up to 50% and 60% of Area Median Household Income (AMHI). We identified and surveyed four non-subsidized Low-Income Housing Tax Credit (LIHTC) projects within the Berea Site PMA. These four LIHTC projects offer one- through three-bedroom units targeting general-occupancy households earning up to 50% and 60% of AMHI and are therefore considered competitive with the proposed subject project. As such, these four LIHTC projects have been included in our comparable Tax Credit analysis.

These four LIHTC properties and the proposed subject development are summarized as follows. Information regarding property address, phone number, contact name and utility responsibility is included in the Field Survey of Conventional Rentals.

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	Berea Heights	2015	36	-	-	-	Families; 50% & 60% AMHI
9	Berea Heights Villas	2005	72	100.0%	0.9 Miles	6 Months	Families; 50% & 60% AMHI
10	Mulberry Court	2007	42	100.0%	3.9 Miles	17 H.H.	Families; 50% & 60% AMHI
13	Cloverfield Estates	2012	48	100.0%	2.8 Miles	2 Years	Families; 50% & 60% AMHI
14	Parker at Cone I & II	2011	64 + 96*	100.0%	3.3 Miles	90 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy

H.H. - Households

*Units under construction

The four LIHTC projects have a combined occupancy rate of 100.0%. Further, each of the four comparable LIHTC projects maintains a waiting list for their next available units. These waiting lists range from 17- to 90-households or from six months to two years in duration. These high occupancy rates and extensive waiting lists indicate that there is significant pent-up demand for additional non-subsidized general-occupancy LIHTC product in the Berea market. As such, the proposed subject project will help alleviate a portion of this demand.

As illustrated in the preceding table, the two newest LIHTC projects in the market are Cloverfield Estates (Map ID 13) and Parker at Cone I & II (Map ID 14). According to management, preleasing began in June of 2012 for Cloverfield Estates and the 48 units offered at this project were 100.0% occupied by November of 2012. This yields a monthly absorption rate of eight units per month. Further, management at Parker at Cone I & II indicated that preleasing at this property began in September of 2011 and the 64 units offered at this property reached 100.0% occupancy in March of 2012. As such, this property experienced an absorption rate of approximately nine units per month, similar to that reported at Cloverfield Estates. These absorption rates reported for the two newest comparable LIHTC projects in the market indicate that these properties have been well-received within the Berea market and that there is significant demand for affordable LIHTC product in the market.

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

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)			Rent Special
		One-Br.	Two-Br.	Three-Br.	
Site	Berea Heights	-	\$569/50% (3) \$629/60% (9)	\$640/50% (6) \$700/60% (18)	-
9	Berea Heights Villas	-	\$640/50% (34/0) \$690/60% (14/0)	\$768/50% (10/0) \$818/60% (14/0)	None
10	Mulberry Court	\$551/50% (7/0) \$566/60% (5/0)	\$688/50% (14/0) \$740/60% (12/0)	\$821/50% (2/0) \$866/60% (2/0)	None
13	Cloverfield Estates	-	\$582/50% (8/0) \$607/60% (16/0)	\$673/50% (4/0) \$698/60% (20/0)	None
14	Parker at Cone I & II	\$541-\$556/50% (5+8*/0) \$626/60% (3/0)	\$663-\$668/50% (5+16*/0) \$753-\$763/60% (35+42*/0)	\$786/50% (6/0) \$876-\$891/60% (10+30*/0)	None

*Units under construction

As the preceding table illustrates, the proposed subject gross rents ranging from \$569 to \$700, depending upon bedroom type and AMHI level, will be among the lowest priced two- and three-bedroom LIHTC units in the Berea market. Considering the high occupancy rates and extensive waiting lists maintained among the comparable LIHTC projects along with the fact that the subject project will offer the newest LIHTC units in the market, these low-proposed gross rents will likely represent a significant value and create a marketing advantage for the subject project in the Berea market.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers as well as the approximate number and share of Vouchers currently in use at each of the comparable LIHTC projects:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
9	Berea Heights Villas	72	36	50.0%
10	Mulberry Court	42	18	42.9%
13	Cloverfield Estates	48	6	12.5%
14	Parker at Cone I & II	64 + 96*	12	18.6%
Total		226	72	31.9%

*Units under construction (not included in total)

As the preceding table illustrates, there are a total of approximately 72 voucher holders residing at the comparable LIHTC properties within the market. This comprises 31.9% of the 226 total non-subsidized LIHTC units offered at these properties. Considering that nearly 70% of all units offered among these comparable LIHTC projects are occupied by non Voucher holders, it can be concluded that the gross rents at these properties are achievable as evidenced by the overall 100.0% occupancy rate reported among these projects.

Note that despite multiple attempts, we were unable to receive a response from the local housing authority regarding the number of Housing Choice Vouchers currently in use within their jurisdiction, or annual turnover of Voucher holders.

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



9

Berea Heights Villas

0.9 miles to site



Address	125 Lions Club Rd. Greenville, SC 29617		
Phone	(864) 294-9377	Contact	Kalece
Total Units	72	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2005	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	6 months		
Quality Rating	A-	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (approx. 36 units); Square footage estimated		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Storage
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Gazebo

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	1	G	14	0	700	\$0.82	\$577	60%
2	1	G	34	0	700	\$0.75	\$527	50%
3	2	G	14	0	900	\$0.75	\$677	60%
3	2	G	10	0	900	\$0.70	\$627	50%

10 Mulberry Court

3.9 miles to site



Address	101 Mulberry St. Greenville, SC 29601		
Phone	(864) 298-8000	Contact	Priscilla
Total Units	42	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2007	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	17 households		
Quality Rating	A	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (18 units)		



Features and Utilities

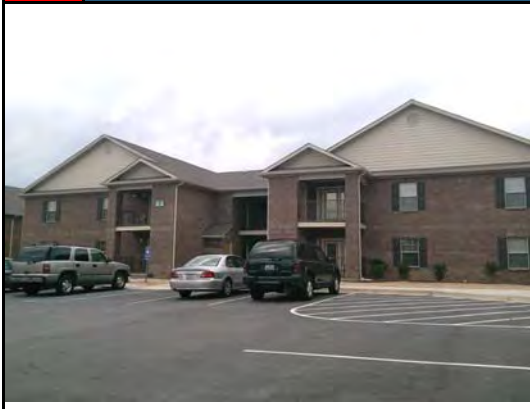
Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	5	0	790	\$0.61	\$480	60%
1	1	G	7	0	790	\$0.59	\$465	50%
2	2	G	12	0	955 to 1043	\$0.60 - \$0.66	\$627	60%
2	2	G	14	0	955 to 1043	\$0.55 - \$0.60	\$575	50%
3	2	G	2	0	1228	\$0.59	\$725	60%
3	2	G	2	0	1228	\$0.55	\$680	50%

13 Cloverfield Estates

2.8 miles to site



Address 500 Crawford Hill Dr.
Greenville, SC 29617

Phone (864) 509-1048 **Contact** Jack

Total Units 48 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2012 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 2 years

Quality Rating A **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (6 units); Opened 10/2012, 100% occupied 11/2012, began preleasing 6/2012



Features and Utilities

Utilities Landlord pays Trash
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage
Project Amenities On-site Management, Laundry Facility, Club House, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	2	G	16	0	1127	\$0.38	\$425	60%
2	2	G	8	0	1127	\$0.35	\$400	50%
3	2	G	20	0	1288	\$0.37	\$475	60%
3	2	G	4	0	1288	\$0.35	\$450	50%

14 Parker at Cone I & II

3.3 miles to site



Address	50 Blease St. Greenville, SC 29609		
Phone	(864) 252-4216	Contact	Ben
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2011	Floors	2,3
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	90 households		
Quality Rating	A	Neighborhood Rating	A
Remarks	50% & 60% AMHI; HCV (12 units); 96 units in phase II under construction, unknown completion date, began preleasing 1/2014		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Sunroom
Project Amenities	On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Gazebo

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
1	1	G	0	0	750	\$0.63	\$470	50%
1	1	G	3	0	750	\$0.72	\$540	60%
1	1	G	5	0	750	\$0.61	\$455	50%
2	2	G	0	0	1000	\$0.65	\$650	60%
2	2	G	0	0	1000	\$0.55	\$550	50%
2	2	G	35	0	1000	\$0.64	\$640	60%
2	2	G	5	0	1000	\$0.56	\$555	50%
3	2	G	10	0	1200	\$0.61	\$735	60%
3	2	G	6	0	1200	\$0.54	\$645	50%
3	2	G	0	0	1200	\$0.63	\$750	60%

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
Site	Berea Heights	-	1,100	1,250
9	Berea Heights Villas	-	700	900
10	Mulberry Court	790	955 – 1,043	1,228
13	Cloverfield Estates	-	1,127	1,288
14	Parker at Cone I & II	750	1,000	1,200

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
Site	Berea Heights	-	1.75	2.5
9	Berea Heights Villas	-	1.0	2.0
10	Mulberry Court	1.0	2.0	2.0
13	Cloverfield Estates	-	2.0	2.0
14	Parker at Cone I & II	1.0	2.0	2.0

The proposed two- and three-bedroom units at the subject project will be among the largest in the market in terms of square footage, as compared similar unit types at the comparable LIHTC projects. These large unit sizes (square feet) and competitive number of bathrooms will contribute to the marketability of the subject project within the Berea market.

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



COMPARABLE PROPERTIES AMENITIES - BEREA, SC

MAP ID	APPLIANCES							UNIT AMENITIES												
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS	E-CALL BUTTONS	PARKING	OTHER
SITE	X	X	X	X		X	X		C		X	X	X				B		S	Exterior Storage
9	X	X		X	X	X	X		C		X	X	X				B		S	Storage
10	X	X	X	X	X	X	X		C		X		X				B		S	
13	X	X	X	X	X	X	X		C		X	X	X				B		S	Exterior Storage
14	X	X		X	X	X	X		C		X	X	X				B		S	Sunroom

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X		X	X	X							X		X			Security Cameras; Perimeter Gazebo with Benches
9		X	X	X		X	X							X		X			Gazebo
10		X	X	X		X	X							X					
13		X	X	X	X	X	X							X		X			
14		X	X	X		X	X							X		X			Gazebo

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional
(s) - Some

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

The proposed subject project will include a comprehensive amenity package that is considered competitive with those offered among the comparable LIHTC projects in the market. Notably, the subject project will offer premium amenities such as, but not limited to, a dishwasher, microwave oven, washer/dryer hookups, community space, fitness center and computer center, which will contribute to the marketability of the subject project within the market. The subject project does not appear to lack any key amenities which would adversely impact marketability.

Comparable/Competitive Summary

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market, it is our opinion that the subject development will be competitive. This is especially true given that the subject project will offer some of the lowest priced two- and three-bedroom LIHTC units in the market, as compared to those offered among the comparable LIHTC projects. Further, the subject project will offer competitive unit sizes (square feet) and amenity packages as compared to those offered among the comparable LIHTC projects. Considering the low proposed rents at the subject project, competitive position of the unit sizes (square feet) and competitive amenity packages offered, the subject project is expected to be well-received within the Berea market. Further, considering that each of the comparable LIHTC projects is 100.0% occupied with a wait list, the proposed subject project will help alleviate a portion of the pent-up demand for non-subsidized general-occupancy LIHTC product in the market.

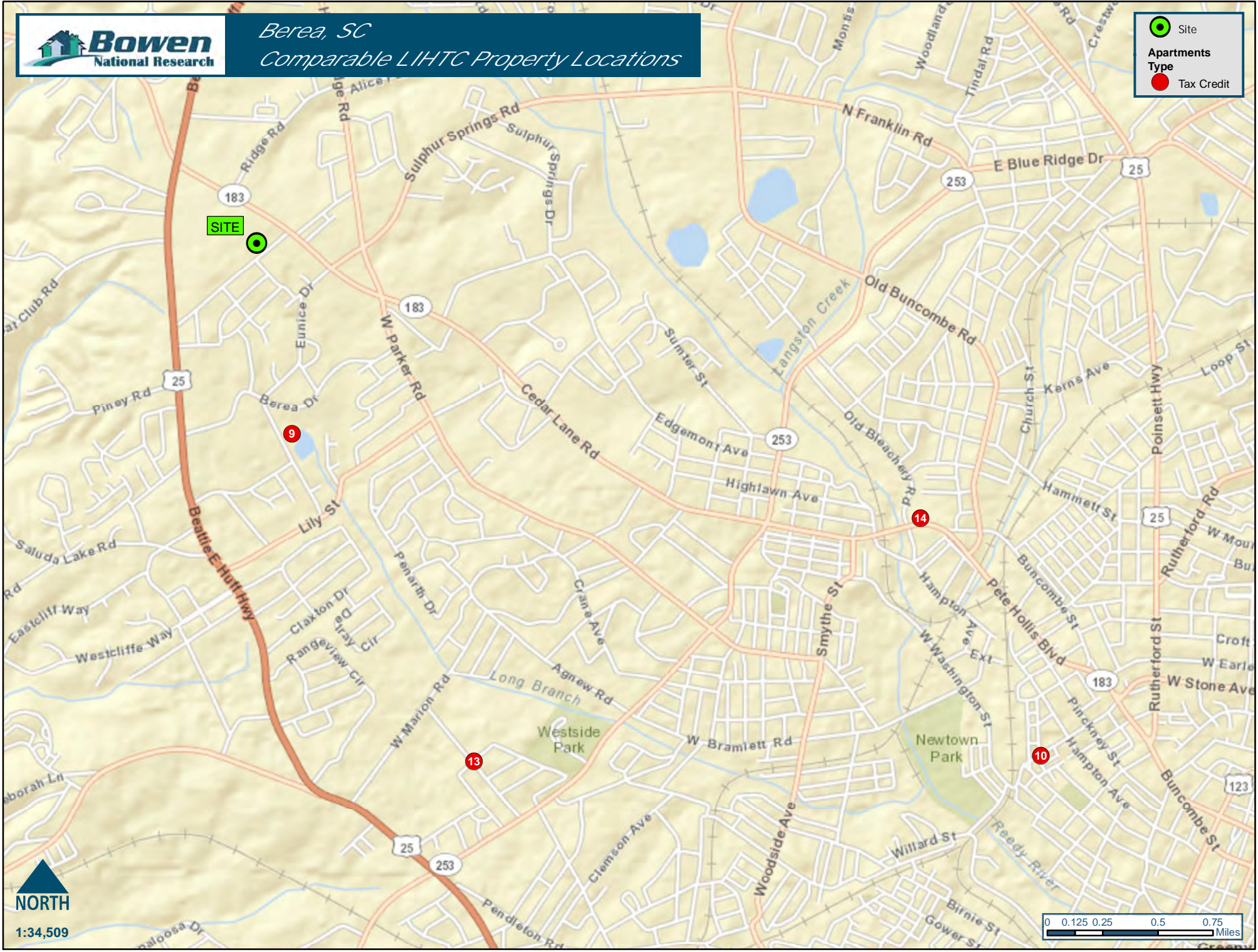
2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Berea, SC
Comparable LIHTC Property Locations

● Site
● Apartments
● Type
● Tax Credit



NORTH
1:34,509

0 0.125 0.25 0.5 0.75 Miles

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Berea Site PMA in 2010 and 2013 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2013 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	17,801	85.9%	18,330	86.9%
Owner-Occupied	9,638	54.1%	9,537	52.0%
Renter-Occupied	8,163	45.9%	8,793	48.0%
Vacant	2,923	14.1%	2,764	13.1%
Total	20,724	100.0%	21,094	100.0%

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

Based on a 2013 update of the 2010 Census, of the 21,094 total housing units in the market, 13.1% were vacant. Note that both number and the share of vacant housing units in the market declined between 2010 and 2013, likely indicating that the housing market within the Site PMA is improving.

We identified and personally surveyed 16 conventional housing projects containing a total of 1,853 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 94.5%, a good rate for rental housing. Among these projects, 13 are non-subsidized (market-rate and Tax Credit) projects containing 1,637 units. These non-subsidized units are 93.8% occupied. The remaining three projects contain 216 government-subsidized units, which are 100.0% occupied.

The following table summarizes project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	9	1,411	102	92.8%
Tax Credit	4	226	0	100.0%
Tax Credit/Government-Subsidized	1	100	0	100.0%
Government-Subsidized	2	116	0	100.0%
Total	16	1,853	102	94.5%

As the preceding illustrates, each of the affordable rental housing segments surveyed in the market (non-subsidized Tax Credit, subsidized Tax Credit and government subsidized) is 100.0% occupied. Further, each of the affordable rental projects surveyed in the market maintain extensive waiting lists for their next available units. These waiting lists range from 17- to 159-households or up to two years in duration. These high occupancy rates and extensive waiting lists indicate that there is significant pent-up demand for affordable rental housing within the Berea market.

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

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	547	38.8%	36	6.6%	\$561
Two-Bedroom	1.0	237	16.8%	9	3.8%	\$648
Two-Bedroom	1.5	184	13.0%	30	16.3%	\$698
Two-Bedroom	2.0	249	17.6%	7	2.8%	\$1,008
Three-Bedroom	1.0	10	0.7%	1	10.0%	\$683
Three-Bedroom	1.5	30	2.1%	1	3.3%	\$840
Three-Bedroom	2.0	149	10.6%	18	12.1%	\$826
Three-Bedroom	3.0	5	0.4%	0	0.0%	\$1,756
Total Market-rate		1,411	100.0%	102	7.2%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	20	8.8%	0	0.0%	\$551
Two-Bedroom	1.0	48	21.2%	0	0.0%	\$640
Two-Bedroom	2.0	90	39.8%	0	0.0%	\$740
Three-Bedroom	2.0	68	30.1%	0	0.0%	\$768
Total Tax Credit		226	100.0%	0	0.0%	-

The market-rate units are 92.8% occupied and the Tax Credit units are 100.0% occupied. Note that the median gross Tax Credit rents reported in the preceding table are lower than the median gross rents reported among similar market-rate units in the market. The high occupancy rate and lower median gross rents reported among the non-subsidized Tax Credit units in the market indicate that non-subsidized Tax Credit product is likely perceived as a significant value within the Site PMA.

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

Year Built	Projects	Units	Vacancy Rate
Before 1970	1	94	3.2%
1970 to 1979	5	779	11.2%
1980 to 1989	1	152	1.3%
1990 to 1999	0	0	0.0%
2000 to 2005	2	268	2.2%
2006	1	190	2.1%
2007	1	42	0.0%
2008	0	0	0.0%
2009	0	0	0.0%
2010	0	0	0.0%
2011	1	64	0.0%
2012	1	48	0.0%
2013	0	0	0.0%
Total	13	1,637	6.2%

*As of February

Over 53% of all apartments surveyed were built prior to 1980. These older apartments have a vacancy rate of 10.3%, higher than the overall market. Notably, all non-subsidized units (market-rate and Tax Credit) added to the market since 2007 are 100.0% occupied. Based on the preceding analysis, it appears that modern rental units are in high demand within the market. Considering that the subject project will offer the newest rental units in the market upon completion, the subject project is expected to be well-received within the Berea market.

The Berea apartment market offers a wide range of rental product, in terms of price point and quality. The following table compares the gross rent (the collected rent at the site plus the estimated costs of tenant-paid utilities) of the subject project with the rent range of the existing conventional apartments surveyed in the market.

Bedroom Type	Gross Rent			Units (Share) with Rents Above Proposed Rents
	Proposed Subject	Existing Rentals		
		Median	Range	
Two-Bedroom	\$569-50%	\$709	\$578 - \$1,628	808 (100.0%)
	\$629-60%			780 (96.5%)
Three-Bedroom	\$640-50%	\$826	\$673 - \$1,756	262 (100.0%)
	\$700-60%			228 (87.0%)

Nearly all of the rents of existing rentals in the market are above the proposed rents at the subject site, as illustrated in the preceding table. Nonetheless, the appropriateness of the proposed rents is evaluated in further detail in the Achievable Market Rent Analysis section of this report.

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

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	2	386	2.6%
B-	2	497	14.9%
C+	1	152	1.3%
C	3	346	4.6%
C-	1	30	0.0%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	3	154	0.0%
A-	1	72	0.0%

As the preceding illustrates, all non-subsidized Tax Credit projects surveyed in the market are considered to be of high quality and are 100.0% occupied. Considering that the subject project is expected to have an excellent quality finish and aesthetic appeal upon completion, it should also be well-received within the Berea market.

A complete list of all properties surveyed is included in Addendum A, Field Survey of Conventional Rentals.

4. RENTAL HOUSING INVENTORY MAP

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



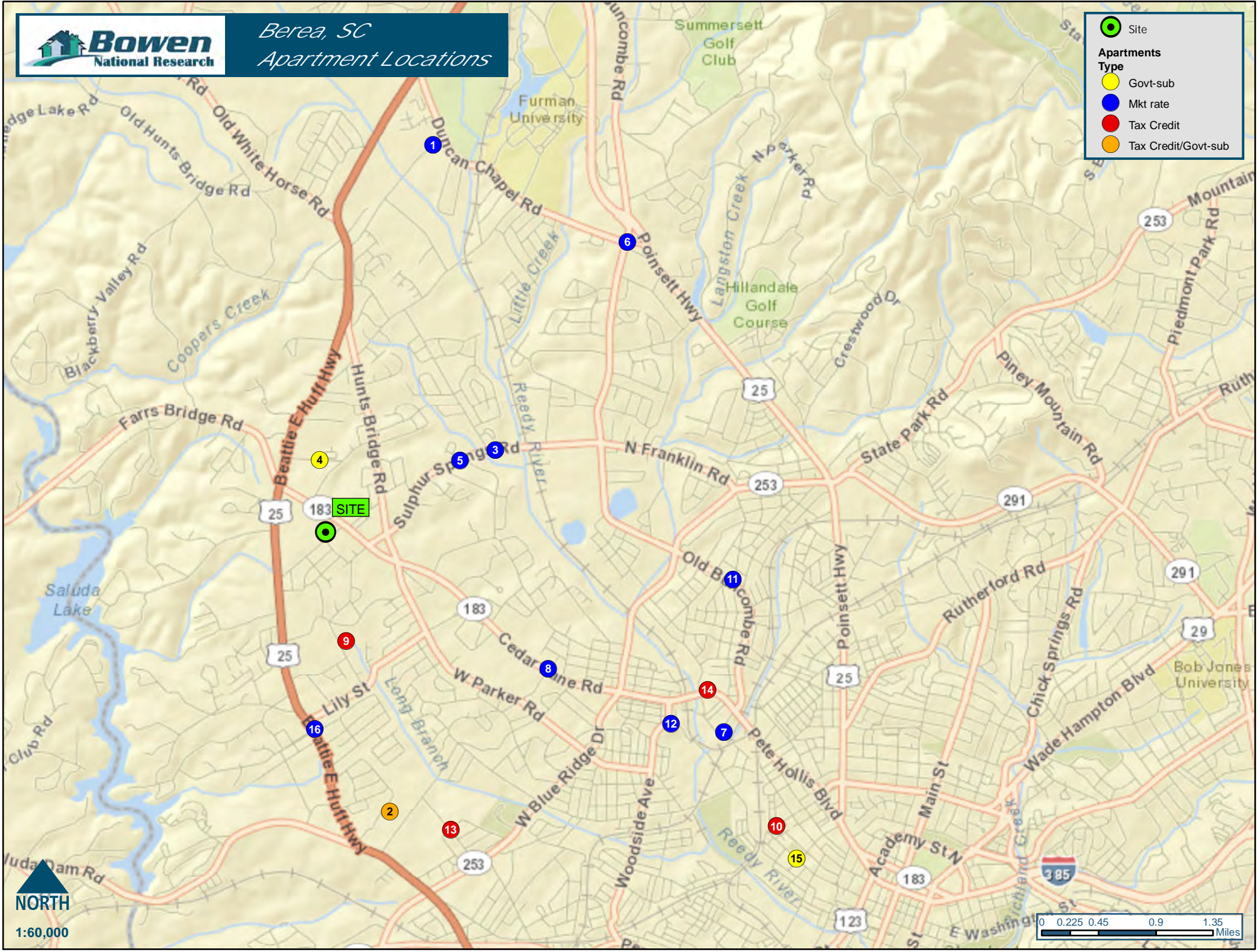


Berea, SC
Apartment Locations

● Site

Apartment Type

- Govt-sub
- Mkt rate
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:60,000

0 0.225 0.45 0.9 1.35 Miles

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

According to the planning and building departments of various municipalities in the Berea Site PMA, there are two planned or proposed multifamily apartment projects in the Site PMA. These planned projects are summarized as follows:

- South Ridge, located at Church Street and University Ridge will be a mixed-use market-rate complex comprised of 360 multifamily units which will include studios, one-, two- and three-bedrooms. Additionally, approximately 10,000 square feet of commercial space will be available on the first floor for lease. South Ridge is being developed by the Beach Company and is managed by CBRE. This project is currently under construction with plans to be completed by the summer 2015.
- The Stadium Apartments located at the corner of Rhett Street and North Markley Street will be a 100-unit market-rate complex comprised of one- and two-bedroom units. Other amenities will include a clubhouse and fitness area. The developer of this project was not available at the time of this report. Currently no information was found on the status of this project as to when construction will begin or be completed.

It should further be noted that although not cited by local building and planning representatives, phase two of Parker at Cone, one of the comparable LIHTC projects in the market, is currently under construction as this project was allocated Tax Credits in 2012. This second phase will include 96 total units comprised of one- through three-bedroom units targeting general-occupancy households earning up to 50% and 60% of AMHI. The completion date of this project was not available at the time of this report, however, management of Parker at Cone indicated that preleasing began in January of 2014 for this project.

Based on the preceding analysis, the second phase of Parker at Cone will compete with the subject project, as similar two- and three-bedroom LIHTC units will be offered at this property. These directly comparable units under construction in the market have been included in our demand calculations. Note that the two planned market-rate projects in the market are not considered to be competitive with the subject project as they will likely target higher income households which would not qualify for low-income housing, such as that proposed at the subject project.

7. ADDITIONAL SCSHFDA VACANY DATA

Stabilized Comparables

A component of South Carolina Housing’s Exhibit S-2 is the calculation of the occupancy rate among all stabilized comparables, including both Tax Credit and market-rate projects, within the Site PMA. Comparables are identified as those projects that are considered economically comparable in that they target a similar tenant profile with respect to age and income cohorts. Market-rate projects with gross rents that deviate by no more than 10% to the gross rents proposed at the site are considered economically comparable. Market-rate projects with gross rents that deviate by greater than 10% when compared to the gross rents proposed at the site are not considered economically comparable as these projects will generally target a different tenant profile. For this reason, there may be conceptually comparable market-rate projects that were utilized in determining Market Rent Advantages (see section eight *Market Rent Advantage* of this section) that are excluded as comparable projects as they may not be economically comparable. Conceptual comparability is also considered in this analysis. For example, if the subject development is of multi-story garden walk-up design, we may eliminate those market-rate projects that are of townhouse-style design even if they may be economically comparable. A project’s age, overall quality and amenities offered are also considered when evaluating conceptual comparability. Note that the determination of both economic and conceptual comparability is the opinion of the market analyst.

As discussed earlier in this analysis, we identified a total of four comparable LIHTC projects within the Site PMA that have received Tax Credit funding. Our methodology for identifying conceptual comparability are those projects that target a similar age cohort, are of similar design, offered similar amenity packages and have a year built. The four stabilized comparable Tax Credit projects identified in the Site PMA are detailed as follows:

Stabilized Comparable Tax Credit Projects					
Map I.D.	Project Name	Year Built/ Renovated	Project Type	Total Units	Occupancy Rate
Site	Berea Heights Townhomes	2015	TC	36	-
9	Berea Heights Villas	2005	TC	72	100.0%
10	Mulberry Court	2007	TC	42	100.0%
13	Cloverfield Estates	2012	TC	48	100.0%
14	Parker at Cone I & II	2011	TC	64*	100.0%
Total				226	100.0%

*Does not include units currently under construction (96)

TC – Tax Credit

The overall occupancy rate of the four stabilized comparable Tax Credit projects identified in the Site PMA is 100.0%. Further, it should be noted that while the five comparable market-rate projects selected to determine market rent advantage later in this section are considered conceptually comparable, they are not considered to be economically comparable. As such, these five comparable market-rate projects have not been included as stabilized comparable properties.

8. MARKET RENT ADVANTAGE

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

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

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

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

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

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

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	Berea Heights	2015	36	-	-	12 (-)	24 (-)
1	Woodwinds	1975	144	97.2%	32 (96.9%)	72 (97.2%)	40 (97.5%)
6	Vinings at Duncan Chapel	2002	196	96.9%	70 (98.6%)	98 (96.9%)	28 (92.9%)
7	Cedar Grove	1968	94	96.8%	10 (100.0%)	74 (97.3%)	10 (90.0%)
8	Hunters Park	1973 / 2007	353	80.2%	128 (80.5%)	144 (79.2%)	81 (81.5%)
16	Emerald Commons	1972	100	99.0%	30 (100.0%)	40 (100.0%)	30 (96.7%)

Occ. - Occupancy

The five selected market-rate projects have a combined total of 887 units with an overall occupancy rate of 90.5%. None of the comparable properties has an occupancy rate below 80.2%. Note that while Hunters Park (Map ID 8) currently reports an overall occupancy rate of 80.2%, occupancy at this property has improved by more than ten full percentage points since Bowen National Research’s last survey of the Berea market in October of 2012. This demonstrates that this project is performing at a higher level within the Berea market and should offer an accurate base of comparability with the subject project.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the subject development.



Rent Comparability Grid

Unit Type →

TWO BEDROOM

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Berea Heights Townhomes		Woodwinds		Vinings at Duncan Chapel		Cedar Grove		Hunters Park		Emerald Commons	
Berea Heights Rd & Farris Bridge Rd.		157 Montague Rd.		421 Duncan Chapel Rd.		10 Monroe St.		1201 Cedar Lane Rd		6526 White Horse Rd.	
Berea, SC		Greenville, SC		Greenville, SC		Greenville, SC		Greenville, SC		Greenville, SC	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$555		\$895		\$495		\$560		\$575	
2	Date Surveyed	Feb-14		Feb-14		Feb-14		Feb-14		Feb-14	
3	Rent Concessions	None		None		Yes (\$8)		None		None	
4	Occupancy for Unit Type	97%		97%		97%		79%		100%	
5	Effective Rent & Rent/ sq. ft	\$555	0.62	\$895	0.82	\$487	0.65	\$560	0.70	\$575	0.66
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/3		TH/2		WU/2		TH/2	
7	Yr. Built/Yr. Renovated	2015	\$40	2002	\$13	1968	\$47	1973/2007	\$25	1972	\$43
8	Condition /Street Appeal	E	\$15	E		F	\$30	G	\$15	F	\$30
9	Neighborhood	G		E	(\$10)	F	\$10	G		F	\$10
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	1.75	(\$8)	2	(\$8)	1	\$23	1.5	\$8	1.5	\$8
13	Unit Interior Sq. Ft.	1100	\$35	1097	\$1	750	\$61	800	\$52	875	\$39
14	Balcony/ Patio	Y		Y		Y		N	\$5	N	\$5
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	N/Y	\$5	N/N	\$15	N/Y	\$5	N/N	\$15
18	Washer/Dryer	HU/L		HU/L	(\$25)	L	\$10	HU/L		HU	\$5
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	Y		N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N		Y	(\$5)	N		Y	(\$5)	N	
23	Ceiling Fans	Y	\$5	Y		N	\$5	N	\$5	N	\$5
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate/Cameras	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	Y/N	\$5	N/N	\$5	Y/N	\$5
28	Pool/ Recreation Areas	F/G	(\$2)	P	(\$7)	P/F	(\$7)	N	\$8	P/F/S	(\$10)
29	Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Playground	Y	\$3	Y		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N	(\$69)	Y/Y	(\$69)	Y/Y	(\$69)	Y/Y	(\$69)
39	Trash /Recycling	Y/N	\$13	Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	11	2	6	5	15		11	2	16	
41	Sum Adjustments B to D	\$124	(\$10)	\$30	(\$55)	\$232		\$131	(\$15)	\$192	
42	Sum Utility Adjustments	\$13			(\$69)		(\$69)		(\$69)		(\$69)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$127	\$146	(\$94)	\$153	\$163	\$301	\$47	\$215	\$123	\$261
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$682		\$801		\$651		\$607		\$698	
45	Adj Rent/Last rent		123%		89%		134%		108%		121%
46	Estimated Market Rent	\$705	\$0.64	← Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
Berea Heights Townhomes		Woodwinds		Vinings at Duncan Chapel		Cedar Grove		Hunters Park		Emerald Commons	
Berea Heights Rd & Farris Bridge Rd.		157 Montague Rd.		421 Duncan Chapel Rd.		10 Monroe St.		1201 Cedar Lane Rd		6526 White Horse Rd.	
Berea, SC		Greenville, SC		Greenville, SC		Greenville, SC		Greenville, SC		Greenville, SC	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$655		\$1,045		\$525		\$660		\$675	
2	Date Surveyed	Feb-14		Feb-14		Feb-14		Feb-14		Feb-14	
3	Rent Concessions	None		None		Yes (\$10)		None		None	
4	Occupancy for Unit Type	98%		93%		90%		81%		97%	
5	Effective Rent & Rent/ sq. ft	\$655	0.55	\$1,045	0.82	\$515	0.61	\$660	0.66	\$675	0.64
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	TH/2		WU/3		TH/2		WU/2		TH/2	
7	Yr. Built/Yr. Renovated	2015	\$40	2002	\$13	1968	\$47	1973/2007	\$25	1972	\$43
8	Condition /Street Appeal	E	\$15	E		F	\$30	G	\$15	F	\$30
9	Neighborhood	G		E	(\$10)	F	\$10	G		F	\$10
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2.5	\$15	2	\$15	1	\$45	2	\$15	1.5	\$30
13	Unit Interior Sq. Ft.	1250	\$8	1270	(\$3)	840	\$68	1000	\$42	1050	\$33
14	Balcony/ Patio	Y		Y		Y		N	\$5	N	\$5
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y	\$5	N/Y	\$5	N/N	\$15	N/Y	\$5	N/N	\$15
18	Washer/Dryer	HU/L		HU/L	(\$25)	L	\$10	HU/L		HU	\$5
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Storage	Y	\$5	Y		N	\$5	N	\$5	N	\$5
22	Garbage Disposal	N		Y	(\$5)	N		Y	(\$5)	N	
23	Ceiling Fans	Y	\$5	Y		N	\$5	N	\$5	N	\$5
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate/Cameras	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
27	Clubhouse/ Meeting Rooms	N/Y	\$5	N/N	\$5	Y/N	\$5	N/N	\$5	Y/N	\$5
28	Pool/ Recreation Areas	F/G	(\$2)	P	(\$7)	P/F	(\$7)	N	\$8	P/F/S	(\$10)
29	Computer Center	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
30	Picnic Area	Y	\$3	N	\$3	N	\$3	N	\$3	N	\$3
31	Playground	Y	\$3	Y		N	\$3	Y		N	\$3
32	Social Services	N		N		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/G		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N	(\$82)	Y/Y	(\$82)	Y/Y	(\$82)	Y/Y	(\$82)
39	Trash /Recycling	Y/N	\$13	Y/N		Y/N		Y/N		Y/N	
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	12	1	6	5	15		11	2	16	
41	Sum Adjustments B to D	\$112	(\$2)	\$44	(\$50)	\$262		\$128	(\$15)	\$208	
42	Sum Utility Adjustments	\$13			(\$82)		(\$82)		(\$82)		(\$82)
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	\$123	\$127	(\$88)	\$176	\$180	\$344	\$31	\$225	\$126	\$290
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$778		\$957		\$695		\$691		\$801	
45	Adj Rent/Last rent		119%		92%		135%		105%		119%
46	Estimated Market Rent	\$810		\$0.65		← Estimated Market Rent/ Sq. Ft					

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

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rent for units similar to the subject development are \$705 for a two-bedroom unit and \$810 for a three-bedroom unit.

The following table compares the proposed collected rents at the subject site with achievable market rent for selected units.

Bedroom Type	Proposed Collected Rent (% AMHI)	Achievable Market Rent	Market Rent Advantage
Two-Bedroom	\$410 (50%)	\$705	41.84%
	\$470 (60%)		33.33%
Three-Bedroom	\$440 (50%)	\$810	45.68%
	\$500 (60%)		38.27%
Weighted Average			38.71%

The proposed collected Tax Credit rents represent market rent advantages ranging between 33.33% and 45.68%, depending upon bedroom type and AMHI level. Typically, Tax Credit rents should represent market rent advantages of at least 10.0% in order to be considered a value in most markets. Therefore, it is likely that all of the proposed units at the subject project will be viewed as a significant value within the market. Further, considering that the four comparable LIHTC projects are 100.0% occupied and each maintains an extensive waiting list for their next available units, the subject project will provide an affordable rental alternative that is currently in high demand within the market. Therefore, it is likely that the subject units will be viewed as an even greater value within the market.

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

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

5. One of the selected properties, Cedar Grove, is currently offering a rent concession. This concession has been prorated and subtracted from the current collected rent at this property.
7. Upon completion of construction, the subject project will be the newest property in the market. The selected properties were built between 1968 and 2002. Note that one of the selected properties, Hunters Park, was renovated in 2007. We have adjusted the rents at the selected properties by \$1 per year of age difference to reflect the age of these properties as compared to the subject development.
8. It is anticipated that the subject project will have an excellent quality finish and attractive aesthetic appeal upon completion. We have made adjustments for those properties that we consider to be of inferior quality to the subject development.
9. Three of the selected properties are considered to be located in neighborhoods that are more or less desirable than the subject project. As such, we have applied either a negative or positive adjustment to these selected properties to reflect the difference in neighborhood desirability between these projects and the subject project.
12. There is a variety of the number of bathrooms offered among the selected properties. We have made adjustments of \$15 per half bathroom to reflect the difference in the number of bathrooms offered at the site as compared with the comparable properties.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.- 23. The proposed subject project will offer a unit amenity package that is generally considered superior to those offered among the selected properties. We have made, however, adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The proposed project offers a comprehensive project amenities package that is generally considered superior to those offered among the selected market-rate properties. We have made monetary adjustments to reflect the difference between the proposed project's and the selected properties' project amenities.

33.-39. We made adjustments to reflect the differences in utility responsibility at the selected properties as needed. The utility adjustments were based on the local housing authority's utility cost estimates.

9. AFFORDABLE HOUSING IMPACT

As previously noted, there are four non-subsidized Tax Credit projects in the market that are considered competitive with the subject project. The anticipated occupancy rates of the existing non-subsidized Tax Credit developments during the first year of occupancy at the subject project follow:

Map I.D.	Project Name	Current Occupancy Rate	Anticipated Occupancy Rate Through 2015
9	Berea Heights Villas	100.0%	95.0%+
10	Mulberry Court	100.0%	95.0%+
13	Cloverfield Estates	100.0%	95.0%+
14	Parker at Cone I & II	100.0%	95.0%+

As the preceding illustrates, the four comparable LIHTC projects in the market are 100.0% occupied. Further, as indicated throughout this report, each of the comparable LIHTC projects maintains an extensive wait list for their next available units. Considering these high occupancy rates and wait lists maintained at the comparable LIHTC projects in the market, we do not anticipate the development of the subject project to have any adverse impact on future occupancy rates at the comparable LIHTC projects. Also note that while a second phase at Parker at Cone I & II is currently under construction, our demand estimates included in this report demonstrate that sufficient demographic support exists for both the subject development and this planned second phase at Parker at Cone I & II.

10. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$100,280. At an estimated interest rate of 4.7% and a 30-year term (and 95% LTV), the monthly mortgage for a \$100,280 home is \$618, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$100,280
Mortgaged Value = 95% of Median Home Price	\$95,266
Interest Rate - Bankrate.com	4.7%
Term	30
Monthly Principal & Interest	\$494
Estimated Taxes and Insurance*	\$124
Estimated Monthly Mortgage Payment	\$618

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit rents for the subject property range from \$410 to \$500 per month, depending upon unit type. Therefore, the cost of a monthly mortgage for a typical home in the area is \$118 to \$208 greater than the cost of renting at the subject development, depending upon unit type. Considering the higher cost of a monthly mortgage as compared to renting at the subject development, we do not anticipate any competitive impact on or from the homebuyer market.

11. HOUSING VOIDS

As previously noted, we identified and personally surveyed 16 conventional housing projects containing a total of 1,853 units within the Site PMA. These totals include market-rate, Low-Income Housing Tax Credit (LIHTC) and government-subsidized rental projects within the Berea Site PMA. Notably, all LIHTC and government-subsidized projects surveyed in the market are 100.0% occupied and maintain extensive waiting lists of up to 159-household or two years in length. Considering these high occupancy rates and waiting lists maintained among all affordable rental housing projects surveyed in the market, there is clearly an insufficient amount of affordable rental units in the market to meet demand. As such, the proposed LIHTC units at the subject project will help meet a portion of the pent-up demand for affordable rental units in the Berea market.

I. INTERVIEWS

The following is a summary of an interview conducted with a local source regarding the need for affordable housing within the Berea market:

Judy Rhodes is the Property Manager for the Pine Ridge Apartments, a government-subsidized project located within the Site PMA. Ms. Rhodes stated that the site area would greatly benefit from a new affordable housing project due to the deterioration of existing affordable housing options within the Berea market. Ms. Rhodes further stated that the existing affordable rental projects in the market, both Tax Credit and government-subsidized, typically maintain high occupancy rates and most also maintain extensive waiting lists which makes it difficult for low-income households to find readily available housing in the market. Additionally, Ms. Rhodes stated that the services in the area as well as the site neighborhood are appealing for area residents and should contribute to the marketability of a new affordable rental community in the Berea market. Phone Number: (864) 246-4209

J. RECOMMENDATIONS

The proposed subject project will offer some of the lowest priced two- and three-bedroom LIHTC units in the market as compared to similar unit types offered among the comparable LIHTC projects in the market. Additionally, these two- and three-bedroom units will be some of the largest two- and three-bedroom LIHTC units in the market in terms of square footage and it will offer a comprehensive amenity package which will further ensure the subject project is competitive within the Berea market.

Further, the four comparable LIHTC projects in the market comprise a total of 226 units which are currently 100.0% occupied. In fact, all affordable rental housing projects surveyed in the market (subsidized and non-subsidized) are 100.0% occupied with wait lists for their next available units. These waiting lists are extensive, ranging from 17- to 159-households or up to two years in length. These high occupancy rates and extensive waiting lists maintained among the existing affordable rental projects in the market clearly indicate that there is insufficient affordable rental product in the Berea market to meet demand. As such, the proposed LIHTC units at the subject project will help alleviate a portion of this pent-up demand for affordable rental housing in the market. Note that a second phase at Parker at Cone I & II (Map ID 14) is currently under construction. This second phase will add an additional 96 LIHTC units to the market once complete. However, based on our demand estimates included in this report and extensive waiting lists maintained among the existing affordable rental projects, there is a sufficient base of demographic support within the Site PMA for both the subject development and the currently under construction units at Parker at Cone I & II.

Based on the findings contained in this report, it is our opinion that a market exists for the proposed Berea Heights Townhomes project in Berea, South Carolina. This assumes the project is developed and operated as outlined in this report.

K. SIGNED STATEMENT REQUIREMENT

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

Certified:



Patrick Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: February 27, 2014



Chuck Ewing
Market Analyst
chucke@bowennational.com
Date: February 27, 2014



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: February 27, 2014

L. Qualifications

The Company

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

The Staff

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, for 15 years. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Benjamin J. Braley, Market Analyst, has conducted market research for over six years in more than 550 markets throughout the United States. He is experienced in preparing feasibility studies for a variety of applications, including those that meet standards required by state agency and federal housing guidelines. Additionally, Mr. Braley has analyzed markets for single-family home developments, commercial office and retail space, student housing properties and senior housing (i.e. nursing homes, assisted living, continuing care retirement facilities, etc.). Mr. Braley is a member of the National Council of Housing Market Analysts (NCHMA) and graduated from Otterbein College with a bachelor's degree in Economics.

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

Craig Rupert, Market Analyst with Bowen National Research, has conducted market research in both urban and rural markets throughout the United States. He provides thorough evaluation of site attributes, area competitors, market trends and economic characteristics. Specifically, he has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, Indian housing, senior rental housing facilities and student housing facilities. Mr. Rupert has a Bachelor of Science degree in Hospitality Management from Youngstown State University.

Heather Moore, Market Analyst, has been with Bowen National Research since the fall of 2010. She has evaluated the rental market in cities throughout the United States and is able to provide detailed site-specific analysis. Ms. Moore has a Bachelors of Arts in Marketing from Urbana University.

Greg Gray, Market Analyst, has more than twelve years of experience conducting site-specific analysis in markets throughout the country. He is especially trained in the evaluation of condominium and senior living developments. Mr. Gray has the ability to provide detailed site-specific analysis as well as evaluate market and economic trends and characteristics.

Christine Atkins, Market Analyst, has more than three years of experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis, she has the ability to analyze market and economic trends and conditions. Ms. Atkins holds a Bachelor of Arts in Communication from the University of Cincinnati.

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

Chuck Ewing, Market Analyst, has been conducting site-specific analysis throughout the United States since 2009. He has experience in the evaluation of a variety of real estate developments that include affordable and market-rate apartments, senior living facilities, student housing, supportive and disabled veteran housing, farm worker housing and regional rental supply analysis. Mr. Ewing has a Bachelor of Arts degree in Economics from the Ohio State University.

Marlon Boone, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Boone graduated from The Ohio State University with a Bachelor of Science in City and Regional Planning, with a concentration in Housing, Development and Real Estate.

Tyler Bowers, Market Analyst, has travelled the country and studied the housing industry in both urban and rural markets. He is able to analyze both the aesthetics and operations of rental housing properties, particularly as they pertain to each particular market. Mr. Bowers has a Bachelor Degree of Arts in History from Indiana University.

Amy Tyrrell is a Project Director for Bowen National Research and is based out of Washington, DC. She has 16 years experience in the real estate and construction industries, with 11 years specializing in the research field. She has researched, analyzed, and prepared reports on a variety of trends, industries, and property types, including industrial, office, medical office, multifamily apartments and condominiums, and senior housing. Prior to her focus on research, Ms. Tyrrell performed financial analysis for retail developments throughout the United States. She holds a Masters in Business Administration with concentrations in real estate and marketing from the University of Cincinnati and a Bachelor of Arts in economics with a minor in mathematics from Smith College.

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

Desireé Johnson is the Field Support Coordinator at Bowen National Research. Ms. Johnson is involved in the day-to-day management of the field support department, as well as preparing jobs for field and phone analysis. She has been involved in extensive market research in a variety of project types for more than five years. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

June Davis, Office Manager of Bowen National Research, has 24 years experience in market feasibility research. Ms. Davis has overseen production on over 15,000 market studies for projects throughout the United States.

M. Methodologies, Disclaimers & Sources

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

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

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

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

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

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

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

2. REPORT LIMITATIONS

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

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

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

3. SOURCES

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

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

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

BEREA, SOUTH CAROLINA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

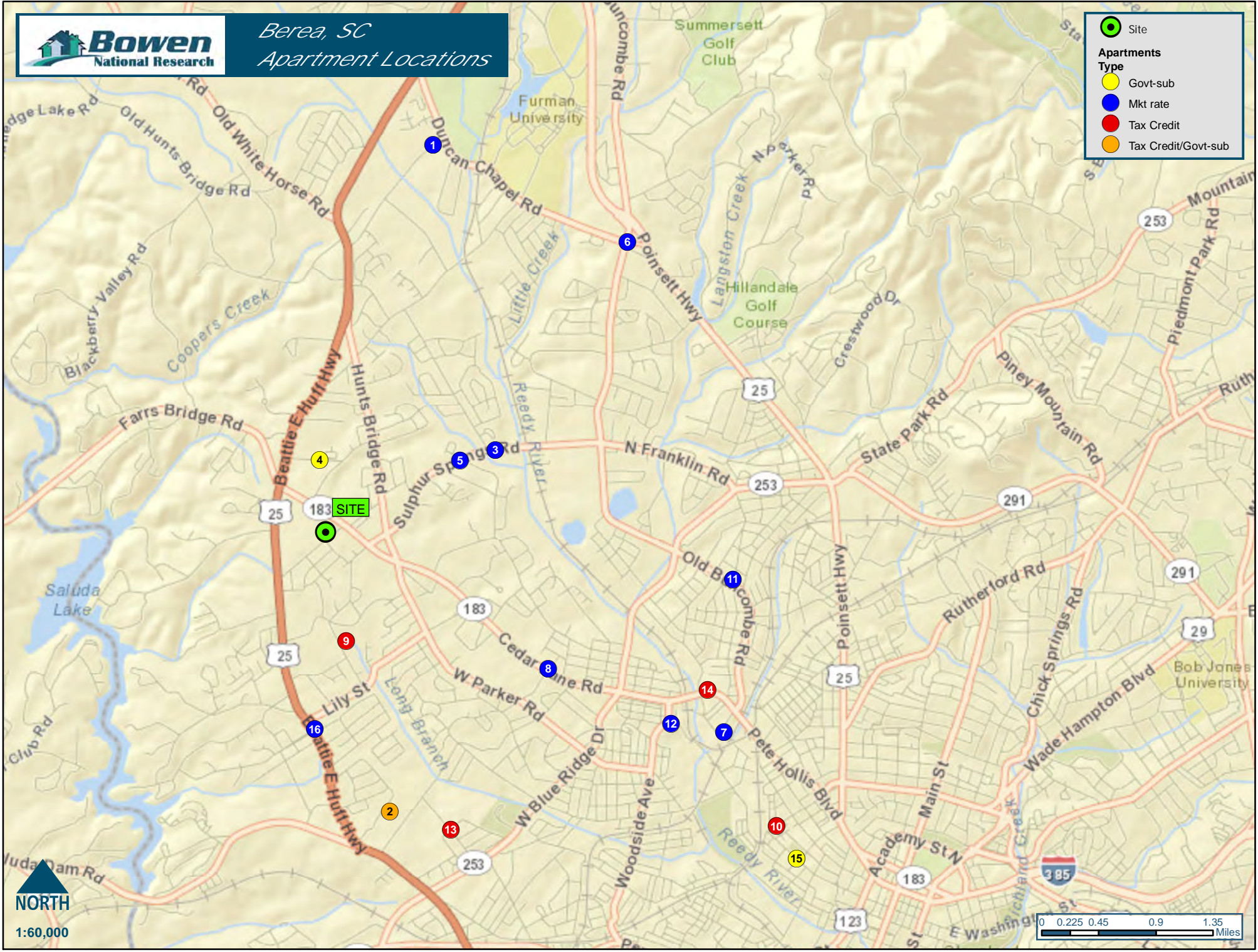


Berea, SC Apartment Locations

● Site

● Apartments Type

- Govt-sub
- Mkt rate
- Tax Credit
- Tax Credit/Govt-sub



NORTH
1:60,000

0 0.225 0.45 0.9 1.35 Miles

MAP IDENTIFICATION LIST - BEREA, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Woodwinds	MRR	B-	1975	144	4	97.2%	3.0
2	Greenville Arms	TGS	C+	1980	100	0	100.0%	2.5
3	Hunting Ridge	MRR	C	1973	152	12	92.1%	1.4
4	Pine Ridge Apts.	GSS	B+	1982	48	0	100.0%	0.9
5	Springwood Apts.	MRR	C+	1981	152	2	98.7%	1.1
6	Vinings at Duncan Chapel	MRR	A	2002	196	6	96.9%	3.4
7	Cedar Grove	MRR	C	1968	94	3	96.8%	3.0
8	Hunters Park	MRR	B-	1973	353	70	80.2%	1.8
9	Berea Heights Villas	TAX	A-	2005	72	0	100.0%	0.9
10	Mulberry Court	TAX	A	2007	42	0	100.0%	3.8
11	Sans Souci Apts.	MRR	C-	1970	30	0	100.0%	3.5
12	Lofts of Greenville	MRR	A	2006	190	4	97.9%	2.8
13	Cloverfield Estates	TAX	A	2012	48	0	100.0%	2.8
14	Parker at Cone I & II	TAX	A	2011	64	0	100.0%	3.3
15	Brockwood Community Senior Housing	GSS	B	1980	68	0	100.0%	4.1
16	Emerald Commons	MRR	C	1972	100	1	99.0%	1.5

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	9	1,411	102	92.8%	0
TAX	4	226	0	100.0%	96
TGS	1	100	0	100.0%	0
GSS	2	116	0	100.0%	0

Total units does not include units under construction.

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

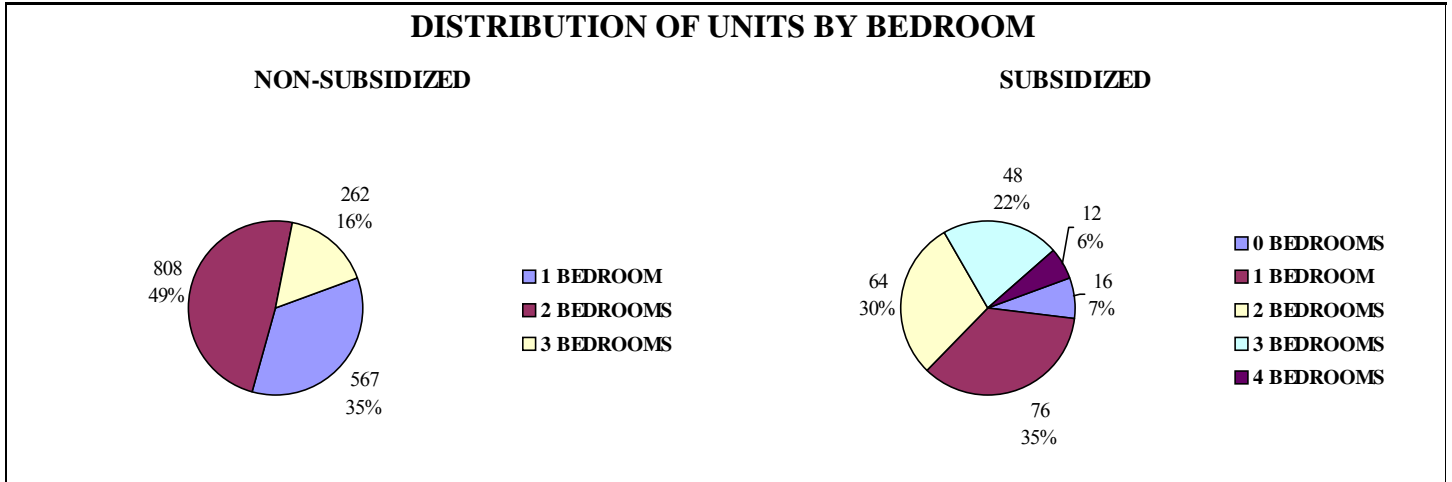
* - Drive Distance (Miles)

Survey Date: February 2014


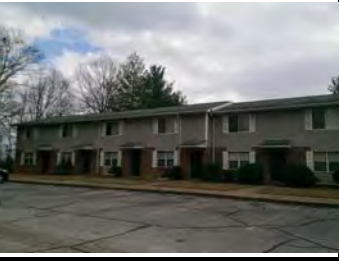



DISTRIBUTION OF UNITS - BEREA, SOUTH CAROLINA

MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	547	38.8%	36	6.6%	\$561
2	1	237	16.8%	9	3.8%	\$648
2	1.5	184	13.0%	30	16.3%	\$698
2	2	249	17.6%	7	2.8%	\$1,008
3	1	10	0.7%	1	10.0%	\$683
3	1.5	30	2.1%	1	3.3%	\$840
3	2	149	10.6%	18	12.1%	\$826
3	3	5	0.4%	0	0.0%	\$1,756
TOTAL		1,411	100.0%	102	7.2%	
TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	20	8.8%	0	0.0%	\$551
2	1	48	21.2%	0	0.0%	\$640
2	2	90	39.8%	0	0.0%	\$740
3	2	68	30.1%	0	0.0%	\$768
TOTAL		226	100.0%	0	0.0%	
96 UNITS UNDER CONSTRUCTION						
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	8	8.0%	0	0.0%	N.A.
2	1.5	40	40.0%	0	0.0%	N.A.
3	1.5	40	40.0%	0	0.0%	N.A.
4	2	12	12.0%	0	0.0%	N.A.
TOTAL		100	100.0%	0	0.0%	
GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	16	13.8%	0	0.0%	N.A.
1	1	68	58.6%	0	0.0%	N.A.
2	1	24	20.7%	0	0.0%	N.A.
3	2	8	6.9%	0	0.0%	N.A.
TOTAL		116	100.0%	0	0.0%	
GRAND TOTAL		1,853	-	102	5.5%	

DISTRIBUTION OF UNITS - BEREA, SOUTH CAROLINA



SURVEY OF PROPERTIES - BEREA, SOUTH CAROLINA



1 Woodwinds			
	Address 157 Montague Rd. Greenville, SC 29617	Phone (866) 396-4730 (Contact in person)	Total Units 144
	Year Built 1975 Comments Does not accept HCV	Contact Monica	Vacancies 4 Occupied 97.2% Floors 2 Quality Rating B- Waiting List None
2 Greenville Arms			
	Address 200 Ashe Dr. Greenville, SC 29617	Phone (864) 246-7907 (Contact in person)	Total Units 100
	Year Built 1980 Renovated 2005 Comments 60% AMHI & HUD Section 8	Contact Larry	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating C+ Waiting List 159 households
3 Hunting Ridge			
	Address 300 Sulphur Springs Rd. Greenville, SC 29617	Phone (864) 246-7121 (Contact in person)	Total Units 152
	Year Built 1973 Comments HCV (20 units)	Contact Melissa	Vacancies 12 Occupied 92.1% Floors 2 Quality Rating C Waiting List None
Rent Special \$200 off 2nd month's rent with 12 month lease			
4 Pine Ridge Apts.			
	Address 101 E. Settlement Rd. Greenville, SC 29617	Phone (864) 246-4209 (Contact in person)	Total Units 48
	Year Built 1982 Comments HUD Section 8	Contact Judy	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B+ Waiting List 137 households
5 Springwood Apts.			
	Address 410 Sulphur Springs Rd. Greenville, SC 29617	Phone (864) 246-7657 (Contact in person)	Total Units 152
	Year Built 1981 Comments HCV (40 units)	Contact Tonya	Vacancies 2 Occupied 98.7% Floors 2 Quality Rating C+ Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2014

SURVEY OF PROPERTIES - BEREA, SOUTH CAROLINA



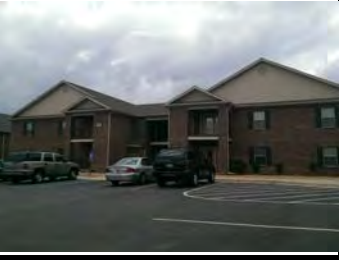
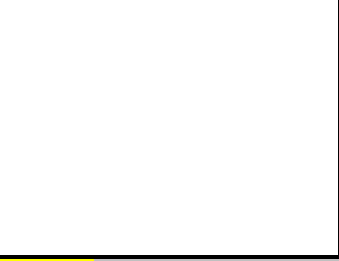

6 Vinings at Duncan Chapel			
	Address 421 Duncan Chapel Rd. Greenville, SC 29617	Phone (864) 297-6971 (Contact in person)	Total Units 196
	Year Built 2002 Comments Does not accept HCV	Contact Tammie	Vacancies 6 Occupied 96.9% Floors 3 Quality Rating A
			Waiting List None
7 Cedar Grove			
	Address 10 Monroe St. Greenville, SC 29601	Phone (864) 246-6712 (Contact in person)	Total Units 94
	Year Built 1968 Comments HCV (3 units)	Contact Anivette	Vacancies 3 Occupied 96.8% Floors 2 Quality Rating C
Rent Special Move-in: \$400			Waiting List None
8 Hunters Park			
	Address 1201 Cedar Lane Rd Greenville, SC 29617	Phone (864) 246-7600 (Contact in person)	Total Units 353
	Year Built 1973 Renovated 2007 Comments HCV (15 units); 2 & 3-br are remodeled units & have washer/dryer hookups; Vacancies due to eviction sweep	Contact Alicia	Vacancies 70 Occupied 80.2% Floors 2 Quality Rating B-
			Waiting List None
9 Berea Heights Villas			
	Address 125 Lions Club Rd. Greenville, SC 29617	Phone (864) 294-9377 (Contact in person)	Total Units 72
	Year Built 2005 Comments 50% & 60% AMHI; HCV (approx. 36 units); Square footage estimated	Contact Kalece	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating A-
			Waiting List 6 months
10 Mulberry Court			
	Address 101 Mulberry St. Greenville, SC 29601	Phone (864) 298-8000 (Contact in person)	Total Units 42
	Year Built 2007 Comments 50% & 60% AMHI; HCV (18 units)	Contact Priscilla	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating A
			Waiting List 17 households

Project Type








■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2014

SURVEY OF PROPERTIES - BEREA, SOUTH CAROLINA


11 Sans Souci Apts.			
	Address 3001 Old Buncombe Rd. Greenville, SC 29609	Phone (864) 232-6378 (Contact in person)	Total Units 30
	Year Built 1970 Comments Does not accept HCV; Year built estimated by contact	Contact Tonya	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating C- Waiting List 12 households
12 Lofts of Greenville			
	Address 201 Smythe St. Greenville, SC 29611	Phone (864) 232-0850 (Contact in person)	Total Units 190
	Year Built 2006 Comments Does not accept HCV; 1st & 2nd floor units have dryers; Most units have polished concrete floor, few have wood floors & carpet	Contact Brittney	Vacancies 4 Occupied 97.9% Floors 4 Quality Rating A Waiting List None
13 Cloverfield Estates			
	Address 500 Crawford Hill Dr. Greenville, SC 29617	Phone (864) 509-1048 (Contact in person)	Total Units 48
	Year Built 2012 Comments 50% & 60% AMHI; HCV (6 units); Opened 10/2012, 100% occupied 11/2012, began preleasing 6/2012	Contact Jack	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A Waiting List 2 years
14 Parker at Cone I & II			
	Address 50 Blease St. Greenville, SC 29609	Phone (864) 252-4216 (Contact in person)	Total Units 64
	Year Built 2011 Comments 50% & 60% AMHI; HCV (12 units); 96 units in phase II under construction, unknown completion date, began preleasing 1/2014	Contact Ben	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating A Waiting List 90 households
15 Brockwood Community Senior Housing			
	Address 801 W. Washington St. Greenville, SC 29601	Phone (864) 233-9286 (Contact in person)	Total Units 68
	Year Built 1980 Comments Does not accept HCV; Square footage estimated	Contact Jim	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating B Senior Restricted (62+) Waiting List 20-25 households

Project Type

	Market-rate
	Market-rate/Tax Credit
	Market-rate/Government-subsidized
	Market-rate/Tax Credit/Government-subsidized
	Tax Credit
	Tax Credit/Government-subsidized
	Government-subsidized

Survey Date: February 2014

SURVEY OF PROPERTIES - BEREA, SOUTH CAROLINA

16 Emerald Commons			
	Address	6526 White Horse Rd. Greenville, SC 29611	Phone (864) 251-4541 (Contact in person)
	Year Built	1972	Contact Charles
	Comments	Year built, unit mix & square footage estimated	

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: February 2014

COLLECTED RENTS - BEREA, SOUTH CAROLINA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
1		\$515	\$555	\$655					
3		\$460	\$535						
5		\$475							
6		\$735	\$875 to \$895	\$1045					
7						\$395	\$495	\$525	
8		\$435 to \$485	\$535 to \$585	\$635 to \$685					
9			\$527 to \$577	\$627 to \$677					
10		\$465 to \$480	\$575 to \$627	\$680 to \$725					
11		\$395	\$465						
12		\$935 to \$1235	\$1090 to \$1535	\$1435 to \$1635					
13			\$400 to \$425	\$450 to \$475					
14		\$455 to \$540	\$550 to \$650	\$645 to \$750					
16		\$475					\$575	\$675	

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2014

PRICE PER SQUARE FOOT - BEREA, SOUTH CAROLINA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Woodwinds	1	720	\$670	\$0.93
3	Hunting Ridge	1	680	\$546	\$0.80
5	Springwood Apts.	1	477	\$561	\$1.18
6	Vinings at Duncan Chapel	1	801	\$821	\$1.02
7	Cedar Grove	1	650	\$508	\$0.78
8	Hunters Park	1	600	\$521 to \$571	\$0.87 to \$0.95
11	Sans Souci Apts.	1	600	\$481	\$0.80
12	Lofts of Greenville	1	658 to 1525	\$1001 to \$1301	\$0.85 to \$1.52
16	Emerald Commons	1	550	\$561	\$1.02
10	Mulberry Court	1	790	\$551 to \$566	\$0.70 to \$0.72
14	Parker at Cone I & II	1	750	\$541 to \$626	\$0.72 to \$0.83
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Woodwinds	2	900	\$750	\$0.83
3	Hunting Ridge	1	790 to 890	\$648	\$0.73 to \$0.82
6	Vinings at Duncan Chapel	2	1075 to 1097	\$988 to \$1008	\$0.92 to \$0.92
7	Cedar Grove	1	750	\$630	\$0.84
8	Hunters Park	1.5	800	\$648 to \$698	\$0.81 to \$0.87
11	Sans Souci Apts.	1	750	\$578	\$0.77
12	Lofts of Greenville	1 to 2	1100 to 2156	\$1183 to \$1628	\$0.76 to \$1.08
16	Emerald Commons	1.5	875	\$709	\$0.81
9	Berea Heights Villas	1	700	\$640 to \$690	\$0.91 to \$0.99
10	Mulberry Court	2	955 to 1043	\$688 to \$740	\$0.71 to \$0.72
13	Cloverfield Estates	2	1127	\$582 to \$607	\$0.52 to \$0.54
14	Parker at Cone I & II	2	1000	\$663 to \$763	\$0.66 to \$0.76
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
1	Woodwinds	2	1200	\$891	\$0.74
6	Vinings at Duncan Chapel	2	1270	\$1186	\$0.93
7	Cedar Grove	1	840	\$683	\$0.81
8	Hunters Park	2	1000	\$776 to \$826	\$0.78 to \$0.83
12	Lofts of Greenville	3	1885 to 2487	\$1556 to \$1756	\$0.71 to \$0.83
16	Emerald Commons	1.5	1050	\$840	\$0.80
9	Berea Heights Villas	2	900	\$768 to \$818	\$0.85 to \$0.91
10	Mulberry Court	2	1228	\$821 to \$866	\$0.67 to \$0.71

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

Survey Date: February 2014

PRICE PER SQUARE FOOT - BEREA, SOUTH CAROLINA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
13	Cloverfield Estates	2	1288	\$673 to \$698	\$0.52 to \$0.54
14	Parker at Cone I & II	2	1200	\$786 to \$891	\$0.66 to \$0.74

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: February 2014

AVERAGE GROSS RENT PER SQUARE FOOT - BEREA, SOUTH CAROLINA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.00	\$0.86	\$0.81
TOWNHOUSE	\$0.78	\$0.83	\$0.80

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.73	\$0.77	\$0.71
TOWNHOUSE	\$0.00	\$0.00	\$0.00

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.99	\$0.85	\$0.78
TOWNHOUSE	\$0.78	\$0.83	\$0.80

TAX CREDIT UNITS - BEREA, SOUTH CAROLINA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
14	Parker at Cone I & II	5	750	1	50%	\$455
10	Mulberry Court	7	790	1	50%	\$465
14	Parker at Cone I & II	0	750	1	50%	\$470
10	Mulberry Court	5	790	1	60%	\$480
2	Greenville Arms	8	617	1	60%	\$535
14	Parker at Cone I & II	3	750	1	60%	\$540
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
13	Cloverfield Estates	8	1127	2	50%	\$400
13	Cloverfield Estates	16	1127	2	60%	\$425
9	Berea Heights Villas	34	700	1	50%	\$527
14	Parker at Cone I & II	0	1000	2	50%	\$550
14	Parker at Cone I & II	5	1000	2	50%	\$555
10	Mulberry Court	14	955 - 1043	2	50%	\$575
9	Berea Heights Villas	14	700	1	60%	\$577
10	Mulberry Court	12	955 - 1043	2	60%	\$627
14	Parker at Cone I & II	35	1000	2	60%	\$640
2	Greenville Arms	40	881	1.5	60%	\$650
14	Parker at Cone I & II	0	1000	2	60%	\$650
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
13	Cloverfield Estates	4	1288	2	50%	\$450
13	Cloverfield Estates	20	1288	2	60%	\$475
9	Berea Heights Villas	10	900	2	50%	\$627
14	Parker at Cone I & II	6	1200	2	50%	\$645
9	Berea Heights Villas	14	900	2	60%	\$677
10	Mulberry Court	2	1228	2	50%	\$680
10	Mulberry Court	2	1228	2	60%	\$725
14	Parker at Cone I & II	10	1200	2	60%	\$735
14	Parker at Cone I & II	0	1200	2	60%	\$750
2	Greenville Arms	40	1080	1.5	60%	\$781
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
2	Greenville Arms	12	1208	2	60%	\$909

QUALITY RATING - BEREA, SOUTH CAROLINA

MARKET-RATE PROJECTS AND UNITS

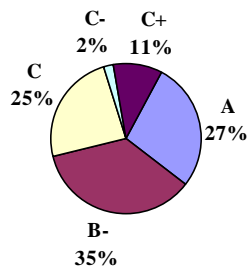
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	2	386	2.6%		\$821	\$1,183	\$1,186	
B-	2	497	14.9%		\$571	\$698	\$826	
C+	1	152	1.3%		\$561			
C	3	346	4.6%		\$546	\$648	\$840	
C-	1	30	0.0%		\$481	\$578		

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

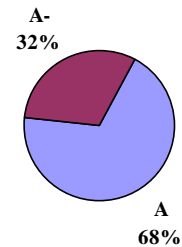
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	3	154	0.0%		\$551	\$740	\$698	
A-	1	72	0.0%			\$640	\$818	

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - BEREA, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	94	3	3.2%	94	5.7%
1970 to 1979	5	779	87	11.2%	873	47.6%
1980 to 1989	1	152	2	1.3%	1025	9.3%
1990 to 1999	0	0	0	0.0%	1025	0.0%
2000 to 2005	2	268	6	2.2%	1293	16.4%
2006	1	190	4	2.1%	1483	11.6%
2007	1	42	0	0.0%	1525	2.6%
2008	0	0	0	0.0%	1525	0.0%
2009	0	0	0	0.0%	1525	0.0%
2010	0	0	0	0.0%	1525	0.0%
2011	1	64	0	0.0%	1589	3.9%
2012	1	48	0	0.0%	1637	2.9%
2013	0	0	0	0.0%	1637	0.0%
2014**	0	0	0	0.0%	1637	0.0%
TOTAL	13	1637	102	6.2%	1637	100.0 %

YEAR RENOVATED - BEREA, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006	0	0	0	0.0%	0	0.0%
2007	1	353	70	19.8%	353	100.0%
2008	0	0	0	0.0%	353	0.0%
2009	0	0	0	0.0%	353	0.0%
2010	0	0	0	0.0%	353	0.0%
2011	0	0	0	0.0%	353	0.0%
2012	0	0	0	0.0%	353	0.0%
2013	0	0	0	0.0%	353	0.0%
2014**	0	0	0	0.0%	353	0.0%
TOTAL	1	353	70	19.8%	353	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of February 2014

APPLIANCES AND UNIT AMENITIES - BEREA, SOUTH CAROLINA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	13	100.0%	1,637
REFRIGERATOR	13	100.0%	1,637
ICEMAKER	3	23.1%	280
DISHWASHER	9	69.2%	1,261
DISPOSAL	8	61.5%	1,117
MICROWAVE	6	46.2%	568
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	12	92.3%	1,607
AC - WINDOW	1	7.7%	30
FLOOR COVERING	12	92.3%	1,447
WASHER/DRYER	2	15.4%	386
WASHER/DRYER HOOK-UP	9	69.2%	1,209
PATIO/DECK/BALCONY	7	53.8%	808
CEILING FAN	8	61.5%	916
FIREPLACE	1	7.7%	196
BASEMENT	0	0.0%	
INTERCOM SYSTEM	1	7.7%	190
SECURITY SYSTEM	1	7.7%	196
WINDOW TREATMENTS	12	92.3%	1,447
FURNISHED UNITS	1	7.7%	196
E-CALL BUTTON	0	0.0%	

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - BEREA, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	5	38.5%	1,035
ON-SITE MANAGEMENT	13	100.0%	1,637
LAUNDRY	10	76.9%	1,317
CLUB HOUSE	6	46.2%	775
MEETING ROOM	1	7.7%	48
FITNESS CENTER	7	53.8%	965
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	7	53.8%	927
COMPUTER LAB	4	30.8%	226
SPORTS COURT	2	15.4%	505
STORAGE	1	7.7%	196
LAKE	1	7.7%	190
ELEVATOR	1	7.7%	190
SECURITY GATE	1	7.7%	190
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	2	15.4%	386
PICNIC AREA	6	46.2%	678
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - BEREA, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
TENANT			
ELECTRIC	13	1,643	88.7%
GAS	3	210	11.3%
			100.0%
COOKING FUEL			
TENANT			
ELECTRIC	16	1,853	100.0%
			100.0%
HOT WATER			
TENANT			
ELECTRIC	13	1,643	88.7%
GAS	3	210	11.3%
			100.0%
ELECTRIC			
TENANT	16	1,853	100.0%
			100.0%
WATER			
LANDLORD	14	1,661	89.6%
TENANT	2	192	10.4%
			100.0%
SEWER			
LANDLORD	14	1,661	89.6%
TENANT	2	192	10.4%
TRASH PICK-UP			
LANDLORD	15	1,709	92.2%
TENANT	1	144	7.8%
			100.0%

UTILITY ALLOWANCE - BEREA, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$15	\$14		\$6	\$11	\$15	\$14	\$7	\$38	\$20	\$32	\$13	\$20
1	GARDEN	\$17	\$17		\$7	\$12	\$18	\$14	\$8	\$43	\$21	\$35	\$13	\$20
1	TOWNHOUSE	\$40	\$25		\$11	\$12	\$18	\$14	\$8	\$53	\$21	\$35	\$13	\$20
2	GARDEN	\$20	\$22		\$10	\$17	\$25	\$16	\$10	\$56	\$26	\$43	\$13	\$20
2	TOWNHOUSE	\$40	\$31		\$14	\$17	\$25	\$16	\$10	\$68	\$26	\$43	\$13	\$20
3	GARDEN	\$23	\$27		\$12	\$22	\$32	\$17	\$12	\$70	\$30	\$52	\$13	\$20
3	TOWNHOUSE	\$41	\$38		\$17	\$22	\$32	\$17	\$12	\$83	\$30	\$52	\$13	\$20
4	GARDEN	\$25	\$33		\$14	\$25	\$37	\$18	\$14	\$83	\$35	\$61	\$13	\$20
4	TOWNHOUSE	\$41	\$45		\$20	\$25	\$37	\$18	\$14	\$99	\$35	\$61	\$13	\$20

SC-Upstate Region (12/2013)

Survey Date: February 2014

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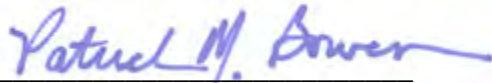


ADDENDUM B – MEMBER CERTIFICATION & CHECKLIST

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

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

Certified:



Patrick Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: February 27, 2014



Craig Rupert
Market Analyst
craigr@bowennational.com
Date: February 27, 2014

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

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

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

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

C. CHECKLIST

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

CHECKLIST (Continued)

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

CHECKLIST (Continued)

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