



REAL PROPERTY RESEARCH GROUP
WASHINGTON/BALTIMORE ■ ATLANTA

Market Feasibility Analysis

Carolina Oaks

Myrtle Beach, Horry County, South Carolina

Prepared for:

Prestwick Development

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EXECUTIVE SUMMARY

Proposed Site

- The neighborhood surrounding Carolina Oaks is a combination of residential (single-family detached homes), commercial (office, retail), institutional, and places of worship.
- The subject site is located within one-half mile of numerous commercial uses including grocery stores, retail stores, a bank, and restaurants.
- The subject site is appropriate for the proposed use and will be comparable with existing multi-family rental communities in the market area.

Proposed Unit Mix and Rent Schedule

- The 48 units at Carolina Oaks include 24 two-bedroom units and 24 three-bedroom units. The proposed unit sizes are 965 square feet for two bedroom units and 1,125 square feet for three bedroom units. All units will have two bathrooms.
- The proposed 50 percent AMI rents are \$449 for two bedroom units and \$510 for three bedroom units. For 60 percent units, proposed rents are \$561 for two bedroom units and \$639 for three bedroom units. Rents include the cost of water, sewer, and trash removal with residents responsible for all other utilities.
- The proposed rents result in an overall rent advantage of 29.99 percent relative to the estimate of market rent. All 50 percent rents have at least a 41 percent rent advantage and 60 percent rents have at least a 26 percent rent advantage.

Proposed Amenities

- The newly constructed units at the subject site will offer kitchens with refrigerator, dishwasher, garbage disposal, and range/oven. Flooring will be a combination of carpeting and vinyl flooring. All units will include ceiling fans, patio/balcony, window blinds, central heating and air, and washer/dryer connections. The proposed unit features at Carolina Oaks will be competitive with existing communities in the market area.
- Carolina Oaks' amenity package will include a community room, computer center, fitness center, laundry center, and playground.
- The proposed features and amenities will be competitive in the Carolina Oaks Market Area and are appropriate given the proposed rent levels.

Economic Analysis

- The unemployment rate in Horry County ranged from 3.5 percent to 7 percent between 2000 and 2008 before increasing significantly to its peak of 12.2 percent in 2010 during the national recession and prolonged economic downturn. The unemployment rate in Horry County has decreased each of the past three years. The 2013 unemployment rate of 8.6 percent in Horry County is higher than both the 7.8 unemployment rate in the state and the 7.4 percent unemployment rate in the nation.



- Horry County's employment base increased steadily between 2001 and 2007 and peaked at 116,685 jobs in 2007. Horry County experienced its first recent annual losses in At-Place Employment from 2008 to 2010 with a net loss of 11,005 jobs over this three year span. Horry County is showing signs of stabilization after adding jobs in each of the last two years and has continued to add jobs through the first half of 2013. The county has added 4,309 jobs over past two and half years, which is roughly 40 percent of the jobs lost during the national recession.
- Horry County's two largest economic sectors are Leisure-Hospitality and Trade-Transportation-Utilities. These two sectors account for 52.1 percent of the jobs in Horry County and 29.5 percent of the jobs in the nation. The high percentage of jobs in the Leisure-Hospitality sector (30.2 percent) reflects the large tourism economy in Horry County and Myrtle Beach.

Demographic Analysis

- Between 2000 and 2010 Census counts, the population of the Carolina Oaks Market Area increased by 36.5 percent, rising from 40,533 to 55,319 people. During the same time period, the number of households in the Carolina Oaks Market Area increased by 34.4 percent, from 17,817 to 23,949 households, an annual increase of 3 percent or 613 households.
- Between 2013 and 2016, the Carolina Oaks Market Area population is projected to increase by 3,316 people, bringing the total population to 61,886 people in 2016. Annual increases will be 1.9 percent or 1,105 people. The number of households will increase at nearly the same rate, gaining 1.8 percent or 478 new households per year.
- The median age of 36 in the Carolina Oaks Market Area is significantly younger than Horry County's median age of 41. Adults age 35-61 comprise the largest percentage of the population in the Carolina Oaks Market Area at 34.8 percent. Children/youth under 20 years account for 21.6 percent of all people in the Carolina Oaks Market Area and seniors age 62+ comprise 18.4 percent of the population.
- Renter households accounted for a disproportionate percentage of net household growth between 2000 and 2010 bringing the renter percentage up to 48.2 percent in 2010 from 41.9 percent in 2000. Renter percentages are expected to continue to increase and are projected at 49.8 percent in the market area by 2016.
- Young working age households (age 25 to 44) in the market area comprise 48.9 percent of the renter occupied households and 15.8 percent are age 45-54 years. Young renters (under 25) in the Carolina Oaks Market Area comprise 12.8 percent of renters in the market area and older adults age 55+ account for 22.4 percent of all market area renters.
- RPRG estimates that the 2013 median household income in the Carolina Oaks Market Area is \$39,856, \$2,307 or 5.5 percent lower than the \$42,162 median in Horry County.
- The market area's median income for renter households in 2013 is estimated at \$31,417, 63.2 percent of the owner median income of \$49,688. Among renter households, 38.5 percent earn less than \$25,000 and 33.4 percent earn \$25,000 to \$49,999.

Affordability Analysis

- As proposed, Carolina Oaks will target households earning at or below 50 percent and 60 percent of the Area Median.



- The proposed 50 percent units will target renter households earning from \$19,200 to \$25,850. With 1,473 renter households earning within this range, the capture rate for the 12 units at 50 percent of Area Median Income is 0.8 percent.
- The proposed 60 percent units will target renter households earning from \$23,040 to \$31,020. The 1,769 income qualified renter households within this range result in a capture rate of 2 percent for the 36 units at 60 percent overall.
- The overall capture rate for the 48 units is 1.8 percent, which is based on 2,619 renter households earning between \$19,200 and \$31,020.

Demand and Capture Rates

- By income target, demand capture rates are 1.2 percent for 50 percent units, 3 percent for 60 percent units, and 2.7 percent for all units.
- Capture rates by floor plan range from 0.7 percent to 3 percent.
- All capture rates are within acceptable ranges.

Competitive Environment

- The comparable communities combined to have 193 vacancies among 2,918 units, a rate of 6.6 percent. The four LIHTC communities had five vacancies among 443 units, a rate of 1.1 percent. Plantation Apartments, the LIHTC/deeply subsidized community, had zero vacancies and a waiting list. Vacancy rates by floor plan were 3.3 percent for one bedroom units, 7.7 percent for two bedroom units, and 5.7 percent for three bedroom units.
- The historic vacancy rate among the LIHTC communities in the Carolina Oaks Market Area was 1.9 percent for the second and fourth quarter of 2013. The overall occupancy rate for all LIHTC communities surveyed was 99.1 percent.
- Among all surveyed comparable rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **Two bedroom** rents average \$692 for 1,045 square feet or \$0.66 per square foot.
 - **Three bedroom** rents average \$816 for 1,277 square feet or \$0.64 per square foot.
- The proposed 50 and 60 percent rents are positioned well below the overall market averages and are the lowest rents among comparable LIHTC communities in the Carolina Oaks Market Area.
- The estimated market rents for the units at Carolina Oaks are \$755 for two bedroom units and \$860 for three bedroom units. The proposed 50 percent rents result in market advantages of over 40 percent for both two and three bedroom units. The proposed 60 percent units have at least 25 percent rent advantages. The overall weighted average market advantage is 29.34 percent.
- No new multi-family rental communities have been approved in the Carolina Oaks Market Area in the past three years. A couple of LIHTC communities are in the planning stages, however nothing has been formally submitted for approval.



Final Conclusion/Recommendation

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



SCSHFDA Summary Form – Exhibit S-2

2014 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:		
Development Name:	Carolina Oaks	Total # Units: 48
Location:	Oaks Street, Myrtle Beach SC	# LIHTC Units: 48
PMA Boundary:	North: Carolina Bay Parkway, East: Single Swash / Buck Island Swamp, South: Atlantic Ocean, West: Highway 544	
Development Type :	General Occupancy	Farthest Boundary Distance to Subject: 7.3 miles

RENTAL HOUSING STOCK (found on page 9, 42, 48-51)				
Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	15	3,028	193	93.4%
Market-Rate Housing	10	2,475	188	92.4%
Assisted/Subsidized Housing not to include LIHTC				
LIHTC (All that are stabilized)*	5	553	5	99.1%
Stabilized Comps**	4	443	5	98.9%
Non-stabilized Comps				

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

Subject Development				Adjusted Market Rent				Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
7	2	2	965	\$449	\$755	\$0.78	40.50%	\$757	\$0.77
1	2	2	965	\$449	\$755	\$0.78	40.50%	\$757	\$0.77
16	2	2	965	\$561	\$755	\$0.78	25.66%	\$757	\$0.77
3	3	2	1,125	\$510	\$860	\$0.76	40.72%	\$963	\$0.73
1	3	2	1,125	\$510	\$860	\$0.76	40.72%	\$963	\$0.73
20	3	2	1,125	\$639	\$860	\$0.76	25.73%	\$963	\$0.73
Gross Potential Rent Monthly*				\$27,388	\$38,760		29.34%		

*Contract rents for units with Project Based Rental Assistance (Units with Project Based Rental Assistance are not included in gross potential rent monthly or market rent advantage)
 *Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points.

DEMOGRAPHIC DATA (found on page 34, 56)					
	2000		2013		2016
Renter Households	7,464	41.9%	12,488	49.2%	13,339
Income-Qualified Renter HHs (LIHTC)	1,658	22.2%	2,774	22.2%	2,619

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 58)				
Type of Demand	50%	60%		Overall
Renter Household Growth	48	94		139
Existing Households (Overburd + Substand)	909	1,092		1,617
Homeowner conversion (Seniors)				
Other:				
Less Comparable/Competitive Supply	0	0		0
Net Income-qualified Renter HHs	987	1,185		1,755

CAPTURE RATES (found on page 58)				
Targeted Population	50%	60%		Overall
Capture Rate	1.2%	3.0%		2.7%

ABSORPTION RATE (found on page 62)	
Absorption Period	5 months

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent by Bedroom Type	Adjusted Market Rent	Gross Adjusted Market Rent by Bedroom Type	Tax Credit Gross Rent Advantage
8	2 BR	\$449	\$3,592	\$755	\$6,040	40.50%
16	2 BR	\$561	\$8,976	\$755	\$12,080	25.66%
4	3 BR	\$510	\$2,040	\$860	\$3,440	40.72%
20	3 BR	\$639	\$12,780	\$860	\$17,200	25.73%
Totals	48		\$27,388		\$38,760	29.34%

2014 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
8	2 BR	\$449	\$3,592	\$755	\$6,040	
16	2 BR	\$561	\$8,976	\$755	\$12,080	
4	3 BR	\$510	\$2,040	\$860	\$3,440	
20	3 BR	\$639	\$12,780	\$860	\$17,200	
Totals	48		\$27,388		\$38,760	29.34%



1. INTRODUCTION

A. Overview of Subject

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

B. Purpose of Report

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

C. Format of Report

The report format is comprehensive and conforms to SCSHFDA's 2014 Market Study Requirements. The market study also considered the National Council of Housing Market Analysts' (NCHMA) recommended Model Content Standards and Market Study Index.

D. Client, Intended User, and Intended Use

The Client is Prestwick Development. Along with the Client, the intended users are SCSHFDA and potential investors.

E. Applicable Requirements

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

- SCSHFDA's 2014 Market Study Requirements
- The National Council of the Housing Market Analyst's (NCHMA) Model Content Standards and Market Study Index.

F. Scope of Work

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

- Please refer to Appendix 4 for a detailed list of NCHMA requirements and the corresponding pages of requirements within the report.
- Brett Welborn (Analyst), conducted visits to the subject site, neighborhood, and market area on February, 4 2014.
- Primary information gathered through field and phone interviews was used throughout the various sections of this report. The interviewees included rental community property managers and Cliff Rudd with the Myrtle Beach Planning Department.



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

G. Report Limitations

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

H. Other Pertinent Remarks

None.



2. PROJECT DESCRIPTION

A. Project Overview

Carolina Oaks will contain 48 units, all of which will benefit from Low Income Housing Tax Credits. The LIHTC units will be subject to maximum allowable rents and prospective renters will be subject to maximum income limits.

B. Project Type and Target Market

Carolina Oaks will target low to moderate income renter households. Income targeting includes 12 units at 50 percent AMI and 36 units at 60 percent AMI. The two bedroom units will attract smaller households including single persons, roommates, and couples. The three bedroom units will be especially appealing to households with children, but will also attract smaller renter households desiring additional space.

C. Detailed Project Description

1. Project Description

The 48 proposed units at Carolina Oaks include 24 two-bedroom units and 24 three-bedroom units (Table 1). The proposed unit sizes are 965 square feet for two bedroom units and 1,125 square feet for three bedroom units. All units will have two bathrooms.

The proposed 50 percent AMI rents are \$449 for two bedroom units and \$510 for three bedroom units. For 60 percent units, proposed rents are \$561 for two bedroom units and \$639 for three bedroom units. Rents will include the cost of water, sewer, and trash removal with residents responsible for all other utilities.

The following **unit features** are planned:

- Kitchens with refrigerator, range/oven, dishwasher, and garbage disposal.
- Washer and dryer connections.
- Ceiling fans.
- Patio or balcony.
- Stove and exhaust fan.
- Wall-to-wall carpeting in all living areas.
- Vinyl flooring in kitchens and bathrooms.
- Central air conditioning.

The following **community amenities** are planned:

- Community room.
- Computer center.
- Fitness center.
- Laundry center.
- Playground.



Table 1 Carolina Oaks Project Summary

Carolina Oaks							
Oak Street							
Myrtle Beach, Horry County, South Carolina							
Unit Mix/Rents							
Bed	Bath	Income Target	Size (sqft)	Quantity	Gross Rent	Utility	Net Rent
2	2	50% / HOME	965	7	\$560	\$111	\$449
2	2	50%	965	1	\$560	\$111	\$449
2	2	60%	965	16	\$672	\$111	\$561
3	2	50% / HOME	1,125	3	\$646	\$136	\$510
3	2	50%	1,125	1	\$646	\$136	\$510
3	2	60%	1,125	20	\$775	\$136	\$639
Total				48			
Project Information				Additional Information			
Number of Residential Buildings		Three		Construction Start Date		3/2015	
Building Type		Garden		Date of First Move-In		10/2015	
Number of Stories		Two		Construction Finish Date		1/2016	
Construction Type		New Const.		Parking Type		Surface	
Design Characteristics (exterior)		Brick, Hardi		Parking Cost		None	
Community Amenities	Community building with management office, community room, computer center, fitness center, and a laundry center. Perimeter fencing and security cameras. Playground.			Kitchen Amenities			
				Dishwasher		Yes	
				Disposal		Yes	
				Microwave		No	
				Range		Yes	
Refrigerator		Yes					
Unit Features	Kitchen with refrigerator, range/oven, dishwasher, and garbage disposal. Units will feature washer and dryer connections, ceiling fans and patio/balcony. Flooring will include carpet in living areas and vinyl flooring in kitchen/bath.			Utilities Included			
				Water/Sewer		Owner	
				Trash		Owner	
				Heat		Tenant	
				Heat Source		Elec	
				Hot/Water		Tenant	
				Electricity		Tenant	
Other:							

2. Other Proposed Uses

None

3. Proposed Timing of Construction

Carolina Oaks is expected to begin construction in March of 2015 and the estimated construction completion is in January of 2016.



Figure 1 Site Plan





3. SITE AND NEIGHBORHOOD ANALYSIS

A. Site Analysis

1. Site Location

The subject site is located on the northwest side of Oak Street within one-tenth mile of its intersection with Mr. Joe White Avenue in Myrtle Beach, Horry County, South Carolina (Map 1, Figure 2).

2. Existing Uses

The subject site is a mixture of cleared land and trees and does not include any existing structures (Figure 3).

3. Size, Shape, and Topography

The subject site comprises approximately four acres and is considered flat. The shape of the site is rectangular.

4. General Description of Land Uses Surrounding the Subject Site

The site for Carolina Oaks is located in an established neighborhood in Myrtle Beach. Existing uses within close proximity of the site include single-family detached homes, two churches, Coastalcom office building, police department, Myrtle Beach Chamber of Commerce, Kings Festival shopping center, a small commercial building (Nationwide and Landmark), and undeveloped land (Figure 4). Residential uses including apartments and single-family detached homes are the most common land use to the west and north of the subject site. Institutional uses including government agency buildings and commercial including retail, office, and tourist attractions are the most common land use to the south and east of the site near North Kings Highway and Ocean Boulevard. The site is within approximately one half mile of Chapin Memorial Park on North Kings Highway to the east of the site. The site is located within one-half mile of the ocean and beaches as well.

5. Specific Identification of Land Uses Surrounding the Subject Site

The land uses directly bordering the subject property include:

- **North:** Undeveloped land.
- **East:** Kings Festival shopping center, commercial building (Nationwide / Landmark).
- **South:** Coastalcom office building, Myrtle Beach Chamber of Commerce.
- **West:** Shady Grove Baptist Church / Mt. Olive A.M.E. Church / Single-family detached home.



Map 1 Site Location.





Figure 2 Satellite Image of Subject Site





Figure 3 Views of Subject Site and Building Exteriors



Oak Street looking northeast (site on left).



View of site facing west from Oak Street



View of site facing northeast from southwestern site border



View of site facing southeast from northwestern site border

Figure 4 Views of Surrounding Land Uses



Coastalcom Building to the south of the site



Nationwide / Landmark building to the east of the site



Mount Olive Church to the west of site



Single-family detached home west of site

B. Neighborhood Analysis

1. General Description of Neighborhood

The site for Carolina Oaks is located in an established neighborhood in Myrtle Beach. The neighborhood surrounding Carolina Oaks is a mix of residential (apartments and single family detached homes), commercial (offices, retail) and institutional uses (government buildings). Residential uses including apartments and single-family detached homes are the most common land use to the west and north while commercial uses including retail centers and offices as well as institutional uses and tourist attractions dominate the area to the south and east of the site near North Kings Highway and Ocean Boulevard.

2. Neighborhood Investment and Planning Activities

Many new (for-sale) residential communities were identified in the Greater Myrtle Beach area; however, none were identified in close proximity to the site. Significant new (for-sale) residential development is on-going at the former air force base that is currently being redeveloped approximately five miles to the southeast of the site. This new housing development will not impact the subject property given its distance from the subject site.

3. Crime Index

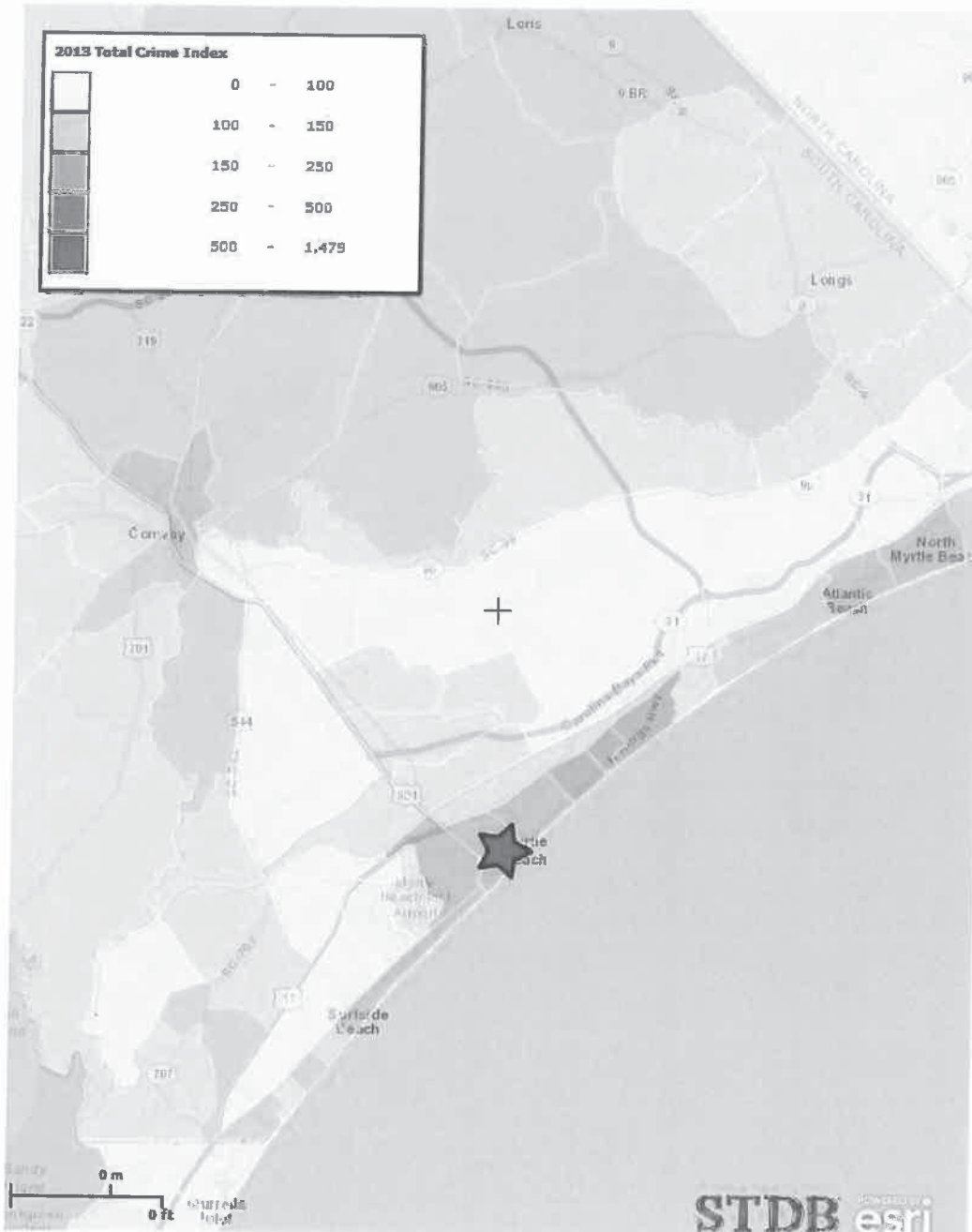
CrimeRisk is a block-group level index that measures the relative risk of crime compared to a national average. AGS analyzes known socio-economic indicators for local jurisdictions that report crime statistics to the FBI under the Uniform Crime Reports (UCR) program. Based on detailed modeling of these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

Map 2 displays the 2013 CrimeRisk Index for the census tracts in the general vicinity of the subject site. The relative risk of crime is displayed in gradations from yellow (least risk) to red (most risk). The census tracts in and around Myrtle Beach have a higher crime index than the more rural portions of Horry County. The census tract that the site is in is comparable to the rest of the market



area and Myrtle Beach. Based on site observations, crime is not expected to be an issue for the subject site.

Map 2 Crime Index Map





C. Site Visibility and Accessibility

1. Visibility

Carolina Oaks benefits from good visibility along Oak Street. Oak Street supports moderate traffic in front of the property.

2. Vehicular Access

The two entrances and parking lot for Carolina Oaks will be accessed from Oak Street. Traffic along Oak Street is moderate near the site and problems with accessibility are not expected.

3. Availability of Public Transit

Myrtle Beach is served by The Coast RTA, which offers public transportation throughout Horry County. The Coast RTA offers a fixed route service for residents throughout Myrtle Beach and Horry County. The closest route includes a stop located on 10th Avenue North, approximately one-quarter mile south of the site.

4. Inter Regional Transit

U.S. Highway 17 is the primary thoroughfare traffic artery in the region, connecting the Myrtle Beach area to Charleston and Wilmington. The region is also served by several other U.S. and S.C. State Highways including Highways 378, 501, and 701B which connects Myrtle Beach to many towns in North and South Carolina.

The site is located within five miles of Myrtle Beach International Airport.

5. Pedestrian Access

The subject site and immediate area is served by sidewalks. Shopping and public transit in the area are considered within walking distance of the subject site.

6. Accessibility Improvements under Construction and Planned

Roadway Improvements under Construction and Planned

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

Transit and Other Improvements under Construction and/or Planned

None identified.



D. Residential Support Network

1. Key Facilities and Services near the Subject Sites

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

Table 2 Key Facilities and Services

Establishment	Type	Address	Driving Distance
Myrtle Beach Police Department	Police	1101 Oak St.	0.1 mile
Horry County State Bank	Bank	1701 Oak St.	0.2 mile
Kmart Pharmacy	Pharmacy	1403 N Kings Hwy.	0.2 mile
Kmart	General Retail	1403 N Kings Hwy.	0.2 mile
Myrtle Beach Fire Department	Fire	921 Oak St.	0.2 mile
Coast RTA Bus Stop	Public Transit	550 10th Ave. N	0.2 mile
Circle K	Convenience Store	1101 N Kings Hwy.	0.3 mile
Chick-fil-A	Restaurant	1301 N Kings Hwy.	0.3 mile
Little River Medical Plaza	Doctor/Medical	1075 Mr. Joe White Ave.	0.4 mile
Ripleys Moving Theatre/Museum	Entertainment	915 Nocean Blvd.	0.4 mile
Piggly Wiggly	Grocery	1700 N Kings Hwy.	0.4 mile
Olive Garden	Restaurant	1405 N Kings Hwy.	0.4 mile
Chapin Memorial Park	Public Park	400 14th Ave. N	0.4 mile
Futrell Park	Public Park	Mr. Joe White Ave.	0.4 mile
Chapin Memorial Library	Library	400 14th Ave. N	0.5 mile
Quik Mart	Convenience Store	1601 N Kings Hwy.	0.5 mile
Post Office	Post Office	505 N Kings Hwy.	0.8 mile
Doctor's Care Strand Medical	Doctor/Medical	1220 21st Ave. N	0.9 mile
Beach Family and Urgent Care	Doctor/Medical	2510 N Kings Hwy.	1 mile
Myrtle Beach Elementary School	Public School	620 29th Ave. N	1.2 miles
Myrtle Beach Intermediate School	Public School	3301 Oak St.	1.4 miles
Myrtle Beach Primary School	Public School	612 29th Ave. N	1.5 miles
Broadway at the Beach	Mall	1325 Celebrity Cir.	1.6 miles
Target	General Retail	1150 Seaboard St.	1.8 miles
Myrtle Beach High School	Public School	3302 Robert M Grissom Pkwy.	2 miles
Myrtle Beach Middle School	Public School	950 Seahawk Way	2.2 miles
Wal-Mart	General Retail	541 Seaboard St.	2.4 miles
Coastal Grand Mall	Mall	2000 Coastal Grand Cir.	2.9 miles
Grand Strand Regional Medical Center	Hospital	809 82nd Pkwy.	6 miles

Source: Field and Internet Survey, RPRG, Inc.

2. Essential Services

Health Care

Grand Strand Regional Medical Center is the largest medical provider in Myrtle Beach. This 269-bed acute care hospital offers a wide range of services including emergency medicine and general medical care. Grand Strand Regional Medical Center is located on U.S. Highway 17, six miles from the subject site.



The city of Myrtle Beach is served by many smaller medical clinics and doctor's offices. Little River Medical Plaza is the closest of these facilities to the subject site within one-half mile. Doctor's Care Strand Medical and Beach Family and Urgent Care are located within one mile of the site.

Education

Myrtle Beach is served by the Horry County School District, which includes 51 schools. The district has an enrollment of over 39,000 students and more than 5,000 employees. The closest schools to the subject site are Myrtle Beach Elementary School (1.2 miles), Myrtle Beach Intermediate School (1.4 miles), Myrtle Beach Primary School (1.5 miles), Myrtle Beach High School (2.0 miles), and Myrtle Beach Middle School (2.2 miles).

Colleges and universities in the Myrtle Beach area include Horry-Georgetown Tech, Webster University, Cathedral Bible College, and Coastal Carolina University located in Conway.

3. Commercial Goods and Services

Convenience Goods

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

The closest shopping concentration to the subject site is located within walking distance on North Kings Highway. Shopping within one-half mile of the site includes a full-service grocery store (Piggly Wiggly), general retailer including pharmacy (Kmart), restaurants (Chick-fil-A and Olive Garden), and a convenience store (Quik Mart).

Shoppers Goods

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

The closest general retailer to the site is Kmart located in the Kings Festival Shopping Center, which is located 0.2 mile east of the subject site on North Kings Highway. Target and Wal-Mart are located 1.8 and 2.4 miles from the site, respectively. The closest shopping mall is Broadway at the Beach located 1.6 miles to the north. Broadway at the Beach offers dining, attractions, nightlife, and shopping. Coastal Grand Mall is located 2.9 miles from the site and is anchored by Belk, JC Penney, Dillard's, and Sears with a variety of specialty retailers.

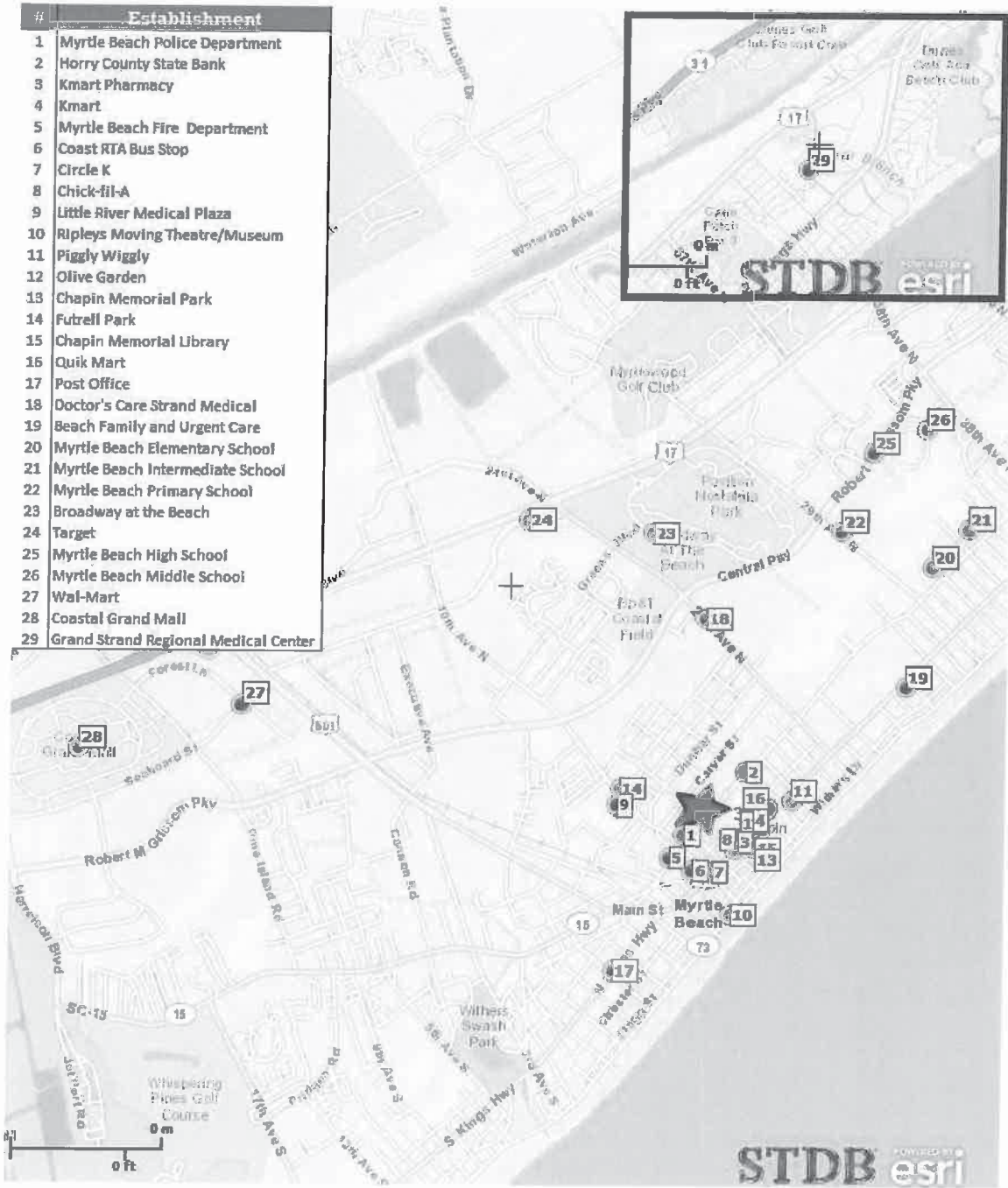
Recreation Amenities

The closest public parks to Carolina Oaks are Chapin Memorial Park on North Kings Highway and Futrell Park off of Mr. Joe White Avenue. Both parks are within one-half mile of the subject site and feature picnic shelters, sitting areas, playgrounds, and green space. Futrell Park also offers a pond. Ripley's Moving Theatre is an entertainment attraction located less than one-half mile to the south of the site.



Map 3 Location of Key Facilities and Services

#	Establishment
1	Myrtle Beach Police Department
2	Horry County State Bank
3	Kmart Pharmacy
4	Kmart
5	Myrtle Beach Fire Department
6	Coast RTA Bus Stop
7	Circle K
8	Chick-fil-A
9	Little River Medical Plaza
10	Ripleys Moving Theatre/Museum
11	Piggly Wiggly
12	Olive Garden
13	Chapin Memorial Park
14	Futrell Park
15	Chapin Memorial Library
16	Quik Mart
17	Post Office
18	Doctor's Care Strand Medical
19	Beach Family and Urgent Care
20	Myrtle Beach Elementary School
21	Myrtle Beach Intermediate School
22	Myrtle Beach Primary School
23	Broadway at the Beach
24	Target
25	Myrtle Beach High School
26	Myrtle Beach Middle School
27	Wal-Mart
28	Coastal Grand Mall
29	Grand Strand Regional Medical Center





4. ECONOMIC CONTEXT

A. Introduction

This section focuses on economic trends and conditions in Horry County, South Carolina, the county in which the subject site is located. For purposes of comparison, economic trends in the State of South Carolina and the nation are also discussed.

B. Labor Force, Resident Employment, and Unemployment

1. Trends in County Labor Force and Resident Employment

The labor force in Horry County increased steadily from 2001 through 2008 before effectively plateauing for the next five years. The labor force increased from 102,440 in 2001 to 130,057 workers in 2013 for an overall increase of 27,617 workers or 27 percent (Table 3).

2. Trends in County Unemployment Rate

Horry County's unemployment rate has been consistently higher than that of South Carolina since 2008. The unemployment rate in Horry County ranged from 3.5 percent to 7.0 percent between 2000 and 2008 before increasing significantly from 5.0 percent in 2007 to 12.2 percent in 2010 during the national recession and prolonged economic downturn. The unemployment rates in the county, state, and nation have all decreased the past three years. The 2013 unemployment rate of 8.6 percent in Horry County is higher than both the 7.8 unemployment rate in the state and the 7.4 percent unemployment rate in the nation.

C. Commutation Patterns

According to 2008-2012 American Community Survey (ACS) data, a large percentage (61.3 percent) of the workers residing in the Carolina Oaks Market Area commuted less than 20 minutes to work including 44 percent between 10-19 minutes (Table 4). Only 16.8 of workers in the market area commuted 30 minutes or more and 39.9 percent commuted less than 15 minutes.

The vast majority of workers (93.2 percent) residing in the Carolina Oaks Market Area work in Horry County while only 5.2 percent work in another South Carolina County. Less than two percent of market area workers worked in another state.



Table 3 Labor Force and Unemployment Rates

Annual Unemployment Rates - Not Seasonally Adjusted

Annual Unemployment	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Labor Force	106,429	102,440	105,523	111,541	115,957	120,996	127,974	130,490	130,785	130,480	130,033	129,407	129,445	130,057
Employment	102,698	97,400	100,043	105,203	109,090	113,984	120,985	124,021	121,595	114,960	114,220	114,225	116,202	118,818
Unemployment	3,731	5,040	5,480	6,338	6,867	7,012	6,989	6,469	9,190	15,520	15,813	15,182	13,243	11,239
Unemployment Rate														
Horry County	3.5%	4.9%	5.2%	5.7%	5.9%	5.8%	5.5%	5.0%	7.0%	11.9%	12.2%	11.7%	10.2%	8.6%
South Carolina	3.6%	5.2%	6.0%	6.7%	6.8%	6.8%	6.4%	5.6%	6.8%	11.5%	11.2%	10.4%	9.1%	7.8%
United States	4.0%	4.7%	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%

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

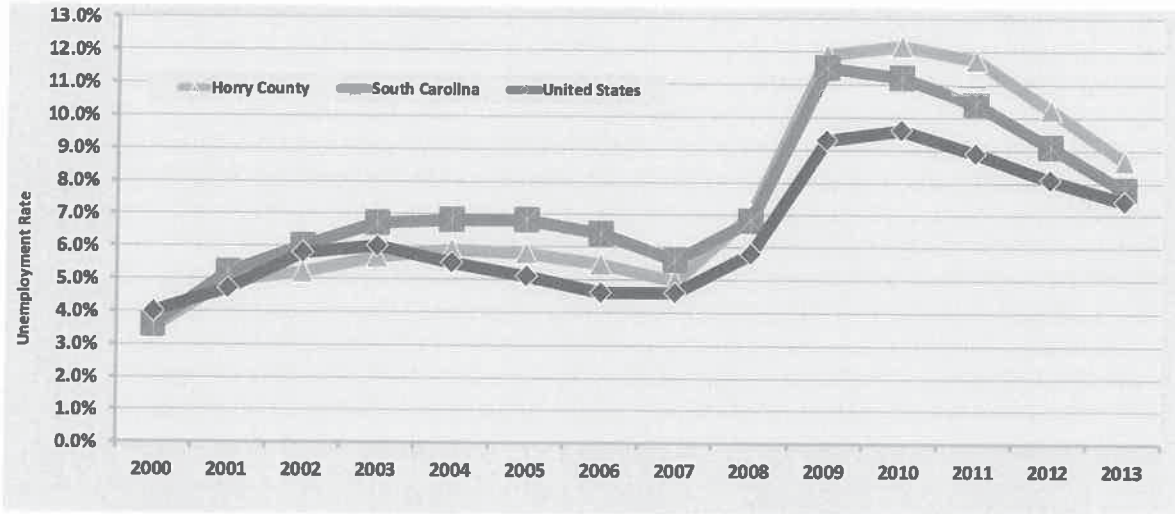
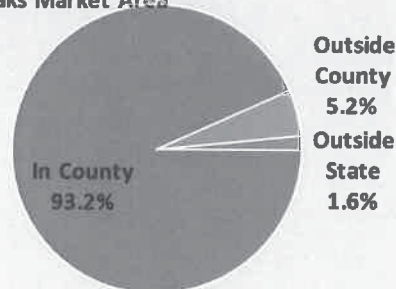


Table 4 Commutation Data

Travel Time to Work			Place of Work		
Workers 16 years+	#	%	Workers 16 years and over	#	%
Did not work at home	24,830	97.3%	Worked in state of residence:	25,123	98.4%
Less than 5 minutes	957	3.7%	Worked in county of residence	23,803	93.2%
5 to 9 minutes	3,462	13.6%	Worked outside county of residence	1,320	5.2%
10 to 14 minutes	5,769	22.6%	Worked outside state of residence	409	1.6%
15 to 19 minutes	5,467	21.4%	Total	25,532	100%
20 to 24 minutes	4,148	16.2%			
25 to 29 minutes	751	2.9%			
30 to 34 minutes	2,374	9.3%			
35 to 39 minutes	359	1.4%			
40 to 44 minutes	290	1.1%			
45 to 59 minutes	480	1.9%			
60 to 89 minutes	349	1.4%			
90 or more minutes	424	1.7%			
Worked at home	702	2.7%			
Total	25,532				

Source: American Community Survey 2008-2012

**2008-2012 Commuting Patterns
Carolina Oaks Market Area**



Source: American Community Survey 2008-2012

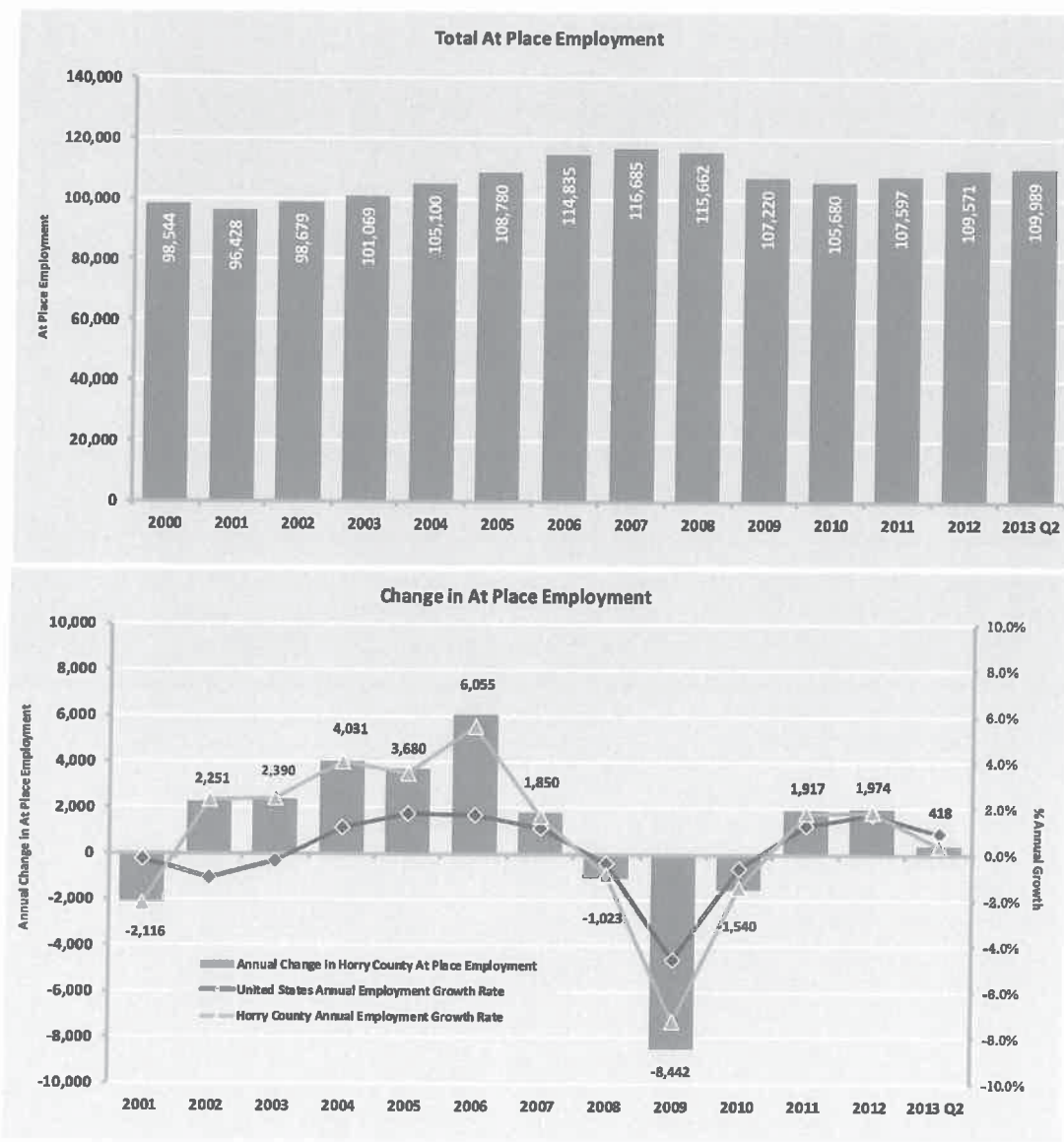


D. At-Place Employment

1. Trends in Total At-Place Employment

Overall, Horry County's employment base increased steadily between 2001 and 2007 and peaked at 116,685 jobs in 2007. The net growth during this period was 20,257 jobs or 21 percent. Horry County experienced its first recent annual losses in At-Place Employment from 2008 to 2010 with a net loss of 11,005 jobs over this three year span resulting in a total loss of 9.4 percent (Figure 5) and lowest job total since 2004. Horry County is showing signs of stabilization after adding jobs in each of the last two years and has continued to add jobs through the first half of 2013. The county has added 4,309 jobs over past two and half years, which is roughly 40 percent of the jobs lost during the national recession.

Figure 5 At-Place Employment



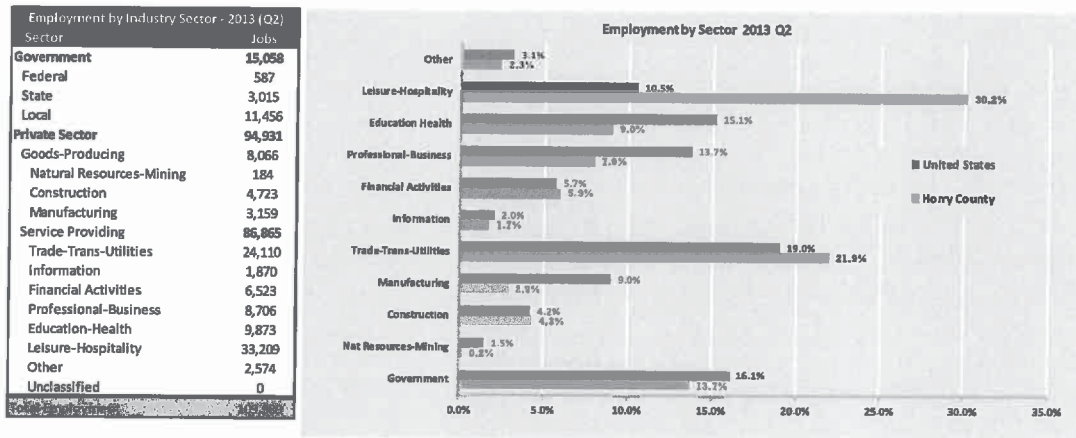
US Department of Labor



2. At-Place Employment by Industry Sector

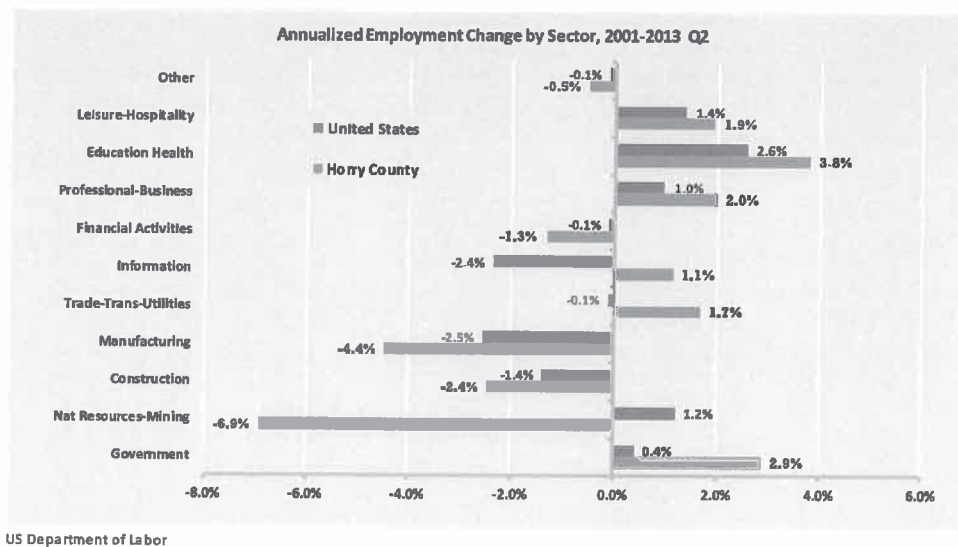
Horry County's two largest economic sectors are Leisure-Hospitality and Trade-Transportation-Utilities. These two sectors account for 52.1 percent of the jobs in Horry County and 29.5 percent of the jobs in the nation (Figure 6). Conversely, Horry County has much smaller percentages of its jobs in Government, Manufacturing, Education-Health, and Professional-Business. The high percentage of jobs in the Leisure-Hospitality sector (30.2 percent) reflects the large tourism economy in Horry County and Myrtle Beach.

Figure 6 Total Employment by Sector 2013 (Q2)



Between 2001 and 2013 (Q2), six of eleven employment sectors in Horry County reported a net increase in jobs. The largest sector, Leisure-Hospitality, grew by 1.9 percent per year. The fastest growing sectors were Education-Health with 3.8 percent growth per year and Government with 2.9 percent growth per year. Three additional sectors grew at annual rates of over one percent per year. The losses among the five sectors that lost jobs range from 0.5 percent to 6.9 percent per year. The two sectors that have performed the worst since 2001 were Natural Resources-Mining and Manufacturing which combine for only 3.1 percent of the county's total jobs.

Figure 7 Change in Employment by Sector 2001-2013 (Q2)





3. Major Employers

The 20 largest employers in Horry County cover a range of industries per the Myrtle Beach Regional Economic Development office (Table 5). Horry County School District is the largest employer and it has an estimated employment of 5,230. While the top 20 employers represent a variety of economic sectors, five of the top six employers are education or healthcare institutions. The large representation of these sectors in the major employers is common as jobs tend to be clustered in large campuses. In addition to the large representation of the education and healthcare sectors, manufacturing is represented by seven of the top 20 employers as well.

Table 5 Major Employers, Horry County

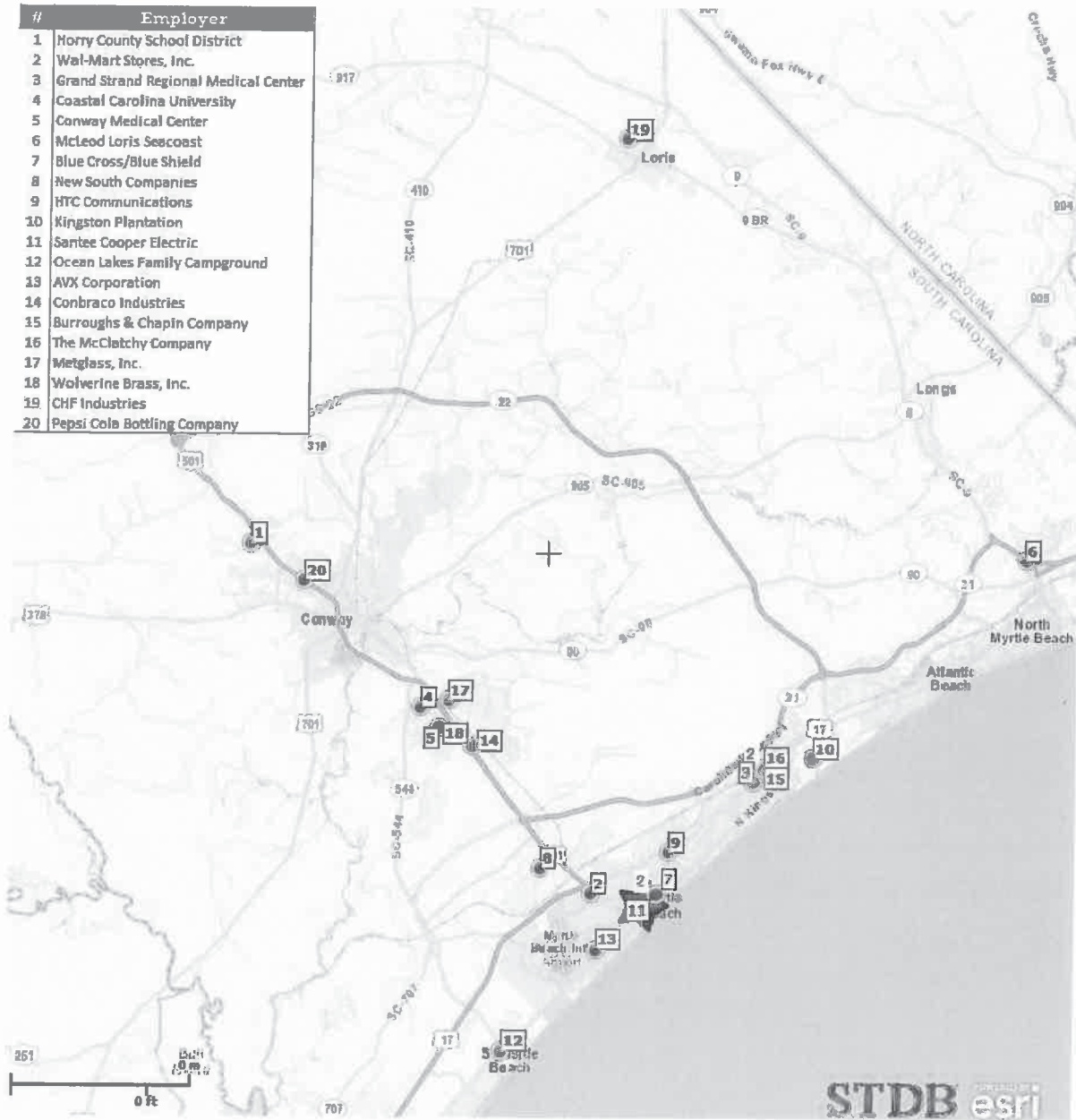
Rank	Name	Product or Service	Employment
1	Horry County School District	Education	5,230
2	Wal-Mart Stores, Inc.	Retail	2,100
3	Grand Strand Regional Medical Center	Healthcare	1,280
4	Coastal Carolina University	Education	1,253
5	Conway Medical Center	Healthcare	1,100
6	McLeod Loris Seacoast	Healthcare	916
7	Blue Cross/Blue Shield	Insurance	825
8	New South Companies	Manufacturing	700
9	HTC Communications	Telecommunications	664
10	Kingston Plantation	Tourism	633
11	Santee Cooper Electric	Utilities	530
12	Ocean Lakes Family Campground	Tourism	415
13	AVX Corporation	Manufacturing	400
14	Conbraco Industries	Manufacturing	330
15	Burroughs & Chapin Company	Real Estate Development	269
16	The McClatchy Company	Media	267
17	Metglass, Inc.	Manufacturing	231
18	Wolverine Brass, Inc.	Manufacturing	200
19	CHF Industries	Manufacturing	187
20	Pepsi Cola Bottling Company	Manufacturing	184

Source: Myrtle Beach Regional Economic Development



Map 4 Major Employers

#	Employer
1	Horry County School District
2	Wal-Mart Stores, Inc.
3	Grand Strand Regional Medical Center
4	Coastal Carolina University
5	Conway Medical Center
6	McLeod Loris Seacoast
7	Blue Cross/Blue Shield
8	New South Companies
9	HTC Communications
10	Kingston Plantation
11	Santee Cooper Electric
12	Ocean Lakes Family Campground
13	AVX Corporation
14	Conbraco Industries
15	Burroughs & Chapin Company
16	The McClatchy Company
17	Mitglass, Inc.
18	Wolverine Brass, Inc.
19	CHF Industries
20	Pepsi Cola Bottling Company





E. Recent Job Expansions and Reductions

Information provided by the Myrtle Beach Regional Economic Development office shows six new companies and five expansions announced since late 2012 in Horry County. Combined, these 11 new companies or expansions will conservatively add an estimated 1,250 jobs, as one of the companies did not provide an estimate of job creation associated with the expansion (Table 6). Total employment among the new and expanding companies is likely to occur over a several year period. TransMed was the only large company with layoffs identified during this timeframe in Horry County. It closed in December 2013 laying off hundreds of employees.

Table 6 Recent Expansions

New Companies

Announced	Company Name	New Jobs	Capital Investment (Million)
1/29/2014	Accent Stainless Steel	65	\$3.1
12/26/2013	STARTEK	600	\$10.0
11/18/2013	PTR Industries	145	\$8.0
10/16/2013	Ithaca Gun Company	120	\$6.7
9/20/2013	Elm Street Associates	51	\$3.0
8/9/2012	BauschLinnemann North America	55	\$8.0
Total		1,036	\$38.8

Expansions

Announced	Company Name	New Jobs	Capital Investment (Million)
1/8/2014	Laudisi Enterprises Inc.	43	\$0.3
11/21/2013	B3C Fuel Solutions	36	\$0.3
3/8/2013	Metglas, Inc.		\$4.0
1/9/2013	Canfor Southern Pine	56	\$3.6
10/4/2012	Native Sons	79	\$2.5
Total		214	\$10.7

Source: Myrtle Beach Regional Economic Development



5. HOUSING MARKET AREA

A. Introduction

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

B. Delineation of Market Area

The Carolina Oaks Market Area is comprised of the census tracts in and around the city of Myrtle Beach. This portion of Horry County is designated as the market that is most similar to the area immediately surrounding the subject site. This is also the area from which the majority of the demand for the subject property is expected to be drawn. This primary market area was determined based on a site visit and our knowledge of the region.

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

- **North:** Carolina Bay Parkway (3.6 miles)
- **East:** Singleton Swash / Buck Island Swamp (6.3 miles)
- **South:** Atlantic Ocean (0.5 miles)
- **West:** Highway 544 (7.3 miles)

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



Map 5 Carolina Oaks Market Area





6. DEMOGRAPHIC ANALYSIS

A. Introduction and Methodology

RPRG analyzed recent trends in population and households in the Carolina Oaks Market Area and Horry County using several sources. Projections of population and households are based on data prepared by Esri, a national data vendor. The estimates and projections were examined, compared, and evaluated in the context of decennial U.S. Census data (from 2000 and 2010) as well as building permit trend information.

B. Trends in Population and Households

1. Recent Past Trends

Between 2000 and 2010 Census counts, the population of the Carolina Oaks Market Area increased by 36.5 percent, rising from 40,533 to 55,319 people (Table 7). This equates to a strong annual growth rate of 3.2 percent or 1,479 people. During the same time period, the number of households in the Carolina Oaks Market Area increased by 34.4 percent, from 17,817 to 23,949 households, an annual increase of 3 percent or 613 households.

Horry County experienced strong population and household growth during the past decade as well. Overall, Horry County's population expanded by 36.9 percent from 2000 to 2010 (3.2 percent annually), while the number of households increased by 37.2 percent (3.2 percent annually).

2. Projected Trends

Based upon Esri's projections, RPRG estimates that the Carolina Oaks Market Area increased by 3,252 people and 1,411 households between 2010 and 2013. RPRG further projects that the market area's population will increase by 3,316 people between 2013 and 2016, bringing the total population to 61,886 people in 2016. Annual increases will be 1.9 percent or 1,105 people. The number of households will increase at nearly the same rate, gaining 1.8 percent or 478 new households per annum resulting in a total of 26,793 households in 2016.

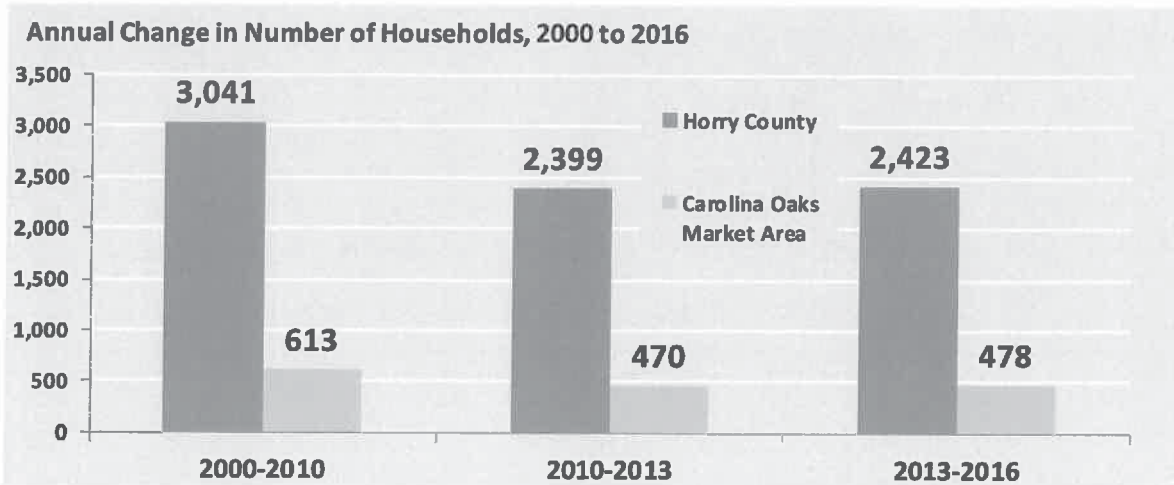
Horry County's population is projected to increase by 1.9 percent per year between 2013 and 2016, while the number of households is projected to increase by two percent per year.



Table 7 Population and Household Projections

		Horry County				Carolina Oaks Market Area				
Population	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	196,660					40,533				
2010	269,291	72,631	36.9%	7,263	3.2%	55,319	14,786	36.5%	1,479	3.2%
2013	286,012	16,721	6.2%	5,574	2.0%	58,571	3,252	5.9%	1,084	1.9%
2016	303,061	17,049	6.0%	5,683	1.9%	61,886	3,316	5.7%	1,105	1.9%
		Horry County				Carolina Oaks Market Area				
Households	Count	Total Change		Annual Change		Count	Total Change		Annual Change	
		#	%	#	%		#	%	#	%
2000	81,813					17,817				
2010	112,225	30,412	37.2%	3,041	3.2%	23,949	6,132	34.4%	613	3.0%
2013	119,421	7,196	6.4%	2,399	2.1%	25,360	1,411	5.9%	470	1.9%
2016	126,690	7,269	6.1%	2,423	2.0%	26,793	1,433	5.6%	478	1.8%

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



3. Building Permit Trends

Building permit activity in Horry County increased from 4,492 permits issued in 2000 to a peak of 11,828 in 2005. After reaching this high point in 2005, permit activity decreased steadily to reach a low of 1,508 units permitted in 2010 (Table 8). Permit activity has increased steadily since 2010 with 3,091 permits issued in 2013. Overall, an average of 5,329 units was permitted annually from 2000-2010, which is higher than the annual average growth of 3,041 households in the county. The disparity in permit activity and household growth is expected, given the coastal nature of the region which includes many vacation homes.

Since 2000, 63 percent of all permit activity has been for single-family detached homes and 35 percent has been for units contained within multi-family structures.

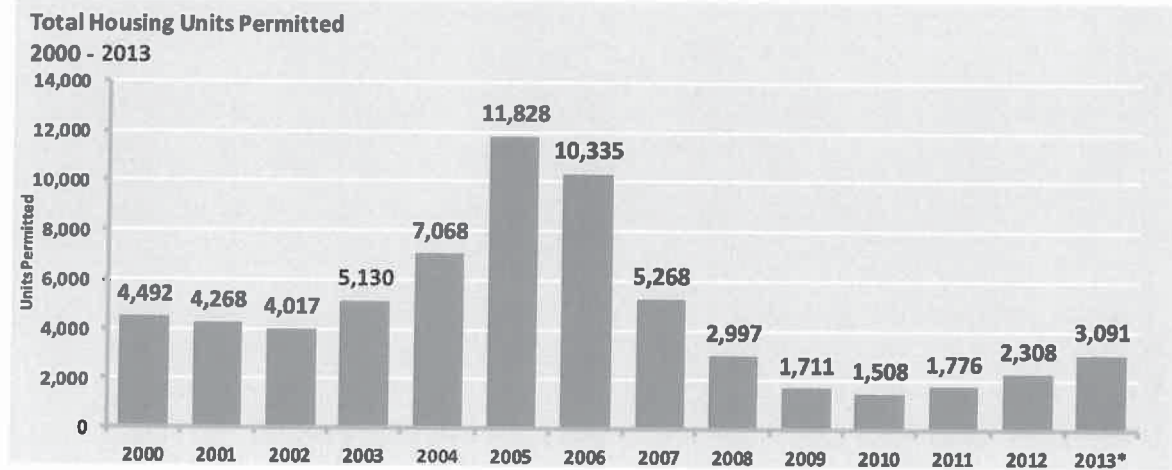


Table 8 Building Permits by Structure Type, Horry County

Horry County															2000-2013	Annual Average
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013*		
Single Family	1,907	2,030	2,432	3,363	4,253	6,471	6,484	3,813	1,867	1,457	1,388	1,481	2,029	2,593	41,568	2,969
Two Family	24	34	48	16	42	84	34	6	2	0	2	0	42	32	366	26
3 - 4 Family	167	63	38	84	81	141	94	3	0	0	10	0	12	120	813	58
5+ Family	2,394	2,141	1,499	1,667	2,692	5,132	3,723	1,446	1,128	254	108	295	225	346	23,050	1,646
Total	4,492	4,268	4,017	5,130	7,068	11,828	10,335	5,268	2,997	1,711	1,508	1,776	2,308	3,091	65,202	4,709

(*) 2013 building permits are preliminary numbers and have not yet been finalized.

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



C. Demographic Characteristics

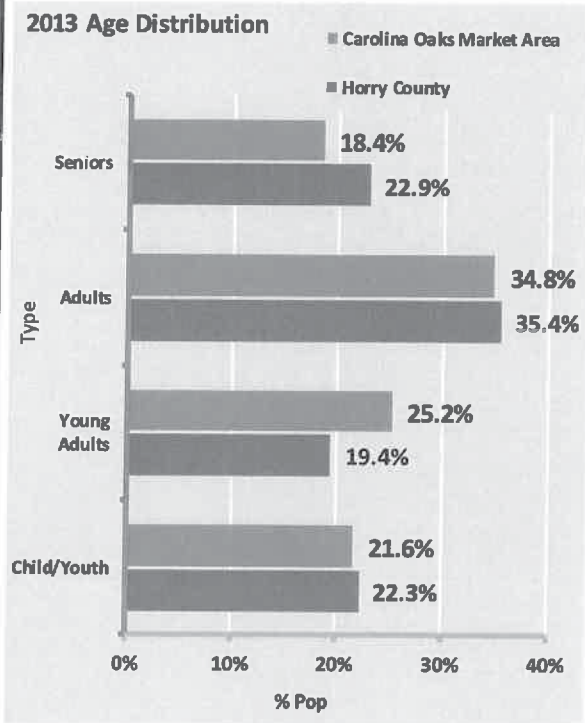
1. Age Distribution and Household Type

Based on Esri estimates, the median age of the population in the Carolina Oaks Market Area is younger than Horry County. The median age of the populations in the market area and county are 36 and 41, respectively (Table 9). Adults age 35-61 comprise the largest percentages of the population in both areas including 34.8 percent in the market area. Children/youth under 20 years account for 21.6 percent of all people in the Carolina Oaks Market Area and seniors age 62+ comprise 18.4 percent of the population in the Carolina Oaks Market Area compared to 22.9 percent in Horry County.



Table 9 2013 Age Distribution

	Horry County		Carolina Oaks Market Area	
	#	%	#	%
Children/Youth	63,659	22.3%	12,678	21.6%
Under 5 years	15,726	5.5%	3,575	6.1%
5-9 years	15,830	5.5%	3,270	5.6%
10-14 years	15,543	5.4%	2,901	5.0%
15-19 years	16,559	5.8%	2,932	5.0%
Young Adults	55,470	19.4%	14,744	25.2%
20-24 years	19,030	6.7%	4,528	7.7%
25-34 years	36,440	12.7%	10,216	17.4%
Adults	101,340	35.4%	20,357	34.8%
35-44 years	34,715	12.1%	7,741	13.2%
45-54 years	38,135	13.3%	7,675	13.1%
55-61 years	28,491	10.0%	4,941	8.4%
Seniors	65,544	22.9%	10,792	18.4%
62-64 years	12,210	4.3%	2,118	3.6%
65-74 years	33,027	11.5%	5,106	8.7%
75-84 years	15,516	5.4%	2,517	4.3%
85 and older	4,790	1.7%	1,051	1.8%
TOTAL	286,012	100%	58,571	100%
Median Age	41		36	

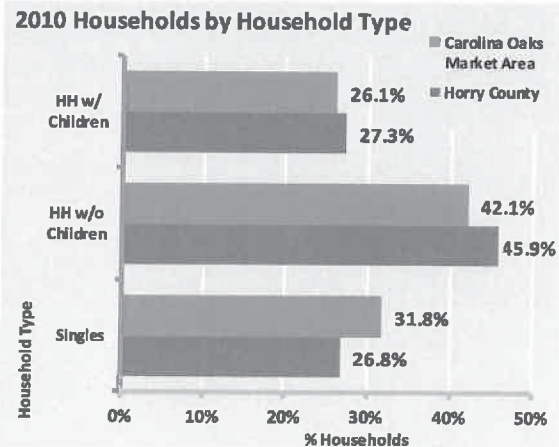


Source: Esri; RPRG, Inc.

Children are present in 26.1 percent of the households in the Carolina Oaks Market Area (Table 10). Households with two or more adults, but no children, comprise 42.1 percent of households in the market area and 45.9 percent of households in the county. Single person households comprise 31.8 percent of the households in the Carolina Oaks Market Area and 26.8 percent of the households in Horry County.

Table 10 2010 Households by Household Type

Households by Household Type	Horry County		Carolina Oaks Market Area	
	#	%	#	%
Married w/Children	18,077	16.1%	3,398	14.2%
Other w/ Children	12,548	11.2%	2,862	12.0%
Households w/ Children	30,625	27.3%	6,260	26.1%
Married w/o Children	34,948	31.1%	5,761	24.1%
Other Family w/o Children	7,080	6.3%	1,501	6.3%
Non-Family w/o Children	9,464	8.4%	2,811	11.7%
Households w/o Children	51,492	45.9%	10,073	42.1%
Singles Living Alone	30,108	26.8%	7,616	31.8%
Singles	30,108	26.8%	7,616	31.8%
Total	112,225	100%	23,949	100%



Source: 2010 Census; RPRG, Inc.



2. Renter Household Characteristics

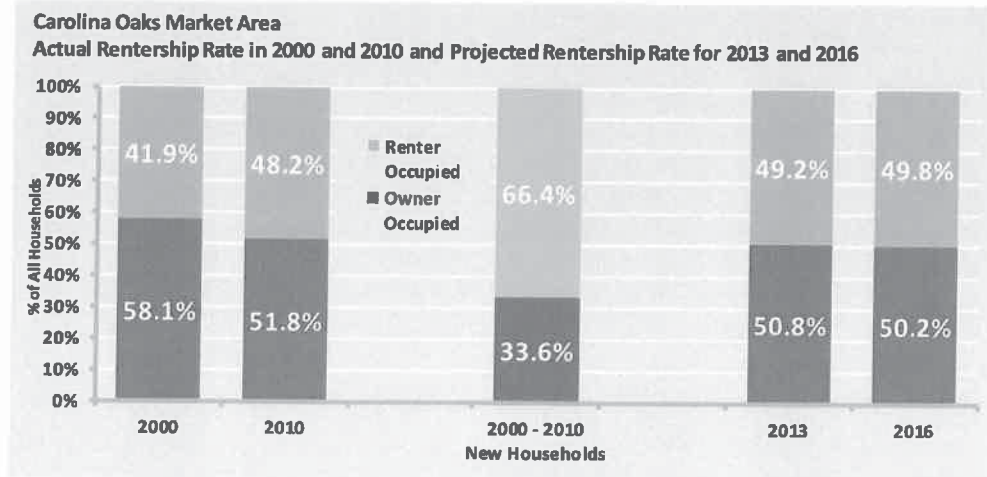
Approximately 42 percent of the households in the Carolina Oaks Market Area rented in 2000 compared to only 27 percent in Horry County. Renter households accounted for a disproportionate percentage of net household growth between the 2000 and 2010 census counts at 66.4 percent in the market area and 43.2 percent in the county. As a result, renter percentages increased significantly by 2010 to 48.2 percent in the market area and 31.4 percent in the county (Table 11). Renter percentages are expected to continue to increase in both areas and are projected at 49.8 percent in the market area and 32.7 percent in the county by 2016.

Table 11 Households by Tenure

Horry County		2000		2010		Change 2000-2010		2013		2016	
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	59,723	73.0%	76,997	68.6%	17,274	56.8%	80,912	67.8%	85,324	67.3%	
Renter Occupied	22,090	27.0%	35,228	31.4%	13,138	43.2%	38,508	32.2%	41,365	32.7%	
Total Occupied	81,813	100%	112,225	100%	30,412	100%	119,421	100%	126,690	100%	
Total Vacant	40,290		73,767				78,497		83,275		
TOTAL UNITS	122,103		185,992				197,917		210,965		

Carolina Oaks Market Area		2000		2010		Change 2000-2010		2013		2016	
Housing Units	#	%	#	%	#	%	#	%	#	%	
Owner Occupied	10,353	58.1%	12,411	51.8%	2,058	33.6%	12,872	50.8%	13,454	50.2%	
Renter Occupied	7,464	41.9%	11,538	48.2%	4,074	66.4%	12,488	49.2%	13,339	49.8%	
Total Occupied	17,817	100%	23,949	100%	6,132	100%	25,360	100%	26,793	100%	
Total Vacant	6,088		15,255				16,154		17,067		
TOTAL UNITS	23,905		39,204				41,514		43,860		

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



Almost two-thirds (64.7 percent) of the renter households in the Carolina Oaks Market Area have one or two persons (Table 12). Three and four person households comprise 26.3 percent of renter households in the Carolina Oaks Market Area and 8.9 percent of renter households have five or more members.

Young working age households form the core of the market area's renters, as 48.9 percent of the renter occupied households are between the ages of 25 and 44 and 15.8 percent are age 45-54



years (Table 13). Young renters (under 25) in the Carolina Oaks Market Area comprise 12.8 percent of renters in the market area and older adults age 55+ account for 22.4 percent of all market area renters.

Table 12 2010 Renter Households by Household Size

Renter Occupied	Horry County		Carolina Oaks Market Area	
	#	%	#	%
1-person hhld	10,943	31.1%	4,022	34.9%
2-person hhld	10,271	29.2%	3,445	29.9%
3-person hhld	6,184	17.6%	1,849	16.0%
4-person hhld	4,340	12.3%	1,193	10.3%
5+ person hhld	3,490	9.9%	1,029	8.9%
TOTAL	35,228	100%	11,538	100%

Source: 2010 Census

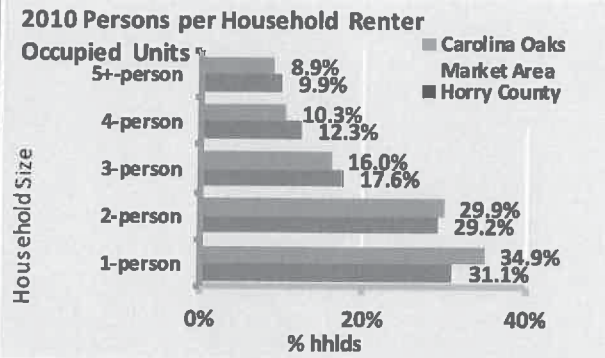
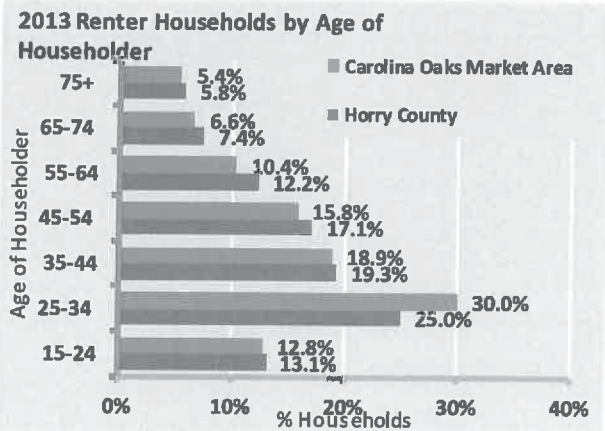


Table 13 Renter Households by Age of Householder

Renter Households	Horry County		Carolina Oaks Market Area	
	#	%	#	%
Age of HHldr				
15-24 years	5,046	13.1%	1,600	12.8%
25-34 years	9,635	25.0%	3,750	30.0%
35-44 years	7,443	19.3%	2,361	18.9%
45-54 years	6,579	17.1%	1,974	15.8%
55-64 years	4,715	12.2%	1,294	10.4%
65-74 years	2,867	7.4%	829	6.6%
75+ years	2,224	5.8%	680	5.4%
Total	38,508	100%	12,488	100%

Source: Esri, Real Property Research Group, Inc.



3. Income Characteristics

Based on Esri estimates, the Carolina Oaks Market Area’s 2013 median income of \$39,856 is \$2,307 or 5.5 percent lower than the \$42,162 median in Horry County (Table 14). Approximately 14.5 percent of the households earn less than \$15,000 in the Carolina Oaks Market Area. Approximately one-third (34 percent) of the households in the Carolina Oaks Market Area earn \$35,000 to \$75,000 compared to 34.6 percent in Horry County.

Based on the ACS data income projections, the breakdown of tenure, and household estimates, RPRG estimates that the median income of renters in the Carolina Oaks Market Area as of 2013 is \$31,417 (Table 15). This renter median income is 63.2 percent of the median among owner households of \$49,688. Among renter households, 38.5 percent earn less than \$25,000 and 33.4 percent earn \$25,000 to \$49,999.



Table 14 2013 Household Income, Carolina Oaks Market Area

Estimated 2013 Household Income		Horry County		Carolina Oaks Market Area	
		#	%	#	%
less than \$15,000		18,498	15.5%	3,667	14.5%
\$15,000 \$24,999		17,383	14.6%	3,836	15.1%
\$25,000 \$34,999		15,135	12.7%	3,843	15.2%
\$35,000 \$49,999		18,206	15.2%	4,120	16.2%
\$50,000 \$74,999		23,071	19.3%	4,509	17.8%
\$75,000 \$99,999		13,003	10.9%	2,364	9.3%
\$100,000 \$149,999		8,732	7.3%	1,643	6.5%
\$150,000 Over		5,393	4.5%	1,378	5.4%
Total		119,421	100%	25,360	100%
Median Income		\$27,162		\$39,856	

Source: Esri; Real Property Research Group, Inc.

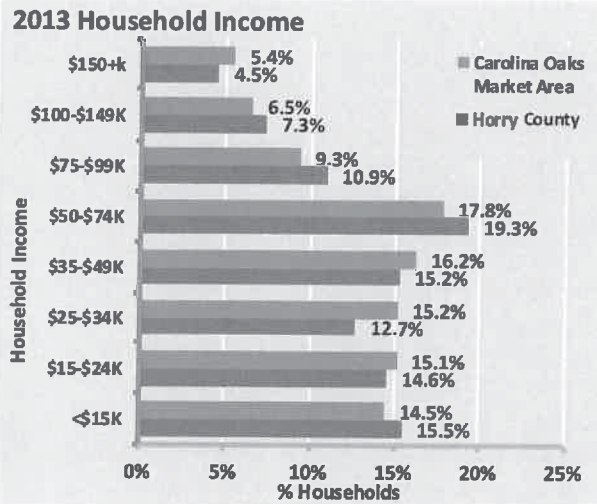
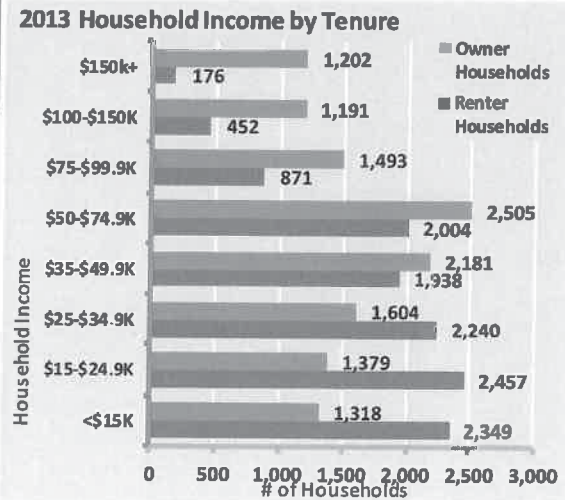


Table 15 2013 Income by Tenure

Carolina Oaks Market Area		Renter Households		Owner Households	
		#	%	#	%
less than \$15,000		2,349	18.8%	1,318	10.2%
\$15,000 \$24,999		2,457	19.7%	1,379	10.7%
\$25,000 \$34,999		2,240	17.9%	1,604	12.5%
\$35,000 \$49,999		1,938	15.5%	2,181	16.9%
\$50,000 \$74,999		2,004	16.0%	2,505	19.5%
\$75,000 \$99,999		871	7.0%	1,493	11.6%
\$100,000 \$149,999		452	3.6%	1,191	9.3%
\$150,000 over		176	1.4%	1,202	9.3%
Total		12,498	100%	12,872	100%
Median Income		\$31,417		\$49,688	

Source: American Community Survey 2008-2012 Estimates, RPRG, Inc.





7. COMPETITIVE HOUSING ANALYSIS

A. Introduction and Sources of Information

This section presents data and analyses pertaining to the supply of housing in the Carolina Oaks Market Area. We pursued several avenues of research in an attempt to identify residential rental projects that are actively being planned or that are currently under construction within the Carolina Oaks Market Area. Site visit observations and past RPRG work in the region also informed this process. The rental survey of competitive projects was conducted in February of 2014.

B. Overview of Market Area Housing Stock

Based on the 2008-2012 ACS survey, rental units in the market are generally contained within denser structure types than the county. Single-family detached homes and mobile homes accounted for only 27.7 percent of the rentals in the Carolina Oaks Market Area compared to 45.6 percent of Horry County rentals. Multi-family structures with five or more units contain over half (51.3 percent) of the units in the market area compared to 36.8 percent in the county (Table 16).

The housing stock in the Carolina Oaks Market Area is slightly older than in Horry County overall with a median year built of 1988 in the market area and 1990 in the county. The median year built of the owner-occupied stock was 1990 in the Carolina Oaks Market Area and 1993 in the county (Table 17). Over two-thirds (68.8 percent) of the renter occupied units in the Carolina Oaks Market Area have been constructed since 1980 compared to 70.2 percent of the renter occupied units in Horry County.

According to ACS data, the median value among owner-occupied housing units in the Carolina Oaks Market Area was \$167,060, which is \$3,039 or 1.8 percent lower than Horry County's median of \$170,099 (Table 18). ACS estimates home values based upon homeowners' assessments of the values of their homes. This data is traditionally a less accurate and reliable indicator of home prices in an area than actual sales data, but offers insight of relative housing values among two or more areas.

Table 16 Renter Occupied Units by Structure

Renter Occupied	Horry County		Carolina Oaks Market Area	
	#	%	#	%
1, detached	9,987	28.9%	2,030	19.2%
1, attached	1,140	3.3%	528	5.0%
2	1,920	5.6%	625	5.9%
3-4	2,975	8.6%	1,080	10.2%
5-9	5,820	16.9%	2,600	24.6%
10-19	4,066	11.8%	1,408	13.3%
20+ units	2,810	8.1%	1,413	13.4%
Mobile home	5,763	16.7%	899	8.5%
Boat, RV, Van	43	0.1%	0	0.0%
TOTAL	34,524	100%	10,583	100%

Source: American Community Survey 2008-2012

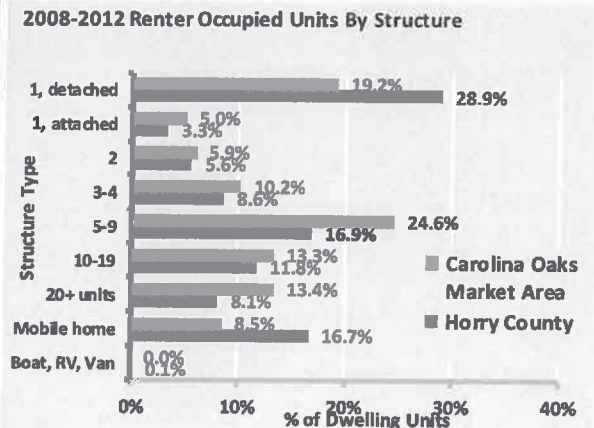




Table 17 Dwelling Units by Year Built and Tenure

Owner Occupied	Horry County		Carolina Oaks Market Area	
	#	%	#	%
2005 or later	673	0.9%	84	0.7%
2000 to 2004	25,518	32.3%	3,005	24.6%
1990 to 1999	20,574	26.1%	3,077	25.2%
1980 to 1989	14,814	18.8%	2,648	21.7%
1970 to 1979	8,805	11.2%	1,479	12.1%
1960 to 1969	3,138	4.0%	741	6.1%
1950 to 1959	3,027	3.8%	831	6.8%
1940 to 1949	962	1.2%	205	1.7%
1939 or earlier	1,377	1.7%	125	1.0%
TOTAL	78,888	100%	12,195	100%
MEDIAN YEAR BUILT	1993		1990	

Source: American Community Survey 2008-2012

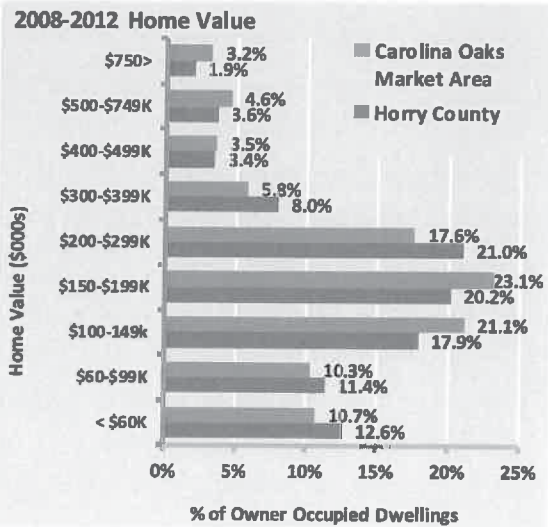
Renter Occupied	Horry County		Carolina Oaks Market Area	
	#	%	#	%
2005 or later	255	0.7%	112	1.1%
2000 to 2004	8,783	25.4%	2,708	25.6%
1990 to 1999	8,451	24.5%	2,283	21.6%
1980 to 1989	6,764	19.6%	2,172	20.5%
1970 to 1979	5,292	15.3%	1,684	15.9%
1960 to 1969	2,193	6.4%	921	8.7%
1950 to 1959	1,485	4.3%	502	4.7%
1940 to 1949	548	1.6%	54	0.5%
1939 or earlier	753	2.2%	147	1.4%
TOTAL	34,524	100%	10,583	100%
MEDIAN YEAR BUILT	1990		1988	

Source: American Community Survey 2008-2012

Table 18 Value of Owner Occupied Housing Stock

2008-2012 Home Value		Horry County		Carolina Oaks Market Area	
		#	%	#	%
less than \$60,000		9,744	12.6%	1,280	10.7%
\$60,000 - \$99,999		8,759	11.4%	1,235	10.3%
\$100,000 - \$149,999		13,782	17.9%	2,528	21.1%
\$150,000 - \$199,999		15,527	20.2%	2,768	23.1%
\$200,000 - \$299,999		16,181	21.0%	2,109	17.6%
\$300,000 - \$399,999		6,150	8.0%	695	5.8%
\$400,000 - \$499,999		2,654	3.4%	425	3.5%
\$500,000 - \$749,999		2,776	3.6%	550	4.6%
\$750,000 over		1,481	1.9%	385	3.2%
Total		77,054	100%	11,975	100%
Median Value		\$170,099		\$167,060	

Source: 2008-2012 American Community Survey





C. Survey of Competitive Rental Communities

1. Introduction to the Rental Housing Survey

As part of this analysis, RPRG surveyed 15 general occupancy communities in the Carolina Oaks Market Area including ten market rate communities and five LIHTC communities. Four of these LIHTC communities offer units without project based rental subsidies and are considered the most comparable communities to the proposed development of Carolina Oaks. One LIHTC community (Plantation) offers units with deep rental subsidies through Section 8. Properties with deep rental subsidies are not comparable to LIHTC communities because rents are based on tenant incomes and these communities are evaluated separately from market rate and LIHTC communities without deep subsidies.

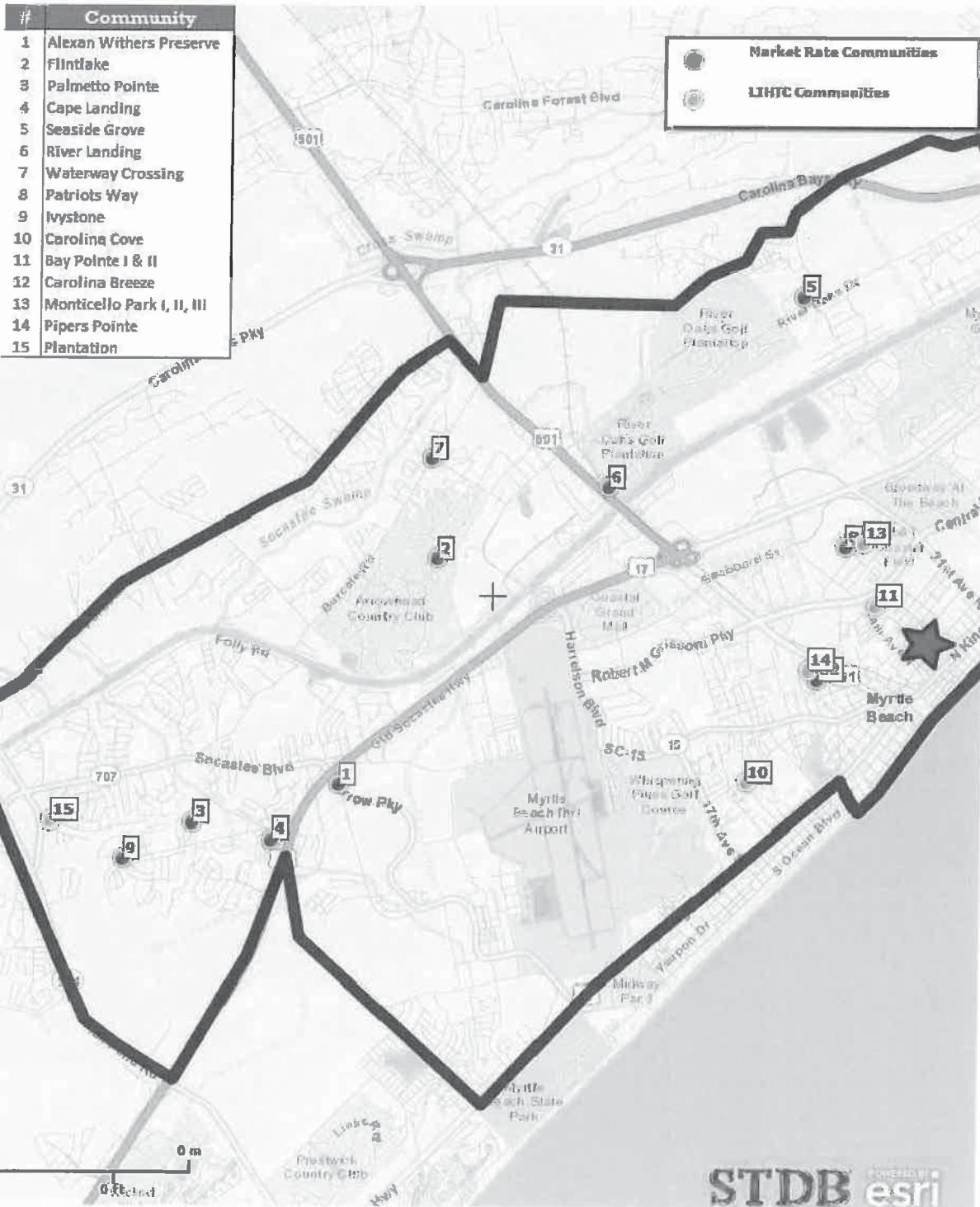
The 14 communities without deep subsidies combine to offer 2,918 units (Table 19) and the one community with LIHTC/deep subsidies has 110 units (Table 20). Profile sheets with detailed information on each surveyed community, including photographs, are attached as Appendix 5.

2. Location

Map 6 shows the location of the surveyed competitive communities. All of the communities are located to the west of the site. Six communities including four LIHTC communities are located within two miles of the site. The remaining communities are all located within seven miles of the site. The subject site's proximity to the ocean makes the site's location superior to existing communities in the market area.



Map 6 Surveyed Rental Communities





3. Age of Communities

The average year built of all surveyed comparable communities in the market area is 1999. The newest multi-family rental community in the Carolina Oaks Market Area is Bay Pointe II, a LIHTC community built in 2010. The four comparable LIHTC communities have an average year built of 2006. Plantation Apartments, the sole LIHTC community with project based rental assistance, was built in 1978 and rehabbed in 2007.

4. Structure Type

All but one of the comparable communities offer garden style units while one community (Carolina Breeze) offers townhomes only. Waterway Crossing offers garden style and townhouse style units. The four comparable LIHTC communities offer garden style apartments only.

5. Size of Communities

The average community size of comparable communities is 208 units. The four LIHTC communities have an average size of 111 units. The largest community is a market rate property with 352 units. The only deeply subsidized community has 110 units.

6. Vacancy Rates

The comparable communities combined to have 193 vacancies among 2,918 units, a rate of 6.6 percent. The four LIHTC communities had five vacancies among 443 units, a rate of 1.1 percent. Plantation Apartments, the LIHTC/deeply subsidized community, had zero vacancies and a waiting list.

Vacancy rates by floor plan were 3.3 percent for one bedroom units, 7.7 percent for two bedroom units, and 5.7 percent for three bedroom units (Table 21).

The historic vacancy rate among the LIHTC communities in the Carolina Oaks Market Area was 1.9 percent for the second and fourth quarter of 2013 (Table 22).

The overall occupancy rate for all LIHTC communities was 99.1 percent (Table 23).

7. Rent Concessions

Four surveyed communities are currently offering reduced rents on at least some units.

8. Absorption History

Absorption history was not available for any of the surveyed communities.



Table 19 Rental Summary, Market Rate/LIHTC Communities

Map #	Community	Year Built	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Incentive
	Subject 50% AMI		Gar	14				\$449	
	Subject 60% AMI		Gar	42				\$561	
1	Alexan Withers Preserve	2009	Gar	288	11	3.8%	\$810	\$1,035	\$500 off 1BR.
2	Flintlake	1996	Gar	272	27	9.9%	\$669	\$894	None
3	Palmetto Pointe	1999	Gar	320	0	0.0%	\$717	\$844	None
4	Cape Landing	1997	Gar	288	17	5.9%	\$640	\$789	None
5	Seaside Grove	2002	Gar	312	34	10.9%	\$675	\$775	Reduced rent.
6	River Landing	2002	Gar	340	17	5.0%	\$607	\$757	None
7	Waterway Crossing	1986	Gar/TH	102	0	0.0%	\$619	\$749	None
8	Patriots Way	1998	Gar	70	3	4.3%		\$685	None
9	Ivystone	2001	Gar	352	60	17.0%		\$650	None
10	Carolina Cove*	2000	Gar	73	2	2.7%		\$640	1 Week Free.
11	Bay Pointe I & II*	2010	Gar	106	0	0.0%		\$576	None
12	Carolina Breeze	1978	TH	131	19	14.5%	\$489	\$560	1st Month rent \$214.
13	Monticello Park I, II, III*	2007	Gar	192	1	0.5%	\$434	\$542	None
14	Pipers Pointe*	2006	Gar	72	2	2.8%		\$530	
Total				2,918	193	6.6%			
Average				208			\$629	\$716	
LIHTC Total				443	5	1.1%			
LIHTC Average				111			\$434	FALSE	

Tax Credit Communities*

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

Source: Field Survey, Real Property Research Group, Inc. February, 2014.

Table 20 Rental Summary, LIHTC/Deep Subsidy Communities

Map #	Community	Year Built	Year Rehab	Structure Type	Total Units	Vacant Units	Vacancy Rate	Avg 1BR Rent (1)	Avg 2BR Rent (1)	Waitlist
15	Plantation*	1978	2007	Gar/TH	110	0	0.0%	\$610	\$672	Yes
Total					110	0	0.0%			
Average					110			\$610	\$672	

Tax Credit Communities*

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

Source: Field Survey, Real Property Research Group, Inc. February, 2014.



Table 21 Vacancy by Floor Plan

Property	Vacant Units by Floorplan										
	Total	Units	One Bedroom			Two Bedroom			Three Bedroom		
	Units	Vacant	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate	Units	Vacant	Vac. Rate
Alexan Withers Preserve	288	11	132	6	4.5%	144	5	3.5%	12	0	0.0%
Bay Pointe I & II*	106	0				56	0	0.0%	50	0	0.0%
Cape Landing	288	17	132	6	4.5%	108	7	6.5%	48	4	8.3%
Carolina Breeze	131	19	32	0	0.0%	84	19	22.6%	14	0	0.0%
Carolina Cove*	73	2				57	2	3.5%	16	0	0.0%
Ivystone	352	60				288	49	17.0%	64	11	17.2%
Monticello Park I, II, III*	192	1	16	0	0.0%	108	1	0.9%	68	0	0.0%
Palmetto Pointe	320	0	140	0	0.0%	168	0	0.0%	12	0	0.0%
Patriots Way	70	3				70	3	4.3%			
Pipers Pointe*	72	2				36	1	2.8%	36	1	2.8%
Plantation**	110	0	54	0	0.0%	20	0	0.0%	28	0	0.0%
Seaside Grove	312	34	84	9	10.7%	156	17	10.9%	72	8	11.1%
Waterway Crossing	102	0	51	0	0.0%	51	0	0.0%			
Total	2,416	149									
Total Reporting Breakdown	2,407	149	641	21	3.3%	1,346	104	7.7%	420	24	5.7%
Total Percentage		100.0%	26.6%	14.1%		55.9%	69.8%		17.4%	16.1%	

LIHTC Community*

LIHTC Deep Subsidy Community**

Source: Field Survey, Real Property Research Group, Inc. February, 2014

Table 22 Historical LIHTC Occupancy

Community	City	County	6/30/2013			12/31/2013		Avg. Occupancy	Type
			Total Units	Occupied Units	Occupancy Rate	Occupied Units	Occupancy Rate		
Bay Pointe I & II	Myrtle Beach	Horry	106	105	99.06%	100	94.34%	96.70%	Family
Carolina Cove	Myrtle Beach	Horry	73	70	95.89%	73	100.00%	97.95%	Family
Monticello Park I,II,III	Myrtle Beach	Horry	192	189	98.44%	185	96.35%	97.40%	Family
Pipers Pointe	Myrtle Beach	Horry	72	72	100.00%	72	100.00%	100.00%	Family
Plantation*	Myrtle Beach	Horry	110	110	100.00%	109	99.09%	99.55%	Family
Grand Total			553	546	98.73%	539	97.47%	98.10%	

LIHTC/Deep Subsidy Community*

Source: SC Public Analysis 2013

Table 23 LIHTC Occupancy Rate

LIHTC Communities				
Community	City	Total Units	Occupied Units	Occupancy Rate
Bay Pointe I & II	Myrtle Beach	106	106	100.00%
Carolina Cove	Myrtle Beach	73	71	97.26%
Monticello Park I,II,III	Myrtle Beach	192	191	99.48%
Pipers Pointe	Myrtle Beach	72	70	97.22%
Plantation*	Myrtle Beach	110	110	100.00%
Grand Total		553	548	99.10%

LIHTC/Deep Subsidy Community*

Source: Field Survey, Real Property Research Group, Inc. February 2014.



D. Analysis of Rental Pricing and Product

1. Payment of Utility Costs

Among the surveyed comparable communities, five include the cost of water/sewer and trash removal and nine include only the cost of trash removal in the price of rent (Table 24). Carolina Oaks will include the cost of water/sewer, and trash removal.

2. Unit Features

All surveyed comparable communities offer units with kitchens equipped with stoves, refrigerators, and dishwashers. Nine of the communities also include microwave ovens in the units. All of the communities include washer/dryer connections in at least select units. Carolina Oaks will be competitive with surveyed rental communities as features will include dishwashers, garbage disposals, washer/dryer connections, and patio/balcony.

3. Parking

All surveyed comparable communities include free surface parking. Five of the surveyed communities offer detached garages ranging from \$65 to \$125 per month.

4. Community Amenities

Among the surveyed comparable communities, eleven offer a clubhouse. Nine communities also offer a fitness room and swimming pool while seven offer a playground (Table 25). Additional amenities offered at select communities include a sauna, computer center, and tennis court. Carolina Oaks will include a community room, computer center, fitness center, laundry center, and playground. These amenities are comparable to communities in the market area.

Table 24 Utilities and Unit Features— Surveyed Rental Communities

Community	Heat Type	Utilities Included in Rent						Dish-washer	Micro-wave	Parking	In-Unit Laundry
		Heat	Hot Water	Cooking	Electric	Water	Trash				
Subject	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Alexan Withers Preserve	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Flintlake	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Palmetto Pointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Cape Landing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Select Units
Seaside Grove	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
River Landing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Waterway Crossing	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Patriots Way	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD		Surface	Hook Ups
Ivystone	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Carolina Cove	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Bay Pointe I & II	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Carolina Breeze	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Select		Surface	Select Units
Monticello Park I, II, III	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups
Pipers Pointe	Elec	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	STD	STD	Surface	Hook Ups

Source: Field Survey, Real Property Research Group, Inc. February, 2014.



Table 25 Community Amenities – Surveyed Rental Communities

Community	Clubhouse	Fitness Room	Pool	Sauna	Playground	Tennis Court	Business Center	Gated Entry
Subject	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Alexan Withers Preserve	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Flintlake	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Palmetto Pointe	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cape Landing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Seaside Grove	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
River Landing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Waterway Crossing	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patriots Way	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ivystone	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carolina Cove	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bay Pointe I & II	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Carolina Breeze	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Monticello Park I, II, III	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pipers Pointe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Source: Field Survey, Real Property Research Group, Inc. February, 2014.

5. Distribution of Units by Bedroom Type

Full unit distributions were available for 11 of the 14 comparable communities, comprising 79 percent of all surveyed units. Among these communities, two bedroom units account for 57.5 percent of surveyed units and 17 percent are three bedroom units. One quarter (25.5 percent) of the units has one bedroom (Table 26).

6. Effective Rents

Unit rents presented in Table 26 are net or effective rents, as opposed to street or advertised rents. To arrive at effective rents, we apply downward adjustments to street rents at some communities in order to control for current rental incentives. The net rents further reflect adjustments to street rents to equalize the impact of utility expenses across complexes. Specifically, the net rents represent the hypothetical situation where water, sewer, and trash removal is included in monthly rents at all communities, with tenants responsible for other utility costs (electricity, heat, hot water, and cooking fuel).

Among all surveyed comparable rental communities, net rents, unit sizes, and rents per square foot are as follows:

- **Two bedroom** units reported an average net rent of \$692 with a range from \$464 to \$1,055 per month. The average unit size is 1,045 square feet, which results in an average net rent per square foot of \$0.66.
- **Three bedroom** units reported an average net rent of \$816 with a range from \$536 to \$1,300 per month. The average unit size is 1,277 square feet, which results in an average net rent per square foot of \$0.64.

The proposed 50 and 60 percent rents are positioned well below the overall market averages and are the lowest rents among comparable LIHTC communities in the Carolina Oaks Market Area.



Table 26 Salient Characteristics, Surveyed Rental Communities

Community	Type	Total Units	One Bedroom Units				Two Bedroom Units				Three Bedroom Units			
			Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF	Units	Rent(1)	SF	Rent/SF
Subject 50% AMI	Gar	14					8	\$449	965	\$0.47	4	\$510	1,100	\$0.46
Subject 60% AMI	Gar	42					16	\$561	965	\$0.58	20	\$639	1,100	\$0.58
Alexan Withers Preserve	Gar	288	132	\$799	798	\$1.00	144	\$1,055	1,060	\$1.00	12	\$1,300	1,260	\$1.03
Flintlake	Gar	272		\$684	810	\$0.84		\$914	1,116	\$0.82		\$1,064	1,508	\$0.71
Palmetto Pointe	Gar	320	140	\$732	694	\$1.05	168	\$864	1,002	\$0.86	12	\$1,050	1,276	\$0.82
Cape Landing	Gar	288	132	\$655	720	\$0.91	108	\$809	996	\$0.81	48	\$980	1,356	\$0.72
Seaside Grove	Gar	312	84	\$690	787	\$0.88	156	\$795	989	\$0.80	72	\$950	1,229	\$0.77
River Landing	Gar	340		\$622	728	\$0.85		\$777	993	\$0.78		\$988	1,456	\$0.68
Waterway Crossing	Gar/TH	102	51	\$634	850	\$0.75	51	\$769	1,270	\$0.61				
Monticello Park I, II, III	Gar	12					8	\$750	1,047	\$0.72	4	\$855	1,268	\$0.67
Carolina Cove	Gar	73					57	\$734	979	\$0.75	16	\$832	1,166	\$0.71
Bay Pointe I & II* 60% AMI	Gar	53					28	\$653	1,072	\$0.61	25	\$745	1,238	\$0.60
Ivystone	Gar	352					288	\$650	1,000	\$0.65	64	\$775	1,200	\$0.65
Patriots Way	Gar	70					70	\$645	960	\$0.67				
Monticello Park I, II, III* 60% AMI	Gar	62	4	\$528	800	\$0.66	31	\$635	1,047	\$0.61	27	\$732	1,268	\$0.58
Pipers Pointe* 60% AMI	Gar	72					36	\$635	1,121	\$0.57	36	\$732	1,322	\$0.55
Carolina Cove* 60% AMI	Gar	-						\$632	979	\$0.65		\$725	1,166	\$0.62
Carolina Breeze	TH	131	32	\$466	N/A	N/A	84	\$531	N/A	N/A	14	\$672	N/A	N/A
Carolina Cove* 50% AMI	Gar	-						\$514	979	\$0.53		\$587	1,166	\$0.50
Monticello Park I, II, III* 50% AMI	Gar	118	12	\$422	800	\$0.53	69	\$508	1,047	\$0.49	37	\$586	1,268	\$0.46
Bay Pointe I & II* 50% AMI	Gar	53					28	\$499	1,072	\$0.47	25	\$572	1,238	\$0.46
Pipers Pointe* 50% AMI	Gar	-						\$464	1,121	\$0.41		\$536	1,322	\$0.41
Total/Average		2,918		\$623	776	\$0.80		\$692	1,045	\$0.66		\$816	1,277	\$0.64
Unit Distribution		2,305	587				1,326				392			
% of Total		79.0%	25.5%				57.5%				17.0%			

Tax Credit Communities*

Rent adjusted \$40 for including cable

(1) Rent is adjusted to include Water, Sewer, Trash and incentives

Source: Field Survey, Real Property Research Group, Inc. February, 2014.

E. Housing Authority Data / Subsidized Housing List

The Section 8 Housing Assistance program for Myrtle Beach is administered by the Housing Authority of Myrtle Beach. The Housing Authority of Myrtle Beach has 803 Section 8 Housing Vouchers with 950 applicants on the waiting list. The Housing Authority does not manage any public housing units. A list of all subsidized communities in the market area is detailed in Table 27 and the location relative to the site is shown on Map 7.

Table 27 Subsidized Rental Communities, Carolina Oaks Market Area

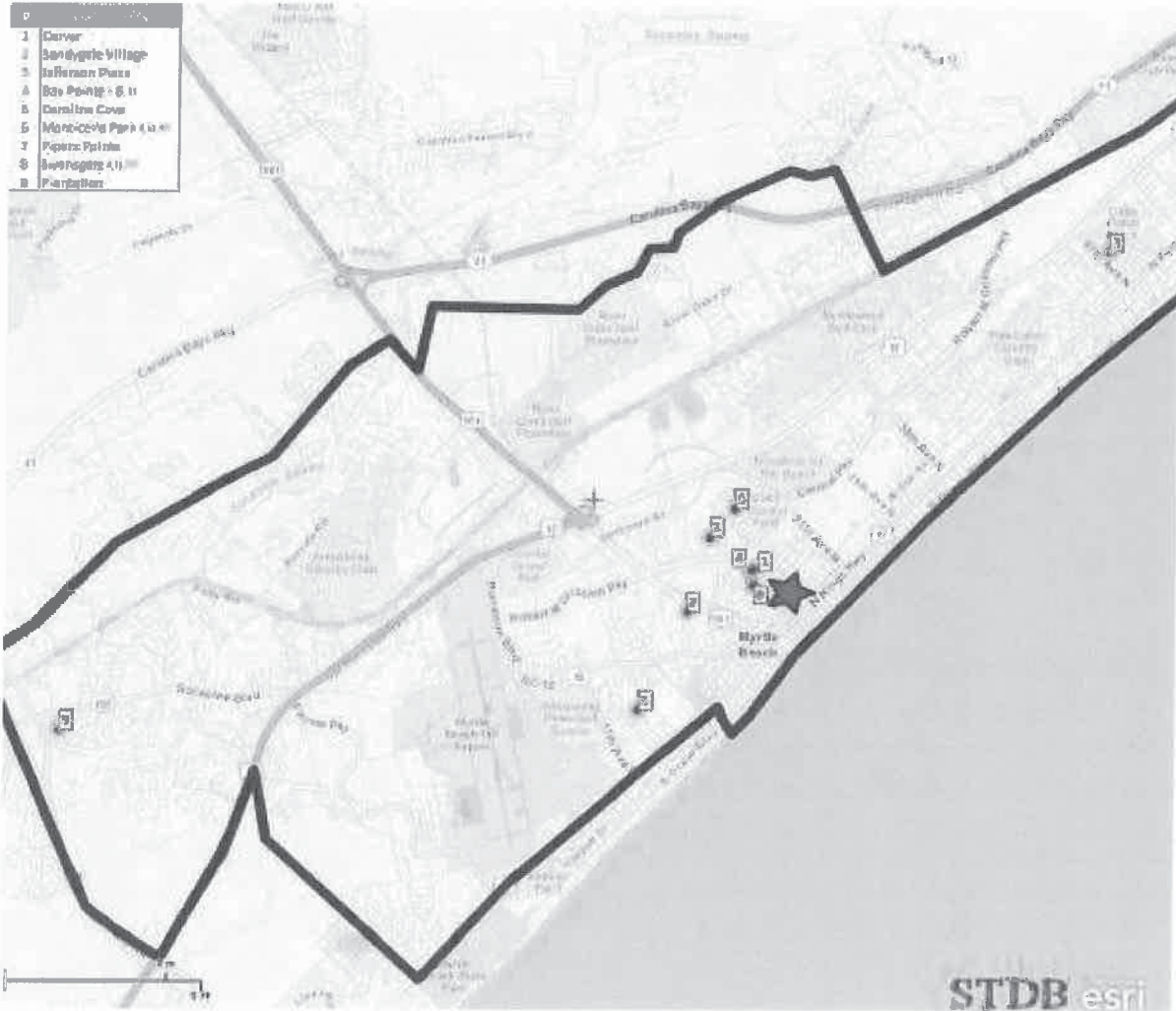
Community	Subsidy	Type	Address	City
Carver	Section 8	Family	1300 Spivey Ave.	Myrtle Beach
Sandygate Village	Section 8	Family	1011 Oceola St.	Myrtle Beach
Jefferson Place	Section 8	Senior	6715 Jefferson Pl.	Myrtle Beach
Bay Pointe I & II	Tax Credit	Family	1401 Mako Ct.	Myrtle Beach
Carolina Cove	Tax Credit	Family	830 Carolina Pl.	Myrtle Beach
Monticello Park I,II,III	Tax Credit	Family	1300 Osceola St.	Myrtle Beach
Pipers Pointe	Tax Credit	Family	1310 Pipers Pointe Ln.	Myrtle Beach
Swansgate I,II,III	Tax Credit	Senior	1050 Mr. Joe White Ave.	Myrtle Beach
Plantation	Tax Credit/Section 8	Family	200 Rittenhouse Rd.	Myrtle Beach



F. Potential Competition from For-Sale Housing

Given the low proposed rents and income ranges targeted, we do not believe for-sale housing will compete with Carolina Oaks.

Map 7 Subsidized Rental Communities, Carolina Oaks Market Area





G. Proposed and Under Construction Rental Communities

According to planning officials with the City of Myrtle Beach, no new multi-family rental communities have been approved in the Carolina Oaks Market Area in the past three years. The planning department was aware of a couple of LIHTC communities in the planning stages, however nothing has been formally submitted for approval.

H. Estimate of Market Rent

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

- Rents Charged – current rents charged, adjusted for utilities and incentives, if applicable.
- Design, Location, Condition – adjustments made in this section include:
 - Building Design - An adjustment was made, if necessary, to reflect the attractiveness of the proposed product relative to the comparable communities above and beyond what is applied for year built and/or condition (Table 31).
 - Year Built/Rehabbed - We applied a value of \$0.75 for each year newer a property is relative to a comparable.
 - Condition and Neighborhood – We rated these features on a scale of 1 to 5 with 5 being the most desirable. A conservative adjustment of \$10 per variance was applied for condition as this factor is also accounted for in “year built.” The Neighborhood or location adjustment was also \$10 per numerical variance.
 - Square Footage - Differences between comparables and the subject property are accounted for by an adjustment of \$0.25 per foot.
- Unit Equipment/Amenities – Adjustments were made for amenities included or excluded at the subject property. The exact value of each specific value is somewhat subjective as particular amenities are more attractive to certain renters and less important to others. Adjustment values were between \$5 and \$25 for each amenity.
- Site Equipment – Adjustments were made in the same manner as with the unit amenities. Adjustment values were between \$5 and \$10 for each amenity.

According to our adjustment calculations, the estimated market rents for the units at Carolina Oaks are \$755 for two bedroom units (Table 28) and \$860 for three bedroom units (Table 29). The proposed 50 percent rents result in market advantages of over 40 percent for both two and three bedroom units. Among the 60 percent units, both two and three bedroom units have at least a 25 percent rent advantage. The overall weighted average market advantage is 29.34 percent (Table 30). The maximum achievable/restricted rent for LIHTC units would be LIHTC maximums.



Table 28 Estimate of Market Rent, Two Bedroom Units

Two Bedroom Units							
Subject Property		Comparable Property #1		Comparable Property #2		Comparable Property #3	
Carolina Oaks Oak Street Myrtle Beach, Horry County, SC		Carolina Cove 830 Carolina Place Myrtle Beach Horry		Monticello Park 1300 Osceola St. Myrtle Beach Horry		River Landing 200 River Landing Blvd. Horry	
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$561	\$750	\$0	\$730	\$0	\$757	\$0
Utilities Included	W,S,T	W,S,T	\$0	T	\$20	T	\$20
Rent Concessions		1 week free	(\$16)	None	\$0	None	\$0
Effective Rent	\$561	\$734		\$750		\$777	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 2	Garden / 2	\$0	Garden	\$0	Garden / 3	\$0
Year Built / Condition	2016	2000	\$12	2007	\$7	2002	\$11
Quality/Street Appeal	Above Average	Average	\$10	Average	\$10	Average	\$10
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	2	2	\$0	2	\$0	2	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	965	979	(\$4)	1,047	(\$21)	993	(\$7)
Balcony / Patio / Porch	Yes	Yes	\$0	No	\$5	No	\$5
AC Type:	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	No / Yes	Yes / Yes	(\$5)	Yes / Yes	(\$5)	Yes / Yes	(\$5)
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Surface (\$0)	Surface (\$0)	\$0	Surface (\$0)	\$0	Surface (\$0)	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		2	3	3	2	3	3
Sum of Adjustments B to D		\$22	(\$19)	\$22	(\$26)	\$26	(\$22)
F. Total Summary							
<i>Gross Total Adjustment</i>		\$41		\$48		\$48	
<i>Net Total Adjustment</i>		\$3		(\$4)		\$4	
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$737		\$746		\$781	
% of Effective Rent		100.4%		99.5%		100.5%	
Estimated Market Rent	\$755						
Rent Advantage \$	\$194						
Rent Advantage %	25.7%						



Table 29 Estimate of Market Rent, Three Bedroom Units

Subject Property		Three Bedroom Units					
		Comparable Property #1		Comparable Property #2		Comparable Property #3	
Carolina Oaks		Carolina Cove		Monticello Park		River Landing	
Oak Street		830 Carolina Place		1300 Osceola St.		200 River Landing Blvd.	
Myrtle Beach, Horry County, SC		Myrtle Beach	Horry	Myrtle Beach	Horry	Myrtle Beach	Horry
A. Rents Charged	Subject	Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Street Rent	\$639	\$850	\$0	\$830	\$0	\$963	\$0
Utilities Included	W,S,T	W,S,T	\$0	T	\$25	T	\$25
Rent Concessions		1 week free	(\$18)	None	\$0	None	\$0
Effective Rent	\$639	\$832		\$855		\$988	
<i>In parts B thru D, adjustments were made only for differences</i>							
B. Design, Location, Condition		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Structure / Stories	Garden / 2	Garden / 2	\$0	Garden	\$0	Garden / 3	\$0
Year Built / Condition	2016	2000	\$12	2007	\$7	2002	\$11
Quality/Street Appeal	Above Average	Average	\$10	Average	\$10	Average	\$10
Location	Average	Average	\$0	Average	\$0	Average	\$0
C. Unit Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Number of Bedrooms	3	3	\$0	3	\$0	3	\$0
Number of Bathrooms	2	2	\$0	2	\$0	2	\$0
Unit Interior Square Feet	1,125	1,166	(\$10)	1,268	(\$36)	1,456	(\$83)
Balcony / Patio / Porch	Yes	Yes	\$0	No	\$5	No	\$5
AC: (C)entral / (W)all / (N)one	Central	Central	\$0	Central	\$0	Central	\$0
Range / Refrigerator	Yes / Yes	Yes / Yes	\$0	Yes / Yes	\$0	Yes / Yes	\$0
Microwave / Dishwasher	No / Yes	Yes / Yes	(\$5)	Yes / Yes	(\$5)	Yes / Yes	(\$5)
Washer / Dryer: In Unit	No	No	\$0	No	\$0	No	\$0
Washer / Dryer: Hook-ups	Yes	Yes	\$0	Yes	\$0	Yes	\$0
D. Site Equipment / Amenities		Data	\$ Adj.	Data	\$ Adj.	Data	\$ Adj.
Parking (\$ Fee)	Surface (\$0)	Surface (\$0)	\$0	Surface (\$0)	\$0	Surface (\$0)	\$0
Club House	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Pool	No	Yes	(\$10)	No	\$0	Yes	(\$10)
Recreation Areas	Yes	Yes	\$0	Yes	\$0	Yes	\$0
Fitness Center	Yes	Yes	\$0	Yes	\$0	Yes	\$0
E. Adjustments Recap		Positive	Negative	Positive	Negative	Positive	Negative
Total Number of Adjustments		2	3	3	2	3	3
Sum of Adjustments B to D		\$22	(\$25)	\$22	(\$41)	\$26	(\$98)
F. Total Summary							
<i>Gross Total Adjustment</i>			\$47		\$63		\$124
<i>Net Total Adjustment</i>			(\$3)		(\$19)		(\$72)
G. Adjusted And Achievable Rents		Adj. Rent		Adj. Rent		Adj. Rent	
Adjusted Rent		\$829		\$836		\$916	
% of Effective Rent		99.6%		97.8%		92.7%	
Estimated Market Rent	\$860						
Rent Advantage \$	\$221						
Rent Advantage %	25.7%						



Table 30 Rent Advantage Summary

60% AMI Units	Two Bedroom	Three Bedroom
Subject Rent	\$561	\$639
Estimated Market Rent	\$755	\$860
Rent Advantage (\$)	\$194	\$221
Rent Advantage (%)	25.66%	25.73%
Proposed Units	16	20
50% AMI Units	Two Bedroom	Three Bedroom
Subject Rent	\$449	\$510
Estimated Market Rent	\$755	\$860
Rent Advantage (\$)	\$306	\$350
Rent Advantage (%)	40.50%	40.72%
Proposed Units	8	4
Total/Weighted Avg. Mkt. Advantage		29.34%

Table 31 Estimate of Market Rent Adjustments Summary

Rent Adjustments Summary	
B. Design, Location, Condition	
Structure / Stories	
Year Built / Condition	\$0.75
Quality/Street Appeal	\$10.00
Location	\$10.00
C. Unit Equipment / Amenities	
Number of Bedrooms	\$100.00
Number of Bathrooms	\$30.00
Unit Interior Square Feet	\$0.25
Balcony / Patio / Porch	\$5.00
AC Type:	\$5.00
Range / Refrigerator	\$25.00
Microwave / Dishwasher	\$5.00
Washer / Dryer: In Unit	\$25.00
Washer / Dryer: Hook-ups	\$5.00
D. Site Equipment / Amenities	
Parking (\$ Fee)	
Learning Center	\$10.00
Club House	\$10.00
Pool	\$10.00
Recreation Areas	\$5.00
Fitness Center	\$10.00



8. FINDINGS AND CONCLUSIONS

A. Key Findings

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

1. Site and Neighborhood Analysis

Carolina Oaks is located in an established neighborhood in Myrtle Beach offering a mix of residential, institutional, and commercial uses.

- The neighborhood surrounding Carolina Oaks is a mixture of residential (apartments, single-family detached homes), commercial (offices, retail) and institutional (churches, government) uses.
- The subject site is located within one half mile of numerous commercial uses including a grocery store, shopping, a bank, convenience stores, and restaurants.
- The subject site is appropriate for the proposed use and is comparable with existing multi-family rental communities in the market area.

2. Economic Context

Horry County's economy suffered job loss and increased unemployment rates through the recent national recession and prolonged economic downturn, but has shown signs of stabilization with job gains in each of the past two and half years and a decreasing unemployment rate in each of the past three years.

- The unemployment rate in Horry County ranged from 3.5 percent to 7 percent between 2000 and 2008 before increasing significantly to 12.2 percent at its peak in 2010. The unemployment rate in Horry County has decreased each of the past three years to 8.6 percent.
- Horry County's employment base increased steadily between 2001 and 2007 and peaked at 116,685 jobs in 2007. Horry County experienced its first recent annual losses in At-Place Employment from 2008 to 2010 with a net loss of 11,005 jobs over this three year span. Horry County is showing signs of stabilization after adding jobs in each of the last two years and has continued to add jobs through the first half of 2013. The county has added 4,309 jobs over past two and half years, which is roughly 40 percent of the jobs lost during the national recession.
- Horry County's two largest economic sectors are Leisure-Hospitality and Trade-Transportation-Utilities. These two sectors account for 52.1 percent of the jobs in Horry County and 29.5 percent of the jobs in the nation. The high percentage of jobs in the Leisure-Hospitality sector (30.2 percent) reflects the large tourism economy in Horry County and Myrtle Beach.

3. Growth Trends

Both the Carolina Oaks Market Area and Horry County had strong population and household growth between the 2000 and 2010 census counts. Growth is projected in both areas through 2016.

- Between 2000 and 2010 Census counts, the population of the Carolina Oaks Market Area increased by 36.5 percent. During the same time period, the number of households in the



Carolina Oaks Market Area increased by 34.4 percent, an annual increase of 3 percent or 1,479 households.

- Between 2013 and 2016, the market area is projected to have annual increases of 1,105 people (1.9 percent) and 478 households (1.8 percent).

4. Demographic Trends

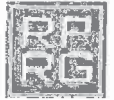
Compared to the county, the market area is younger, more likely to rent, and has a comparable median income.

- The median age of the population is 36 in the market area and 41 in the county. Adults age 35-61 comprise the largest cohort in both areas.
- Approximately 42 percent of the households in the Carolina Oaks Market Area rented in 2000, compared to only 27 percent in Horry County. The market area's renter percentage increased significantly to 48.2 percent in 2010, while the county's renter percentage increased to 31.4 percent. Renter percentages are expected to continue to increase in both areas and are projected at 49.8 percent in the market area and 32.7 percent in the county by 2016.
- Just under half (48.9 percent) of the renter occupied households are between the ages of 25 and 44 and 15.8 percent are age 45-54 years. Young renters (under 25) in the Carolina Oaks Market Area comprise 12.8 percent of renters in the market area and older adults age 55+ account for 22.4 percent of all market area renters.
- RPRG estimates that the 2013 median household income in the Carolina Oaks Market Area is \$39,856, which is \$2,306 or 5.5 percent lower than the \$42,162 median in Horry County.
- The market area's median income for renter households in 2013 is estimated at \$31,417, 63.2 percent of the owner median income of \$49,688. Among renter households, 38.5 percent earn less than \$25,000 and 33.4 percent earn \$25,000 to \$49,999.

5. Competitive Housing Analysis

The multi-family rental market is strong in the market area which includes four comparable LIHTC communities that have limited vacancies.

- The 14 surveyed comparable communities combined to have 193 vacancies among 2,918 units, a rate of 6.6 percent. The four LIHTC communities had five vacancies among 443 units, a rate of 1.1 percent. Plantation Apartments, the LIHTC/deeply subsidized community, had zero vacancies and a waiting list. Vacancy rates by floor plan were 3.3 percent for one bedroom units, 7.7 percent for two bedroom units, and 5.7 percent for three bedroom units.
- The historic vacancy rate among the LIHTC communities in the Carolina Oaks Market Area was 1.9 percent for the second and fourth quarter of 2013. The overall occupancy rate for all LIHTC communities surveyed was 99.1 percent.
- Among all surveyed comparable rental communities, net rents, unit sizes, and rents per square foot are as follows:
 - **Two bedroom** rents average \$692 for 1,045 square feet or \$0.66 per square foot.
 - **Three bedroom** rents average \$816 for 1,277 square feet or \$0.64 per square foot.



- The proposed 50 and 60 percent rents are positioned well below the overall market averages and are the lowest rents among comparable LIHTC communities in the Carolina Oaks Market Area.
- The estimated market rents for the units at Carolina Oaks are \$755 for two bedroom units and \$860 for three bedroom units. The proposed 50 percent rents result in market advantages of over 40 percent and the proposed 60 percent units have at least 25 percent rent advantages. The overall weighted average market advantage is 29.34 percent.
- No new multi-family rental communities have been approved in the Carolina Oaks Market Area in the past three years. The planning department was aware of two LIHTC communities that are in the planning stages, however nothing has been formally submitted for approval.

B. Affordability Analysis

1. Methodology

The Affordability Analysis tests the percent of income-qualified households in the market area that the subject community must capture in order to achieve full occupancy.

The first component of the Affordability Analyses involves looking at the total household income distribution and renter household income distribution among primary market area households for the target year of 2016. RPRG calculated the income distribution for both total households and renter households based on the relationship between owner and renter household incomes by income cohort from the 2008-2012 American Community Survey along with estimates and projected income growth as projected by Esri (Table 32).

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

LIHTC units will target renter households earning up to 50 percent and 60 percent of the Area Median Income (AMI), adjusted for household size. Maximum income limits are derived from 2014 income limits for the Myrtle Beach-North Myrtle Beach-Conway, SC MSA as computed by HUD and are based on average household sizes of 1.5 persons per bedroom.



Table 32 2016 Income Distribution by Tenure

Carolina Oaks Market Area		Total Households		Renter Households	
		#	%	#	%
less than	\$15,000	3,835	14.3%	2,540	19.0%
	\$15,000 - \$24,999	3,344	12.5%	2,214	16.6%
	\$25,000 - \$34,999	3,681	13.7%	2,218	16.6%
	\$35,000 - \$49,999	4,381	16.4%	2,131	16.0%
	\$50,000 - \$74,999	5,127	19.1%	2,356	17.7%
	\$75,000 - \$99,999	2,858	10.7%	1,089	8.2%
	\$100,000 - \$149,999	2,065	7.7%	587	4.4%
	\$150,000 Over	1,501	5.6%	204	1.5%
Total		26,793	100%	13,339	100%
Median Income		\$43,682		\$33,635	

Source: American Community Survey 2008-2012 Projections, RPRG, Inc.

2. Affordability Analysis

The steps in the affordability analysis (Table 33) are as follows:

- Looking at the 50 percent two bedroom units, the overall shelter cost at the proposed rent would be \$560 (\$449 net rent plus a \$111 allowance to cover all utilities except water/sewer and trash removal).
- By applying a 35 percent rent burden to this gross rent, we determined that a 50 percent two-bedroom unit would be affordable to households earning at least \$19,200 per year. A total of 21,553 households are projected to earn at least this amount in 2016.
- Based on an average household size of 1.5 persons per bedroom, the maximum income limit for a two bedroom unit at 50 percent of the AMI is \$22,400. According to the interpolated income distribution for 2016, 20,483 market area households will have incomes exceeding this 50 percent LIHTC income limit.
- Subtracting the 20,483 households with incomes above the maximum income limit from the 21,553 households that could afford to rent this unit, RPRG computes that 1,070 households in the market area will be within the band of affordability for the subject site’s two-bedroom units at 50 percent AMI.
- The subject property would need to capture 0.7 percent of these income-qualified households to absorb the eight two-bedroom units at 50 percent AMI.
- RPRG next tested the range of qualified renter households and determined that 9,869 renter households can afford to rent a unit at the subject property. Of these, 9,161 have incomes above the maximum income of \$22,400. The net result is 709 renter households within the income band. To absorb the eight 50 percent two-bedroom units, the subject would need to capture 1.1 percent of income-qualified renter households.
- Using the same methodology, we determined the band of qualified households for remaining floor plan types and income levels offered in the community. We also computed the capture rates for all units.
- The remaining renter capture rates by floor plan range from 0.5 percent to 2 percent.



- By income level, renter capture rates are 0.8 percent for 50 percent units, 2 percent for 60 percent units, and 1.8 percent for the project as a whole.

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

Table 33 Affordability Analysis for Carolina Oaks

50% Units	Two Bedroom		Three Bedroom	
	Min.	Max.	Min.	Max.
Number of Units	8		4	
Net Rent	\$449		\$510	
Gross Rent	\$560		\$646	
% Income for Shelter	35%		35%	
Income Range (Min, Max)	\$19,200	\$22,400	\$22,149	\$25,850
Total Households				
Range of Qualified Hslds	21,553	20,483	20,567	19,301
# Qualified Households		1,070		1,266
Total HH Capture Rate		0.7%		0.3%
Renter Households				
Range of Qualified Hhlds	9,869	9,161	9,216	8,396
# Qualified Hhlds		709		820
Renter HH Capture Rate		1.1%		0.5%

60% Units	Two Bedroom		Three Bedroom	
Number of Units	16		20	
Net Rent	\$561		\$639	
Gross Rent	\$672		\$775	
% Income for Shelter	35%		35%	
Income Range (Min, Max)	\$23,040	\$26,880	\$26,571	\$31,020
Total Households				
Range of Qualified Hslds	20,269	18,922	19,035	17,398
# Qualified Households		1,347		1,638
Unit Total HH Capture Rate		1.2%		1.2%
Renter Households				
Range of Qualified Hhlds	9,019	8,168	8,236	7,250
# Qualified Hhlds		851		987
Renter HH Capture Rate		1.9%		2.0%

Income Target	Units	All Households = 26,793					Renter Households = 13,339			
			Band of Qualified Hhlds		# Qualified HHs	Capture Rate	Band of Qualified Hhlds		# Qualified HHs	Capture Rate
50% Units	12	Income	\$19,200	\$25,850	2,252	0.5%	\$19,200	\$25,850	1,473	0.8%
		Households	21,553	19,301			9,869	8,396		
60% Units	36	Income	\$23,040	\$31,020	2,872	1.3%	\$23,040	\$31,020	1,769	2.0%
		Households	20,269	17,398			9,019	7,250		
Total Units	48	Income	\$19,200	\$31,020	4,156	1.2%	\$19,200	\$31,020	2,619	1.8%
		Households	21,553	17,398			9,869	7,250		

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



C. Derivation of Demand

1. Demand Methodology

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

- The first component of demand is household growth. This number is the number of income qualified renter households projected to move into the Carolina Oaks Market Area between the base year of 2013 and estimated placed in service date of 2016.
- The second component of demand is income qualified renter households living in substandard households. “Substandard” is defined as having more than 1.01 persons per room and/or lacking complete plumbing facilities. According to 2008-2012 American Community Survey (ACS) data, 17.7 percent of the rental units in the Carolina Oaks Market Area that are “substandard” (Table 34).
- The third and final component of demand is cost burdened renters, which is defined as those renter households paying more than 35 percent of household income for housing costs. According to ACS data, 48.2 percent of Carolina Oaks Market Area renter households are categorized as cost burdened.

Table 34 Substandard and Cost Burdened Calculations, Carolina Oaks

Rent Cost Burden			Substandardness	
Total Households	#	%	Total Households	
Less than 10.0 percent	237	2.2%	Owner occupied:	
10.0 to 14.9 percent	526	5.0%	Complete plumbing facilities:	12,113
15.0 to 19.9 percent	1,312	12.4%	1.00 or less occupants per room	11,950
20.0 to 24.9 percent	1,048	9.9%	1.01 or more occupants per room	163
25.0 to 29.9 percent	1,011	9.6%	Lacking complete plumbing facilities:	82
30.0 to 34.9 percent	1,064	10.1%	Overcrowded or lacking plumbing	245
35.0 to 39.9 percent	777	7.3%	Renter occupied:	
40.0 to 49.9 percent	1,182	11.2%	Complete plumbing facilities:	10,572
50.0 percent or more	2,876	27.2%	1.00 or less occupants per room	8,707
Not computed	550	5.2%	1.01 or more occupants per room	1,865
Total	10,583	100.0%	Lacking complete plumbing facilities:	11
			Overcrowded or lacking plumbing	1,876
> 35% income on rent	4,835	48.2%	Substandard Housing	2,121
			% Total Stock Substandard	9.3%
			% Rental Stock Substandard	17.7%

Source: American Community Survey 2008-2012



2. Demand Analysis

Directly comparable units built or approved in the Carolina Oaks Market Area since the base year are subtracted from the demand estimates. No comparable communities have been built or approved in 2013.

The overall demand capture rates by AMI level are 1.2 percent for 50 percent units, 3 percent for 60 percent units, and 2.7 percent for the project as a whole (Table 35). By floor plan, capture rates range from 0.7 percent to 3 percent (Table 36).

Table 35 Demand by AMI Level

<i>Income Target</i>	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,200	\$23,040	\$19,200
<i>Maximum Income Limit</i>	\$25,850	\$31,020	\$31,020
<i>(A) Renter Income Qualification Percentage</i>	11.0%	13.3%	19.6%
Demand from New Renter Households <i>Calculation: (C-B) * A</i>	78	94	139
Plus			
Demand from Substandard Housing <i>Calculation: B * D * F * A</i>	244	294	435
Plus			
Demand from Rent Over-burdened Households <i>Calculation: B * E * F * A</i>	665	798	1,182
Equals			
Total PMA Demand	987	1,185	1,755
Less			
Comparable Units	0	0	0
Equals			
Net Demand	987	1,185	1,755
Proposed Units	12	36	48
Capture Rate	1.2%	3.0%	2.7%

Demand Calculation Inputs	
(B) 2013 HH	25,360
(C) 2016 HH	26,793
(D) ACS Substandard Percentage	17.7%
(E) ACS Rent Over-Burdened Percentage	48.2%
(F) 2013 Renter Percent	49.2%



Table 36 Demand by Floor Plan

Two Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$19,200	\$23,040	\$19,200
<i>Maximum Income Limit</i>	\$22,400	\$26,880	\$26,880
<i>Renter Income Qualification Percentage</i>	5.3%	6.4%	11.7%
Total Demand	475	570	1,045
Supply	0	0	0
Net Demand	475	570	1,045
Units Proposed	8	16	24
Capture Rate	1.7%	2.8%	2.3%

Three Bedroom Units	50% Units	60% Units	Total Units
<i>Minimum Income Limit</i>	\$22,149	\$26,571	\$22,149
<i>Maximum Income Limit</i>	\$25,850	\$31,020	\$31,020
<i>Renter Income Qualification Percentage</i>	6.1%	7.4%	13.5%
Total Demand	549	661	1,210
Supply	0	0	0
Net Demand	549	661	1,210
Units Proposed	4	20	24
Capture Rate	0.7%	3.0%	2.0%

Demand by floor plan is based on gross demand multiplied by each floor plan's income

D. Target Markets

Carolina Oaks will offer two and three bedroom floor plans with 50 and 60 percent rents being the lowest in the market area when compared to existing LIHTC communities. These units will appeal to a wide variety of low and moderate income households ranging from single persons to families.

E. Product Evaluation

Considered in the context of the competitive environment and in light of the planned development, the relative position of Carolina Oaks is as follows:

- **Site:** The subject site is appropriate for the proposed development. The subject's neighborhood is a mix of commercial, institutional, and residential with single family detached homes and apartments common within two miles. Amenities within one-half mile of the subject site are extensive including shopping, parks, restaurants, a pharmacy, a bank, and entertainment. The subject site is comparable with existing LIHTC communities in the market area.
- **Unit Distribution:** The unit mix at the subject property will include 24 two-bedroom units and 24 three-bedroom units. Both two and three bedroom units are common in the market area – representing 57.5 percent and 17 percent of surveyed units, respectively. The unit mix proposed at the subject property is comparable to existing communities in the market area.
- **Unit Size:** The proposed unit sizes of 965 square feet for two bedroom units and 1,100 square feet for three bedroom units are smaller than averages among surveyed rental communities in the market area but acceptable due to the low proposed rents.
- **Unit Features:** The newly constructed units at Carolina Oaks will offer kitchens with refrigerator, dishwasher, garbage disposal, and stove with exhaust fan. Flooring will be a combination of wall-to-wall carpeting in living areas and vinyl flooring in the kitchen/bathrooms. In addition, all units will include ceiling fans, washer/dryer connections, patios/balconies, central air conditioning and window blinds. The proposed unit features at



Carolina Oaks will be competitive with the existing rental stock in the market area, including properties funded with tax credits.

- **Community Amenities:** Carolina Oaks' amenity package will include a community room, computer center, fitness center, laundry room, and playground which will be competitive with the Carolina Oaks Market Area's existing rental stock
- **Marketability:** The proposed units at Carolina Oaks will be well received in the market area. The proposed rents are reasonable and appropriate given the product to be constructed. All units will have at least a 25 percent rent advantage.

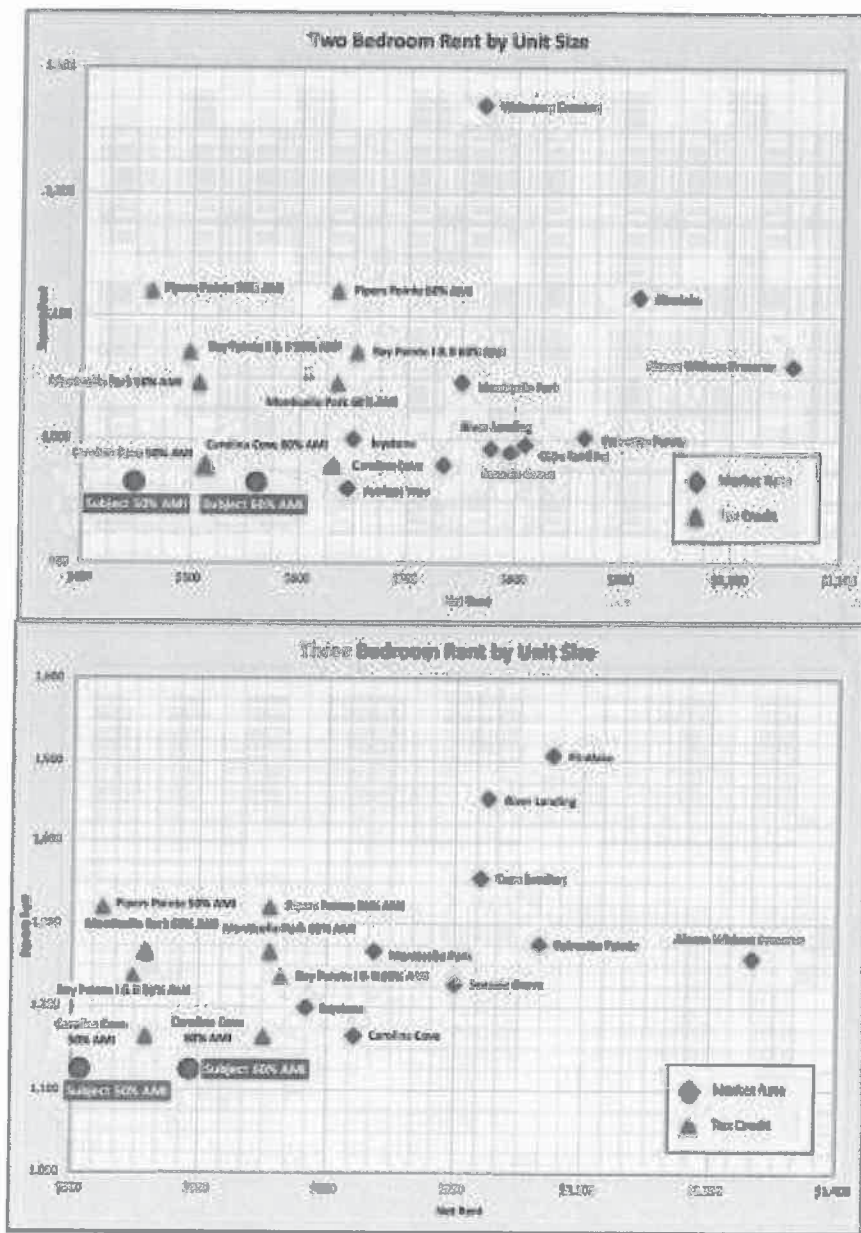


F. Price Position

Figure 8 illustrates the existing average rents by bedroom among the surveyed communities in the market area. We have compared the proposed rents to the existing rents in the market area to determine competitiveness.

As shown, the proposed 50 percent and 60 percent rents at Carolina Oaks are the lowest among existing LIHTC communities in the market area and below all market rate units. Rent per square foot is in line with the existing communities in the market area.

Figure 8 Price Position of Carolina Oaks





G. Absorption Estimate

As no lease-up data was available for existing communities in the market area, absorption estimates are based on projected household growth, increasing renter percentage, minimal LIHTC vacancies, low rents, and attractive product. RPRG estimates that Carolina Oaks will conservatively lease at least nine units per month. At this rate, the community would achieve 93 percent occupancy within five months.

H. Impact on Existing Market

Given the small number of units and projected household growth, the construction of Carolina Oaks is not expected to have an adverse impact on existing rental communities in the Carolina Oaks Market Area. Overall, the LIHTC rental market in the Carolina Oaks Market Area is performing well with limited vacancies. As the Carolina Oaks Market Area is projected to continue to experience steady population and household growth over the next three years coupled with an increasing renter percentage, demand for rental housing is also likely to increase.

I. Final Conclusion and Recommendation

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

Handwritten signature of Brett Welborn in black ink.

Brett Welborn
Analyst

Handwritten signature of Tad Scepaniak in black ink.

Tad Scepaniak
Principal



9. APPENDIX 1 UNDERLYING ASSUMPTION AND LIMITING CONDITIONS

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

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



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

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



10. APPENDIX 2 ANALYST CERTIFICATIONS

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

Handwritten signature of Brett Welborn in black ink.

Brett Welborn
Analyst
Real Property Research Group, Inc.

February, 4 2014

Date

Handwritten signature of Tad Scepaniak in black ink.

Tad Scepaniak
Principal
Real Property Research Group, Inc.

February, 4 2014

Date

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



11. APPENDIX 3 ANALYST RESUMES

ROBERT M. LEFENFELD

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

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

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

Areas of Concentration:

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

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

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

Education:

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

**TAD SCEPANIAK**

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

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

Areas of Concentration:

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

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

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

Student Housing: Tad has conducted market analyses of student housing solutions for small to mid-size universities. The analysis includes current rental market conditions, available on-campus housing options, student attitudes, and financial viability of proposed developments. Completed campus studies include Southern Polytechnic University, University of Illinois Champaign-Urbana, North Georgia State College and University, and Abraham Baldwin Agricultural College.

Education:

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



BRETT WELBORN
Analyst

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

Areas of Concentration:

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

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

Education:

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



12. APPENDIX 4 NCHMA CHECKLIST

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

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13. APPENDIX 5 MARKET AREA RENTAL COMMUNITY PROFILES

Community	Address	City	Phone Number	Date Surveyed	Contact
Alexan Withers Preserve	222 Crow Ln.	Myrtle Beach	866-756-4113	2/17/2014	Property Manager
Bay Pointe I & II	1401 Mako Ct.	Myrtle Beach	843-443-9382	2/26/2014	Property Manager
Cape Landing	3851 Cape Landing Dr.	Myrtle Beach	843-293-2273	2/26/2014	Property Manager
Carolina Breeze	100 Cedar St.	Myrtle Beach	843-626-2866	2/26/2014	Property Manager
Carolina Cove	830 Carolina Pl.	Myrtle Beach	843-445-7899	2/26/2014	Property Manager
Flintlake	650 W Flintlake Ct.	Myrtle Beach	843-236-5735	2/26/2014	Property Manager
Ivystone	305 Brook Field Dr.	Myrtle Beach	843-293-4919	2/26/2014	Property Manager
Monticello Park I, II, III	1300 Osceola St.	Myrtle Beach	843-946-0051	2/26/2014	Property Manager
Palmetto Pointe	3919 Carnegie Ave.	Myrtle Beach	843-353-0515	2/26/2014	Property Manager
Patriots Way	1500 Coastal Ln.	Myrtle Beach	843-448-0027	2/26/2014	Property Manager
Pipers Pointe	1310 Pipers Pinte Ln.	Myrtle Beach	843-448-0400	2/26/2014	Property Manager
Plantation	200 Rittenhouse Rd.	Myrtle Beach	843-293-2133	2/26/2014	Property Manager
River Landing	200 River Landing Blvd.	Myrtle Beach	843-903-3434	2/26/2014	Property Manager
Seaside Grove	101 Augusta Plantation Dr.	Myrtle Beach	843-236-9292	2/26/2014	Property Manager
Waterway Crossing	685 Burcale Rd.	Myrtle Beach	843-236-5775	2/26/2014	Property Manager

Alexan Withers Preserve

Multifamily Community Profile

2222 Crow Lane
Myrtle Beach, SC 29577

CommunityType: Market Rate - General

Structure Type: 3-Story Garden

288 Units 3.8% Vacant (11 units vacant) as of 2/17/2014

Opened In 2009



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	45.8%	\$799	798	\$1.00	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$1,055	1,060	\$1.00	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	4.2%	\$1,300	1,260	\$1.03	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

Some units have private yards & screened in porches.

Community includes DVD library, coffee bar, billiards room, complimentary beach bicycle cruisers, guest suite.

www.alexanwitherspreserve.com Vacancies: 6- 1BR's, 5- 2BR's

Floorplans (Published Rents as of 2/17/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	132	\$810	798	\$1.02	Market	2/17/14	3.8%	\$799	\$1,055	\$1,300
Garden	--	2	2	144	\$1,035	1,060	\$98	Market					
Garden	--	3	2	12	\$1,275	1,260	\$1.01	Market					

Adjustments to Rent

Incentives:

\$500 off 1BR.

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Alexan Withers Preserve

SC051-019897

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.

Bay Pointe I & II

Multifamily Community Profile

1401 Mako Ct.
Myrtle Beach, SC

CommunityType: LIHTC - General

Structure Type: Garden

106 Units 0.0% Vacant (0 units vacant) as of 2/26/2014

Opened in 2010



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	52.8%	\$576	1,072	\$0.54	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	47.2%	\$659	1,238	\$0.53	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Features
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central AC

Select Units: --
Optional(\$): --
Security: Fence
Parking 1: Free Surface Parking Parking 2: --
Fee: -- Fee: --
Property Manager: Vista Capital Manage
Owner: --

Comments

Phase I- 28- 2BR units, 32- 3BR units, Phase II- 28- 2BR units, 28- 3BR units.
5 people on wait list.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	21	\$499	1,072	\$.47	LIHTC/ 50%	2/26/14	0.0%	--	\$576	\$659
Garden	--	2	2	7	\$499	1,072	\$.47	HOME/ 50%					
Garden	--	2	2	28	\$653	1,072	\$.61	LIHTC/ 60%					
Garden	--	3	2	20	\$572	1,238	\$.46	LIHTC/ 50%					
Garden	--	3	2	25	\$745	1,238	\$.60	LIHTC/ 60%					
Garden	--	3	2	5	\$572	1,238	\$.46	HOME/ 50%					

Adjustments to Rent

Incentives:
None
Utilities in Rent: Heat Fuel: Electric
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Cape Landing

Multifamily Community Profile

3851 Cape Landing Dr.
Myrtle Beach, SC

CommunityType: Market Rate - General

Structure Type: Garden

288 Units 5.9% Vacant (17 units vacant) as of 2/26/2014

Opened In 1997



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	45.8%	\$655	720	\$0.91	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	37.5%	\$809	996	\$0.81	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	16.7%	\$980	1,356	\$0.72	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input checked="" type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Ice Maker; Central A/C; Patio/Balcony	
Select Units: Ceiling Fan; In Unit Laundry; Fireplace	
Optional(\$): --	
Security: Patrol	
Parking 1: Free Surface Parking Fee: --	Parking 2: Fee for Reserved Fee: \$15
Property Manager: Bell Apartment Livin Owner: --	

Comments
Billiards room, media center, coffee bar, guest suite.

Floorplans (Published Rents as of 2/26/2014) (2)								Historic Vacancy & Eff. Rent (1)					
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	132	\$640	720	\$0.89	Market	2/26/14	5.9%	\$655	\$809	\$980
Garden	--	2	2	108	\$789	996	\$0.79	Market					
Garden	--	3	2	48	\$955	1,356	\$0.70	Market					

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

Carolina Breeze

Multifamily Community Profile

100 Cedar St.
Myrtle Beach, SC

CommunityType: Market Rate - General

Structure Type: Townhouse

131 Units 14.5% Vacant (19 units vacant) as of 2/26/2014

Opened In 1978



Unit Mix & Effective Rent (1)				
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt
Eff	--	--	--	--
One	24.4%	\$466	--	--
One/Den	--	--	--	--
Two	64.1%	\$530	--	--
Two/Den	--	--	--	--
Three	10.7%	\$672	--	--
Four+	--	--	--	--

Community Amenities	
Clubhouse:	<input type="checkbox"/>
Comm Rm:	<input type="checkbox"/>
Centrl Lndry:	<input checked="" type="checkbox"/>
Elevator:	<input type="checkbox"/>
Fitness:	<input type="checkbox"/>
Hot Tub:	<input type="checkbox"/>
Sauna:	<input type="checkbox"/>
Playground:	<input type="checkbox"/>
Pool-Outdr:	<input type="checkbox"/>
Basketball:	<input type="checkbox"/>
Tennis:	<input type="checkbox"/>
Volleyball:	<input type="checkbox"/>
CarWash:	<input type="checkbox"/>
BusinessCtr:	<input type="checkbox"/>
ComputerCtr:	<input type="checkbox"/>

Features	
Standard:	Central A/C
Select Units:	Dishwasher; Disposal; In Unit Laundry; Patio/Balcony
Optional(\$):	--
Security:	--
Parking 1:	Free Surface Parking
Parking 2:	--
Fee:	--
Property Manager:	RFI Management Co.
Owner:	--

Comments
 Vacancies: 5- 2BR/1BA units, 14- 2BR/1.5BA units.
 Mgt could not provide sq ft.
 No wait list.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Townhouse	--	1	1	32	\$489	--	--	Market	2/26/14	14.5%	\$466	\$530	\$672
Townhouse	--	2	1	40	\$549	--	--	Market					
Townhouse	--	2	1.5	44	\$569	--	--	Market					
Townhouse	--	3	1	6	\$699	--	--	Market					
Townhouse	--	3	1.5	8	\$724	--	--	Market					

Adjustments to Rent	
Incentives:	1st Month rent \$214.
Utilities in Rent:	Heat Fuel: Electric
Heat:	<input type="checkbox"/>
Cooking:	<input type="checkbox"/>
Wtr/Swr:	<input checked="" type="checkbox"/>
Hot Water:	<input type="checkbox"/>
Electricity:	<input type="checkbox"/>
Trash:	<input checked="" type="checkbox"/>

Carolina Cove

Multifamily Community Profile

830 Carolina Place
Myrtle Beach, SC

Community Type: LIHTC - General

Structure Type: Garden

73 Units 2.7% Vacant (2 units vacant) as of 2/26/2014

Opened In 2000



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$627	979	\$0.64	Elevator: <input type="checkbox"/>	Volleyball: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$715	1,166	\$0.61	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	

Features
Standard: Dishwasher; Disposal; Microwave; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: Ceiling Fan
Optional(\$): --
Security: --
Parking 1: Free Surface Parking Parking 2: --
Fee: -- Fee: --
Property Manager: --
Owner: --

Comments

57- 2BR units, 16- 3BR units. 12 market rent units.
2- 2BR units vacant.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	--	\$525	979	\$0.54	LIHTC/ 50%	2/26/14	2.7%	--	\$627	\$715
Garden	--	2	2	--	\$645	979	\$0.66	LIHTC/ 60%					
Garden	--	2	2	--	\$750	979	\$0.77	Market					
Garden	--	3	2	--	\$600	1,166	\$0.51	LIHTC/ 50%					
Garden	--	3	2	--	\$740	1,166	\$0.63	LIHTC/ 60%					
Garden	--	3	2	--	\$850	1,166	\$0.73	Market					

Adjustments to Rent

Incentives:
1 Week Free.
Utilities in Rent: Heat Fuel: Electric
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Flintlake

Multifamily Community Profile

650 W. Flintlake Ct.
Myrtle Beach, SC 29579

Community Type: Market Rate - General

Structure Type: Garden

272 Units 9.9% Vacant (27 units vacant) as of 2/26/2014

Opened In 1996



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	\$684	810	\$0.84	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	--	\$914	1,116	\$0.82	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	\$1,064	1,508	\$0.71	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
Four+	--	--	--	--	Playground: <input type="checkbox"/>	

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hooks); Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: Patrol	
Parking 1: Free Surface Parking Fee: --	Parking 2: Detached Garage Fee: \$75
Property Manager: Greystar Owner: --	

Comments

Furnished units available. Community also has guest suite & complimentary coffee bar.
On golf course at Arrowhead Country Club & offers discounts on golf.
2 on wait list. Mgt did not have a break down of # of units by floor plan or vacancies.

Floorplans (Published Rents as of 2/26/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	--	\$669	810	\$0.83	Market	2/26/14	9.9%	\$684	\$914	\$1,064
Garden	--	2	2	--	\$894	1,116	\$0.80	Market					
Garden	--	3	2	--	\$1,039	1,508	\$0.69	Market					

Adjustments to Rent

Incentives:

--

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Ivystone

Multifamily Community Profile

305 Brook Field Dr.
Myrtle Beach, SC

CommunityType: Market Rate - General

Structure Type: Garden

352 Units 17.0% Vacant (60 units vacant) as of 2/26/2014

Opened in 2001



Unit Mix & Effective Rent (1)					Community Amenities			
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	<input checked="" type="checkbox"/>	Pool-Outdr:	<input checked="" type="checkbox"/>
Eff	--	--	--	--	Comm Rm:	<input checked="" type="checkbox"/>	Basketball:	<input type="checkbox"/>
One	--	--	--	--	Centrl Lndry:	<input type="checkbox"/>	Tennis:	<input type="checkbox"/>
One/Den	--	--	--	--	Elevator:	<input type="checkbox"/>	Volleyball:	<input type="checkbox"/>
Two	81.8%	\$650	1,000	\$0.65	Fitness:	<input checked="" type="checkbox"/>	CarWash:	<input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub:	<input type="checkbox"/>	BusinessCtr:	<input type="checkbox"/>
Three	18.2%	\$775	1,200	\$0.65	Sauna:	<input type="checkbox"/>	ComputerCtr:	<input type="checkbox"/>
Four+	--	--	--	--	Playground:	<input type="checkbox"/>		

Features
Standard: Dishwasher; Disposal; Microwave; Ice Maker; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --
Optional(\$): --
Security: --
Parking 1: Free Surface Parking Parking 2: --
Fee: -- Fee: --
Property Manager: Powers Properties
Owner: --

Comments

Per Mgt, the number of vacancies is normal for this time of the year.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	288	\$650	1,000	\$.65	Market	2/26/14	17.0%	--	\$650	\$775
Garden	--	3	2	64	\$775	1,200	\$.65	Market					

Adjustments to Rent

Incentives:
None
Utilities in Rent: Heat Fuel: Electric
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Monticello Park I, II, III

Multifamily Community Profile

1300 Osceola St.
Myrtle Beach, SC

Community Type: LIHTC - General

Structure Type: Garden

192 Units 0.5% Vacant (1 units vacant) as of 2/26/2014

Opened In 2007



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	-	-	-	-	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	8.3%	\$449	800	\$0.56	Centrl Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	-	-	-	-	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	56.3%	\$562	1,047	\$0.54	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	-	-	-	-	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Three	35.4%	\$660	1,268	\$0.52	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
Four+	-	-	-	-	Playground: <input checked="" type="checkbox"/>	

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

Comments

1- 2BR Mkt rate unit vacant.

Wait list: 4 for 1BR units, 5 for 3BR 50% units.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	-	1	1	12	\$407	800	\$0.51	LIHTC/ 50%	2/26/14	0.5%	\$449	\$562	\$660
Garden	-	1	1	4	\$513	800	\$0.64	LIHTC/ 60%					
Garden	-	2	2	55	\$488	1,047	\$0.47	LIHTC/ 50%					
Garden	-	2	2	31	\$615	1,047	\$0.59	LIHTC/ 60%					
Garden	-	2	2	14	\$488	1,047	\$0.47	HOME/ 50%					
Garden	-	2	2	8	\$730	1,047	\$0.70	Market					
Garden	-	3	2	37	\$561	1,268	\$0.44	LIHTC/ 50%					
Garden	-	3	2	27	\$707	1,268	\$0.56	LIHTC/ 60%					
Garden	-	3	2	4	\$830	1,268	\$0.65	Market					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

Monticello Park I, II, III

SC051-019905

Palmetto Pointe

Multifamily Community Profile

3919 Carnegie Ave.
Myrtle Beach, SC

Community Type: Market Rate - General

Structure Type: Garden

320 Units 0.0% Vacant (0 units vacant) as of 2/26/2014

Opened in 1999



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	43.8%	\$732	694	\$1.05	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centrl Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	52.5%	\$864	1,002	\$0.86	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input checked="" type="checkbox"/>
Three	3.8%	\$1,050	1,276	\$0.82	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
					Playground: <input type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Ice Maker; Ceiling Fan; In Unit Laundry (Hooks-ups); Central A/C; Wood-burning Fireplace; Patio/Balcony						
Select Units: --						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: Detached Garage			
Fee: --			Fee: \$65			
Property Manager: JMG Realty						
Owner: --						

Comments

Pet park, garden, & guest suite.
Wait list about 10 people.

Floorplans (Published Rents as of 2/26/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	140	\$717	694	\$1.03	Market	2/26/14	0.0%	\$732	\$864	\$1,050
Garden	--	2	2	108	\$863	1,040	\$0.83	Market					
Garden	--	2	1	60	\$812	933	\$0.87	Market					
Garden	--	3	2	12	\$1,025	1,276	\$0.80	Market					

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Palmetto Pointe

SC051-019906

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(1) Effective Rent is Published Rent, net of concessions and assumes that water, sewer and trash is included in rent
(2) Published Rent is rent as quoted by management.

Patriots Way

Multifamily Community Profile

1500 Coastal Lane
Myrtle Beach, SC

Community Type: **Market Rate - General**
Structure Type: **Garden**

70 Units 4.3% Vacant (3 units vacant) as of 2/26/2014

Opened in 1998



Unit Mix & Effective Rent (1)					Community Amenities			
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:	Comm Rm:	Basketball:
Eff	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Two	100.0%	\$685	960	\$0.71	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Three	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Four+	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Features
Standard: Dishwasher; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony

Select Units: --
Optional(\$): --
Security: --
Parking 1: Free Surface Parking Parking 2: --
Fee: -- Fee: --
Property Manager: --
Owner: --

Comments

Formerly Broadway Place. Cable TV included in rent.
No wait list.

Floorplans (Published Rents as of 2/26/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	2	2	70	\$685	960	\$.71	Market	2/26/14	4.3%	--	\$685	--

Adjustments to Rent

Incentives:

None

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Pipers Pointe

Multifamily Community Profile

1310 Pipers Pointe Lane
Myrtle Beach, SC

Community Type: LIHTC - General

Structure Type: Garden

72 Units

2.8% Vacant (2 units vacant) as of 2/26/2014

Opened In 2006



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input type="checkbox"/>
Eff	--	--	--	--	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One	--	--	--	--	Centri Lndry: <input checked="" type="checkbox"/>	Tennis: <input type="checkbox"/>
One/Den	--	--	--	--	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two	--	\$550	1,121	\$0.49	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Two/Den	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Three	--	\$634	1,322	\$0.48	Sauna: <input type="checkbox"/>	ComputerCtr: <input checked="" type="checkbox"/>
Four+	--	--	--	--	Playground: <input checked="" type="checkbox"/>	

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

Comments

36- 2BR units, 36- 3BR units.

Wait list 8 people. Vacancies: 1- 2BR 50% AMI, 1- 3BR 50% AMI.

Floorplans (Published Rents as of 2/26/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	--	--	--	--	--	--	--	2/26/14	2.8%	--	\$550	\$634
Garden	--	2	2	--	\$444	1,121	\$0.40	LIHTC/ 50%					
Garden	--	2	2	--	\$615	1,121	\$0.55	LIHTC/ 60%					
Garden	--	3	2	--	\$511	1,322	\$0.39	LIHTC/ 50%					
Garden	--	3	2	--	\$707	1,322	\$0.53	LIHTC/ 60%					

Adjustments to Rent

Incentives:

--

Utilities in Rent: Heat Fuel: Electric

Heat: Cooking: Wtr/Swr:

Hot Water: Electricity: Trash:

Pipers Pointe

SC051-019908

Plantation

Multifamily Community Profile

200 Rittenhouse Rd.
Myrtle Beach, SC

Community Type: LIHTC - General

Structure Type: Garden/TH

110 Units 0.0% Vacant (0 units vacant) as of 2/26/2014

Last Major Rehab In 2007 Opened in 1978



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
One	49.1%	\$610	634	\$0.96	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
One/Den	--	--	--	--	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Two	18.2%	\$672	876	\$0.77	<input type="checkbox"/>	<input type="checkbox"/>
Two/Den	--	--	--	--	<input type="checkbox"/>	<input type="checkbox"/>
Three	25.5%	\$738	1,095	\$0.67	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Four+	7.3%	\$805	1,256	\$0.64	<input type="checkbox"/>	<input checked="" type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Disposal; Microwave; Ceiling Fan; Central A/C; Patio/Balcony	
Select Units: --	
Optional(\$): --	
Security: --	
Parking 1: Free Surface Parking Fee: --	Parking 2: -- Fee: --
Property Manager: Vista Capital Manage Owner: --	

Comments

Wait list 136 people.
Section 8, rent is contract rent

Floorplans (Published Rents as of 2/26/2014) (2)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program
Garden	--	1	1	54	\$610	634	\$.96	Section 8
Townhouse	--	2	1.5	20	\$672	876	\$.77	Section 8
Townhouse	--	3	1.5	28	\$738	1,095	\$.67	Section 8
Townhouse	--	4	1.5	8	\$805	1,256	\$.64	Section 8

Historic Vacancy & Eff. Rent (1)

Date	%Vac	1BR \$	2BR \$	3BR \$
2/26/14	0.0%	\$610	\$672	\$738

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
 Heat: Cooking: Wtr/Swr:
 Hot Water: Electricity: Trash:

River Landing

Multifamily Community Profile

200 River Landing Blvd.
Myrtle Beach, SC 29579

Community Type: Market Rate - General

Structure Type: Garden

340 Units 5.0% Vacant (17 units vacant) as of 2/26/2014

Opened In 2002



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt		
Eff	--	--	--	--	Clubhouse: <input checked="" type="checkbox"/>	Pool-Outdr: <input checked="" type="checkbox"/>
One	--	\$622	728	\$0.85	Comm Rm: <input checked="" type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centri Lndry: <input checked="" type="checkbox"/>	Tennis: <input checked="" type="checkbox"/>
Two	--	\$777	993	\$0.78	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input checked="" type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	\$988	1,456	\$0.68	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input checked="" type="checkbox"/>	
Features						
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hooks); Central A/C						
Select Units: Patio/Balcony						
Optional(\$): --						
Security: --						
Parking 1: Free Surface Parking			Parking 2: Detached Garage			
Fee: --			Fee: \$115			
Property Manager: R E Carroll Managem						
Owner: --						

Comments

Tea & coffee bar, all units water front.
Mgt could not provide break down of # of units by floor plan or vacancies.
No wait list.

Floorplans (Published Rents as of 2/26/2014) (2)

Historic Vacancy & Eff. Rent (1)

Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
	--	1	1	--	\$607	728	\$0.83	--	2/26/14	5.0%	\$622	\$777	\$988
	--	2	2	--	\$757	993	\$0.76	--					
	--	3	2	--	\$963	1,456	\$0.66	--					

Adjustments to Rent

Incentives:
None

Utilities in Rent: Heat Fuel: Electric
Heat: Cooking: Wtr/Swr:
Hot Water: Electricity: Trash:

Seaside Grove

Multifamily Community Profile

101 Augusta Plantation Dr.
Myrtle Beach, SC 29579

Community Type: Market Rate - General

Structure Type: Garden

312 Units 10.9% Vacant (34 units vacant) as of 2/26/2014

Opened In 2002



Unit Mix & Effective Rent (1)					Community Amenities			
Bedroom	% Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:	Basketball:	Tennis:
Eff	-	-	-	-	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One	26.9%	\$690	787	\$0.88	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
One/Den	-	-	-	-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Two	50.0%	\$795	989	\$0.80	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Two/Den	-	-	-	-	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Three	23.1%	\$950	1,229	\$0.77	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Four+	-	-	-	-	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
					<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Features	
Standard: Dishwasher; Disposal; Microwave; Ceiling Fan; In Unit Laundry (Hook-ups); Central A/C; Patio/Balcony	

Select Units: -	
Optional(\$): -	
Security: -	
Parking 1: Free Surface Parking Fee: -	Parking 2: Detached Garage Fee: \$90
Property Manager: -	Owner: -

Comments

Dog park, walking trail, coffee bar with Starbucks coffee, complimentary DVD rentals, library, valet dry cleaning.

Beach pass discount card to local businesses.

Mgt could not provide break down of # of units by floor plan. Per Mgt # of vacancies is normal.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	-	1	1	84	\$675	787	\$0.86	Market	2/26/14	10.9%	\$690	\$795	\$950
Garden	-	2	2	156	\$775	989	\$0.78	Market					
Garden	-	3	2	72	\$925	1,229	\$0.75	Market					

Adjustments to Rent	
Incentives: Reduced rent.	
Utilities in Rent:	Heat Fuel: Electric
Heat: <input type="checkbox"/>	Cooking: <input type="checkbox"/> Wtr/Swr: <input type="checkbox"/>
Hot Water: <input type="checkbox"/>	Electricity: <input type="checkbox"/> Trash: <input checked="" type="checkbox"/>

Seaside Grove

SC051-019910

Waterway Crossing

Multifamily Community Profile

685 Burcale Rd.
Myrtle Beach, SC

Community Type: Market Rate - General

Structure Type: Garden/TH

102 Units 0.0% Vacant (0 units vacant) as of 2/26/2014

Opened in 1986



Unit Mix & Effective Rent (1)					Community Amenities	
Bedroom	%Total	Avg Rent	Avg SqFt	Avg \$/SqFt	Clubhouse:	Pool-Outdr:
Eff	--	--	--	--	<input type="checkbox"/>	<input checked="" type="checkbox"/>
One	50.0%	\$634	850	\$0.75	Comm Rm: <input type="checkbox"/>	Basketball: <input type="checkbox"/>
One/Den	--	--	--	--	Centri Lndry: <input type="checkbox"/>	Tennis: <input type="checkbox"/>
Two	50.0%	\$769	1,270	\$0.61	Elevator: <input type="checkbox"/>	Volleyball: <input type="checkbox"/>
Two/Den	--	--	--	--	Fitness: <input type="checkbox"/>	CarWash: <input type="checkbox"/>
Three	--	--	--	--	Hot Tub: <input type="checkbox"/>	BusinessCtr: <input type="checkbox"/>
Four+	--	--	--	--	Sauna: <input type="checkbox"/>	ComputerCtr: <input type="checkbox"/>
					Playground: <input type="checkbox"/>	

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

Comments

Wait list 2 months.
Free membership to Core fitness gym.

Floorplans (Published Rents as of 2/26/2014) (2)									Historic Vacancy & Eff. Rent (1)				
Description	Feature	BRs	Bath	#Units	Rent	SqFt	Rent/SF	Program	Date	%Vac	1BR \$	2BR \$	3BR \$
Garden	--	1	1	51	\$619	850	\$.73	Market	2/26/14	0.0%	\$634	\$769	--
Townhouse	--	2	2	51	\$749	1,270	\$.59	Market					

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