

**PROFESSIONAL MARKET STUDY
FOR THE CALHOUN TERRACE APARTMENTS
A PROPOSED LIHTC DEVELOPMENT**

**LOCATED IN:
GREENWOOD, GREENWOOD COUNTY, SC**

***PREPARED FOR THE:
CALHOUN TERRACE SC LLC
CHARLOTTE, NORTH CAROLINA***

**PREPARED BY:
KOONTZ and SALINGER
P.O. BOX 37523
RALEIGH, NC 27627-7523**

FEBRUARY, 2014

Table of Contents

	Page
Section A - Assignment & Executive Summary	iii
Section B - Project Description	1
Section C - Site Evaluation	
Site & Neighborhood Description	4
Section D - Market Area Description	13
Section E - Market Area Economy	
Labor Force Trends & Economic Base Summary	17 23
Section F - Community Demographic Data	
Population Trends, Projections, Characteristics	27
Household Characteristics	30
Income Characteristics	34
Section G - Demand Analysis	
Income Threshold Parameters	37
Demand Analysis - Effective Demand Pool	40
Demand Analysis - Effective Tenant Pool	42
Upcoming Direct Competition	43
Capture Rate Analysis	46
Absorption Rate Analysis	48
Section H - Competitive Environment - Supply Analysis	
Supply Analysis	49
Section 8 Vouchers	52
Section I - Interviews	63
Section J - Conclusions & Recommendation	65
Rent Reconciliation	66
Section K - Identity of Interest	80
Section L - Analyst Qualifications	81
Section M - Profiles of Comparable Properties	82
NCHMA Market Study Index	103
Appendix A - Data Set	106

SECTION A

EXECUTIVE SUMMARY

1. Brief Summary

The proposed LIHTC new construction multi-family development will target very low to moderate income households in the general population in Greenwood, and Greenwood County, South Carolina.

The market study assignment was to ascertain market demand for a proposed new construction LIHTC (family) multi-family development to be known as the Calhoun Terrace Apartments, for the Calhoun Terrace SC, LLC, under the following scenario:

Project Description

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
1BR/1b	12	852	925
2BR/2b	28	1103	1185
3BR/2b	16	1254	1352
Total	56		

Project Rents:

The proposed development will target 25% of the units at 50% or below of area median income (AMI); and 75% of the units at 60% or below of AMI.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	6	\$350	\$134	\$484
2BR/2b	4	\$400	\$176	\$576
3BR/2b	4	\$450	\$216	\$666

*SC State Housing Finance & Development Authority, Midlands Region (12/31/14)

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	6	\$425	\$134	\$559
2BR/2b	24	\$500	\$176	\$676
3BR/2b	12	\$575	\$216	\$791

*SC State Housing Finance & Development Authority, Midlands Region (12/31/14)

2a. Average Vacancy Rate for Comparable Market Rate Properties:

- 2.9%

2b. Average Vacancy Rate for LIHTC family Properties:

- 3.3%

3. Capture Rates:

- The capture rates by income segment and bedroom mix are exhibited below:

Capture Rates by Bedroom Type & Income Targeting			
Income Targeting	1BR	2BR	3BR
50% AMI	3.4%	1.1%	2.3%
60% AMI	3.0%	6.3%	8.5%

- The overall project capture rate for the proposed LIHTC family development is estimated at 3.8%.

4. Absorption Rate:

- Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the proposed 56-unit development is forecasted to be 93% to 100% absorbed within 3 to 6 months.
- The primary source of the approximation is based upon the rent-up period of: (1) the Oakmont Place LIHTC family property located in Greenwood. The 56-unit property, opened in late November 2013, and reported to have had 42 units occupied at the time of the survey (around 20-units per month), and (2) the Sterling Ridge LIHTC family property located in Greenwood. The 39-unit property opened in the Fall of 2003, and was reported to have been 100% occupied within 2 months. It has already accumulated a waiting list.

5. Strength/Depth of Market:

- At the time of the market study, market depth was considered to be very adequate in order to incorporate the proposed LIHTC family development. The proposed subject net rents are competitively positioned at all target AMI segments. Section 8 voucher support has both historic and current positive indicators. In addition, the subject site location is considered to be one that will enhance marketability and the rent-up process. Capture rates, at all AMI levels, are well below the SCSHDA thresholds.

6. Bed Room Mix:

- The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from a single person household to large family households. The bedroom mix at the most recent LIHTC family properties in the Greenwood market (Oakmont Place & Sterling Ridge) offered 1BR, 2BR, 3BR, and 4BR units. All bedroom types were very well received by the market in terms of demand and absorption.

7. Long Term Negative Impact:

- In the opinion of the analyst, the proposed LIHTC family development will not negatively impact the existing supply of LIHTC family properties located within the PMA in the long term. At the time of the survey, the existing LIHTC family developments located within the PMA, were on average 97% occupied. At the time of the survey, all LIHTC family properties maintained a waiting list, ranging in length between 4 to 12 applicants.

8. Proposed Net Rents & Market Rent Advantage:

- The proposed Calhoun Terrace net rents at 50%, and 60% AMI are very competitively positioned within the Greenwood competitive environment. **Percent Rent Advantage follows:**

	<u>50% AMI</u>	<u>60% AMI</u>	
1BR/1b:	40%	27%	
2BR/2b:	40%	25%	
3BR/2b:	40%	23%	<u>Overall:</u> 28%

9. Achievable Restricted (LIHTC) Rents:

- It is recommended that the proposed subject LIHTC net rents at 50% & 60% AMI remain unchanged. The proposed LIHTC development, and proposed subject net rents are in line with the other LIHTC new construction family developments operating in the market without PBRA, or attached Section 8 vouchers at 50% & 60% AMI, when taking into consideration differences in project parameters.
- Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject 1BR, 2BR, and 3BR net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, the subject's gross rents are already closely positioned to be under FMR's for Greenwood County, while at the same time operating within a competitive environment. It is recommended that the proposed subject 1BR, 2BR, and 3BR net rents not be increased.

SECTION B
PROJECTION DESCRIPTION

The proposed low to moderate income Low Income Housing Tax Credit (LIHTC) multi-family development will target the general population in the Greenwood area of Greenwood County, South Carolina.

Development Location:

The subject property is located at the corner of Calhoun Road and Mauldin Road approximately .1 mile south of US 25 and 2.5 miles west of Downtown Greenwood.

Construction Type:

The market study assignment was to ascertain market demand for a proposed multi-family LIHTC (family) new construction development to be known as the **Calhoun Terrace Apartments**, for the Calhoun Terrace SC, LLC, under the following scenario:

Project Description

PROPOSED PROJECT PARAMETERS			
Bedroom Mix	# of Units	Unit Size (Net sf)	Unit Size (Gross sf)
1BR/1b	12	852	925
2BR/2b	28	1103	1185
3BR/2b	16	1254	1342
Total	56		

Development Profile & Structure Type/Design:

The proposed new construction LIHTC apartment development design will comprise 4 two story, garden style residential buildings. Three of the buildings will be 16-plexes and one will be an 8-plex. The development will include a separate building which will include a manager's office, central laundry, fitness, computer, and community rooms. The project will provide 102-parking spaces.

Occupancy Type:

The proposed *Occupancy Type* is **General Population** (LIHTC-family, non age restricted).

Project Rents:

The proposed development will target 25% of the units at 50% or below of area median income (AMI); and 75% of the units at 60% or below of AMI.

PROPOSED PROJECT RENTS @ 50% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	6	\$350	\$134	\$484
2BR/2b	4	\$400	\$176	\$576
3BR/2b	4	\$450	\$216	\$666

PROPOSED PROJECT RENTS @ 60% AMI				
Bedroom Mix	# of Units	Net Rent	Utility Allowance*	Gross Rent
1BR/1b	6	\$425	\$134	\$559
2BR/2b	24	\$500	\$176	\$676
3BR/2b	12	\$575	\$216	\$791

*SC State Housing Finance & Development Authority, Midlands Region (12/31/14)

Utilities:

The net rent excludes water and sewer and includes trash removal. The tenant will be responsible for water, sewer, electric for heat, hot water, and cooking and general purposes. The owner will provide trash removal and pest control. Utility costs are based upon estimates provided by South Carolina State Housing and Development Authority, Midlands Region, with an effective date of December 31, 2014 (see Appendix).

Rental Assistance:

The proposed development will not offer Project Based Rental Assistance.

Project Amenity Package

The development will include the following amenity package:

Unit Amenities*

- range
- disposal
- central air
- smoke alarms
- ceiling fans
- refrigerator w/ice maker
- dish washer
- cable ready & internet ready
- washer/dryer hook-ups
- mini-blinds

- microwave hood
- exterior storage
- carpet & vinyl laminate flooring

*Energy Star compliant

Development Amenities

- on-site mgmt office
- central laundry
- playground
- gazebo
- community room
- picnic/grill area
- equipped fitness room
- equipped computer room*

*high speed internet access

Placed in Service Date

The estimated year that the Calhoun Terrace Apartments will be placed in service is late 2015 or early 2016.

Architectural Plans

The architectural firm for the proposed development is Steele Group Architects, PLLC (Winston-Salem, NC). At the time of the market study, the preliminary floor plans and elevations had been completed and were reviewed. (See Appendix)

SECTION C
SITE & NEIGHBORHOOD
EVALUATION

The site of the proposed LIHTC family new construction apartment development, is located off Calhoun and Mauldin Roads. It is located approximately .1 mile south of US Highway 25 and 2.5 miles west of Downtown Greenwood. The site is located just outside the city limits of

Greenwood in the western portion of the city. Specifically, the site is located in Census Tract 9703.02, Block Group 1, Parcel ID Number 6836-795-315.

The site and market area were visited on February 15 and 27, 2014. Note: The site is **not** located within a Qualified Census Tract (QCT).

Site & Neighborhood Characteristics

Street and highway accessibility are very good relative to the site. Ready access from the site is available to the major retail trade areas, public schools, local health care facilities, major employers, and downtown Greenwood. Access to all major facilities can be attained within a 5 to 10-minute drive. Access to the site is off Mauldin Road, which is a short secondary connector within Greenwood and Greenwood County.

Ingress/Egress/Visibility

The traffic density on Calhoun Road is estimated to be medium, with a speed limit of 35 to 45 miles per hour (in the vicinity of the site). Mauldin Road is a short, connector, with a speed limit of 25 miles per hour. The site in relation to the subject property and Calhoun Road is very agreeable to signage and offers excellent drive-by visibility.

The approximately 7.44-acre, rectangular shaped tract is relatively flat and partially wooded. The site is not located in a flood plain. Source: FEMA website (www:msc.fema.gov), Map Number 45047C0154D, Panel 154 of 450, Effective Date: 5/3/2011. All public utility services are available to the tract and excess capacity exists. At present, the tract is zoned C2, General Commercial District. This zoning designation allows multi-family development. The surrounding land use and land use designations around the site are detailed below:

Direction	Existing Land Use	Designation
North	vacant, followed by a mixture of commercial, and institutional use	C2 & R3

Direction	Existing Land Use	Designation
East	vacant, and the Greenwood Presbyterian Church	R1 & R3
South	vacant and two multi-family (for sale townhomes & duplexes with attached garages, in very good to excellent condition) developments (Windsor Oaks & Heritage West)	R5
West	vacant	R5

C2 - General Commercial District
R1 - Single-Family Residential District
R3 - Medium Density Residential
R5 - Multi-Family Residential District

Source: City of Greenwood Zoning Map & GIS.

The potential for acceptable curb appeal to the site/subject is considered to be excellent. The surrounding landscape in the vicinity of the site offers neither distinctive views nor unsightly views of the surrounding landscape. The surrounding areas to the site appear to be void of any major negative externalities: including noxious odors, close proximity to power lines, cemeteries, and property boundaries with rail lines.

Infrastructure Development

At the time of the market study, there was no on-going infrastructure development in the immediate vicinity of the site. Also, there is no planned infrastructure development in the current five year pipeline that will occur within the immediate vicinity of the site. Source: Mr. Phil Lindler, AICP, Planning Director, Greenwood City/County Planning Department, (864) 942-8716.

Crime & Perceptions of Crime

The overall setting of the site/subject is considered to be one that is acceptable for continuing residential, and commercial land use within the present neighborhood setting. The immediate surrounding area is not considered to be one that comprises a "high crime" neighborhood.

The FBI's Uniform Crime Reporting (UCR) Program serves as the national repository for the collection of crime statistics.

Data are generally available for law enforcement agencies serving city jurisdictions with populations of 10,000 or more and county agencies of 25,000 or more. Data may not be available for each jurisdiction for each year. Participation by law enforcement agencies in the program is voluntary and the FBI relies on the good

faith reporting of its contributing law enforcement agencies. The most recent year for which data are available is 2012.

Available data for the City of Greenwood for 2011 and 2012 show a 12.9% decrease in Violent Crime (murder, rape, robbery and assault) and a negligible 0.7% increase in Property Crime (Burglary, Larceny and Motor Vehicle Theft). There were only three murders in both 2011 and 2012, and the overall number of Violent Crimes is relatively low. Data for Greenwood for 2011 and 2012 are exhibited in the Appendix.

However, based upon site specific field research, that area in the vicinity of the site/subject is not considered to be an area which is overly impacted by crime. (See Appendix for crime data source(s).)

Positive & Negative Attributes

Overall, the field research revealed the following charted strengths and weaknesses of the of the proposed site. In the opinion of the analyst, the site is considered to be very appropriate as a LIHTC multi-family development targeting the general population.

SITE ATTRIBUTES:	
STRENGTHS	WEAKNESSES
Located within a mostly residential setting that is primarily multi-family, which will assist in any change of zoning designation and incorporation within the city limits, with nearby commercial development, including a Walmart Supercenter	
Excellent linkages to the area road system	
Nearby road speed and noise is acceptable, and excellent visibility regarding curb appeal and signage placement	
Excellent proximity to SR 72B and US 25. Also, good proximity to the local schools, downtown, health-care facilities, and employment opportunities.	

Note: The pictures on the following pages are of the site and surrounding uses.



(1) Site off Calhoun Rd, east to west.



(2) Site off Calhoun Rd north to south.



(3) Site to left, off Calhoun Road, south to north.



(4) Site to right, off Calhoun Road, north to south.



(5) Site entrance off Calhoun, east to west.



(6) Windsor Oaks, south of site.

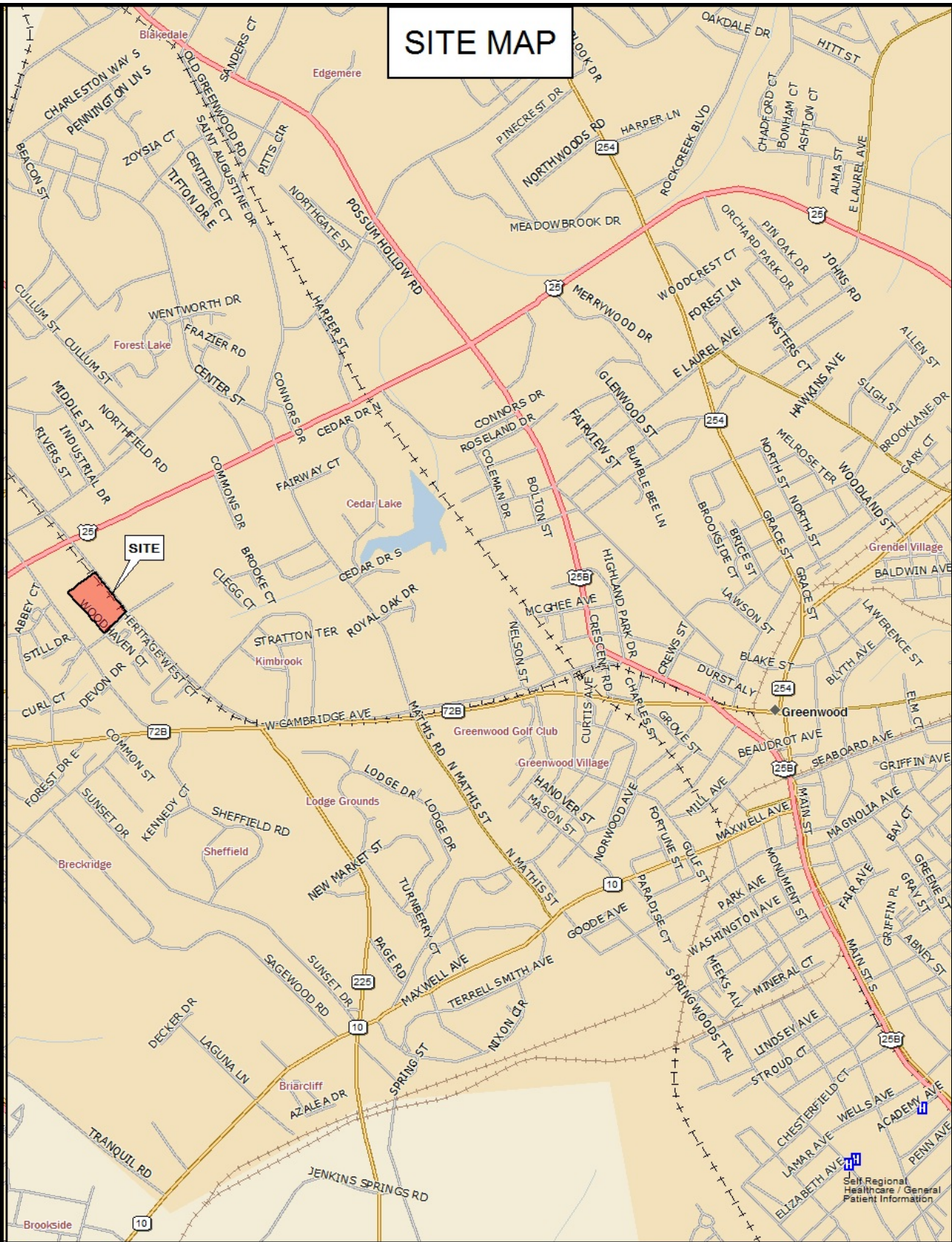


(7) Presbyterian Church off Calhoun, across fm site.



(8) Walmart Supercenter, .7 miles north of site.

SITE MAP



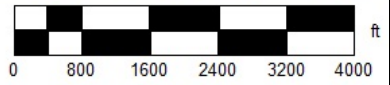
Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com



MN (6.4° W)



Data Zoom 13-0

Access to Services

The subject is accessible to major employers, shopping, healthcare services, retail and social services, recreational areas, and the local and regional highway system. Greenwood does not offer public bus transportation. (See Site and Facilities Map, next page.)

Distances from the site to community services are exhibited below:

Points of Interest	Distance from Site*
Access to US Highway 25	.1
Carolina Community Pharmacy	.2
Access to SR 72 Business	.4
Westwood Shopping Ctr & Walmart Supercenter	.7
Lakeview Elementary School	.7
Emerald High School	.8
Greenwood Mall	1.5
Northwest Volunteer Fire Department	1.6
Lander University	2.1
Greenwood Fire Department	2.2
Downtown Greenwood	2.4
Post Office	2.6
Library	2.7
Food Lion Grocery	2.9
Carolina Pride (major employer)	3.5
Self Memorial Hospital	3.7
Eaton Corp. (major employer)	4.3
Bi-Lo Grocery	4.3

* in tenths of miles

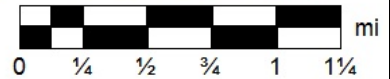
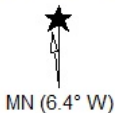
SITE & FACILITIES MAP



Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com



Data Zoom 12-2



SECTION D
MARKET AREA DESCRIPTION

The definition of a **market area** for any real estate use is generally limited to the geographic area from which consumers will consider the available alternatives to be relatively equal. This process implicitly and explicitly **considers** the

location and **proximity** and **scale** of competitive options. Frequently, both a **primary** and a **secondary area** are **geographically defined**. This is an area where consumers will have the greatest propensity to choose a specific product at a specific location, and a secondary area from which consumers are less likely to choose the product but the area will still generate significant demand.

The field research process was used in order to establish the geographic delineation of the Primary Market Area (PMA) and Secondary Market Area (SMA). The process included the recording of spatial activities and time-distance boundary analysis. These were used to determine the relationship of the location of the site and specific subject property to other potential alternative geographic choices. The field research process was then reconciled with demographic data by geography, as well as local interviews with key respondents regarding market specific input relating to market area delineation.

Primary Market Area

Based on field research in Greenwood and Greenwood County, along with an assessment of the competitive environment, transportation and employment patterns, the site's location, physical, natural and political barriers - the Primary Market Area (PMA) for the proposed multi-family development consists of the following census tracts in Greenwood County:

- 9702.01, 9702.02, 9703.01, 9703.02,
- 9704, 9705, 9706, and 9708.

The 2000 census tracts for the PMA were the same as the 2010 census tracts, and the overall geographic boundary remained unchanged. The only differences was: that the 2000 CT numbered 9702 was split in 2010 and became CT's 9702.01 and 9702.02.

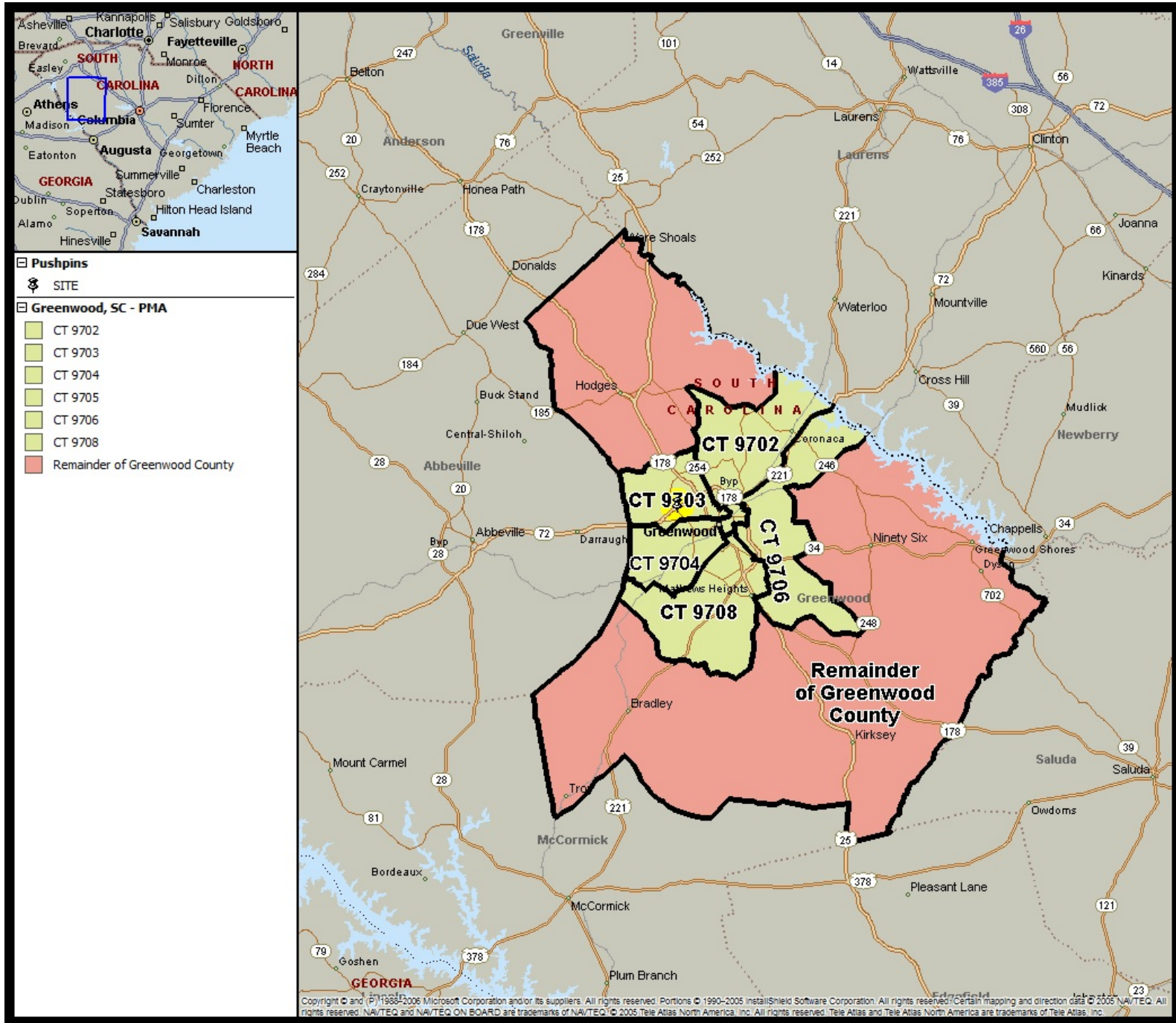
Note: The subject PMA closely approximates similar Greenwood PMA's delineated for the SCSHDA (both LIHTC elderly & family applications) by John Wall & Associates (Cary, NC - Office), and Vogt Santer Insights.

Transportation access to the site and PMA is excellent. The major east/west transportation corridors in the PMA are SR's 34 and 72. The major north/south transportation corridors in the PMA are US Highways 25, 178 and 221.

In addition, managers of existing LIHTC (new construction) family properties were surveyed, as to where the majority of their existing tenants previously resided.

The PMA is bounded as follows:

Direction	Boundary	Distance from Subject
North	remainder of Greenwood County & Laurens County	3 to 6 miles
East	remainder of Greenwood County & Laurens County	10 miles
South	remainder of Greenwood County	7 to 9 miles
West	Abbeville County	3 miles

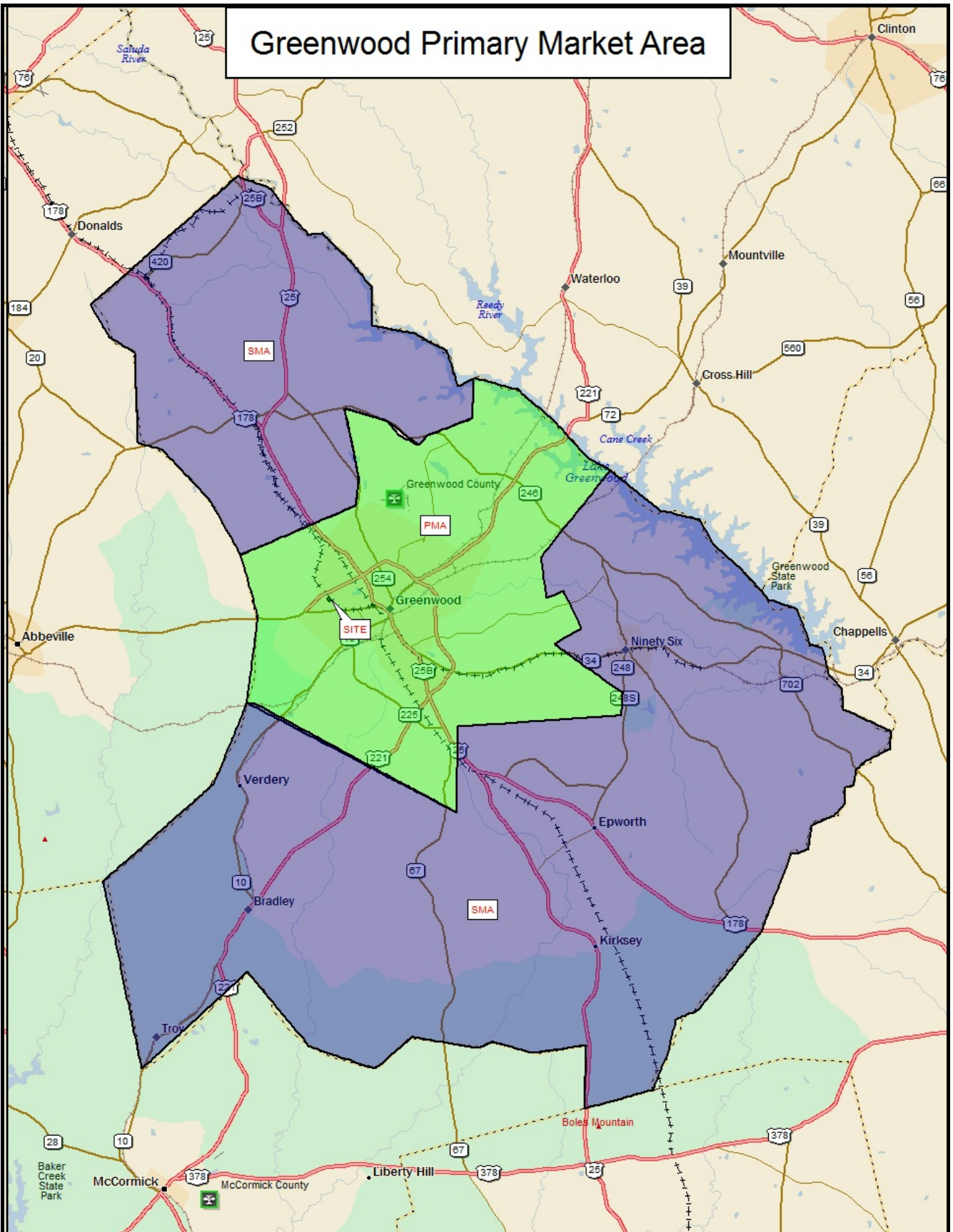


Secondary Market Area

The PMA excluded the Ware Shoals market in the northern portion of Greenwood County, as well as the Ninety-Six market in the eastern portion of Greenwood County. In addition, it excluded adjacent PMA's in Abbeville, Clinton, and Newberry.

The Secondary Market Area (SMA) consists of that area beyond the Primary Market Area, principally the remainder of Greenwood County. However, in order to remain conservative the demand methodology excluded any potential demand from a secondary market area.

Greenwood Primary Market Area

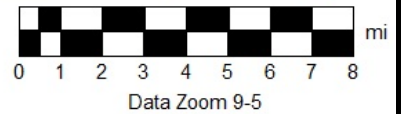
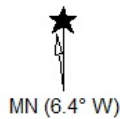


DELORME

Data use subject to license.

© DeLorme. DeLorme Street Atlas USA© 2010.

www.delorme.com



SECTION E

MARKET AREA ECONOMY

Analysis of the economic base and the labor and job formation base of the local labor market area is critical to the potential demand for residential growth in any market. The economic trends reflect the ability of the area

to create and sustain growth, and job formation is typically the primary motivation for positive net in-migration. Employment trends reflect the economic health of the market, as well as the potential for sustained growth. Changes in family households reflect a fairly direct relationship with employment growth, and the employment data reflect the vitality and stability of the area for growth and development in general.

Tables 1 through 5 exhibit labor force trends by: (1) civilian labor force employment, (2) covered employment, (3) changes in covered employment by sector, and (4) changes in average annual weekly wages, for Greenwood County. Also, exhibited are the major employers for the immediate labor market area. A summary analysis is provided at the end of this section.

Table 1A			
Civilian Labor Force, Greenwood County: 2007, 2012 and 2013			
	2007	2012	2013
Civilian Labor Force	30,982	30,589	30,698
Employment	28,865	27,421	27,940
Unemployment	2,117	3,168	2,750
Unemployment Rate	6.8%	10.4%	9.0%

Table 1B				
Change in Employment, Greenwood County				
Years	# Total	# Annual*	% Total	% Annual*
2007 - 2009	- 1,769	- 590	- 6.13	- 2.09
2009 - 2010	+ 379	Na	+ 1.40	Na
2010 - 2011	+ 173	Na	+ 0.63	Na
2012 - 2013	+ 519	Na	+ 1.89	Na

* Rounded Na - Not applicable

Sources: South Carolina Labor Force Estimates, 2007 - 2013. SC Department of Employment and Workforce, Labor Market Information Division. Koontz and Salinger. February, 2014.

Table 2 exhibits the annual change in civilian labor force employment in Greenwood County between 2007 and 2013. Also, exhibited are unemployment rates for the County, State and Nation.

Table 2							
Change in Labor Force: 2007 - 2013							
	Greenwood County					SC	US
Year	Labor Force	Employed	Change	Unemployed	Rate	Rate	Rate
2007	30,982	28,865	-----	2,117	6.8%	5.6%	4.6%
2008	30,629	28,309	(556)	2,320	7.6%	6.8%	5.8%
2009	31,044	27,096	(1,213)	3,948	12.7%	11.5%	9.3%
2010	31,202	27,475	379	3,727	11.9%	11.2%	9.6%
2011	30,753	27,248	(227)	3,505	11.4%	10.4%	8.9%
2012	30,589	27,421	173	3,168	10.4%	9.1%	8.1%
2013	30,698	27,940	519	2,758	9.0%	7.9%	7.4%
Month							
1/2013	30,670	27,353	-----	3,317	10.8%	8.7%	7.9%
2/2013	30,760	27,625	272	3,135	10.2%	8.6%	7.7%
3/2013	30,805	27,923	298	2,882	9.4%	8.4%	7.5%
4/2013	30,769	28,085	162	2,684	8.7%	8.0%	7.5%
5/2013	30,752	27,972	(113)	2,780	9.0%	8.0%	7.5%
6/2013	30,957	27,888	(84)	3,069	9.9%	8.0%	7.5%
7/2013	30,822	28,012	(876)	2,810	9.1%	8.1%	7.3%
8/2013	30,681	27,796	(216)	2,885	9.4%	8.1%	7.2%
9/2013	30,559	27,914	118	2,645	8.7%	7.9%	7.2%
10/2013	30,842	28,282	368	2,560	8.3%	7.5%	7.2%
11/2013	30,346	28,129	(153)	2,217	7.3%	7.1%	7.0%
12/2013	30,409	28,299	170	2,110	6.9%	6.6%	6.7%

Sources: South Carolina Labor Force Estimates, 2007 - 2013. SC Department of Employment and Workforce, Labor Market Information Division.

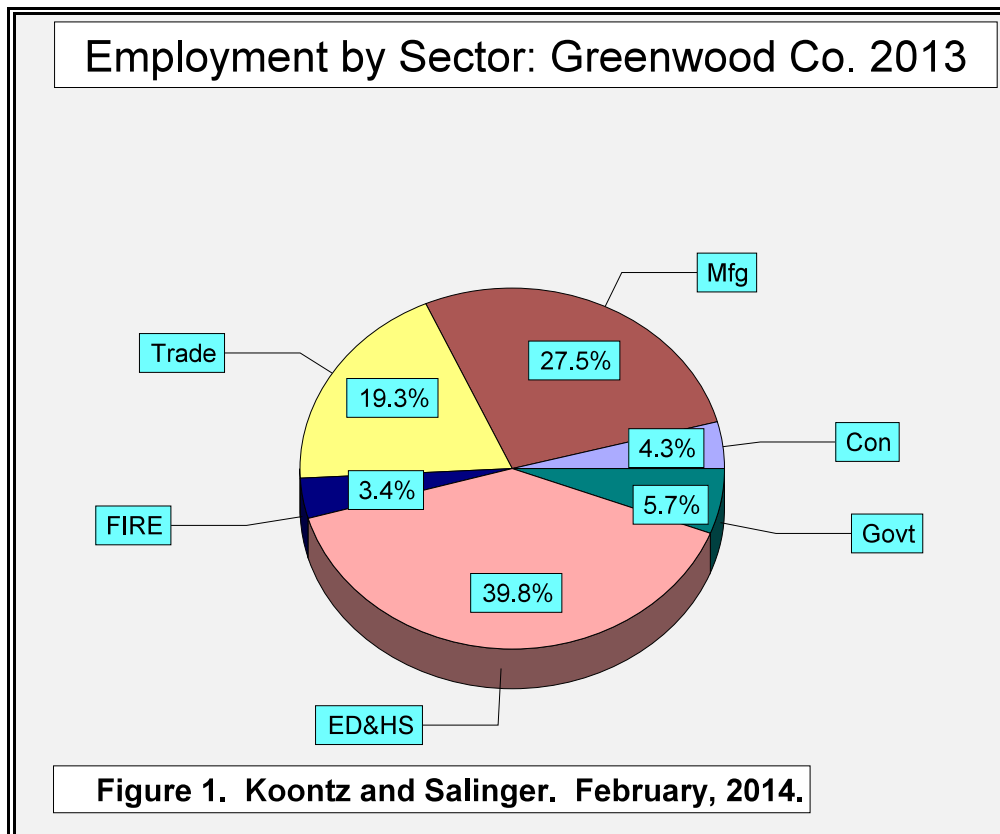
Koontz and Salinger. February, 2014.

Table 3 exhibits average monthly employment by sector in Greenwood County between the 2nd Quarter of 2012 and 2013.

Year	Total	Con	Mfg	ED&HS	T	PBS	FIRE	PA
2012	27,782	888	5,427	8,328	3,858	3,174	748	1,204
2013	27,790	868	5,609	8,123	3,938	3,309	701	1,166
12-13 # Ch.	+ 8	- 20	+ 182	- 205	+ 80	+ 135	- 47	- 38
12-13 % Ch.	+ 0.1	-2.3	+ 3.4	- 2.5	+ 2.1	+ 4.2	-6.3	- 3.2

Note: Con - Construction; Mfg - Manufacturing; HS - Education & Health Services; T - Wholesale and Retail Trade; FIRE - Finance, Insurance, and Real Estate; PA - Public Administration; PBS - Professional & Business Services

Figure 1 exhibits employment by sector in Greenwood County in the 2nd Quarter of 2013. The top employment sectors are: service, trade, government and manufacturing. The forecast for 2014, is for the government and manufacturing sectors to stabilize, and the service sector to increase.



Sources: SC Department of Employment and Workforce, 2012 and 2013.
Koontz and Salinger. February, 2014.

Table 4 exhibits the annual change in covered employment in Greenwood County between 2002 and the 1st and 2nd Quarter of 2013. Covered employment data differs from civilian labor force data in that it is based on a place-of-service work basis within a specific geography. In addition, the data set consists of most full and part-time, private and government, wage and salary workers.

Table 4 Change in Covered Employment: 2002 - 2013		
Year	Employed	Change
2002	30,703	-----
2003	30,364	(339)
2004	30,489	125
2005	30,524	35
2006	30,237	(287)
2007	30,084	(153)
2008	29,366	(718)
2009	27,824	(1,542)
2010	27,286	(538)
2011	27,508	222
2012	27,767	259
2013 1 st Q	27,331	-----
2013 2 nd Q	27,790	459

Sources: SC Department of Employment and Workforce, 2002 - 2013.
Koontz and Salinger. February, 2014.

Commuting

The majority of the workforce within the PMA have relatively short commutes to work within the City of Greenwood or Greenwood County. Average commuting times range between 10 and 25 minutes. It is estimated that approximately 35% of the PMA workforce commutes out of county (within state) to work. The majority commute to nearby Greenville, Laurens, Abbeville, and Newberry Counties.

Sources: www.SCWorkforceInfo.com, Greenwood County Community Profile, 2008-2012 American Community Survey.

Table 5, exhibits average annual weekly wages in the 2nd Quarter of 2012 and 2013 in the major employment sectors in Greenwood County. It is estimated that the majority of workers in the service and trade sectors (excluding accommodation and food service workers) in 2013/14 will have average weekly wages between \$425 and \$750. Workers in the accommodation and food service sectors in 2013/14 will have average weekly wages in the vicinity of \$250.

Table 5				
Average Annual Weekly Wages, 2 nd Quarter 2012 and 2013				
Greenwood County				
Employment Sector	2012	2013	% Numerical Change	Annual Rate of Change
Total	\$ 682	\$ 677	- 5	- 0.7
Construction	\$ 666	\$ 658	- 8	- 1.2
Manufacturing	\$ 924	\$ 892	- 32	- 3.5
Wholesale Trade	\$ 944	\$ 979	+ 35	+ 3.7
Retail Trade	\$ 410	\$ 410	0	0.0
Finance & Insurance	\$ 828	\$ 830	+ 2	+ 0.2
Real Estate & Leasing	\$ 422	\$ 452	+ 30	+ 7.1
Administrative Services	\$ 411	\$ 416	+ 5	+ 1.2
Education Services	\$ 722	\$ 742	+ 20	+ 2.8
Health Care Services	\$ 823	\$ 827	+ 4	+ 0.5
Leisure & Hospitality	\$ 259	\$ 245	- 14	- 5.4
Federal Government	\$1154	\$1251	+ 97	+ 8.4
State Government	\$ 634	\$ 668	+ 34	+ 5.4
Local Government	\$ 683	\$ 689	+ 6	+ 0.9

Sources: SC Department of Employment and Workforce, Covered Employment, Wages and Contributions, 2012 and 2013.

Koontz and Salinger. February, 2014.

Major Employers

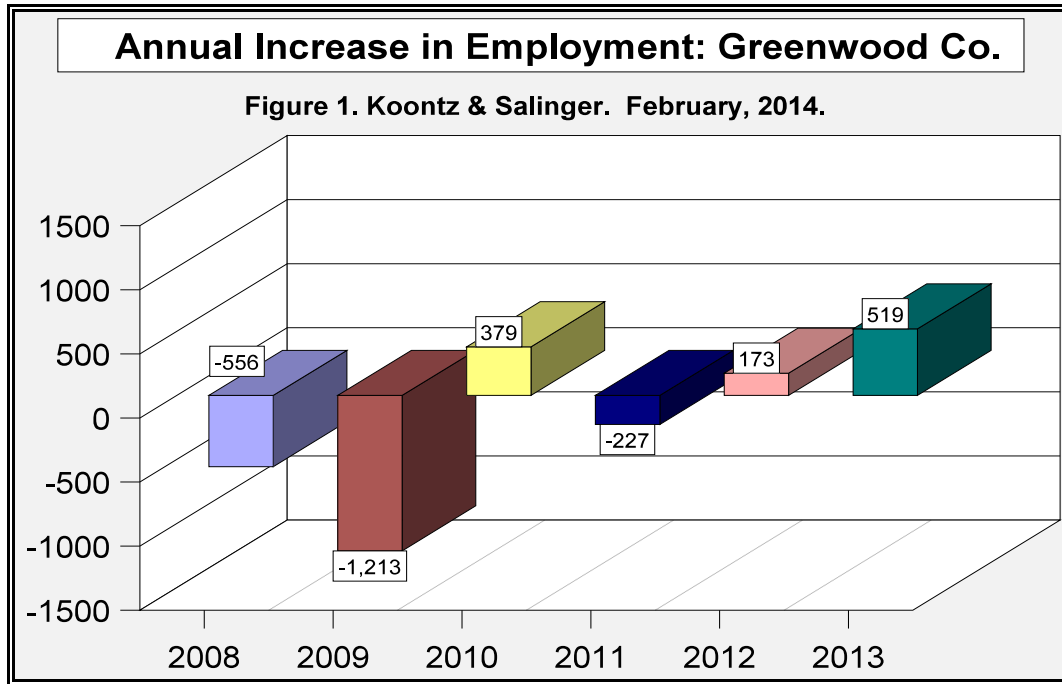
The major employers in Greenwood, and Greenwood County are listed in Table 6.

Table 6 Major Employers		
Firm	Product/Service	Number of Employees
Self Regional	Healthcare	2,300
SC State Government	Government	1,806
Greenwood County	School System	1,960
Greenwood County	Government	520
Greenwood Genetic Center	Research & Development	150
Fuji Photo Film	Film Products	1,100
Carolina Pride Foods	Poultry Processing	930
Capsugel	Pharmaceuticals	680
Cooper Power	Manufacturing	200
Greenwood Mills	Textiles	350
Piedmont Technical College	Education	464
Walmart	Retail Trade	400
Eaton Corp	Communications Equipment	800
Covidien	Medical Products	620
VELUX, Inc.	Roof/Fixed Windows	490
Lander University	Education	380
Wesley Commons	Retirement & Healthcare Services	265
UTC Aerospace	Turbine Components	125

Sources: Greenwood Partnership Alliance, www.greenwoodpartnershipallaince.com
Greenwood County Community Profile, SC Department of Commerce

SUMMARY

The economic situation for Greenwood County is statistically represented by employment activity, both in workers and jobs. Greenwood County experienced cyclical changes in employment between 2007 and 2012. As represented in Tables 1 and 2, Greenwood County experienced employment losses between 2007 and 2009. Like much of the state and nation, very significant employment losses were exhibited in 2009, followed by moderate gains in 2010, and moderate losses in 2011. In 2012, the overall local economy improved slightly, despite the significant reduction in the local labor force participation rate. The overall increase in employment in 2013 was very significant, resulting in a reduction of the unemployment rate to below 10% for the first time in 5 years.



As represented in Figure 1 (and Table 1B), between 2007 and 2009, the average decrease in employment was almost -600 workers or over -2% per year. The rate of employment gain between 2009 and 2010, was moderate to significant at approximately +1.5%, representing a net gain of +379 workers. The rate of employment loss between 2010 and 2011, was moderate at approximately -0.65%, representing a net decline of almost -375 workers. Based upon an examination of the most recent 12-month period of data in 2013, the rate of employment change between 2012 and 2013 suggests a significant reversal of the recent trend of employment losses within the county. The annual increase between 2012 and 2013 was almost +520 workers, or approximately +1.9%. Currently, local market employment conditions still remain in a fragile state, exhibiting recent signs of stabilization and growth, on a sector by sector basis, but still very much subject to a downturn in local, state, and national economic conditions, such as the recent "fiscal cliff", and "debt ceiling", at the national level, at global currency and interest rate concerns at the international level.

Monthly unemployment rates in 2011 and 2012 were among the highest exhibited in over 10-years in Greenwood County. Monthly unemployment

rates remained high in very early 2013 and began declining by the Spring of 2013, overall ranging between 6.9% and 10.8%, with an overall estimate of 9.0%. These rates of unemployment for the local economy are reflective of Greenwood County participating in the last State, National, and Global recession and the subsequent period of slow yet improving recovery growth. The National forecast for 2014 (at present) is for the unemployment rate to approximate 6% to 6.5% in the later portion of the year. Typically, during the last four years, the overall unemployment rate in Greenwood County has been moderately above the state average unemployment rate, and significantly above the national average. The annual unemployment rate in 2014 in Greenwood County is forecasted to continue to decline, to the vicinity of 7.5% to 7.7%, and improving on a relative year to year basis.

The Greenwood PMA economy is very well diversified with very sizable manufacturing, service, trade, and government sectors centered primarily in Greenwood. This diversification has in turn helped to offset the negative impact of the decline in the manufacturing sector in the city and elsewhere in the county over the last two decades. Still, the manufacturing sector is the backbone and engine of the local economy. The Greenville Partnership Alliance is the local organization most responsible for maintaining and enhancing the strength of the local economy, both in the manufacturing and non manufacturing sectors.

The Greenwood Partnership Alliance (GPA) was incorporated in 2003 as a public/private partnership between the County of Greenwood, the City of Greenwood, the Commissioners of Public Works, the Greenwood Metropolitan District, and multiple private businesses. The Partnership is set up as a non-profit corporation to serve in improving the workforce and the quality of life of the local community.

For example, in early 2012, Crown Casting Industries (iron and bronze foundry) announced that a new facility was to be built in Greenwood County. The \$16 million investment is projected to create 50 new jobs. In the Spring of 2012, Clemson University approved a \$6.5 million research and education center as an addition to the Clemson University/Greenwood Genetic Center.

Currently the GPA has five "code named" projects on their "hot list", which means they are further along in development than some other projects that are in the GPA pipeline. Collectively these five projects represent a potential \$745 million in capital investment and 665 new jobs. Specific details for these projects are not available at this time.

In September 2013, Publix Supermarkets broke ground at the Shops at Publix Pavilion, a new shopping center located at the intersection of SC Highway 72 Bypass and Mathis Road. Some 140 jobs will be created when the store opens in late 2014.

In October 2013, the Colgate-Palmolive Company announced the establishment of a new facility in Greenwood County for the production of liquid hand soap and deodorant. Colgate-Palmolive is investing \$196 million in an existing 525,000 SF building, and expects to begin operations in 2014. Some 300 new jobs will be generated.

In January 2014, the Greenwood County Council passed an ordinance authorizing a fee-in-lieu of tax agreement for Fujifilm Manufacturing

USA in January 2014 which drops the assessment rate from 10.5% to 6%. Fujifilm will invest \$50 million in a series of upgrades and improvements to their existing operations over the next few years.

Source: www.greenwoodpartnershipalliance.com

No significant layoffs or closures have been announced on the WARN list for Greenwood County in 2012 or 2013. In 2011 Itron announced that it would close in January 2012 resulting in 74 jobs lost.

The major employment nodes within Greenwood and the Greenwood PMA, relative to the location of the subject's site are exhibited on the Map on the following page.

Local Economy - Relative to Subject & Impact on Housing Demand

The Greenwood / Greenwood County area economy has a large number of low to moderate wage workers employed in the service, trade, and manufacturing sectors. Given the acceptable site location of the subject, with good proximity to several employment nodes, the proposed subject development will very likely attract potential renters from these sectors of the workforce who are in need of affordable housing and a reasonable commute to work.

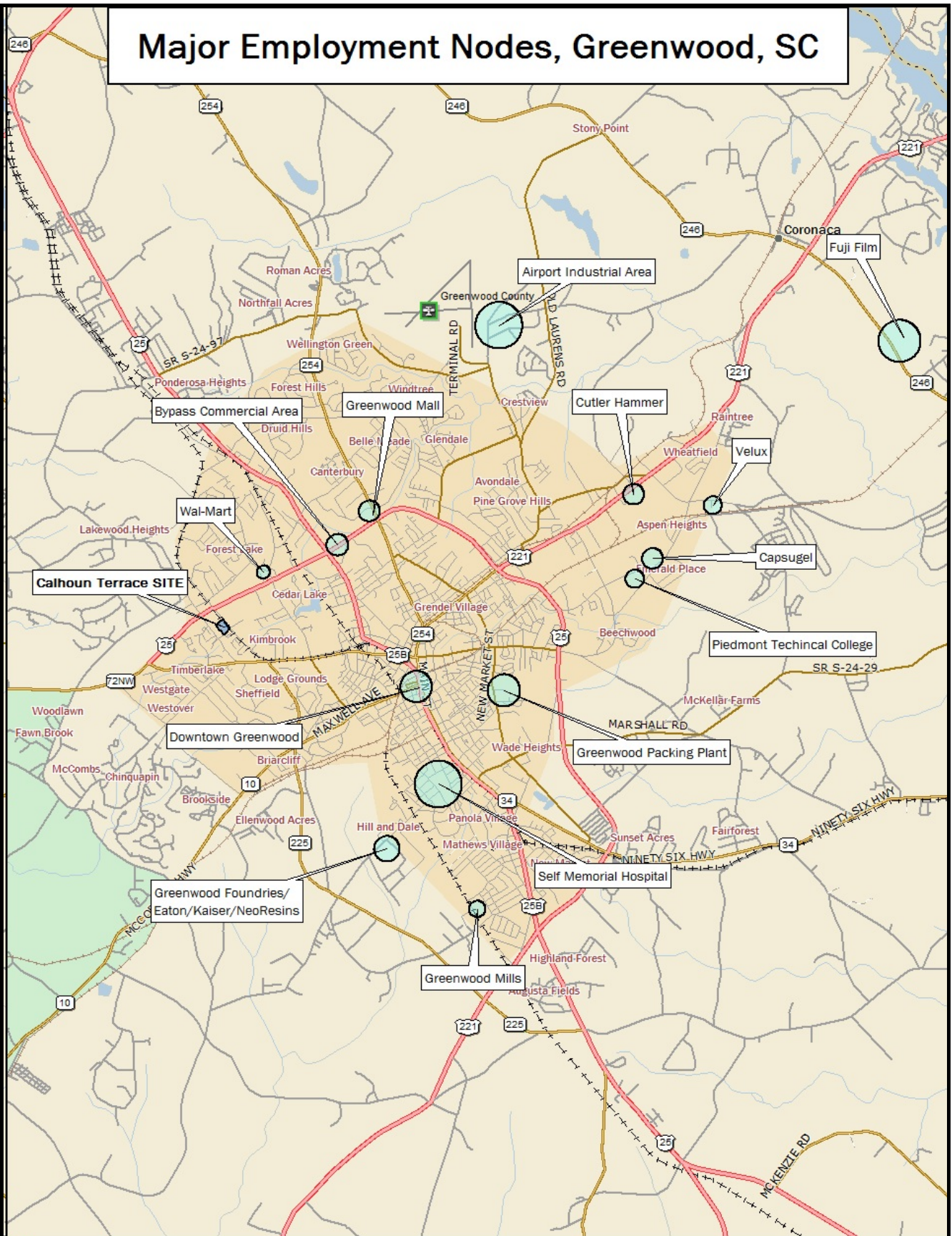
Even though the overall number of workers decreased in 2011, owing primarily to a reduction in the labor force participation rate, recent economic indicators in 2012 and 2013 are more supportive of a stable to moderately improving (in terms of growth) local economy over the next year. This is mostly due to a well diversified employment base, and several recent major economic development announcements. In addition, it is more likely than not that Greenwood County will experience moderate employment growth in 2014.

In the opinion of the market analyst, a new LIHTC family development located within the PMA should fare very well. The opportunities for LIHTC households to buy a home are and will become ever more challenging, in the current underwriting and mortgage due diligence environment.

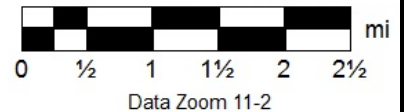
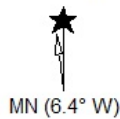
The proposed subject property net rents at 50% and 60% AMI are marketable, and competitive with the area competitive environment. Wages decreased in several of the major employment sectors in Greenwood County between 2012 and 2013. Where wages increased, the rate of increase is barely keeping up with inflation, and in the lower wage sectors of the local economy there are falling behind the consumer price index. Occurrences such as this, make new, professionally managed apartment properties, that are affordable and well amenitized, attractive to the low to moderate income households in need of housing or alternative housing choices.

In summary, the near term outlook for the local economy is for a stable to moderately improving economy into 2014 and early 2015, subject to an avoidance of both negative impacts owing to either or both national fiscal and monetary outcomes. Regardless of the national fiscal and monetary decisions, economic growth is expected between mid to late 2014. Over the next few years, most economists forecast that the overall regional, state and national economies will slowly.

Major Employment Nodes, Greenwood, SC



Data use subject to license.
 © DeLorme. DeLorme Street Atlas USA® 2010.
www.delorme.com



SECTION F

COMMUNITY DEMOGRAPHIC DATA

Tables 7 through 12 exhibit indicators of trends in population and household growth.

Table 7 exhibits the change in **total** population in Greenwood, the Greenwood PMA, and Greenwood County between 2000 and 2018. The year 2016 is estimated to be the placed in service year (Source: 2013 SC Tax Credit Manual - Exhibit S, Market Study Guidelines).

Total Population Trends

The Greenwood PMA and Greenwood County as a whole exhibited moderate population gains between 2000 and 2010. The rate of increase within the PMA between 2000 and 2010, approximated +.60% per year. Slight population increases in the PMA between 2013 and 2016 were forecasted at a rate of round +.40% per year. The forecast for the 2016 to 2018 period is for population change within the PMA to be comparable to the preceding period at around +.40% per year.

The forecasted rate of change between 2013 and 2018 for Greenwood County as a whole is for modest annual gains in population. The majority of the rate of change is subject to: (1) in and out-migration of population, and (2) a reduction in the local area labor force participation rate, owing to: (a) the very cyclical economic environment within the county during much of the last decade, and (b) an increase in the number of baby boomers entering retirement. Recent indicators suggest an improving local economy, which in turn could increase the rate of population gain in the county in 2014 and 2015 at a rate slightly above the current forecasts.

Population Projection Methodology

The forecast for total population is based primarily upon the 2000 and 2010 census, as well as the Nielsen-Claritas 2013 to 2018 population projections. The most recent set of projections prepared by the South Carolina Budget and Control Board were used as a cross check to the Nielsen-Claritas data set.

Sources: (1) 2000 and 2010 US Census, 2011-2013 US Census Estimates.

(2) South Carolina State and County Population Projections, prepared by the South Carolina Budget and Control Board.

(3) Nielsen Claritas 2013 and 2018 Projections.

Table 7 exhibits the change in total population in Greenwood, the Greenwood PMA, and Greenwood County between 2000 and 2016.

<p style="text-align: center;">Table 7</p> <p style="text-align: center;">Total Population Trends and Projections: Greenwood, Greenwood PMA, and Greenwood County</p>					
Year	Population	Total Change	Percent	Annual Change	Percent
Greenwood					
2000	22,071	-----	-----	-----	-----
2010	23,164	+ 1,093	+ 4.95	+ 109	+ 0.48
2013	23,230	+ 66	+ 0.28	+ 22	+ 0.09
2016	23,430	+ 200	+ 0.86	+ 67	+ 0.29
2018	23,564	+ 134	+ 0.57	+ 67	+ 0.29
Greenwood PMA					
2000	46,949	-----	-----	-----	-----
2010	49,961	+ 3,012	+ 6.42	+ 301	+ 0.62
2013	50,332	+ 371	+ 0.74	+ 124	+ 0.25
2016	50,963	+ 631	+ 1.25	+ 210	+ 0.42
2018*	51,383	+ 420	+ 0.82	+ 210	+ 0.41
Greenwood County					
2000	66,271	-----	-----	-----	-----
2010	69,661	+ 3,390	+ 5.12	+ 339	+ 0.50
2013	70,007	+ 346	+ 0.50	+ 115	+ 0.17
2016	70,728	+ 721	+ 1.03	+ 240	+ 0.34
2018	71,209	+ 481	+ 0.68	+ 240	+ 0.34

* 2016 - Estimated placed in service year.

Calculations: Koontz and Salinger. February, 2014.

Table 8 exhibits the change in population by age group within the Greenwood PMA between 2010 and 2013.

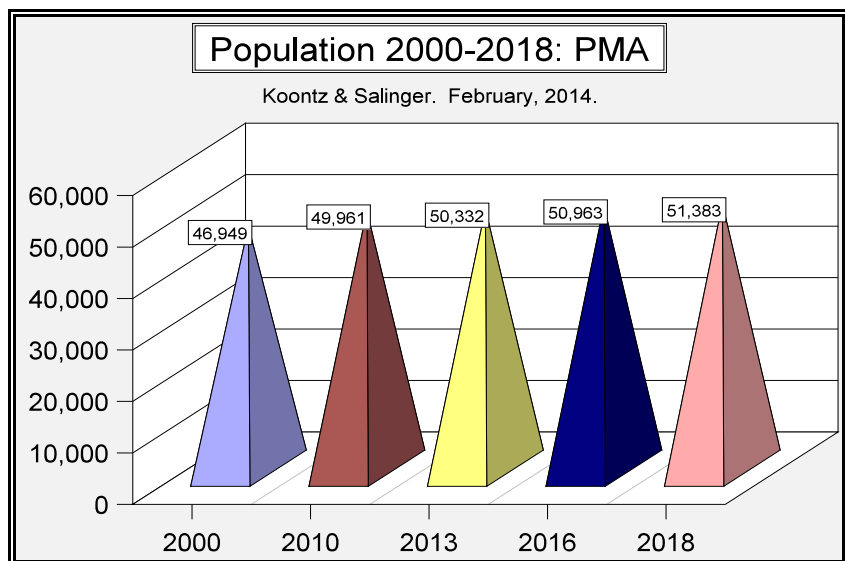
Table 8 Population by Age Groups: Greenwood PMA, 2010 - 2013						
	2010 Number	2010 Percent	2013 Number	2013 Percent	Change Number	Change Percent
Age Group						
0 - 20	14,709	29.44	14,766	29.34	+ 57	+ 0.39
21 - 24	3,120	6.24	2,987	5.93	- 133	- 4.26
25 - 44	12,671	25.36	12,773	25.38	+ 102	+ 0.80
45 - 54	6,408	12.83	6,375	12.67	- 33	- 0.51
55 - 64	5,589	11.19	5,562	11.05	- 27	- 0.48
65 +	7,464	14.94	7,869	15.63	+ 405	+ 5.43

Sources: 2010 Census of Population, South Carolina.
Nielsen Claritas 2013 Projections.
Koontz and Salinger. February, 2014.

Table 8 revealed that population increased in half of the exhibited age groups within the Greenwood PMA between 2010 and 2013. The decrease was slight in the primary renter age group of 21 to 44 at less than 1%. Overall, a significant portion of the PMA population is in the non elderly apartment living age groups of 21 to 54, representing almost 44% of the total population.

Between 2000 and 2010, PMA population increased at a annual rate of approximately +.60%. Between 2013 and 2016 the PMA population is forecasted to increase at an annual rate of around +.40%. The majority of the gains are expected to occur in the northern and eastern portions of the PMA, near and along the major transportation corridors. Population gains are forecasted to continue within the PMA between 2016 and 2018, at a comparable rate.

The figure to the right presents a graphic display of the numeric change in population in the PMA between 2000 and 2018.



HOUSEHOLD TRENDS & CHARACTERISTICS

Table 9 exhibits the change in **total** households in the Greenwood PMA between 2000 and 2018. The modest to moderate increase in household formations the in PMA has continued since the 2000 census and reflects the recent population trends and near term forecasts. The moderation in the decrease in the number of households is owing to the continuing decline in overall household size, at a reduced rate of decline. A moderate increase in household formations is forecasted between 2013 and 2016.

The decline in the rate of persons per household has continued over the last 10 years, and is projected to stabilize at around 2.3850 between 2013 and 2018 in the PMA. The reduction in the rate of decline is based upon: (1) the number of retirement age population owing to an increase in the longevity of the aging process for the senior population, and (2) allowing for adjustments owing to divorce and the dynamics of roommate scenarios. The forecast for group quarters is based on trends in the last two censuses. In addition, it includes information collected from local sources as to conditions and changes in group quarters supply since the 2010 census was taken.

Table 9					
Greenwood PMA Household Formations: 2000 to 2018					
Year / Place	Total Population	Population In Group Quarters	Population In Households	Persons Per Household¹	Total Households²
PMA					
2000	46,949	2,206	44,743	2.5038	17,870
2010	49,961	2,609	47,352	2.4106	19,643
2013	50,332	2,680	47,652	2.3961	19,887
2016	50,963	2,740	48,223	2.3863	20,208
2018	51,383	2,775	48,608	2.3801	20,423

Sources: Nielsen-Claritas Projections.

2000 & 2010 Census of Population, South Carolina.

Calculations: The control for the forecast of households was the 2010 Census. Hista data was interpolated between 2013 and 2018.

Koontz & Salinger. February, 2014.

¹Based upon Nielsen-Claritas trend data.

²Population in Households divided by persons per unit count.

Table 10				
Change in Household Formations Greenwood PMA				
Year	Total Change	Annual Change	Percent Change	% Annual Change
PMA				
2000-2010	+ 1,773	+ 177	+ 9.92	+ 0.95
2010-2013	+ 244	+ 81	+ 1.24	+ 0.41
2013-2016	+ 321	+ 107	+ 1.61	+ 0.54
2016-2018	+ 215	+ 107	+ 1.06	+ 0.53

Sources: 2000 & 2010 Census of Population, South Carolina.
Nielsen-Claritas Projections.
Koontz and Salinger. February, 2014.

The projection of household formations in the PMA between 2000 and 2010 exhibited a significant annual increase of around 175 households or approximately +1% per year.

The projection of household formations in the PMA between 2013 and 2016 exhibited a moderate increase of around 105 households per year or approximately +0.55% per year. The rate and size of the annual increase between 2013 and 2016 is considered to be supportive of a mid size to large development (that targets the low income population, as well as the non subsidized population), subject to the proposed development rent positioning within the overall competitive environment.

Table 11

Households, by Tenure, by Person Per Household
Greenwood PMA, 2013 - 2018

Households	Owner				Renter			
	2013	2018	Change	% 2013	2013	2018	Change	% 2013
1 Person	3,089	3,214	+ 125	25.74%	2,838	2,945	+ 107	35.99%
2 Person	4,581	4,700	+ 119	38.17%	2,061	2,107	+ 46	26.14%
3 Person	1,980	2,035	+ 55	16.50%	1,360	1,395	+ 35	17.25%
4 Person	1,472	1,501	+ 29	12.26%	879	887	+ 8	11.15%
5 + Person	880	894	+ 14	7.33%	747	745	- 2	9.47%
Total	12,002	12,344	+ 342	100%	7,885	8,079	+ 194	100%

Sources: Nielsen-Claritas, Ribbon Demographics HISTA data set.
Koontz and Salinger. February, 2014.

Table 11 indicates that in 2013 approximately 95% of the renter-occupied households in the Primary Market Area contain 1 to 5 persons (the target group by household size).

The majority of these households are:

- singles (both elderly and non elderly)
- couples, roommates,
- single head of households, with children, and
- married couples, with children

A significant increase in renter households by size is exhibited by 1 person households. Note: Moderate gains are exhibited in 2 and 3 persons per household. One person households are typically attracted to both 1 and 2 bedroom rental units and 2 and 3 person households are typically attracted to 2 bedroom units, and to a lesser degree three bedroom units. It is estimated that between 20% and 25% of the renter households in the PMA fit the bedroom profile for a 3BR unit.

Table 12 exhibits households within the Greenwood PMA by owner-occupied and renter-occupied tenure.

The 2000 to 2010 tenure trend revealed a very significant increase in renter-occupied tenure within the Greenwood PMA. Between 2010 and 2013, as well as between 2013 and 2016, the increase in renter-occupied households remains positive, but at a reduced rate of annual increase, at approximately +.50%.

Table 12					
Households by Tenure: Greenwood PMA					
Year/ Place	Total Households	Owner Occupied	Percent	Renter Occupied	Percent
PMA					
2000	17,870	11,327	63.39	6,543	36.61
2010	19,643	11,847	60.31	7,796	39.69
2013	19,887	12,002	60.35	7,885	39.65
2016	20,208	12,207	60.41	8,001	39.59
2018	20,423	12,344	60.44	8,079	39.56

Sources: 2000 & 2010 Census of Population, South Carolina.
 Nielsen-Claritas Projections.
 Koontz and Salinger. February, 2014.

Calculations: The control for the forecast of households, by tenure was the 2010 Census. Hista data was interpolated between 2013 and 2018.

HOUSEHOLD INCOME TRENDS & CHARACTERISTICS

One of the first discriminating factors in residential analysis is income eligibility and affordability. This is particularly of importance when analyzing the need and demand for program assisted multi-family housing.

A professional market study must distinguish between gross demand and effective demand. Effective demand is represented by those households that can both qualify for and afford to rent the proposed multi-family development. In order to quantify this effective demand, the income distribution of the PMA households must be analyzed.

Establishing the income factors to identify which households are eligible for a specific housing product requires the definition of the limits of the target income range. The lower limit of the eligible range is generally determined by affordability, i.e., the proposed gross rents, average minimum social security payments, and/or the availability of deep subsidy rental assistance (RA) for USDA-RD, PHA and HUD Section 8 developments.

The estimate of the upper income limit is based upon the most recent set of HUD MTSP income limits for 4.5, rounded to five person households (the recommended maximum household size in a 3BR unit, at 1.5 persons per bedroom) in Greenwood County, South Carolina at 50% and 60% of AMI.

For market-rate projects or components of mixed income projects, the entire range is estimated using typical expenditure patterns. While a household may spend as little for rent as required to occupy an acceptable unit, households tend to move into more expensive housing with better features as their incomes increase. In this analysis, the market-rate limits are set at an expenditure pattern of 25% to 45% of household income.

Tables 13A and 13B exhibit renter-occupied households, by income group, in the Greenwood PMA in 2010, forecasted to 2013 and 2018.

The projection methodology is based upon Nielsen Claritas forecasts for households, by tenure, by age and by income group for the year 2013 and 2018, with a base year data set comprising a 2010 average, based upon the 2006 to 2010 American Community Survey. The control for this data set was not the 2010 Census, but instead the 2006 to 2010 American Community Survey.

Tables 13A and 13B exhibit renter-occupied households, by income in the Greenwood PMA in 2010, projected to 2013 and 2018.

Table 13A				
Greenwood PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2010 Number	2010 Percent	2013 Number	2013 Percent
Under \$10,000	1,395	18.61	2,091	26.52
10,000 - 20,000	1,771	23.63	2,197	27.86
20,000 - 30,000	987	13.17	1,151	14.60
30,000 - 40,000	1,113	14.85	969	12.29
40,000 - 50,000	711	9.49	444	5.63
50,000 - 60,000	290	3.87	302	3.83
60,000 +	1,229	16.40	731	9.27
Total	7,496	100%	7,885	100%

Table 13B				
Greenwood PMA: Renter-Occupied Households, by Income Groups				
Households by Income	2013 Number	2013 Percent	2018 Number	2018 Percent
Under \$10,000	2,091	26.52	2,388	29.56
10,000 - 20,000	2,197	27.86	2,308	28.57
20,000 - 30,000	1,151	14.60	1,160	14.36
30,000 - 40,000	969	12.29	819	10.14
40,000 - 50,000	444	5.63	589	7.29
50,000 - 60,000	302	3.83	252	3.12
60,000 +	731	9.27	563	6.97
Total	7,885	100%	8,079	100%

Sources: 2006 - 2010 American Community Survey.
 Nielsen Claritas, HISTA Data, Ribbon Demographics.
 Koontz and Salinger. February, 2014.

SECTION G

PROJECT-SPECIFIC DEMAND ANALYSIS

This analysis examines the area market demand in terms of a specified demand methodology. This incorporates sources of age qualified income eligible demand from new renter household growth and from existing renter

households residing within the Greenwood market. In addition, even though it is not significant in the area at this time, the amount of substandard housing that still exists within the Greenwood PMA will be factored into the demand methodology.

This methodology develops an effective market demand comprising eligible demand segments based on household characteristics and typical demand sources. It evaluates the required penetration of this effective demand pool. The section also includes estimates of reasonable absorption of the proposed units. The demand analysis is premised upon an estimate that the subject will be placed in service in 2015, as a completed new construction development.

In this section, the effective project size is 56-units. Throughout the demand forecast process, income qualification is based on the distribution estimates derived in Tables 13A and 13B from the previous section of the report.

Subsequent to the derivation of the annual demand estimate, the project is considered in the context of the current market conditions. This assesses the size of the proposed project compared to the existing population, including factors of tenure and income qualification. This indicates the proportion of the occupied housing stock that the project would represent and gives an indication of the scale of the proposed complex in the market. This does not represent potential demand, but can provide indicators of the validity of the demand estimates and the expected capture rates.

The demand analysis will address the impact on demand from existing and proposed like kind competitive supply. In this case discriminated by income.

Finally, the potential impact of the proposed project on the housing market supply is evaluated, particularly the impact on other like-kind assisted LIHTC apartment projects in the market area.

Income Threshold Parameters

This market study focused upon the following target population regarding income parameters:

- (1) - Occupied by households at 60% or below of AMI.
- (2) - Projects must meet the person per unit imputed income requirements of the Low Income Housing Tax Credit, as amended in 1990. Thus, for purposes of estimating rents, developers should assume no more than the following: (a) For efficiencies, 1 Person; (b) For units with one or more separate bedrooms, 1.5 persons for each separate bedroom.
- (3) - The proposed development be available to Section 8 voucher holders.
- (4) - The 2014 HUD Income Guidelines were used.
- (5) - 0% of the units will be set aside as market rate with no income restrictions.

Analyst Note: The subject will comprise 12 one-bedroom, 28 two-bedroom, and 16 three-bedroom units. The expected minimum to maximum number of people per unit is:

1BR - 1 and 2-persons

2BR - 2, 3, and 4-persons

3BR - 3, 4, and 5-persons

The proposed development will target 25% of the units at 50% or below of area median income (AMI), and 75% at 60% AMI.

The lower portion of the target income range is set by the proposed subject 1BR, 2BR, and 3BR gross rents at 50%, and 60% AMI. Typically the 1BR gross rent sets the lower threshold limit and the 2BR and 3BR gross rents (income ranges) fall between the lower and the maximum HUD based person per household income range by AMI.

It is estimated that households at the subject will spend between 30% and 45% of income for gross housing expenses, including utilities and maintenance. Recent Consumer Expenditure Surveys (including the most recent) indicate that the average cost paid by renter households is around 36% of gross income. Given the subject property intended target group it is estimated that the target LIHTC income group will spend between 25% and 50% of income to rent. For LIHTC family applications 35% of income to rent is established as the rent to income ratio.

The proposed 1BR net rent at 50% AMI is \$350. The estimated utility costs is \$134. The proposed 1BR gross rent is \$484. The lower income limit at 50% AMI based on a rent to income ratio of 35% for a 1BR unit is established at \$16,595.

The proposed 1BR net rent at 60% AMI is \$425. The estimated utility costs is \$134. The proposed 1BR gross rent is \$559. The lower income limit at 60% AMI based on a rent to income ratio of 35% for a 1BR unit is established at \$19,165.

The AMI at 50% and 60% for 1 to 5 person households in Greenwood County, SC follows:

	<u>50%</u> <u>AMI</u>	<u>60%</u> <u>AMI</u>
1 Person -	\$18,300	\$21,960
2 Person -	\$20,900	\$25,080
3 Person -	\$23,500	\$28,200
4 Person -	\$26,100	\$31,320
5 Person -	\$28,200	\$33,840

Source: 2014 HUD MTSP Income Limits.

Overall Income Ranges by AMI

The overall income range for the targeting of income eligible households at 50% AMI is \$16,595 to \$28,200.

The overall income range for the targeting of income eligible households at 60% AMI is \$19,165 to \$33,840.

Fair Market Rents

The 2014 Final Fair Market Rents for Greenwood County, SC are as follows:

Efficiency	= \$ 485
1 BR Unit	= \$ 488
2 BR Unit	= \$ 634
3 BR Unit	= \$ 837
4 BR Unit	= \$ 875

*Fair Market Rents are gross rents (include utility costs)

Source: www.huduser.org

Note: The proposed subject property 1BR, 2BR and 3BR gross rents at 50% AMI are set below the 2014 maximum 1BR, 2BR and 3BR Fair Market Rents in Greenwood County. Thus, the proposed subject property 1BR, 2BR and 3BR units at 50% AMI will be readily marketable to Section 8 Housing Choice voucher holders. The proposed 3BR gross rent at 60% AMI is set below the threshold FMR, but the proposed 1BR and 2BR gross rents at 60% AMI are set above the threshold FMR's.

SUMMARY

Target Income Range - Subject Property - by Income Targeting Scenario

50% AMI Target Income Segment

The subject will position 14-units at 50% of AMI.

It is projected that in 2016 approximately **22%** of the renter households in the PMA were in the subject property 50% AMI LIHTC target income group of \$16,595 to \$28,200.

60% AMI Target Income Segment

The subject will position 42-units at 60% of AMI.

It is projected that in 2016 approximately **21.5%** of the renter households in the PMA were in the subject property 60% AMI LIHTC target income group of \$19,165 to \$33,840.

Adjustments

In order to adjust for income overlap between the 50% and 60% income segments several adjustments were made resulting in the following discrete estimates/percentages of households, within the 50%, and 60% AMI income ranges:

Renter-Occupied

50% AMI	12.5%
60% AMI	16.5%

The discrimination made to the overall 50%, and 60% income ranges was to maintain the ratio difference established when analyzing the income overlap groups, yet lean towards the higher segment of the overlap, i.e., 60% (vs 50%) owing the forecast trends, both on a numerical and a percentage basis exhibited between 2013 and 2018, within the Nielsen Claritas Hista data base for the PMA. Overall, the adjustment between the two income bands was moderate.

Effective Demand Pool

In this methodology, there are three basic sources of demand for an apartment project to acquire potential tenants:

- * net household formation (normal growth),
- * existing renters who are living in substandard housing, and
- * existing renters who are in rent overburdened situations.

Several adjustments are made to the basic model. The methodology adjustments are:

(1) taking into consideration like-kind competitive units now in the "pipeline", and/or under construction within the 2013 to 2016 forecast period, and

(2) taking into consideration like-kind competition introduced into the market between 2013 and 2014.

New Household Growth

For the PMA, forecast housing demand through household formation totals 321 households over the 2013 to 2016 forecast period. By definition, were this to be growth it would equal demand for new housing units. This demand would further be qualified by tenure and income range to determine how many would belong to the subject target income group. During the 2013 to 2016 forecast period it is calculated that 116 or approximately 36% of the new households formations would be renters.

Based on 2016 income forecasts, 15 new renter households fall into the 50% AMI target income segment of the proposed subject property, and 19 into the 60% AMI target income segment.

Demand from Existing Renters that are In Substandard Housing

The most current and reliable data from the US Census regarding substandard housing is the 2000 census, and the 2008-2012 American Community Survey. By definition, substandard housing in this market study is from Tables H21 and H48 in Summary File 3 of the 2000 census - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively. By definition, substandard housing in this market study is from Tables B25015 and B25016 in the 2008-2012 American Community Survey 5-Year Estimates - Tenure by Age of Householder by Occupants Per Room and Tenure by Plumbing Facilities, respectively.

Based upon 2000 Census data, 607 renter-occupied households were defined as residing in substandard housing. Based upon 2008-2012 American Community Survey data, 345 renter-occupied households were defined as residing in substandard housing.

The forecast for 2013 based upon a straight line trend of over crowding data, and holding constant at year 2010 lacking complete plumbing data, and adjusting for margin of error estimates, was for 270 renter occupied household residing in substandard housing in the PMA, in 2013. The forecast in 2016 was for 200 renter occupied household residing in substandard housing in the PMA.

Based on 2016 income forecasts, 25 substandard renter households fall into the target income segment of the proposed subject property at 50% AMI, and 33 at 60% AMI.

Demand from Existing Renters that are Rent Overburdened

An additional source of demand for rental units is derived from renter households desiring to move to improve their living conditions, to accommodate different space requirements, because of changes in financial circumstances or affordability. For this portion of the estimate, rent overburdened households are included in the demand analysis. Note: This segment of the demand analysis excluded the estimate of demand by substandard housing as defined in the previous segment of the demand analysis.

By definition, rent overburdened are those households paying greater than 30% to 35% of income to gross rent*. The most recent census based data for the percentage of households that are rent overburdened by income group is the 2000 census. In addition, the 2008-2012 American Community Survey provides the most current estimated update of rent overburden statistical information. Forecasting this percentage estimate forwarded into 2016 is extremely problematic and would not hold up to the rigors of statistical analysis. It is assumed that the percentage of rent overburdened households within the target income range has increased, owing to the recent 2008-2010 national and

worldwide recession since the report of the findings in the 2008-2012 American Community Survey. The 2008-2012, ACS indicates that approximately 54% of all households age 25-64 are rent overburdened, and that approximately 87% of all renters (regardless of age) within the \$10,000 to \$19,999 income range are rent overburdened, versus approximately 58% in the \$20,000 to \$34,999 income range.

***Note:** HUD defines rent overburdened as paying more than 30% of income to rent.

It is estimated that approximately 70% of the renters with incomes in the 50% AMI target income segments of \$16,595 to \$28,200 are rent overburdened. It is estimated that approximately 60% of the renters with incomes in the 60% AMI target income segments of \$19,165 to \$33,840 are rent overburdened.

In the PMA it is estimated that 683 existing renter households are rent overburdened and fall into the 50% AMI target income segment of the proposed subject property. In the PMA it is estimated that 772 existing renter households are rent overburdened and fall into the 60% AMI target income segment of the proposed subject property.

Total Effective Tenant Pool

The potential demand from these sources (within the PMA) total 723 households/units for the subject apartment development at 50% AMI. The potential demand from these sources (within the PMA) total 824 households/units for the subject apartment development at 60% AMI.

The total potential demand from the PMA is 1,547 households/units for the subject apartment development at 50% to 60% AMI. This estimate comprises the total income qualified demand pool from which the tenants at the proposed project will be drawn from the PMA.

Naturally, not every household in this effective demand pool will choose to enter the market for a new unit; this is the gross effective demand.

These estimates of demand will still need to be adjusted for the introduction of new like-kind LIHTC supply into the PMA that is either: (1) built in 2013, placed in service in 2013, or currently in the rent-up process, (2) under construction, and/or (3) in the pipeline for development.

Upcoming Direct Competition

An additional adjustment is made to the total demand estimate. The estimated number of direct, like-kind competitive supply under construction and/or in the pipeline for development must be taken into consideration. At present, there are no LIHTC apartment developments under construction within the PMA, nor are there any in the pipeline for development.

A review of the 2011 to 2013 list of awards made by the South Carolina Housing Finance and Development Authority revealed that in the last three rounds two awards were made for LIHTC family developments located within the City of Greenwood.

In 2012, an award was made for a 55-unit new construction LIHTC-family development known as Windtree Heights. This development changed its name to Oakmont Place. In 2012, an award was made for a 39-unit new construction LIHTC-family development known as Sterling Ridge.

At the time of the market survey, there were no Market Rate apartment developments in the approved pipeline for development in Greenwood. There was one market rate property, Winter Ridge, that is in the process of expansion over a multi-year period. It was reported that the property will build 12 more buildings (8-plexes) over the next several years, with only 2BR and 3BR units. However, according to Mr. Linder, AICP, Planning Director, Greenwood City/County Planning Department the master plan identifies the Phase II development as comprising 28-units. It estimated that 50% will be 2BR and 50% 3BR, and given the current rents at the property it is estimated that 100% or 28-units could target the LIHTC family market at 60% AMI.

Sources:

(1) Mr. Phil Lindler, AICP, Planning Director, Greenwood City/County Planning Department, (864) 942-8716, plindler@greenwoodssc.com

(2) www.greenwoods.com September 27, 2012

Detailed Information

	Number of Units	
Oakmont Place	<u>50% AMI</u>	<u>60% AMI</u>
1BR	4	4
2BR	5	15
3BR	5	14
4BR	0	8

Number of Units

<i>Sterling Ridge</i>	<u>50% AMI</u>	<u>60% AMI</u>
1BR	0	0
2BR	4	0
3BR	6	25
4BR	0	4

Number of Units

<i>Winter Ridge</i>	<u>50% AMI</u>	<u>60% AMI</u>
1BR	0	0
2BR	0	14 (est)
3BR	0	14 (est)
4BR	0	0

The quantitative demand methodology will take into consideration the new 2013 like-kind (LIHTC family) supply, as well as an estimated segment of new Market Rate supply being introduced within the PMA over the 2013 to 2016 forecast period.

The segmented, effective demand pool for the Greenwood PMA is summarized in Table 14.

Table 14

LIHTC Quantitative Demand Estimate: Greenwood PMA

	AMI	AMI
● <u>Demand from New Growth - Renter Households</u>	<u>50%</u>	<u>60%</u>
Total Projected Number of Households (2016)	8,001	8,001
Less: Current Number of Households (2013)	<u>7,885</u>	<u>7,885</u>
Change in Total Renter Households	+ 116	+ 116
% of Renter Households in Target Income Range	<u>12.5%</u>	<u>16.5%</u>
Total Demand from New Growth	15	19
● <u>Demand from Substandard Housing with Renter Households</u>		
Number of Households in Substandard Housing (2013)	270	270
Number of Households in Substandard Housing (2016)	200	200
% of Substandard Households in Target Income Range	<u>12.5%</u>	<u>16.5%</u>
Number of Income Qualified Renter Households	25	33
● <u>Demand from Existing Renter Households</u>		
Number of Renter Households (2016)	8,001	8,001
Minus Number of Substandard Renter Household	<u>- 200</u>	<u>- 200</u>
Total in Eligible Demand Pool	7,801	7,801
% of Households in Target Income Range	<u>12.5%</u>	<u>16.5%</u>
Number of Income Qualified Renter Households	975	1,287
Proportion Income Qualified (that are Rent Overburden)	<u>70%</u>	<u>60%</u>
Total	683	772
● <u>Net Total Demand (New & Existing Renters)</u>	723	824
● <u>Adjustment for Like-Kind Supply</u>		
Minus New Supply of Competitive Units (2013-2014)*	<u>- 24</u>	<u>- 98</u>
● <u>Gross Total Demand</u>	699	726

*Oakmont Place, Sterling Ridge, Winter Ridge

Capture Rate Analysis

Total Number of Households Income Qualified = 1,425 (adjusted for new supply). For the subject 56 LIHTC units, this equates to an overall LIHTC Capture Rate of **3.8%**.

	50%	60%
● <u>Capture Rate</u> (56-units)	<u>AMI</u>	<u>AMI</u>
Number of Units in LIHTC Segment	14	42
Number of Income Qualified Households	699	726
Required Capture Rate	2.0%	5.8%
● <u>Total Demand by Bedroom Mix</u>		

It is estimated that approximately 25% of the target group is estimated to fit a 1BR unit profile, 50% of the target group is estimated to fit a 2BR unit profile, and 25% of the target group is estimated to fit a 3BR unit profile. Source: Table 11 and Survey of the Competitive Environment.

* Two new LIHTC family like kind competitive properties were taken into consideration (Oakmont Place and Sterling Ridge), as well as one new market rate property (Winter Ridge). The 4BR units at Oakmont Place and Sterling Ridge were collapsed within the 3BR supply and all new LIHTC units, by bedroom type were taken into consideration within the Capture Rate Analysis.

Total Demand by Bedroom Type (at 50% AMI)

1BR	-	181
2BR	-	361
3BR	-	181
Total	-	723 (pre adjustment)

	<u>Total Demand</u>	New <u>Supply*</u>	<u>Net Demand</u>	Units <u>Proposed</u>	Capture <u>Rate</u>
1BR	181	4	177	6	3.4%
2BR	361	9	352	4	1.1%
3BR	181	11	170	4	2.3%

Total Demand by Bedroom Type (at 60% AMI)

1BR	-	206
2BR	-	412
3BR	-	206
Total	-	824 (pre adjustment)

	<u>Total Demand</u>	New <u>Supply*</u>	<u>Net Demand</u>	Units <u>Proposed</u>	Capture <u>Rate</u>
1BR	206	4	202	6	3.0%
2BR	412	29	383	24	6.3%
3BR	206	65	141	12	8.5%

- Overall Project Capture Rate: 3.8% (adjusted for new supply)

Summary: An overall capture rate of 3.8% for the proposed LIHTC subject development without deep subsidy rental assistance is considered to be a very positive quantitative indicator given the following market conditions: (1) the existing program assisted LIHTC family apartment market targeting low to moderate income households is stable and operating at a 97% occupancy rate, with most properties maintaining a waiting list, (2) the site location is considered to be very good and will enhance the marketing and rent-up of the subject, and (3) the demand methodology excluded potential demand from eligible HUD Section 8 voucher holders. Typically a capture rate greater than 20% warrants caution. In the case of the subject, a capture rate of 3.8% is considered to be a quantitative indicator which is very supportive of the proposed LIHTC development. Note: This summary capture rate analysis is subject to the overall findings and recommendation of this study.

- Penetration Rate:

The NCHMA definition for Penetration Rate is: "The percentage of age and income qualified renter households in the Primary Market Area that all existing and proposed properties, to be completed within six months of the subject, and which are competitively priced to the subject that must be captured to achieve the Stabilized Level of Occupancy."

The above capture rate analysis and findings already take into consideration like-kind upcoming and pipeline development. In fact, the final step of the Koontz & Salinger demand and capture rate methodologies incorporates penetration rate analysis.

Absorption Analysis

Given the strength of the demand estimated in Table 14, the worst case scenario for 93% to 100% rent-up is estimated to be 6 months (at 9-units per month on average). The most likely/best case rent-up scenario suggests a 3-month rent-up time period (an average of 18 to 19-units per month).

The rent-up period estimate is based upon several recently built LIHTC-family developments located within the City of Greenwood:

LIHTC-family

Oakmont Place (Built 2013)	56-units	opened in late November 2013, at the time of the survey (2/10/14) the property had 42 of the 56 units occupied or leased.
Sterling Ridge (Built 2013)	39-units	2-months to attain 100% occupancy
Gardens @ Parkway (Built 2010)	48-units	reported to have been "quickly absorbed"

The absorption of the project is contingent upon an attractive product, professional management, and a strong marketing and pre-leasing program. In addition, the absorption period estimate is subject to the final recommendation (s) in this market study.

The absorption recommendation also takes into consideration the subject's site location, proposed unit and development amenity package, and rent positioning as compared with the area market rate supply of apartments.

Stabilized occupancy, subsequent to final segment of lease-up is expected to be 93% or higher up to but no later than a three month period, beyond the absorption period.

SECTION H

COMPETITIVE ENVIRONMENT &
SUPPLY ANALYSIS

This section of the report evaluates the general rental housing market conditions in the PMA.

The Greenwood apartment market is representative of a mid-size, apartment market, with a semi-urban setting, yet greatly influenced by a large surrounding rural hinterland on

several sides.

Presently, Greenwood has 6 existing LIHTC-family program assisted new construction LIHTC family properties. In addition, Greenwood has two HUD Section 8 family properties (with 100% PBRA) that have been rehabed under the LIHTC program. The city also a very sizable supply of market rate properties ranging in size from small to very large, and ranging from Class A to Class B properties. Many of the conventional apartment properties in Greenwood are located in the northwest quadrant of the city, and the north-central portion of the city.

Part I - Survey of LIHTC-Family Apartments (located w/in the PMA)

Eight LIHTC-family program assisted apartment properties, representing 507-units, were surveyed in detail. All eight properties are located within Greenwood, or within close proximity to the city limits. In addition, two HUD Section 8/236 apartment properties were surveyed, representing 190-units. Several key findings in the surveyed program assisted apartments include:

- * At the time of the survey, the overall estimated vacancy rate of all surveyed LIHTC-family apartment properties was less than 4%, at 3.3%.
- * All of the LIHTC-family properties maintain a waiting list, ranging in size between 4 and 12 applications, for those properties that do not have deep subsidy rental assistance, and between 40 to 120+ applications for those LIHTC-family properties providing deep subsidy rental assistance.
- * Typical occupancy rates at the surveyed program assisted apartment properties ranged between 93% to 100%. Most properties reported typical occupancy of 95% or 99%.
- * All eight of the surveyed LIHTC-family properties have been introduced or rehabed within the Greenwood market since 2000. The oldest in 2000, and the two newest (Oakmont Place and Sterling Ridge) in 2013. Oakmont Place is still in the process of rent-up, and reported to be filling units at the rate of 20-units per month. Sterling Ridge opened in late November 2013 and was 100% occupied within two months, and already has accumulated a waiting list.
- * Five of the eight surveyed LIHTC-family properties include water, sewer and trash removal within the net rent. The other three only offer trash removal within the net rent.

* The bedroom mix of the surveyed LIHTC-family program assisted properties is 9.5% 1BR, 60.5% 2BR, 30% 3BR, and 3% 4BR.

* The Greenwood PMA includes two HUD-family program assisted properties that offer either 100% deep subsidy rental assistance or significantly reduced rents targeting the very low to low income population. Pinetree is a HUD Section 8/236 property (100-units) and was built in 1974. Wisewood is a HUD Section 8 property (90-units) was built in 1978.

* Excluding Oakmont Place, which is in the process of rent-up, the typical occupancy rates at the surveyed LIHTC family apartment properties in the 2nd Quarter of 2013 ranged between 91% and 100%, versus 82% and 100% in the 4th Quarter of 2013.

LIHTC Occupancy Rates: 2nd and 4th Quarters 2013		
LIHTC-family Development	2nd Quarter	4th Quarter
Cardinal Glen	97%	98%
Ellison Avenue Atrium Homes	100%	100%
Gardens @ Parkway	96%	100%
Hallmark @ Greenwood	94%	82%
Oakmont Place (in rent-up)	Na	45%
Sterling Ridge	Na	100%
Swann Meadow	91%	91%
LIHTC/HUD-fm Development	2nd Quarter	4th Quarter
Phoenix Place	96%	96%
Twin Oaks	98%	96%

Source: South Carolina State Housing Finance & Development Authority

* The most comparable LIHTC-family properties to the subject in terms of income restriction and project design are: Cardinal Glen, Gardens @ Parkway, Oakmont Place, and Sterling Ridge.

* A map showing the location of the surveyed LIHTC properties is provided on page 60.

Survey of Competitive Market Rate Apartments

Ten market rate properties, representing 1,038 units, were surveyed in detail. All of the surveyed properties are located within the Greenwood city limits, or within close proximity to the city. Several key findings in the conventional market include:

* At the time of the survey, the overall estimated vacancy rate of the surveyed market rate properties targeting the general population was less than 3%, at approximately 2.9%.

* The typical occupancy rates reported for most of the surveyed properties ranges between the low 90's to mid 90's.

* The bedroom mix of the surveyed market rate properties is 19.5% 1BR, 67.5% 2BR, and 13% 3BR.

* A survey of the conventional apartment market exhibited the following average, median and range of net rents, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Net Rents			
BR/Rent	Average	Median	Range
1BR/1b	\$544	\$545	\$449-\$697
2BR/1b & 2BR/1.5b	\$546	\$545	\$450-\$625
2BR/2b	\$685	\$660	\$640-\$797
3BR/2b	\$749	\$725	\$625-\$897

Source: Koontz & Salinger. February 2014

* One of the ten surveyed market rate properties excludes all utilities from the net rent, three only include trash removal, and six include water, sewer, and trash removal within the net rent.

* Security deposits range between \$300 and \$400, or were based upon one month's rent. The overall estimated median security deposit within the Greenwood conventional apartment market is \$350.

* Of the ten surveyed market rate properties none are presently offering a rent concession. However, one property is offering a concession on the security deposit and administrative fee.

* Four of the surveyed market rate properties were built before the 1990, four within the 1990's, and two were built in the 2000's.

* A survey of the conventional apartment market exhibited the following average, median and range of size of units, by bedroom type, in the area competitive environment:

Market Rate Competitive Environment - Unit Size			
BR/Rent	Average	Median	Range
1BR/1b	676	665	588-900
2BR/1b & 2BR/1.5b	933	910	730-1150
2BR/2b	981	1000	850-1097
3BR/2b	1229	1250	1050-1380

Source: Koontz & Salinger. February, 2014

* A map showing the location of the surveyed market rate

properties is provided on page 61.

Comparable Properties

* The most comparable surveyed market rate properties to the subject in terms of rent reconciliation/advantage analysis are:

Comparable Market Rate Properties: By BR Type		
1BR	2BR	3BR
Hidden Creek	Hidden Creek	Huntington
Huntington	Huntington	Regency Park
Montclair	Montclair	University Commons
Regency Park	Regency Park	
University Commons	University Commons	
Winter Ridge	Winter Ridge	

Source: Koontz & Salinger. February, 2014

* A map showing the location of the surveyed comparable market rate properties is provided on page 62. The comparable properties are highlighted in red.

Summary of PMA Vacancy Rates

LIHTC fm Properties	-	3.3%
HUD fm Properties	-	1.1%
Market Rate	-	2.9%
Market Rate - Comparable	-	2.9%
Overall (family)	-	2.8%

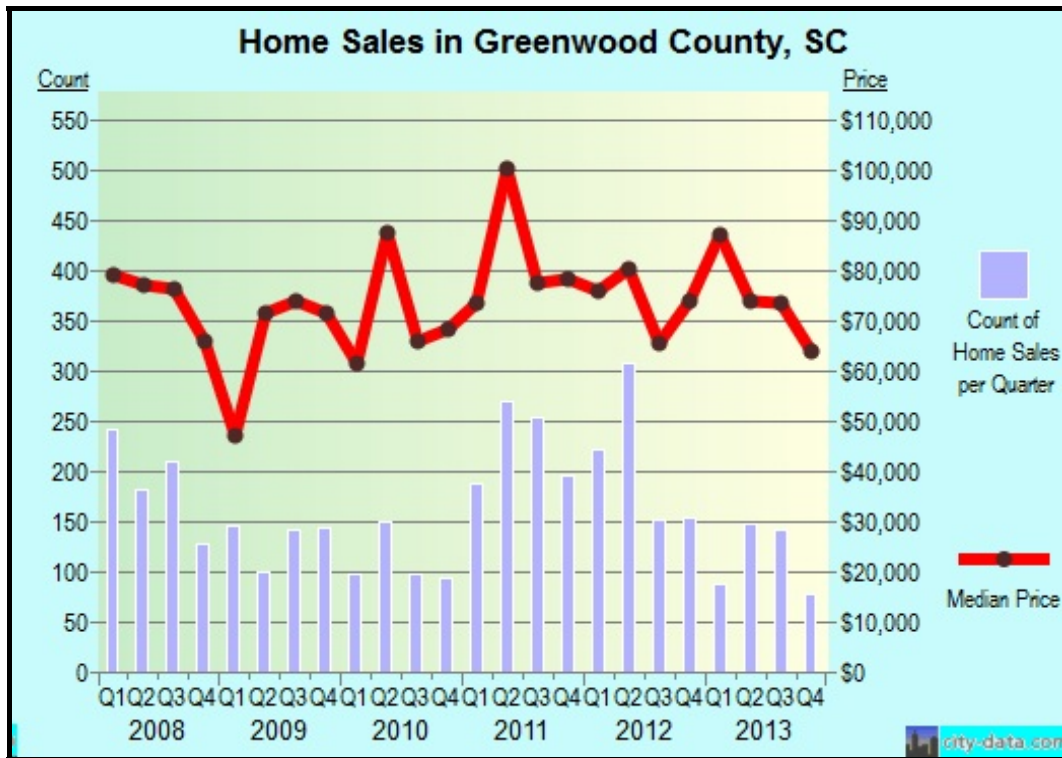
Section 8 Housing Choice Vouchers

The Housing Authority of the City of Greenwood manages the Section 8 program for the City of Greenwood and Greenwood County. At the time of the survey the Greenwood HA had 967 Section 8 vouchers of which 860 were in use, owing to funding availability. The Greenwood HA Section 8 housing choice voucher waiting list is consistently lengthy, and is presently open. At the time of the survey, the waiting list had approximately 1,209 applicants. Source: Ms. Donna Bell, Greenwood Housing Authority (contacted - 2/17/14), (864) 227-3670, ext 31.

At the time of the survey, approximately 42% of the units in the non deep subsidized LIHTC-family properties in Greenwood were occupied by Section 8 Voucher holders.

For-Sale Market

The figure below exhibits home sales in Greenwood County, SC, between 2008 and 2013. In the 3rd and 4th Quarters of 2013, most home sales in Greenwood County were in the vicinity of \$65,000 and \$75,000.



Source: www.city-data.com/county/Greenwood_County-SC.html

For-Sale Market (Buy Versus Rent)

According to Trulia (www.trulia.com) the median sales price for homes in the City of Greenwood for the period from October 2013 - January 2014, was \$125,000. Assuming a 95% LTV ratio (5% down payment), an interest rate of 5.25% and a 30 year term, the estimated monthly mortgage payment including taxes and insurance, is shown below:

COST OF TYPICAL HOME PURCHASE

Median Home Price (Trulia)	\$125,000
Mortgaged Value = 95% of Median Home Price	\$118,750
Interest Rate	5.25%
Term (years)	30
Monthly Principal and Interest	\$656
Taxes and Insurance (estimated at 25% of P&I)	\$164
Estimated monthly mortgage payment	\$820

While it is possible that some tenants in LIHTC properties could afford the monthly payments, the number who could afford the down payment and other closing costs is likely to be minimal. In the example above, the required down payment would be \$6,250. Additional closing costs could include the first year's hazard insurance premium, mortgage "points", and various bank fees. If total closing costs (including down payment) are equal to 6% of the purchase price, a prospective buyer would need \$7,500; if these costs rise to 7%, the cash needed for closing increases to \$8,750. Accordingly, home purchase is not considered to be competitive among LIHTC income qualified households.

With respect to mobile homes, the overall ratio of this housing type is quite small in the Greenwood PMA, and the ratio of renter occupied units is even smaller. Given the insignificant number of mobile homes in this market, little to no competition is expected from this housing type.

In summary, the proposed LIHTC family new construction development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Greenwood, SC home buying market. The majority of the tenants at the subject property will have annual incomes in the \$15,000 to \$25,000 range. Today's home buying market, both stick-built, modular, and mobile home requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

Future Changes in Local Housing Stock

Permit activity in Greenwood County between 2009 and 2011 declined significantly when compared to the 2000 to 2008 time period. The reduction ranges between 40% to 70%. The number of permits increased significantly in 2012, comprising both 1-unit permits and permits for multi-family units, only to decline again in 2013. See Appendix A, Building Permits.

The likelihood of any USDA-RD Section 515 or HUD Section 202 new construction apartment development occurring or being awarded in 2014 or 2015, in Greenwood County is uncertain, yet highly unlikely. Within the City of Greenwood new HUD 202 development is uncertain, and if any took place the likely size of the deep subsidized elderly development would be small.

At the time of the market study, there was no pipeline permit activity for new construction conventional apartment development (of size) within the City of Greenwood. There is an on-going expansion of property size at the existing Winter Ridge apartment development. The build out period is expected to occur over the next several years, and comprise approximately 96 two-bedroom and three-bedroom units.

SF Homes & Townhomes for Rent: Typical Net Rents

A review of newspaper advertisements and the internet revealed that typical net rents for 3BR single-family homes, townhomes and condos range from \$395 to \$1,000 in Greenwood, with an estimated average net rent of \$697 and an estimated median net rent of \$713. Only two mobile home rentals were advertised, both 3BR/2Ba, with net rents of \$525 and \$550.

Rents for 2BR homes ranged from \$285 to \$750, with an average of \$451 and median net rent of \$388.

Sources: <http://www.greenwoodrentalagency.com/listings.php>

http://www.trulia.com/for_rent/Greenwood,SC/

http://www.realtor.com/homesforrent/Greenwood_SC

www.craigslist.org

www.indexjournal.com/Content/Default/Subsection/Classified/Rentals

<http://www.homes.com/rentals/SC/County/GREENWOOD/>

Table 15 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed program assisted LIHTC, HUD and USDA family apartment properties within the Greenwood PMA competitive environment.

Table 15											
SURVEY OF PROGRAM ASSISTED COMPETITIVE SUPPLY PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	56	12	27	16	Na	\$350- \$425	\$400- \$500	\$450- \$575	852	1103	1254
LIHTC											
Cardinal Glen	64	16	32	16	0	\$450- \$461	\$550- \$565	\$634- \$650	730	935	1150
Gardens @ Parkway	48	--	32	16	4	--	\$535	\$615	--	933	1091
Hallmark @ Greenwood	88	--	88	--	0	--	\$535	--	--	730	--
Oakmont Place	56	8	20	28	**	\$425	\$485- \$525	\$575- \$610	850	1100	1250- 1425
Phoenix Place	100	8	58	34	3	BOI	BOI	BOI	585	836	1161- 1288
Sterling Ridge	39	--	4	35	0	--	\$370	\$400- \$450	--	1100	1450- 1540
Swann Meadows	56	--	56	--	6	--	\$531	--	--	777	--
Twin Oaks	56	16	16	24	4	BOI	BOI	BOI	Na	Na	Na
Sub Total	507	48	306	153	17						
HUD											
Pinetree	100	8	80	12	2	\$400- \$425	\$450- \$475	\$532- \$575	543	810	900
Wisewood	90	28	38	24	0	BOI	BOI	BOI	Na	Na	Na
Sub Total	190	36	118	36	2						
Total*	697	84	424	189	19						

* - Excludes the subject property

Na - Not available

BOI - Based on Income

** - In process of rent-up

3BR & 4BR units are combined for Oakmont Place, Phoenix Place, Sterling Ridge, Twin Oaks, and Wisewood

Source: Koontz and Salinger. February, 2014.

Table 16 exhibits the project size, bedroom mix, number of vacant units (at the time of the survey), net rents and reported unit sizes of a sample of the surveyed market rate apartment properties within the Greenwood PMA competitive environment.

Table 16											
SURVEY OF MARKET RATE COMPETITIVE SUPPLY											
PROJECT PARAMETERS											
Complex	Total Units	1BR	2BR	3BR	Vac. Units	1BR Rent	2BR Rent	3BR Rent	SF 1BR	SF 2BR	SF 3BR
Subject	56	12	28	16	Na	\$350-\$425	\$400-\$500	\$450-\$575	852	1103	1254
Amberchase	100	12	40	48	1	\$490	\$550	\$625	800	1100	1380
Deerfield	65	24	41	--	4	\$449	\$515	--	588	770	--
Foxfield	112	--	112	--	5	--	\$549	--	--	830	--
Hidden Creek	128	16	112	--	4	\$560	\$625-\$675	--	784	914-1097	--
Huntington	90	36	46	8	8	\$499	\$559	\$702	600	915	1100
Montclair	97	22	75	--	3	\$530-\$570	\$640-\$665	--	720	1048	--
Regency Park	132	18	66	48	4	\$697-\$727	\$797-\$827	\$897-\$937	650	850	1050
University Commons	106	8	64	34	1	\$545	\$625	\$725	900	1150	1300
Windtree	64	--	64	--	0	--	\$450-\$500	--	--	908	--
Winter Ridge	144	64	80	--	0	\$565	\$660	--	665	985	--
Total*	1,038	200	700	138	30						

* - Excludes the subject property

Comparable properties highlighted in red.

Source: Koontz and Salinger. February, 2014.

Table 17, exhibits the key amenities of the subject and the surveyed Program Assisted family apartment properties. Overall, the subject is comparable and competitive with the area program assisted apartment properties, regarding the unit and development amenity package. The proposed subject property unit amenity package is comparable to better when compared to the existing LIHTC-family properties and competitive with the area Class B market rate properties.

Table 17													
SURVEY OF PROGRAM ASSISTED (FAMILY) COMPETITIVE SUPPLY UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
LIHTC													
Cardinal Glen	x	x			x	x		x	x	x	x	x	x
Gardens @ Parkway	x	x			x	x	x	x	x	x	x	x	x
Hallmark @ Greenwood	x	x	x		x	x		x	x	x	x	x	x
Oakmont Pl	x	x			x	x	x	x	x	x	x	x	x
Phoenix Pl	x	x			x	x		x	x	x	x	x	x
Sterling Ridge	x	x			x	x	x	x	x	x	x	x	x
Swann Meadows	x	x			x				x	x	x		
Twin Oaks	x	x			x	x			x	x	x		
HUD													
Pinetree	x	x			x				x	s	x		
Wisewood	x	x			x				x	s	x		

Source: Koontz and Salinger. February, 2014.

s - some

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, storage, patio/balcony)

Table 18, exhibits the key amenities of the subject and the surveyed market rate apartment properties. Overall, the subject is competitive with the area conventional supply, regarding the unit amenity package. Owing to the subject being a LIHTC development it is not as competitive regarding comparability with Class A market rate development amenity packages, in particular those offering a swimming pool, and an extensive package of clubhouse amenities.

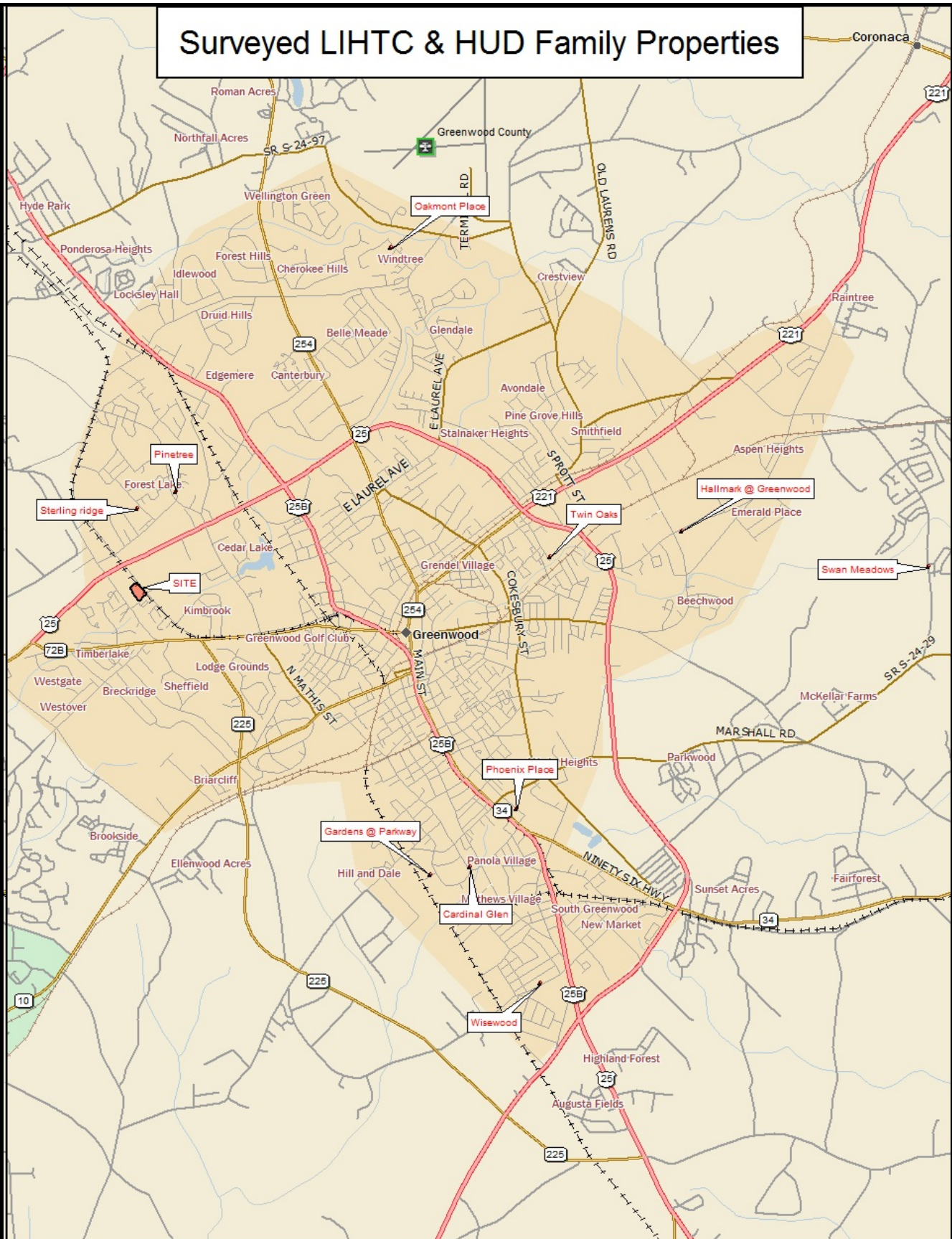
Table 18													
SURVEY OF CONVENTIONAL COMPETITIVE SUPPLY UNIT & PROJECT AMENITIES													
Complex	A	B	C	D	E	F	G	H	I	J	K	L	M
Subject	x	x			x	x	x	x	x	x	x	x	x
Amberchase	x	x	x		x	x	x	x	x	x	x		x
Deerfield	x	x			x	x	x	x	x	x	x		x
Foxfield	x	x	x			x	x	x	x	x	x	x	x
Hidden Creek	x					x	x	x	x	x	x		x
Huntington	x	x	x		x	x	x	s	x	x	x		
Montclair	x					x	x	x	x	x	x		
Regency Park	x	x	x		x	x		x	x	x	x	x	x
University Commons	x	x	x		x	x		x	x	x	x	x	x
Windtree	x					x		s	x	x	x		x
Winter Ridge	x					x	x	x	x	x	x		x

Source: Koontz and Salinger. February, 2014.

s - some

Key: A - On-Site Mgmt Office B - Central Laundry C - Pool
 D - Tennis Court E - Playground/Rec Area F - Dishwasher
 G - Disposal H - W/D Hook-ups I - A/C
 J - Cable Ready K - Mini-Blinds L - Community Rm/Exercise Rm
 M - Storage/other (inc. - ceiling fan, microwave, patio/balcony)

Surveyed LIHTC & HUD Family Properties



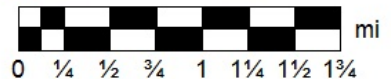
Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com

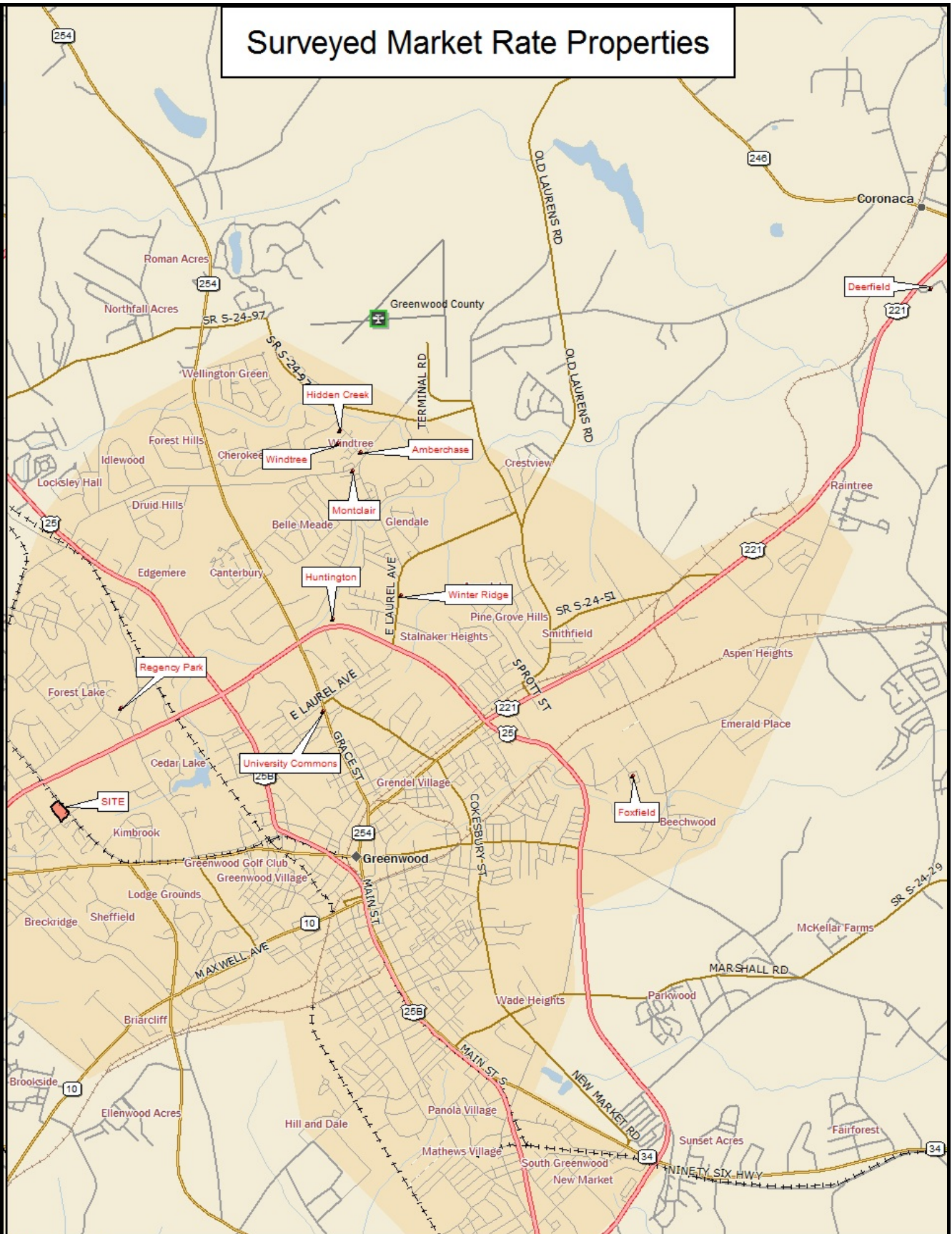


MN (6.4° W)



Data Zoom 11-6

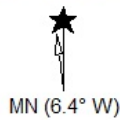
Surveyed Market Rate Properties



Data use subject to license.

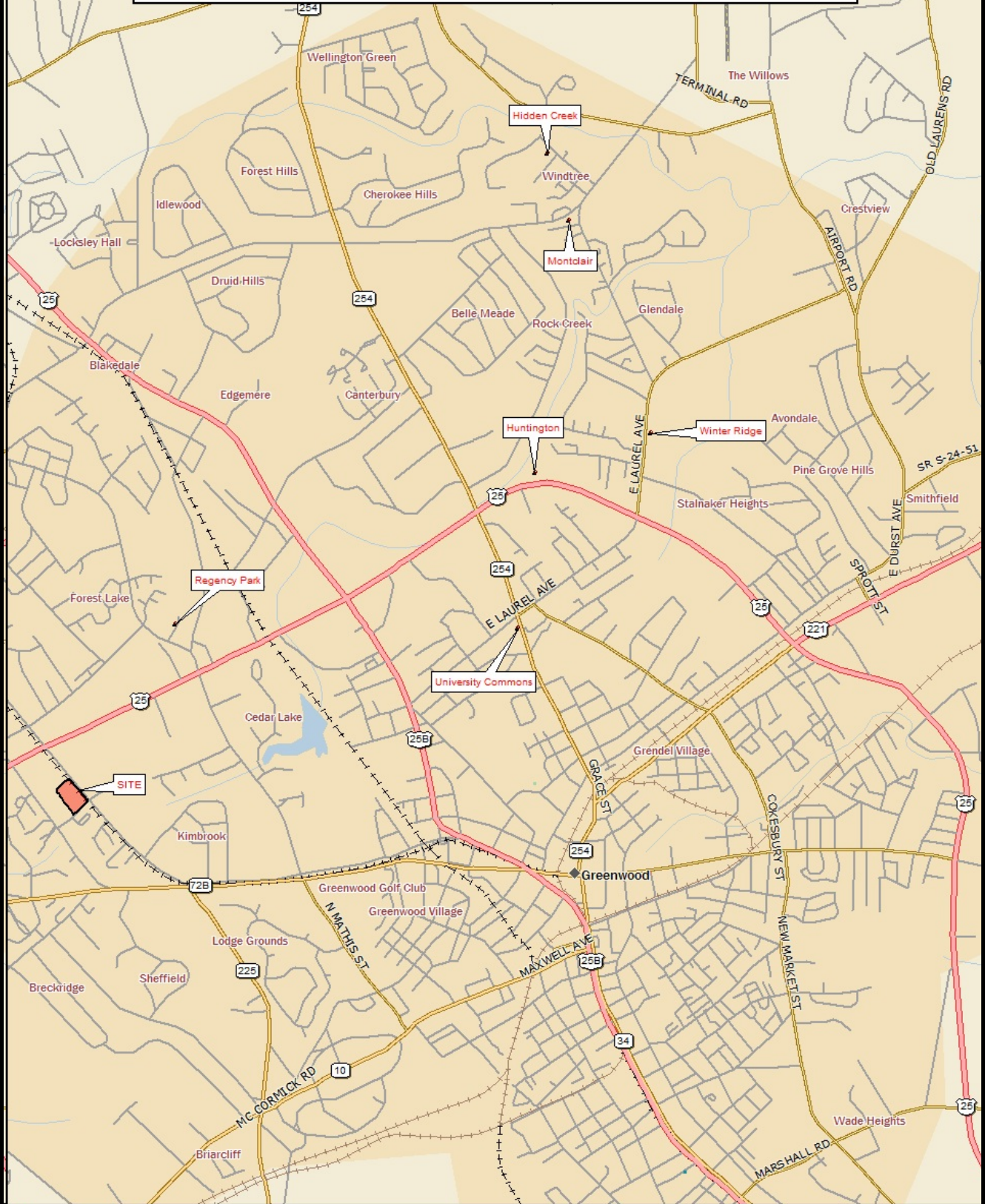
© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com



Data Zoom 11-7

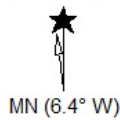
Surveyed Comparable Market Rate Properties



Data use subject to license.

© DeLorme. DeLorme Street Atlas USA® 2010.

www.delorme.com



Data Zoom 12-5

SECTION I
INTERVIEWS

The basic project parameters of the proposed new construction LIHTC-family application were presented to the interview source, in particular: the site/subject location, the

proposed project size, bedroom mix, income targeting and rents. The following statements were made:

(1) - *The manager of the Gardens @ Parkway LIHTC-family apartment development stated that the proposed LIHTC family development would not negatively impact her property. It was reported that the 48-unit, Gardens @ Parkway development was absorbed "quickly", and at the time of the survey the property has 12-applicants on the waiting list. Source: Ms Joyce, Manager, Sunbelt Management, (864) 223-6837.*

(2) - *The manager of the Oakmont Place LIHTC family apartment development stated that the proposed LIHTC development would not negatively impact her property. At the time of the survey, Oakmont Place was still in the process of rent-up. The demand of the units at the property was reported to be very strong, with an absorption rate approximating 20-units a month. Source: Ms Donna, Manager, Boyd Management (864) 223-1319.*

(3) - *The manager of the Hallmark @ Greenwood LIHTC family apartment development stated that she "was not sure" if the introduction of another LIHTC family property would negatively impact her property or not. Hallmark @ Greenwood, is an 88-unit property that was built in 1985, and rehabed as a tax credit property in 2008. At the time of the survey, Hallmark @ Greenwood was 100% occupied and maintained a waiting list. Source: Ms Maryanne, Manager, United Housing Associates (864) 223-6000.*

(4) - *The manager of the Sterling Ridge LIHTC family apartment development stated that the proposed LIHTC development would not negatively impact Sterling Ridge. The property was built in 2013, and opened in the Fall. It was estimated to have been 100% occupied within two months of opening. At the time of the survey, Sterling Ridge was 100% occupied and maintained a waiting list. Source: Guardian Asset Management, (256) 712-5647.*

(5) - *The regional manager of the Swann Meadows LIHTC/USDA family apartment development stated that the proposed LIHTC development would not negatively impact this property, as long as it did not offer deep subsidy rental assistance. Source: Mr Mike Thayer, Gem Management, Regional Manager, (704) 357-6000.*

(6) - *The manager of the Twin Oaks LIHTC/HUD family apartment development stated that the proposed LIHTC development would not negatively impact her property. At the time of the survey, Twin Oaks*

was 100% occupied and had 40 applicants on the waiting list. Source:
Ms Louise, Manager, (864) 223-1854.

(7) - Mr. Phil Lindler, Planning Director, Greenwood City/County Planning Department, was interviewed, (864)942-8716. Mr. Lindler, confirmed the status of apartment developments that were presently under construction, or within the permitted pipeline for development within the City of Greenwood. In addition, he confirmed the present zoning status of the site for the proposed LIHTC family development.

SECTION J

CONCLUSIONS &
RECOMMENDATIONS

1. Project Size - The income qualified target group is large enough to absorb the proposed LIHTC-family new construction development of **56-units**.

The **Capture Rates for the total project, by bedroom type and by Income Segment** are considered to be **acceptable**.

2. The current LIHTC family apartment market is **not** representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed LIHTC family properties was 2.9%. The current market rate apartment market (located within the PMA) is not representative of a soft market. At the time of the survey, the overall estimated vacancy rate of the surveyed market rate apartment properties located within the PMA was approximately 3%.
3. The proposed complex unit amenity package is considered to be very competitive within the PMA apartment market for affordable properties. Most of the Class B market rate properties offer a comparable amenity package.
4. Bedroom Mix - The subject will offer 1BR, 2BR, and 3BR units. Based upon market findings and capture rate analysis, the proposed bedroom mix is considered to be appropriate. All household sizes will be targeted, from a single person household to large family households. The bedroom mix at the most recent LIHTC family properties in the Greenwood market (Oakmont Place & Sterling Ridge) offered 1BR, 2BR, 3BR, and 4BR units. All bedroom types were very well received by the market in terms of demand and absorption.
5. Assessment of rents - The proposed net rents, by bedroom type, will be very competitive within the PMA apartment market at 50% AMI, and 60% AMI. The table on the next page, exhibits the rent reconciliation of the proposed LIHTC property, by bedroom type, and income targeting, with comparable properties.
6. Under the assumption that the proposed development will be: (1) built as described within this market study, (2) will be subject to professional management, and (3) will be subject to an extensive marketing and pre-leasing program, the subject is forecasted to be 93% to 100% absorbed within 6 to 7 months.
7. Based upon the analysis and the conclusions of each of the report sections, in the analyst's professional opinion, it is recommended that the proposed Calhoun Terrace application **proceed forward based upon market findings**.

The table below exhibits the findings of the Rent Reconciliation Process between the proposed subject net rent, by bedroom type, and by income targeting with the current comparable Market Rate competitive environment. A detailed examination of the Rent Reconciliation Process, which includes the process for defining Market Rent Advantage, is provided within the preceding pages.

Market Rent Advantage

Clearly, the rent reconciliation process exhibits a very significant subject property rent advantage by bedroom type at 50%, and 60% of AMI.

Percent Advantage:

	<u>50% AMI</u>	<u>60% AMI</u>
1BR/1b:	40%	27%
2BR/2b:	40%	25%
3BR/2b:	40%	23%

Overall: 28%

Rent Reconciliation			
50% AMI	1BR	2BR	3BR
Proposed subject net rents	\$350	\$400	\$450
Estimated Market net rents	\$580	\$665	\$750
Rent Advantage (\$)	+\$230	+\$265	+\$300
Rent Advantage (%) rounded	40%	40%	40%
60% AMI	1BR	2BR	3BR
Proposed subject net rents	\$425	\$500	\$575
Estimated Market net rents	\$580	\$665	\$750
Rent Advantage (\$)	+\$155	+\$165	+\$175
Rent Advantage (%) rounded	27%	25%	23%

Source: Koontz & Salinger. February, 2014

Recommendation

As proposed in Section B of this study (Project Description), it is of the opinion of the analyst, based upon the findings in the market study, that Calhoun Terrace (a proposed LIHTC new construction family development) proceed forward with the development process as presently configured and proposed.

Negative Impact

In the opinion of the market analyst, the proposed LIHTC family development **will not negatively impact** the existing supply of program assisted LIHTC family properties located within the Greenwood PMA in the long term. At the time of the survey, the existing LIHTC family developments located within the area competitive environment were on average 97% occupied. All eight LIHTC family properties reported to be maintaining a waiting list ranging in size between 4 and 12 applicants (for the non PBRA assisted LIHTC properties). Only one of the managers of the LIHTC family properties thought that there could be some short term or long term negative impact.

Some relocation of family tenants in the existing LIHTC family properties could occur. This is considered to be normal when a new property is introduced within a competitive environment, resulting in very short term negative impact.

Achievable Restricted (LIHTC) Rent

The proposed gross rents, by bedroom type at 50%, and 60% AMI are considered to be very competitively positioned within the market. In addition, they are appropriately positioned in order to attract income and age qualified Section 8 Housing Choice Voucher holders within Greenwood and Greenwood County.

It is recommended that the proposed subject LIHTC net rents at 50%, and 60% AMI remain unchanged, neither increased nor decreased. The proposed LIHTC development, and proposed subject net rents are in line with the other LIHTC and program assisted developments operating in the market without PBRA, deep subsidy USDA rental assistance (RA), or attached Section 8 vouchers at 50% and 60% AMI, when taking into consideration differences in age, unit size and amenity package.

Both the Koontz & Salinger and HUD based rent reconciliation processes suggest that the proposed subject 1BR, 2BR, and 3BR net rents could be positioned at a higher level and still attain a rent advantage position greater than 10%. However, the subject's gross rents are already closely positioned to be under Fair Market Rent for Greenwood County, while at the same time operating within a competitive environment. It is recommended that the proposed subject 1BR, 2BR, and 3BR net rents not be increased, in particular when taking into consideration the subject property's age and income restrictions.

The proposed project design, amenity package, location and net rents are very well positioned to be attractive to the local Section 8 voucher market. Increasing the gross rents to a level beyond the FMR's, even if rent advantage can be achieved, and maintained, is not recommended.

Mitigating Risks

The subject development is very well positioned to be successful in the market place. It will offer a product that will be very competitive regarding: rent positioning, project design, amenity package and professional management. The major unknown mitigating risk to the development process will be the status of the local economy during 2014-2015 and beyond.

Also, it is possible that the absorption rate could be extended by a few months if the rent-up process for the proposed subject development begins sometime between the Thanksgiving and Christmas holiday season, including the beginning of January.

Rent Reconciliation Process

Six market rate properties in Greenwood were used as comparables to the subject. The methodology attempts to quantify a number of subject variables regarding the features and characteristics of a target property in comparison to the same variables of comparable properties.

The comparables were selected based upon the availability of data, general location within the market area, target market, unit and building types, rehabilitation and condition status, and age and general attractiveness of the developments. The rent adjustments used in this analysis are based upon a variety of sources, including data and opinions provided by local apartment managers, LIHTC developers, other real estate professionals, and utility allowances used within the subject market. It is emphasized, however, that ultimately the values employed in the adjustments reflect the subjective opinions of the market analyst.

One or more of the comparable properties may more closely reflect the expected conditions at the subject, and may be given greater weight in the adjustment calculation, while others may be significantly different from the proposed subject development.

Several procedures and non adjustment assumptions were utilized within the rent reconciliation process. Among them were:

- consideration was made to ensure that no duplication of characteristics/adjustments inadvertently took place,
- the comparable properties were chosen based on the following sequence of adjustment: location, age of property, physical condition and amenity package,
- no adjustment was made for the floor/level of the unit in the building; the subject is 2-story walk-up and the comparable properties are either 2-story walk-up, or 3-story walk-up properties,
- no "time adjustment" was made; all of the comparable properties were surveyed in February, 2014,
- no "distance or neighborhood adjustment" was made; owing to the fact that comparisons are being all properties located within Greenwood,
- no "management adjustment" was made; all of the comparable properties, as well as the subject are (or will be) professionally managed,
- no adjustment was made for project design; none of the properties stood out as being particularly unique regarding design or project layout,
- an adjustment was made for the age of the property; one of the comparables was built in the 1970's, and two of the comparables were built in the 1990's; this adjustment was made on a conservative basis in order to take into

consideration the adjustment for condition of the property,

- no adjustment was made - Number of Rooms - this adjustment was taken into consideration in the adjustment for - Square Feet Area (i.e., unit size),
- no adjustment was made for differences in the type of air conditioning used in comparing the subject to the comparable properties; all either had wall sleeve a/c or central a/c; an adjustment would have been made if any of the comps did not offer a/c or only offered window a/c,
- no adjustments were made for range/oven or refrigerator; the subject and all of the comparable properties provide these appliances (in the rent),
- an adjustment was made for storage,
- adjustments were made for Services (i.e., utilities included in the net rent, and trash removal). Neither the subject nor the comparable properties include heat, hot water, and/or electric within the net rent. The subject excludes water and sewer in the net rent and includes trash removal. None of the comparable properties include cold water, and sewer within the net rent. Several include trash removal. An adjustment will be made for water, sewer, and trash removal.

ADJUSTMENT ANALYSIS

Several adjustments were made regarding comparable property parameters. The dollar value adjustment factors are based on survey findings and reasonable cost estimates. An explanation is provided for each adjustment made in the Estimate of Market Rent by Comparison.

Adjustments:

- Concessions: None of the six comparable market rate properties offer a rent concession.
- Structure/Floors: No adjustment made.
- Year Built: One of the comparables was built in the 1970's, and two of the comparable properties were built in the 1990's, and will differ considerably from the subject (after new construction) regarding age. The age adjustment factor utilized is: a \$.50 adjustment per year differential between the subject and the comparable property. Note: Many market analyst's use an adjustment factor of \$.75 to \$1.00 per year. However, in order to remain conservative and allow for overlap when accounting for the adjustments to condition and location, the year built adjustment was kept constant at \$.50.
- Square Feet (SF) Area: An adjustment was made for unit size; the SF adjustment is based on a Matched Pair Data Set Analysis of comps, by bedroom type. On average, the rent per sf difference for the 1BR comps was .09, .12, and .13 cents. On

average, the rent per sf difference for the 2BR comps was .04, .07, and .13 cents. On average, the rent per sf difference for the 3BR comps was .08 cents. In order to allow for slight differences in amenity package the overall SF adjustment factor used is .10 per sf per month, for each bedroom type.

- Number of Baths: An adjustment was made for the number of bathrooms within the 2BR comparable properties. Two of the comparable properties offer 2BR/1.5b units versus the subject 2BR/2b units.
- Balcony/Terrace/Patio: The subject will offer a traditional balcony/patio, with an attached storage closet. The balcony/patio adjustment is based on an examination of the market rate comps. The balcony/patio adjustment resulted in a \$5 value for the balcony/patio.
- Disposal: An adjustment is made for a disposal based on a cost estimate. It is estimated that the unit and installation cost of a garbage disposal is \$175; it is estimated that the unit will have a life expectancy of 4 years; thus the monthly dollar value is \$4.
- Dishwasher: An adjustment is made for a dishwasher based on a cost estimate. It is estimated that the unit and installation cost of a dishwasher is \$600; it is estimated that the unit will have a life expectancy of 10 years; thus the monthly dollar value is \$5.
- Washer/Dryer (w/d): The subject will offer a central laundry (CL), as well as w/d/ hook-ups. If the comparable property provides a central laundry or w/d hook-ups no adjustment is made. If the comparable property does not offer hook-up or a central laundry the adjustment factor is \$40. The assumption is that at a minimum a household will need to set aside \$10 a week to do laundry. If the comparable included a washer and dryer in the rent the adjustment factor is also \$40.
- Carpet/Drapes/Blinds: The adjustment for carpet, pad and installation is based on a cost estimate. It is assumed that the life of the carpet and pad is 3 to 5 years and the cost is \$10 to \$15 per square yard. The adjustment for drapes / mini-blinds is based on a cost estimate. It is assumed that most of the properties have between 2 and 8 openings with the typical number of 4. The unit and installation cost of mini-blinds is \$25 per opening. It is estimated that the unit will have a life expectancy of 2 years. Thus, the monthly dollar value is \$4.15 , rounded to \$4. Note: The subject and the comparable properties offer carpet and blinds.
- Pool/Recreation Area: The subject offers recreational space on the property. The estimate for a pool and tennis court is based on an examination of the market rate comps. Factoring out for location, condition, non similar amenities suggested a dollar value of \$5 for a playground, \$10 for a tennis court and \$25 for a pool.
- Water: The subject excludes cold water and sewer in the net

rent. Several of the comparable properties include water and sewer in the net rent. Note: The source for the utility estimates by bedroom type is provided by the SC State Housing & Development Authority. See Appendix.

- Storage: The dollar value for storage is estimated to be \$5.
- Computer Room: The dollar value for a computer room (with internet service) is estimated to be \$2.
- Fitness Room: The dollar value for an equipped fitness room is estimated to be \$2.
- Clubhouse: The dollar value for a clubhouse and/or community room is estimated to be \$2.
- Location: Based on adjustments made for other amenities and variables in the data set analysis a comparable property with a marginally better location was assigned a value of \$10; a better location versus the subject was assigned a value of \$15; a superior location was assigned a value of \$25. Note: None of the comparable properties are inferior to the subject regarding location.
- Condition: Based on adjustments made for other amenities and variables in the data set analysis, the condition and curb appeal of a comparable property that is marginally better than the subject was assigned a value of \$5; a significantly better condition was assigned a value of \$10; and a superior condition / curb appeal was assigned a value of \$15. If the comparable property is inferior to the subject regarding condition / curb appeal the assigned value is - \$10. Note: Given the new construction (quality) of the subject, the overall condition of the subject is classified as being significantly better.
- Trash: The subject includes trash in the net rent. Several of the comparable properties exclude trash in the net rent. An adjustment is made.

Adjustment Factor Key:

SF - .10 per sf per month

Patio/balcony - \$5

Storage - \$5

Computer Rm, Fitness Rm, Clubhouse - \$2 (each)

Disposal - \$4

Dishwasher - \$5

Carpet - \$5

Mini-blinds - \$4

W/D hook-ups or Central Laundry - \$20 W/D Units - \$40

Pool - \$25 Tennis Court - \$10

Playground - \$5 (Na for elderly) Walking Trail - \$2

Full bath - \$25; ½ bath - \$15

Location - Superior - \$25; Better - \$15; Marginally Better - \$10

Condition - Superior - \$15; Better - \$10; Marginally Better - \$5;
Inferior - minus \$10

Water & Sewer - 1BR - \$44; 2BR - \$53; 3BR - \$62 (Source: SC State Housing & Development Authority, 12/31/2014)

Trash Removal - \$10 (Source: SC State Housing & Development Authority, 12/31/2014)

Age - \$.50 per year (differential) Note: If difference is less than or near to 5/10 years, a choice is provided for no valuation adjustment.*

*Could be included with the year built (age) adjustment, thus in most cases will not be double counted/adjusted.

One Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Calhoun Terrace		Hidden Creek		Huntington		Montclair	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$560		\$499		\$550	
Utilities	t	t		w,s,t	(\$44)	t	
Concessions		No		No		No	
Effective Rent		\$560		\$455		\$550	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2	
Year Built	2016	1994	\$11	1979	\$19	1999	\$8
Condition	Excell	V Good		Good	\$5	V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	852	784	\$7	600	\$25	720	\$13
Balcony/Patio/Stor	Y/Y	Y/Y		N/N	\$10	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/N		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2	N	\$2
Pool/Tennis Court	N/N	N/N		Y/N	(\$25)	N/N	
Recreation Area	Y	N	\$2	Y		N	\$2
Computer/Fitness	Y/Y	N/N	\$4	N/N	\$4	N/N	\$4
F. Adjustments							
Net Adjustment			+\$26		+\$40		+\$39
G. Adjusted & Achievable Rent		\$586		\$495		\$589	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:		see Table	% Adv	

One Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Calhoun Terrace		Regency Park		Univ. Commons		Winter Ridge	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$712		\$545		\$565	
Utilities	t	None	\$10	w,s,t	(\$44)	t	
Concessions		No		No		No	
Effective Rent		\$722		\$501		\$565	
B. Design, Location, Condition							
Structures/Stories	2	3		3		2	
Year Built	2016	2001		2008		2007	
Condition	Excell	Excell		V Good		Excell	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	1	1		1		1	
# of Bathrooms	1	1		1		1	
Size/SF	852	650	\$20	900	(\$5)	665	\$19
Balcony/Patio/Stor	Y/Y	N/Y	\$5	N/N	\$10	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$4	Y/N	\$4	Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		N	\$2
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Recreation Area	Y	Y		Y		N	\$2
Computer/Fitness	Y/Y	Y/Y		Y/Y		N/N	
F. Adjustments							
Net Adjustment			+\$4		-\$16		+\$27
G. Adjusted & Achievable Rent		\$726		\$485		\$592	
Estimated Market Rent (Avg of 6 comps, rounded)		\$579	Rounded to: \$580		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Calhoun Terrace		Hidden Creek		Huntington		Montclair	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$655		\$559		\$655	
Utilities	t	t		w,s,t	(\$53)	t	
Concessions		No		No		No	
Effective Rent		\$655		\$506		\$655	
B. Design, Location, Condition							
Structures/Stories	2	2		2		2	
Year Built	2016	1994	\$11	1979	\$19	1999	\$8
Condition	Excell	V Good		Good	\$5	V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	2		1.5	\$15	2	
Size/SF	1103	1097		915	\$19	1048	\$5
Balcony-Patio/Stor	Y/Y	Y/Y		N/N	\$10	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/Y		Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	N	\$2	N	\$2
Pool/Tennis Court	N/N	N/N		Y/N	(\$25)	N/N	
Recreation Area	Y	N	\$2	Y		N	\$2
Computer/Fitness	Y/Y	N/N	\$4	N/N	\$4	N/N	\$4
F. Adjustments							
Net Adjustment			+\$8		+\$49		+\$31
G. Adjusted & Achievable Rent		\$663		\$555		\$686	
Estimated Market Rent (Avg of 6 comps, rounded)		Next Page	Rounded to:		see Table	% Adv	

Two Bedroom Units							
Subject		Comp # 4		Comp # 5		Comp # 6	
Calhoun Terrace		Regency Park		Univ. Commons		Winter Ridge	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$810		\$625		\$660	
Utilities	t	None	\$10	w,s,t	(\$53)	t	
Concessions		No		No		No	
Effective Rent		\$820		\$572		\$660	
B. Design, Location, Condition							
Structures/Stories	2	3		3		2	
Year Built	2016	2001		2008		2007	
Condition	Excell	Excell		V Good		Excell	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	2	2		2		2	
# of Bathrooms	2	2		1.5	\$15	2	
Size/SF	1103	850	\$25	1150	(\$5)	985	\$12
Balcony/Patio/Stor	Y/Y	N/Y	\$5	N/N	\$10	Y/Y	
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/N	\$4	Y/N	\$4	Y/Y	
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	Y		Y		N	\$2
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	N/N	
Recreation Area	Y	Y		Y		N	\$2
Computer/Fitness	Y/Y	Y/Y		Y/Y		N/N	\$4
F. Adjustments							
Net Adjustment			+\$9		-\$1		+\$20
G. Adjusted & Achievable Rent		\$829		\$571		\$680	
Estimated Market Rent (Avg of 6 comps, rounded)		\$664	Rounded to: \$665		see Table	% Adv	

Three Bedroom Units							
Subject		Comp # 1		Comp # 2		Comp # 3	
Calhoun Terrace		Huntington		Regency Park		Univ, Commons	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent		\$702		\$917		\$725	
Utilities	t	w,s,t	(\$62)	None	\$10	w,s,t	(\$62)
Concessions		No		No		No	
Effective Rent		\$640		\$927		\$663	
B. Design, Location, Condition							
Structures/Stories	2	2		3		3	
Year Built	2016	1979	\$19	2001		2008	
Condition	Excell	Good	\$5	Excell		V Good	
Location	Good	Good		Good		Good	
C. Unit Amenities							
# of BR's	3	3		3		3	
# of Bathrooms	2	2		2		2	
Size/SF	1254	1110	\$15	1050	\$20	1300	(\$5)
Balcony/Patio/Stor	Y/Y	N/N	\$10	N/Y	\$5	N/N	\$10
AC Type	Central	Central		Central		Central	
Range/Refrigerator	Y/Y	Y/Y		Y/Y		Y/Y	
Dishwasher/Disp.	Y/Y	Y/Y		Y/N	\$4	Y/N	\$4
W/D Unit	N	N		N		N	
W/D Hookups or CL	Y	Y		Y		Y	
D. Development Amenities							
Clubhouse/Comm Rm	Y	N	\$2	Y		Y	
Pool/Tennis Court	N/N	Y/N	(\$25)	Y/N	(\$25)	Y/N	(\$25)
Recreation Area	Y	Y		Y		Y	
Computer/Fitness	Y/Y	N/N	\$4	Y/Y		Y/Y	\$4
F. Adjustments							
Net Adjustment			+\$30		+\$4		-\$16
G. Adjusted & Achievable Rent		\$670		\$931		\$647	
Estimated Market Rent (Avg of 3 comps, rounded)		\$749	Rounded to: \$750		see Table	% Adv	

Three Bedroom Units

Subject		Comp # 4		Comp # 5		Comp # 6	
Calhoun Terrace							
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
Street Rent							
Utilities	t						
Concessions							
Effective Rent							
B. Design, Location, Condition							
Structures/Stories	2						
Year Built	2016						
Condition	Excell						
Location	Good						
C. Unit Amenities							
# of BR's	3						
# of Bathrooms	2						
Size/SF	1254						
Balcony-Patio/Stor	Y/Y						
AC Type	Central						
Range/Refrigerator	Y/Y						
Dishwasher/Disp.	Y/Y						
W/D Unit	N						
W/D Hookups or CL	Y						
D. Development Amenities							
Clubhouse/Comm Rm	Y						
Pool/Tennis Court	N/N						
Recreation Area	Y						
Computer/Fitness	Y/Y						
F. Adjustments							
Net Adjustment							
G. Adjusted & Achievable Rent							
Estimated Market Rent (Avg of x comps, rounded)		\$xxx	Rounded to: \$xxx	see Table		% Adv	

SECTION K

SIGNED STATEMENT

NCHMA Certification

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

Koontz & Salinger is duly qualified and experienced in providing market analysis for Affordable Housing. The company's principals participate in NCHMA educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Koontz & Salinger is an independent market analyst firm. No principal or employee of Koontz & Salinger has nay financial interest whatsoever in the development for which this analysis has been undertaken. While the document specifies Koontz & Salinger, the certification is always signed by the individual completing the study and attesting to the certification.

SCSHDA Certification

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 Finance & Development Authority's programs. I also affirm that I have no financial interest project or current business relationship with the ownership 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 on the low income housing rental market.

CERTIFICATION

Koontz and Salinger
P.O. Box 37523
Raleigh, North Carolina 27627

Jerry M. Koontz
Market Analyst Author
(919) 362-9085

SECTION L
ANALYST QUALIFICATIONS

Koontz and Salinger conducts Real Estate Market Research and provides general consulting services for real estate development projects. Market studies are prepared for residential and commercial development. Due diligence work is performed for the financial service industry and governmental agencies.

JERRY M. KOONTZ

EDUCATION: M.A. Geography 1982 Florida Atlantic Un.
B.A. Economics 1980 Florida Atlantic Un.
A.A. Urban Studies 1978 Prince George Comm. Coll.

PROFESSIONAL: 1985-Present, Principal, Koontz and Salinger, a Real Estate Market Research firm. Raleigh, NC

1983-1985, Market Research Staff Consultant, Stephens Associates, a consulting firm in real estate development and planning. Raleigh, NC

1982-1983, Planner, Broward Regional Health Planning Council. Ft. Lauderdale, FL.

1980-1982, Research Assistant, Regional Research Associates. Boca Raton, FL.

AREAS OF EXPERIENCE: Real Estate Market Analysis: Residential Properties and Commercial Properties

WORK PRODUCT: Over last 30 years have conducted real estate market studies, in 31 states. Studies have been prepared for the LIHTC & Home programs, USDA-RD Section 515 & 528 programs, HUD Section 202 and 221 (d) (4) programs, conventional single-family and multi-family developments, Personal care boarding homes, motels and shopping centers.

PHONE: (919) 362-9085
FAX: (919) 362-4867
EMAIL: vonkoontz@aol.com

Member in Good Standing: Professional Real Estate Market Analysts Coalition (PREMAC)

National Council of Housing Market Analysts (NCHMA)

SECTION M

PROFILES OF COMPARABLE PROPERTIES & REPRESENTATIVE SAMPLE SURVEY OF THE COMPETITIVE ENVIRONMENT

Part I of the survey of the competitive environment focused upon the Program Assisted apartment properties located within the Greenwood PMA. 100% of the LIHTC-family supply was surveyed. Part II consists of a sample survey of conventional market rate apartment properties located within Greenwood, and in particular within near proximity to the subject site location, as well as a concentration upon the newer Class B and Class A properties. The analysis includes individual summaries and pictures of properties.

The data on the individual complexes, reported on the following pages, were reported by the owners or managers of the specific projects. In some cases, the managers / owners were unable to report on a specific project item, or declined to provide detailed information, or may have inadvertently provided incorrect information. Despite these potential problems, the compilation and synthesis of the status of the comparables (and alternatives) is considered to provide the best indication of the competitive position of the proposed subject development.

Part I - Survey of LIHTC, LIHTC-HUD, LIHTC-USDA - family Apartments

1. Cardinal Glen Apartments, 1524 Parkway (864) 943-8883

Contact: Pinnacle Mgmt (Cindy - 2/3/14)
Date Built: 2000

Type: LIHTC fm (50%&60% AMI)
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	16	\$450	\$461	730	0
2BR/2b	32	\$550	\$565	935	0
3BR/2b	16	\$634	\$650	1150	0
Total	64				0

Typical Occupancy Rate: 98%

Waiting List: Yes

Security Deposit: 1 month

Concessions: No

Utilities Included: water, sewer, trash

Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	No	Recreation Area	Yes
Storage	Yes	Picnic Area	No

Design: Two story walk-up (business center)

Remarks: 40 existing tenants have Section 8 vouchers; most of the existing tenants came from the Greenwood area; 2013 occupancy: 2nd quarter-97%; 4th quarter-98%



2. Gardens @ Parkway Apartments, 1508 Parkway (864) 223-6837

Contact: Sunbelt Mgmt (Joyce, 2/4/14)
Date Built: 2010

Type: LIHTC fm (50%&60% AMI)
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	32	\$535	933	2
3BR/2b	16	\$615	1091	2
Total	48			4

Typical Occupancy Rate: 97%

Waiting List: Yes (12-apps)

Security Deposit: \$250

Concessions: No

Utilities Included: water, sewer, trash

Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Community Room	No
Fitness Ctr	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: Two story walk-up

Remarks: 21 existing tenants have Section 8 vouchers; most of the existing tenants came from the Greenwood area; expects no negative impact; property was reported to have been "quickly" absorbed; 2013 occupancy: 2nd quarter-96%; 4th quarter-100%



3. Hallmark @ Greenwood, 337 N Emerald Road (864) 223-6000

Contact: United Housing (Maryanne - 2/4/14) **Type:** LIHTC fm
Date Built: 1985; rehab 2008 **Condition:** Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1b	88	\$535	730	0
Total	88			0

Typical Occupancy Rate: 99% **Waiting List:** Yes
Security Deposit: \$300 **Concessions:** No
Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Community Room	Yes
Fitness Ctr	Yes	Recreation Area	Yes
Storage	No	Picnic Area	No

Design: Two story walk-up

Remarks: around 40 existing tenants have Section 8 vouchers; most of the existing tenants came from the Greenwood area; 2013 occupancy: 2nd quarter-94%; 4th quarter-82%; "could be some negative impact"



4. Oakmont Place Apartments, 104 Pampas Dr (864) 223-1319

Contact: Boyd Mgmt (Donna (2/10/14))
Date Built: 2013

Type: LIHTC fm (50%/60% AMI)
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$425	\$425	\$ 50	850	*
2BR/2b	20	\$485	\$525	\$ 66	1100	*
3BR/2b	20	\$575	\$600	\$ 74	1250	*
4BR/2.5b	8	---	\$610	\$ 92	1425	*

Total 56 In process of rent-up

Typical Occupancy Rate: Na
Security Deposit: \$150
Utilities Included: trash removal

Waiting List: Yes (4 apps)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Clubhouse	Yes	Recreation Area	Yes
Fitness Ctr	Yes	Picnic Area	Yes

Project Design: 2 story walk-up

Remarks: currently in process of rent-up; property opened in late November 2013, at the time of the survey 42 units were either occupied or pre leased, representing an absorption rate of around 20 units per month; tenants came from a countywide area, but mostly the city; 2013 occupancy: 2nd quarter-Na; 4th quarter-45%; "negative impact is not anticipated"



5. Pinetree Apartments, 106 Barkwood Dr

(864) 223-6285

Contact: Ms Laura, Mgr (2/3/14)
Date Built: 1974

Type: HUD 8 & 236
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$400-\$425	543	0
2BR/1.5b	80	\$450-\$475	810	2
3BR/1.5b	12	\$532-\$575	900	0
Total	100			2

Typical Occupancy Rate: mid 90's
Security Deposit: 1 month rent
Utilities Included: water, sewer, trash

Waiting List: Yes
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Some
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Fitness Rm	No
Community Rm	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Project Design: 2 story walk-up

Remarks: 10 have PBRA; expects no negative impact



6. Phoenix Place, 1401 Phoenix St (864) 227-6091

Contact: Ambling Mgmt (Linda Talbert - 2/3/14)

Date Built: 1976; rehab 2006

Type: LIHTC/HUD fm
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Contract Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	8	\$561	585	0
2BR/1b	58	\$652	836	2
3BR/1.5b	24	\$786	1161	1
4BR/2b	10	\$926	1288	0
Total	100			3

Typical Occupancy Rate: 96%-97%

Waiting List: Yes (120+)

Security Deposit: TTP

Concessions: No

Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Comm Rm	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Project Design: two story walk-up

Remarks: 100% PBRA; 2013 occupancy: 2nd quarter-96%; 4th quarter -96%; expects "no negative impact"



7. Sterling Ridge Apartments, Cullum St

(256) 712-5647

Contact: Guardian Asset Mgmt (2/10/14)
Date Built: 2013

Type: LIHTC fm (50%/60% AMI)
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>50% Rent</u>	<u>60% Rent</u>	<u>Utility Allowance</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/2b	4	\$370	---	\$112	1100	0
3BR/2b	31	\$400	\$425	\$125	1450	0
4BR/2.5b	4	---	\$450	\$154	1540	0
Total	39					0

Typical Occupancy Rate: 100%
Security Deposit: 1 month net rent
Utilities Included: trash removal

Waiting List: Yes
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Clubhouse	Yes	Recreation Area	Yes
Fitness Ctr	Yes	Picnic Area	Yes

Project Design: 2 story walk-up

Remarks: the property opened in the Fall of 2013, at the time of the survey it was 100% occupied, and the estimated absorption rate was around 20 units per month or a 2 month period; tenants came from a countywide area, but mostly the city; 2013 occupancy: 2nd quarter-Na; 4th quarter-100%



8. Swann Meadows, 1091 Parkland Place Rd (704) 357-6000

Contact: Gem Mgmt (Mike Thayer - 2/3/14)
Date Built: 1980; rehab 2003

Type: LIHTC/USDA fm
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Basic Rent</u>	<u>Market Rent</u>	<u>Size sf</u>	<u>Vacant</u>
2BR/1b	56	\$531	\$580	777	6
Total	56				6

Typical Occupancy Rate: low 90's
Security Deposit: 1 month basic rent
Utilities Included: trash removal

Waiting List: Yes ("as needed")
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Comm Rm	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Project Design: two story walk-up

Remarks: 51 units have deep subsidy rental assistance; 2013 2nd quarter-91%; 4th quarter-91%; anticipates "no negative impact"; 2 units occupied by a Section 8 voucher holder



9. Twin Oaks @ Greenwood, 200 Holman St (864) 223-1854

Contact: Ms Louise, Mgr (2/3/14)
Date Built: 1975; rehab 2007

Type: LIHTC/HUD fm
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Contract Rent</u>	<u>LIHTC Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	16	\$498	\$588	Na	1
2BR/1b	16	\$544	\$705	Na	2
3BR/1b	16	\$615	\$814	Na	0
4BR/1b	8	\$758	\$909	Na	1
Total	56				4

Typical Occupancy Rate: 95%-96%
Security Deposit: TTP or \$50+
Utilities Included: water, sewer, trash

Waiting List: Yes (40)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Comm Rm	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Project Design: two story walk-up

Remarks: 100% PBRA; 2013 occupancy: 2nd quarter-98%; 4th quarter -96%; expects "no negative impact"



10. Wisewood Apartments, 235 Florida Ave

(864) 227-2050

Contact: Lookout Properties (Tammy 2/3/14)
Date Built: 1978

Type: HUD 8
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Contract Rent</u>	<u>Size sf</u>	<u>Vacant</u>
1BR/1b	28	\$511	Na	0
2BR/1.5b	38	\$582	Na	0
3BR/1.5b	18	\$722	Na	0
4BR/2.5b	6	\$793	Na	0
Total	90			0

Typical Occupancy Rate: 99%
Security Deposit: TTP
Utilities Included: water, sewer, trash

Waiting List: Yes (30+)
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Some
Dishwasher	No	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Fitness Rm	No
Community Rm	No	Recreation Area	Yes
Storage	No	Picnic Area	No

Project Design: 2 story walk-up

Remarks: 100% PBRA; expects no negative impact



Survey of the Competitive Environment-Market Rate

1. Amberchase Apts, 751 Northside St

(864) 223-4748

Contact: Ms Jessica McClinton, Mgr
Date Built: 1968-70

Date: February 3, 2014
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	12	\$490	800	\$.61	0
2BR/1.5b	40	\$550	1100	\$.50	0
3BR/1.5b	48	\$625	1380	\$.45	1
Total	100				1

Typical Occupancy Rate: low to mid 90's
Utilities Included: water, sewer, trash
Security Deposit: \$300

Waiting List: No
Concessions: Yes
 (\$99 on Sec Dep)

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Some	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Tennis Court	No
Clubhouse	Yes	Play Ground	No
Storage	No	Picnic Area	No

Design: 2 story walk-up

Additional Info: this property use to be known as Georgetown Apartments



2. Deerfield Apartments, 1870 Emerald Rd

(864) 942-8890

Contact: Barbara, Heritage Co.
Date Built: 1979/1981

Date: 2/3/2014
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent/SF</u>	<u>Vacant</u>
1BR/1b	24	\$449	588	\$0.76	*
2BR/1b	41	\$515	770	\$0.67	*
Total	65				4 (est)

Typical Occupancy Rate: mid 90's
Security Deposit: 1 month rent

Waiting List: No
Concessions: No

Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Recreation Area	Yes
Security	No	Trails	No
Storage	No	Car Wash Area	No

Design: 2-story walk-up



3. Foxfield Apartments, 430 Emerald Rd

(864) 942-8890

Contact: Barbara, Heritage Co.
Date Built: 1990 & 1996

Date: 2/3/2014
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent/SF</u>	<u>Vacant</u>
2BR/1b	112	\$549	830	\$.66	5
Total	112				5 (est)

Typical Occupancy Rate: 95%-97%
Security Deposit: 1 month rent
Utilities Included: water, trash removal

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Tennis	No
Clubhouse	Yes	Recreation Area	No

Project Design: 2 story walk-up



4. Hidden Creek Apartments, 100 Windtree Rd (864) 943-1111

Contact: Town & Country RE
Date Built: 1994

Date: 2/3/2014
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent/SF</u>	<u>Vacant</u>
1BR/1b	16	\$560	784	\$.71	0
2BR/2b	32	\$625	914	\$.68	1
2BR/2b	76	\$675	1048	\$.64	3
2BR/2b	4	\$655	1097	\$.60	0
Total	128				4

Typical Occupancy Rate: 95%
Security Deposit: \$400
Utilities Included: trash removal

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	No
Laundry Room	No	Tennis	No
Clubhouse	No	Recreation Area	No

Project Design: 2-story walk-ups (condo rentals)

Remarks: 128-units in property, Town & Country manages 101-units



5. Huntington Apts, 1814 Bypass 72 NE, Greenwood (864) 942-8890

Contact: Barbara, Heritage Mgmt
Date Built: 1979

Date: February 3, 2014
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	36	\$499	600	\$.83	3
2BR/1.5b	46	\$559	915	\$.61	3
3BR/2b	8	\$702	1100	\$.64	2
Total	90				8 (est)

Typical Occupancy Rate: low 90's
Utilities Included: water, sewer, trash
Security Deposit: 1 month rent

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Some	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes (office)	Pool	Yes
Laundry Room	Yes	Tennis Court	No
Clubhouse	No	Play Ground	Yes
Storage	No	Picnic Area	No

Design: 2 story walk-up



6. Montclair Apartments, 111 Montclair Dr

(864) 943-9191

Contact: Ms Kim, Leasing Consultant
Date Built: 1999

Date: 2/3/2014
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent/SF</u>	<u>Vacant</u>
1BR/1b	22	\$530-\$570	720	\$.74-\$.79	0
2BR/2b	75	\$640-\$665	1048	\$.61-\$.63	3
Total	97				3

Typical Occupancy Rate: 96%
Security Deposit: \$350
Utilities Included: trash removal

Waiting List: No
Concessions: No

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	No
Laundry Room	No	Tennis	No
Clubhouse	No	Recreation Area	No

Project Design: 1 & 2- story walk-up

Additional Information: 30% to 40% of tenants are students; the higher rent is for the 1-story units



7. Regency Park Apartments, 120 Edinborough Cir (864) 943-1333

Contact: Tim, Manager (2/3/14)
Date Built: 2001

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	18	\$697-\$727	650	\$1.07-\$1.12	0
2BR/2b	66	\$797-\$827	850	\$0.94-\$0.97	2
3BR/2b	48	\$897-\$937	1050	\$0.85-\$0.89	2
Total	132				4

Typical Occupancy Rate: 95%+
Security Deposit: 1 month net rent
Utilities Included: None

Waiting List: No
Concessions: No
Turnover: Na

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes (some)	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Pool	Yes
Laundry Room	Yes	Tennis Court	No
Clubhouse	Yes	Fitness Room	Yes
Storage	Yes	Picnic/Grill Area	No

Project Design: 3 story walk-up (business ctr)

Additional Info: "no specials being offered"



8. University Commons Apartments, 1010 Grace St (864) 229-3044

Contact: Arbor Mgmt (Peggy Butler - 2/3/14)
Date Built: 1975; rehab 2008

Type: Conventional
Condition: Very Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	8	\$545	900	\$.61	0
2BR/1.5b	64	\$625	1150	\$.54	1
3BR/2b	34	\$725	1300	\$.56	0
Total	106				1

Typical Occupancy Rate: 95%-97%

Waiting List: Yes (3-4 apps)

Security Deposit: \$300

Concessions: No

Utilities Included: water, sewer, trash

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	No	Patio/Balcony	No

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	Yes
Laundry Room	Yes	Pool	Yes
Tennis Court	No	Recreation Area	Yes

Design: three story walk-up



9. Windtree Hill Apartments, Windtree Ct

(864) 943-1111

Contact: Town & Country RE
Date Built: 1990's

Date: 2/3/2014
Condition: Good

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent/SF</u>	<u>Vacant</u>
2BR/1b	40	\$450	908	\$.50	0
2BR/1b	24	\$500	908	\$.55	0
Total	64 (16 managed by Town & Country)				0

Typical Occupancy Rate: 97% **Waiting List:** Yes (3)
Security Deposit: \$400 **Concessions:** No
Utilities Included: water, sewer, trash removal

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	No	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	No
W/D Hook Up	Yes (some)	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	No	Pool	No
Laundry Room	Yes	Tennis	No
Fitness Ctr	No	Recreation Area	No

Design: 2 story walk-up

Additional Information: 3-units occupied by Section 8 voucher holder;
 2BR/1 @ \$500 includes w/d connections



10. Winter Ridge Apartments, 102 Winter Ridge Ct (864) 943-9191

Contact: Ms Kim, Leasing Consultant (2/3/14)
Date Built: 2007

Type: Conventional
Condition: Excellent

<u>Unit Type</u>	<u>Number</u>	<u>Rent</u>	<u>Size sf</u>	<u>Rent Per SF</u>	<u>Vacant</u>
1BR/1b	64	\$565	665	\$.85	0
2BR/2b	80	\$660	985	\$.67	0
Total	144				0

Typical Occupancy Rate: 96%
Security Deposit: \$350
Utilities Included: trash removal

Waiting List: No
Concessions: Yes

Amenities - Unit

Stove	Yes	Air Conditioning	Yes
Refrigerator	Yes	Cable Ready	Yes
Dishwasher	Yes	Carpeting	Yes
Disposal	Yes	Window Treatment	Yes
Washer/Dryer	No	Ceiling Fan	Yes
W/D Hook Up	Yes	Patio/Balcony	Yes

Amenities - Project

On-Site Mgmt	Yes	Clubhouse	No
Laundry Room	No	Pool	No
Business Room	No	Recreation Area	No
Fitness Center	No	Storage	Yes

Design: two story walk-up



NCHMA Market Study Index

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. Similar to the Model Content Standards, General Requirements are detailed first, followed by requirements required for specific project types. Components reported in the market study are indicated by a page number.

Executive Summary		
1	Executive Summary	iii
Scope of Work		
2	Scope of Work	iii
Projection Description		
General Requirements		
3	Unit mix including bedrooms, bathrooms, & square footage	1
4	Utilities (and utility sources) included in rent	2
5	Project design description	1
6	Common area and site amenities	1&2
7	Unit features and finishes	1
8	Target population description	1
9	Date of construction/preliminary completion	3
10	If rehab, scope of work, existing rents, and existing vacancies	Na
Affordable Requirements		
11	Unit mix with utility allowances, income target, & income limits	1
12	Public programs included	2
Location and Market Area		
General Requirements		
13	Concise description of site & adjacent parcels	4-6
14	Description of site characteristics	4-6
15	Site photos/maps	7-9
16	Map of community services	11
17	Visibility and accessibility evaluation	4-6
18	Crime information	5&Append

Employment & Economy		
General Requirements		
19	At-Place employment trends	20
20	Employment by sector	19
21	Unemployment rates	17&18
22	Area major employers	22
23	Recent or planned employment expansions/reductions	24
24	Typical wages by occupation/sector	21
25	Commuting patterns	20
Market Area		
26	PMA Description	13-15
27	PMA Map	16
Demographic Characteristics		
General Requirements		
28	Population & household estimates & projections	27-33
29	Area building permits	107
30	Population & household characteristics	27-33
31	Households income by tenure	34&35
32	Households by tenure	33
33	Households by size	32
Senior Requirements		
34	Senior household projections for appropriate age target	Na
35	Senior households by tenure	Na
36	Senior household income by tenure	Na
Competitive Environment		
General Requirements		
37	Comparable property profiles	93-102
38	Map of comparable properties	62
39	Comparable property photos	93-102
40	Existing rental housing evaluation	49-55
41	Analysis of current effective rents	51
42	Vacancy rate analysis	49&50
43	Comparison of subject property to comparable properties	74-79
44	Identification of waiting lists, if any	49

45	Discussion of availability & cost of other affordable housing options including home ownership, if applicable	53-55
46	Rental communities under construction, approved, proposed	43-44
Affordable Requirements		
47	Current rents by AMI level among LIHTC communities	83-92
48	Vacancy rates by AMI	83-92
49	List of all subsidized communities in PMA including LIHTC	50&56
50	Estimate of Market Rent, achievable rent & market advantage	66-79
51	Availability of Housing Choice Vouchers	52
Senior Requirements		
52	Summary of age restricted communities in market area	Na
Affordability, Demand, and Penetration Rate Analysis		
General Requirements		
53	Estimate of net demand	40-45
54	Affordability analysis with capture rate	37-46
55	Penetration rate analysis	47
Affordable Requirements		
56	Project specific demand estimate & capture rate by AMI	46
Analysis/Conclusions		
General Requirements		
57	Absorption rate	48
58	Estimate of stabilized occupancy for subject property	48
59	Evaluation of proposed rent levels	66
60	Precise statement of key conclusions	65
61	Market strengths & weaknesses impacting project	65&Exec
62	Recommendations and/or modification to project discussion	66
63	Discussion of subject property's impact on existing housing	67&Exec
64	Discussion of risks, or other mitigating circumstances impacting project	68
65	Interviews with area housing stakeholders	63&64
Other requirements		
66	Certifications	80
67	Statement of qualifications	81
68	Sources of data not otherwise identified	Append
69	Utility allowance schedule	Append

NA

10 - Subject is not a rehab development of an existing apt complex

34-36 - Not senior

45 - The proposed LIHTC family development most likely would lose few (if any) tenants to turnover owing to the tenants changing tenure to home ownership in the majority of the Greenwood, SC home buying market. The majority of the tenants at the subject property will have annual incomes in the \$15,000 to \$25,000 range. Today's home buying market, both stick-built, modular, and mobile home requires that one meet a much higher standard of income qualification, long term employment stability, credit standing, and a savings threshold. These are difficult hurdles for the majority of LIHTC family households to achieve in today's home buying environment.

52 - Not senior

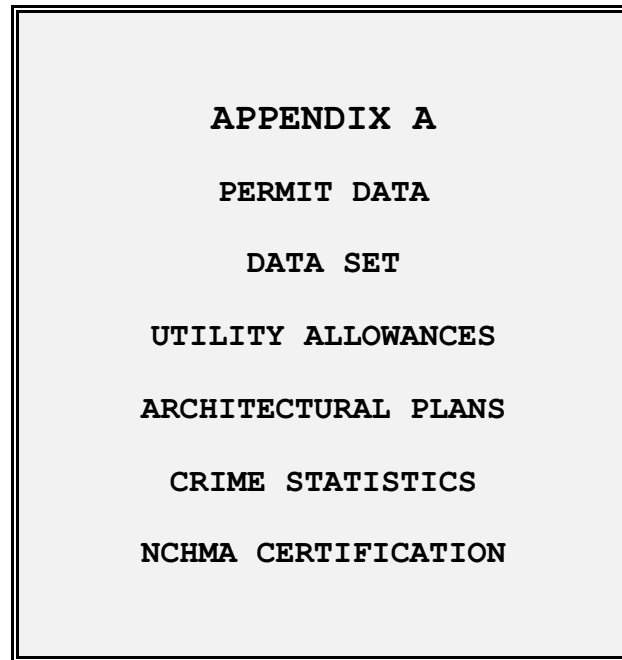


Table 19 exhibits building permit data between 2000 and 2013 for Greenwood County. Since 2000, approximately 24% of the permits issued within Greenwood County were multi-family, of which the vast majority were within the City of Greenwood.

Table 19 New Housing Units Permitted: Greenwood County 2000-2013¹					
Year	Net Total ²	1 Unit	2 Units	3-4 Units	5+ Units
2000	384	195	16	43	129
2001	245	179	20	34	12
2002	262	208	2	4	48
2003	192	170	4	18	--
2004	436	270	10	12	144
2005	258	248	6	4	--
2006	185	185	--	--	--
2007	221	195	14	12	--
2008	126	98	4	16	8
2009	57	57	--	--	--
2010	50	50	--	--	--
2011	47	47	--	--	--
2012	181	121	4	--	56
2013	122	78	4	--	40
Total	2,766	2,102	84	143	437

¹Source: US Census, Censtats

²Net total equals new SF and MF permits.