Market Feasibility Analysis

Brockington Heights Apartments
201 Saleeby Loop
Darlington, Darlington County, South Carolina 29532

Prepared For

Mr. Andrew Bailey
Millennia Housing Development, Ltd.
8111 Rockside Road
Valley View, Ohio 44125

Effective Date

February 24, 2016

Job Reference Number

16-146 JW

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10/19/15

2016 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name: Brockington Heights Apartments — Total # Units: 50

Location: 201 Saleeby Loop, Darlington, SC 29532 — # LIHTC Units: **50**

PMA Boundary: South Carolina Central Railroad, Harmony Hall Drive, Greenfield Road and Mechanicsville Highway to the north; State Route 34, Fountain Branch and the Darlington County boundary to the east; Interstate 95, the Darlington County boundary and Interstate 20 to the south; and Oates Highway/State Route 403 and Flinns Road to the west.

Development Type: _X_Family ____Older Persons — Farthest Boundary Distance to Subject: 11.5 miles

RENTAL HOUSING STOCK (found on page H-10)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	7	278	0	100.0%
Market-Rate Housing	1	16	0	100.0%
Assisted/Subsidized Housing not to include LIHTC	2	90	0	100.0%
LIHTC (All that are stabilized)*	4	172	0	100.0%
Stabilized Comps**	3	100	0	100.0%
Non-stabilized Comps	0	-	-	-

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).
** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
5	Two	1.0	700	**$426**	**$545**	**$0.78**	**21.83%**	**$835**	**$0.84**
19	Two	1.0	700	**$533**	**$545**	**$0.78**	**2.20%**	**$835**	**$0.84**
6	Three	1.0	800	**$495**	**$610**	**$0.76**	**18.85%**	**$990**	**$0.80**
20	Three	1.0	800	**$618**	**$610**	**$0.76**	**-1.31%**	**$990**	**$0.80**
Gross Potential Rent Monthly*				**$27,587**	**$28,940**		**4.68%**		

*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 & G-5)

	2000		2015		2018	
Renter Households			3,670	33.4%	3,645	33.4%
Income-Qualified Renter HHs (LIHTC)			2,507	68.3%	2,530	69.4%
Income-Qualified Renter HHs (MR)			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	LIHTC-Only	Other	Overall w/ Subsidy
Renter Household Growth	-24	-14		-19		23
Existing Households (Overburd + Substand)	273	195		329		1,391
Homeowner conversion (Seniors)	-	-		-		-
Other:	-	-		-		-
Less Comparable/Competitive Supply	0	0		0		0
Net Income-qualified Renter HHs	249	181		310		1,414

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other:__	Other:__	Overall
Capture Rate	4.4%	21.5%		16.1%		3.5%

ABSORPTION RATE (found on page G-8)

Absorption Period: 4 months

A1

2016 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	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	
	2 BR		$0		$0	
5	2 BR	$426	$2,130	$545	$2,725	
19	2 BR	$533	$10,127	$545	$10,355	
	3 BR		$0		$0	
6	3 BR	$495	$2,970	$610	$3,660	
20	3 BR	$618	$12,360	$610	$12,200	
	4 BR		$0		$0	
	4 BR		$0		$0	
	4 BR		$0		$0	
Totals	50		$27,587		$28,940	4.68%

B. PROJECT DESCRIPTION

The subject project involves the renovation of the existing 50-unit Brockington Heights Apartments in Darlington, South Carolina. Originally built in 1970, the project currently operates under the HUD Section 8 program, with all 50 units receiving a direct subsidy. The subsidy requires tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (collected rent and tenant-paid utilities). According to management, the project is currently 100% occupied and maintains an 11-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit (LIHTC) program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will target households with incomes of up to 50% and 60% of Area Median Household Income (AMHI). Notably, the project will continue to operate under the HUD Section 8 program. All renovations are expected to be complete by fall 2018. Additional details of the subject project are as follows:

a. Property Location: 201 Saleeby Loop
Darlington, South Carolina 29532
(Darlington County)

b. Construction Type: Rehabilitation

c. Occupancy Type: Low-Income Families

d. Target Income Group: 50% and 60% AMHI

e. Special Needs Population: None

f. and h. to j. Unit Configuration and Rents:

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
5	Two-Br.	1.0	Garden	700	50%	$662	$426	$107	$533	$608
19	Two-Br.	1.0	Garden	700	60%	$662	$533	$107	$640	$730
6	Three-Br.	1.0	Garden	800	50%	$764	$495	$121	$616	$703
20	Three-Br.	1.0	Garden	800	60%	$764	$618	$121	$739	$843
50	Total									

Source: Millennia Housing Development, Ltd.
AMHI – Area Median Household Income (Darlington County, SC HUD Metro FMR Area; 2015)

g. Number Of Stories/Buildings: Five (5) two-story walk-up residential buildings and one 1,600 square-foot community building.

k. Project-Based Rental Assistance (Existing or Proposed): All 50 units will continue to operate with a project-based subsidy.

l. Community Amenities:

Once renovations are complete, the subject property will include the following community features:

- On-Site Management
- Community Room*
- Picnic Area*
- Playground*
- Security Camera System*
- Laundry Facility*

*Amenities to be added post renovations

m. Unit Amenities:

Once renovations are complete, each unit will include the following amenities:

- Gas Range
- Refrigerator
- Dishwasher*
- Washer & Dryer Connections
- Ceiling Fan*
- Window Blinds
- Vinyl Flooring
- Central Air Conditioning*

*Amenities to be added post renovations

n. Parking:

A surface parking lot including 78 parking spaces will be available to tenants at no additional charge.

o. Renovations and Current Occupancy:

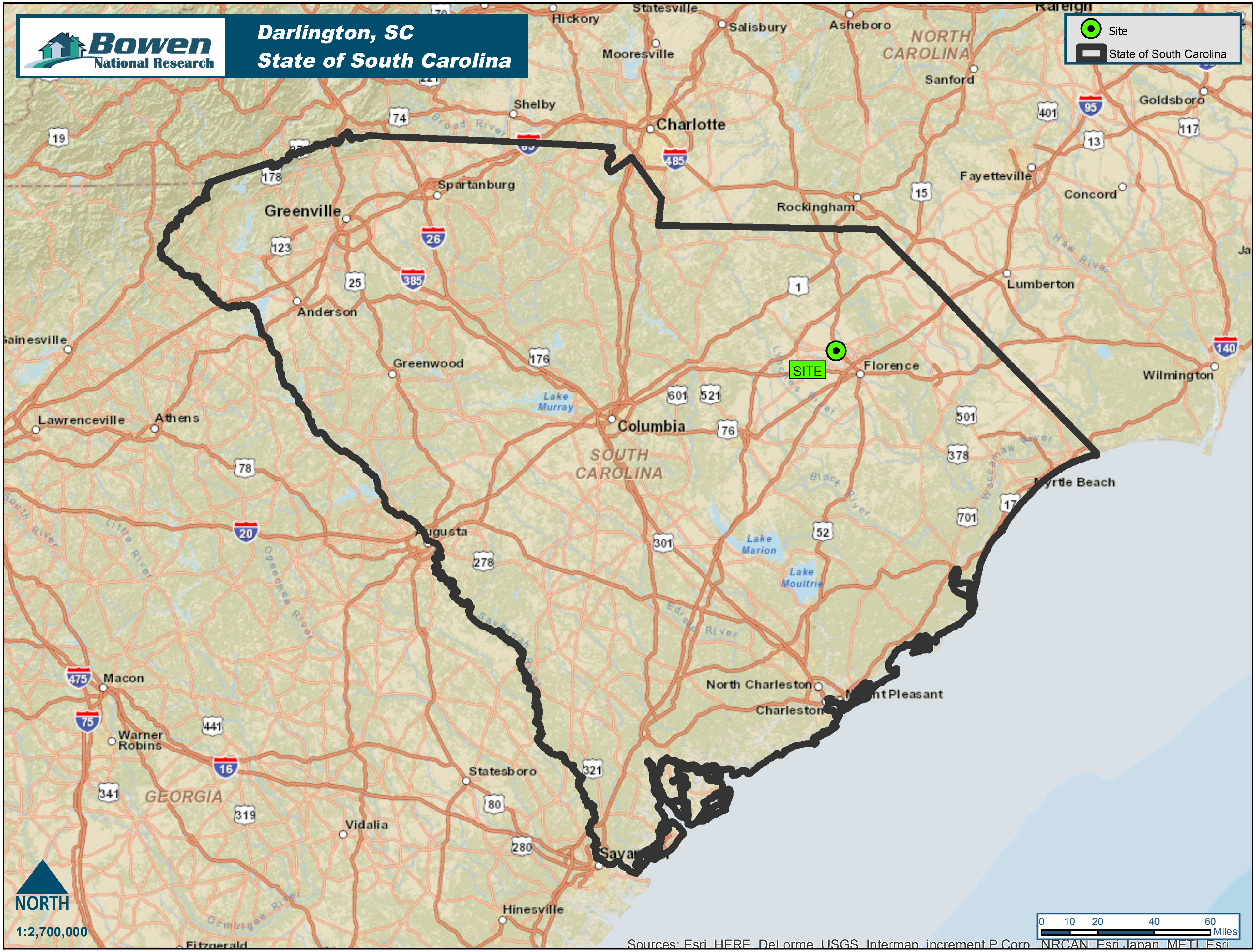
A detailed list of planned renovations is provided in Addendum C of this report. According to management, the project is currently 100% occupied and maintains an 11-household waiting list. However, information regarding current tenant incomes was not provided at the time this report was issued.

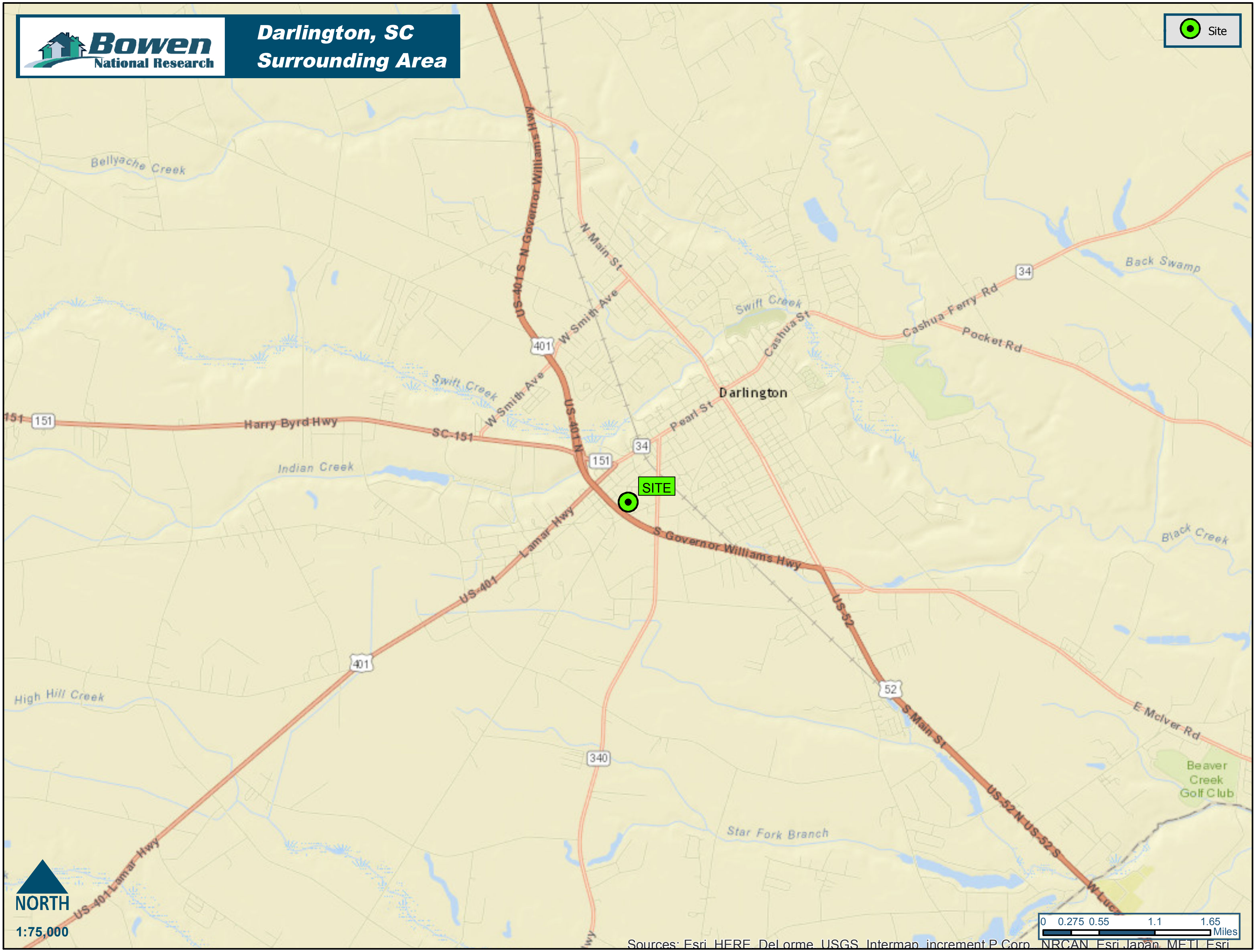
p. Utility Responsibility:

Cold water, sewer and trash collection are included in the rent, while tenants are responsible for all other utilities and services, including the following:

- Electricity
- Gas Hot Water
- Gas Cooking
- Gas Heat

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


Bowen National Research
Darlington, SC
State of South Carolina
Site
State of South Carolina
SITE
NORTH CAROLINA
SOUTH CAROLINA
GEORGIA
Statesville
Hickory
Salisbury
Asheboro
Mooresville
Sanford
Goldsboro
Shelby
Charlotte
Fayetteville
Concord
Spartanburg
Rockingham
Greenville
Lumberton
Anderson
Gainesville
Florence
Wilmington
Greenwood
Lake Murray
Columbia
Lawrenceville
Athens
Myrtle Beach
Augusta
Lake Marion
Lake Moultrie
North Charleston
Mount Pleasant
Charleston
Macon
Warner Robins
Statesboro
Vidalia
Savannah
Hinesville
Fitzgerald
NORTH
1:2,700,000
0 10 20 40 60 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri



Bowen
National Research
Darlington, SC
Surrounding Area
Site
SITE
Darlington
US-401 S N Governor Williams Hwy
N Main St
W Smith Ave
401
Swift Creek
Cashua St
Cashua Ferry Rd
Pocket Rd
34
Back Swamp
Bellyache Creek
151
Harry Byrd Hwy
SC-151
Pearl St
US-401 N
Indian Creek
Lamar Hwy
S Governor Williams Hwy
US-401
US-52
52
S Main St
E McIver Rd
Black Creek
High Hill Creek
340
Star Fork Branch
Beaver
Creek
Golf Club
US-52 N US-52 S
US-401 Lamar Hwy
NORTH
1:75,000
0 0.275 0.55 1.1 1.65
Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

C. SITE DESCRIPTION AND EVALUATION

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of February 15, 2016. 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, Brockington Heights, consists of five (5) two-story buildings and a one-story office building located at 201 Saleeby Loop in Darlington, South Carolina. Located within Darlington County, Darlington is approximately 11.0 miles northwest of Florence, South Carolina and approximately 76.0 miles northeast of Columbia, South Carolina. Following is a description of surrounding land uses:

North -	A wooded tree line defines the northern site boundary. Continuing north is a predominately residential neighborhood comprised of single-family homes on lightly wooded lots, considered to be in satisfactory condition. Farther north are various small commercial businesses, the South Carolina Department of Transportation Maintenance Facility and a vacant warehouse along Pearl Street. All are considered to be in satisfactory condition.
East -	Single-family homes border the subject site to the east and are considered to be in satisfactory condition. Continuing east is Cannon Cemetery and additional single-family homes on lightly wooded lots considered to be in satisfactory condition. Hartsville Oil Mill extends beyond.
South -	A fence line defines the southern site boundary. Continuing south is wooded land, Fresenius Medical Care (a dialysis facility only) and single-family homes considered to be in satisfactory condition, immediately followed by Brockington Road, a two-lane residential road. Extending beyond is wooded land and U.S. Highway 52 (also known as Governor Williams Highway), a four-lane arterial highway, and Brockington Elementary School.
West -	Wooded land and Diamond Way defines the western site boundary. Continuing west are single-family and modular homes considered to be in satisfactory condition on wooded lots, U.S. Highway 52, a tobacco mart and a small adult video store. Extending beyond are various commercial businesses including a church, restaurant, pharmacy and grocery store along U.S. Highway 401 (also known as Lamar Highway) that are considered to be in good condition.

The subject development is within very close proximity to various businesses and shopping centers, which will contribute to the site's continued marketability. It should be noted that while there is an oil mill approximately 300 feet east of the subject site and an adult video store approximately 300 feet west of the subject site, which fall within the 500 foot nuisance stipulation, they were not observed to be a nuisance. Additionally, they are not anticipated to adversely impact the subject site as noted by its 100.0% occupancy and waitlist. Overall, the subject property fits well with the surrounding land uses.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

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

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 52 U.S. Highway 401 Interstate 95	0.2 South 0.4 Northwest 6.9 Southeast
Public Bus Stop	PDRTA	Adjacent South
Major Employers/Employment Centers	Hartsville Oil Mill Darlington Raceway McLeod Medical Center-Darlington	0.3 East 1.6 West 3.4 Northeast
Convenience Store	Sav Way E-Z Stop Fastrack	0.7 Northwest 0.8 North 0.9 Southwest
Grocery	Bi-Lo Piggly Wiggly Food Lion	0.6 Northwest 1.2 Northeast 1.7 East
Discount Department Store	Goody's Dollar Tree Citi Trends Dollar General	0.6 West 0.6 West 0.7 Northwest 0.8 Southwest
Shopping Malls/Shopping Centers	Darlington Plaza Shopping Center Crossroads Shopping Center	0.6 West 1.7 East
Schools: Elementary Middle/Junior High Senior High	 Brockington Elementary Pate Elementary School Darlington Middle School Darlington High School	 0.2 South 0.9 West 3.2 West 2.8 North
Hospital/ Medical Center	McLeod Urgent Care McLeod Medical Center-Darlington	1.7 East 3.4 Northeast
Police	Darlington Police Department	1.1 Northeast
Fire	Darlington Fire Department	1.2 Northeast
Post Office	U.S. Post Office	2.6 North
Bank	Wells Fargo Bank Carolina Bank & Trust	0.6 Northwest 1.6 Northeast
Recreational Facilities	YMCA	1.4 Northeast
Gas Station	Sav-Way E-Z Stop Fastrack	0.7 Northwest 0.8 North 0.9 Southwest

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Pharmacy	Rite Aid Walgreens CVS Pharmacy	0.5 Northwest 1.7 East 1.7 East
Restaurant	Burger King Subway Domino's Pizza	0.5 Northwest 0.7 Northwest 1.0 Northeast
Day Care	Kid Stop Daycare & Preschool Merryland Daycare True Investment Child Care	0.8 Northeast 0.9 West 1.6 East
Library	Darlington County Library	1.6 Northeast
Fitness Center	Fitness World Gym	0.8 Northwest
Museum	Darlington Raceway Museum	1.6 West
Park	Williamson Park	2.0 Northeast
Church	New Covenant Assembly In Christ Shining Light Pentecostal Church	0.3 Northwest 0.4 West

There are numerous community services within close proximity of the subject site, many of which can be found in the Darlington Plaza shopping center. The shopping center contains a grocery store and discount retailers, with a restaurant and pharmacy adjacent, all of which are considered beneficial to the targeted population at the subject site. Further, there are pharmacies, gas stations, convenience stores, and financial institutions all within close proximity. The Pee Dee Regional Transport Authority offers a regional bus stop adjacent south of the site and grants access to the surrounding community services and the surrounding area.

The Darlington County School District serves the site with all applicable schools of attendance located within 3.2 miles. Further, the site area is served by both the Darlington Police and Fire departments, both of which are within 1.2 miles. The nearest, acute-care hospital is the McLeod Medical Center-Darlington, 3.4 miles northeast of the site. Additionally, McLeod Urgent Care offers walk-in emergency services and is within 1.7 miles east of the site.

Overall, the proximity of the subject site to most basic community services, all public safety services as well as all applicable attendance schools is considered beneficial to its continued marketability.

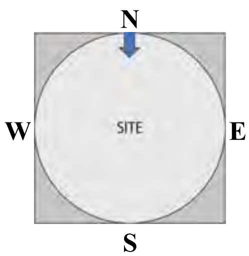
4. SITE PHOTOGRAPHS

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

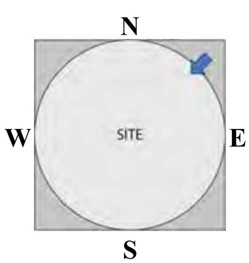
SITE PHOTOGRAPHS

Site Entryway

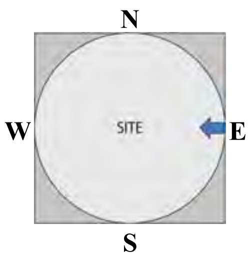
Typical Building Exterior



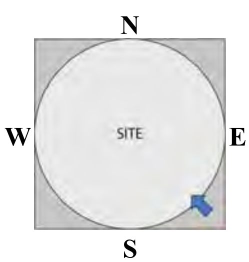
View of site from the north



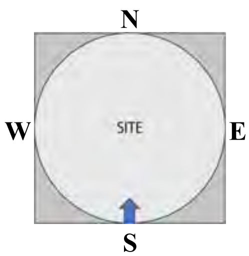
View of site from the northeast



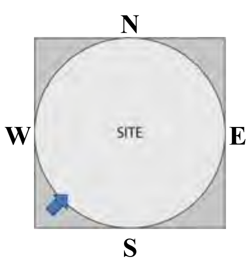
View of site from the east



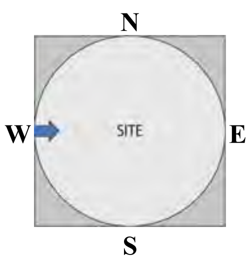
View of site from the southeast

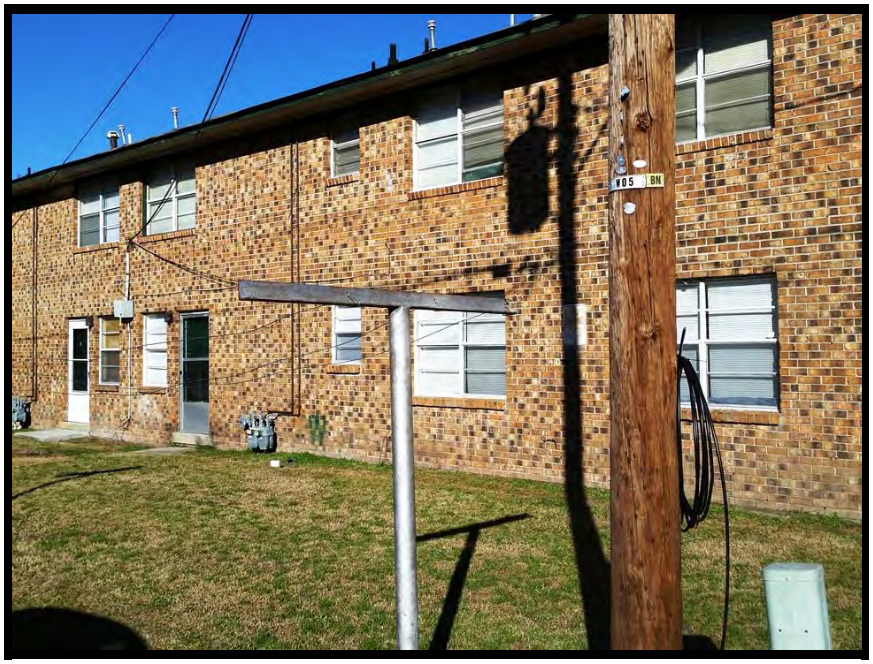


View of site from the south

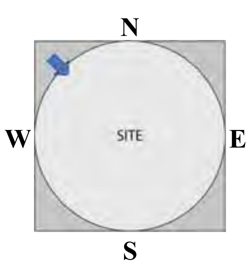


View of site from the southwest

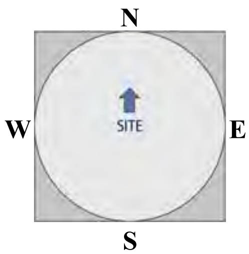


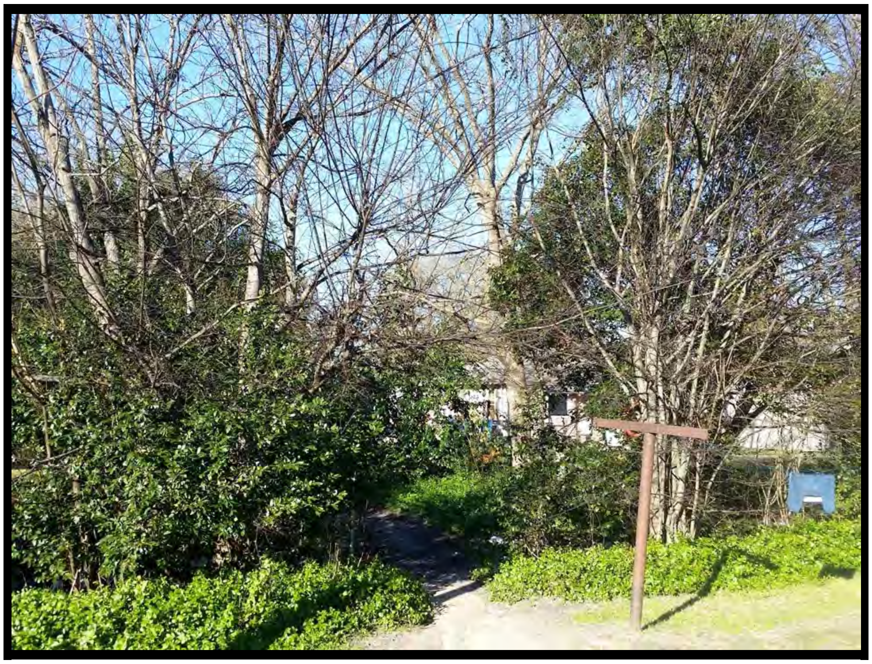


View of site from the west



View of site from the northwest





North view from site

Northeast view from site

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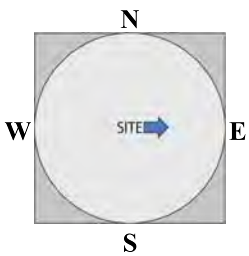
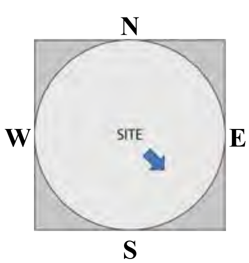
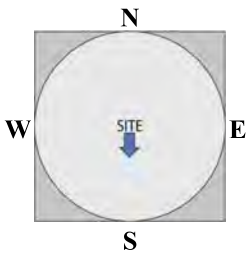


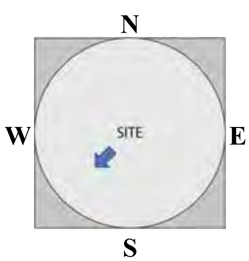
East view from site



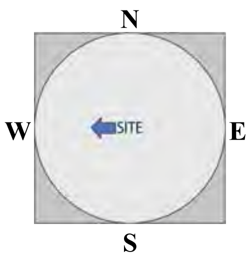
Southeast view from site



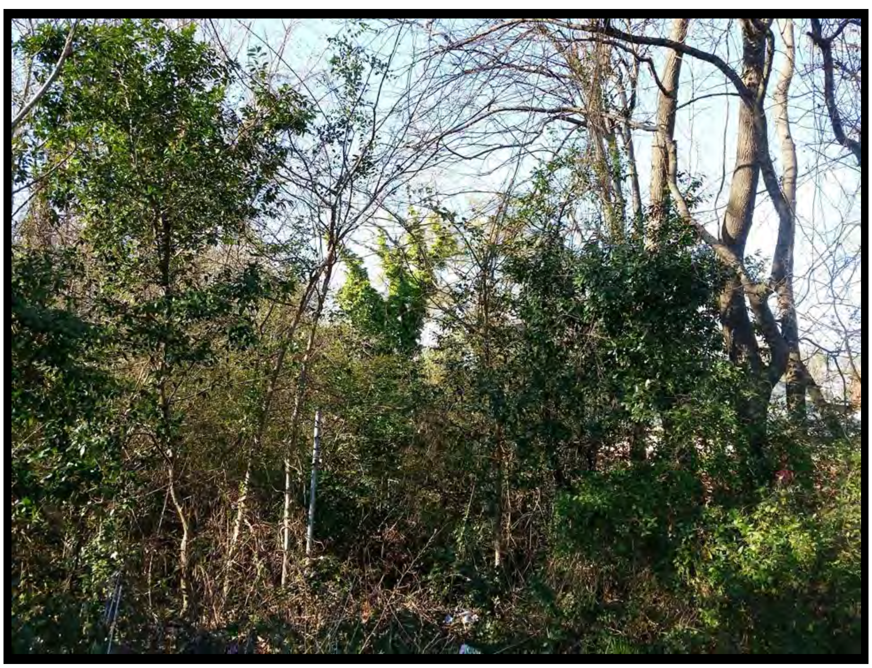
South view from site



Southwest view from site



West view from site



Northwest view from site

Streetscape: North view of Saleeby Loop

Streetscape: South view of Saleeby Loop

Streetscape: East view of Brockington Road

Streetscape: West view of Brockington Road

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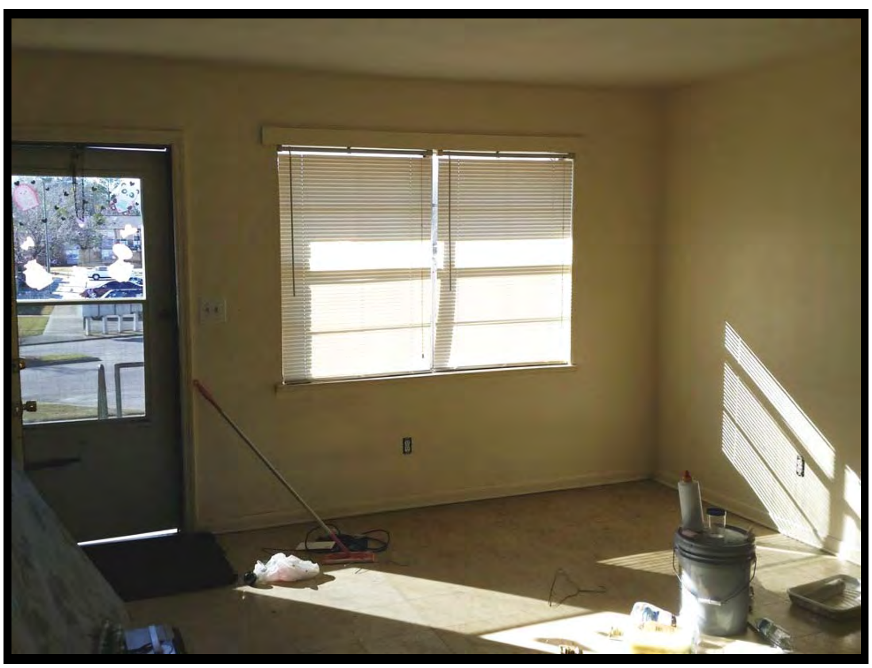
Management Office



Typical Living Room

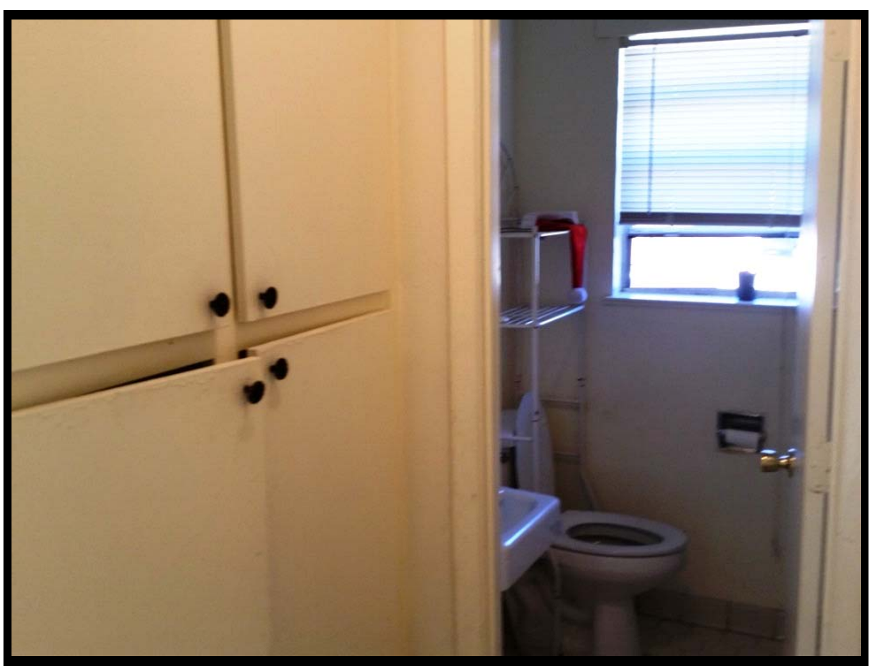
Typical Dining Area

Typical Kitchen

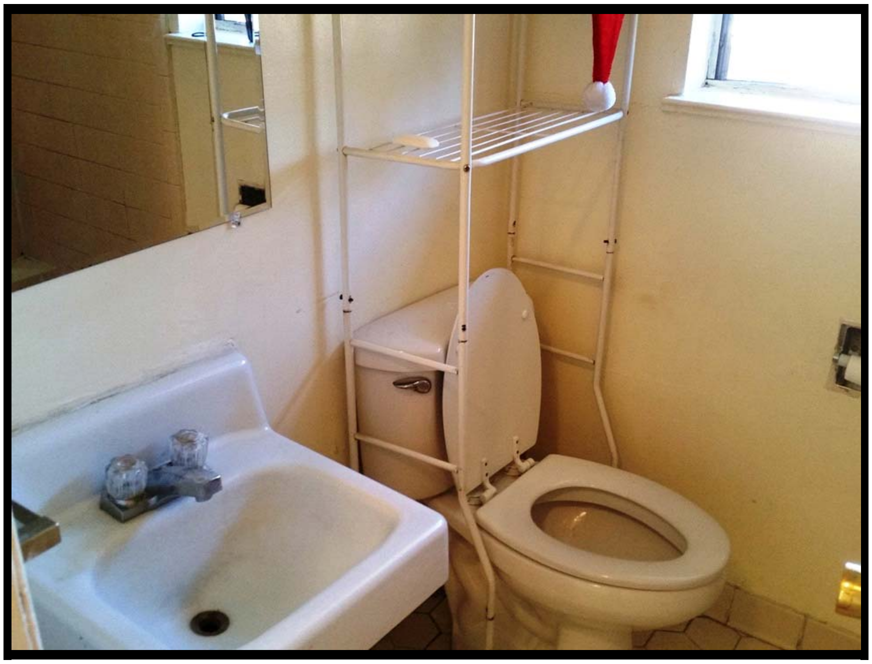
Typical Master Bedroom

Typical Spare Bedroom (1)

Typical Spare Bedroom (2)



Typical Bathroom (1)



Typical Bathroom (2)

Typical Bathroom (3)

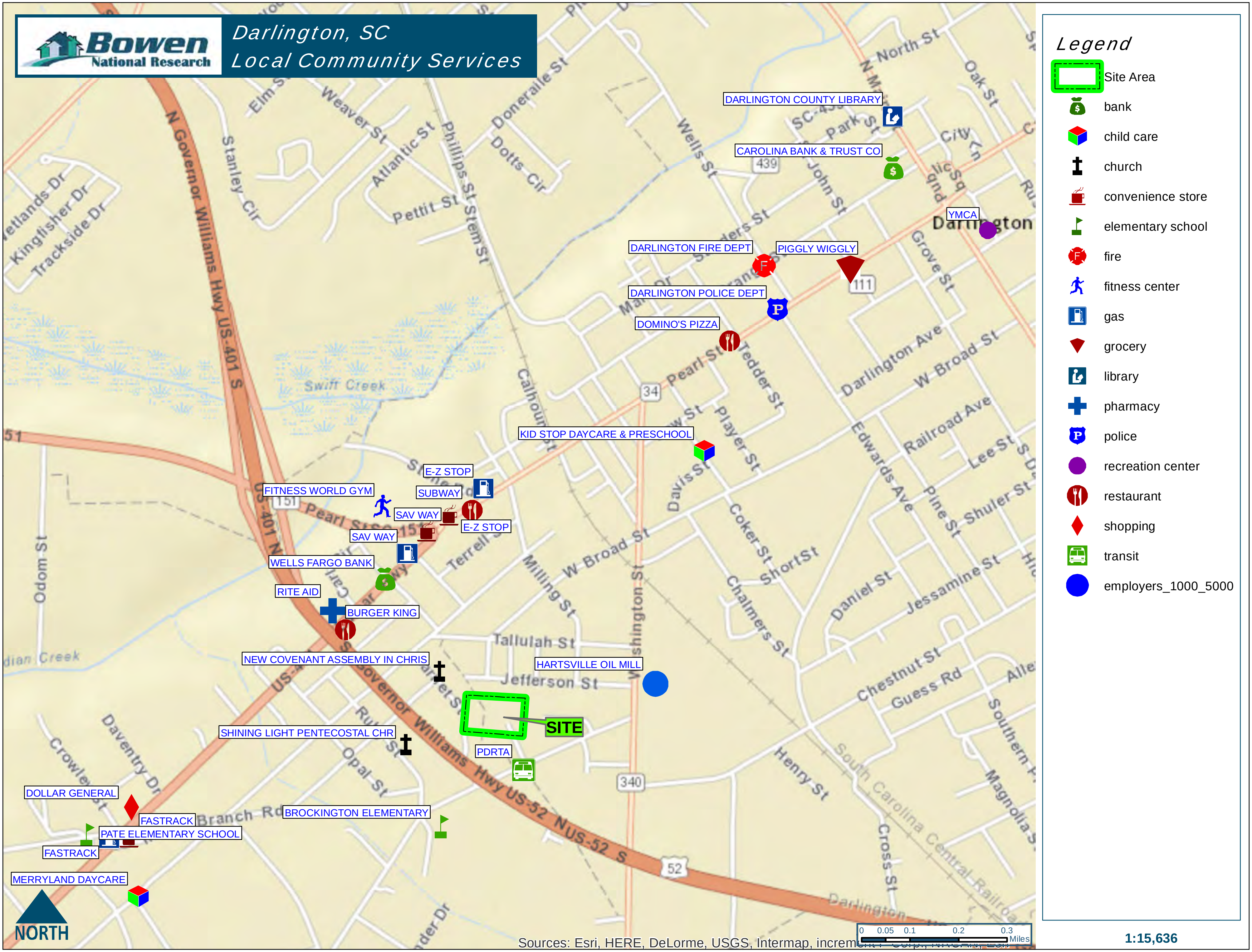
Typical Washer Hookup

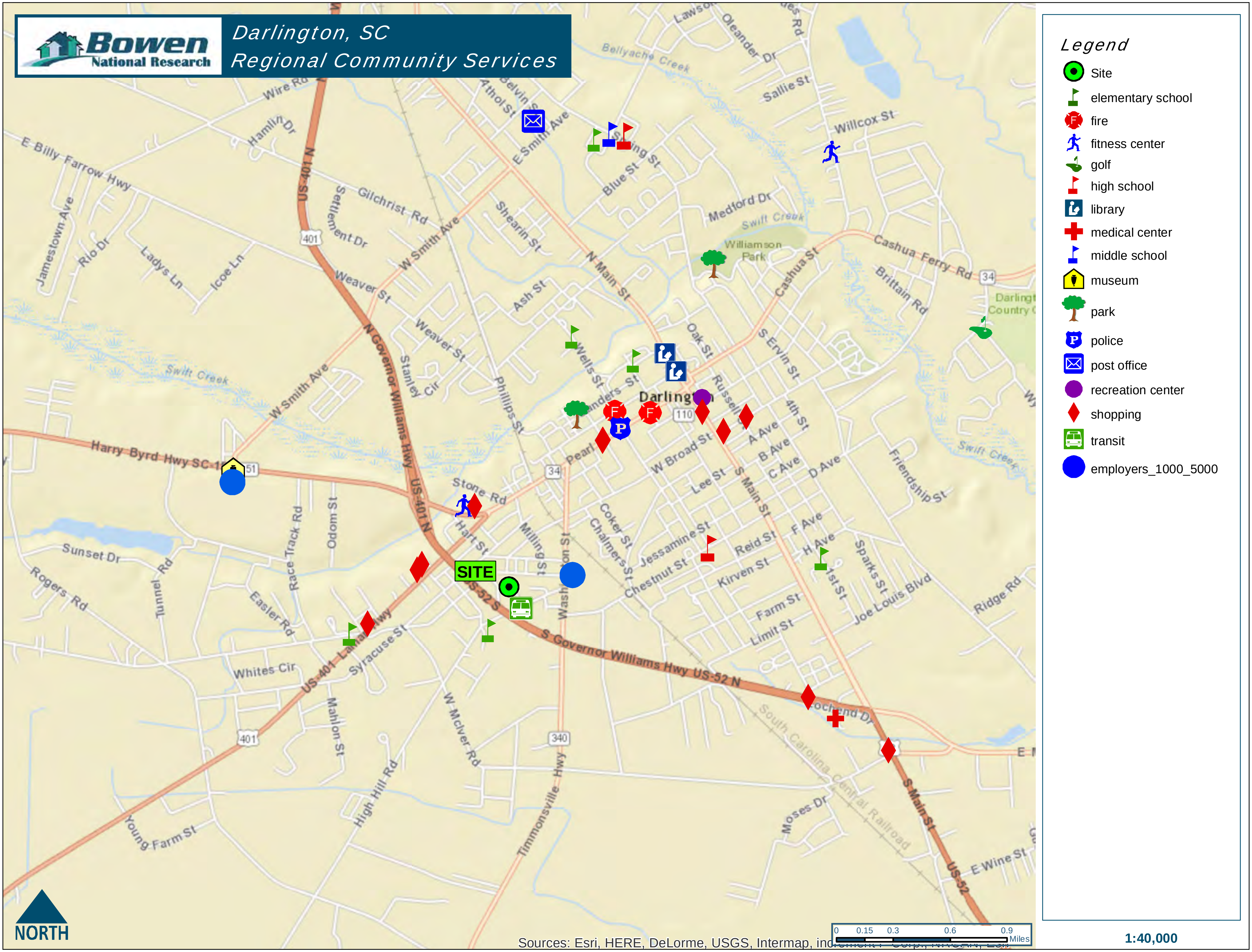
Typical Clothes Line

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.


Bowen
National Research
Darlington, SC
Site Neighborhood
Legend
Site Area
Tallulah St
Tallulah St
W Broad St
Syracuse St
Garnet St
Central St
Milling St
Jefferson St
SC-S-16-28
Indian Branch Rd
Saleeby Loop
Saleeby Loop
Jeffrey St
Jeffery St
Ruby St
Brockington Rd
Brockington Rd
Flynn Cir
Opal St
NORTH
1:3,000
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics
Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community
0 0.015 0.03 0.06 0.09
Miles


Bowen National Research
Darlington, SC
Local Community Services
DARLINGTON COUNTY LIBRARY
CAROLINA BANK & TRUST CO
YMCA
DARLINGTON FIRE DEPT
PIGGLY WIGGLY
DARLINGTON POLICE DEPT
DOMINO'S PIZZA
KID STOP DAYCARE & PRESCHOOL
E-Z STOP
SUBWAY
FITNESS WORLD GYM
SAV WAY
E-Z STOP
SAV WAY
WELLS FARGO BANK
RITE AID
BURGER KING
NEW COVENANT ASSEMBLY IN CHRIS
HARTSVILLE OIL MILL
SITE
SHINING LIGHT PENTECOSTAL CHR
PDRTA
DOLLAR GENERAL
FASTRACK
BROCKINGTON ELEMENTARY
PATE ELEMENTARY SCHOOL
FASTRACK
MERRYLAND DAYCARE
NORTH
Legend
Site Area
bank
child care
church
convenience store
elementary school
fire
fitness center
gas
grocery
library
pharmacy
police
recreation center
restaurant
shopping
transit
employers_1000_5000
0 0.05 0.1 0.2 0.3 Miles
1:15,636
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri



Bowen National Research
Darlington, SC
Regional Community Services
Legend
Site
elementary school
fire
fitness center
golf
high school
library
medical center
middle school
museum
park
police
post office
recreation center
shopping
transit
employers_1000_5000
SITE
Darlington
Williamson Park
NORTH
1:40,000
0 0.15 0.3 0.6 0.9 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap
S Governor Williams Hwy US-52 N
N Governor Williams Hwy
Harry Byrd Hwy
E Billy Farrow Hwy
W Smith Ave
N Main St
S Main St
W Broad St
Cashua Ferry Rd
Timmonsville Hwy
Swift Creek
South Carolina Central Railroad

6. ROAD AND INFRASTRUCTURE IMPROVEMENTS

The subject site is adjacent to Brockington Road, a residential neighborhood roadway. 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.

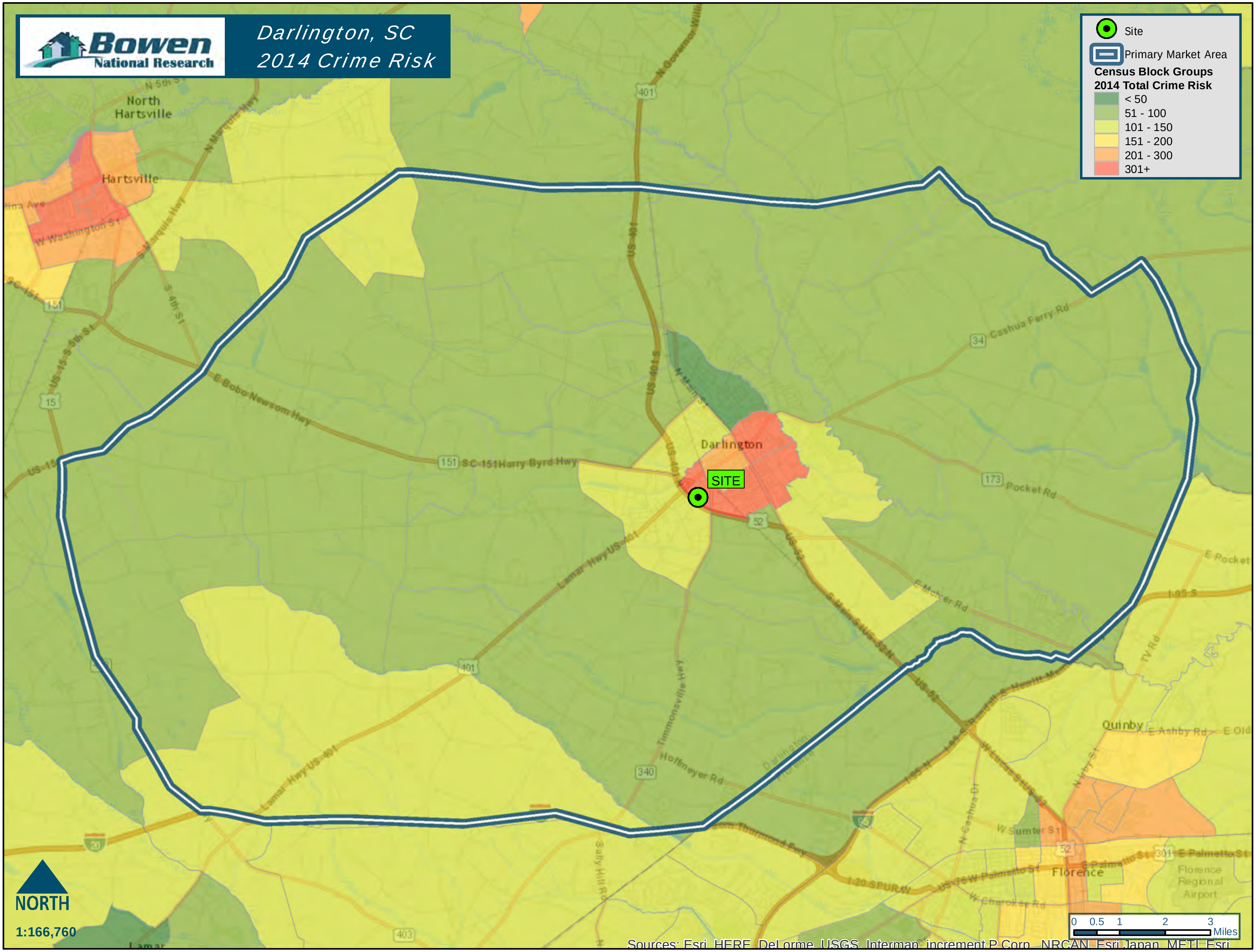
Total crime risk (125) for the Site PMA is above the national average with an overall personal crime index of 145 and a property crime index of 130. Total crime risk (129) for Darlington County is above the national average with indexes for personal and property crime of 162 and 123, respectively.

	Crime Risk Index	
	Site PMA	**Darlington County**
Total Crime	**125**	**129**
Personal Crime	**145**	**162**
Murder	130	147
Rape	124	125
Robbery	67	86
Assault	182	208
Property Crime	**130**	**123**
Burglary	167	151
Larceny	109	110
Motor Vehicle Theft	93	88

Source: Applied Geographic Solutions

Although the crime risk indices for the Site PMA (125) and Darlington County (129) are slightly above the national average (100), all rental properties identified and surveyed within the market are 100.0% occupied, including the subject project. This illustrates that crime has not had an adverse impact on the Darlington rental housing market. In addition, the subject project will include on-site management and a security camera system, which will likely help mitigate potential perceptions of crime. Therefore, it is unlikely that the perception of crime will have any tangible impact on the continued marketability of the subject project.

A map illustrating crime risk is on the following page.



Bowen National Research
Darlington, SC
2014 Crime Risk
Site
Primary Market Area
Census Block Groups
2014 Total Crime Risk
< 50
51 - 100
101 - 150
151 - 200
201 - 300
301+
SITE
Darlington
Hartsville
North Hartsville
Florence
Quinby
Florence Regional Airport
Lamar
E Bobo Newsom Hwy
SC-151 Harry Byrd Hwy
Lamar Hwy US-401
Cashua Ferry Rd
Pocket Rd
E Pocket
E Mciver Rd
Hoffmeyer Rd
Timmonsville Hwy
I-95 S
I-20 SPUR W
W Sumter St
E Palmetto St
W Palmetto St
W Cheraves Rd
E Ashby Rd
S 4th St
S 5th St
W Washington St
N 5th St
NORTH
1:166,760
0 0.5 1 2 3 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

8. ACCESS AND VISIBILITY

Primary access to the proposed site is from Brockington Road, a two-lane residential neighborhood street. Ingress and egress from the site via this roadway is considered easy due to clear lines of site provided in both directions of travel. Access to the site is further enhanced, as U.S. Highway 52, a moderately traveled arterial highway, is located 0.2 miles south of the subject site and grants direct access to Interstate 95. Pedestrian traffic is insignificant. Overall access is considered good.

Visibility of the site is mostly obstructed by the surrounding land uses. However, the lack of visibility has not had an adverse impact on the subject project, as evidenced by its 100.0% occupancy and waitlist. Overall, visibility is considered adequate.

9. VISIBLE OR ENVIRONMENTAL ISSUES

As noted previously in this section, there is an oil mill and an adult video store located within approximately 300 feet east and west, respectively, of the subject site. However, considering that the subject project is fully occupied, these surrounding land uses have not had an adverse impact on its marketability.

10. OVERALL SITE CONCLUSIONS

The subject site is located within a developed area in the southwest portion of Darlington. Structures within the immediate site neighborhood are generally considered to be in satisfactory condition and are conducive for multifamily housing. While the subject site is located within close proximity of Hartsville Oil Mill and an adult video store, neither were observed to be a nuisance while conducting the on-site evaluation. Notably, the site is within close proximity of numerous community services and is within walking distance of grocery, discount retailers, a restaurant and pharmacy. The proximity of community and public safety services is considered beneficial to the marketability of the site. It is also of note that access to and from the site is considered good due to its close proximity to numerous arterial roadways, such as U.S. Highways 52 and 401 and Interstate 95. Additionally, Pee Dee Regional Transport Authority (PDRTA) offers a regional bus stop adjacent to the site, which grants access to the surrounding community services and the surrounding area. Visibility is mostly obstructed by the surrounding land uses; however, the lack of visibility has not had an adverse impact on the subject's marketability. Overall, we consider the site’s location and proximity to community services to continue to have a positive impact on its marketability.

D. PRIMARY MARKET AREA DELINEATION

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

The Darlington Site PMA includes Darlington and the surrounding unincorporated areas of Darlington County. Specifically, the Darlington Site PMA generally consists of the South Carolina Central Railroad, Harmony Hall Drive, Greenfield Road and Mechanicsville Highway to the north; State Route 34, Fountain Branch and the Darlington County boundary to the east; Interstate 95, the Darlington County boundary and Interstate 20 to the south; and Oates Highway/State Route 403 and Flinns Road to the west. The Site PMA comprises Census Tract numbers:

101.00	106.00	108.00	109.00
110.00	111.00	112.00*	113.00
114.00	115.00		

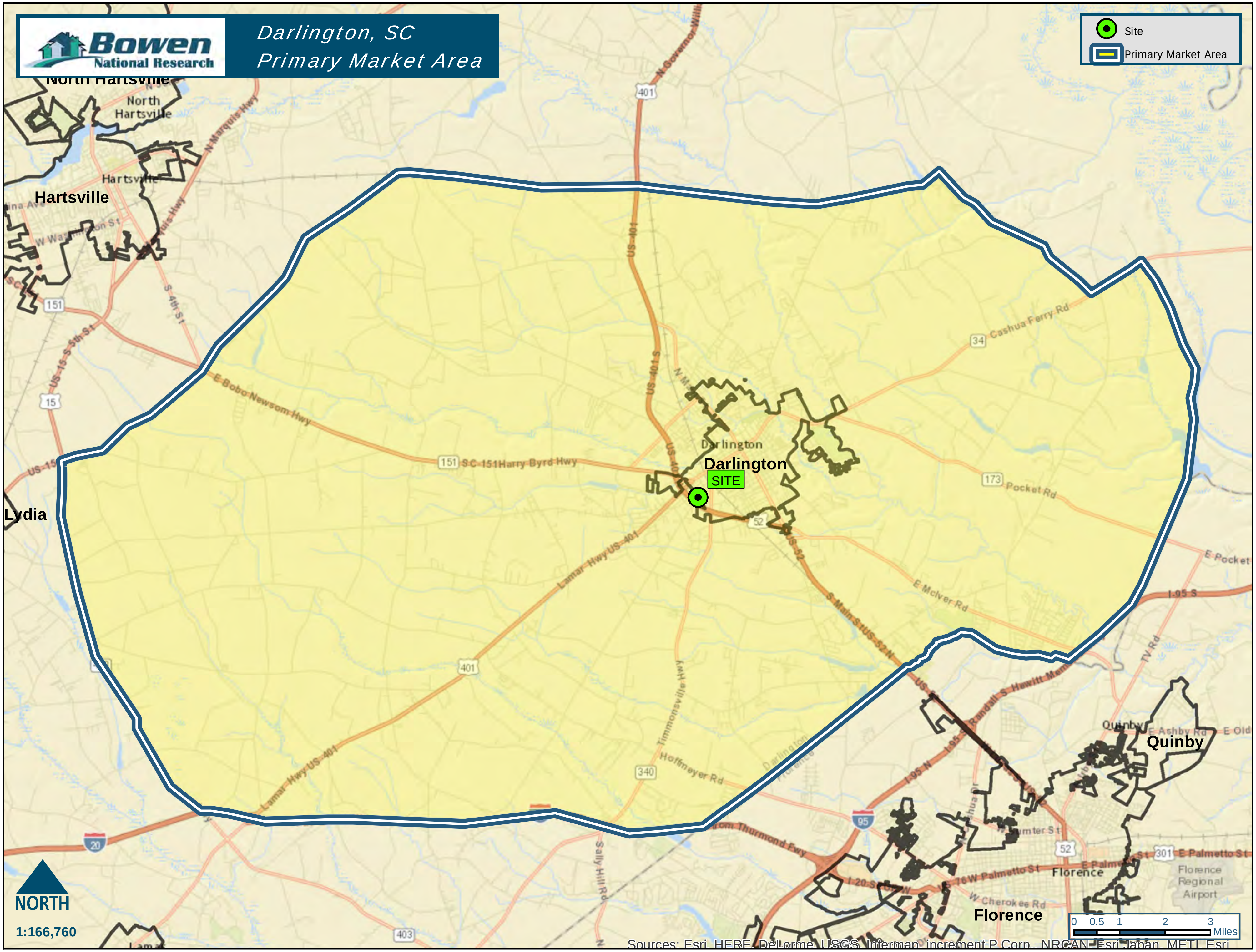
*Subject site location

Kiarra Stephenson, Property Manager at Brockington Heights Apartments (subject site), noted that nearly all of the residents at Brockington Heights previously resided in Darlington and the immediate surrounding areas. Ms. Stephenson further noted that very rarely does she receive inquiries from residents of Hartsville or Florence, thus confirming the Site PMA.

Helen Richardson, Property Manager at Pecan Grove (Map ID 6) and Darlington Lofts (Map ID 3), both Tax Credit communities located in the Site PMA, stated that most of her properties' residents are from Darlington. Ms. Richardson further stated that while she occasionally receives inquiries from persons residing in Hartsville or Florence, it is rare that they move into Darlington. Ms. Richardson confirmed the boundaries of the Site PMA map and stated residents will primarily come from Darlington.

Though we expect a portion of prospective residents to originate from outside the delineated borders of the PMA, due to the rural nature of the surrounding area, we believe the majority of the prospective site population will come from the areas within the PMA. We have therefore not included a secondary market area for this study.

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


Bowen National Research
Darlington, SC
Primary Market Area
Site
Primary Market Area
North Hartsville
Hartsville
Lydia
Darlington
SITE
Quinby
Florence
NORTH
1:166,760
0 0.5 1 2 3 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

E. MARKET AREA ECONOMY

1. EMPLOYMENT BY INDUSTRY

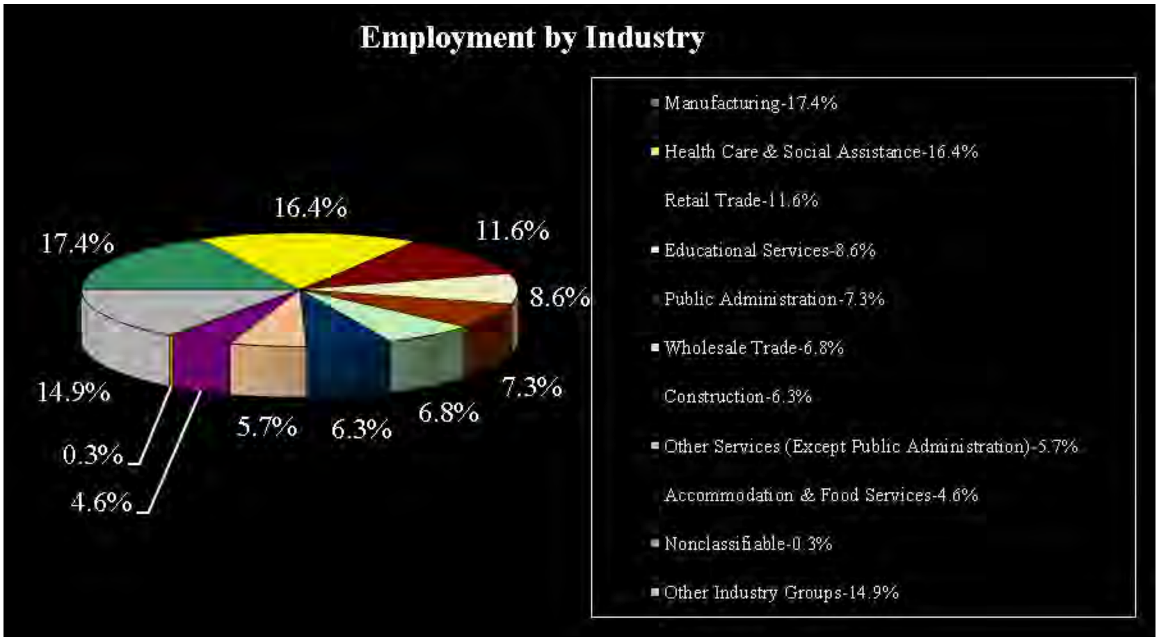
The labor force within the Darlington Site PMA is based primarily in three sectors. Manufacturing (which comprises 17.4%), Health Care & Social Assistance and Retail Trade comprise over 45% of the Site PMA labor force. Non-classifiable jobs comprised over 0% of the labor force. Employment in the arlington Site PMA, as of 2015, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	10	1.1%	71	0.8%	7.1
Mining	4	0.4%	8	0.1%	2.0
Utilities	3	0.3%	141	1.6%	47.0
Construction	57	6.4%	552	6.3%	9.7
Manufacturing	32	3.6%	1,532	17.4%	47.9
Wholesale Trade	42	4.7%	601	6.8%	14.3
Retail Trade	141	15.8%	1,019	11.6%	7.2
Transportation & Warehousing	31	3.5%	334	3.8%	10.8
Information	9	1.0%	42	0.5%	4.7
Finance & Insurance	82	9.2%	203	2.3%	2.5
Real Estate & Rental & Leasing	30	3.4%	81	0.9%	2.7
Professional, Scientific & Technical Services	42	4.7%	206	2.3%	4.9
Management of Companies & Enterprises	1	0.1%	44	0.5%	44.0
Administrative, Support, Waste Management & Remediation Services	25	2.8%	100	1.1%	4.0
Educational Services	22	2.5%	758	8.6%	34.5
Health Care & Social Assistance	59	6.6%	1,441	16.4%	24.4
Arts, Entertainment & Recreation	13	1.5%	76	0.9%	5.8
Accommodation & Food Services	36	4.0%	407	4.6%	11.3
Other Services (Except Public Administration)	163	18.3%	498	5.7%	3.1
Public Administration	66	7.4%	643	7.3%	9.7
Nonclassifiable	22	2.5%	29	0.3%	1.3
Total	890	100.0%	8,786	100.0%	9.9

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

E.P.E. - Average Employees Per Establishment

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



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

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

Typical Wage by Occupation Type		
Occupation Type	**Florence MSA**	**South Carolina**
Management Occupations	$93,500	$94,200
Business and Financial Occupations	$54,050	$59,660
Computer and Mathematical Occupations	$61,370	$66,430
Architecture and Engineering Occupations	$75,230	$73,960
Community and Social Service Occupations	$34,650	$39,440
Art, Design, Entertainment and Sports Medicine Occupations	$38,090	$42,760
Healthcare Practitioners and Technical Occupations	$67,810	$66,950
Healthcare Support Occupations	$22,940	$25,970
Protective Service Occupations	$32,820	$34,550
Food Preparation and Serving Related Occupations	$18,810	$19,990
Building and Grounds Cleaning and Maintenance Occupations	$20,600	$22,570
Personal Care and Service Occupations	$22,480	$22,390
Sales and Related Occupations	$30,780	$31,130
Office and Administrative Support Occupations	$31,330	$32,050
Construction and Extraction Occupations	$35,710	$37,440
Installation, Maintenance and Repair Occupations	$39,900	$41,420
Production Occupations	$36,460	$35,220
Transportation and Moving Occupations	$31,630	$31,030

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

Most annual blue-collar salaries range from $18,810 to $39,900 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of $70,392. It is important to note that most occupational types within the MSA have lower typical wages than the State of South Carolina's typical wages. The area employment base has a significant number of income-appropriate occupations from which the subject project will continue to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Darlington area comprise a total of 7,823 employees. These employers are summarized as follows:

Employer Name	Business Type	Total Employed
Darlington County School District	Education	1,948
Sonoco Products Company	Packing Products Manufacturer	1,578
HB Robinson Nuclear Plant	Power Plant	830
Carolina Pines Regional Medical Center	Health Care	638
Dixie/ Georgia Pacific	Paper Products Manufacturer	535
Coker College	Education	525
Nucor	Steel Bar Manufacturer	510
Galey & Lord	Textile Mill	499
Darlington County	Local Government	460
Walmart Supercenter	Retail	300
	Total	7,823

Source: Darlington County Economic Development

According to a representative with the Darlington County Economic Development, the Darlington economy is improving. The following are summaries of key economic factors impacting the local employment base:

- In September 2014, Birdsong Corporation opened a new peanut processing plant located in Darlington County, a $47.3 million investment. This is expected to create 55 new jobs over a five-year period.

- In January 2015, Walmart started construction of their new store located near the intersection of South Main Street and 52 Bypass in Darlington. The store is scheduled to open February 2016 and will create 255 jobs.

- February 2015, Rogers Brothers Farm announced they will be growing and processing peanuts at their Hartsville plant, investing $6 million into the new facility and creating 30 new jobs. The new plant opened in July 2015

- In August 2015, Cypress Creek Renewables, an ownership and development of long-term solar energy projects, announced that they will be investing $10 million in a solar energy project located off Gilchrist Road in Darlington County. The plant will produce 10 megawatts of energy, enough for 2,000 homes. The plant should be fully operational by the end of 2016 and will create 40 to 60 jobs during construction.

WARN (layoff notices):

According to the South Carolina Department of Employment and Workforce, there have been no WARN notices of large-scale layoffs/closures reported for Darlington since January 2015.

4. EMPLOYMENT TRENDS

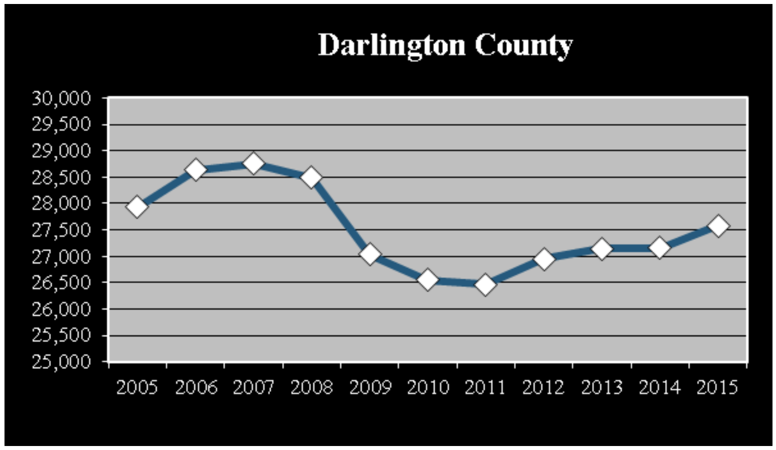
The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

Excluding 2015, the employment base has increased by 2.3% over the past five years in Darlington County, less than the South Carolina state increase of 7.4%. Total employment reflects the number of employed persons who live within the county.

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

	Total Employment					
	Darlington County		South Carolina		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2005	27,930	-	1,929,233	-	142,222,734	-
2006	28,639	2.5%	1,973,337	2.3%	145,000,042	2.0%
2007	28,762	0.4%	2,005,686	1.6%	146,388,400	1.0%
2008	28,493	-0.9%	1,996,409	-0.5%	146,047,748	-0.2%
2009	27,033	-5.1%	1,910,670	-4.3%	140,696,560	-3.7%
2010	26,556	-1.8%	1,915,045	0.2%	140,469,405	-0.2%
2011	26,466	-0.3%	1,942,109	1.4%	141,793,976	0.9%
2012	26,949	1.8%	1,978,328	1.9%	143,692,766	1.3%
2013	27,139	0.7%	2,013,452	1.8%	145,141,024	1.0%
2014	27,158	0.1%	2,056,136	2.1%	147,569,657	1.7%
2015*	27,584	1.6%	2,114,829	2.9%	149,753,758	1.5%

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

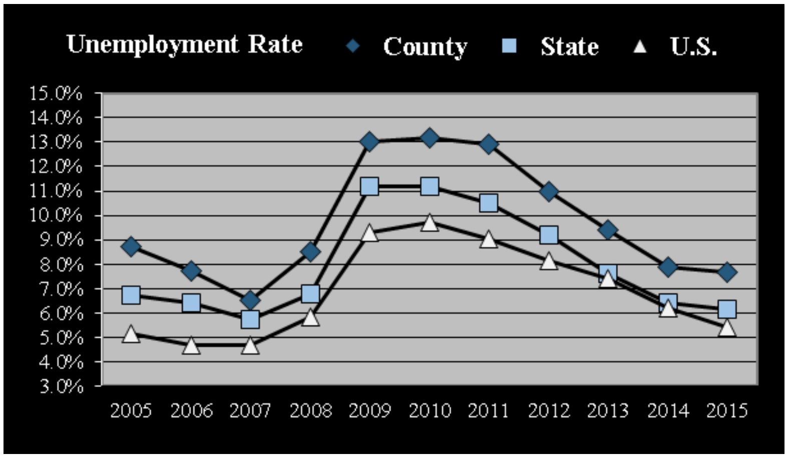


As the preceding illustrates, the Darlington County employment base experienced a significant decline between 2008 and 2010, similar to trends experienced by much of the country during the national recession. Since 2010, the employment base within the county has generally been experiencing growth, increasing by 1,028 jobs, or 3.9%, through December 2015.

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

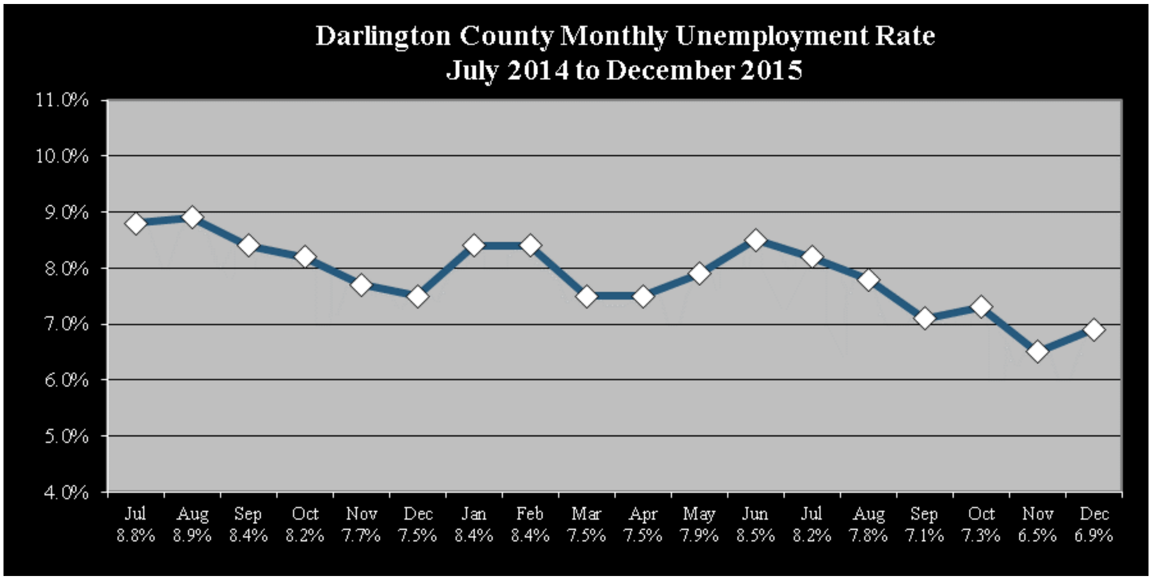
	Total Unemployment					
	Darlington County		South Carolina		United States	
Year	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2005	2,658	8.7%	139,366	6.7%	7,752,574	5.2%
2006	2,381	7.7%	135,760	6.4%	7,134,635	4.7%
2007	2,008	6.5%	120,205	5.7%	7,190,052	4.7%
2008	2,650	8.5%	145,823	6.8%	9,059,270	5.8%
2009	4,035	13.0%	242,075	11.2%	14,430,158	9.3%
2010	4,035	13.2%	240,623	11.2%	15,070,063	9.7%
2011	3,919	12.9%	228,937	10.5%	14,035,512	9.0%
2012	3,344	11.0%	199,830	9.2%	12,698,735	8.1%
2013	2,800	9.4%	166,641	7.6%	11,644,109	7.4%
2014	2,345	7.9%	141,451	6.4%	9,794,950	6.2%
2015*	2,296	7.7%	138,424	6.2%	8,503,727	5.4%

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



The unemployment rate in Darlington County has ranged between 6.5% and 13.2%, above both the state and national averages since 2005. Between 2007 and 2010, the unemployment rate increased by nearly seven percentage points as a result of the national recession. On a positive note, the unemployment rate has consistently decreased over the preceding five-year period; however, it is still considered high at 7.7% (through December 2015).

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



As the preceding table illustrates, the unemployment rate within Darlington County has generally trended downward during the preceding 18-month period.

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

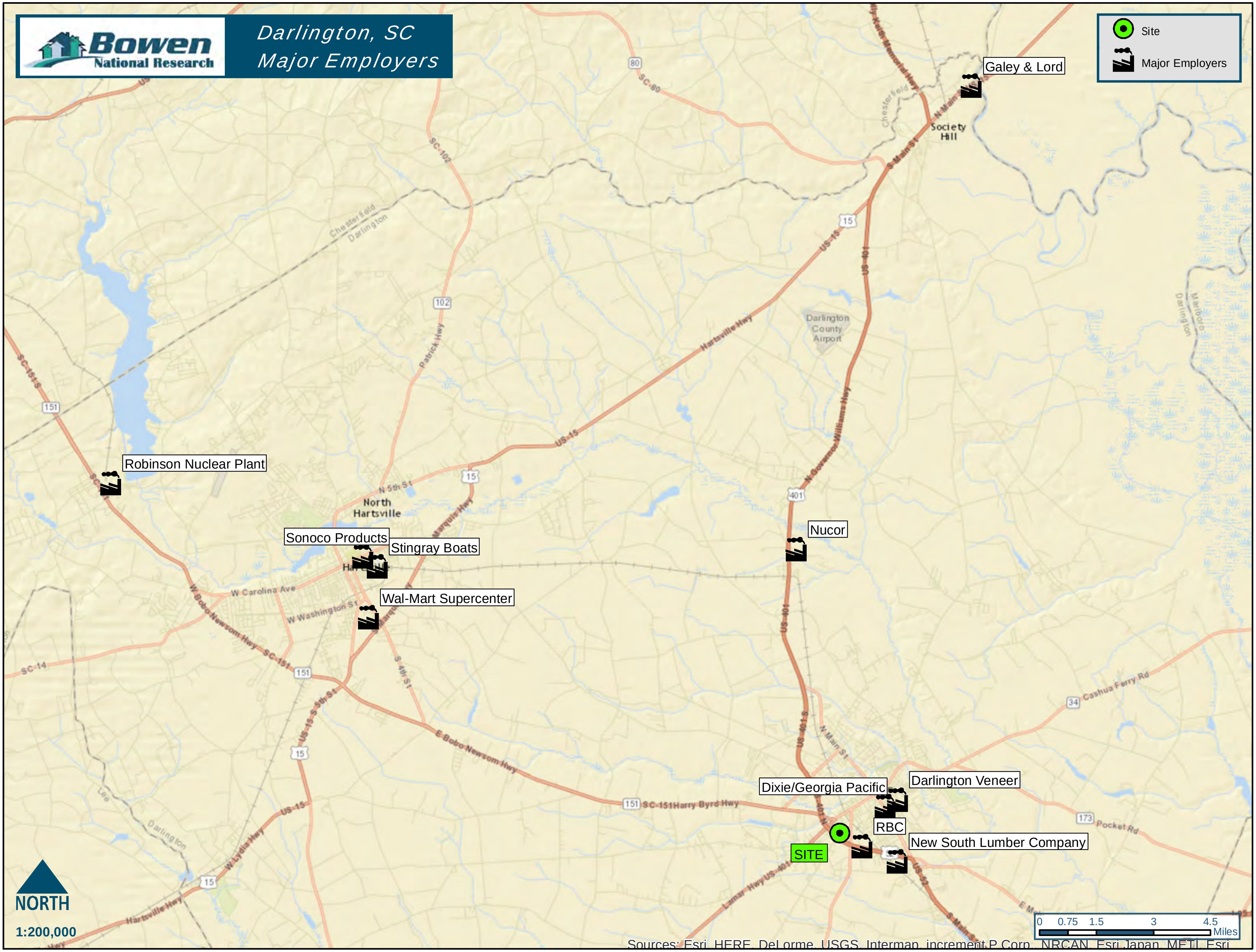
	In-Place Employment Darlington County		
Year	Employment	Change	Percent Change
2005	20,961	-	-
2006	20,983	22	0.1%
2007	20,675	-308	-1.5%
2008	20,342	-333	-1.6%
2009	18,406	-1,936	-9.5%
2010	18,168	-238	-1.3%
2011	18,382	214	1.2%
2012	18,621	239	1.3%
2013	19,479	858	4.6%
2014	19,528	49	0.3%
2015*	20,015	487	2.5%

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

Data for 2014, the most recent year that year-end figures are available, indicates in-place employment in Darlington County to be 71.9% of the total Darlington County employment. This means that Darlington County has more employed persons staying in the county for daytime employment than those who work outside of the county. This will continue to have a positive impact on the subject's marketability, as it is likely that many of the site's residents have minimal commute times to their place of employment.

5. EMPLOYMENT CENTERS MAP

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



Bowen National Research
Darlington, SC
Major Employers
Site
Major Employers
Galey & Lord
Robinson Nuclear Plant
Sonoco Products
Stingray Boats
Wal-Mart Supercenter
Nucor
Dixie/Georgia Pacific
Darlington Veneer
RBC
New South Lumber Company
SITE
Society Hill
North Hartsville
Darlington County Airport
NORTH
1:200,000
0 0.75 1.5 3 4.5 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

6. COMMUTING PATTERNS

Based on the American Community Survey (2009-2013), 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	8,955	84.2%
Carpooled	1,074	10.1%
Public Transit	0	0.0%
Walked	125	1.2%
Other Means	120	1.1%
Worked at Home	365	3.4%
Total	10,639	100.0%

Source: American Community Survey (2009-2013); ESRI; Urban Decision Group; Bowen National Research

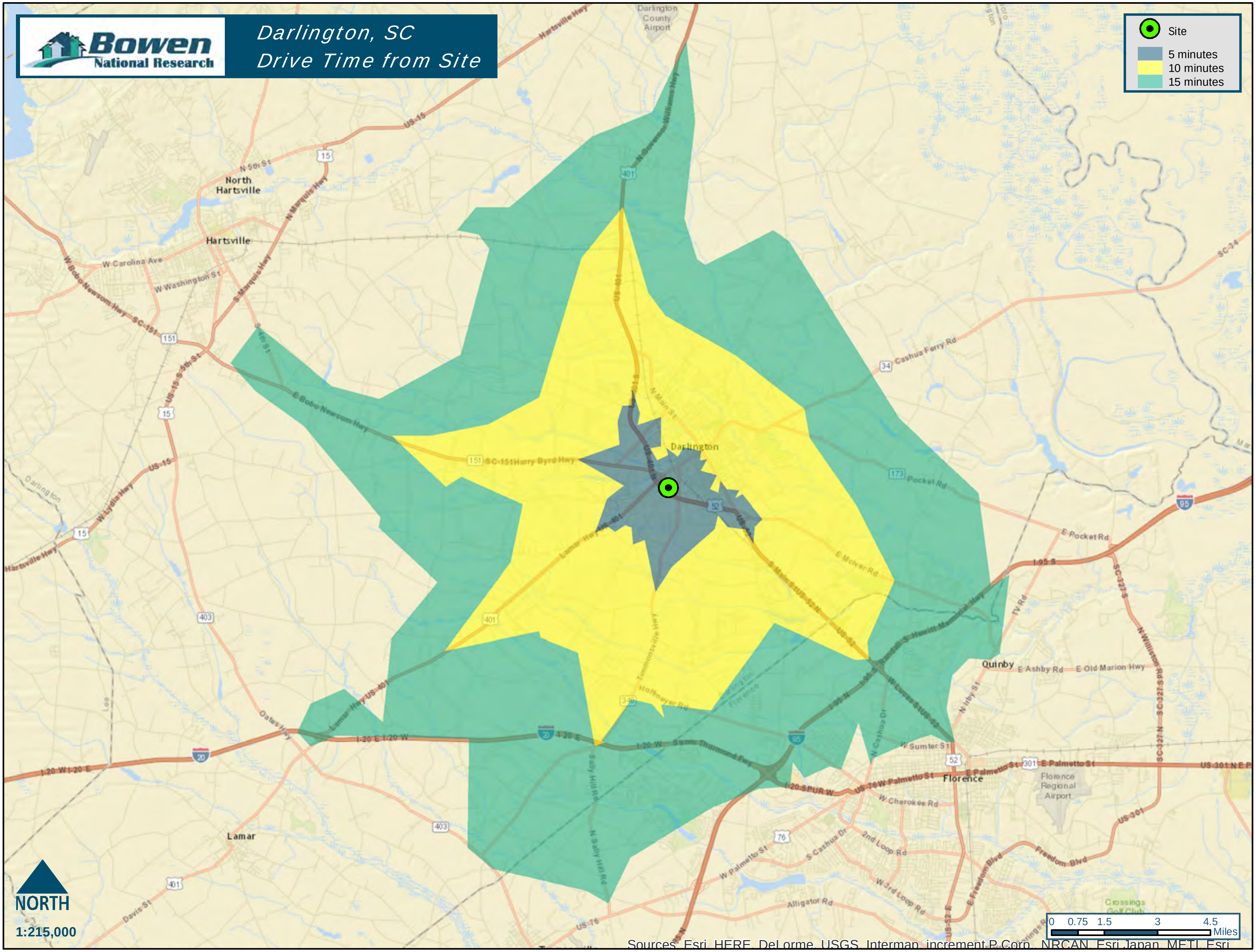
Over 84% of all workers drove alone and 10.1% carpooled.

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	2,953	27.8%
15 to 29 Minutes	4,899	46.1%
30 to 44 Minutes	1,684	15.8%
45 to 59 Minutes	290	2.7%
60 or More Minutes	447	4.2%
Worked at Home	365	3.4%
Total	10,638	100.0%

Source: American Community Survey (2009-2013); ESRI; Urban Decision Group; Bowen National Research

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


Bowen National Research
Darlington, SC
Drive Time from Site
Site
5 minutes
10 minutes
15 minutes
Darlington
Hartsville
North Hartsville
Lamar
Florence
Quinby
Darlington County Airport
Florence Regional Airport
NORTH
1:215,000
0 0.75 1.5 3 4.5
Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

7. ECONOMIC FORECAST AND HOUSING IMPACT

According to a representative with Darlington County Economic Development and based on data provided by the U.S. Department of Labor: Bureau of Labor Statistics, the Darlington County economy has been consistently improving since the impact of the national recession between 2007 and 2010. During this time period, the county's employment base declined by 2,206, or 7.7%, and the unemployment rate increased by nearly seven percentage points. On a positive note, since 2010, the employment base within the county has generally been experiencing growth, increasing by 1,028 jobs, or 3.9%, through December 2015. Similarly, the unemployment rate has consistently declined during the preceding five-year period; however, it is still considered high at 7.7% (through December 2015), well above both state and national averages. Considering the recent investment announcements within the county, it is anticipated that the local economy will continue to improve for the foreseeable future. Nonetheless, given the relatively high unemployment rate, the need for affordable housing is anticipated to remain strong. This is further evidenced by the strong occupancy rates maintained at the affordable properties surveyed within the market. A high rate of unemployment contributes to the demand for affordable housing, as households with lower incomes due to unemployment or underemployment may not be able to afford their current housing costs. The subject site will provide a good quality housing option to low-income households in an economy where lower-wage employees are most vulnerable.

F. COMMUNITY DEMOGRAPHIC DATA

The following demographic data relates to the Site PMA. It is important to note that not all 2018 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2018 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2015 (estimated) and 2018 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2018 (Projected)
Population	27,622	28,473	28,230	28,112
Population Change	-	851	-243	-118
Percent Change	-	3.1%	-0.9%	-0.4%

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

The market's population base has been generally stable since 2000. These trends are projected to remain relatively stable through 2018.

Based on the 2010 Census, the population residing in group-quarters is represented by 2.1% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	589	2.1%
Population not in Group Quarters	27,884	97.9%
Total Population	28,473	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)		2015 (Estimated)		2018 (Projected)		Change 2015-2018	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	7,646	26.9%	7,007	24.8%	6,963	24.8%	-44	-0.6%
20 to 24	1,656	5.8%	1,726	6.1%	1,521	5.4%	-205	-11.9%
25 to 34	3,321	11.7%	3,408	12.1%	3,301	11.7%	-107	-3.1%
35 to 44	3,554	12.5%	3,465	12.3%	3,370	12.0%	-95	-2.7%
45 to 54	4,159	14.6%	3,669	13.0%	3,557	12.7%	-112	-3.0%
55 to 64	3,986	14.0%	4,196	14.9%	4,093	14.6%	-103	-2.5%
65 to 74	2,403	8.4%	2,894	10.3%	3,249	11.6%	355	12.3%
75 & Over	1,748	6.1%	1,865	6.6%	2,058	7.3%	193	10.3%
Total	28,473	100.0%	28,230	100.0%	28,112	100.0%	-118	-0.4%

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

As the preceding table illustrates, over 52% of the population is expected to be between 25 and 64 years old in 2015. This age group is the primary group of current and potential renters for the subject site and likely represents a significant number of the tenants.

c. Elderly and Non-Elderly Population

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

d. Special Needs Population

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

e. Minority Concentrations

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

Minority Group	Statewide Share	Equal To or Greater Than	Site Census Tract Share
Total Minority Population	33.8%	33.8% + 20.0% = 53.8%	51.9%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	48.0%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.2%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.2%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.0%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	2.3%

Source: U.S. Census Bureau, 2010 Census

Based on the data in the preceding table, the site Census Tract does have a share of minorities above the state average.

2. HOUSEHOLD TRENDS

a. Total Households

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

	Year			
	2000 (Census)	2010 (Census)	2015 (Estimated)	2018 (Projected)
Households	10,620	11,005	10,983	10,930
Household Change	-	385	-22	-53
Percent Change	-	3.6%	-0.2%	-0.5%
Household Size	2.60	2.59	2.52	2.52

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

Similar to population trends, households within the market have been generally stable since 2000. These trends are projected to remain stable through 2018.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2015 (Estimated)		2018 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,585	68.9%	7,313	66.6%	7,284	66.6%
Renter-Occupied	3,420	31.1%	3,670	33.4%	3,645	33.4%
Total	11,005	100.0%	10,983	100.0%	10,930	100.0%

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

In 2015, homeowners occupied 66.6% of all occupied housing units, while the remaining 33.4% were occupied by renters. The share of renters is considered typical for a market of this size and the 3,670 renter households in 2015 represent a good base of current and potential support in the market for the subject development.

c. Households by Income

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

Household Income	2010 (Census)		2015 (Estimated)		2018 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than $10,000	1,277	11.6%	1,703	15.5%	1,844	16.9%
$10,000 to $19,999	1,623	14.7%	2,345	21.4%	2,397	21.9%
$20,000 to $29,999	1,508	13.7%	1,717	15.6%	1,700	15.6%
$30,000 to $39,999	1,319	12.0%	1,195	10.9%	1,247	11.4%
$40,000 to $49,999	1,241	11.3%	930	8.5%	926	8.5%
$50,000 to $59,999	773	7.0%	844	7.7%	805	7.4%
$60,000 to $74,999	1,151	10.5%	945	8.6%	844	7.7%
$75,000 to $99,999	1,150	10.4%	698	6.4%	631	5.8%
$100,000 to $124,999	338	3.1%	254	2.3%	227	2.1%
$125,000 to $149,999	250	2.3%	157	1.4%	138	1.3%
$150,000 to $199,999	168	1.5%	91	0.8%	77	0.7%
$200,000 & Over	208	1.9%	104	0.9%	93	0.9%
Total	11,005	100.0%	10,983	100.0%	10,930	100.0%
Median Income	$38,300		$28,405		$27,198	

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

In 2010, the median household income was $38,300. This declined by 25.8% to $28,405 in 2015. By 2018, it is projected that the median household income will be $27,198, a decline of 4.2% from 2015.

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, 2015 and 2018 for the Darlington Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $10,000	332	107	67	115	30	652
$10,000 to $19,999	215	220	136	99	135	803
$20,000 to $29,999	138	86	175	36	77	511
$30,000 to $39,999	100	88	104	3	115	410
$40,000 to $49,999	83	144	46	94	11	378
$50,000 to $59,999	21	96	25	2	13	157
$60,000 to $74,999	82	29	16	93	18	238
$75,000 to $99,999	42	39	22	0	3	106
$100,000 to $124,999	11	11	3	9	3	37
$125,000 to $149,999	15	12	22	8	6	63
$150,000 to $199,999	8	4	4	2	2	21
$200,000 & Over	13	7	9	11	4	44
Total	1,059	843	630	471	416	3,420

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2015 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $10,000	448	120	78	147	42	836
$10,000 to $19,999	292	321	185	150	168	1,117
$20,000 to $29,999	147	108	202	47	99	603
$30,000 to $39,999	70	69	92	8	75	313
$40,000 to $49,999	58	96	31	70	10	264
$50,000 to $59,999	28	97	26	13	11	175
$60,000 to $74,999	57	47	13	35	20	171
$75,000 to $99,999	23	24	24	10	4	85
$100,000 to $124,999	4	7	3	9	8	31
$125,000 to $149,999	8	4	15	3	3	34
$150,000 to $199,999	1	2	3	2	3	12
$200,000 & Over	8	5	5	7	5	31
Total	1,143	900	678	500	449	3,670

Source: Ribbon Demographics; ESRI; Urban Decision Group

Renter Households	2018 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than $10,000	481	131	81	152	42	886
$10,000 to $19,999	289	316	189	149	169	1,113
$20,000 to $29,999	140	103	196	43	95	577
$30,000 to $39,999	72	74	93	8	80	326
$40,000 to $49,999	51	93	33	68	8	253
$50,000 to $59,999	26	90	29	15	9	170
$60,000 to $74,999	46	41	12	32	19	150
$75,000 to $99,999	21	26	19	10	6	81
$100,000 to $124,999	6	5	3	7	6	27
$125,000 to $149,999	6	4	11	3	3	28
$150,000 to $199,999	1	1	3	2	4	11
$200,000 & Over	5	5	5	5	4	24
Total	1,143	889	676	493	445	3,645

Source: Ribbon Demographics; ESRI; Urban Decision Group

Demographic Summary

Over one-third of the market is occupied by renter households. Overall, population and household trends have generally been stable since 2000 and are projected to remain stable through 2018. Regardless, the 3,670 renter households in 2015 represent a good base of current and potential support in the market for the subject development. As discussed later in Section H of this report, all LIHTC communities in the market are 100.0% occupied. This indicates that there is pent-up demand for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

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 Darlington County, South Carolina HUD Metro FMR Area, which has a four-person median household income of $44,000 for 2015. The project location, however, is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of $54,100 in 2015. The subject property will be restricted to households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and income level:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	$18,950	$22,740
Two-Person	$21,650	$25,980
Three-Person	$24,350	$29,220
Four-Person	$27,050	$32,460
Five-Person	$29,200	$35,040

The largest subject units (three-bedroom) at the subject site are expected to continue to house up to five-person households. As such, the maximum allowable income at the subject site is $35,040.

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 $533. Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is $6,396. 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 **$18,274.**

Considering that the subject project will continue to offer a project-based subsidy on all 50 units post LIHTC renovations, it will continue to serve households with little or no income. Therefore, we used $0 as the minimum income requirement for the subject's Section 8 units.

Based on the preceding analyses, the income-appropriate ranges required to live at the renovated subject project are illustrated in the following table. Note that income ranges have been provided for the subject project to operate with a project-based subsidy as proposed, as well as in the unlikely event the subject project lost its subsidy and operated exclusively under the Tax Credit program.

	Income Range	
Unit Type	**Minimum**	**Maximum**
Section 8 (Limited To 50% AMHI)	$0	$29,200
Tax Credit (Limited To 50% AMHI)	$18,274	$29,200
Tax Credit (Limited to 60% AMHI)	$21,943	$35,040

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 2015 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2018) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

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

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

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

   Based on Table B25074 of the American Community Survey (ACS) 2009-2013 5-year estimates, approximately 26.2% to 51.5% (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 2013 ACS 5-Year Estimates Table B25016, 4.0% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

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

   The subject project is not age-restricted, thus we have not considered elderly homeowner conversion in our demand estimates.

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 2015 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2016 which have not reach stabilized occupancy must also be considered as part of the supply.
c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. DEMAND/CAPTURE RATE CALCULATIONS

Within the Site PMA, there are no affordable housing projects that were funded and/or built during the projection period (2015 to current). We did not identify any projects that were placed in service prior to 2016 that have not reached a stabilized occupancy. As such, no units were included in the following demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income			
		Tax Credit Only (Without Subsidy)		
	As Proposed w/Subsidy ($0-$29,200)	50% AMHI ($18,274-$29,200)	60% AMHI ($21,943-$35,040)	Overall ($18,274-$35,040)
Demand From New Renter Households (Income-Appropriate)	2,530 - 2,507 = 23	723 - 747 = -24	629 - 643 = -14	934 - 953 = -19
+				
Demand From Existing Households (Rent Overburdened)	2,507 X 51.5% = 1,290	747 X 32.6% = 243	643 X 26.2% = 169	953 X 30.5% = 291
+				
Demand From Existing Households (Renters In Substandard Housing)	2,507 X 4.0% = 101	747 X 4.0% = 30	643 X 4.0% = 26	953 X 4.0% = 38
+				
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A	N/A
=				
Total Demand	1,414	249	181	310
-				
Supply (Directly Comparable Units Built And/Or Funded Since 2015)	0	0	0	0
=				
Net Demand	1,414	249	181	310
Proposed Units	50	11	39	50
Proposed Units/ Net Demand	50 / 1,414	11 / 249	39 / 181	50 / 310
Capture Rate	= 3.5%	= 4.4%	= 21.5%	= 16.1%

N/A - Not Applicable

Typically under this methodology, capture rates below 30.0% are acceptable, while capture rates under 20.0% are ideal. As such, the capture rate of 3.5% for the subject project as proposed with the retention of a project-based subsidy is considered low and easily achievable. In the unlikely event that the subject project would ever lose its project-based subsidy and operated solely under the LIHTC program, the capture rate would increase to 16.1%. This illustrates that sufficient demographic support exists for the subject project in this unlikely scenario. Regardless, the subject project will continue to operate with a subsidy and is 100.0% occupied. Therefore, the effective capture rate is 0.0%.

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	25.0%
Two-Bedroom	50.0%
Three-Bedroom	25.0%
Total	100.0%

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

As Proposed with Subsidy

Units Targeting 50% Of AMHI with Section 8 (1,414 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (25%)	353	0	353	-	-
Two-Bedroom (50%)	707	0	707	24	3.4%
Three-Bedroom (25%)	354	0	354	26	7.3%

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

LIHTC Only

Units Targeting 50% Of AMHI Tax Credit Only (249 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 (25%)	62	0	62	-	-
Two-Bedroom (50%)	125	0	125	5	4.0%
Three-Bedroom (25%)	62	0	62	6	9.7%

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

Units Targeting 60% Of AMHI Tax Credit Only (181 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 (25%)	45	0	45	-	-
Two-Bedroom (50%)	91	0	91	19	20.9%
Three-Bedroom (25%)	45	0	45	20	44.4%

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

Capture rates by bedroom type for each scenario range from 3.4% to 44.4%. While the capture rates for the units as proposed with a subsidy are considered low and easily achievable, ranging from 3.4% to 7.3%, the capture rates by bedroom type for the units without a subsidy set aside at 60% AMHI are considered relatively high. Regardless, as previously stated, the subject project is expected to retain its subsidy and is 100.0% occupied. Additionally, all tenants are anticipated to income-qualify post renovations. Therefore, the effective capture rate is 0.0% for each bedroom type.

Considering that the subject project will include 26 three-bedroom units, which comprise 52.0% of all subject units offered, the analysis on the following page has been conducted to consider only large-households (three-person+) and the subject's three-bedroom units.

Demand Component	Percent Of Median Household Income			
	As Proposed w/Subsidy ($0-$29,200)	Tax Credit Only (Without Subsidy)		
		50% AMHI ($21,120-$29,200)	60% AMHI ($25,337-$35,040)	Overall ($21,120-$35,040)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	1,089 - 1,091 = -2	270 - 281 = -11	247 - 250 = -3	388 - 397 = -9
+				
Demand From Existing Households (Rent Overburdened)	1,091 X 51.5% = 562	281 X 32.6% = 92	250 X 26.2% = 66	397 X 30.5% = 121
+				
Demand From Existing Households (Renters In Substandard Housing)	1,091 X 4.0% = 44	281 X 4.0% = 11	250 X 4.0% = 10	397 X 4.0% = 16
=				
Total Large Household Demand	604	92	73	128
-				
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2015)	0	0	0	0
=				
Net Large Household Demand	604	92	73	128
Proposed (Three-Br.+) Units	26	6	20	26
Proposed (Three-Br.+) Units/ Net Large Household Demand	26 / 604	6 / 92	20 / 73	26 / 128
Large-Household Capture Rate	= 4.3%	= 6.5%	= 27.4%	= 20.3%

N/A - Not Applicable

The capture rate for the subject's three-bedroom units as proposed with the retention of the project-based subsidy of 4.3% is considered low and easily achievable when considering larger (three-person+) household sizes. This is further illustrated by the subject's 100.0% occupancy rate. Conversely, the Tax Credit only overall capture rate of 20.3% for such units is considered moderate. Regardless, the subject project is expected to retain its subsidy and all tenants are anticipated to income-qualify post renovations. Therefore, the effective capture rate is 0.0%. It is important to note that the net demand for the subject's three-bedroom units in the preceding table differs from the net demand by bedroom type on the preceding page. The analysis in the preceding table considers all larger household sizes that will income-qualify to reside at the subject's three-bedroom units, regardless of bedroom type preference.

6. ABSORPTION PROJECTIONS

All 50 of the subject units are occupied with the project maintaining an 11-household waiting list. It is important to note that the renovations at the subject site will not necessitate the displacement of current residents. As a result, it is anticipated that none or very few of the current tenants will move from the project during or following renovations. Therefore, few if any of the subject units will have to be re-rented immediately following renovations. However, for the purposes of this analysis, we assume that all 50 subject units will be vacated and that all units will have to be re-rented under the Section 8 program. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy. We also assume that initial renovated units at the site will be available for rent sometime in 2018, though the actual completion time may be earlier.

It is our opinion that the 50 units at the subject site will reach a stabilized occupancy of 93.0% within approximately four months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately 12 units per month. Our absorption projections assume that no other projects targeting a similar income group will be developed during the projection period and that the renovations will be completed as outlined in this report. These absorption projections also assume that the subsidy will be maintained.

Should the Section 8 subsidy not be secured and the project had to operate exclusively under the LIHTC program, the 50 LIHTC units at the subject site would likely have an extended absorption period of beyond 12 months if all units were vacated simultaneously. Note that if the subject project were to operate exclusively under the limitations of the Tax Credit program, we do not expect all existing tenants to remain at the site, as all existing residents would likely not be able or willing to pay the rent increase based on the current project's rent roll provided by management.

In reality, the absorption period for this project will be less than one month, as most tenants are expected to remain at the project and continue to pay up to 30% of their adjusted gross income towards housing costs.

H. RENTAL HOUSING ANALYSIS (SUPPLY)

1. COMPETITIVE DEVELOPMENTS

We identified and surveyed three non-subsidized Low-Income Housing Tax Credit (LIHTC) properties within the Darlington Site PMA. These properties target households with income of up to 50% and 60% of Area Median Household Income (AMHI); therefore, they are considered comparable properties. These three 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/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	**Brockington Heights Apartments**	**1970 / 2018**	**50**	**100.0%**	**-**	**11 H.H.**	**Families; 50% and 60% AMHI & Section 8**
2	Autumn Run	2004	40	100.0%	1.6 Miles	3 H.H.	Families; 50% & 60% AMHI
3	Darlington Lofts	2007	28	100.0%	1.6 Miles	5 H.H.	Families; 50% & 60% AMHI
6	Pecan Grove	2007	32	100.0%	2.0 Miles	5 H.H.	Families; 50% & 60% AMHI

OCC. – Occupancy
H.H. - Households

The three LIHTC projects have a combined occupancy rate of 100.0%, all of which maintain wait lists. This illustrates that pent-up demand exists for additional low-income rental housing within 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:

		Gross Rent/Percent of AMHI (Number of Units/Vacancies)			
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.	Rent Special
Site	**Brockington Heights Apartments**	**-**	**$533/50% (5) $640*/60% (19)**	**$616/50% (6) $739*/60% (20)**	**-**
2	Autumn Run	-	$577-$623/50% (18/0) $745/60% (10/0)	$666/50% (6/0) $859/60% (6/0)	None
3	Darlington Lofts	$477/50% (9/0) $517/60% (6/0)	$612/50% (8/0) $612/60% (4/0)	$727/60% (1/0)	None

The proposed subject gross rents, ranging from $533 to $739, will be generally within the range of LIHTC rents offered in the market. However, it is important to note that the subject project, although renovated, will continue to be significantly older than the comparable LIHTC projects, offering smaller units sizes (square feet and number of bathrooms offered) and an inferior amenities package (as illustrated later in this section of the report). As such, it is likely that the proposed rents at 60% AMHI will need to be lowered to levels below the existing 60% AMHI LIHTC rents to better compete within the market. Regardless, the subject project will continue to offer a subsidy on all units, requiring residents to pay up to 30% of their gross adjusted income towards housing costs. As such, the subject units will continue to represent substantial values to low-income renters within the market.

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

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Autumn Run	40	12	30.0%
3	Darlington Lofts	28	4	14.3%
6	Pecan Grove	32	9	28.1%
	Total	100	25	25.0%

As the preceding table illustrates, there are a total of approximately 25 units that are occupied by Voucher holders among the three comparable LIHTC projects in the market. The 25 units occupied by Voucher holders comprise 25.0% of these comparable units. This illustrates that 75% of the comparable Tax Credit units in the market are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at the aforementioned LIHTC projects are achievable.

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

2 Autumn Run

1.6 miles to site

Address 405 Wells St.
Darlington, SC 29532

Phone (843) 398-1981 **Contact** Erica

Total Units 40 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2004 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 3 households

Quality Rating B+ **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (12 units); HOME Funds (20 units)

Features and Utilities

Utilities Landlord pays Trash

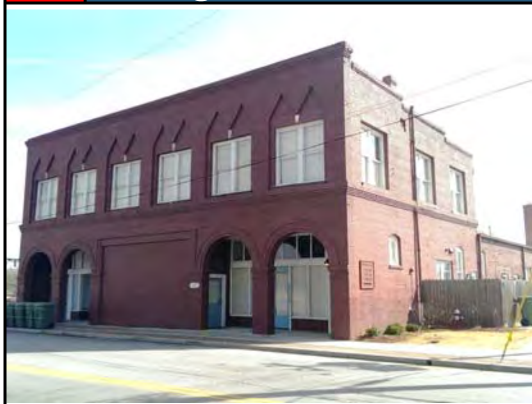
Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Ceiling Fan, Blinds

Project Amenities On-site Management, Laundry Facility, Meeting Room, Playground, Social Services, CCTV

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
2	1	G	10	0	850	$0.68	$574	60%
2	1	G	4	0	850	$0.53	$452	50%
2	1	G	14	0	850	$0.48	$406	50%
3	2	G	6	0	1000	$0.65	$649	60%
3	2	G	6	0	1000	$0.46	$456	50%

3 Darlington Lofts — 1.6 miles to site



Address 107 Orange St.
Darlington, SC 29532

Phone (843) 409-9094 **Contact** Helen

Total Units 28 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2007 **Floors** 1,2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 5 households

Quality Rating B+ **Neighborhood Rating** A

Remarks 50% & 60% AMHI; HCV (4 units); HOME Funds (Nine 1-br units); Adaptive reuse of historic building, built in 1900; Square footage estimated

Features and Utilities

Utilities Landlord pays Water, Sewer, Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Intercom, Blinds

Project Amenities On-site Management, Laundry Facility, Meeting Room, Computer Lab

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	6	0	600	$0.71	$425	60%
1	1	G	9	0	600	$0.64	$385	50%
2	2	G	4	0	820	$0.60	$489	60%
2	2	G	8	0	820	$0.60	$489	50%
3	2	G	1	0	1100	$0.52	$574	60%

6 Pecan Grove

2.0 miles to site

Address 1218 S. Main St.
Darlington, SC 29532

Phone (843) 393-3009 **Contact** Helen

Total Units 32 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2007 **Floors** 1

Concessions No Rent Specials

Parking Surface Parking

Waiting List 5 households

Quality Rating A **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (9 units); HOME Funds (7 units); Square footage estimated by mgmt.

Features and Utilities

Utilities Landlord pays Water, Sewer, Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Disposal, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds

Project Amenities On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Picnic Area

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	2	0	570	$0.68	$386	50%
1	1	G	6	0	570	$0.74	$421	60%
1	1	G	4	0	570	$0.68	$386	50%
2	2	G	4	0	700	$0.59	$411	50%
2	2	G	7	0	700	$0.67	$471	60%
2	2	G	4	0	700	$0.66	$461	50%
3	2	G	1	0	837	$0.52	$436	50%
3	2	G	3	0	837	$0.64	$536	60%
3	2	G	1	0	837	$0.61	$511	50%

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:

		Square Footage		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	**Brockington Heights Apartments**	**-**	**700**	**800**
2	Autumn Run	-	850	1,000
3	Darlington Lofts	600	820	1,100
6	Pecan Grove	570	700	837

		Number of Baths		
Map I.D.	Project Name	One-Br.	Two-Br.	Three-Br.
Site	**Brockington Heights Apartments**	**-**	**1.0**	**1.0**
2	Autumn Run	-	1.0	2.0
3	Darlington Lofts	1.0	2.0	2.0
6	Pecan Grove	1.0	2.0	2.0

The subject's unit sizes (square feet and number of bathrooms offered), will continue to be some of the smallest LIHTC unit sizes offered in the market. Nonetheless, this has not had an adverse impact on its marketability, as evidenced by its 100.0% occupancy and wait list.

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

COMPARABLE PROPERTIES AMENITIES - DARLINGTON, SC

	APPLIANCES						UNIT AMENITIES													
MAP ID	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		V		X		X				B		S	
2	X	X	X	X	X	X	X		C		X		X				B		S	
3	X	X	X	X	X	X	X		C		X	S	X		S		B		S	
6	X	X	X	X	X	X	X		C		X	X	X				B		S	

	PROJECT AMENITIES																	
MAP ID	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	OTHER
SITE		X	X		X			X								X			Security Camera System
2		X	X		X			X									X		CCTV
3		X	X		X									X					
6		X	X		A	X		X						X		X			

- ♦ 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

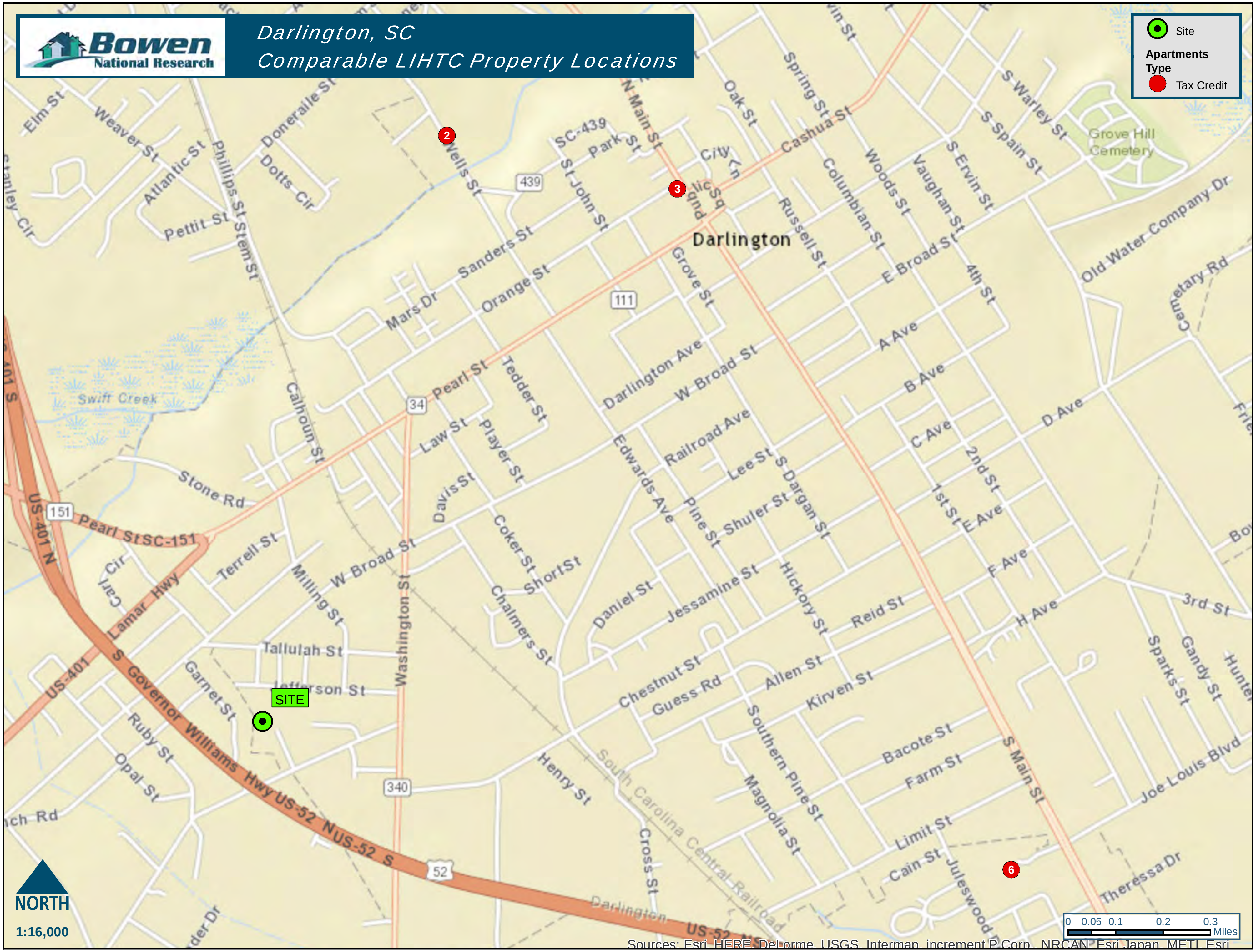
Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

Once renovations are complete and additions are made, the subject's amenity package will be slightly inferior to those offered at the comparable LIHTC developments within the market. In terms of unit amenities, the subject development will be the only LIHTC project to not offer microwave ovens and garbage disposals, and one of two to not offer a patio/balcony. Regarding project amenities, the subject project will be one of two to not include a computer center. Nonetheless, the lack of the aforementioned amenities has not had an adverse impact on the subject's marketability, as evidenced by its 100.0% occupancy and wait list.

Based on our analysis of the 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 continue to be marketable, assuming the project-based subsidy is offered post LIHTC renovations as proposed. In the unlikely event the subject project were to not offer a subsidy and exclusively operate as a LIHTC project, the rents set aside at 60% AMHI will need to be lowered below those offered at the comparable LIHTC projects in order to better compete within the Darlington Site PMA. This has been considered in our absorption estimates.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

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



Bowen National Research
Darlington, SC
Comparable LIHTC Property Locations
Site
Apartments Type
Tax Credit
SITE
2
3
6
Darlington
Grove Hill Cemetery
Swift Creek
Elm St
Weaver St
Atlantic St
Phillips St
Doneraile St
Dotts Cir
Pettit St
Stem St
Wells St
SC-439
Park St
N Main St
City Ln
Oak St
Spring St
Cashua St
Columbian St
Woods St
Vaughan St
S Ervin St
S Spain St
S Warley St
Sanders St
St John St
Russell St
Grove St
Orange St
Mars Dr
E Broad St
4th St
Old Water Company Dr
Cemetery Rd
Darlington Ave
W Broad St
A Ave
B Ave
C Ave
D Ave
Pearl St
Tedder St
Calhoun St
Law St
Player St
Railroad Ave
Lee St
Edwards Ave
S Dargan St
2nd St
1st St
E Ave
F Ave
Stone Rd
Davis St
Pine St
Shuler St
Pearl St SC-151
Terrell St
Milling St
Coker St
Short St
Hickory St
Jessamine St
Daniel St
Reid St
H Ave
3rd St
Lamar Hwy
US-401 N
Chalmers St
Washington St
Tallulah St
Jefferson St
Garnet St
S Governor Williams Hwy US-52 N US-52 S
US-401
Ruby St
Opal St
Chestnut St
Guess Rd
Allen St
Kirven St
Sparks St
Gandy St
Southern Pine St
Henry St
South Carolina Central Railroad
Magnolia St
Bacote St
Farm St
S Main St
Joe Louis Blvd
Cross St
Limit St
Cain St
Julesswood
Theressa Dr
Darlington
439
111
34
151
340
52
NORTH
1:16,000
0 0.05 0.1 0.2 0.3 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Darlington Site PMA in 2010 and 2015 (estimated) are summarized in the following table:

	2010 (Census)		2015 (Estimated)	
Housing Status	Number	Percent	Number	Percent
Total-Occupied	11,005	88.8%	10,983	88.1%
Owner-Occupied	7,585	68.9%	7,313	66.6%
Renter-Occupied	3,420	31.1%	3,670	33.4%
Vacant	1,394	11.2%	1,488	11.9%
Total	12,399	100.0%	12,471	100.0%

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

Based on a 2015 update of the 2010 Census, of the 12,471 total housing units in the market, 11.9% were vacant. In 2015, it was estimated that homeowners occupied 66.6% of all occupied housing units, while the remaining 33.4% were occupied by renters. The share of renters is considered typical for a market of this size and the 3,670 renter households in 2015 represent a good base of current and potential renters in the market for the subject development.

We identified and personally surveyed seven conventional housing projects (including the subject project) containing a total of 278 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 100.0%, a very strong rate for rental housing.

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

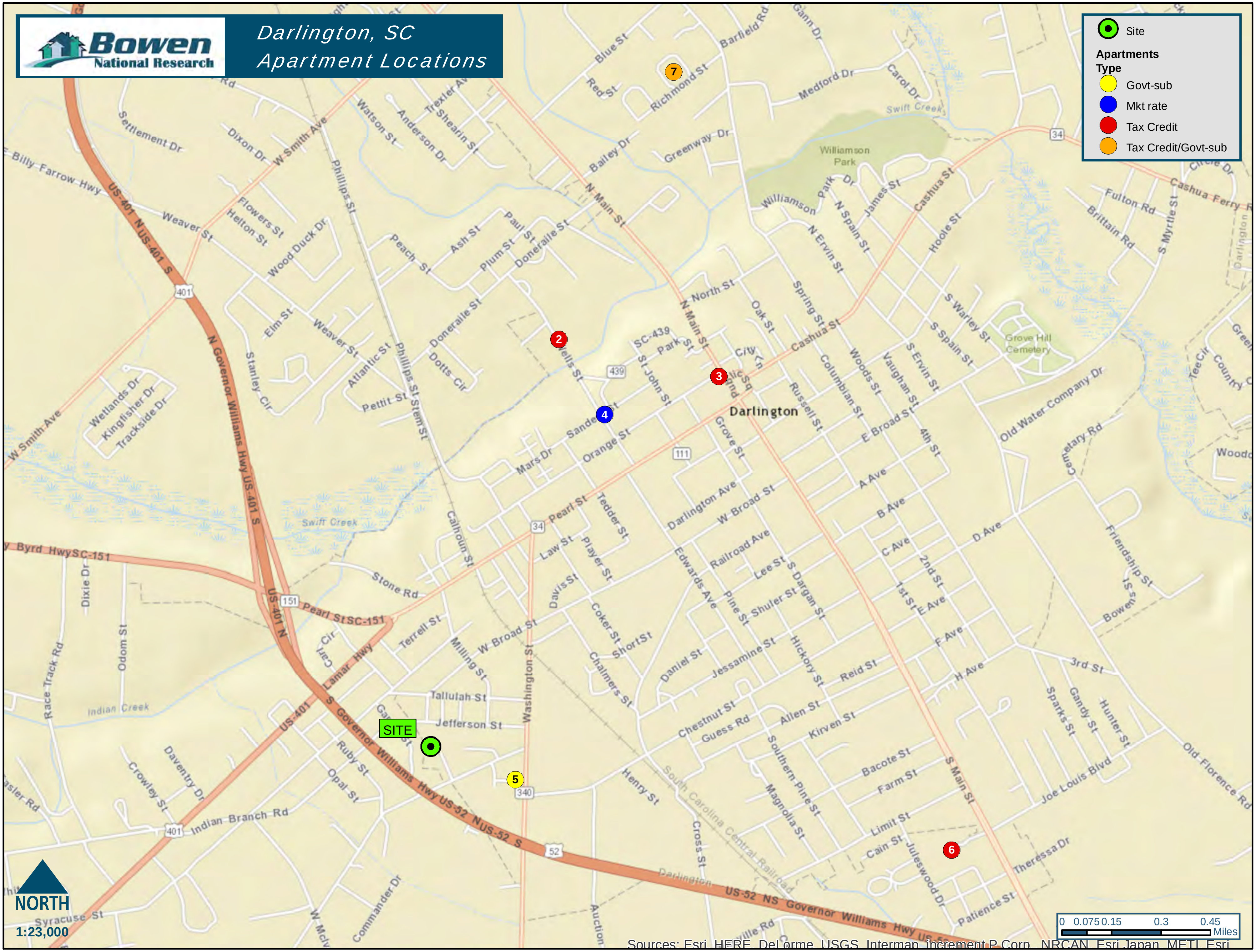
Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	1	16	0	100.0%
Tax Credit	3	100	0	100.0%
Tax Credit/Government-Subsidized	1	72	0	100.0%
Government-Subsidized	2	90	0	100.0%
Total	7	278	0	100.0%

As noted in the preceding table, all rental properties identified and surveyed in the market are 100.0% occupied, nearly all of which maintain wait lists. This illustrates that pent-up demand exists for all types of rental housing within the Darlington Site PMA.

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 Darlington Site PMA is on the following page.



Bowen
National Research
Darlington, SC
Apartment Locations
Site
Apartments
Type
Govt-sub
Mkt rate
Tax Credit
Tax Credit/Govt-sub
SITE
1
2
3
4
5
6
7
Darlington
Williamson Park
Grove Hill Cemetery
Swift Creek
Indian Creek
South Carolina Central Railroad
N Main St
S Main St
Cashua St
Pearl St
W Broad St
E Broad St
N Governor Williams Hwy US-401 S
S Governor Williams Hwy US-52 N US-52 S
US-52 NS Governor Williams Hwy
Indian Branch Rd
Washington St
Old Florence Rd
Cashua Ferry Rd
NORTH
1:23,000
0 0.075 0.15 0.3 0.45
Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with local building and planning representatives, it was determined that no official plans for additional multifamily units for the area exist.

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 three comparable LIHTC projects within or near the Site PMA that have received Tax Credit funding, all of which are 100.0% occupied and maintain wait lists. In addition, we identified and surveyed only one market-rate property within the market. However, this project is not considered both economically and conceptually comparable. The three stabilized comparable Tax Credit projects identified in the Site PMA are detailed in the following table.

Stabilized Comparable Tax Credit Projects					
Map I.D.	Project Name	Year Built/ Renovated	Project Type	Total Units	Occupancy Rate
Site	**Brockington Heights Apartments**	**1970 / 2017**	**TC**	**50**	**-**
2	Autumn Run	2004	TC	40	100.0%
3	Darlington Lofts	2007	TC	28	100.0%
6	Pecan Grove	2007	TC	32	100.0%
			Total	100	100.0%

TC – Tax Credit

The overall occupancy rate of the three stabilized comparable Tax Credit projects identified in the Site PMA is 100.0%.

8. MARKET RENT ADVANTAGE

We identified and surveyed one market-rate property within the Darlington Site PMA that offers similar unit types as the subject project. Due to the lack of market-rate product within the market, we identified four additional market-rate projects outside of the market, but within the region in Florence. 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 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	**Brockington Heights Apartments**	**1970 / 2017**	**50**	**100.0%**	**-**	**24 (-)**	**26 (-)**
4	121 Sanders St.	1966	16	100.0%	-	16 (100.0%)	-
902	Sedgefield	1980	272	96.0%	67 (95.5%)	160 (96.3%)	45 (95.6%)
903	Charles Pointe Apts.	2001	168	100.0%	42 (100.0%)	114 (100.0%)	12 (100.0%)
905	Bentree Apt. Homes	1982	132	100.0%	36 (100.0%)	72 (100.0%)	24 (100.0%)
906	Sterling Apts.	1974	72	100.0%	16 (100.0%)	48 (100.0%)	8 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 660 units with an overall occupancy rate of 98.3%, a very strong rate for rental housing. These high occupancy rates indicate that these projects have been well received within the market and region and will serve as accurate benchmarks with which to compare to the subject development.

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	Data on Subject	Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
	Brockington Heights Apartments		121 Sanders St.		Sedgefield		Charles Pointe Apts.		Bentree Apt. Homes		Sterling Apts.	
	201 Saleeby Loop		121 Sanders St.		1300 Valparaiso Dr.		201 Millstone Rd.		200 Bentree Ln.		1100 S. Mayfair Ter.	
	Darlington, SC		Darlington, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A.	Rents Charged		Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj
1	$ Last Rent / Restricted?		$425		$635		$835		$705		$575	
2	Date Surveyed		Feb-16		Feb-16		Feb-16		Feb-16		Feb-16	
3	Rent Concessions		None		None		None		None		None	
4	Occupancy for Unit Type		100%		96%		100%		100%		100%	
5	Effective Rent & Rent/ sq. ft		$425	0.49	$635	0.71	$835	0.84	$705	0.83	$575	0.61
B.	Design, Location, Condition		Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj
6	Structure / Stories	WU/2	WU/2		WU/2		WU/3		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1970/2018	1966	$28	1980	$14	2001	($7)	1982	$12	1974	$20
8	Condition /Street Appeal	G	F	$15	F	$15	G		G		F	$15
9	Neighborhood	F	F		G	($10)	E	($20)	G	($10)	F	
10	Same Market?		Yes		No	($127)	No	($167)	No	($141)	No	($115)
C.	Unit Equipment/ Amenities		Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj
11	# Bedrooms	2	2		2		2		2		2	
12	# Baths	1	1		1		2	($30)	1.5	($15)	1	
13	Unit Interior Sq. Ft.	700	871	($30)	900	($35)	1000	($52)	850	($26)	950	($43)
14	Balcony/ Patio	N	N		Y	($5)	Y	($5)	Y	($5)	N	
15	AC: Central/ Wall	C	C		C		C		C		C	
16	Range/ Refrigerator	R/F	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	N/Y	N/N	$10	N/Y		Y/Y	($5)	N/Y		N/Y	
18	Washer/Dryer	HU/L	N	$15	HU/L		HU	$5	L	$10	L	$10
19	Floor Coverings	V	C		C		C		C		C	
20	Window Coverings	B	B		B		B		B		B	
21	Intercom/Security System	N/N	N/N		N/N		N/N		N/N		N/N	
22	Garbage Disposal	N	N		Y	($5)	Y	($5)	Y	($5)	Y	($5)
23	Ceiling Fans	N	N		N		Y	($5)	Y	($5)	Y	($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		LOT/$0	
25	On-Site Management	Y	N	$5	Y		Y		Y		Y	
26	Security Cameras	Y	N	$5	N	$5	N	$5	N	$5	Y	
27	Clubhouse/ Meeting Rooms	Y	N	$5	N	$5	N	$5	Y		N	$5
28	Pool/ Recreation Areas	N	N		P	($10)	P/F	($15)	P	($10)	N	
29	Computer Center	N	N		N		N		N		N	
30	Picnic Area	Y	N	$3	N	$3	Y		N	$3	N	$3
31	Playground	Y	N	$3	Y		Y		Y		N	$3
32	Social Services	N	N		N		N		N		N	
E.	Utilities		Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj	Data	$ Adj
33	Heat (in rent?/ type)	N/G	N/E		N/E		N/E		N/G		N/E	
34	Cooling (in rent?/ type)	N/E	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/G	N/E		N/E		N/E		N/G		N/E	
36	Hot Water (in rent?/ type)	N/G	N/E		N/E		N/E		N/G		N/E	
37	Other Electric	N	N		N		N		N		N	
38	Cold Water/ Sewer	Y/Y	N/N	$48	N/N	$48	N/N	$48	N/N	$48	Y/Y	
39	Trash /Recycling	Y/N	N/N	$14	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		9	1	5	6	3	10	4	8	6	4
41	Sum Adjustments B to D		$89	($30)	$42	($192)	$15	($311)	$30	($217)	$56	($168)
42	Sum Utility Adjustments		$62		$48		$48		$48			
			Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	*Net/ Gross Adjmts B to E*		*$121*	*$181*	*($102)*	*$282*	*($248)*	*$374*	*($139)*	*$295*	*($112)*	*$224*
G.	Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)		$546		$533		$587		$566		$463	
45	Adj Rent/Last rent			129%		84%		70%		80%		80%
46	Estimated Market Rent	$545	$0.78 ← Estimated Market Rent/ Sq. Ft									

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

	Subject	Data on Subject	Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
	Brockington Heights Apartments		121 Sanders St.		Sedgefield		Charles Pointe Apts.		Bentree Apt. Homes		Sterling Apts.	
	201 Saleeby Loop		121 Sanders St.		1300 Valparaiso Dr.		201 Millstone Rd.		200 Bentree Ln.		1100 S. Mayfair Ter.	
	Darlington, SC		Darlington, SC		Florence, SC		Florence, SC		Florence, SC		Florence, SC	
A.	**Rents Charged**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
1	**$ Last Rent / Restricted?**		**$425**		**$760**		**$990**		**$805**		**$675**	
2	**Date Surveyed**		Feb-16		Feb-16		Feb-16		Feb-16		Feb-16	
3	**Rent Concessions**		None		None		None		None		None	
4	**Occupancy for Unit Type**		100%		96%		100%		100%		100%	
5	**Effective Rent & Rent/ sq. ft**		**$425**	0.49	**$760**	0.70	**$990**	0.80	**$805**	0.73	**$675**	0.58
B.	**Design, Location, Condition**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
6	**Structure / Stories**	**WU/2**	WU/2		WU/2		WU/3		WU/2		WU/2	
7	**Yr. Built/Yr. Renovated**	**1970/2018**	1966	$28	1980	$14	2001	($7)	1982	$12	1974	$20
8	**Condition /Street Appeal**	**G**	F	$15	F	$15	G		G		F	$15
9	**Neighborhood**	**F**	F		G	($10)	E	($20)	G	($10)	F	
10	**Same Market?**		Yes		No	($152)	No	($198)	No	($161)	No	($135)
C.	**Unit Equipment/ Amenities**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
11	**# Bedrooms**	**3**	2	$50	3		3		3		3	
12	**# Baths**	**1**	1		2	($30)	2	($30)	2	($30)	1	
13	**Unit Interior Sq. Ft.**	**800**	871	($12)	1085	($48)	1230	($72)	1100	($50)	1160	($60)
14	**Balcony/ Patio**	**N**	N		Y	($5)	Y	($5)	Y	($5)	N	
15	**AC: Central/ Wall**	**C**	C		C		C		C		C	
16	**Range/ Refrigerator**	**R/F**	R/F		R/F		R/F		R/F		R/F	
17	**Microwave/ Dishwasher**	**N/Y**	N/N	$10	N/Y		Y/Y	($5)	N/Y		N/Y	
18	**Washer/Dryer**	**HU/L**	N	$15	HU/L		HU	$5	HU/L		L	$10
19	**Floor Coverings**	**V**	C		C		C		C		C	
20	**Window Coverings**	**B**	B		B		B		B		B	
21	**Intercom/Security System**	**N/N**	N/N		N/N		N/N		N/N		N/N	
22	**Garbage Disposal**	**N**	N		Y	($5)	Y	($5)	Y	($5)	Y	($5)
23	**Ceiling Fans**	**N**	N		N		Y	($5)	Y	($5)	Y	($5)
D	**Site Equipment/ Amenities**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
24	**Parking** ($ Fee)	**LOT/$0**	LOT/$0		LOT/$0		LOT/$0		LOT/$0		LOT/$0	
25	**On-Site Management**	**Y**	N	$5	Y		Y		Y		Y	
26	**Security Cameras**	**Y**	N	$5	N	$5	N	$5	N	$5	Y	
27	**Clubhouse/ Meeting Rooms**	**Y**	N	$5	N	$5	N	$5	Y		N	$5
28	**Pool/ Recreation Areas**	**N**	N		P	($10)	P/F	($15)	P	($10)	N	
29	**Computer Center**	**N**	N		N		N		N		N	
30	**Picnic Area**	**Y**	N	$3	N	$3	Y		N	$3	N	$3
31	**Playground**	**Y**	N	$3	Y		Y		Y		N	$3
32	**Social Services**	**N**	N		N		N		N		N	
E.	**Utilities**		**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**	**Data**	**$ Adj**
33	**Heat** (in rent?/ type)	**N/G**	N/E		N/E		N/E		N/G		N/E	
34	**Cooling** (in rent?/ type)	**N/E**	N/E		N/E		N/E		N/E		N/E	
35	**Cooking** (in rent?/ type)	**N/G**	N/E		N/E		N/E		N/G		N/E	
36	**Hot Water** (in rent?/ type)	**N/G**	N/E		N/E		N/E		N/G		N/E	
37	**Other Electric**	**N**	N		N		N		N		N	
38	**Cold Water/ Sewer**	**Y/Y**	N/N	$57	N/N	$57	N/N	$57	N/N	$57	Y/Y	
39	**Trash /Recycling**	**Y/N**	N/N	$14	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**		10	1	5	7	3	10	3	8	6	4
41	**Sum Adjustments B to D**		$139	($12)	$42	($260)	$15	($362)	$20	($276)	$56	($205)
42	**Sum Utility Adjustments**		$71		$57		$57		$57			
			Net	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**	**Net**	**Gross**
43	***Net/ Gross Adjmts B to E***		*$198*	*$222*	*($161)*	*$359*	*($290)*	*$434*	*($199)*	*$353*	*($149)*	*$261*
G.	**Adjusted & Market Rents**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**		**Adj. Rent**	
44	**Adjusted Rent** (5+ 43)		**$623**		**$599**		**$700**		**$606**		**$526**	
45	Adj Rent/Last rent			147%		79%		71%		75%		78%
46	**Estimated Market Rent**	**$610**	**$0.76** ←	**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 rents for units similar to the subject development are $545 for a two-bedroom unit and $610 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	$426 (50%) $533 (60%)	$545	21.83% 2.20%
Three-Bedroom	$495 (50%) $618 (60%)	$610	18.85% -1.31%
		Weighted Average	**4.68%**

Typically, Tax Credit rents must represent at least a 10.0% market rent advantage in order to be viewed as a value within a market area. Tax Credit rents that represent a value can help to insure a steady flow of tenants that will allow the project to operate at a stabilized occupancy rate. Overall, the proposed collected *Tax Credit* rents set aside at 60% AMHI at Brockington Heights Apartments represent little to no rent advantage. This illustrates that the proposed collected rents at 60% AMHI would likely have to be reduced in order to represent a significant value within the Darlington market. However, all 50 units at the subject project will continue to operate with a subsidy, requiring residents to pay up to 30% of their adjusted gross incomes towards housing costs. Thus, the subject project will continue to represent a substantial value to low-income renters within the Site PMA.

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.

7. Upon completion of renovations, the subject project will have an effective age of a project built in 1994. The selected properties were built between 1966 and 2001. As such, we have adjusted the rents at the selected properties by $1 per year of effective age difference to reflect the age of these properties.

8. It is anticipated that the subject project will have a quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality compared to the subject development.

9. Three of the selected properties are located in a more desirable neighborhood than the subject project. As such, we have made an adjustment to account for differences in neighborhood desirability among these projects and the subject project.

10. Four of the selected market-rate properties are located outside of the Darlington Site PMA in Florence. The Florence market is larger than Darlington in terms of population, community services and apartment selections. Given the difference in markets, the rents that are achievable in Florence will not directly translate to the Darlington market. Therefore, we have adjusted each collected rent at these comparable projects by approximately 20.0% to account for these market differences.

11. All of the selected properties have two-bedroom units. For those projects lacking three-bedroom units, we have used the two-bedroom units and made adjustments to reflect the difference in the number of bedrooms offered.

12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site and the number offered by the competitive properties.

13.- 23. The subject project will offer a unit amenity package generally inferior than those offered at the selected properties. We have made adjustments for features lacking at the subject project, and in some cases, we have made adjustments for features the subject property does offer.

24.-32. The subject project will offer a project amenities package generally superior to the selected market-rate properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.

33.-39. We have made adjustments to reflect the differences between the subject project's and the selected properties' utility responsibility. The utility adjustments were based on the local housing authority's utility cost estimates.

9. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rates of the existing comparable Tax Credit developments located within the Site PMA following renovations at the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2017
2	Autumn Run	100.0%	95.0%+
3	Darlington Lofts	100.0%	95.0%+
6	Pecan Grove	100.0%	95.0%+

The three competitive LIHTC developments within the Site PMA are 100.0% occupied and maintain wait lists. Further, the subject project is currently 100.0% occupied and tenant displacement is not anticipated during renovations. As such, we do not believe the renovation of Brockington Heights Apartments will have a tangible impact on the occupancy rates of the competitive properties.

10. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was $110,748. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a $110,748 home is $666, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	$110,748
Mortgaged Value = 95% of Median Home Price	$105,211
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	$533
Estimated Taxes and Insurance*	$133
Estimated Monthly Mortgage Payment	$666

*Estimated at 25% of principal and interest

In comparison, the collected Tax Credit three-bedroom rent for the subject project ranges from $426 to $618 per month. Therefore the cost of a monthly mortgage for a typical home in the area is $48 to $240 greater than renting at the subject site. While some tenants may choose to purchase a home in this scenario, the number of tenants who would be able to afford the down payment or qualify is considered minimal. In addition, the subject site will offer newly renovated units with amenities that will likely not be provided in a home valued at $110,748 within the Site PMA. As such, it is likely that the subject site will be perceived as a greater value. Further, the subject project will offer a project-based subsidy on all units, requiring tenants to pay up to 30% of their gross adjusted income towards housing costs. Based on the preceding table, along with the high occupancy rates of affordable communities within the Site PMA and the project-based subsidy that will be available on all of the units at the site, we believe there will be little competitive impact on or from the homebuyer market.

11. HOUSING VOIDS

As previously noted, we identified and surveyed three comparable Tax Credit projects located within the Darlington Site PMA. These projects have an overall occupancy of 100.0%, all of which maintain wait lists. In fact, all rental communities identified and surveyed within the market (including the subject project) are 100.0% occupied, illustrating that pent-up demand exists for additional rental housing. The subject development will continue to fill a rental housing void within the Site PMA.

Additionally, it is our opinion that the renovations at the subject site will add much needed modern affordable rental units to a market that is generally aging and in need of updating. Given that there are currently no plans for additional affordable rental units to be added to the market, the subject site currently is, and will continue to accommodate a portion of the housing void that exists in the market, as the project is currently 100.0% occupied with an 11-household wait list.

I. INTERVIEWS

The following are summaries of interviews conducted with local property managers regarding the need for affordable housing:

Kiarra Stephenson, Property Manager of Brockington Heights Apartments (subject site), stated that there is a need for additional affordable housing within Darlington, as her property is 100.0% occupied with an 11-household waitlist. Ms. Stephenson continued to explain most of the inquiries she has received are from those seeking two-bedroom units.

Helen Richardson, Property Manager of Pecan Grove (Map ID 6) and Darlington Lofts (Map ID 3), both Tax Credit communities within Darlington, also stated that there is a need for more affordable housing within the area. Both properties she manages are 100.0% occupied and maintain waitlists. Ms. Richardson explained that most of the inquiries she has received are from those seeking one- and two-bedroom apartments.

J. RECOMMENDATIONS

Based on the findings reported in our market study, it is our opinion that a market will continue to exist following renovations at the 50-unit Brockington Heights Apartments, assuming it is renovated as detailed in this report and retains the project-based subsidy as proposed. Note that changes in the project's scope of renovations or renovation completion date may alter these findings.

The subject site is currently 100.0% occupied with an 11-household waiting list. As all 50 units are anticipated to continue to offer a subsidy, we expect all tenants to remain at the subject project. As such, the "effective" capture rate for the subject development is 0.0%. However, it should be noted that in the unlikely event the subject project lost its subsidy, it is likely that the proposed rents at 60% AMHI will need to be lowered to levels below those offered at the comparable LIHTC developments in order to better compete within the market. This conclusion is based on the fact that the subject project, although renovated, will continue to be the oldest affordable development within the market, offering smaller unit sizes (square feet and number of bathrooms offered) and an inferior amenities package. Additionally, as the proposed collected Tax Credit rents set aside at 60% AMHI do not represent a value within the market, further indicates that they will have to be reduced in this unlikely scenario.

However, the subject project is considered competitive with the affordable housing options within the market and will represent a significant value within the market, as long as the subsidy is offered. So long as the HAP contract remains in place, we have no recommendations or suggested modifications for the subject project at this time.

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 M. Bowen

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Date: February 24, 2016

Lisa Wood

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Date: February 24, 2016

Jack Wi

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Date: February 24, 2016

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

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

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

Jordana Baker, Market Analyst, is a licensed Realtor with experience in the property management and for-sale housing industries. This experience gives her the ability to analyze site-specific housing conditions and how they may impact the overall market. In addition, her property management experience gives her inside knowledge of the day-to-day operations of rental housing. Ms. Baker obtained her Bachelor of Business Administration from The Ohio State University and her Associate of Science in Real Estate from Columbus State Community College.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties 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. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

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.

Jessica Cassady, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. She is also experienced in evaluating projects in the development pipeline and economic trends. Ms. Cassady graduated from Eastern Kentucky University with a Bachelor of Arts in Public Relations.

Jordan Resnick, 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. Resnick holds a Bachelor of Science degree in Business Administration for The Ohio State University.

Stephanie Viren is the Field 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.

Christine Sweat, In-House Research Coordinator, has experience in the property management industry and has managed a variety of rental housing types. With experience in conducting site-specific analysis since 2012, she has the ability to analyze market and economic trends and conditions. Ms. Sweat holds a Bachelor of Arts in Communication from the University of Cincinnati.

Desireé Johnson is the Executive Administrative Assistant at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. 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 been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

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

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

DARLINGTON, 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:

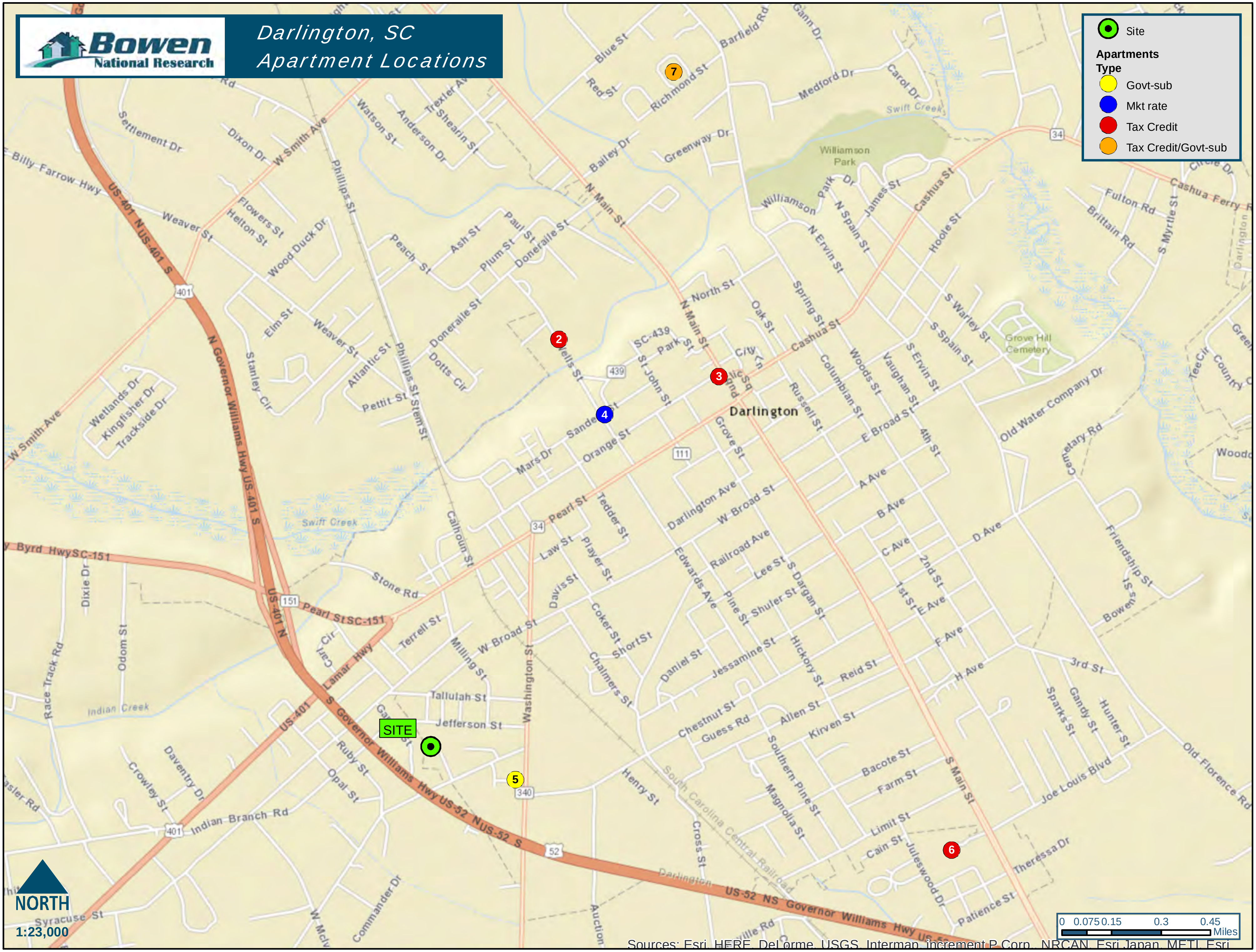
- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, 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.



Bowen National Research
Darlington, SC
Apartment Locations
Site
Apartments Type
Govt-sub
Mkt rate
Tax Credit
Tax Credit/Govt-sub
SITE
Darlington
Williamson Park
Grove Hill Cemetery
Swift Creek
Indian Creek
NORTH
1:23,000
0 0.075 0.15 0.3 0.45 Miles
Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri

MAP IDENTIFICATION LIST - DARLINGTON, SOUTH CAROLINA

	MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
	1	Brockington Heights (Site)	GSS	C-	1970	50	0	100.0%	-
	2	Autumn Run	TAX	B+	2004	40	0	100.0%	1.6
	3	Darlington Lofts	TAX	B+	2007	28	0	100.0%	1.6
	4	121 Sanders St.	MRR	C+	1966	16	0	100.0%	1.4
♦	5	Washington Square	GSS	C	1989	40	0	100.0%	0.4
	6	Pecan Grove	TAX	A	2007	32	0	100.0%	2.0
	7	Springfield Apts.	TGS	B+	1980	72	0	100.0%	2.7

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	1	16	0	100.0%	0
TAX	3	100	0	100.0%	0
TGS	1	72	0	100.0%	0
GSS	2	90	0	100.0%	0

♦ 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 2016

Bowen National Research

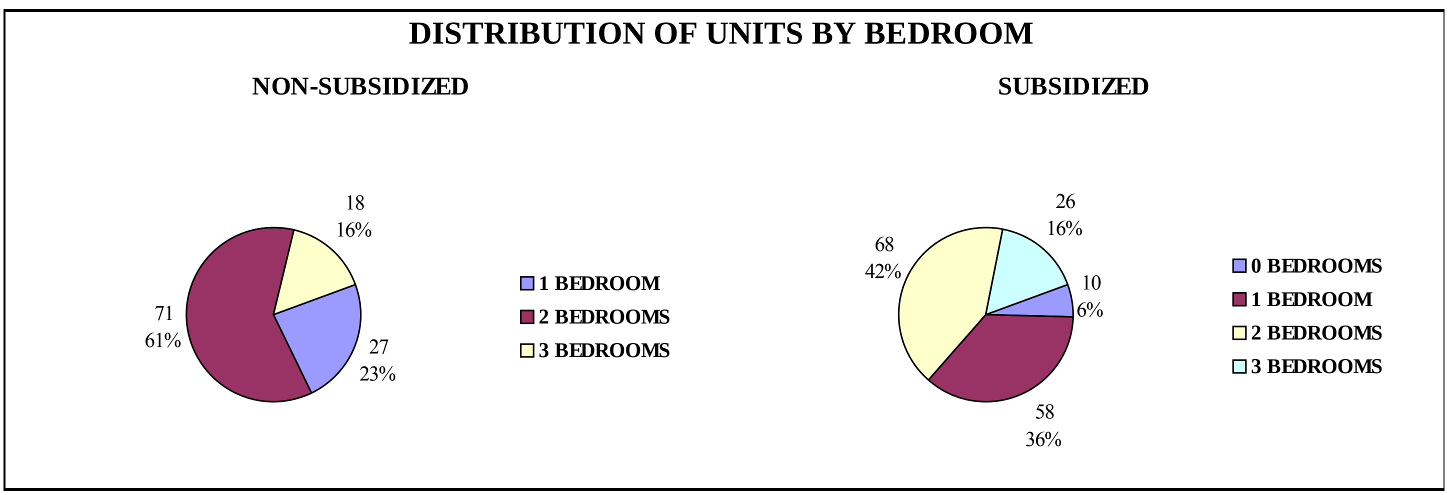
DISTRIBUTION OF UNITS - DARLINGTON, SOUTH CAROLINA

MARKET-RATE						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
2	1	16	100.0%	0	0.0%	$610
TOTAL		**16**	**100.0%**	**0**	**0.0%**	

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
1	1	27	27.0%	0	0.0%	$478
2	1	28	28.0%	0	0.0%	$577
2	2	27	27.0%	0	0.0%	$594
3	2	18	18.0%	0	0.0%	$689
TOTAL		**100**	**100.0%**	**0**	**0.0%**	

TAX CREDIT, GOVERMENT-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	**MEDIAN GROSS RENT**
1	1	28	38.9%	0	0.0%	N.A.
2	1	44	61.1%	0	0.0%	N.A.
TOTAL		**72**	**100.0%**	**0**	**0.0%**	

GOVERNMENT-SUBSIDIZED						
BEDROOMS	**BATHS**	**UNITS**	**DISTRIBUTION**	**VACANT**	**%VACANT**	
0	1	10	11.1%	0	0.0%	N.A.
1	1	30	33.3%	0	0.0%	N.A.
2	1	24	26.7%	0	0.0%	N.A.
3	1	26	28.9%	0	0.0%	N.A.
TOTAL		**90**	**100.0%**	**0**	**0.0%**	
GRAND TOTAL		**278**	**-**	**0**	**0.0%**	



SURVEY OF PROPERTIES - DARLINGTON, SOUTH CAROLINA

1 Brockington Heights (Site)

Address 201 Saleeby Loop
Darlington, SC 29532
Phone (843) 395-1261
(Contact in person)
Year Built 1970
Contact Kiara
Comments HUD Section 8; Washer hookup only

Total Units 50
Vacancies 0
Occupied 100.0%
Floors 1,2
Quality Rating C-

Waiting List
11 households

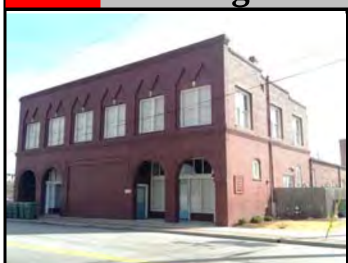
2 Autumn Run

Address 405 Wells St.
Darlington, SC 29532
Phone (843) 398-1981
(Contact in person)
Year Built 2004
Contact Erica
Comments 50% & 60% AMHI; HCV (12 units); HOME Funds (20 units)

Total Units 40
Vacancies 0
Occupied 100.0%
Floors 2
Quality Rating B+

Waiting List
3 households

3 Darlington Lofts



Address 107 Orange St.
Darlington, SC 29532
Phone (843) 409-9094
(Contact in person)
Year Built 2007
Contact Helen
Comments 50% & 60% AMHI; HCV (4 units); HOME Funds (Nine 1-br units); Adaptive reuse of historic building, built in 1900; Square footage estimated

Total Units 28
Vacancies 0
Occupied 100.0%
Floors 1,2
Quality Rating B+

Waiting List
5 households

4 121 Sanders St.

Address 121 Sanders St.
Darlington, SC 29532
Phone (843) 395-2434
(Contact in person)
Year Built 1966
Contact Billy
Comments HCV (3 units)

Total Units 16
Vacancies 0
Occupied 100.0%
Floors 2
Quality Rating C+

Waiting List
None

5 Washington Square

Address 600 Washington St
Darlington, SC 29532
Phone (843) 393-8067
(Contact in person)
Year Built 1989
Contact Rujone
Comments HUD Sections 8; HUD Section 202

Total Units 40
Vacancies 0
Occupied 100.0%
Floors 1
Quality Rating C
Senior Restricted (62+)
Waiting List
4 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 2016

Bowen National Research

6 Pecan Grove

Address 1218 S. Main St.
Darlington, SC 29532

Phone (843) 393-3009
(Contact in person)

Year Built 2007

Contact Helen

Comments 50% & 60% AMHI; HCV (9 units); HOME Funds (7 units); Square footage estimated by mgmt.

Total Units	32
Vacancies	0
Occupied	100.0%
Floors	1
Quality Rating	A

Waiting List
5 households

7 Springfield Apts.

Address 100 Springfield Cir.
Darlington, SC 29532

Phone (843) 393-7521
(Contact in person)

Year Built 1980 **Renovated** 1995

Contact Tracy

Comments 60% AMHI; RD 515, has RA (51 units); HCV (6 units)

Total Units	72
Vacancies	0
Occupied	100.0%
Floors	1,2
Quality Rating	B+

Waiting List
2-br: 4 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

COLLECTED RENTS - DARLINGTON, 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
2			$406 to $574	$456 to $649					
3		$385 to $425	$489	$574					
4			$425						
6		$386 to $421	$411 to $471	$436 to $536					

- ♦ 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 2016

PRICE PER SQUARE FOOT - DARLINGTON, SOUTH CAROLINA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	$ / SQ. FT.
3	Darlington Lofts	1	600	$477 to $517	$0.80 to $0.86
6	Pecan Grove	1	570	$478 to $513	$0.84 to $0.90
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	$ / SQ. FT.
4	121 Sanders St.	1	871	$610	$0.70
2	Autumn Run	1	850	$577 to $745	$0.68 to $0.88
3	Darlington Lofts	2	820	$612	$0.75
6	Pecan Grove	2	700	$534 to $594	$0.76 to $0.85
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	$ / SQ. FT.
2	Autumn Run	2	1000	$666 to $859	$0.67 to $0.86
3	Darlington Lofts	2	1100	$727	$0.66
6	Pecan Grove	2	837	$589 to $689	$0.70 to $0.82

♦ 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 2016

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AVERAGE GROSS RENT PER SQUARE FOOT - DARLINGTON, SOUTH CAROLINA

MARKET-RATE			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$0.00	$0.70	$0.00
TOWNHOUSE	$0.00	$0.00	$0.00

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$0.84	$0.77	$0.77
TOWNHOUSE	$0.00	$0.00	$0.00

COMBINED			
UNIT TYPE	**ONE-BR**	**TWO-BR**	**THREE-BR**
GARDEN	$0.84	$0.76	$0.77
TOWNHOUSE	$0.00	$0.00	$0.00

TAX CREDIT UNITS - DARLINGTON, SOUTH CAROLINA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Darlington Lofts	9	600	1	50%	$385
6	Pecan Grove	4	570	1	50%	$386
6	Pecan Grove	2	570	1	50%	$386
6	Pecan Grove	6	570	1	60%	$421
3	Darlington Lofts	6	600	1	60%	$425
7	Springfield Apts.	28	624	1	60%	$492 - $583
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
2	Autumn Run	14	850	1	50%	$406
6	Pecan Grove	4	700	2	50%	$411
2	Autumn Run	4	850	1	50%	$452
6	Pecan Grove	4	700	2	50%	$461
6	Pecan Grove	7	700	2	60%	$471
3	Darlington Lofts	4	820	2	60%	$489
3	Darlington Lofts	8	820	2	50%	$489
7	Springfield Apts.	44	990	1	60%	$515 - $653
2	Autumn Run	10	850	1	60%	$574
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Pecan Grove	1	837	2	50%	$436
2	Autumn Run	6	1000	2	50%	$456
6	Pecan Grove	1	837	2	50%	$511
6	Pecan Grove	3	837	2	60%	$536
3	Darlington Lofts	1	1100	2	60%	$574
2	Autumn Run	6	1000	2	60%	$649

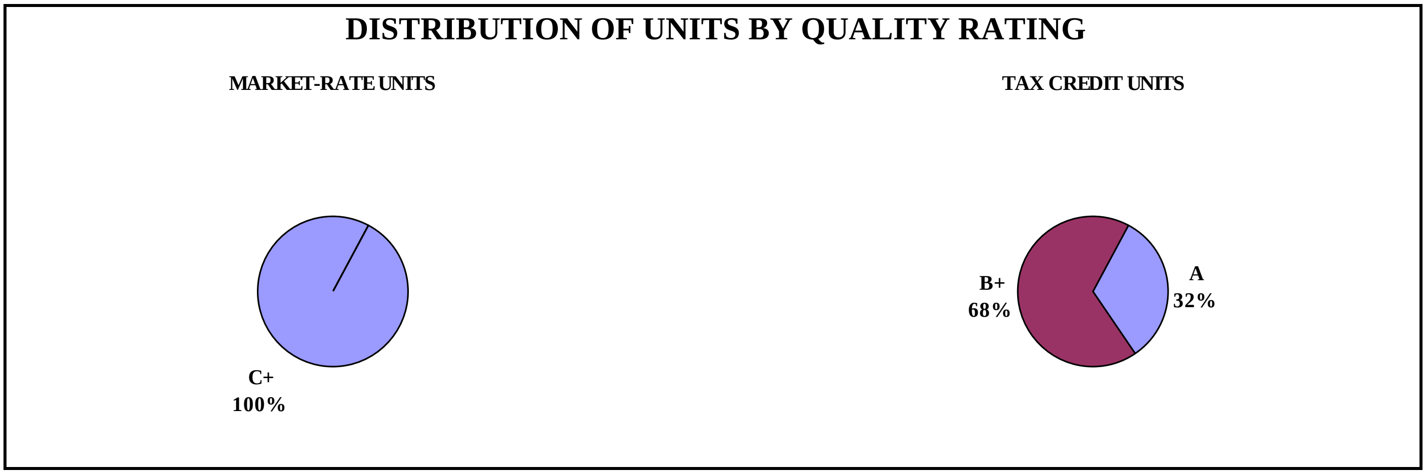
QUALITY RATING - DARLINGTON, SOUTH CAROLINA

MARKET-RATE PROJECTS AND UNITS

QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
C+	1	16	0.0%			$610		

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	1	32	0.0%		$478	$584	$689	
B+	2	68	0.0%		$477	$612	$727	



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YEAR BUILT - DARLINGTON, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	1	16	0	0.0%	16	13.8%
1970 to 1979	0	0	0	0.0%	16	0.0%
1980 to 1989	0	0	0	0.0%	16	0.0%
1990 to 1999	0	0	0	0.0%	16	0.0%
2000 to 2005	1	40	0	0.0%	56	34.5%
2006	0	0	0	0.0%	56	0.0%
2007	2	60	0	0.0%	116	51.7%
2008	0	0	0	0.0%	116	0.0%
2009	0	0	0	0.0%	116	0.0%
2010	0	0	0	0.0%	116	0.0%
2011	0	0	0	0.0%	116	0.0%
2012	0	0	0	0.0%	116	0.0%
2013	0	0	0	0.0%	116	0.0%
2014	0	0	0	0.0%	116	0.0%
2015**	0	0	0	0.0%	116	0.0%
TOTAL	**4**	**116**	**0**	**0.0%**	**116**	**100.0 %**

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

** As of February 2016

APPLIANCES AND UNIT AMENITIES - DARLINGTON, SOUTH CAROLINA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	4	100.0%	116
REFRIGERATOR	4	100.0%	116
ICEMAKER	3	75.0%	100
DISHWASHER	3	75.0%	100
DISPOSAL	3	75.0%	100
MICROWAVE	3	75.0%	100
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	4	100.0%	116
AC - WINDOW	0	0.0%	
FLOOR COVERING	4	100.0%	116
WASHER/DRYER	0	0.0%	
WASHER/DRYER HOOK-UP	3	75.0%	100
PATIO/DECK/BALCONY	2	50.0%	60
CEILING FAN	3	75.0%	100
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	1	25.0%	28
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	4	100.0%	116
FURNISHED UNITS	0	0.0%	
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 AMENIDITIES - DARLINGTON, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	3	75.0%	100
LAUNDRY	3	75.0%	100
CLUB HOUSE	0	0.0%	
MEETING ROOM	3	75.0%	100
FITNESS CENTER	1	25.0%	32
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	2	50.0%	72
COMPUTER LAB	2	50.0%	60
SPORTS COURT	0	0.0%	
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	1	25.0%	32
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	1	25.0%	40

DISTRIBUTION OF UTILITIES - DARLINGTON, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	1	40	14.4%
TENANT			
ELECTRIC	5	188	67.6%
GAS	1	50	18.0%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	1	40	14.4%
TENANT			
ELECTRIC	5	188	67.6%
GAS	1	50	18.0%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	1	40	14.4%
TENANT			
ELECTRIC	5	188	67.6%
GAS	1	50	18.0%
			100.0%
ELECTRIC			
LANDLORD	1	40	14.4%
TENANT	6	238	85.6%
			100.0%
WATER			
LANDLORD	4	150	54.0%
TENANT	3	128	46.0%
			100.0%
SEWER			
LANDLORD	4	150	54.0%
TENANT	3	128	46.0%
TRASH PICK-UP			
LANDLORD	6	262	94.2%
TENANT	1	16	5.8%
			100.0%

UTILITY ALLOWANCE - DARLINGTON, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	$28	$16		$7	$8	$14	$15	$7	$43	$17	$20	$14	$20
1	GARDEN	$31	$19		$8	$9	$16	$15	$8	$49	$18	$21	$14	$20
1	TOWNHOUSE	$33	$27		$11	$9	$16	$15	$8	$64	$18	$21	$14	$20
2	GARDEN	$33	$23		$10	$13	$24	$16	$10	$66	$21	$27	$14	$20
2	TOWNHOUSE	$35	$30		$13	$13	$24	$16	$10	$86	$21	$27	$14	$20
3	GARDEN	$35	$27		$11	$16	$29	$17	$12	$85	$25	$32	$14	$20
3	TOWNHOUSE	$38	$24		$14	$16	$29	$17	$12	$107	$25	$32	$14	$20
4	GARDEN	$37	$30		$13	$19	$34	$18	$14	$103	$29	$38	$14	$20
4	TOWNHOUSE	$40	$37		$15	$19	$34	$18	$14	$130	$29	$38	$14	$20

SC-Midlands Region (1/2016) Fees

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:

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Date: February 24, 2016

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

Addendum C

Scope of Renovations

Brockington Heights Apartments
Darlington, South Carolina

Description	Quantity	Unit	Unit Cost	Total
EXTERIOR/SITE:				
Demo community building	1	Ea.	4,000	4,000
Construct new community building	1,600	Sf.	150	240,000
Main property signage	1	Ea.	4,000	4,000
Mail kiosk with new mailboxes	1	Ea.	5,500	5,500
Landscape allowance	1	Ea.	75,000	75,000
Coach lights	100	Ea.	100	10,000
Replace exterior unit door/hardware	100	Ea.	485	48,500
Storm doors	50	Ea.	285	14,250
Grind/repave asphalt	1	Ea.	85,000	85,000
Construct new front porch structure with porches	10	Ea.	6,000	60,000
Replace large gable louvers	20	Ea.	225	4,500
Accessible/visitor parking signage	5	Ea.	160	800
Perimeter fencing allowance	1	Ea.	50,000	50,000
Security camera system	1	Ea.	60,000	60,000
Concrete collar at catch basin	6	Ea.	800	4,800
Picnic pavilion (medium size)	2	Ea.	12,500	25,000
Picnic tables	6	Ea.	850	5,100
Grills	4	Ea.	300	1,200
Trash cans	2	Ea.	600	1,200
Install small gable over builds on main roof - 31 Buildings	15	Ea.	1,500	22,500
Tear off/re-shingle roofs	570	Sq.	250	142,500
Gutters/downspouts	4,910	Lf.	3	15,958
Address numbers	50	Ea.	50	2,500
Building numbers	5	Ea.	250	1,250
Playground	1	Ea.	30,000	30,000
Replace hose bibbs	10	Ea.	225	2,250
Tree work allowance	1	Ea.	1,500	1,500
Walking path	1	Ea.	60,000	60,000
Replace broken concrete curbing	300	Lf.	20	6,000
Replace concrete flat work	1,000		6	6,000
Patio's concrete (30@100Sf/ea.)	3,000	Sf.	6	18,000
Decorative lighting poles	20	Ea.	1,650	33,000
Dumpster Enclosures	2	Ea.	3,750	7,500
Replace windows:				
- Double	150	Ea.	350	52,500
-Single	126	Ea.	245	30,870
Drywall repair/touch up at windows	276	Ea.	30	8,280
Window blinds	276	Ea.	21	5,796
Siding/soffit/fascia	1	Ea.	70,000	70,000
Landscape irrigation	1	Ea.	22,500	22,500
Attic insulation/all dealing (per building)	5	Ea.	5,500	27,500
Recycling center	1	Ea.	1,700	1,700

Brockington Heights Apartments
Darlington, South Carolina

Description	Quantity	Unit	Unit Cost	Total
Units:				
Demo/Haul kitchens	50	Ea.	150	7,500
Base Cabinets	500	Lf.	125	62,500
Wall Cabinets	850	Lf.	75	63,750
Laminate top	600	Lf.	26	15,600
Kitchen sink/faucet	50	Ea.	275	13,750
Refrigerator	50	Ea.	515	25,750
Stove	50	Ea.	465	23,250
Dishwasher	50	Ea.	435	21,750
Microwave hood	50	Ea.	375	18,750
Grease shield	50	Ea.	65.00	3,250
Tub/shower unit	50	Ea.	2,150.00	107,500
Commode	50	Ea.	300	15,000
Vanity top/faucet	50	Ea.	375	18,750
Bath exhaust fan (E-star)	50	Ea.	325	16,250
LAV accessories	50	Ea.	45	2,250
Mirror (medicine cabinet)	50	Ea.	135	6,750
Smoke detectors - hardwire	300	Ea.	150	45,000
Lighting fixtures				
-Kitchen	50	Ea.	150	7,500
- Bath	50	Ea.	135	6,750
-Bedroom	250	Ea.	125	31,250
- Hall/other	150	Ea.	115	17,250
-Ceiling fan - Living room	50	Ea.	200	10,000
Drywall repairs - Ceilings	50	Ea.	600	30,000
Abatement allowance	50	Ea.	950	47,500
Replace fixture shut-offs	250	Ea.	30	7,500
Replace panel box	50	Ea.	800	40,000
Replace electrical devices - 2 Bedroom	24	Ea.	300	7,200
Replace electrical devices - 3 Bedroom	26	Ea.	375	9,750
Replace H20 tanks	25	Ea.	600	15,000
Energy star HVAC unit complete	50	Ea.	4,500	225,000
Replace unit vinyl flooring throughout	37,500	Sf.	4	131,250
Prep/re-paint complete unit - 2 Bedroom	24	Ea.	850	20,400
Prep/re-paint complete unit - 3 Bedroom	26	Ea.	1,100	28,600
Replace pre-hung doors	402	Ea.	190	76,380
Add bath GFI	50	Ea.	150	7,500
Range hood fire suppression	50	Ea.	65	3,250
Dryer hook ups (wash exists)	50	Ea.	350	17,500
Unit cleaning	50	Ea.	150	7,500

Brockington Heights Apartments
Darlington, South Carolina

Description	Quantity	Unit	Unit Cost	Total
General/Other:				-
Superintendent	26	Wks	1,600	41,600
General labor	1,040	Hrs.	15	15,600
Permits	1	Ea.	20,000	20,000
Dumpsters	24	Ea.	400	9,600
Storage containers	1	Ea.	5,500	5,500
Tools/Supplies	1	Ea.	3,700	3,700
Porta Lav	6	Mo.	220	1,320
Travel	6	Mo.	850	5,100
Lodging	6	Mo.	900	5,400
Office	6	Mo.	250	1,500
				-
				-
Subtotal				2,590,703.50
General Condition 5%				129,535.18
Overhead 5%				129,535.18
Profit 4%				103,628.14
TOTAL:				2,953,401.99
				($59,068/unit)