

2015 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
4	1 BR	\$440	\$1,760	\$938	\$3,752	
8	1 BR	\$500	\$4,000	\$938	\$7,504	
4	2 BR	\$515	\$2,060	\$981	\$3,924	
20	2 BR	\$600	\$12,000	\$981	\$19,620	
4	3 BR	\$550	\$2,200	\$1,289	\$5,156	
8	3 BR	\$700	\$5,600	\$1,289	\$10,312	
Totals	48		\$27,620		\$50,268	45.05%



REAL PROPERTY RESEARCH GROUP
WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

The Peaks at Chapin Apartments

Chapin, Lexington County, South Carolina

Prepared for:

Resource Housing Group, Inc.

Site Inspection: February 26, 2016

Effective Date: March 2, 2016





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EXECUTIVE SUMMARY

Proposed Site

- The neighborhood surrounding the proposed site for The Peaks at Chapin includes a mixture of land uses including commercial (small businesses, shopping, and community services), and residential uses common within two miles. Residential uses are generally well-maintained single-family detached homes and duplexes.
- The subject site is within one-quarter mile of numerous community amenities and services including shopping, restaurants, banks, grocery stores, pharmacies, and a convenience store. A public park, library, Chapin High School, and medical facilities are within one to two miles.
- The subject site is appropriate for the proposed use and with the low proposed rents will be competitive with the limited multi-family rental communities in the market area.

Proposed Unit Mix and Rent Schedule

- The 48 units at The Peaks at Chapin include 12 one-bedroom units, 24 two-bedroom units, and 12 three-bedroom units. One bedroom units will have one bathroom and 753 square feet of living space and two bedroom units will have two bathrooms and 965 square feet of living space. The three bedroom units will be 1,125 square feet in size and offer two bathrooms.
- The proposed 50 percent rents are \$440 for one bedroom units, \$515 for two bedroom units, and \$550 for three bedroom units. Proposed 60 percent rents are \$500 for one bedroom units, \$600 for two bedroom units, and \$700 for three bedroom units.
- The proposed rents result in a significant overall rent advantage of 45.05 percent relative to the estimate of market rent. All 50 percent rents have at least a 47 percent rent advantage and 60 percent rents have at least a 38 percent rent advantage.

Proposed Amenities

- The newly constructed units at The Peaks at Chapin will offer kitchens with range, refrigerator, dishwasher, garbage disposal, and microwave. In addition, all units will include washer and dryer connections, ceiling fans, patios/balconies, central heating and air conditioning, and window blinds. Taking into account the affordable nature of the subject property, the proposed unit features at The Peaks at Chapin will be competitive with rental properties in the market area. Both Residence at Marina Bay and Ardmore Ballentine offer luxury living and will have superior unit features to the subject property, however, they both charge rents well above the proposed rents at The Peaks at Chapin.
- The Peaks at Chapin's amenity package will include a community room, fitness center, business/computer center, playground, and laundry facilities which will be competitive with the Peaks Market Area's existing rental stock. The lack of a swimming pool at the subject property is acceptable due to its small size and low proposed rents.
- The proposed features and amenities will be competitive in the Peaks Market Area and are appropriate given the proposed rent levels.

Economic Analysis



- Lexington County has experienced significant job growth along with an expansion of its workforce over the past decade. While the county was affected by the national recession, severe job loss was limited to one year and At-Place-Employment is at an all-time high and the unemployment rate is lower than both state and national rates.
- The labor force in Lexington County has steadily increased since 2004 with growth of roughly 17,500 workers or 14.1 percent. The employed portion of the labor force has followed a similar trend, increasing by 16,447 employed workers or 13.9 percent.
- Lexington County's unemployment rate peaked at 8.2 percent (2010) compared to peaks of 11.2 percent in South Carolina (2009-2010) and 9.6 percent in the country (2010). Unemployment rates have decreased significantly in all three areas with 2015 unemployment rates of 5.1 percent in the county, 6.1 percent in the state, and 5.3 percent in the nation.
- Total At-Place Employment in Lexington County increased by roughly 27,000 jobs from 2000 to 2014, including 5,766 jobs added in 2014. The county has added 2,751 more jobs in the first half of 2015.
- Ten jobs expansions at new or existing companies in Lexington County have been announced since 2014 including 1,150 new jobs and a total capital investment of \$178 million.

Demographic Analysis

- Between 2000 and 2010 Census counts, the Peaks Market Area grew by 37.0 percent, rising from 40,853 to 55,988 people. During the same time period, the number of households increased by 40.4 percent, from 14,860 to 20,862 households, annual growth of 600 households or 3.5 percent.
- The market area is projected to grow by 3,025 people and 1,139 households from 2015 to 2018, annual growth will be 1,008 people (1.6 percent) and 380 households (1.6 percent) over this time period.
- The median age of the population is 41 in the market area and 38 in the county. Adults age 35-61 comprise the largest cohort in both areas.
- Roughly 11 percent of all households in the Peaks Market Area were renters compared to 26.2 percent in Lexington County. Renter percentages are expected to increase in both areas and are projected at 11.9 percent in the market area and 28.6 percent in the county by 2018. Renters are projected to account for 20.8 percent of the net household growth over the next three years.
- Working age households form the core of the market area's renters, as two-thirds of renter occupied households are between the ages of 25 and 54. Older adults age 55+ account for just over one-quarter (26.4 percent) of all market area renters and young renters (under 25) comprise just 6.6 percent of renters.
- Reflecting its exurban location, the market area is comprised of a large percentage of families. Households with two or more people and no children comprise 43.1 percent of market area households and 38.6 percent of households have children. Single persons account for 18.3 percent of all households in the Peaks Market Area.
- RPRG estimates that the 2015 median household income in the Peaks Market Area is \$73,750, which is \$16,482 or 28.8 percent higher than the \$57,268 median in Lexington County.



- The market area's median income by tenure in 2015 is estimated at \$38,883 for renter households and \$79,750 for owner households. Income distributions among renter households in the market area are fairly evenly distributed. Roughly 28 percent of renter households earn less than \$25,000, 36.9 percent earn \$25,000 to \$49,999, and 25.1 percent earn \$50,000 to \$99,999.

Affordability Analysis

- As proposed, The Peaks at Chapin will target households earning at or below 50 percent and 60 percent of the Area Median Income.
- The proposed 50 percent units will target renter households earning from \$19,749 to \$32,100. With 335 renter households earning within this range, the capture rate for the 12 units at 50 percent of Area Median Income is 3.6 percent.
- The proposed 60 percent units will target renter households earning from \$21,806 to \$38,520. The 521 income qualified renter households within this range result in a capture rate of 6.9 percent for the 36 units at 60 percent overall.
- The overall capture rate for all 48 units is 8.5 percent, which is based on 567 renter households earning between \$19,749 and \$38,520.

Demand and Capture Rates

- By income target, demand capture rates are 8.2 percent for 50 percent units, 15.8 percent for 60 percent units, and 19.3 percent for all units.
- Capture rates by floor plan range from 8.6 percent to 23.6 percent.
- All capture rates are within acceptable ranges.

Competitive Environment

- The two communities surveyed in the market area had just six vacancies among 531 total units, a vacancy rate of 1.1 percent. The stabilized communities outside the market area had 44 vacancies among 818 total units, a rate of 5.4 percent. Vacancy rates by floorplan among all surveyed communities (inside and outside the market area) were 3.4 percent for one bedroom units, 2.9 percent for two bedroom units, 7.0 percent for three bedroom units. Vacancy rates by floor plan are much lower if utilizing only the communities in the market area. Vacancy rates in the market area are 0.7 percent for one bedroom units, 1.3 percent for two bedroom units, and 1.3 percent for three bedroom units.
- Among the two rental communities surveyed in the market area, net rents, unit sizes, and rents per square foot are as follows:
 - **One bedroom** rents average \$1,079 for 869 square feet or \$1.24 per square foot.
 - **Two bedroom** rents average \$1,196 for 1,130 square feet or \$1.06 per square foot.
 - **Three bedroom** rents average \$1,435 for 1,423 square feet or \$1.01 per square foot.
- The proposed rents are positioned well below all surveyed communities.
- The estimated market rents for the units at The Peaks at Chapin are \$938 for one bedroom units, \$981 for two bedroom units, and \$1,289 for three bedroom units. All rents have at least



a 38 percent rent advantage and the overall weighted average market advantage is 45.05 percent.

- According to local planners, no rental communities are planned or under construction in the market area.

Final Conclusion/Recommendation

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Peaks Market Area, RPRG believes that the proposed The Peaks at Chapin will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject will be competitively positioned with existing rental communities in the Peaks Market Area and the units will be well received by the target market. We recommend proceeding with the project as proposed.

SCSHFDA Rent Calculation Worksheet

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
4	1 BR	\$440	\$1,760	\$938	\$3,752	
8	1 BR	\$500	\$4,000	\$938	\$7,504	
4	2 BR	\$515	\$2,060	\$981	\$3,924	
20	2 BR	\$600	\$12,000	\$981	\$19,620	
4	3 BR	\$550	\$2,200	\$1,289	\$5,156	
8	3 BR	\$700	\$5,600	\$1,289	\$10,312	
Totals	48		\$27,620		\$50,268	45.05%



SCSHFDA Summary Form – Exhibit S-2

2016 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:			
Development Name:	The Peaks at Chapin		Total # Units: 48
Location:	Virginia Street, Chapin, Lexington County, SC		# LIHTC Units: 48
PMA Boundary:	North: Crims Creek / Rocky Creek, East: Hillingshed Road / Broad River, South: Lake Murray, West: South Carolina Highway 391		
Development Type :	General Occupancy	Farthest Boundary Distance to Subject:	11.4 miles

RENTAL HOUSING STOCK (found on page 5, 37, 44-47)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	2	531	6	98.9%
Market-Rate Housing	2	531	6	98.9%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC (All that are stabilized)*	N/A	N/A	N/A	N/A
Stabilized Comps**	N/A	N/A	N/A	N/A
Non-stabilized Comps				

Only communities located inside the market area included

*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
4	1	1	753	\$440	\$938	\$1.25	53.09%	\$1,200	\$1.29
8	1	1	753	\$500	\$938	\$1.25	46.70%	\$1,200	\$1.29
4	2	2	965	\$515	\$981	\$1.02	47.50%	\$1,320	\$1.10
20	2	2	965	\$600	\$981	\$1.02	38.84%	\$1,320	\$1.10
4	3	2	1,125	\$550	\$1,289	\$1.15	57.33%	\$1,700	\$1.20
8	3	2	1,125	\$700	\$1,289	\$1.15	45.69%	\$1,700	\$1.20
Gross Potential Rent Monthly*				\$27,620	\$50,268		45.05%		

*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.

** Highest Unadjusted Comp Rent at communities inside the market area.

DEMOGRAPHIC DATA (found on page 29, 53)						
	2000		2015		2018	
Renter Households			2,622	11.4%	2,859	11.9%
Income-Qualified Renter HHs (LIHTC)			759	28.5%	567	19.8%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 55)						
Type of Demand	50%	60%				Overall
Renter Household Growth	15	24				26
Existing Households (Overburd + Substand)	131	205				223
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	147	228				249

CAPTURE RATES (found on page 55)					
Targeted Population	50%	60%			Overall
Capture Rate	8.2%	15.8%			19.3%

ABSORPTION RATE (found on page 59)	
Absorption Period	3-4 months



1. INTRODUCTION

A. Overview of Subject

The subject of this report is The Peaks at Chapin, a proposed 48-unit multi-family rental community in Chapin, Lexington County, South Carolina. The Peaks at Chapin will be newly constructed and financed in part by Low Income Housing Tax Credits (LIHTC) allocated by the South Carolina State Housing Finance Development Authority (SCSHFDA). Upon completion, The Peaks at Chapin will contain 48 rental units reserved for households earning at or below 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size.

B. Purpose of Report

The purpose of this market study is to perform a market feasibility analysis through an examination of the economic context, a demographic analysis of the defined market area, a competitive housing analysis, a derivation of demand, and an affordability analysis. RPRG expects this study to be submitted along with an application for Low Income Housing Tax Credits to the South Carolina State Housing Finance Development Authority.

C. Format of Report

The report format is comprehensive and conforms to SCSHFDA's 2016 Market Study Requirements. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Resource Housing Group, Inc.. Along with the Client, the intended users are SCSHFDA and potential lenders/investors.

E. Applicable Requirements

This market study is intended to conform to the requirements of the following:

- SCSHFDA's 2016 Market Study Requirements
- The National Council of the Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Index.

F. Scope of Work

To determine the appropriate scope of work for the assignment, we considered the intended use of the market study, the needs of the user, the complexity of the property, and other pertinent factors. Our concluded scope of work is described below:

- Please refer to Appendix 4 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Brett Welborn (Analyst), conducted visits to the subject site, neighborhood, and market area on February 26, 2016.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers, Chris Clauson with the Town of Chapin, Vi Racine with the Town of Irmo, Ann



Peters with the Newberry County Planning and Zoning Department, Mark Hendrix with the Lexington County Planning Department, and Ron Phillips with the South Carolina State Housing Finance and Development Authority (SCSHFDA). Following repeated attempts, no planning officials with Richland County were reached for comment.

- All pertinent information obtained was incorporated in the appropriate section(s) of this report.

G. Report Limitations

The conclusions reached in a market assessment are inherently subjective and should not be relied upon as a determinative predictor of results that will actually occur in the marketplace. There can be no assurance that the estimates made or assumptions employed in preparing this report will in fact be realized or that other methods or assumptions might not be appropriate. The conclusions expressed in this report are as of the date of this report, and an analysis conducted as of another date may require different conclusions. The actual results achieved will depend on a variety of factors, including the performance of management, the impact of changes in general and local economic conditions, and the absence of material changes in the regulatory or competitive environment. Reference is made to the statement of Underlying Assumptions and Limiting Conditions contained in Appendix I of this report.

H. Other Pertinent Remarks

None.

2. PROJECT DESCRIPTION

A. Project Overview

The Peaks at Chapin will consist of 48 general occupancy rental units contained within two garden style buildings. All units will benefit from Low Income Housing Tax Credits including 12 units at 50 percent of Area Median Income (AMI) and 36 units at 60 percent AMI, adjusted for household size.

B. Project Type and Target Market

The Peaks at Chapin's LIHTC units will target low to moderate income renters earning up to 50 percent and 60 percent of the Area Median Income (AMI). The 48 LIHTC rental units include 12 one-bedroom units, 24 two-bedroom units, and 12 three-bedroom units. With a mix of one, two, and three bedroom units, The Peaks at Chapin will target a wide range of household types including singles, couples, roommates, and families.

C. Building Type and Placement

The Peaks at Chapin's residential units will be contained within two garden style buildings with three stories. Exteriors of the buildings will feature HardiPlank siding and brick. The subject property will be accessible via two entrances: the main entrance will be on Virginia Street to the east and a secondary entrance will be on an access road to the north. The community building and amenities will be near the entrance on Virginia Street and parking will be adjacent to both residential buildings (Figure 1).

Figure 1 Proposed Site Plan



Source: Resource Housing Group, Inc.



D. Detailed Project Description

1. Project Description

- One bedroom units will have 753 square feet and one bathroom.
- Two bedroom units will have 965 square feet and two bathrooms.
- Three bedroom units will have 1,125 square feet and two bathrooms (Table 1).
- The proposed rents will include the cost of trash removal. Tenants will bear the cost of all other utilities.

The following **unit features** are planned:

- Kitchens with refrigerator, range, dishwasher, disposal, and microwave.
- Washer and dryer connections.
- Ceiling fans.
- Patio or balcony.
- Central heating and air conditioning.

The following **community amenities** are planned:

- Community room.
- Computer/business center.
- Fitness center.
- Playground.
- Laundry facilities.

**Table 1 Project Summary, The Peaks at Chapin**

The Peaks at Chapin Virginia Street Chapin, Lexington County, SC 29036							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
1	1	50%	753	4	\$576	\$136	\$440
1	1	60%	753	8	\$636	\$136	\$500
2	2	50%	965	4	\$695	\$180	\$515
2	2	60%	965	20	\$780	\$180	\$600
3	2	50%	1,125	4	\$772	\$222	\$550
3	2	60%	1,125	8	\$922	\$222	\$700
Total				48			
Project Information				Additional Information			
Number of Residential Buildings			Two		Construction Start Date		2017
Building Type			Garden		Date of First Move-In		2017
Number of Stories			Three		Construction Finish Date		2017
Construction Type			New Const.		Parking Type		Surface
Design Characteristics (exterior)			Brick, Hardiplank		Parking Cost		\$0
Community Amenities	Clubhouse with Community Room, Fitness Room, Computer/Business Center, Playground, and Central Laundry				Kitchen Amenities		
					Dishwasher		Yes
					Disposal		Yes
					Microwave		Yes
					Range		Yes
Refrigerator		Yes					
Unit Features	Range, Refrigerator, Dishwasher, Microwave, Garbage Disposal, Ceiling Fans, Central A/C, Washer / Dryer Connections, Window Blinds, Patio/Balcony				Utilities Included		
					Water/Sewer		Tenant
					Trash		Owner
					Heat		Tenant
					Heat Source		Elec
					Hot/Water		Tenant
Electricity		Tenant					
Other:							

Source: Resource Housing Group, Inc.

2. Other Proposed Uses

None.

3. Proposed Timing of Construction

The Peaks at Chapin is expected to begin construction in early 2017 and the estimated construction completion is late 2017.



3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is on the west side of Virginia Street just south of Chapin Road (U.S. Highway 76), in Chapin, Lexington County, South Carolina (Map 1).

2. Existing Uses

The site includes wooded land, a round-about parking lot at the site's entrance on Virginia Street, and a cleared area including a small pond on the western portion of the site. The site has no existing structures (Figure 3).

3. Size, Shape, and Topography

The subject site comprises approximately 3.65 acres, is generally flat, and is roughly rectangular.

4. General Description of Land Uses Surrounding the Subject Site

The site for The Peaks at Chapin is in an established residential neighborhood in the town of Chapin, a small affluent exurban community in northern Lexington County, with a mix of surrounding land uses. Existing uses within close proximity to the site include a spa, small businesses, grocery stores, undeveloped land, single-family detached homes, and commercial uses along U.S. Highway 76 (Chapin Street) (Figure 4). Well-maintained single-family detached homes (Turkey Pointe neighborhood) are within one-quarter mile of the site to the west on Broomstraw Road. Commercial uses along U.S. Highway 76 to the north include shopping, a pharmacy, a convenience store, and restaurants.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject site include:

- **North:** Small businesses including Edward Jones Investments and Palmetto Fine Arts & Custom Frame Gallery.
- **East:** Aquarius Spa and undeveloped land.
- **South:** A Food Lion and two retail strip centers.
- **West:** Bi-Lo shopping center and undeveloped land.

Map 1 Site Location.

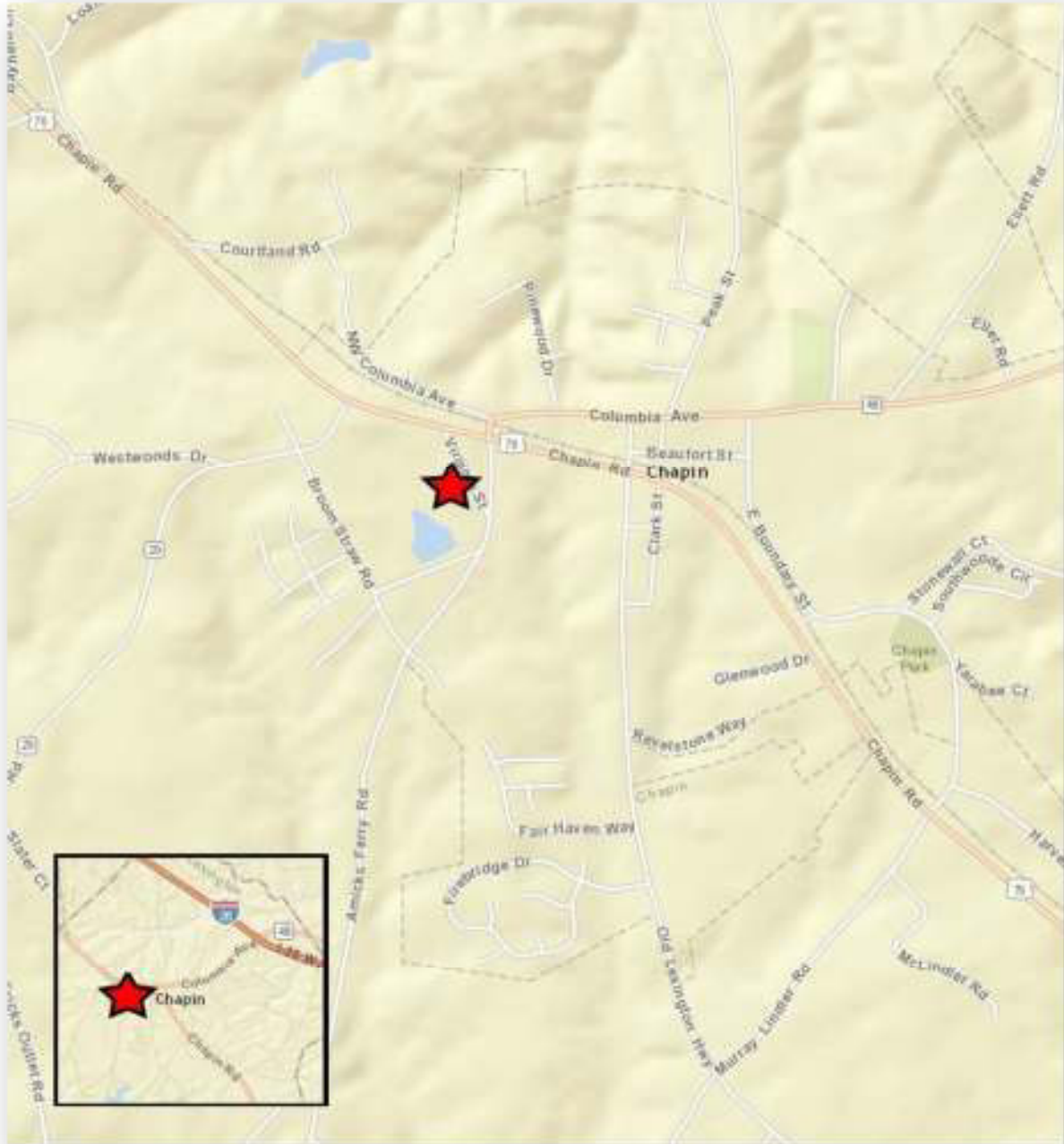


Figure 2 Satellite Image of Subject Site



Figure 3 Views of Subject Site



Virginia Street looking northwest (site entrance on left).



Site entrance facing southwest from Virginia Street.



Site facing south from access road to the north.



Access road to the north facing west (site on the left).



Interior of the site.



Site facing east from western border.

Figure 4 Views of Surrounding Land Uses



Aquarius Spa northeast of the site.



Edward Jones Investments building to the north.



Bi-Lo shopping center to the west.



Food Lion to the south.



Retail strip center to the south.



Single-family detached home to the west (Turkey Pointe neighborhood).

B. Neighborhood Analysis

1. General Description of Neighborhood

The site for The Peaks at Chapin is in an established exurban neighborhood in the town of Chapin, a small affluent community in northern Lexington County, approximately 24 miles northwest of downtown Columbia. Chapin is a small lake town (roughly 1,500 residents) just northeast of Lake Murray, one of the largest lakes in the state. Chapin is popularly known as the capital of Lake Murray. Community amenities and services are concentrated in a small area in close proximity to U.S. Highway 76, north of the site, and residential uses extend southward becoming denser nearer Lake Murray. Residential uses (single-family detached homes and duplexes) are the most common land use to the south and places of worship and schools are also prominent.

2. Neighborhood Investment and Planning Activities

A Publix grocery store is under construction at the intersection of Lexington Avenue and U.S. Highway 76, roughly one-quarter mile east of the site. Outside of this development, a couple of new for-sale single-family detached home neighborhoods (Parkwest and Eagles Rest at Lake Murray) are under construction near Lake Murray roughly three miles to the south with homes ranging from \$140,000



to \$255,000. A number of builders offer lake lots on Lake Murray for new for-sale single family detached homes with a wide range of prices.

3. Crime Index

CrimeRisk data is an analysis tool for crime provided by Applied Geographic Solutions (AGS). CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these relationships, CrimeRisk provides a detailed view of the risk of total crime as well as specific crime types at the block group level. In accordance with the reporting procedures used in the UCR reports, aggregate indexes have been prepared for personal and property crimes separately as well as a total index. However it must be recognized that these are un-weighted indexes, in that a murder is weighted no more heavily than purse snatching in this computation. The analysis provides a useful measure of the relative overall crime risk in an area but should be used in conjunction with other measures.

Map 2 displays the 2014 CrimeRisk Index for the census tracts in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The subject site’s census tract is yellow, indicating it has a below average crime risk (99 or less) compared to the nation (100). The majority of the surrounding area has a low to moderate crime risk. We do not expect crime or the perception of crime to negatively impact the subject property’s marketability. In fact, the affluent area with low crime risk will likely be a benefit of the proposed community.

Map 2 Crime Index Map





C. Site Visibility and Accessibility

1. Visibility

The Peaks at Chapin will benefit from good visibility from Amicks Ferry Road and Virginia Street, both with moderate traffic. The community will have moderate visibility from traffic on U.S. Highway 76 to the north, which is Chapin's primary commercial thoroughfare.

2. Vehicular Access

The Peaks at Chapin will be accessible via two entrances: the main entrance on Virginia Street to the east and a secondary entrance to the north along an access road. The access road to the north is accessible from Virginia Street which has moderate traffic with sufficient traffic breaks. Problems with accessibility are not expected.

3. Availability of Public Transit

Chapin is not served by fixed-route public transportation. The closest public transportation option is The Comet which serves the greater Columbia area with the closest bus stop at Columbiana Centre, roughly 14 miles southeast of the site in Irmo.

4. Inter-Regional Transit

Chapin is within two miles of Interstate 26 via Columbia Avenue. Interstate 26 is the primary traffic artery in the region, connecting Chapin to Columbia, Greenville, and Charleston. Interstate 20 is roughly 20 miles south of the site via Interstate 26, providing access to Augusta and Atlanta to the west. Chapin is served by U.S. Highway 76, which generally runs perpendicular to Interstate 26 connecting Chapin to Irmo to the southeast and areas to the northwest including Newberry, Laurens, and Clinton.

The Columbia Metropolitan Airport is approximately 30 miles southeast of the site.

5. Pedestrian Access

The streets surrounding the subject site do not have sidewalks, but several commercial uses are within one-quarter mile of the site and accessible via lightly traveled access roads and surface streets.

6. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

RPRG reviewed information from local stakeholders to assess whether any capital improvement projects affecting road, transit, or pedestrian access to the subject site are currently underway or likely to commence within the next few years. Observations made during the site visit contributed to this process. Through this research, no major roadway improvements were identified that would have a direct impact on this market.

Transit and Other Improvements under Construction and/or Planned

None identified.



D. Residential Support Network

1. Key Facilities and Services near the Subject Sites

The appeal of any given community is often based in part to its proximity to those facilities and services required on a daily basis. Key facilities and services and their driving distances from the subject site are listed in Table 2. The location of those facilities is plotted on Map 3.

Table 2 Key Facilities and Services

Establishment	Type	Address	City	Driving Distance
BB&T	Bank	1301 Chapin Rd.	Chapin	0.1 mile
First Community Bank	Bank	127 Amicks Ferry Rd.	Chapin	0.1 mile
BI-LO	Grocery	1419 Chapin Rd.	Chapin	0.1 mile
Food Lion	Grocery	140 Amicks Ferry Rd.	Chapin	0.1 mile
Rite Aid	Pharmacy	1401 Chapin Rd.	Chapin	0.1 mile
Chapin Pharmacy	Pharmacy	138 Amicks Ferry Rd.	Chapin	0.1 mile
La Fogata Mexican Restaurant	Restaurant	105 Amicks Ferry Rd.	Chapin	0.1 mile
Marathon	Convenience Store	1259 Chapin Rd.	Chapin	0.2 mile
Dollar General	General Retail	1412 Chapin Rd.	Chapin	0.2 mile
Chapin Branch Library	Library	129 Columbia Ave.	Chapin	0.3 mile
Post Office	Post Office	1249 Chapin Rd.	Chapin	0.3 mile
Chapin Family Practice	Doctor/Medical	1612 Chapin Rd.	Chapin	0.4 mile
Chapin Police Department	Police	157 Columbia Ave.	Chapin	0.4 mile
Lexington County Fire Station 11	Fire Station	440 E Boundary St.	Chapin	1 mile
Chapin High School	Public School	300 Columbia Ave.	Chapin	1 mile
Crooked Creek Park	Park	1098 Old Lexington Hwy.	Chapin	2 miles
Chapin Middle School	Public School	1130 Old Lexington Hwy.	Chapin	2.4 miles
Chapin Elementary School	Public School	940 Old Bush River Rd.	Chapin	2.9 miles
Palmetto Health Baptist Parkridge	Hospital	400 Palmetto Health Pkwy.	Columbia	14 miles
Columbiana Centre	Mall	100 Columbiana Cir.	Columbia	14.5 miles

Source: Field and Internet Research, RPRG, Inc.

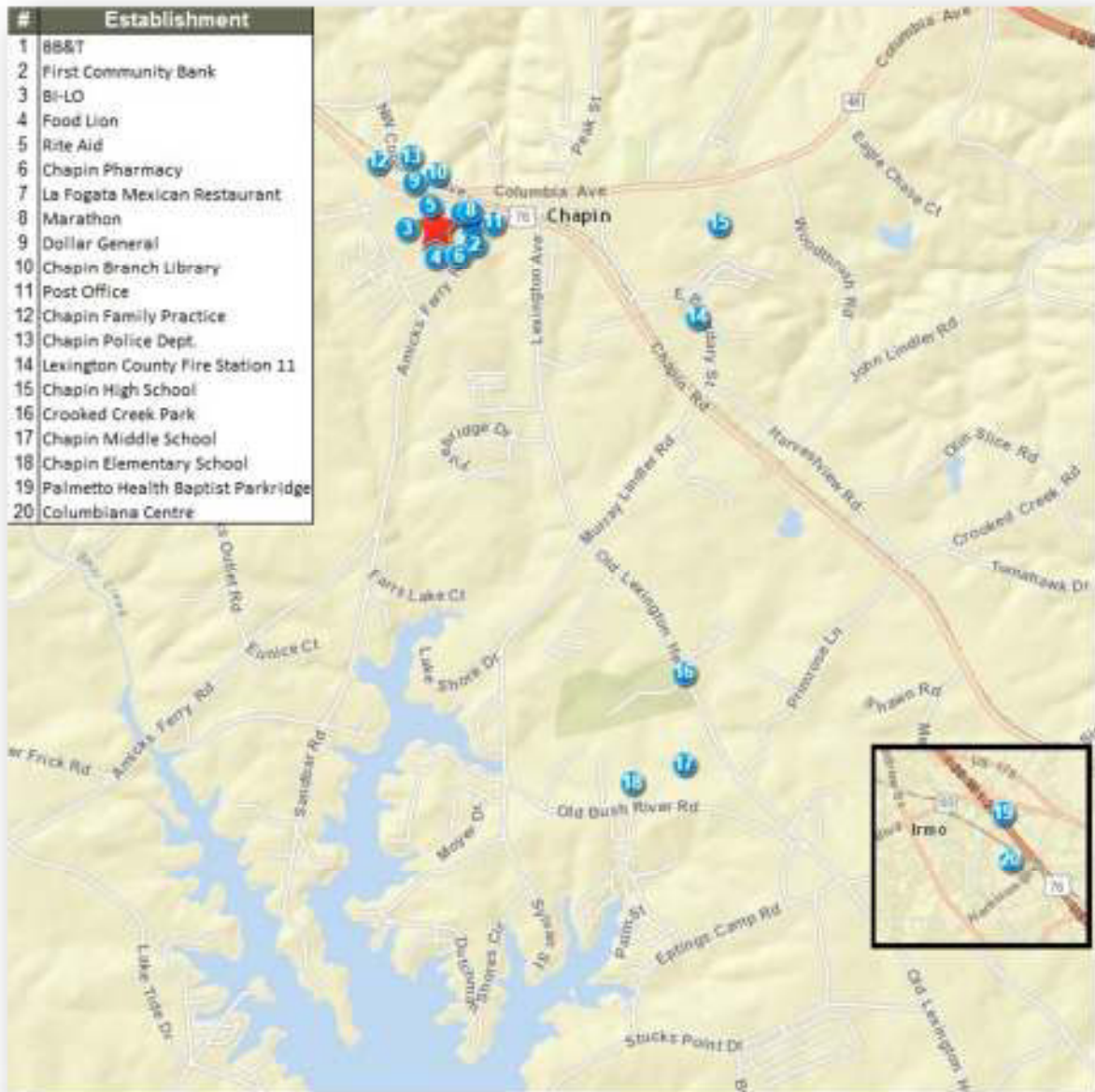
2. Essential Services

Health Care

Palmetto Health Baptist Parkridge is the closest hospital to Chapin. Built in 2014, this 76-bed medical center offers a wide range of services including emergency medicine and general medical care. Palmetto Health Baptist Parkridge is on Palmetto Health Parkway in Irmo, 14 miles southeast of the subject site.

Outside of this major healthcare provider, Chapin Family Practice offers family medicine services within one-half mile of the site.

Map 3 Location of Key Facilities and Services



Education

The primary market area is served by School District Five of Lexington & Richland Counties, which includes 20 schools and has an approximate enrollment of 25,000 students. School age children residing at the subject property would attend Chapin Elementary School (2.9 miles), Chapin Middle School (2.4 miles), and Chapin High School (1.0 mile).



A number of colleges and universities are located in the Columbia area including The University of South Carolina, the state's largest university, roughly 23 miles southeast of the site including an approximate enrollment of 32,000 students.

3. Commercial Goods and Services

Convenience Goods

The term "convenience goods" refers to inexpensive, nondurable items that households purchase on a frequent basis and for which they generally do not comparison shop. Examples of convenience goods are groceries, fast food, health and beauty aids, household cleaning products, newspapers, and gasoline.

A number of retailers are located within one-quarter mile of the site including two grocery stores (Bi-Lo and Food Lion), two pharmacies (Rite Aid and Chapin Pharmacy), two banks (BB&T and First Community Bank), a number of restaurants, and a convenience store (Marathon).

Shoppers Goods

The term "shoppers goods" refers to larger ticket merchandise that households purchase on an infrequent basis and for which they usually comparison shop. The category is sometimes called "comparison goods." Examples of shoppers' goods are apparel and accessories, furniture and home furnishings, appliances, jewelry, and sporting goods.

The closest general shopping opportunity is Dollar General, 0.2 mile from the site on U.S. Highway 76. The closest mall to the subject site is Columbiana Centre in Irmo, 14.5 miles southeast of the site. Belk, Dillard's, and JCPenney serve as Columbiana Centre's anchors and the mall also features a large number of smaller retailers and a food court.

Recreation Amenities

The closest public park to The Peaks at Chapin is Crooked Creek Park, two miles south of the site on Old Lexington Highway with features including community center with a gymnasium, racquetball courts, fitness areas, indoor walking track, and meeting rooms. The park also offers athletic fields, tennis courts, picnic facilities, walking trails, playgrounds, and a 27-hole disc golf course. A public library is 0.3 mile north of the site on Columbia Avenue. Public access to Lake Murray is available at the Hilton Recreation Area offering picnic tables, public restrooms, and a boat ramp, approximately seven miles south of the site.



4. ECONOMIC CONTEXT

A. Introduction

This section of the report focuses primarily on economic trends and conditions in Lexington County, the jurisdiction in which The Peaks at Chapin is located. For purposes of comparison, economic trends in South Carolina and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

Lexington County's labor force grew at a steady pace throughout much of the past decade with an increase in all but one year (2009) (Table 3). The net increase from 2004 to 2015 was 17,528 workers or 14.1 percent. The employed portion of the labor force followed a similar trend over the same time period, growing by 16,447 employed workers or 13.9 percent. Since 2010, the labor force has grown by roughly 8,900 workers and the employed portion of the labor force has grown by 12,646 employed workers. The labor force and total employed workers in the county are at all-time highs.

2. Trends in County Unemployment Rate

The unemployment rate in Lexington County ranged from 4.1 percent to 4.9 percent from 2004 to 2008 before rising significantly to 8.2 percent in 2010 during the national recession (Table 3). The county's peak unemployment rate was well below state and national peaks of 11.2 percent and 9.6 percent, respectively in 2010. The county's unemployment rate has decreased each year since 2010 to 5.1 percent in 2015, below state and national unemployment rates of 6.1 percent and 5.3 percent, respectively.

C. Commutation Patterns

According to 2010-2014 American Community Survey (ACS) data, roughly half (52 percent) of workers residing in the Peaks Market Area commuted less than 30 minutes to work (Table 4). Forty-three percent of workers in the market area commuted 30 minutes or more.

Reflecting the exurban and commuter nature of the market area, roughly 45 percent of workers residing in the Peaks Market Area are employed in another South Carolina county. Approximately half (52.8 percent) of workers in the market area work in their county of residence and roughly two percent of market area workers worked in another state.



Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Labor Force	124,332	127,602	130,643	131,525	132,615	132,981	132,940	134,064	136,057	136,819	138,534	141,860
Employment	118,235	121,370	124,541	126,132	126,144	122,305	122,036	123,384	126,556	128,879	131,473	134,682
Unemployment	6,097	6,232	6,102	5,393	6,471	10,676	10,904	10,680	9,501	7,940	7,061	7,178
Unemployment Rate												
Lexington County	4.9%	4.9%	4.7%	4.1%	4.9%	8.0%	8.2%	8.0%	7.0%	5.8%	5.1%	5.1%
South Carolina	6.8%	6.7%	6.4%	5.7%	6.8%	11.2%	11.2%	10.5%	9.2%	7.6%	6.4%	6.1%
United States	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.8%	8.3%	7.4%	6.2%	5.3%

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

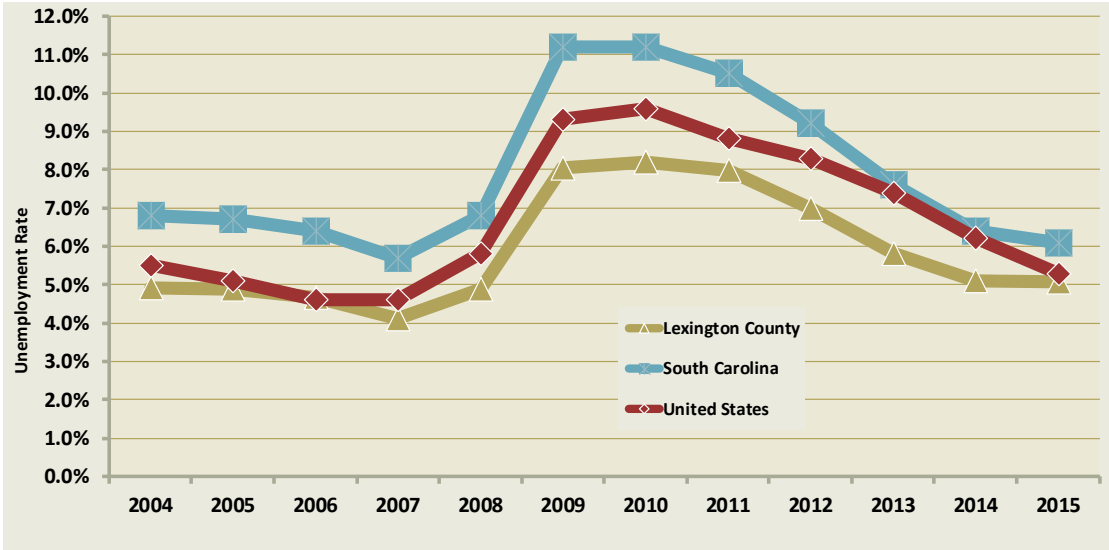
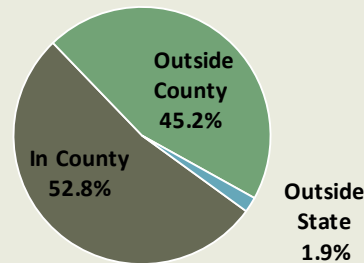


Table 4 Commutation Data

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	26,490	94.9%	Worked in state of residence:	27,360	98.1%
Less than 5 minutes	253	0.9%	Worked in county of residence	14,740	52.8%
5 to 9 minutes	1,390	5.0%	Worked outside county of residence	12,620	45.2%
10 to 14 minutes	3,064	11.0%	Worked outside state of residence	540	1.9%
15 to 19 minutes	3,151	11.3%	Total	27,900	100%
20 to 24 minutes	4,174	15.0%			
25 to 29 minutes	2,466	8.8%			
30 to 34 minutes	5,267	18.9%			
35 to 39 minutes	1,253	4.5%			
40 to 44 minutes	1,297	4.6%			
45 to 59 minutes	2,417	8.7%			
60 to 89 minutes	1,162	4.2%			
90 or more minutes	596	2.1%			
Worked at home	1,410	5.1%			
Total	27,900				

Source: American Community Survey 2010-2014

**2010-2014 Commuting Patterns
Peaks Market Area**



Source: American Community Survey 2010-2014



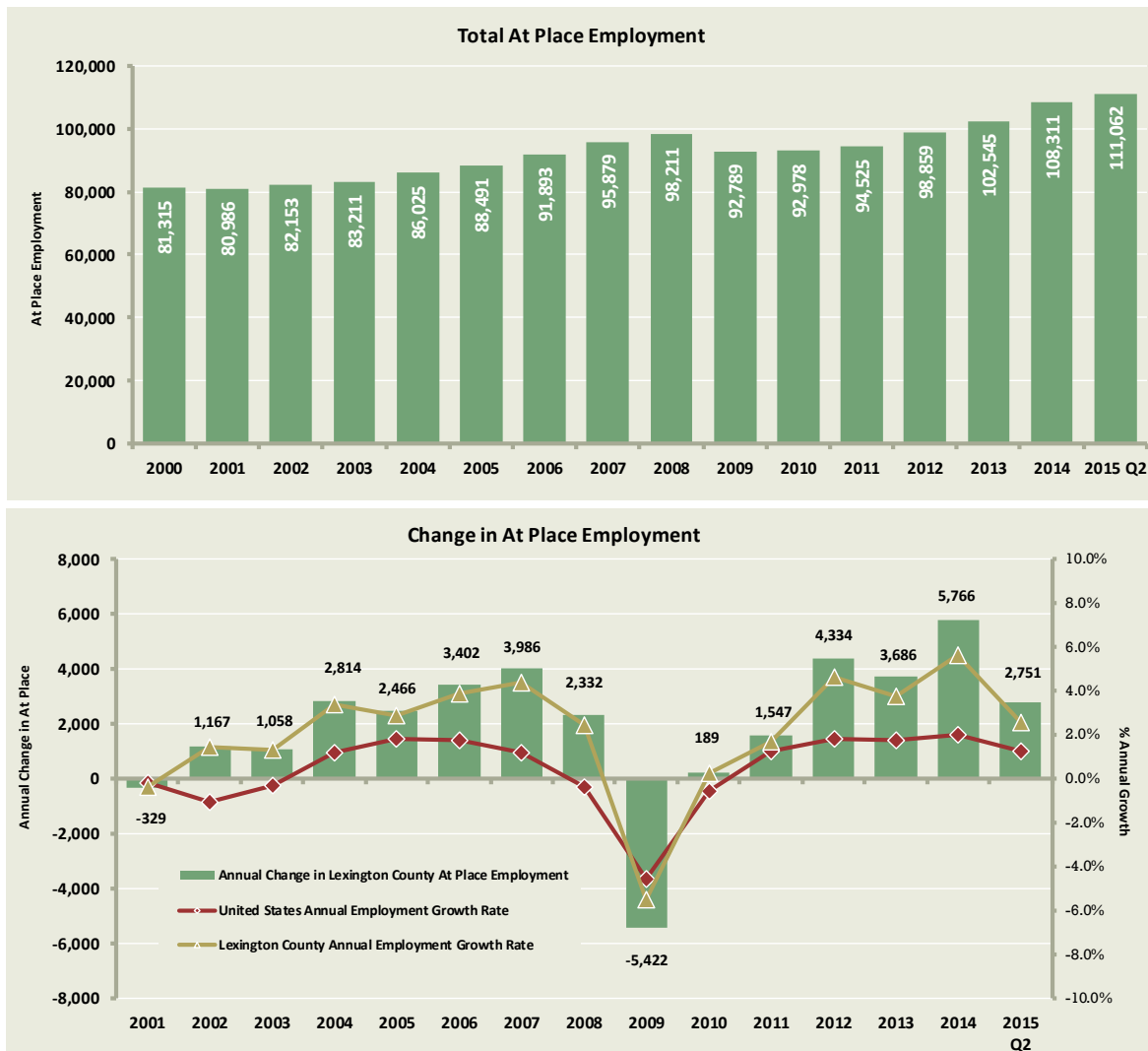
D. At-Place Employment

1. Trends in Total At-Place Employment

Lexington County’s At-Place Employment has grown steadily since 2001 with only one year of job loss (2009). The county added a total of 26,996 jobs from 2002 to 2014, a net gain of 33.2 percent. Job loss during the national recession was limited to one year (2009), but the loss was significant at 5,422 jobs (Figure 5). Lexington County’s job total has seen significant growth since the recession with five consecutive years of growth. The county added an average of 4,595 jobs each year over the past three years including 5,766 jobs in 2014, its largest annual gain in the last 14 years. Lexington County has continued adding jobs through the first half of 2015 with net growth of 2,751 jobs.

As illustrated by the lines in the bottom portion of Figure 5, Lexington County has outpaced national job growth in all but one year since 2002 including every year since 2009. The rate of recent job growth in the county has been nearly double the national rate.

Figure 5 At-Place Employment



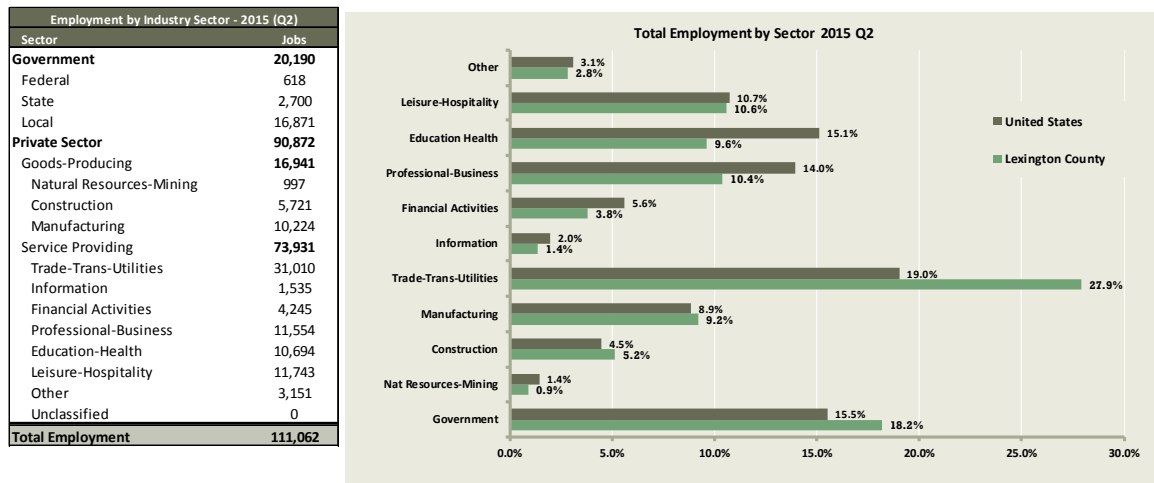
Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



2. At-Place Employment by Industry Sector

Trade-Transportation-Utilities (27.9 percent) and Government (18.2 percent) are Lexington County's largest economic sectors, accounting for 46.1 percent of the county's jobs compared to 34.5 percent of jobs nationally. The Leisure-Hospitality, Education-Health, Professional-Business, and Manufacturing sectors each comprise nine to 10 percent of the county's jobs (Figure 6). Compared to the nation, the county has a significantly smaller percentage of jobs in the Education-Health, Professional-Business, and Financial Activities sectors.

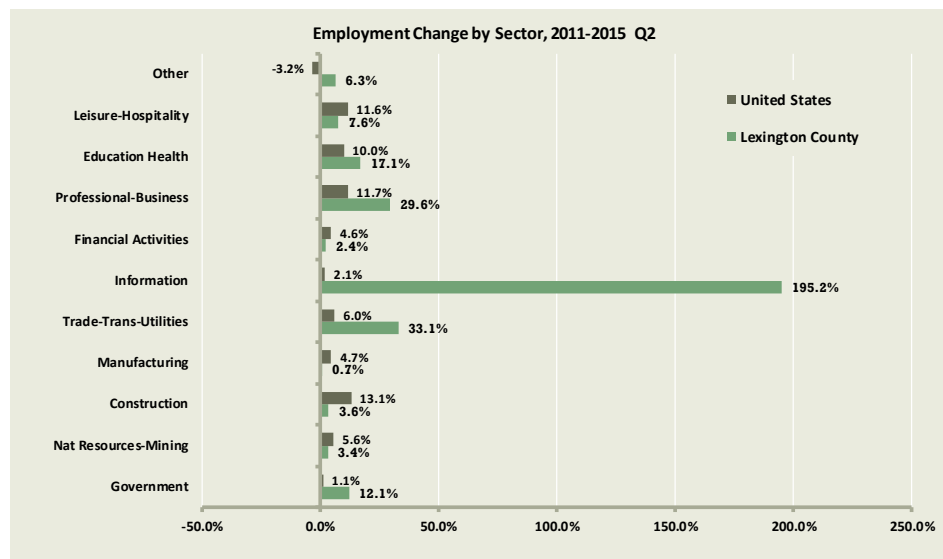
Figure 6 Total Employment by Sector 2015 (Q2)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages

From 2011 to 2015 (Q2), every sector added jobs in Lexington County including five sectors with net growth of more than 10 percent (Figure 7). The largest growth rate was in the Information sector which nearly tripled in size; however, it only comprises 1.4 percent of the county's jobs. The largest sector in the county, Trade-Transportation-Utilities, was the second fastest growing sector at 33.1 percent. The Government, Professional-Business, and Education-Health sectors each grew between 12.1 and 29.6 percent.

Figure 7 Change in Employment by Sector 2011-2015 (Q2)



Source: U.S. Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages



3. Major Employers

Major employers in Lexington County are generally representative of three industry sectors including Manufacturing, Education-Health, and Trade-Transportation-Utilities. Lexington Medical Center and Lexington County School District One are the two largest employers by far, employing 4,736 and 3,403 workers, respectively (Table 5). Rounding out the top five is Lexington County School District Five, SCANA Corp., and the county's top manufacturer, Michelin North America. The majority of employers are in close proximity to Columbia, 15 to 25 miles south of the site. Two major employers are within nine miles of the site including Lexington County School District Five, the county's third largest employer (Map 4).

Table 5 Major Employers, Lexington County

Rank	Name	Sector	Employment
1	Lexington Medical Center	Healthcare	4,736
2	Lexington County School Dist. 1	Education	3,403
3	Lexington School Dist. 5	Education	2,354
4	SCANA Corp.	Utilities	1,973
5	Michelin North America Inc	Manufacturing	1,960
6	Babcock Center Inc	Residential Services	1,250
7	Amazon.com	Distribution	1,200
8	Lexington School Dist. 2	Education	1,083
9	House of Raeford	Manufacturing	857
10	Southeastern Freight Lines	Transportation	587
11	General Information Services (GIS)	Business Services	583
12	Republic National Distribution Co.	Distribution	527
13	DHL	Transportation	500
14	Lexington School Dist. 4	Education	448
15	Harsco Track Tech	Manufacturing	431
16	Owen Electric Steel Co of S	Manufacturing	400
17	CMC Steel South Carolina	Manufacturing	380
18	Time Warner Cable	Telecommunications	352
19	Flextronics	Manufacturing	350
20	Otis Spunkmeyer	Manufacturing	344

Source: Central SC Alliance

Map 4 Major Employers



4. Recent Economic Expansions and Contractions

Information provided by the Lexington County Economic Development Department shows three new companies and seven expansions announced in Lexington County since 2014. Combined, these 10 job expansions will add an estimated 1,150 jobs (Table 6). The largest announcements came from Amazon and Palmetto State Armory which will add a total of 800 jobs. Total employment among the new and expanding companies is likely to occur over a several year period. Conversely, Blue Bell announced layoffs of roughly 40 employees at its distribution facility in Lexington County in May 2015.



Table 6 Employment Expansions and Contractions, Lexington County

New companies

Announced	Company Name	New Jobs	Capital Investment (Million)
8/27/2015	OMP Mechtron	20	\$2.9
6/10/2015	Sun Solutions	50	\$10.5
4/9/2014	Signode	130	\$15.0
Total		200	\$28.4

Source: Lexington County Economic Development Department

Layoffs

Announced	Company Name	Lost Jobs
5/15/2015	Blue Bell	40
Total		40

Source: Media reports

Expansions

Announced	Company Name	New Jobs	Capital Investment (Million)
3/1/2016	Cypress Creek Renewables		\$30.0
12/16/2015	Akebono Brake Corporation	100	\$40.0
8/27/2015	Cypress Creek Renewables		\$20.4
8/26/2015	Shaw Industries, Inc.	50	\$45.0
6/5/2015	Republic National Distributing Company		\$10.0
3/10/2015	Amazon	500	
4/10/2014	Palmetto State Armory	300	\$4.2
Total		950	\$149.6

Source: Lexington County Economic Development Department



5. HOUSING MARKET AREA

A. Introduction

The primary market area for the proposed The Peaks at Chapin is defined as the geographic area from which future residents of the community would primarily be drawn and in which competitive rental housing alternatives are located. In defining the Peaks Market Area, RPRG sought to accommodate the joint interests of conservatively estimating housing demand and reflecting the realities of the local rental housing marketplace.

B. Delineation of Market Area

The Peaks Market Area is comprised of the census tracts north and east of Lake Murray including portions of northern Lexington County, southeastern Newberry County, and northwestern Richland County. The market area includes the Town of Chapin, Town of Little Mountain, northern Irmo, and the northern shore of Lake Murray. The southeastern boundary (Irmo) of the market area reflects a shift from urbanized development to an exurban/rural market and the southern border is Lake Murray which does not offer direct access across the lake. This market area includes neighborhoods comparable with the town of Chapin. The market area is split by Interstate 26, a major thoroughfare connecting much of the market area. Interstate 26 has been a primary growth corridor over the past two decades leading north from Columbia. The market area includes the portions of the county most directly comparable with the area surrounding the subject site. The more densely developed portions of Lexington County are not included in the market area given the availability of intervening rental options.

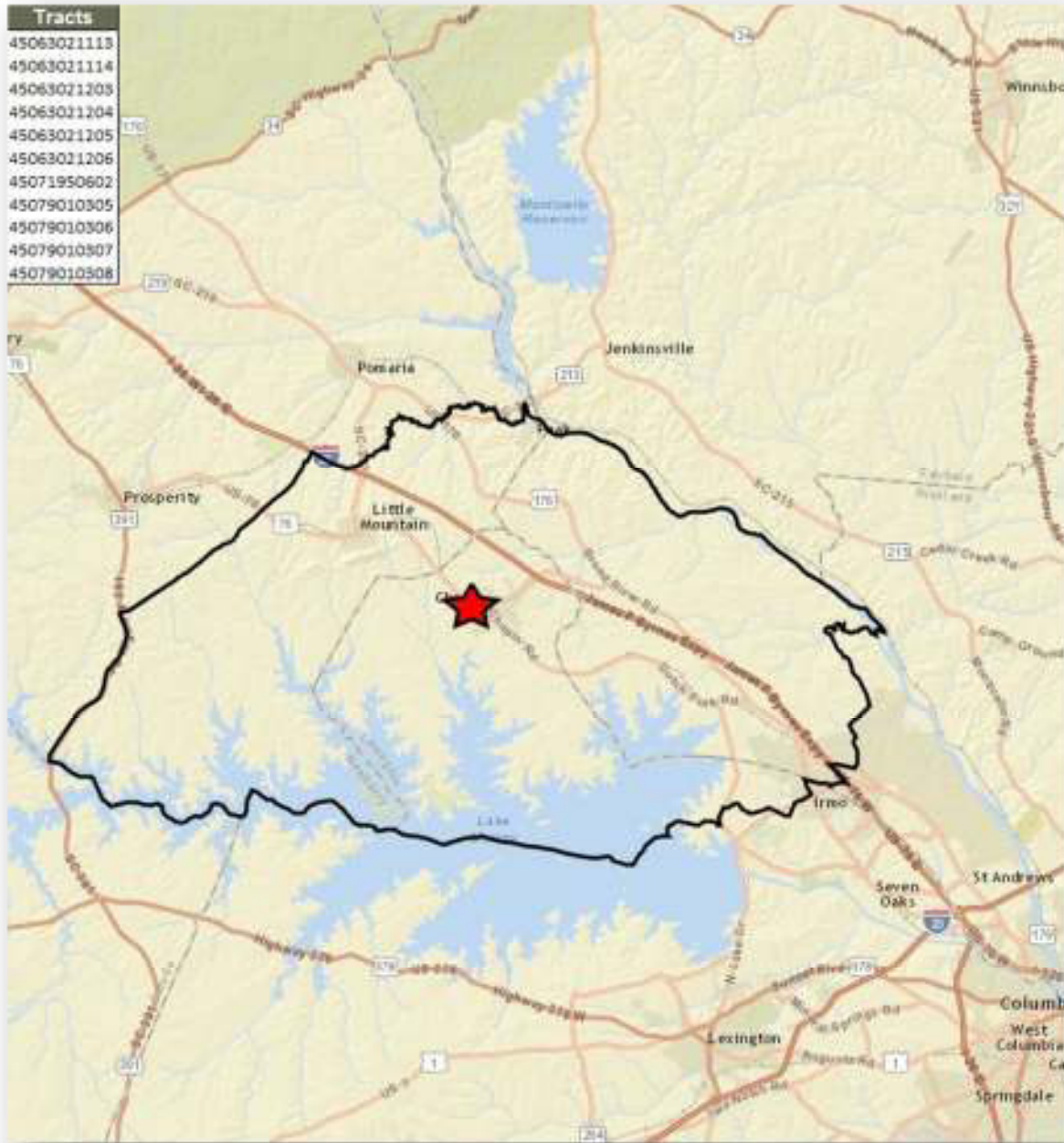
The boundaries of the Peaks Market Area and their approximate distance from the subject site are:

- **North:** Crims Creek / Rocky Creek (5.7 miles)
- **East:** Hollingshed Road / Broad River (11.4 miles)
- **South:** Lake Murray (6.6 miles)
- **West:** South Carolina Highway 391 (9.7 miles)

This market area is depicted in Map 5 and the 2010 census tracts that comprise the market area are listed on the edge of the map. As appropriate for this analysis, the Peaks Market Area is compared to Lexington County, which is considered as the secondary market area, although demand will be computed based only on the Peaks Market Area.



Map 5 Peaks Market Area





6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Peaks Market Area and Lexington County using U.S. Census data and data from Esri, a national data vendor that prepares small area estimates and projections of population and households. Building permit trends collected from the HUD State of the Cities Data Systems (SOCDS) database were also considered.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Peaks Market Area increased significantly (37 percent), rising from 40,853 to 55,988 people (Table 7). The annual increase during this decade was 1,514 people or 3.2 percent. During the same time period, the number of households in the Peaks Market Area grew at a faster pace of 40.4 percent from 14,860 to 20,862 households, annual growth of 600 households or 3.5 percent.

During the same decade, Lexington County increased by 46,377 people (21.5 percent) and 19,493 households (23.4 percent). Annual increases were 4,638 people (2.0 percent) and 1,949 households (2.1 percent).

2. Projected Trends

Based on Esri growth rate projections, the Peaks Market Area added 5,294 people and 2,071 households from 2010 to 2015. RPRG further projects that the market area will grow by 3,025 people and 1,139 households from 2015 to 2018. Annual growth will be 1,008 people (1.6 percent) and 380 households (1.6 percent) during this time period.

Lexington County's population and household base are projected to grow at a slower rate from 2015 to 2018. Annual growth in the county is projected at 3,459 people (1.2 percent) and 1,398 households (1.3 percent).

The average person per household in the market area has decreased slightly to 2.66 in 2015 from 2.68 persons in 2010. Household size is projected to remain steady at 2.66 persons through 2018 (Table 8).



Table 7 Population and Household Projections

		Lexington County				Peaks Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	216,014					40,853				
2010	262,391	46,377	21.5%	4,638	2.0%	55,988	15,135	37.0%	1,514	3.2%
2015	278,599	16,208	6.2%	3,242	1.2%	61,282	5,294	9.5%	1,059	1.8%
2018	288,976	10,377	3.7%	3,459	1.2%	64,307	3,025	4.9%	1,008	1.6%

Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	83,240					14,860				
2010	102,733	19,493	23.4%	1,949	2.1%	20,862	6,002	40.4%	600	3.5%
2015	109,697	6,964	6.8%	1,393	1.3%	22,933	2,071	9.9%	414	1.9%
2018	113,892	4,195	3.8%	1,398	1.3%	24,072	1,139	5.0%	380	1.6%

Source: 2000 Census; 2010 Census; Esri; and Real Property Research Group, Inc.

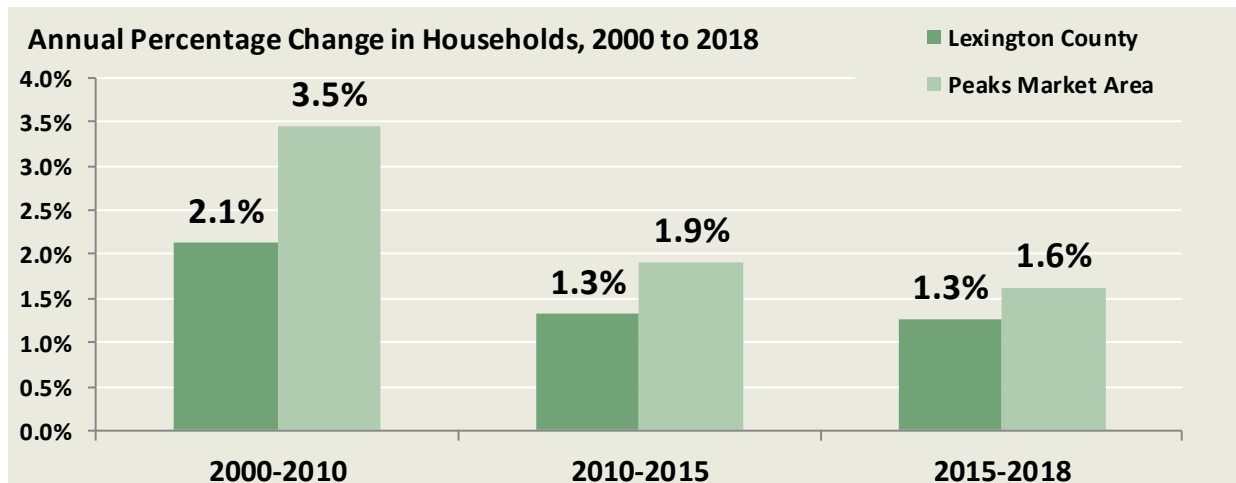


Table 8 Persons per Household, Peaks Market Area

Persons per HH, Peaks Market Area			
Year	2010	2015	2018
Population	55,988	61,282	64,307
Group Quarters	182	182	182
Households	20,862	22,933	24,072
Households Size	2.68	2.66	2.66

Source: Census, Esri, RPRG

3. Building Permit Trends

Annual building permit activity in Lexington County increased steadily from 2000 to 2007 before dipping in 2008 as a result of the national recession, although the drop was not as precipitous as in many portions of the state and county – likely due to the proximity of Lake Murray. The county



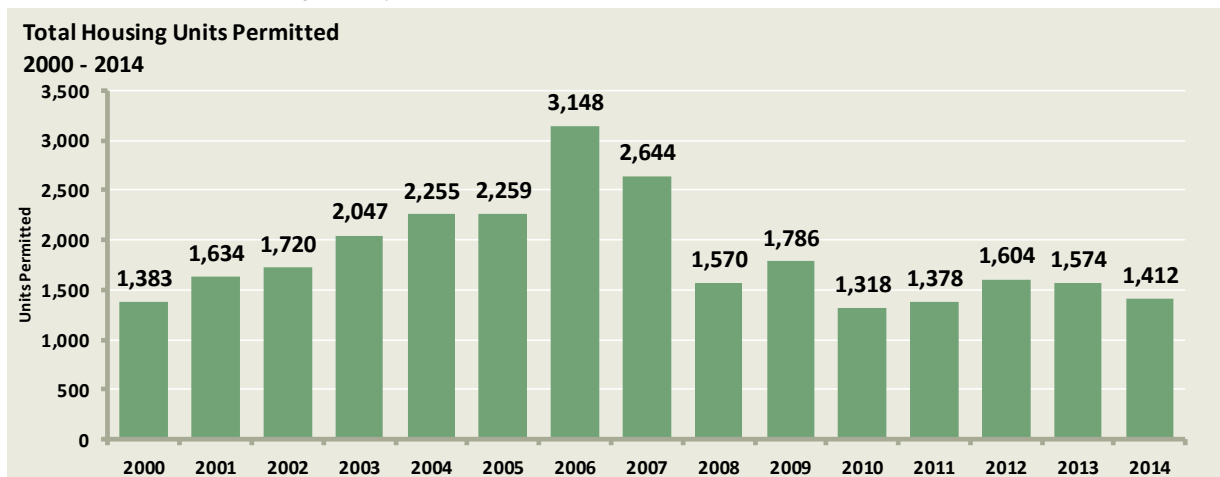
averaged 1,844 units permitted from 2000 to 2009, which was in line with the average annual household growth of 1,949 households in the county between the 2000 and 2010 census counts. Permit activity has remained relatively steady, ranging from 1,318 to 1,786 permitted units from 2008 to 2014. The county has averaged 1,457 permitted units since 2010 – 79 percent of the average during the previous decade (Table 9).

Since 2000, 90 percent of all units permitted have been single-family detached homes and nine percent have been in multi-family structures with five or more units. One percent of permitted units were contained within structures with 2-4 units.

Table 9 Building Permits by Structure Type, Lexington County

Lexington County																	2000-2014	Annual Average
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014			
Single Family	1,383	1,384	1,674	2,007	2,072	2,236	2,554	2,409	1,570	1,154	1,168	1,162	1,340	1,494	1,412	25,019	1,668	
Two Family	0	2	0	0	14	4	0	18	0	0	0	0	0	0	0	38	3	
3 - 4 Family	0	20	0	0	34	19	142	13	0	0	0	0	0	0	0	228	15	
5+ Family	0	228	46	40	135	0	452	204	0	632	150	216	264	80	0	2,447	163	
Total	1,383	1,634	1,720	2,047	2,255	2,259	3,148	2,644	1,570	1,786	1,318	1,378	1,604	1,574	1,412	27,732	1,849	

Source: U.S. Census Bureau, C-40 Building Permit Reports.



C. Demographic Characteristics

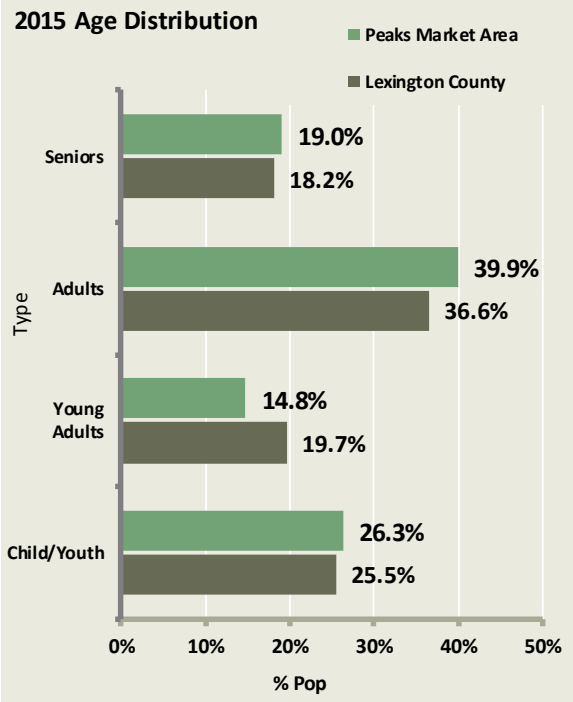
1. Age Distribution and Household Type

Based on Esri estimates for 2015, the population of the Peaks Market Area is older than Lexington County with median ages of 41 and 38, respectively (Table 10). Adults age 35-61 comprise the largest percentage of the population in both areas at 39.9 percent in the market area and 36.6 percent in the county. The Peaks Market Area has a higher percentage of Seniors age 62 and older (19.0 percent versus 18.2 percent) and Children/Youth under the age of 20 (26.3 percent versus 25.5 percent) while it has a significantly smaller percent of Young Adults compared to the county (14.8 percent versus 19.7 percent).



Table 10 2015 Age Distribution

	Lexington County		Peaks Market Area	
	#	%	#	%
Children/Youth	71,079	25.5%	16,114	26.3%
Under 5 years	17,543	6.3%	3,351	5.5%
5-9 years	18,194	6.5%	3,966	6.5%
10-14 years	18,259	6.6%	4,638	7.6%
15-19 years	17,083	6.1%	4,159	6.8%
Young Adults	54,821	19.7%	9,046	14.8%
20-24 years	17,881	6.4%	3,115	5.1%
25-34 years	36,940	13.3%	5,931	9.7%
Adults	101,943	36.6%	24,450	39.9%
35-44 years	36,449	13.1%	7,987	13.0%
45-54 years	39,497	14.2%	9,989	16.3%
55-61 years	25,997	9.3%	6,474	10.6%
Seniors	50,756	18.2%	11,672	19.0%
62-64 years	11,142	4.0%	2,775	4.5%
65-74 years	24,828	8.9%	5,908	9.6%
75-84 years	10,607	3.8%	2,209	3.6%
85 and older	4,179	1.5%	780	1.3%
TOTAL	278,599	100%	61,282	100%
Median Age	38		41	

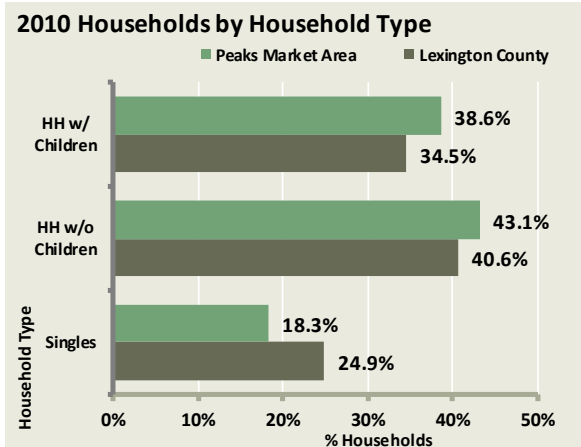


Source: Esri; RPRG, Inc.

The market area contains a higher percentage of families compared to Lexington County. Households with two or more adults and no children are the most common household type in both areas at 43.1 percent in the market area and 40.6 percent in the county; most of these households are married. Children are present in 38.6 percent of households in the Peaks Market Area compared to 34.5 percent of the households in Lexington County (Table 11). Single person households account for 18.3 percent of households in the Peaks Market Area and 24.9 percent of the households in Lexington County.

Table 11 2010 Households by Household Type

Households by Household Type	Lexington County		Peaks Market Area	
	#	%	#	%
Married w/Children	23,059	22.4%	6,216	29.8%
Other w/ Children	12,407	12.1%	1,832	8.8%
Households w/ Children	35,466	34.5%	8,048	38.6%
Married w/o Children	29,708	28.9%	7,434	35.6%
Other Family w/o Children	6,141	6.0%	888	4.3%
Non-Family w/o Children	5,868	5.7%	677	3.2%
Households w/o Children	41,717	40.6%	8,999	43.1%
Singles Living Alone	25,550	24.9%	3,815	18.3%
Singles	25,550	24.9%	3,815	18.3%
Total	102,733	100%	20,862	100%



Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

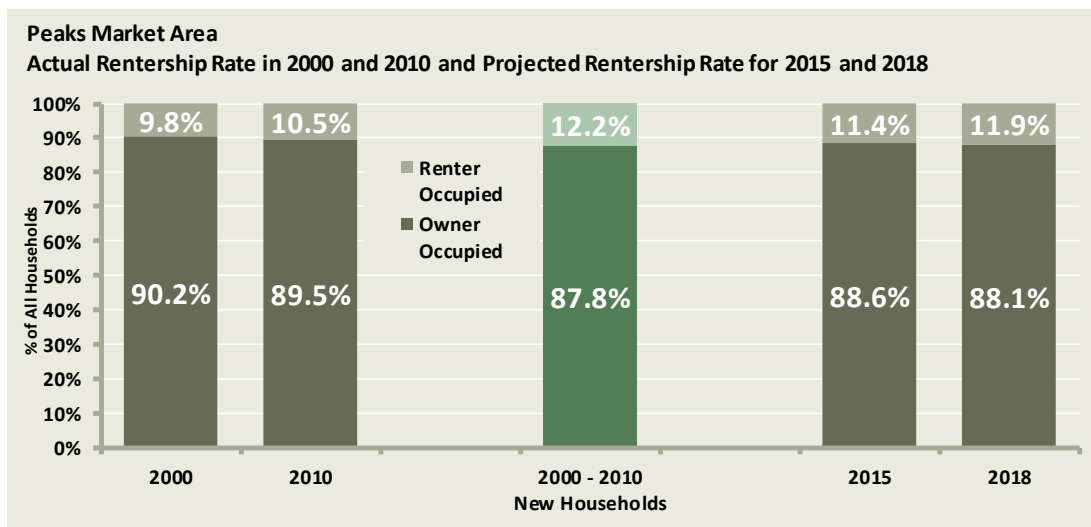
Reflecting its exurban/rural location, the Peaks Market Area is a home owner dominated area. As of the 2010 Census, just 10.5 percent of all households in the Peaks Market Area were renters compared to 26.2 percent in Lexington County (Table 12). The low renter percentage is due in part to the many owner occupied lake homes on Lake Murray and the lack of available rental housing. Renter percentages are expected to increase in both areas and are projected at 11.9 percent in the market area and 28.6 percent in Lexington County in 2018. Renter households are expected to comprise roughly 21 percent of the net household growth in the market area over the next three years, nearly double the historic renter percentage.

Table 12 Households by Tenure

Lexington County	2000		2010		Change 2000-2010		2015		2018		Change 2015-2018	
Housing Units	#	%	#	%	#	%	#	%	#	%	#	%
Owner Occupied	64,265	77.2%	75,791	73.8%	11,526	59.1%	79,164	72.2%	81,362	71.4%	2,199	52.4%
Renter Occupied	18,975	22.8%	26,942	26.2%	7,967	40.9%	30,533	27.8%	32,529	28.6%	1,996	47.6%
Total Occupied	83,240	100%	102,733	100%	19,493	100%	109,697	100%	113,892	100%	4,195	100%
Total Vacant	7,738		11,224				11,985		12,443			
TOTAL UNITS	90,978		113,957				121,682		126,335			

Peaks Market Area	2000		2010		Change 2000-2010		2015		2018		Change 2015-2018	
Housing Units	#	%	#	%	#	%	#	%	#	%	#	%
Owner Occupied	13,411	90.2%	18,679	89.5%	5,268	87.8%	20,311	88.6%	21,213	88.1%	902	79.2%
Renter Occupied	1,449	9.8%	2,183	10.5%	734	12.2%	2,622	11.4%	2,859	11.9%	237	20.8%
Total Occupied	14,860	100%	20,862	100%	6,002	100%	22,933	100%	24,072	100%	1,139	100%
Total Vacant	2,184		2,711				2,980		3,128			
TOTAL UNITS	17,044		23,573				25,913		27,201			

Source: U.S. Census of Population and Housing, 2000, 2010; Esri, RPRG, Inc.



Approximately 51 percent of renter households in the Peaks Market Area have one or two people compared to 58.8 percent in Lexington County (Table 13).. Three and four person households comprise 35.5 percent of renter households in the Peaks Market Area and 13.3 percent have five or more people.



Working age households form the core of the market area’s renters, as two-thirds (66.9 percent) of renter occupied households are between the ages of 25 and 54 (Table 14). Older adults age 55+ account for roughly 26 percent of all market area renters and young renters (under 25) comprise just 6.6 percent of renters. Market area renters are generally older than Lexington County renters as 69.8 percent are over the age of 35 compared to 61.7 percent in the county.

Table 13 2010 Renter Households by Household Size

Renter Occupied	Lexington County		Peaks Market Area	
	#	%	#	%
1-person hhld	8,799	32.7%	612	28.0%
2-person hhld	7,037	26.1%	505	23.1%
3-person hhld	4,598	17.1%	432	19.8%
4-person hhld	3,550	13.2%	344	15.8%
5+-person hhld	2,958	11.0%	290	13.3%
TOTAL	26,942	100%	2,183	100%

Source: 2010 Census

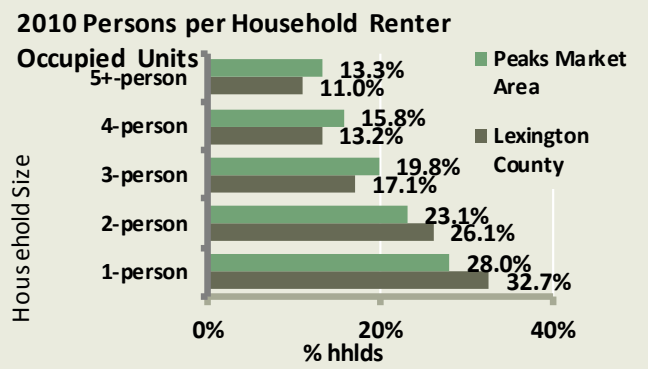
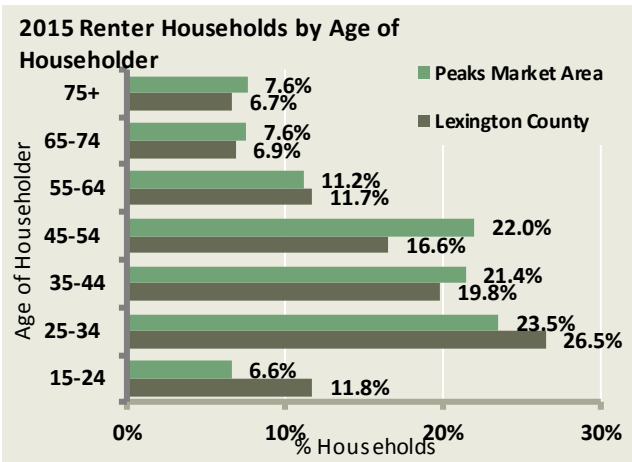


Table 14 Renter Households by Age of Householder

Renter Households	Lexington County		Peaks Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	3,593	11.8%	174	6.6%
25-34 years	8,094	26.5%	617	23.5%
35-44 years	6,054	19.8%	562	21.4%
45-54 years	5,063	16.6%	577	22.0%
55-64 years	3,583	11.7%	293	11.2%
65-74 years	2,106	6.9%	198	7.6%
75+ years	2,039	6.7%	200	7.6%
Total	30,533	100%	2,622	100%

Source: Esri, Real Property Research Group, Inc.



3. Population by Race

SCSHFDA’s has requested population by race for the subject census tract. As detailed in Table 15, a large portion of the population (89.6 percent) in the subject census tract is white and 6.1 percent is black. The remaining 4.3 percent of the population is of another race or reported two races.



Table 15 Population by Race, Tract 212.04

Race	Tract 212.04	
	#	%
Total	3,624	100.0%
Population Reporting One Race	3,530	97.4%
White	3,247	89.6%
Black	221	6.1%
American Indian	4	0.1%
Asian	53	1.5%
Pacific Islander	5	0.1%
Some Other Race	0	0.0%
Population Reporting Two Races	94	2.6%

Source: American Community Survey 2010-2014

4. Income Characteristics

The Peaks Market Area is an affluent area with a high median income relative to the region. Based on Esri estimates, the Peaks Market Area’s 2015 median income of \$73,750 is \$16,482 or 28.8 percent higher than the \$57,268 median in Lexington County (Table 16). Only 11 percent of market area households earn less than \$25,000 and 18.5 percent earn \$25,000 to \$49,999. Approximately 71 percent of households in the Peaks Market Area earn \$50,000 or more including 35.6 percent earning \$100,000 or more.

Based on the ACS data income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the Peaks Market Area as of 2015 is \$38,883 (Table 17). This renter median income is roughly half the median among owner households of \$79,750. Among renter households, 27.7 percent earn less than \$25,000 and 36.9 percent earn \$25,000 to \$49,999. One-quarter (25.1 percent) of renter households earn \$50,000 to \$99,999.

Table 16 2015 Household Income, Peaks Market Area

Estimated 2015 Household Income	Lexington County		Peaks Market Area	
	#	%	#	%
less than \$15,000	11,021	10.0%	1,278	5.6%
\$15,000 \$24,999	11,027	10.1%	1,239	5.4%
\$25,000 \$34,999	10,614	9.7%	1,553	6.8%
\$35,000 \$49,999	15,472	14.1%	2,689	11.7%
\$50,000 \$74,999	23,092	21.1%	4,955	21.6%
\$75,000 \$99,999	15,836	14.4%	3,061	13.3%
\$100,000 \$149,999	15,175	13.8%	4,403	19.2%
\$150,000 Over	7,460	6.8%	3,755	16.4%
Total	109,697	100%	22,933	100%
Median Income	\$57,268		\$73,750	

Source: Esri; Real Property Research Group, Inc.

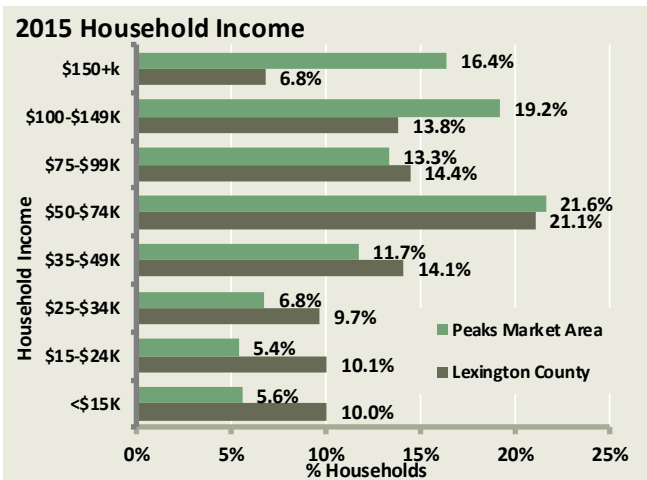
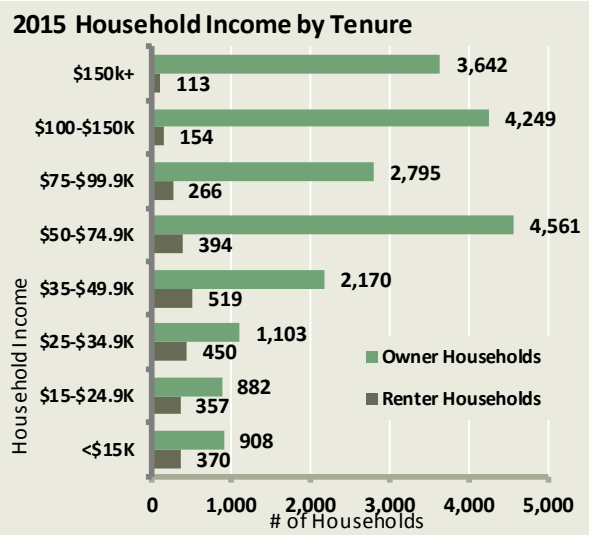




Table 17 2015 Income by Tenure

Peaks Market Area	Renter Households		Owner Households	
	#	%	#	%
less than \$15,000	370	14.1%	908	4.5%
\$15,000 \$24,999	357	13.6%	882	4.3%
\$25,000 \$34,999	450	17.1%	1,103	5.4%
\$35,000 \$49,999	519	19.8%	2,170	10.7%
\$50,000 \$74,999	394	15.0%	4,561	22.5%
\$75,000 \$99,999	266	10.1%	2,795	13.8%
\$100,000 \$149,999	154	5.9%	4,249	20.9%
\$150,000 over	113	4.3%	3,642	17.9%
Total	2,622	100%	20,311	100%
Median Income	\$38,883		\$79,750	

Source: American Community Survey 2010-2014 Estimates, RPRG, Inc.





7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Peaks Market Area. We pursued several avenues of research in an attempt to identify residential rental projects that are actively being planned or that are currently under construction within the Peaks Market Area. We contacted planning officials with the Town of Chapin, Town of Irmo, Newberry County, and Lexington County. Despite repeated attempts, planning officials with Richland County would not return phone calls requesting comment. We also reviewed SCSHFDA LIHTC allocation lists as part of our research. Site visit observations also informed this process. The rental survey of competitive projects was conducted in February 2016.

B. Overview of Market Area Housing Stock

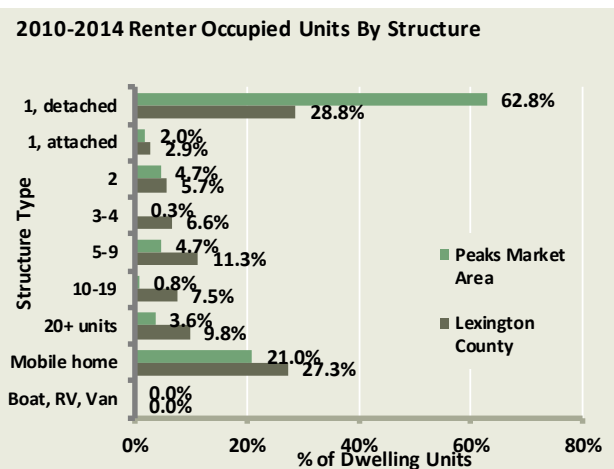
Based on the 2010-2014 ACS survey, rental units in the market area are much less dense than in the county. Single-family detached homes account for 62.8 percent of rentals in the Peaks Market Area compared to 28.8 percent of Lexington County rentals. Twenty-one percent of rental units in the market area are mobile homes. Multi-family structures with five or more units contain just 9.1 percent of rental units in the market area compared to 28.6 percent in the county (Table 18).

The renter-occupied housing stock in the Peaks Market Area has the same median age of rentals in Lexington County with a median year built of 1984. Roughly half of the rentals in the Peaks Market Area were constructed in the 1970's or 1980's while 30 percent have been built since 1990. The median year built of the owner-occupied units was 1993 in the market area and 1990 in the county (Table 19).

According to ACS data, the median value among owner-occupied housing units in the Peaks Market Area was \$206,018, which is \$64,179 or 45.2 percent higher than Lexington County's median of \$141,839 (Table 20). ACS estimates home values based upon homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

Table 18 Renter Occupied Units by Structure

Renter Occupied	Lexington County		Peaks Market Area	
	#	%	#	%
1, detached	7,938	28.8%	1,587	62.8%
1, attached	798	2.9%	50	2.0%
2	1,584	5.7%	118	4.7%
3-4	1,832	6.6%	8	0.3%
5-9	3,125	11.3%	120	4.7%
10-19	2,065	7.5%	21	0.8%
20+ units	2,689	9.8%	92	3.6%
Mobile home	7,522	27.3%	531	21.0%
Boat, RV, Van	0	0.0%	0	0.0%
TOTAL	27,553	100%	2,527	100%



Source: American Community Survey 2010-2014



Table 19 Dwelling Units by Year Built and Tenure

Owner Occupied	Lexington County		Peaks Market Area	
	#	%	#	%
2010 or later	1,801	2.3%	490	2.6%
2000 to 2009	18,332	23.6%	5,735	30.5%
1990 to 1999	18,684	24.1%	4,924	26.2%
1980 to 1989	12,106	15.6%	3,211	17.1%
1970 to 1979	13,082	16.9%	2,940	15.6%
1960 to 1969	7,085	9.1%	713	3.8%
1950 to 1959	3,568	4.6%	347	1.8%
1940 to 1949	1,480	1.9%	119	0.6%
1939 or earlier	1,390	1.8%	337	1.8%
TOTAL	77,528	100%	18,816	100%
MEDIAN YEAR BUILT	1990		1993	

Source: American Community Survey 2010-2014

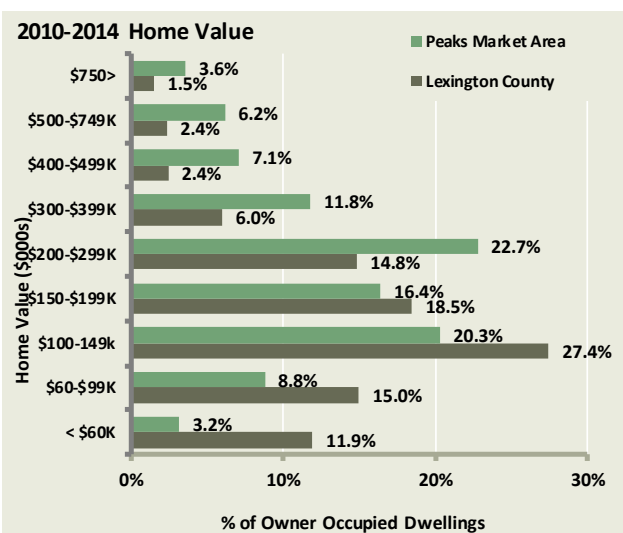
Renter Occupied	Lexington County		Peaks Market Area	
	#	%	#	%
2010 or later	546	2.0%	121	4.8%
2000 to 2009	4,535	16.5%	385	15.2%
1990 to 1999	6,275	22.8%	380	15.0%
1980 to 1989	4,837	17.6%	743	29.4%
1970 to 1979	5,472	19.9%	508	20.1%
1960 to 1969	2,921	10.6%	138	5.5%
1950 to 1959	1,963	7.1%	21	0.8%
1940 to 1949	484	1.8%	30	1.2%
1939 or earlier	520	1.9%	201	8.0%
TOTAL	27,553	100%	2,527	100%
MEDIAN YEAR BUILT	1984		1984	

Source: American Community Survey 2010-2014

Table 20 Value of Owner Occupied Housing Stock

2010-2014 Home Value	Lexington County		Peaks Market Area	
	#	%	#	%
less than \$60,000	8,997	11.9%	588	3.2%
\$60,000 - \$99,999	11,309	15.0%	1,632	8.8%
\$100,000 - \$149,999	20,696	27.4%	3,770	20.3%
\$150,000 - \$199,999	13,917	18.5%	3,049	16.4%
\$200,000 - \$299,999	11,200	14.8%	4,228	22.7%
\$300,000 - \$399,999	4,526	6.0%	2,191	11.8%
\$400,000 - \$499,999	1,847	2.4%	1,317	7.1%
\$500,000 - \$749,999	1,787	2.4%	1,146	6.2%
\$750,000 over	1,149	1.5%	666	3.6%
Total	75,428	100%	18,587	100%
Median Value	\$141,839		\$206,018	

Source: American Community Survey 2010-2014



C. Survey of Competitive Rental Communities

1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed two market rate rental communities in the Peaks Market Area and five market rate communities just outside the market area in Irmo. No LIHTC communities exist in the market area. The communities outside the market area are included in this analysis due to the



lack of rental housing in the market area which is necessary to determine estimated market rents for the subject property.

Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 5.

2. Location

All surveyed communities are southeast of the site. The two communities inside the market area are roughly eight miles from the site and the five communities outside the market area are 11 to 14 miles from the site. All of the surveyed communities have a location advantage when compared to the subject site due to their closer proximity to Columbia and employment concentrations. Residence at Marina Bay has an added advantage as it is on Lake Murray with direct lake access (Map 6).

Map 6 Surveyed Rental Communities





3. Age of Communities

Both communities surveyed inside the market area were built in 2013 and the average year built among communities outside the market area is 2003 (Table 21). The newest surveyed community is Atlantic at Parkridge which opened in January 2016.

4. Structure Type

All surveyed communities offer garden style units including one community outside the market area (The Legends at Lake Murray) which also offers townhomes.

5. Size of Communities

The two communities inside the market area have 216 and 315 units for an average community size of 266 units. The five communities outside the market area range from 180 units to 328 units for an average size of 259 units.

6. Vacancy Rates

The surveyed communities inside the market area had only six vacancies among 531 total units, a vacancy rate of just 1.1 percent. The stabilized communities outside the market area had 44 vacancies among 818 total units, a rate of 5.4 percent. Atlantic at Parkridge opened in January 2016 and has leased 30 of its 298 units and The Legends at Lake Murray recently converted to market rate from LIHTC and many tenants moved out so it is in the process of leasing units back up.

Vacancy rates by floorplan among all surveyed stabilized communities were 3.4 percent for one bedroom units, 2.9 percent for two bedroom units, 7.0 percent for three bedroom units (Table 22). Vacancy rates by floor plan are much lower if utilizing only the communities in the market area. Vacancy rates in the market area are 0.7 percent for one bedroom units, 1.3 percent for two bedroom units, and 1.3 percent for three bedroom units.

No LIHTC communities exist in the market area, thus, historical vacancy rates among LIHTC communities and the current overall LIHTC occupancy rate in the market is not applicable to this analysis.

7. Rent Concessions

Neither community in the market area offered an incentive at the time of our survey. Two communities outside the market area offered reduced rents on at least select units and the community in lease-up (Atlantic at Parkridge) offered one month free.

8. Absorption History

Management could not provide absorption information for the two communities in the market area. Atlantic Parkridge, located outside the market area, has leased 30 units since opening in mid-January 2016, an average monthly absorption of roughly 15 units.

**Table 21 Rental Summary**

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI		Gar	12			\$440	\$515	
	Subject 60% AMI		Gar	36			\$500	\$600	
Communities Inside the Market Area									
1	Residence at Marina Bay	2013	Gar	216	1	0.5%	\$1,200	\$1,320	None
2	Ardmore Ballentine	2013	Gar	315	5	1.6%	\$947	\$1,061	None
Market Area Total				531	6	1.1%			
Market Area Average				2013	266		\$1,073	\$1,191	
Communities Outside the Market Area									
3	Atlantic at Parkridge	2016	Gar	298	268	89.9%	\$1,098	\$1,338	1 month free
4	Grandview at Lake Murray	2009	Gar	328	16	4.9%	\$1,123	\$1,170	Reduced 3BR rent
5	The Heights at Lake Murray	2003	Gar	230	13	5.7%	\$1,020	\$1,055	None
6	Paces Brook	1990	Gar	260	15	5.8%	\$822	\$930	None
7	The Legends at Lake Murray	1996	Gar/TH	180	22	12.2%		\$925	Reduced rents
Outside Market Area Total				1,296					
Outside Market Area Stabilized Total				818	44	5.4%			
Outside Market Area Average				2003	259		\$1,016	\$1,084	

Community in lease up.

Converted From LIHTC to Market Rate in November 2015; many tenants had to move out.

(1) Rent is contract rent, and not adjusted for utilities or incentives

Source: Field Survey, Real Property Research Group, Inc. February 2016.

Table 22 Vacancy by Floor Plan

Property	Vacant Units by Floorplan										
	Total Units	Units Vacant	One Bedroom			Two Bedroom			Three Bedroom		
			Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate
Atlantic at Parkridge	298	268	138	N/A	N/A	137	N/A	N/A	23	N/A	N/A
Residence at Marina Bay	216	1	44	1	2.3%	140	0	0.0%	32	0	0.0%
Grandview at Lake Murray	328	16	140	7	5.0%	148	7	4.7%	40	2	5.0%
Ardmore Ballentine	315	5	90	0	0.0%	180	4	2.2%	45	1	2.2%
The Heights at Lake Murray	230	13	94	3	3.2%	100	5	5.0%	36	5	13.9%
Paces Brook	260	15	130	6	4.6%	82	3	3.7%	48	6	12.5%
The Legends at Lake Murray	180	22				90	4	4.4%	90	18	20.0%
Total	1,827	340									
Stabilized Total	1,349	50	498	17	3.4%	650	19	2.9%	201	14	7.0%

Community is in lease up

Source: Field Survey, Real Property Research Group, Inc. February 2016.

D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Among the communities in the market area, Ardmore Ballentine includes trash removal in the rent and Residence at Marina Bay includes no utilities in the price of rent (Table 23). One community outside the market area includes trash removal and the other four include no utilities in the rent. The Peaks at Chapin will include the cost of trash removal.



2. Unit Features

All surveyed communities offer units with kitchens equipped with stoves, refrigerators, and dishwashers. Six of seven surveyed communities include a microwave including the two communities inside the market area. All surveyed communities offer washer/dryer connections including three which have a washer and dryer in each unit including one of the communities (Ardmore Ballentine) in the market area. The two communities inside the market area offer select luxury finishes including granite countertops, hardwood-style flooring, upgraded cabinetry, and crown molding. Taking into account the affordable nature of the subject property, The Peaks at Chapin will be competitive with surveyed rental communities as features will include stoves, refrigerators, dishwashers, garbage disposals, washers and dryer connections, ceiling fans, and a patio/balcony.

3. Parking

All surveyed communities include free surface parking. Atlantic Parkridge includes an attached garage in each unit and three communities offer detached garages for \$125 to \$175 per month.

4. Community Amenities

Both communities in the market area offer a clubhouse/community room, fitness room, and swimming pool. Ardmore Ballentine offers a playground, business center, and is gated (Table 24). Residence at Marina Bay offers poolside food and beverage service from its on-site restaurant. Additionally, Residence at Marina Bay offers lake specific amenities including boat slips, a launch ramp, and boat fueling dock. Outside of the lake specific amenities at Residence at Marina Bay, the communities outside the market area offer similar amenities.

The Peaks at Chapin will include a community room, fitness room, business/computer center, playground, and laundry room. These amenities are comparable to existing communities both inside and outside the market area with the exception of a swimming pool which is offered at most surveyed communities and the lake specific amenities at Residence at Marina Bay. The lack of a swimming pool is acceptable due to the small size of the subject property and the low proposed rents.

Table 23 Utilities and Unit Features– Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Communities Inside the Market Area											
Residence at Marina Bay	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Surface	Hook Ups
Ardmore Ballentine	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	STD - Full
Communities Outside the Market Area											
Atlantic at Parkridge	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Att. Garage	STD - Stacked
Grandview at Lake Murray	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Surface	STD - Full
The Heights at Lake Murray	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD		Surface	Hook Ups
Paces Brook	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
The Legends at Lake Murray	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	STD	STD	Surface	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. February 2016.



Table 24 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Playground	Tennis Court	Business Center	Gated Entry
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Communities Inside the Market Area							
Residence at Marina Bay	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ardmore Ballentine	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Communities Outside the Market Area							
Atlantic at Parkridge	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Grandview at Lake Murray	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
The Heights at Lake Murray	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Paces Brook	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The Legends at Lake Murray	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. February 2016.

5. Distribution of Units by Bedroom Type

All seven surveyed communities offer two and three bedroom units; six also offer one bedroom units. Among communities in the market area, two bedroom units account for 60.3 percent of surveyed units. Three bedroom units (25.2 percent) are much more common than one bedroom units (14.5 percent). The communities outside the market area are more heavily weighted toward one bedroom units with fewer two bedroom units (Table 25).

6. Effective Rents

Unit rents presented in Table 25 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents to account for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where trash removal is included in monthly rents at all communities, with tenants responsible for other utility costs (electricity, heat, hot water, and cooking fuel).

Among all surveyed rental communities in the market area, net rents, unit sizes, and rents per square foot are as follows:

- **One bedroom** units reported an average net rent of \$1,079 with a range from \$947 to \$1,210 per month. The average unit size is 869 square feet, which results in an average net rent per square foot of \$1.24.
- **Two bedroom** units reported an average net rent of \$1,196 with a range from \$1,061 to \$1,330 per month. The average unit size is 1,130 square feet, which results in an average net rent per square foot of \$1.06.



- **Three bedroom** units reported an average net rent of \$1,435 with a range from \$1,159 to \$1,710 per month. The average unit size is 1,423 square feet, which results in an average net rent per square foot of \$1.01.

The proposed rents will be the lowest in the market area by a large margin. The proposed 50 percent rents are all roughly 40 percent of the average effective rents in the market area and the proposed 60 percent rents are roughly half of the average effective rents in the market. The proposed unit sizes are much smaller than averages in the market area; however, the low proposed rents result in the lowest rent per square foot by far in the market area among all floor plans.

Table 25 Salient Characteristics, Surveyed Rental Communities

Community	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
		Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	12	4	\$440	753	\$0.58	4	\$515	965	\$0.53	4	\$550	1,125	\$0.49
Subject 60% AMI	36	8	\$500	753	\$0.66	20	\$600	965	\$0.62	8	\$700	1,125	\$0.62
Communities Inside the Market Area													
Residence at Marina Bay	216	44	\$1,210	1,002	\$1.21	140	\$1,330	1,204	\$1.10	32	\$1,710	1,415	\$1.21
Ardmore Ballentine	315	90	\$947	735	\$1.29	180	\$1,061	1,055	\$1.01	45	\$1,159	1,430	\$0.81
Market Area Total/Average	531		\$1,079	869	\$1.24		\$1,196	1,130	\$1.06		\$1,435	1,423	\$1.01
Market Area Unit Distribution	531	134				320				77			
Market Area % of Total	100.0%	25.2%				60.3%				14.5%			
Communities Outside the Market Area													
Atlantic at Parkridge	298	138	\$1,016	780	\$1.30	137	\$1,236	1,180	\$1.05	23	\$1,385	1,332	\$1.04
Grandview at Lake Murray	328	140	\$1,133	885	\$1.28	148	\$1,180	1,154	\$1.02	40	\$1,560	1,292	\$1.21
The Heights at Lake Murray	230	94	\$1,030	802	\$1.28	100	\$1,065	1,149	\$0.93	36	\$1,671	1,388	\$1.20
Paces Brook	260	130	\$822	737	\$1.12	82	\$930	1,104	\$0.84	48	\$1,080	1,229	\$0.88
The Legends at Lake Murray	180					90	\$918	1,032	\$0.89	90	\$1,002	1,297	\$0.77
Outside Market Area Total/Average	1,296		\$1,000	801	\$1.25		\$1,066	1,124	\$0.95		\$1,340	1,308	\$1.02
Outside Market Area Unit Distribution	1,296	502				557				237			
Outside Market Area % of Total	100.0%	38.7%				43.0%				18.3%			

(1) Rent is adjusted to include only trash and incentives

Source: Field Survey, Real Property Research Group, Inc. February 2016.

7. Scattered Site Rentals

Given the majority of rentals in the market area are single-family detached homes or mobile homes, we also researched scattered site rentals in the market area. Based on online listings, a number of two and three- bedroom rentals were available in the Peaks Market Area. The rents for these scattered site rentals averaged \$1,168 for two-bedroom units and \$1,241 for three-bedroom units (Table 26). Given the significant price differential, scattered site rentals are not considered comparable to the proposed units at The Peaks at Chapin.



Table 26 Scattered Site Rentals, Peaks Market Area

Bed	Bath	Sq. Ft.	Rent	Address	City	Type
2	1	1,200	\$1,775	108 Bogater Rd.	Chapin	SFD
2	2	1,000	\$950	113 Thames Valley Ct.	Irmo	SFD
2	1	1,000	\$780	1344 Old Lexington Hwy.	Chapin	SFD
Two Bedroom Average			\$1,168			
3	4	2,700	\$2,250	452 Peninsula Dr.	Properity	SFD
3	3	2,294	\$1,575	333 Glen Eagle Cir.	Irmo	SFD
3	2		\$1,550	167 Tanners Mill Dr.	Chapin	SFD
3	3	1,950	\$1,550	Primrose Ln.	Chapin	SFD
3	3	1,780	\$1,450	217 Caro Ln.	Chapin	SFD
3	3	1,982	\$1,425	405 Hollenbeck Rd.	Irmo	SFD
3	2	1,786	\$1,375	1 Old Hall Ct.	Irmo	SFD
3	2		\$1,195	20 Northstone Ct.	Irmo	SFD
3	3	1,500	\$1,150	120 Peregrine Ct.	Chapin	SFD
3	2	1,358	\$1,150	105 Old Hull Rd.	Irmo	SFD
3	2	1,225	\$1,145	401 Parlock Ct.	Irmo	SFD
3	2	1,835	\$1,100	419 N Royal Tower Dr.	Irmo	SFD
3	2.5	1,060	\$1,100	100 Old Well Rd.	Irmo	SFD
3	3	1,650	\$1,050	312 Castle Vale Rd.	Irmo	SFD
3	2	1,554	\$1,050	506 Chadford Rd.	Irmo	SFD
3	2	1,247	\$1,050	313 Upton Grey Rd.	Irmo	SFD
3	2	1,023	\$1,000	441 Kingshead Ct.	Irmo	SFD
3	2	1,066	\$1,000	568 Kenton Dr.	Irmo	SFD
3	2	1,300	\$1,000	94 Old Well Rd.	Irmo	SFD
3	3	1,500	\$1,000	8 Kristyben Ct.	Irmo	SFD
3	2	1,140	\$900	142 Weston Watch Rd.	Irmo	SFD
Three Bedroom Average			\$1,241			

Source: Realtor.com, Homes.com, Rent.com

E. Housing Authority Data / Subsidized Housing List

The Section 8 Housing Assistance program for Chapin and Lexington County is administered by the South Carolina State Housing Finance and Development Authority (SCSHFDA). The SCSHFDA is assisting 837 families through the Section 8 program in Lexington County and a waiting list of roughly 2,000 applicants exists. A list of all subsidized communities in the market area is detailed in Table 27 and the location relative to the site is shown on Map 7.

Table 27 Subsidized Rental Communities, Peaks Market Area

Community	Subsidy	Type	Address	City	State	Distance
Irmo Village	Section 8	Family	700 Chipwood Ct.	Irmo	SC	12.8 miles

Source: HUD, USDA, SCSHFDA



F. Potential Competition from For-Sale Housing and Scattered Site Rentals

Given the low proposed rents and income ranges targeted, we do not believe for-sale housing will compete with The Peaks at Chapin. Among scattered site rentals, single-family detached homes are higher priced than the subject and mobile homes are lower quality and don't provide the same amenities.

Map 7 Subsidized Rental Communities, Peaks Market Area





G. Proposed and Under Construction Rental Communities

According to local planning officials, no rental communities are planned or under construction in the market area. According to SCSHFDA's listing of LIHTC allocations, no new LIHTC communities will be added to the market area in the near term.

H. Estimate of Market Rent

To better understand how the proposed rents compare with the rental market, rents of the most comparable communities are adjusted for a variety of factors including curb appeal, square footage, utilities, and amenities. The adjustments made in this analysis are broken down into four classifications. These classifications and an explanation of the adjustments made follows:

- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition (Table 32).
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. An adjustment of \$25 per variance was applied for condition as this factor is also accounted for in “year built.” The Neighborhood or location adjustment was \$50 per numerical variance. As all five communities utilized in the estimated market rent analysis are closer to Columbia, a location adjustment was used to account for their superior location compared to the subject property. A larger adjustment was applied to Residence at Marina Bay due to its location on Lake Murray including direct access to the lake. A \$50 adjustment was utilized for communities offering luxury finishes such as granite countertops, upgraded cabinets, and crown molding.
 - Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$25 for each amenity.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$10 for each amenity.

According to our adjustment calculations, the estimated market rents for the units at The Peaks at Chapin are \$938 for one bedroom units (Table 28), \$981 for two bedroom units (Table 29), and \$1,289 for three bedroom units (Table 30). The proposed 50 percent rents result in market advantages of 47.50 percent to 57.33 percent. Market advantages for 60 percent units range from 38.84 percent to 46.70 percent. The overall weighted average market advantage is 45.05 percent (Table 31). The maximum achievable/restricted rent for LIHTC units would be LIHTC maximums.



Table 28 Estimate of Market Rent, One Bedroom Units

One Bedroom Units												
Subject Property		Comparable Property #1		Comparable Property #2		Comparable Property #3		Comparable Property #4		Comparable Property #5		
The Peaks at Chapin Virginia Street Chapin, Lexington County		Ardmore Ballentine		Residence at Marina Bay		Grandview at Lake Murray		The Heights at Lake Murray		Paces Brook		
		114 Ballentine Crossing Ln.		1600 Marina Rd.		2170 North Lake Dr.		100 Walden Heights Dr.		113 Paces Brook Ave.		
		Irmo	Richland	Irmo	Richland	Columbia	Lexington	Irmo	Richland	Columbia	Richland	
A. Rents Charged		Data		\$ Adj.		Data		\$ Adj.		Data		
Street Rent	\$500	\$947	\$0	\$1,200	\$0	\$1,170	\$0	\$1,032	\$0	\$870	\$0	
Utilities Included	T	T	\$0	None	\$10	None	\$10	None	\$10	T	\$0	
Rent Concessions		None	\$0	None	\$0	None	\$0	None	\$0	None	\$0	
Effective Rent	\$500	\$947		\$1,210		\$1,180		\$1,042		\$870		
<i>In parts B thru D, adjustments were made only for differences</i>												
B. Design, Location, Condition		Data		\$ Adj.		Data		\$ Adj.		Data		
Structure / Stories	Garden / 3	Garden / 3	\$0	Garden / 4	\$0	Garden / 3-4	\$0	Garden / 3	\$0	Garden / 3	\$0	
Year Built / Condition	2017	2013	\$3	2013	\$3	2009	\$6	2003	\$11	1990	\$20	
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$25)	Above Average	\$0	Above Average	\$0	Average	\$25	
Luxury Finishes	No	Yes	(\$50)	Yes	(\$50)	No	\$0	No	\$0	No	\$0	
Location	Average	Above Average	(\$50)	Excellent	(\$100)	Above Average	(\$50)	Above Average	(\$50)	Above Average	(\$50)	
C. Unit Equipment / Amenities		Data		\$ Adj.		Data		\$ Adj.		Data		
Number of Bedrooms	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0	
Number of Bathrooms	1	1	\$0	1	\$0	1	\$0	1	\$0	1	\$0	
Unit Interior Square Feet	753	735	\$5	1,002	(\$62)	859	(\$27)	797	(\$11)	801	(\$12)	
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0	Central	\$0	Central	\$0	
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	No / Yes	\$5	Yes / Yes	\$0	
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)	No	\$0	No	\$0	
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	
D. Site Equipment / Amenities		Data		\$ Adj.		Data		\$ Adj.		Data		
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	
E. Adjustments Recap		Positive		Negative		Positive		Negative		Positive		
Total Number of Adjustments	2		4		1		5		1		4	
Sum of Adjustments B to D	\$8		(\$135)		\$3		(\$247)		\$6		(\$112)	
		\$16		(\$71)		\$16		(\$71)		\$45		
		\$45		(\$72)								
F. Total Summary												
Gross Total Adjustment		\$143		\$250		\$118		\$87		\$117		
Net Total Adjustment		(\$127)		(\$244)		(\$106)		(\$55)		(\$27)		
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		
Adjusted Rent	\$820		\$966		\$1,074		\$987		\$843			
% of Effective Rent	86.6%		79.8%		91.0%		94.7%		96.9%			
Estimated Market Rent	\$938											
Rent Advantage \$	\$438											
Rent Advantage %	46.7%											



Table 29 Estimate of Market Rent, Two Bedroom Units

Two Bedroom Units											
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		Comparable Property #4		Comparable Property #5		
The Peaks at Chapin Virginia Street Chapin, Lexington County	Ardmore Ballentine		Residence at Marina Bay		Grandview at Lake Murray		The Heights at Lake Murray		Paces Brook		
	114 Ballentine Crossing Ln.		1600 Marina Rd.		2170 North Lake Dr.		100 Walden Heights Dr.		113 Paces Brook Ave.		
	Irmo	Richland	Irmo	Richland	Columbia	Lexington	Irmo	Richland	Columbia	Richland	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$600	\$1,061	\$0	\$1,320	\$0	\$1,170	\$0	\$1,051	\$0	\$930	\$0
Utilities Included	T	T	\$0	None	\$10	None	\$10	None	\$10	T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$600	\$1,061		\$1,330		\$1,180		\$1,061		\$930	
<i>In parts B thru D, adjustments were made only for differences</i>											
B. Design, Location, Condition	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 3	Garden / 3	\$0	Garden / 4	\$0	Garden / 3-4	\$0	Garden / 3	\$0	Garden / 3	\$0
Year Built / Condition	2017	2013	\$3	2013	\$3	2009	\$6	2003	\$11	1990	\$20
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$25)	Above Average	\$0	Above Average	\$0	Average	\$25
Luxury Finishes	No	Yes	(\$50)	Yes	(\$50)	No	\$0	No	\$0	No	\$0
Location	Average	Above Average	(\$50)	Excellent	(\$100)	Above Average	(\$50)	Above Average	(\$50)	Above Average	(\$50)
C. Unit Equipment / Amenities	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	965	1,055	(\$23)	1,204	(\$60)	1,154	(\$47)	1,131	(\$42)	1,104	(\$35)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap	Subject	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		1	5	1	5	1	4	2	3	2	3
Sum of Adjustments B to D		\$3	(\$158)	\$3	(\$245)	\$6	(\$132)	\$16	(\$102)	\$45	(\$95)
F. Total Summary	Subject	Comparable Property #1		Comparable Property #2		Comparable Property #3		Comparable Property #4		Comparable Property #5	
Gross Total Adjustment		\$161		\$248		\$138		\$118		\$140	
Net Total Adjustment		(\$155)		(\$242)		(\$126)		(\$86)		(\$50)	
G. Adjusted And Achievable Rents	Subject	Comparable Property #1		Comparable Property #2		Comparable Property #3		Comparable Property #4		Comparable Property #5	
Adjusted Rent		\$906		\$1,088		\$1,054		\$975		\$880	
% of Effective Rent		85.4%		81.8%		89.3%		91.9%		94.6%	
Estimated Market Rent	\$981										
Rent Advantage \$	\$381										
Rent Advantage %	38.8%										



Table 30 Estimate of Market Rent, Three Bedroom Units

Three Bedroom Units											
Subject Property	Comparable Property #1		Comparable Property #2		Comparable Property #3		Comparable Property #4		Comparable Property #5		
The Peaks at Chapin Virginia Street Chapin, Lexington County	Ardmore Ballentine		Residence at Marina Bay		Grandview at Lake Murray		The Heights at Lake Murray		Paces Brook		
	114 Ballentine Crossing Ln.		1600 Marina Rd.		2170 North Lake Dr.		100 Walden Heights Dr.		113 Paces Brook Ave.		
	Irmo	Richland	Irmo	Richland	Columbia	Lexington	Irmo	Richland	Columbia	Richland	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$700	\$1,159	\$0	\$1,700	\$0	\$1,550	\$0	\$1,661	\$0	\$1,080	\$0
Utilities Included	T	T	\$0	None	\$10	None	\$10	None	\$10	T	\$0
Rent Concessions		None	\$0	None	\$0	None	\$0	None	\$0	None	\$0
Effective Rent	\$700	\$1,159		\$1,710		\$1,560		\$1,671		\$1,080	
<i>In parts B thru D, adjustments were made only for differences</i>											
B. Design, Location, Condition	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 3	Garden / 3	\$0	Garden / 4	\$0	Garden / 3-4	\$0	Garden / 3	\$0	Garden / 3	\$0
Year Built / Condition	2017	2013	\$3	2013	\$3	2009	\$6	2003	\$11	1990	\$20
Quality/Street Appeal	Above Average	Above Average	\$0	Excellent	(\$25)	Above Average	\$0	Above Average	\$0	Average	\$25
Luxury Finishes	No	Yes	(\$50)	Yes	(\$50)	No	\$0	No	\$0	No	\$0
Location	Average	Above Average	(\$50)	Excellent	(\$100)	Above Average	(\$50)	Above Average	(\$50)	Above Average	(\$50)
C. Unit Equipment / Amenities	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,125	1,430	(\$76)	1,415	(\$73)	1,292	(\$42)	1,388	(\$66)	1,229	(\$26)
Balcony / Patio / Porch	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0	No / Yes	\$5	Yes / Yes	\$0
Washer / Dryer: In Unit	No	Yes	(\$25)	No	\$0	Yes	(\$25)	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Free Surface	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0	Free Surface	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		1	5	1	5	1	4	2	3	2	3
Sum of Adjustments B to D		\$3	(\$211)	\$3	(\$258)	\$6	(\$127)	\$16	(\$126)	\$45	(\$86)
F. Total Summary											
Gross Total Adjustment		\$214		\$261		\$133		\$142		\$131	
Net Total Adjustment		(\$208)		(\$255)		(\$121)		(\$110)		(\$41)	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$951		\$1,455		\$1,439		\$1,561		\$1,039	
% of Effective Rent		82.1%		85.1%		92.2%		93.4%		96.2%	
Estimated Market Rent	\$1,289										
Rent Advantage \$	\$589										
Rent Advantage %	45.7%										



Table 31 Rent Advantage Summary

	One	Two	Three
50% AMI Units	Bedroom	Bedroom	Bedroom
Subject Rent	\$440	\$515	\$550
Estimated Market Rent	\$938	\$981	\$1,289
Rent Advantage (\$)	\$498	\$466	\$739
Rent Advantage (%)	53.09%	47.50%	57.33%
Proposed Units	4	4	4
60% AMI Units	One	Two	Three
	Bedroom	Bedroom	Bedroom
Subject Rent	\$500	\$600	\$700
Estimated Market Rent	\$938	\$981	\$1,289
Rent Advantage (\$)	\$438	\$381	\$589
Rent Advantage (%)	46.70%	38.84%	45.69%
Proposed Units	8	20	8
Weighted Average			45.05%

Table 32 Estimate of Market Rent Adjustments Summary

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Quality/Street Appeal	\$25.00
Luxury Finishes	\$50.00
Location	\$50.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$75.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Club House	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00

8. FINDINGS AND CONCLUSIONS

A. Key Findings

Based on the preceding review of the subject project, demographic and competitive housing trends in the Peaks Market Area, RPRG offers the following key findings:

1. Site and Neighborhood Analysis

The Peaks at Chapin is located in an established fast growing exurban/rural neighborhood in Chapin.

- The neighborhood surrounding the proposed site for The Peaks at Chapin includes a mixture of land uses including commercial (small businesses, shopping, and community services), and residential uses common within two miles. Residential uses are generally well-maintained single-family detached homes and duplexes.
- The subject site is within one-quarter mile of numerous community amenities and services including shopping, restaurants, banks, grocery stores, pharmacies, and a convenience store. A public park, library, Chapin High School, and medical facilities are within one to two miles.
- The subject site is appropriate for the proposed use and with the low proposed rents will be competitive with the limited multi-family rental communities in the market area.

2. Economic Context

Lexington County has experienced significant job growth along with an expansion of its workforce over the past decade. While the county was affected by the national recession, severe job loss was limited to one year and At-Place-Employment is at an all-time high and the unemployment rate is lower than both state and national rates.

- The labor force in Lexington County has steadily increased since 2004 with growth of roughly 17,500 workers or 14.1 percent. The employed portion of the labor force has followed a similar trend, increasing by 16,447 employed workers or 13.9 percent.
- Lexington County's unemployment rate peaked at 8.2 percent (2010) compared to peaks of 11.2 percent in South Carolina (2009-2010) and 9.6 percent in the country (2010). Unemployment rates have decreased significantly in all three areas with 2015 unemployment rates of 5.1 percent in the county, 6.1 percent in the state, and 5.3 percent in the nation.
- Total At-Place Employment in Lexington County increased by roughly 27,000 jobs from 2000 to 2014, including 5,766 jobs added in 2014. The county has added 2,751 more jobs in the first half of 2015.
- Ten jobs expansions at new or existing companies in Lexington County have been announced since 2014 including 1,150 new jobs and a total capital investment of \$178 million.

3. Growth Trends

Both the Peaks Market Area and Lexington County grew steadily between the 2000 and 2010 census counts with the market area's growth rate significantly higher than the county's. Growth in the market area is projected to slow but remain strong over the next few years.

- Between 2000 and 2010 Census counts, the Peaks Market Area grew by 37.0 percent, rising from 40,853 to 55,988 people. During the same time period, the number of households increased by 40.4 percent, from 14,860 to 20,862 households, annual growth of 600 households or 3.5 percent.



- The market area is projected to grow by 3,025 people and 1,139 households from 2015 to 2018, annual growth will be 1,008 people (1.6 percent) and 380 households (1.6 percent) over this time period.

4. Demographic Trends

Compared to the county, the market area is older, more affluent, contains a large number of families, and is less likely to rent.

- The median age of the population is 41 in the market area and 38 in the county. Adults age 35-61 comprise the largest cohort in both areas.
- Roughly 11 percent of all households in the Peaks Market Area were renters compared to 26.2 percent in Lexington County. Renter percentages are expected to increase in both areas and are projected at 11.9 percent in the market area and 28.6 percent in the county by 2018. Renters are projected to account for 20.8 percent of the net household growth over the next three years.
- Working age households form the core of the market area's renters, as two-thirds of renter occupied households are between the ages of 25 and 54. Older adults age 55+ account for just over one-quarter (26.4 percent) of all market area renters and young renters (under 25) comprise just 6.6 percent of renters.
- Reflecting its exurban location, the market area is comprised of a large percentage of families. Households with two or more people and no children comprise 43.1 percent of market area households and 38.6 percent of households have children. Single persons account for 18.3 percent of all households in the Peaks Market Area.
- RPRG estimates that the 2015 median household income in the Peaks Market Area is \$73,750, which is \$16,482 or 28.8 percent higher than the \$57,268 median in Lexington County.
- The market area's median income by tenure in 2015 is estimated at \$38,883 for renter households and \$79,750 for owner households. Income distributions among renter households in the market area are fairly evenly distributed. Roughly 28 percent of renter households earn less than \$25,000, 36.9 percent earn \$25,000 to \$49,999, and 25.1 percent earn \$50,000 to \$99,999.

5. Competitive Housing Analysis

The multi-family rental market is limited in the market area but is performing well with few vacancies.

- The two communities surveyed in the market area had just six vacancies among 531 total units, a vacancy rate of 1.1 percent. The stabilized communities outside the market area had 44 vacancies among 818 total units, a rate of 5.4 percent. Vacancy rates by floorplan among all surveyed communities (inside and outside the market area) were 3.4 percent for one bedroom units, 2.9 percent for two bedroom units, 7.0 percent for three bedroom units. Vacancy rates by floor plan are much lower if utilizing only the communities in the market area. Vacancy rates in the market area are 0.7 percent for one bedroom units, 1.3 percent for two bedroom units, and 1.3 percent for three bedroom units.
- Among the two rental communities surveyed in the market area, net rents, unit sizes, and rents per square foot are as follows:
 - **One bedroom** rents average \$1,079 for 869 square feet or \$1.24 per square foot.



- **Two bedroom** rents average \$1,196 for 1,130 square feet or \$1.06 per square foot.
- **Three bedroom** rents average \$1,435 for 1,423 square feet or \$1.01 per square foot.
- The proposed rents are positioned well below all surveyed communities.
- The estimated market rents for the units at The Peaks at Chapin are \$938 for one bedroom units, \$981 for two bedroom units, and \$1,289 for three bedroom units. All rents have at least a 38 percent rent advantage and the overall weighted average market advantage is 45.05 percent.
- According to local planners, no rental communities are planned or under construction in the market area.

B. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the Peaks Market Area that the subject property must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among primary market area households for the target year of 2018. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2010-2014 American Community Survey along with estimates and projected income growth by Esri (Table 33).

A particular housing unit is typically said to be affordable to households that would be expending a certain percentage of their annual income or less on the expenses related to living in that unit. In the case of rental units, these expenses are generally of two types – monthly contract rents paid to landlords and payment of utility bills for which the tenant is responsible. The sum of the contract rent and utility bills is referred to as a household's 'gross rent burden'. For this analysis, RPRG employs a 35 percent gross rent burden.

The proposed LIHTC units at The Peaks at Chapin will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2015 Columbia, SC MSA Income Limits and are based on an average of 1.5 persons per bedroom. Rent and income limits are detailed in Table 34 on the following page.



Table 33 2018 Income Distribution by Tenure

Peaks Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	1,189	4.9%	269	9.4%
	\$15,000 - \$24,999	1,004	4.2%	227	7.9%
	\$25,000 - \$34,999	1,351	5.6%	304	10.6%
	\$35,000 - \$49,999	2,713	11.3%	613	21.4%
	\$50,000 - \$74,999	5,320	22.1%	802	28.1%
	\$75,000 - \$99,999	3,283	13.6%	204	7.1%
	\$100,000 - \$149,999	4,870	20.2%	330	11.5%
	\$150,000 - Over	4,342	18.0%	111	3.9%
Total		24,072	100%	2,859	100%
Median Income		\$78,488		\$50,529	

Source: American Community Survey 2010-2014 Projections, RPRG, Inc.

Table 34 LIHTC Income and Rent Limits

HUD 2015 Median Household Income Columbia, SC HUD Metro FMR Area \$64,700 Very Low Income for 4 Person Household \$30,850 2015 Computed Area Median Gross Income \$61,700 Utility Allowance: 1 Bedroom \$136 2 Bedroom \$188 3 Bedroom \$222										
LIHTC Household Income Limits by Household Size:										
	Household Size	30%	40%	50%	60%	80%	100%	150%		
	1 Person	\$12,960	\$17,280	\$21,600	\$25,920	\$34,560	\$43,200	\$64,800		
	2 Persons	\$14,820	\$19,760	\$24,700	\$29,640	\$39,520	\$49,400	\$74,100		
	3 Persons	\$16,680	\$22,240	\$27,800	\$33,360	\$44,480	\$55,600	\$83,400		
	4 Persons	\$18,510	\$24,680	\$30,850	\$37,020	\$49,360	\$61,700	\$92,550		
	5 Persons	\$20,010	\$26,680	\$33,350	\$40,020	\$53,360	\$66,700	\$100,050		
	6 Persons	\$21,480	\$28,640	\$35,800	\$42,960	\$57,280	\$71,600	\$107,400		
Imputed Income Limits by Number of Bedrooms:										
Assumes 1.5 persons per bedroom	Persons	Bedrooms	30%	40%	50%	60%	80%	100%	150%	
	1	0	\$12,960	\$17,280	\$21,600	\$25,920	\$34,560	\$43,200	\$64,800	
	1.5	1	\$13,890	\$18,520	\$23,150	\$27,780	\$37,040	\$46,300	\$69,450	
	3	2	\$16,680	\$22,240	\$27,800	\$33,360	\$44,480	\$55,600	\$83,400	
	4.5	3	\$19,260	\$25,680	\$32,100	\$38,520	\$51,360	\$64,200	\$96,300	
	6	4	\$21,480	\$28,640	\$35,800	\$42,960	\$57,280	\$71,600	\$107,400	
LIHTC Tenant Rent Limits by Number of Bedrooms:										
<i>Assumes 1.5 Persons per bedroom</i>										
# Persons	30%		40%		50%		60%		80%	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
1 Bedroom	\$347	\$211	\$463	\$327	\$578	\$442	\$694	\$558	\$926	\$790
2 Bedroom	\$417	\$229	\$556	\$368	\$695	\$507	\$834	\$646	\$1,112	\$924
3 Bedroom	\$481	\$259	\$642	\$420	\$802	\$580	\$963	\$741	\$1,284	\$1,062

Source: U.S. Department of Housing and Urban Development



2. Affordability Analysis

The steps in the affordability analysis (Table 35) are as follows:

- Looking at the one bedroom units at 50 percent AMI, the overall shelter cost at the proposed rent would be \$576 (\$440 net rent plus a \$136 allowance to cover all utilities except trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent one bedroom unit would be affordable to households earning at least \$19,749 per year. A projected 22,406 households in the market area will earn at least this amount in 2018.
- Based on an average household size of 1.5 persons per bedroom, the maximum income limit for a one bedroom unit at 50 percent of the AMI is \$23,150. According to the interpolated income distribution for 2018, 22,065 households in the Peaks Market Area will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 22,065 households with incomes above the maximum income limit from the 22,406 households that could afford to rent this unit, RPRG computes that an estimated 342 households in the Peaks Market Area fall within the band of affordability for the subject's one bedroom units at 50 percent AMI. The subject property would need to capture 1.2 percent of these income-qualified households to absorb the proposed one bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified households that are currently renters and determined that 2,483 renter households can afford to rent a one bedroom 50 percent unit at the subject property. Of these, 2,406 have incomes above our maximum income of \$23,150. The net result is 77 renter households within the income band. To absorb the proposed 50 percent one bedroom units, the subject property would need to capture 5.2 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for the remaining floor plan types and income levels offered at the community. We also computed the capture rates for all units. The remaining renter capture rates by floor plan range from 2.3 percent to 10.4 percent.
- By income level, renter capture rates are 3.6 percent for 50 percent units, 6.9 percent for 60 percent units, and 8.5 percent for all units.

All of these capture rates are within reasonable and achievable levels, indicating sufficient income qualified renter households exist in the Peaks Market Area to support the 48 rental units proposed at The Peaks at Chapin.



Table 35 Affordability Analysis for The Peaks at Chapin

50% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
	Min.	Max.	Min.	Max.	Min.	Max.
Number of Units	4		4		4	
Net Rent	\$440		\$515		\$550	
Gross Rent	\$576		\$703		\$772	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$19,749	\$23,150	\$24,103	\$27,800	\$26,469	\$32,100
Total Households						
Range of Qualified Hslds	22,406	22,065	21,969	21,500	21,680	20,920
# Qualified Households	342		468		761	
Total HH Capture Rate	1.2%		0.9%		0.5%	
Renter Households						
Range of Qualified Hhlds	2,483	2,406	2,384	2,279	2,319	2,148
# Qualified Hhlds	77		106		171	
Renter HH Capture Rate	5.2%		3.8%		2.3%	

60% Units	One Bedroom Units		Two Bedroom Units		Three Bedroom Units	
Number of Units	8		20		8	
Net Rent	\$500		\$600		\$700	
Gross Rent	\$636		\$788		\$922	
% Income for Shelter	35%		35%		35%	
Income Range (Min, Max)	\$21,806	\$27,780	\$27,017	\$33,360	\$31,611	\$38,520
Total Households						
Range of Qualified Hslds	22,200	21,503	21,606	20,749	20,986	19,891
# Qualified Households	696		857		1,094	
Unit Total HH Capture Rate	1.1%		2.3%		0.7%	
Renter Households						
Range of Qualified Hhlds	2,437	2,280	2,303	2,110	2,163	1,916
# Qualified Hhlds	157		193		247	
Renter HH Capture Rate	5.1%		10.4%		3.2%	

Income Target	# Units	All Households = 24,072					Renter Households = 2,859				
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate	
50% Units	12	<i>Income</i>	\$19,749	\$32,100	1,487	0.8%	<i>Income</i>	\$19,749	\$32,100	335	3.6%
		<i>Households</i>	22,406	20,920			<i>Households</i>	2,483	2,148		
60% Units	36	<i>Income</i>	\$21,806	\$38,520	2,308	1.6%	<i>Income</i>	\$21,806	\$38,520	521	6.9%
		<i>Households</i>	22,200	19,891			<i>Households</i>	2,437	1,916		
Total Units	48	<i>Income</i>	\$19,749	\$38,520	2,515	1.9%	<i>Income</i>	\$19,749	\$38,520	567	8.5%
		<i>Households</i>	22,406	19,891			<i>Households</i>	2,483	1,916		

Source: 2010 U.S. Census, Esri, Estimates, RPRG, Inc.

C. Derivation of Demand

1. Demand Methodology

The South Carolina State Housing Finance and Development Authority’s LIHTC demand methodology for general occupancy communities consists of three components:



- The first component of demand is household growth. This number is the number of income qualified renter households projected to move into the Peaks Market Area from the base year of 2015 to 2018.
- The second component of demand is income qualified renter households living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2010-2014 American Community Survey (ACS) data, 3.7 percent of the rental units in the Peaks Market Area are “substandard” (Table 36).
- The third and final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 39.2 percent of Peaks Market Area renter households are categorized as cost burdened.

Table 36 Substandard and Cost Burdened Calculations, Peaks Market Area

Rent Cost Burden		
Total Households	#	%
Less than 10.0 percent	100	4.0%
10.0 to 14.9 percent	170	6.7%
15.0 to 19.9 percent	206	8.2%
20.0 to 24.9 percent	327	12.9%
25.0 to 29.9 percent	287	11.4%
30.0 to 34.9 percent	193	7.6%
35.0 to 39.9 percent	158	6.3%
40.0 to 49.9 percent	128	5.1%
50.0 percent or more	540	21.4%
Not computed	418	16.5%
Total	2,527	100.0%
> 35% income on rent	826	39.2%

Source: American Community Survey 2010-2014

Substandardness	
Total Households	
Owner occupied:	
Complete plumbing facilities:	18,792
1.00 or less occupants per room	18,725
1.01 or more occupants per room	67
Lacking complete plumbing facilities:	24
Overcrowded or lacking plumbing	91
Renter occupied:	
Complete plumbing facilities:	2,464
1.00 or less occupants per room	2,433
1.01 or more occupants per room	31
Lacking complete plumbing facilities:	63
Overcrowded or lacking plumbing	94
Substandard Housing	185
% Total Stock Substandard	0.9%
% Rental Stock Substandard	3.7%

2. Demand Analysis

Directly comparable units built or approved in the Peaks Market Area since the base year are subtracted from the demand estimates. No such units exist in the market area.

The overall demand capture rates are 8.2 percent for 50 percent units, 15.8 percent for 60 percent units, and 19.3 percent for the project as a whole (Table 37). By floor plan, capture rates range from 8.6 percent to 23.6 percent (Table 38). All of these capture rates are within the range of acceptability.



Table 37 Demand by AMI Level

<i>Income Target</i>	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,749	\$21,806	\$19,749
<i>Maximum Income Limit</i>	\$32,100	\$38,520	\$38,520
<i>(A) Renter Income Qualification Percentage</i>	11.7%	18.2%	19.8%
Demand from New Renter Households <i>Calculation: (C-B) * A</i>	15	24	26
Plus			
Demand from Substandard Housing <i>Calculation: B * D * F * A</i>	11	18	19
Plus			
Demand from Rent Over-burdened Households <i>Calculation: B * E * F * A</i>	120	187	204
Equals			
Total PMA Demand	147	228	249
Less			
Comparable Units	0	0	0
Equals			
Net Demand	147	228	249
Proposed Units	12	36	48
Capture Rate	8.2%	15.8%	19.3%

Demand Calculation Inputs	
(B) 2015 HH	22,933
(C) 2018 HH	24,072
(D) ACS Substandard Percentage	3.7%
(E) ACS Rent Over-Burdened Percentage	39.2%
(F) 2015 Renter Percent	11.4%



Table 38 Demand by Floor Plan

One Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,749	\$21,806	\$19,749
<i>Maximum Income Limit</i>	\$23,150	\$27,780	\$27,780
<i>Renter Income Qualification Percentage</i>	2.7%	5.5%	7.1%
Total Demand	34	69	89
Supply	0	0	0
Net Demand	34	69	89
Units Proposed	4	8	12
Capture Rate	11.8%	11.6%	13.4%

Two Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$24,103	\$27,017	\$24,103
<i>Maximum Income Limit</i>	\$27,800	\$33,360	\$33,360
<i>Renter Income Qualification Percentage</i>	3.7%	6.7%	9.6%
Total Demand	46	85	121
Supply	0	0	0
Net Demand	46	85	121
Units Proposed	4	20	24
Capture Rate	8.6%	23.6%	19.9%

Three Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$26,469	\$31,611	\$26,469
<i>Maximum Income Limit</i>	\$32,100	\$38,520	\$38,520
<i>Renter Income Qualification Percentage</i>	6.0%	8.6%	14.1%
Total Demand	75	108	177
Supply	0	0	0
Net Demand	75	108	177
Large HH Size % (3+ Persons)	48.8%	48.8%	48.8%
Large HH Demand	37	53	86
Units Proposed	4	8	12
Capture Rate	10.9%	15.1%	13.9%

Demand by floor plan is based on gross demand multiplied by each floor

D. Target Markets

With units targeting households earning up to 50 percent and 60 percent of AMI with one, two, and three bedroom units, The Peaks at Chapin will target a wide range of renter households. Household types targeted will low to moderate income singles, couples, roommates, and families.

E. Product Evaluation

Considered in the context of the competitive environment and in light of the planned development, the relative position of The Peaks at Chapin is as follows:

- **Site:** The subject site is appropriate for the proposed development. The subject’s neighborhood includes both commercial and residential uses within one mile of the site. Amenities within one-quarter mile of the subject site include shopping, banks, restaurants, grocery stores, pharmacies, and a convenience store. Medical services, Chapin High School, a library, and a public park are within two miles. Residential uses (single-family detached homes and duplexes) within two miles of the site are generally well-maintained.

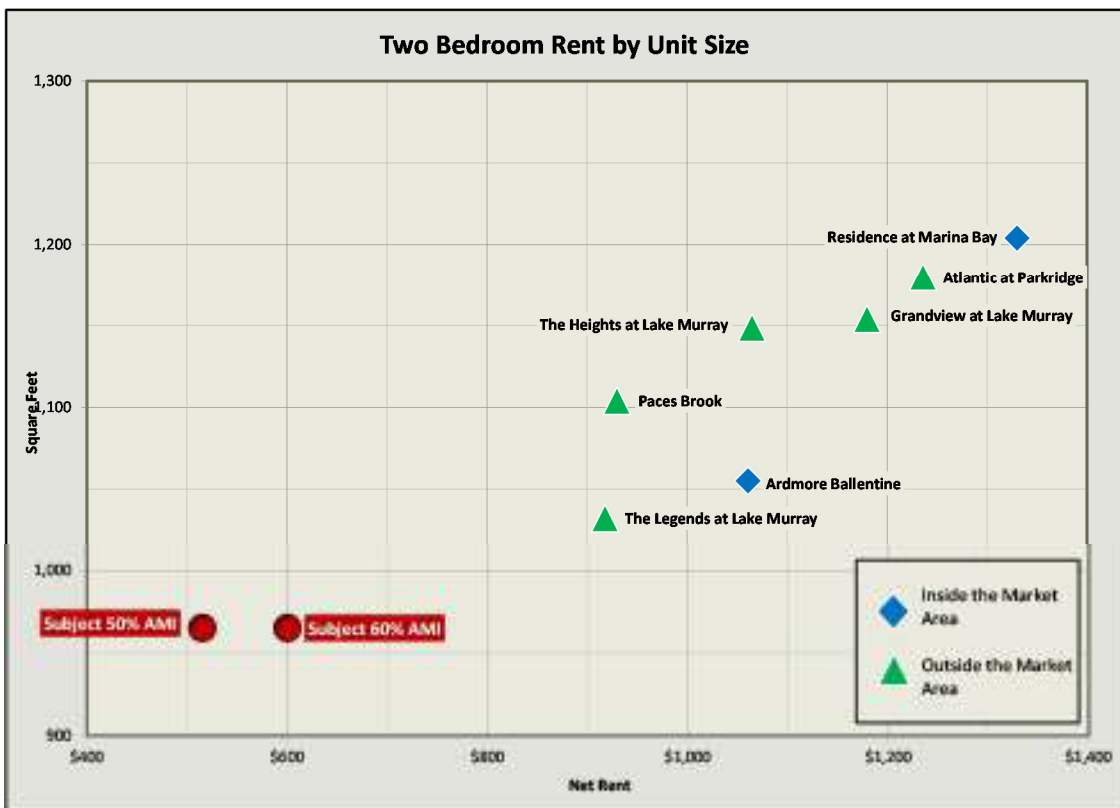
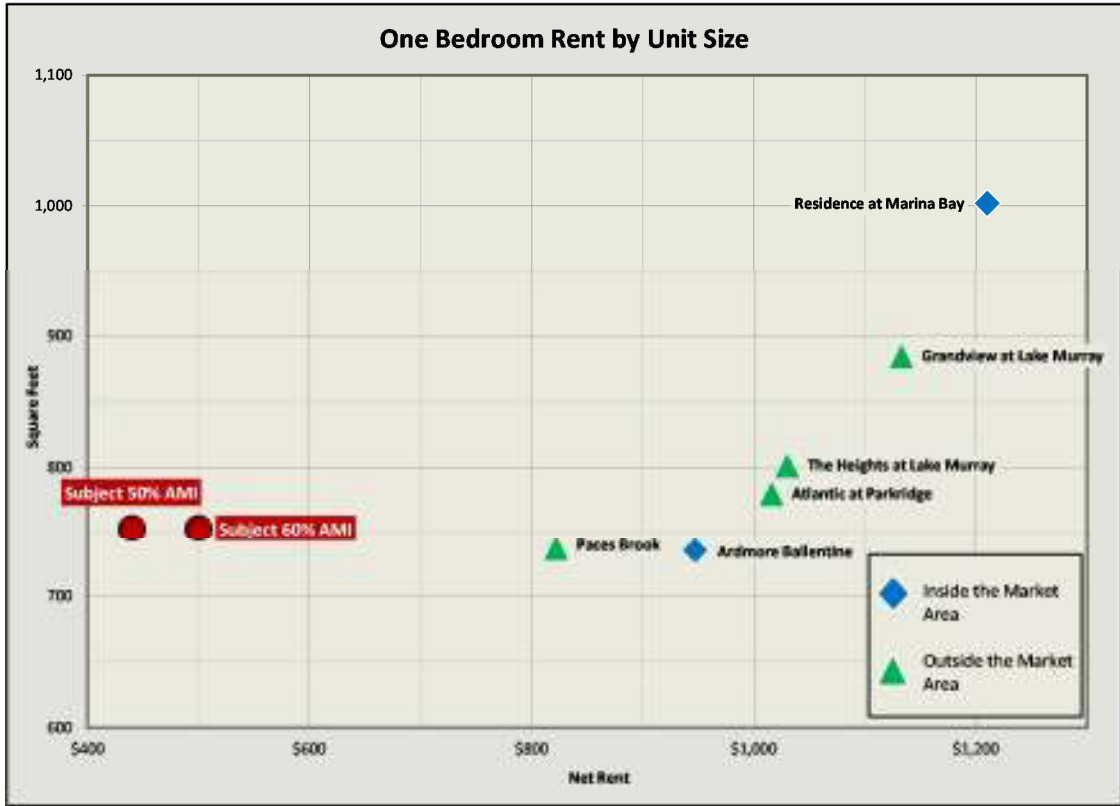


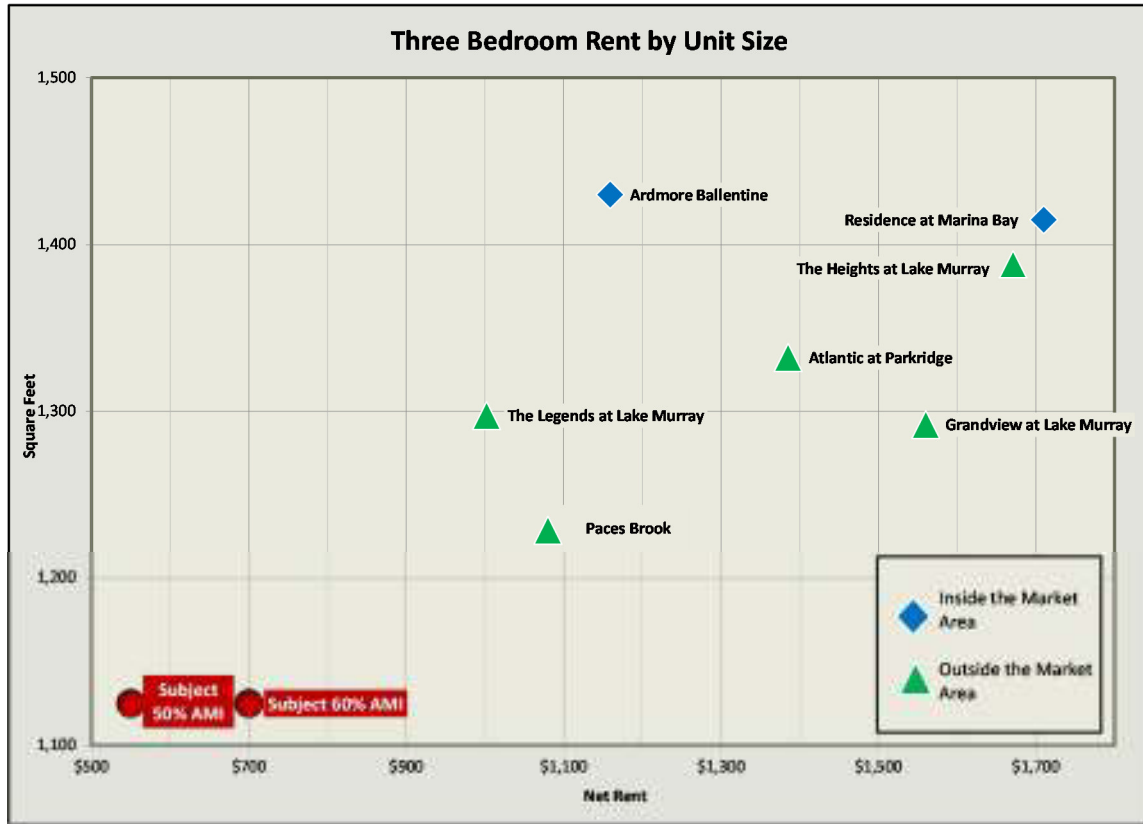
- **Unit Distribution:** The unit mix of at the subject property will include 12 one-bedroom units, 24 two-bedroom units, and 12 three-bedroom units. Both surveyed communities in the market area offer one, two, and three bedroom floor plans and the proposed percentage of each floor plan is relatively in line with the existing unit mix in the market area. The proposed unit distribution is appropriate and will appeal to a range of households. Given the relatively small size of the community, it will not add a significant number of any particular unit size.
- **Unit Size:** The proposed unit sizes of 753 square feet for one bedroom units, 965 square feet for two bedroom units, and 1,125 square feet for three bedroom units are all smaller than averages of the two market rate communities in the market area. Taking into account the much lower rents proposed at the subject property, the rent per square foot will be substantially lower than any floor plan at either community in the market area. The unit sizes will be competitive in the market area.
- **Unit Features:** The newly constructed units at The Peaks at Chapin will offer kitchens with range, refrigerator, dishwasher, garbage disposal, and microwave. In addition, all units will include washer and dryer connections, ceiling fans, patios/balconies, central heating and air conditioning, and window blinds. Taking into account the affordable nature of the subject property, the proposed unit features at The Peaks at Chapin will be competitive with rental properties in the market area. Both Residence at Marina Bay and Ardmore Ballentine offer luxury living and will have superior unit features to the subject property, however, they both charge rents well above the proposed rents at The Peaks at Chapin.
- **Community Amenities:** The Peaks at Chapin's amenity package will include a community room, fitness center, business/computer center, playground, and laundry facilities which will be competitive with the Peaks Market Area's existing rental stock. The lack of a swimming pool at the subject property is acceptable due to its small size and low proposed rents.
- **Marketability:** The proposed units at The Peaks at Chapin will be well received in the market area. The proposed rents are reasonable and appropriate given the product to be constructed. All units will have at least a 38 percent rent advantage.

F. Price Position

As shown in Figure 8, the proposed rents will be the lowest among all surveyed communities (inside and outside the market area) by far. The subject's unit sizes result in the lowest rent per square foot inside and outside the market area among all floor plans by a wide margin.

Figure 8 Price Position, The Peaks at Chapin





G. Absorption Estimate

Absorption estimates are based on the following:

- Household growth of 380 households per year in the market area from 2015 to 2018.
- An increasing renter percentage in the market area to 11.9 percent by 2018. The market area is expected to add 237 renter households over the next three years.
- A vacancy rate among surveyed communities in the market area of 1.1 percent and no LIHTC rental alternatives exist in the market area.
- The proposed rents will result in rent advantages of at least 38 percent on all floorplans with an overall rent advantage of 45.05 percent.
- The affordability and demand capture rates are all within acceptable levels.
- The proposed product will be competitive with existing communities and well received in the market.

Based on the factors listed above, we estimate that The Peaks at Chapin will lease a minimum of 12 units per month. At this rate, the community would achieve 93 percent occupancy in approximately three to four months.

H. Impact on Existing Market

Given the small number of units, the construction of The Peaks at Chapin is not expected to have an adverse impact on existing rental communities in the Peaks Market Area. Overall, the rental market in the Peaks Market Area is performing well and no LIHTC communities exist in the market area. As the Peaks Market Area is projected to continue to experience renter household growth over the next three years, demand for rental housing is also likely to increase.



I. Final Conclusion and Recommendation

Based on an analysis of projected household growth trends, overall affordability and demand estimates, current rental market conditions, and socio-economic and demographic characteristics of the Peaks Market Area, RPRG believes that the proposed The Peaks at Chapin will be able to successfully reach and maintain a stabilized occupancy of at least 93 percent following entrance into the rental market. Given the product to be constructed, the subject will be competitively positioned with existing rental communities in the Peaks Market Area and the units will be well received by the target market. We recommend proceeding with the project as proposed.

Handwritten signature of Brett Welborn in black ink.

Brett Welborn
Analyst

Handwritten signature of Tad Scepaniak in black ink.

Tad Scepaniak
Principal



9. APPENDIX 1 UNDERLYING ASSUMPTION AND LIMITING CONDITIONS

In conducting the analysis, we will make the following assumptions, except as otherwise noted in our report:

1. There are no zoning, building, safety, environmental or other federal, state or local laws, regulations or codes which would prohibit or impair the development, marketing or operation of the subject project in the manner contemplated in our report, and the subject project will be developed, marketed and operated in compliance with all applicable laws, regulations and codes.
2. No material changes will occur in (a) any federal, state or local law, regulation or code (including, without limitation, the Internal Revenue Code) affecting the subject project, or (b) any federal, state or local grant, financing or other program which is to be utilized in connection with the subject project.
3. The local, national and international economies will not deteriorate, and there will be no significant changes in interest rates or in rates of inflation or deflation.
4. The subject project will be served by adequate transportation, utilities and governmental facilities.
5. The subject project will not be subjected to any war, energy crisis, embargo, strike, earthquake, flood, fire or other casualty or act of God.
6. The subject project will be on the market at the time and with the product anticipated in our report, and at the price position specified in our report.
7. The subject project will be developed, marketed and operated in a highly professional manner.
8. No projects will be developed which will be in competition with the subject project, except as set forth in our report.
9. There are no existing judgments nor any pending or threatened litigation, which could hinder the development, marketing or operation of the subject project.



The analysis will be subject to the following limiting conditions, except as otherwise noted in our report:

1. The analysis contained in this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions, however, inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will vary from our estimates and the variations may be material.
2. Our absorption estimates are based on the assumption that the product recommendations set forth in our report will be followed without material deviation.
3. All estimates of future dollar amounts are based on the current value of the dollar, without any allowance for inflation or deflation.
4. We have no responsibility for considerations requiring expertise in other fields. Such considerations include, but are not limited to, legal matters, environmental matters, architectural matters, geologic considerations, such as soils and seismic stability, and civil, mechanical, electrical, structural and other engineering matters.
5. Information, estimates and opinions contained in or referred to in our report, which we have obtained from sources outside of this office, are assumed to be reliable and have not been independently verified.
6. The conclusions and recommendations in our report are subject to these Underlying Assumptions and Limiting Conditions and to any additional assumptions or conditions set forth in the body of our report.



10. APPENDIX 2 ANALYST CERTIFICATIONS

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 & Development Authority’s programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SCSHFDA’s market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low-income housing rental market.

Brett Welborn
Analyst
Real Property Research Group, Inc.

March 2, 2016

Date

Tad Scepaniak
Principal
Real Property Research Group, Inc.

March 2, 2016

Date

Warning: Title 18 U.S.C. 1001, provides in part that whoever knowingly and willfully makes or uses a document containing any false, fictitious, or fraudulent statement or entry, in any manner in the jurisdiction of any department or agency of the United States, shall be fined not more than \$10,000 or imprisoned for not more than five years or both.



11. APPENDIX 3 ANALYST RESUMES

ROBERT M. LEFENFELD

Mr. Lefenfeld is the Managing Principal of the firm with over 30 years of experience in the field of residential market research. Before founding Real Property Research Group in February, 2001, Bob served as an officer of research subsidiaries of the accounting firm of Reznick Fedder & Silverman and Legg Mason. Between 1998 and 2001, Bob was Managing Director of RF&S Realty Advisors, conducting market studies throughout the United States on rental and for sale projects. From 1987 to 1995, Bob served as Senior Vice President of Legg Mason Realty Group, managing the firm's consulting practice and serving as publisher of a Mid-Atlantic residential data service, Housing Market Profiles. Prior to joining Legg Mason, Bob spent ten years with the Baltimore Metropolitan Council as a housing economist. Bob also served as Research Director for Regency Homes between 1995 and 1998, analyzing markets throughout the Eastern United States and evaluating the company's active building operation.

Bob oversees the execution and completion of all of the firm's research assignments, ranging from a strategic assessment of new development and building opportunities throughout a region to the development and refinement of a particular product on a specific site. He combines extensive experience in the real estate industry with capabilities in database development and information management. Over the years, he has developed a series of information products and proprietary databases serving real estate professionals.

Bob has lectured and written extensively on the subject of residential real estate market analysis. He has served as a panel member, speaker, and lecturer at events held by the National Association of Homebuilders, the National Council on Seniors' Housing and various local homebuilder associations. Bob serves as a visiting professor for the Graduate Programs in Real Estate Development, School of Architecture, Planning and Preservation, University of Maryland College Park. He has served as National Chair of the National Council of Affordable Housing Market Analysts (NCAHMA) and is currently a board member of the Baltimore chapter of Lambda Alpha Land Economics Society.

Areas of Concentration:

Strategic Assessments: Mr. Lefenfeld has conducted numerous corridor analyses throughout the United States to assist building and real estate companies in evaluating development opportunities. Such analyses document demographic, economic, competitive, and proposed development activity by submarket and discuss opportunities for development.

Feasibility Analysis: Mr. Lefenfeld has conducted feasibility studies for various types of residential developments for builders and developers. Subjects for these analyses have included for-sale single-family and townhouse developments, age-restricted rental and for-sale developments, large multi-product PUDs, urban renovations and continuing care facilities for the elderly.

Information Products: Bob has developed a series of proprietary databases to assist clients in monitoring growth trends. Subjects of these databases have included for sale housing, pipeline information, and rental communities. Information compiled is committed to a Geographic Information System (GIS), facilitating the comprehensive integration of data.

Education:

Master of Urban and Regional Planning; The George Washington University.
Bachelor of Arts - Political Science; Northeastern University.



TAD SCEPANIAK

Tad Scepianiak directs the Atlanta office of Real Property Research Group and leads the firm's affordable housing practice. Tad directs the firm's efforts in the southeast and south central United States and has worked extensively in North Carolina, South Carolina, Georgia, Florida, Tennessee, Iowa, and Michigan. He specializes in the preparation of market feasibility studies for rental housing communities, including market-rate apartments developed under the HUD 221(d)(4) program and affordable housing built under the Low-Income Housing Tax Credit program. Along with work for developer clients, Tad is the key contact for research contracts with the North Carolina, South Carolina, Georgia, Michigan, and Iowa Housing Finance agencies. Tad is also responsible for development and implementation of many of the firm's automated systems.

Tad is Vice Chair of the National Council of Housing Market Analysts (NCHMA) and previously served as the Co-Chair of Standards Committee. He has taken a lead role in the development of the organization's Standard Definitions and Recommended Market Study Content, and he has authored and co-authored white papers on market areas, derivation of market rents, and selection of comparable properties. Tad is also a founding member of the Atlanta chapter of the Lambda Alpha Land Economics Society.

Areas of Concentration:

Low Income Tax Credit Rental Housing: Mr. Scepianiak has worked extensively with the Low Income Tax Credit program throughout the United States, with special emphasis on the Southeast and Mid-Atlantic regions.

Senior Housing: Mr. Scepianiak has conducted feasibility analysis for a variety of senior oriented rental housing. The majority of this work has been under the Low Income Tax Credit program; however his experience includes assisted living facilities and market rate senior rental communities.

Market Rate Rental Housing: Mr. Scepianiak has conducted various projects for developers of market rate rental housing. The studies produced for these developers are generally used to determine the rental housing needs of a specific submarket and to obtain financing.

Public Housing Authority Consultation: Tad has worked with Housing Authorities throughout the United States to document trends rental and for sale housing market trends to better understand redevelopment opportunities. He has completed studies examining development opportunities for housing authorities through the Choice Neighborhood Initiative or other programs in Florida, Georgia, North Carolina, South Carolina, Texas and Tennessee.

Education:

Bachelor of Science – Marketing; Berry College – Rome, Georgia



BRETT WELBORN

Analyst

Brett Welborn entered the field of Real Estate Market Research in 2008, joining Real Property Research Group's (RPRG) Atlanta office as a Research Associate upon college graduation. During Brett's time as a Research Associate, he gathered economic, demographic, and competitive data for market feasibility analyses and other consulting projects completed by the firm. Through his experience, Brett has progressed to serve as Analyst for RPRG.

Areas of Concentration:

Low Income Housing Tax Credit Rental Housing: Brett has worked with the Low Income Housing Tax Credit program, evaluating general occupancy and senior oriented developments for State allocating agencies, lenders, and developers. His work with the LIHTC program has spanned a range of project types, including newly constructed communities and rehabilitations.

In addition to market analysis responsibilities, Brett has also assisted in the development of research tools for the organization.

Education:

Bachelor of Business Administration – Real Estate; University of Georgia, Athens, GA



12. APPENDIX 4 NCHMA CHECKLIST

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

		Page Number(s)
Executive Summary		
1	Executive Summary	1
Scope of Work		
2	Scope of Work	1
Project Description		
3	Unit mix including bedrooms, bathrooms, square footage, rents, and income targeting	5
4	Utilities (and utility sources) included in rent	5
5	Target market/population description	3
6	Project description including unit features and community amenities	5
7	Date of construction/preliminary completion	5
8	If rehabilitation, scope of work, existing rents, and existing vacancies	N/A
Location		
9	Concise description of the site and adjacent parcels	6
10	Site photos/maps	8,9
11	Map of community services	13
12	Site evaluation/neighborhood including visibility, accessibility, and crime	10-12
Market Area		
13	PMA description	23
14	PMA MAP	24
Employment and Economy		
15	At-Place employment trends	18
16	Employment by sector	19
17	Unemployment rates	16
18	Area major employers/employment centers and proximity to site	20, 21
19	Recent or planned employment expansions/reductions	22
Demographic Characteristics		
20	Population and household estimates and projections	26
21	Area building permits	27
22	Population and household characteristics including income, tenure, and size	29-32
23	For senior or special needs projects, provide data specific to target market	N/A
Competitive Environment		
24	Comparable property profiles and photos	Appendix
25	Map of comparable properties	35
26	Existing rental housing evaluation including vacancy and rents	37
27	Comparison of subject property to comparable properties	37



28	Discussion of availability and cost of other affordable housing options including homeownership, if applicable	42
29	Rental communities under construction, approved, or proposed	43
30	For senior or special needs populations, provide data specific to target market	N/A
Affordability, Demand, and Penetration Rate Analysis		
31	Estimate of demand	55
32	Affordability analysis with capture rate	53
33	Penetration rate analysis with capture rate	N/A
Analysis/Conclusions		
34	Absorption rate and estimated stabilized occupancy for subject	59
35	Evaluation of proposed rent levels including estimate of market/achievable rents.	43
36	Precise statement of key conclusions	60
37	Market strengths and weaknesses impacting project	59
38	Recommendations and/or modification to project discussion	60
39	Discussion of subject property's impact on existing housing	59
40	Discussion of risks or other mitigating circumstances impacting project projection	60
41	Interviews with area housing stakeholders	1
Other Requirements		
42	Certifications	Appendix
43	Statement of qualifications	Appendix
44	Sources of data not otherwise identified	N/A



13. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Community	Address	City	Phone Number	Date Surveyed	Contact
Ardmore Ballentine	114 Ballentine Crossing Ln.	Irmo	803-445-1023	2/3/2016	Property Manager
Atlantic at Parkridge	356 Lake Murray Blvd.	Irmo	855-407-3332	2/3/2016	Property Manager
Grandview at Lake Murray	2170 North Lake Dr.	Columbia	803-749-7956	2/4/2016	Property Manager
Paces Brook	113 Paces Brook Ave.	Columbia	803-749-0757	2/3/2016	Property Manager
Residence at Marina Bay	1600 Marina Rd.	Irmo	803-732-1322	2/3/2016	Property Manager
The Heights at Lake Murray	100 Walden Heights Dr.	Irmo	803-781-4461	2/4/2016	Property Manager
The Legends at Lake Murray	1220 Meredith Dr.	Columbia	803-932-1477	2/3/2016	Property Manager

Ardmore Ballentine

Multifamily Community Profile

114 Ballentine Crossing Lane
Irmo, SC 29063

CommunityType: Market Rate - General
Structure Type: Garden

315 Units 1.6% Vacant (5 units vacant) as of 2/3/2016

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	28.6%	\$962	735	\$1.31	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	57.1%	\$1,081	1,055	\$1.02	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	14.3%	\$1,184	1,430	\$0.83	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Full Size); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	--
Fee:	--
Property Manager:	--
Owner:	--

Comments

Granite countertops, black appliances, compleantry coffee bar, grilling station, and dog park.
Vacancies- 4 -2BR units & 1-3BR unit.

Floorplans (Published Rents as of 2/3/2016) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	90	\$947	735	\$1.29	--	2/3/16	1.6%	\$962	\$1,081	\$1,184
	--	2	2	180	\$1,061	1,055	\$1.01	--	3/18/15	5.7%	--	--	--
	--	3	2	45	\$1,159	1,430	\$.81	--					

Adjustments to Rent	
Incentives:	None
Utilities in Rent:	Heat Fuel: Electric
Heat:	<input type="checkbox"/>
Hot Water:	<input type="checkbox"/>
Cooking:	<input type="checkbox"/>
Electricity:	<input type="checkbox"/>
Wtr/Swr:	<input type="checkbox"/>
Trash:	<input checked="" type="checkbox"/>

Atlantic at Parkridge

Multifamily Community Profile

356 Lake Murray Boulevard
Irmo, SC 29063

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

298 Units 89.9% Vacant (268 units vacant) as of 2/3/2016

Opened in 2016



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	46.3%	\$1,031	780	\$1.32	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	46.0%	\$1,256	1,180	\$1.06	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	7.7%	\$1,410	1,332	\$1.06	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Stacked); Central A/C; Patio/Balcony; Storage (In Unit)						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Attached Garage Fee: \$150			Parking 2: Attached Garage W/ Fee: \$180			
Property Manager: -- Owner: --						

Comments

Community opened on January 15, 2016.
Mandatory \$95 fee for internet, cable, and trash.

Floorplans (Published Rents as of 2/3/2016) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	58	\$1,060	708	\$1.50	Market	2/3/16*	89.9%	\$1,031	\$1,256	\$1,410
Garden	--	1	1	80	\$1,125	833	\$1.35	Market	* Indicates initial lease-up.				
Garden	--	2	2	68	\$1,300	1,130	\$1.15	Market					
Garden	--	2	2	69	\$1,375	1,229	\$1.12	Market					
Garden	--	3	2	23	\$1,500	1,332	\$1.13	Market					
Adjustments to Rent													
Incentives: 1 month free.													
Utilities in Rent: Heat Fuel: Electric													
Heat: <input type="checkbox"/> Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>													
Hot Water: <input type="checkbox"/> Electricity: <input type="checkbox"/> Trash: <input type="checkbox"/>													

Atlantic at Parkridge

SC079-022357

Grandview at Lake Murray

Multifamily Community Profile

2170 North Lake Dr.
Columbia, SC 29212

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

328 Units 4.9% Vacant (16 units vacant) as of 2/4/2016

Opened in 2009



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	42.7%	\$1,148	885	\$1.30	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	45.1%	\$1,200	1,154	\$1.04	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	12.2%	\$1,585	1,292	\$1.23	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Full Size); Central A/C; Patio/Balcony; HighCeilings	
Select Units:	--
Optional(\$):	--
Security:	Gated Entry
Parking 1:	Free Surface Parking
Fee:	--
Parking 2:	Detached Garage
Fee:	\$150
Property Manager:	Greystar
Owner:	--

Comments

Vacancies: 7- 1BR units, 7-2BR units, & 2- 3BR units.

Walking trails, valet trash, theatre, boat storage. Valet trash is \$20/month not included in rent.

Floorplans (Published Rents as of 2/4/2016) (2)										Historic Vacancy & Eff. Rent (1)			
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	8	\$1,170	859	\$1.36	Market	2/4/16	4.9%	\$1,148	--	\$1,585
Garden	--	1	1	132	\$1,120	887	\$1.26	Market	3/12/15	10.4%	\$1,045	\$1,200	\$1,155
Garden	--	2	2	148	\$1,170	1,154	\$1.01	Market	4/16/10*	22.0%	\$863	\$956	\$965
Garden	--	3	2	40	\$1,550	1,292	\$1.20	Market	* Indicates initial lease-up.				

Adjustments to Rent

Incentives:

—

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Grandview at Lake Murray

SC063-014135

Paces Brook

Multifamily Community Profile

113 Paces Brook Avenue
Columbia, SC 29212

CommunityType: Market Rate - General

Structure Type: Garden

260 Units 5.8% Vacant (15 units vacant) as of 2/3/2016

Opened in 1990



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$837	737	\$1.14	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	31.5%	\$950	1,104	\$0.86	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	18.5%	\$1,105	1,229	\$0.90	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; In Unit Laundry (Hooks-ups); Central A/C; Patio/Balcony; Carpet	
Select Units: Ceiling Fan; Fireplace; HighCeilings	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Harbor Group Mgmt. Owner: --	

Comments

Vacancies: 6-1BR units, 3-2BR units & 6-3BR units.

Dog park, free membership to Harbison Rec. Ctr., pet resort, nature trails, media ctr., boat/RV parking.

Amenity Fee: \$ 100

Floorplans (Published Rents as of 2/3/2016) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Aberdeen / Garden	--	1	1	48	\$740	628	\$1.18	Market	2/3/16	5.8%	\$837	\$950	\$1,105
Brittany / Garden	--	1	1	82	\$870	801	\$1.09	Market	3/12/15	2.7%	\$802	\$918	\$1,183
Windsor / Garden	--	2	2	82	\$930	1,104	\$.84	Market	12/15/10	5.0%	\$672	\$819	\$924
Carlisle / Garden	--	3	2	48	\$1,080	1,229	\$.88	Market	4/16/10	8.1%	\$596	\$795	\$900

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Residence at Marina Bay

Multifamily Community Profile

1600 Marina Rd.
Irmo, SC 29063

CommunityType: Market Rate - General

Structure Type: Garden

216 Units 0.5% Vacant (1 units vacant) as of 2/3/2016

Opened in 2013



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	20.4%	\$1,225	1,002	\$1.22	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	64.8%	\$1,350	1,204	\$1.12	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	14.8%	\$1,735	1,415	\$1.23	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Cameras	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$175
Property Manager: Pegasus Residential Owner: --	

Comments

Restaurant, theatre, boat slips, marina w/ launch ramp, boat fueling dock, poolside food & bev. Svc.

Trash is \$20/month - not included in rent. Vacancies: 1- 1BR unit.

Lease up info unavailable.

Floorplans (Published Rents as of 2/3/2016) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	44	\$1,200	1,002	\$1.20	Market	2/3/16	0.5%	\$1,225	\$1,350	\$1,735
Garden	--	2	2	140	\$1,320	1,204	\$1.10	Market	3/18/15	2.8%	\$1,295	\$1,645	\$1,755
Garden	--	3	2	32	\$1,700	1,415	\$1.20	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Elec & Gas

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

The Heights at Lake Murray

Multifamily Community Profile

100 Walden Heights Dr.
Irmo, SC 29063

CommunityType: Market Rate - General

Structure Type: Garden

230 Units 5.7% Vacant (13 units vacant) as of 2/4/2016

Opened in 2003



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	40.9%	\$1,045	802	\$1.30	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	43.5%	\$1,085	1,149	\$0.94	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	15.7%	\$1,696	1,388	\$1.22	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Gated Entry	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$125
Property Manager: Greystar Owner: --	

Comments

Vacancies: 3- 1BR units, 5- 2BR units, & 5- 3BR units.

Floorplans (Published Rents as of 2/4/2016) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	Loft	1	1	20	\$1,091	1,013	\$1.08	Market	2/4/16	5.7%	\$1,045	\$1,085	\$1,696
Garden	--	1	1	26	\$938	642	\$1.46	Market	3/18/15	3.9%	\$1,006	\$1,139	\$1,282
Garden	--	1	1	46	\$1,032	797	\$1.29	Market					
Garden	--	1	1	2	\$1,106	883	\$1.25	Market					
Garden	--	2	2	78	\$1,051	1,131	\$.93	Market					
Garden	Sunroom	2	2	22	\$1,071	1,211	\$.88	Market					
Garden	--	3	2	36	\$1,661	1,388	\$1.20	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

The Legends at Lake Murray

Multifamily Community Profile

1220 Meredith Dr.
Columbia, SC 29212

Community Type: Market Rate - General

Structure Type: Garden/TH

180 Units 12.2% Vacant (22 units vacant) as of 2/3/2016

Opened in 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$938	1,032	\$0.91	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	50.0%	\$1,027	1,297	\$0.79	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	
Select Units:	--
Optional(\$):	--
Security:	--
Parking 1: Free Surface Parking	Parking 2: --
Fee: --	Fee: --
Property Manager: Aspen Square	
Owner: --	

Comments

Converted from LIHTC to market rate on November 5, 2015. Leasing eight units per month since conversion.

Vacancies: 4-2BR units & 18-3BR units.

FKA Palmetto Pointe. Former TC community w/ 60% AMI rents.

Floorplans (Published Rents as of 2/3/2016) (2)										Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$	
Townhouse	--	2	2	52	\$945	1,093	\$.86	Market	2/3/16*	12.2%	--	\$938	\$1,027	
Garden	--	2	2	2	\$925	858	\$1.08	Market	3/18/15	0.6%	--	\$806	\$909	
Garden	--	2	2	36	\$895	954	\$.94	Market	* Indicates initial lease-up.					
Garden	--	3	2	4	\$1,025	1,048	\$.98	Market						
Townhouse	--	3	2	86	\$1,025	1,309	\$.78	Market						

Adjustments to Rent

Incentives:

\$200 off first months rent- 2BR units.

\$400 off first months rent -3BR units.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash: