



**A MARKET FEASIBILITY STUDY OF
WESTFIELD VILLAGE
South 4th Street
Hartsville, Darlington County, South Carolina**

Effective Date: March 3, 2014

Report Date: March 6, 2014

Prepared For

**Prepared For
Mr. Josh Thomason
Peachtree Housing Communities, LLC
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Assignment Code: PHP600V 035

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March 6, 2014

Mr. Josh Thomason
Peachtree Housing Communities, LLC
80 West Wieuca Road, NE
Suite 204
Atlanta, GA 30342

Re: Market Study for Westfield Village, Hartsville, South Carolina

Dear Mr. Thomason:

At your request, Novogradac & Company LLP performed a study of the multifamily rental housing market in the Hartsville, Darlington County, South Carolina area relative to the above-proposed Low-Income Housing Tax Credit (LIHTC) project known as Westfield Village, (the Subject).

The purpose of this market study is to assess the viability of Westfield Village, a proposed development consisting of 40 units. The property will offer affordable rental units restricted to family households earning 50 and 60 percent or less of the Area Median Gross Income (AMI). In addition, nine units will be funded through the HOME program. The following report provides support for the findings of the study and outlines the sources of information and the methodologies used to arrive at these conclusions. The scope of this report meets the requirements of the South Carolina State Housing Finance & Development Authority (SCSHFDA), including the following:

- Inspecting the site of the proposed Subject and the general location.
- Analyzing appropriateness of the proposed unit mix, rent levels, available amenities and site.
- Estimating market rent, absorption and stabilized occupancy levels for the market area.
- Investigating the health and conditions of the multifamily housing market.
- Calculating income bands, given the proposed Subject rents.
- Estimating the number of income-eligible households.
- Reviewing relevant public records and contacting appropriate public agencies.
- Analyzing the economic and social conditions in the market area in relation to the proposed project.
- Establishing the Subject Primary and Secondary Market Area(s) if applicable.
- Surveying competing projects, Low-Income Housing Tax Credit (LIHTC) and market rate.

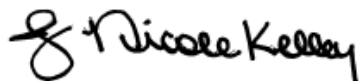
This report contains, to the fullest extent possible and practical, explanations of the data, reasoning, and analyses that were used to develop the opinions contained herein. The report also includes a thorough analysis of the scope of the study, regional and local demographic and economic studies, and market analyses including conclusions. The depth of discussion contained in the report is specific to the needs of the client.

Please do not hesitate to contact us if there are any questions regarding the report or if Novogradac & Company LLP can be of further assistance. It has been our pleasure to assist you with this project.

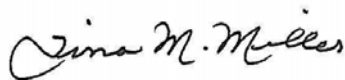
Respectfully submitted,
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EXECUTIVE SUMMARY/CONCLUSIONS

PROPERTY SUMMARY OF SUBJECT

Subject Property Overview: Westfield Village, the Subject, is a proposed 40-unit single-family rental community that will be restricted to family households earning 50 and 60 percent of the AMI, or less.

Targeted Tenancy: Family.

Proposed Rents, Unit Mix, and Utility Allowance: The following table details the Subject’s proposed rents, utility allowances, and unit mix.

PROPOSED RENTS

Unit Type	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2014 LIHTC Maximum Allowable	2013 HOME Maximum Allowable	HUD Fair Market Rents
<i>HOME @ 50% AMI</i>							
3BR/2BA	7	\$404	\$246	\$650	\$682	\$650	\$818
4BR/2.5BA	2	\$436	\$289	\$725	\$761	\$725	\$991
<i>50% AMI</i>							
3BR/2BA	1	\$436	\$246	\$682	\$682	N/A	\$818
4BR/2.5BA	1	\$472	\$289	\$761	\$761	N/A	\$991
<i>60% AMI</i>							
3BR/2BA	24	\$572	\$246	\$818	\$819	N/A	\$818
4BR/2.5BA	5	\$624	\$289	\$913	\$913	\$913	\$991
Total	40						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject will offer nine units that will be funded through the HOME program. These units will be restricted by the lesser of the maximum allowable LIHTC or HOME rents. As the HOME rents are currently lower, the proposed rents for these units may not exceed the maximum allowable HOME rents. We have illustrated the 2013 HOME rent limits in the table above as the 2014 rent limits have not been released yet.

Market Vacancy The following table illustrates the market vacancy at the comparable properties.

VACANCY (ALL PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Autumn Run Apartments	@ 50%, @ 50% (HOME), @ 60%	28	1	3.6%
Hartsville Garden Apartments	@ 50%, @ 50% (HOME), @ 60%	72	1	1.4%
Middletown Apartments	@ 60%	40	2	5.0%
Pecan Grove Apartments	@ 50%, @ 50% (HOME), @ 60%	32	0	0.0%
Airport Apartments	Market	18	0	0.0%
Charles Pointe	Market	168	6	3.6%
Fox Run Apartments	Market	120	10	8.3%
The Reserve At Mill Creek	Market	268	10	3.7%
Woodlake Apartments	Market	120	5	4.2%
Total		866	35	4.0%

VACANCY (LIHTC PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Autumn Run Apartments	@ 50%, @ 50% (HOME), @ 60%	28	1	3.6%
Hartsville Garden Apartments	@ 50%, @ 50% (HOME), @ 60%	72	1	1.4%
Middletown Apartments	@ 60%	40	2	5.0%
Pecan Grove Apartments	@ 50%, @ 50% (HOME), @ 60%	32	0	0.0%
Total		172	4	2.3%

VACANCY (MARKET RATE PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Airport Apartments	Market	18	0	0.0%
Charles Pointe	Market	168	6	3.6%
Fox Run Apartments	Market	120	10	8.3%
The Reserve At Mill Creek	Market	268	10	3.7%
Woodlake Apartments	Market	120	5	4.2%
Total		694	31	4.5%

Overall vacancy in the local market is low, averaging 4.0 percent. The LIHTC properties reported an average vacancy rate of 2.3 percent. All of the LIHTC properties, except Middletown Apartments, reported a waiting list. Autumn Run Apartments reported a waiting list of two to 24 months, Hartsville Gardens reported a waiting list of 52 households, and Pecan Grove reported a short waiting list of five households. The market rate properties surveyed reported a higher average vacancy rate, at 4.5 percent. Fox Run Apartments reported the highest vacancy rate. The high vacancy was attributed to recent home purchases and residents relocating for jobs.

Overall, the local rental market appears to be healthy and we believe that the Subject will maintain a stabilized vacancy rate

of five percent or less, following stabilization, which is consistent with the market.

Capture Rates:

The following table illustrates the capture rates for the Subject.

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
3BR at 50% AMI (HOME)	115	0	115	7	6.1%
3BR at 50% AMI	99	0	99	1	1.0%
3BR at 60% AMI	84	0	84	24	28.4%
4BR at 50% AMI (HOME)	27	0	27	2	7.3%
4BR at 50% AMI	24	0	24	1	4.2%
4BR at 60% AMI	20	0	20	5	24.8%
Overall	207	0	207	40	19.3%

As the analysis illustrates, the Subject’s capture rates vary from 1.0 to 28.4 percent with an overall capture rate of 19.3 percent. The highest capture rate is for the Subject’s three-bedroom 60 percent AMI units. Property managers at the family LIHTC properties indicated that there is strong demand for three and four-bedroom units in the market, and they often receive requests for these unit types. Additionally, Brown and Coker Realty reported that they receive calls daily for three and four-bedroom units, and also indicated there is strong demand in the market for three and four-bedroom units. Furthermore, the Subject’s design as single-family homes will be unique in the market and will be desirable. The Subject’s overall capture rates are all within SCSHFDA guidelines and we believe that there is demand for the Subject’s units.

Projected Absorption Period:

Only one of the properties was able to report absorption. Therefore, we expanded our search to the adjacent counties. The following table details our findings:

ABSORPTION

Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Woodlake Apartments*	Florence	Market	Family	2012	120	15
McGowan Commons	Florence	LIHTC	Family	2012	36	12
Hallmark at Truesdell	Kershaw	LIHTC	Family	2010	64	13

*Utilized as a comparable property

The reported absorption pace ranges from 12 to 15 units per month. Given the low vacancy rates, waiting lists, and stated need for affordable housing, we have estimated an absorption pace of 13 units per month for the 40 units at the Subject. At

this pace, the Subject will reach a stabilized occupancy of 93 percent within three months.

Market Conclusions:

The average vacancy rate among the LIHTC properties surveyed is 2.3 percent, and the majority of the comparable properties reported a waiting list. The Subject will be superior in condition and design to the majority of the comparable properties surveyed, and will offer similar to superior in-unit and property amenities. Additionally, the Subject's design as single-family homes will be unique in the market and will be a strength of the development and help facilitate leasing. Although there are no properties in the market offering four-bedroom units, several of the local managers reported that they receive many inquiries for three and four-bedroom units and that demand in the market is strong. We also contacted Brown and Coker Realty, who also reported strong demand for three and four-bedroom units in the Subject's market area. The Subject will help fill a housing void in the market, and the addition of the Subject is not expected to have a long term impact on the performance of existing developments. When compared to the current rents at the family LIHTC properties, the Subject's proposed 50 and 60 percent AMI rents appear reasonable and they are significantly below what we have determined to be the achievable market rents. Overall, we believe that the Subject will be successful in the local market, as proposed.

Recommendations:

We believe there is sufficient demand for the Subject in the market and we recommend the Subject as proposed. Overall capture rates for the Subject are low to moderate and indicate demand for the Subject. The average vacancy rate among the LIHTC properties is low, at 2.3 percent, and all of the LIHTC properties surveyed, except Middletown Apartments, are maintaining a waiting list. All of the local property managers reported that there is strong demand for affordable housing, particularly for three and four-bedroom units, and the addition of the Subject would not have a long term impact on the existing family properties. Furthermore, there have been no LIHTC properties allocated within the PMA over the last three years.

Long Term Impact on Existing LIHTC Properties in PMA

LIHTC vacancy in the market is low at 2.3 percent. All of the LIHTC properties, except Middletown Apartments, are maintaining a waiting list. All of the local property managers reported that there is strong demand for affordable housing in the market, and the addition of the Subject would not have a long term impact on the existing family properties. We believe

this indicates additional latent demand in the market for quality affordable housing. Furthermore, there have been no LIHTC properties allocated within the PMA over the last three years. We do not believe that the addition of the Subject will have a long term impact on the existing affordable units in the market.

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

Development Name: Westfield Village Total # Units: 40
 Location: S 4th Street, Hartsville, SC 29550 # LIHTC Units: 40
 PMA Boundary: Darlington County border to the east, south and west, and US-1 to the north.
 Development Type: X Family Older Persons Farthest Boundary Distance to Subject: 22.1 miles

RENTAL HOUSING STOCK (found on page __)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	9	866	35	96.0%
Market-Rate Housing	5	694	31	95.5%
Assisted/Subsidized Housing not to include LIHTC	11	527	8	98.5%
LIHTC (All that are stabilized)*	4	172	4	97.7%
Stabilized Comps**	9	866	35	96.0%
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 nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
7	3	2	1,180	\$404	\$750	\$0.64	46.13%	\$1,210	\$0.94
1	3	2	1,180	\$436	\$750	\$0.64	41.87%	\$1,210	\$0.94
24	3	2	1,180	\$572	\$750	\$0.64	23.60%	\$1,210	\$0.94
2	4	2.5	1,280	\$436	\$900	\$0.70	51.56%	\$700	\$0.35
1	4	2.5	1,280	\$472	\$900	\$0.70	47.56%	\$700	\$0.35
5	4	2.5	1,280	\$624	\$900	\$0.70	30.67%	\$700	\$0.35
Gross Potential Rent Monthly*				\$21,456	\$31,200		31.15%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page _34-39_)

	2000		2013		2016	
Renter Households	6,229	23.1%	8,140	28.8%	8,156	28.8%
Income-Qualified Renter HHs (LIHTC)	1,171	18.8%	1,530	18.8%	1,535	18.8%
Income-Qualified Renter HHs (MR)	(if applicable)					

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 44-56__)

Type of Demand	50%	60%	Market-rate	Other:50% HOME__	Other:___	Overall
Renter Household Growth	0	0	n/a	0	n/a	0
Existing Households (Overburd + Substand)	137	117	n/a	159	n/a	232
Homeowner conversion (Seniors)	0	0	n/a	0	n/a	0
Other:	0	0	n/a	0	n/a	0
Less Comparable/Competitive Supply	0	0	n/a	0	n/a	0
Net Income-qualified Renter HHs	137	117	n/a	159	n/a	232

CAPTURE RATES (found on page _57_)

Targeted Population	50%	60%	Market-rate	Other:50% HOME__	Other:___	Overall
Capture Rate	1.6%	27.7%		6.3%		19.3%

ABSORPTION RATE (found on page 58_)

Absorption Period 3 months

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate			
Subject	Westfield Village S 4th Street Hartsville, SC 29550 Darlington County	n/a	Single Family (2 stories) 2015 / n/a	@50%, @50% (HOME), @60%	3BR / 2BA	1	2.50%	@50%	\$436	1,180	yes		N/A	N/A			
					3BR / 2BA	7	17.50%	@50%	\$404	1,180	yes		N/A	N/A			
					3BR / 2BA	24	60.00%	@60%	\$572	1,180	yes		N/A	N/A			
					4BR / 2.5BA	1	2.50%	@50%	\$472	1,280	yes		N/A	N/A			
					4BR / 2.5BA	2	5.00%	@50%	\$436	1,280	yes		N/A	N/A			
					4BR / 2.5BA	5	12.50%	@60%	\$624	1,280	yes		N/A	N/A			
					40	100%										N/A	N/A
1	Autumn Run Apartments 405 Wells Street Darlington, SC 29532 Darlington County County	13.3 miles	Garden (2 stories) 2004 / n/a	@50%, @50% (HOME), @60%	2BR / 1BA	N/A	N/A	@50%	\$421	850	yes	2-24 months	0	N/A			
					2BR / 1BA	28	100.00%	@50%	\$403	850	yes	2-24 months	1	3.60%			
					2BR / 1BA	N/A	N/A	@60%	\$537	850	yes	2-24 months	0	N/A			
					3BR / 2BA	12	42.90%	@50%	\$453	1,000	yes	2-24 months	0	0.00%			
					3BR / 2BA	N/A	N/A	@60%	\$607	1,000	yes	2-24 months	0	N/A			
					28	100%										1	3.60%
2	Hartsville Garden Apartments 780 Tailwind Ln Hartsville, SC 29550 Darlington County	1.2 miles	Garden (3 stories) 2011 / n/a	@50%, @50% (HOME), @60%	1BR / 1BA	16	22.20%	@50%	\$369	740	yes	52 hh	0	0.00%			
					1BR / 1BA	N/A	N/A	@50%	\$346	740	yes	52 hh	0	N/A			
					1BR / 1BA	N/A	N/A	@60%	\$466	740	yes	52 hh	0	N/A			
					2BR / 2BA	40	55.60%	@50%	\$437	888	yes	52 hh	0	0.00%			
					2BR / 2BA	N/A	N/A	@50%	\$409	888	yes	52 hh	0	N/A			
					2BR / 2BA	N/A	N/A	@60%	\$517	888	yes	52 hh	0	N/A			
					3BR / 2BA	16	22.20%	@50%	\$490	1,069	yes	52 hh	0	0.00%			
					3BR / 2BA	N/A	N/A	@50%	\$458	1,069	yes	52 hh	0	N/A			
					3BR / 2BA	N/A	N/A	@60%	\$563	1,069	yes	52 hh	1	N/A			
					72	100%										1	1.40%
					3	Middletown Apartments 601 West Washington Street Hartsville, SC 29550 Darlington County	1.3 miles	Garden (2 stories) 1998 / n/a	@60%	2BR / 1BA	20	50.00%	@60%	\$385	685	no	
3BR / 1.5BA	20	50.00%	@60%	\$425						1,100	no		2	10.00%			
40	100%														2	5.00%	
4	Pecan Grove Apartments 105 Price Ct Darlington, SC 29532 Darlington County County	14.4 miles	Duplex 2007 / n/a	@50%, @50% (HOME), @60%	1BR / 1BA	N/A	N/A	@50%	\$312	570	yes	5 hh	0	N/A			
					1BR / 1BA	12	37.50%	@50%	\$312	570	yes	5 hh	0	0.00%			
					1BR / 1BA	N/A	N/A	@60%	\$347	570	yes	5 hh	0	N/A			
					2BR / 2BA	N/A	N/A	@50%	\$378	700	yes	5 hh	0	N/A			
					2BR / 2BA	15	46.90%	@50%	\$328	700	yes	5 hh	0	0.00%			
					2BR / 2BA	N/A	N/A	@60%	\$388	700	yes	5 hh	0	N/A			
					3BR / 2BA	N/A	N/A	@50%	\$419	837	yes	5 hh	0	N/A			
					3BR / 2BA	5	15.60%	@50%	\$344	837	yes	5 hh	0	0.00%			
					3BR / 2BA	N/A	N/A	@60%	\$444	837	yes	5 hh	0	N/A			
					32	100%										0	0.00%
5	Airport Apartments Airport Lane Cheraw, SC 29520 Chesterfield County	35.5 miles	Manufactured Housing 2000 / n/a	Market	1BR / 1BA	3	16.70%	Market	\$475	600	n/a	Yes	0	0.00%			
					2BR / 1BA	N/A	N/A	Market	\$500	800	n/a	Yes	0	N/A			
					3BR / 1BA	N/A	N/A	Market	\$550	900	n/a	Yes	0	N/A			
					18	100%									0	0.00%	
6	Charles Pointe 201 West Millstone Road Florence, SC 29505 Florence County	25.9 miles	Garden (2 stories) 2001 / n/a	Market	1BR / 1BA	42	25.00%	Market	\$700	700	n/a	No	2	4.80%			
					2BR / 2BA	114	67.90%	Market	\$800	1,010	n/a	No	2	1.80%			
					3BR / 2BA	12	7.10%	Market	\$955	1,230	n/a	No	2	16.70%			
					168	100%									6	3.60%	
7	Fox Run Apartments 148 Wall Street Camden, SC 29020 Kershaw County	37.3 miles	Garden (3 stories) 2002 / n/a	Market	1BR / 1BA	32	26.70%	Market	\$641	776	n/a	None	2	6.20%			
					2BR / 2BA	20	16.70%	Market	\$722	970	n/a	None	N/A	N/A			
					2BR / 2BA	44	36.70%	Market	\$742	1,089	n/a	none	6	13.60%			
					3BR / 2BA	8	6.70%	Market	\$833	1,341	n/a	None	2	25.00%			
					3BR / 2BA	16	13.30%	Market	\$813	1,248	n/a	None	N/A	N/A			
120	100%										10	8.30%					
8	The Reserve At Mill Creek 2350 Freedom Blvd Florence, SC 29505 Florence County	25.1 miles	Garden (3 stories) 2008 / n/a	Market	1BR / 1BA	62	23.10%	Market	\$840	783	n/a	No	2	3.20%			
					1.5BR / 1BA	60	22.40%	Market	\$910	965	n/a	No	3	5.00%			
					2BR / 2BA	122	45.50%	Market	\$995	1,130	n/a	No	2	1.60%			
					3BR / 2BA	24	9.00%	Market	\$1,210	1,285	n/a	Yes	3	12.50%			
268	100%										10	3.70%					
9	Woodlake Apartments 1347 Jefferson Drive Florence, SC 29501 Florence County	24.1 miles	Garden (3 stories) 2012 / n/a	Market	2BR / 2BA	N/A	N/A	Market	\$850	1,040	n/a	No	3	N/A			
					2BR / 2BA	0	0.00%	Market	\$875	1,040	n/a	No	0	N/A			
					2BR / 2BA	0	0.00%	Market	\$825	1,040	n/a	No	0	N/A			
					3BR / 2BA	N/A	N/A	Market	\$950	1,222	n/a	No	2	N/A			
					3BR / 2BA	0	0.00%	Market	\$975	1,222	n/a	No	0	N/A			
					3BR / 2BA	0	0.00%	Market	\$925	1,222	n/a	No	0	N/A			
					120	100%										5	4.20%

A. PROJECT DESCRIPTION

A. PROPERTY DESCRIPTION

Development Location: The Subject site will be located east of South 4th Street and north of US-15 in Hartsville, Darlington County, South Carolina.

Construction Type The Subject will be structured as single-family homes.

Occupancy Type: Family.

Target Income Group: The maximum income at the Subject will be \$36,540 (maximum allowable income for a six person household at 60 percent AMI) and the minimum income will be \$22,286 (based on the Subject’s proposed three-bedroom low HOME rent).

Special Population Target: None.

Number of Units by Unit Type: See Subject Profile.

Number of Buildings And Stories: The Subject will consist of 40 single-family homes. The number of stories has not yet been determined.

Unit Size: See Subject Profile.

Structure Type/Design: The Subject will be constructed as 40 single-family homes.

Proposed Rents and Utility Allowance: The following table details the Subject’s proposed rents and utility allowances. The utility description is located in the property profile.

PROPOSED RENTS

Unit Type	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	2014 LIHTC Maximum Allowable	2013 HOME Maximum Allowable	HUD Fair Market Rents
<i>HOME @ 50% AMI</i>							
3BR/2BA	7	\$404	\$246	\$650	\$682	\$650	\$818
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<i>50% AMI</i>							
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Total	40						

Notes (1) Source of Utility Allowance provided by the Developer.

The Subject will offer nine units that will be funded through the HOME program. These units will be restricted by the lesser of the maximum allowable LIHTC or HOME rents. As the HOME rents are currently lower, the proposed rents for these units may not exceed the maximum allowable HOME rents. We have illustrated the 2013 HOME rent limits in the table above as the 2014 rent limits have not been released yet.

Utility Structure/Allowance:

The following table illustrates the Subject’s utility structure. As illustrated, the landlord will pay trash expense while the tenant will be responsible for all electric expenses, cold water and sewer.

UTILITY ALLOWANCES

Utility	Paid By	Three-bedroom	Four-bedroom
Utilities-Electricity	Tenant	\$81.00	\$94.00
Utilities-Air Conditioning	Tenant	\$41.00	\$52.00
Utilities-Electric Heating	Tenant	\$16.00	\$17.00
Utilities-Electric Cooking	Tenant	\$13.00	\$16.00
Utilities-Electric Heated Hot Water	Tenant	\$33.00	\$39.00
Utilities-Water and Sewer Services	Tenant	\$62.00	\$71.00
Utilities-Trash Collection	Landlord	\$10.00	\$10.00
Total Utility Allowance		\$256.00	\$299.00
Total Tenant Paid Utilities		\$246.00	\$289.00

Source: South Carolina State Housing Finance and Development Authority, Effective through 12/31/14

Existing or Proposed

Project Based Rental Assistance: The Subject is planned construction and will not receive project-based rental assistance in addition to low-income housing tax credits.

Community Amenities: See Subject Profile.

Unit Amenities: See Subject Profile.

Current Occupancy/Rent Levels: The Subject is currently proposed.

Scope of Renovation: The Subject is proposed and will be new construction.

Subject Profile

Subject Profile

Westfield Village

Comp #	Subject
Effective Rent Date	3/3/2014
Location	S 4th Street Hartsville, SC 29550 Darlington County Intersection: Westfield Street
Distance	n/a
Units	40
Vacant Units	N/A
Vacancy Rate	N/A
Type	Single Family
Year Built / Renovated	2015 / n/a
Contact Name	Developer
Phone	n/a



Market

Program	@ 50%, @ 50% (HOME), @ 60%	Leasing Pace	n/a
Annual Turnover Rate	N/A	Change in Rent (Past Year)	n/a
Units/Month Absorbed	n/a	Concession	
Section 8 Tenants	N/A		

Utilities

A/C	not included -- central	Other Electric	not included
Cooking	not included -- electric	Water	not included
Water Heat	not included -- electric	Sewer	not included
Heat	not included -- electric	Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max rent?
3	2	Single Family	1	1,180	\$436	\$0	@ 50%	n/a	N/A	N/A	yes
3	2	Single Family	7	1,180	\$404	\$0	@ 50% (HOME)	n/a	N/A	N/A	yes
3	2	Single Family	24	1,180	\$572	\$0	@ 60%	n/a	N/A	N/A	yes
4	2.5	Single Family	1	1,280	\$472	\$0	@ 50%	n/a	N/A	N/A	yes
4	2.5	Single Family	2	1,280	\$436	\$0	@ 50% (HOME)	n/a	N/A	N/A	yes
4	2.5	Single Family	5	1,280	\$624	\$0	@ 60%	n/a	N/A	N/A	yes

Amenities

In-Unit	Balcony/Patio Blinds Carpeting Central A/C Coat Closet Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Washer/Dryer hookup	Security	none
Property	Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Central Laundry Off-Street Parking On-Site Management Picnic Area Playground	Premium	none
Services	none	Other	none

Conclusion:

The Subject will be an excellent quality single-family home, rental development, comparable to most of the inventory in the area. As new construction, the Subject will not suffer from deferred maintenance, functional obsolescence, or physical obsolescence.

B. SITE DESCRIPTION

The location of a multifamily property can have a substantial negative or positive impact upon the performance, safety and appeal of the project. The site description discusses the physical features of the site, as well as the layout, access issues, and traffic flow.

Date of Site Visit: March 3, 2014 by Nicole Kelley.

Surrounding Land Uses: The following map and pictures illustrate the surrounding land uses.

Physical Features of Site: The Subject site is vacant land.

Location/Surrounding Uses:



The Subject is located in a mixed use neighborhood consisting of vacant land, single family and multifamily residential, and retail/commercial developments. Adjacent to the north of the Subject site is an Ace Hardware store and vacant land. Uses further north include Pee Dee Mental Health Center Darlington County, a Dollar General, Roses Discount Store and a Lowe's. Swift Creek and Oakview Townhomes are located north of the Subject. Swift Creek is a Section 8 development for disabled persons and has been excluded from our analysis. Oakview Townhomes is a USDA RD funded property. It has also been excluded from our analysis. Adjacent to the east of the Subject site are single-family homes in average condition and vacant land. Immediately south of the Subject consists of vacant land. Adjacent to the west of the Subject site is a dialysis clinic, a Big Lots, and fast food restaurants. Retail in the area is in generally good condition and appeared to be 90 to 95 percent occupied. The area south of the site is characterized mostly by vacant, undeveloped land. Overall, the Subject site is considered a desirable building site.

Pictures of Site and Adjacent Uses



Subject site



Subject site



Subject site



Subject site



View from Subject site (site on left)



View from Subject site (site on right)



View west from Subject site of retail uses



View west of retail uses



View west of dialysis clinic



Vacant land west of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses west of Subject site



Fast food west of Subject site



Retail uses south of Subject site



Retail uses south of Subject site



Fast food south of Subject site



Commercial uses west of Subject site



Mobile homes east of Subject site



Single-family homes east of Subject site



Motel west of Subject



Oakview Townhomes – USDA RD property



Swift Creek Apartments – Section 8 property



View north on South 4th Street



View south on South 4th Street

Visibility/Views:

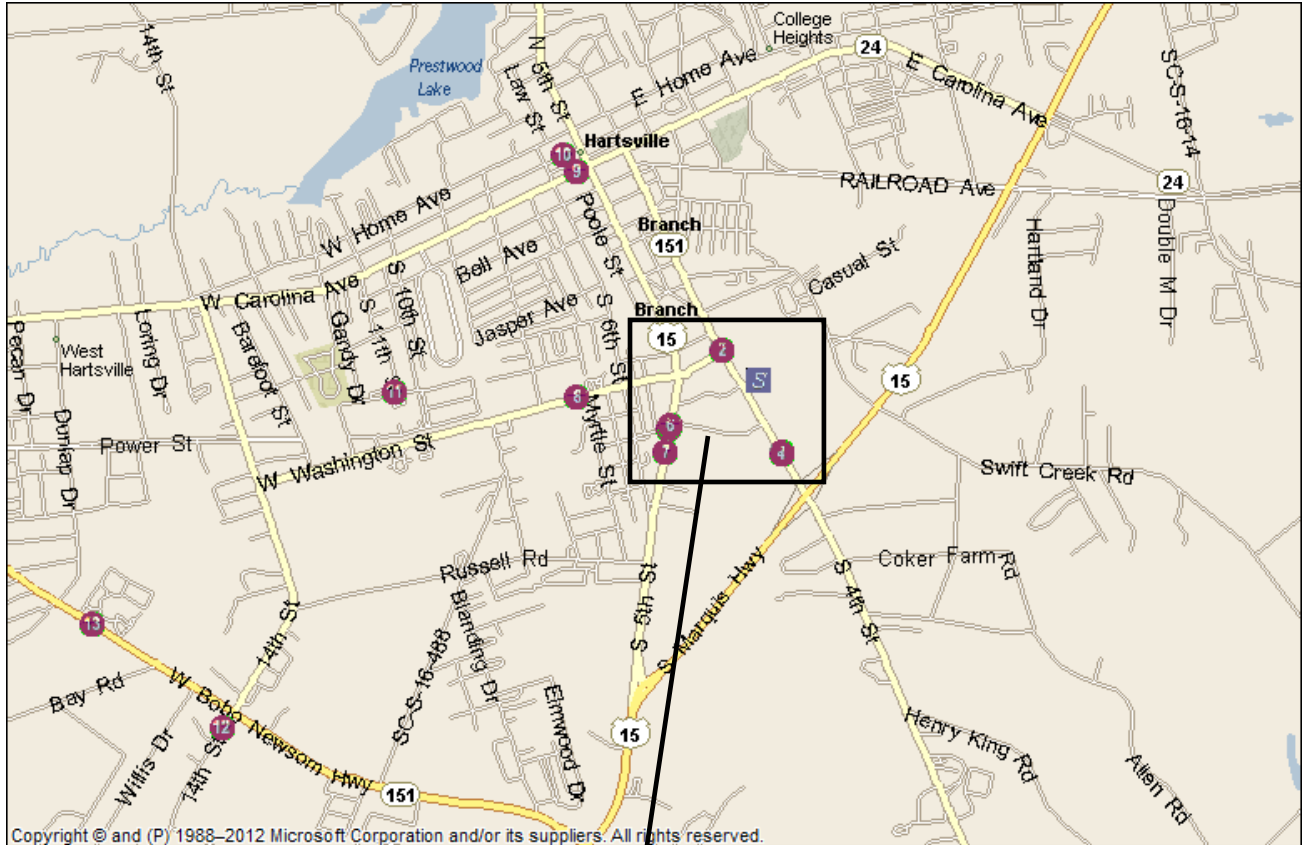
The Subject will be located on South 4th Street, a moderately traveled roadway, and will offer good visibility. Views from the Subject site include vacant land and an Ace Hardware to the north, single-family homes in average condition and vacant land to the east, vacant land to the south, and a dialysis clinic, a Big Lots and fast food restaurants to the west. Views are considered average.

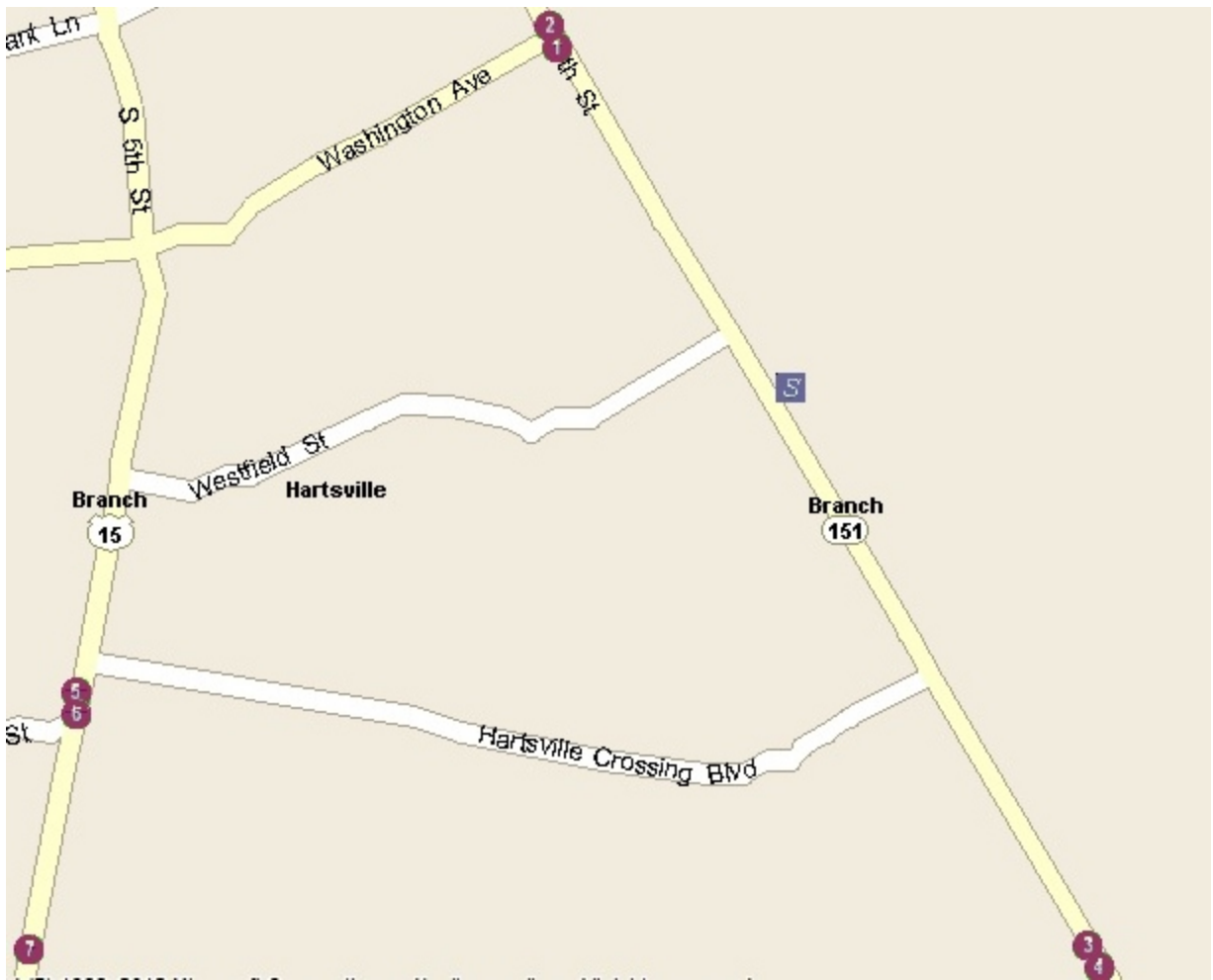
Detrimental Influences:

There are no detrimental influences in the Subject's immediate neighborhood.

Proximity to Local Services:

The Subject is located in reasonable proximity to local services including medical services and retail. The following table details the Subject's distance from key locational amenities. A *Locational Amenities Map*, corresponding to the following table is below.





LOCATIONAL AMENITIES

Map Number	Amenity	Service Type	Miles From Subject
1	US Post Office	Post Office	0.2
2	Fourth Street Baptist Church	Church	0.2
3	Walmart	Retail	0.3
4	Carolina Bank	Bank	0.3
5	Rite-Aid	Pharmacy	0.4
6	Piggly Wiggly	Grocery Store/Pharmacy	0.4
7	Walgreens	Pharmacy	0.5
8	Washington Street Elementary School	Elementary School	0.8
9	Hartsville Police Department	Police	1.2
10	Hartsville Library	Library	1.3
11	Hartsville High School	High School	2.7
12	Hartsville Middle School	Middle School	3.6
13	Carolina Pines Regional Medical Center	Hospital	4.1

Availability of Public Transportation:

There are no public transportation options available for residents in the area. However, the Subject will be proximate to various retail and commercial uses, as well as local amenities.

Road/Infrastructure

Proposed Improvements:

We witnessed no current road improvements within the Subject’s immediate neighborhood.

Crime Rates:

Based upon site inspection, there appeared to be no crime issues in the Subject’s neighborhood and property managers did not report having issues with crime. The following table illustrates crime statistics in the Subject’s PMA compared to the MSA.

2013 CRIME RISK INDICES

	PMA	SMA
Total Crime*	130	122
Personal Crime*	163	164
Murder	129	177
Rape	127	125
Robbery	91	81
Assault	218	188
Property Crime*	126	109
Burglary	153	133
Larceny	111	105
Motor Vehicle Theft	94	70

Source: ESRI Demographics 2013, Novogradac & Company LLP, February 2014

*Unweighted aggregations

The previous table illustrates crime indices in comparison to that of the nation. A crime index below 100 is below the national average and anything over 100 is above the nation’s crime index average. A crime index of 75 in a PMA would be 25 percent below the national average while a crime rate of 200 would be twice that of the national average. As illustrated in the previous table, robbery and motor vehicle theft in the PMA and the SMA are below the national average. The Subject’s neighborhood has a high rate of assault, which is 118 percent higher than the nation. The Subject will not offer any security features, which is similar to the majority of the comparable properties surveyed.

Access and Traffic Flow:

The Subject will be accessible from South 4th Street, a four-lane, moderately traveled roadway through the Subject’s neighborhood. South 4th Street provides access to South Marquis Highway (US-15) approximately 0.4 miles southeast of the Subject site. South Marquis Highway runs northeast through Darlington County, into North Carolina, and southwest through the county, into Sumter, South Carolina. Additionally, Interstate 95, which runs north to south along the eastern seaboard, is accessible approximately 19.0 miles southeast of the Subject site. Access to Interstate 20, which runs east to

west from Florence, South Carolina into Texas, is provided approximately 17.6 miles southwest of the Subject site.

Positive/Negative Attributes:

The Subject will have overall good access to area retail and services such as a post office, a pharmacy and a grocery store. Based on our site inspection, the Subject does not have any negative attributes.

Conclusion:

The Subject will have good access to retail and local services such as a post office, retail uses, a pharmacy and a grocery store. The proximity to retail and services will attract low income tenants to the Subject. Overall, the Subject site is considered desirable for low income rental housing and the Subject will fit well with the surrounding uses.

C. MARKET AREA

PRIMARY MARKET AREA

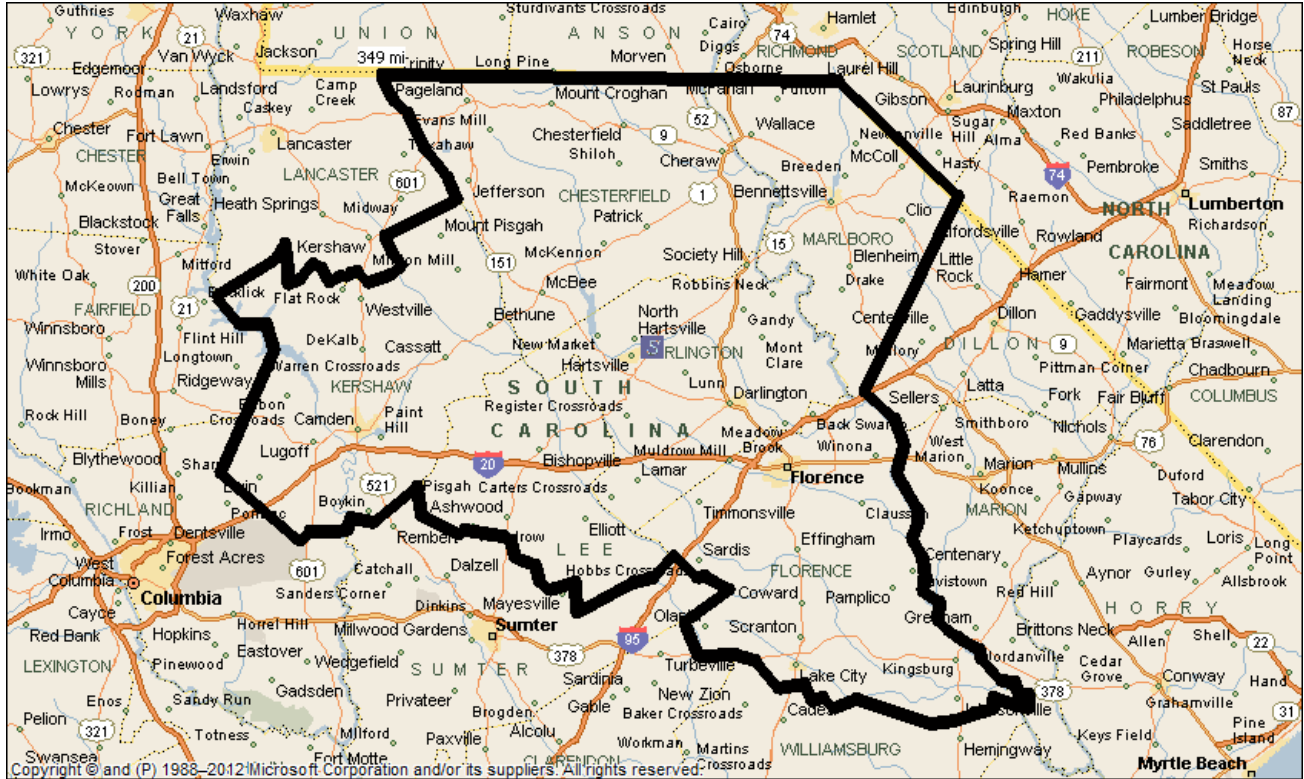
For the purpose of this study, it is necessary to define the market area, or the area from which potential tenants for the project are likely to be drawn. In some areas, residents are very much “neighborhood oriented” and are generally very reluctant to move from the area where they have grown up. In other areas, residents are much more mobile and will relocate to a completely new area, especially if there is an attraction such as affordable housing at below market rents.

The following map illustrates the Primary Market Area for the Subject.



The proposed Subject will be a 40-unit, family development to be constructed in Hartsville, South Carolina. The PMA encompasses all of Darlington County, and the southern portion of Chesterfield County.

Darlington County is not located within a Metropolitan Statistical Area (MSA). The Secondary Market Area (SMA) is defined as Darlington, Chesterfield, Kershaw, Lee, Florence, and Marlboro Counties. The following map illustrates the SMA utilized in our analysis:



The PMA includes all or part of the following census tracts:

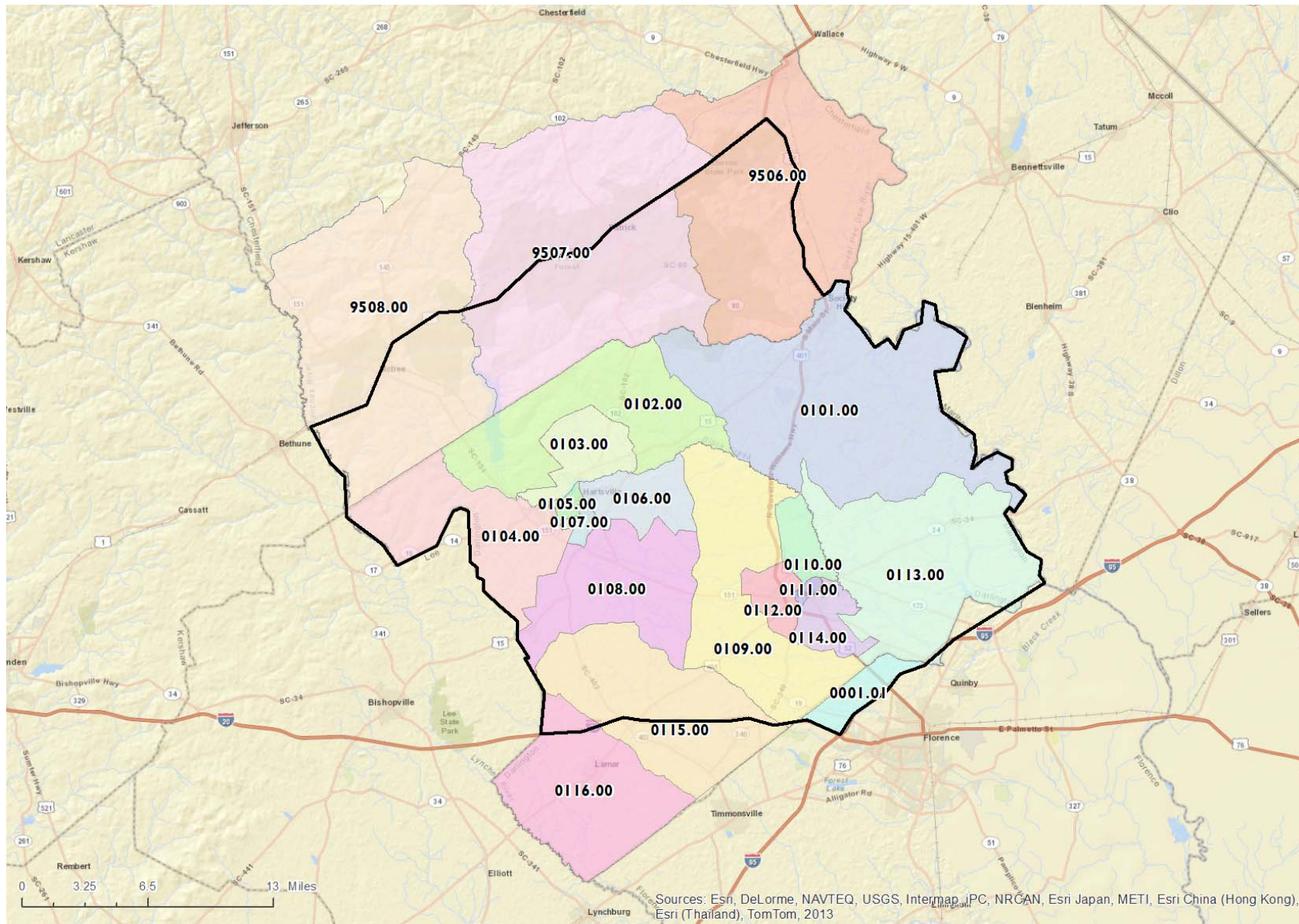
CENSUS TRACTS

- 450259506.00
- 450259507.00
- 450259508.00
- 450310101.00
- 450310102.00
- 450310103.00
- 450310104.00
- 450310105.00
- 450310106.00
- 450310107.00
- 450310108.00
- 450310109.00
- 450310110.00
- 450310111.00
- 450310112.00
- 450310113.00
- 450310114.00
- 450310115.00
- 450310116.00
- 450410001.01

The primary market area has been identified based upon conversations with management at market rate and tax credit properties in the area as well as other market participants in addition to demographic characteristics of census tracts within the Hartsville area. Although we believe that neighborhood characteristics and geographic/infrastructure barriers are typically the best indicators of PMA boundaries, we have also examined demographic characteristics of census tracts in and around the Hartsville area in an effort to better identify the Subject's PMA. It is important to note however that we do not base our PMA determinations on census tract information alone as these boundaries are rarely known to the average person.

The Subject will consist of three and four-bedroom units, and will be structured as single-family homes. Based on our interviews with local realtors and property managers, given the Subject's unit mix and design, tenants will likely come from within this area. We anticipate that the majority of the Subject's tenants will come from within the boundaries of the PMA.

The following map outlines the PMA and identifies the census tracts included within these boundaries.



Hartsville, SC



D. MARKET AREA ECONOMY

MARKET AREA ECONOMY

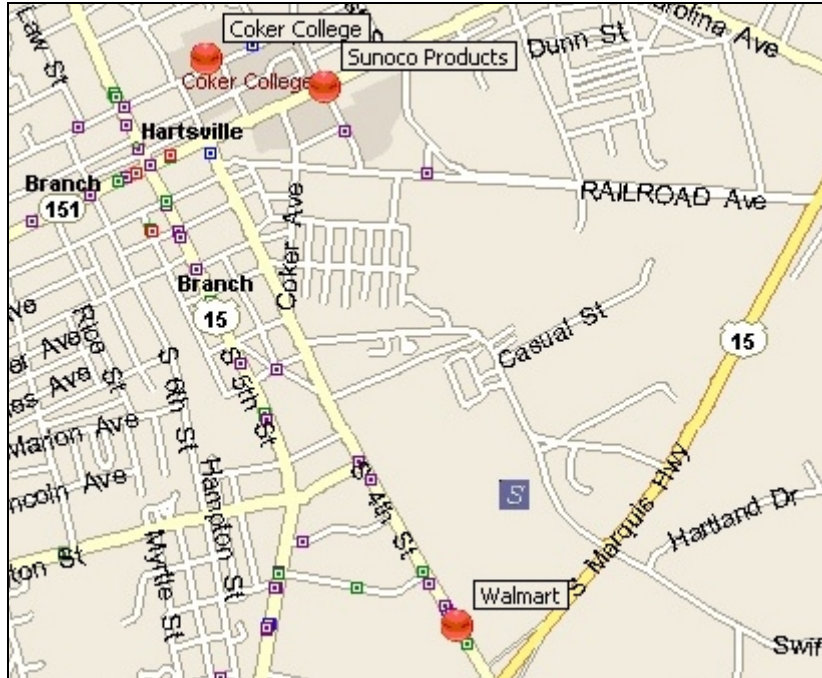
REGIONAL AND LOCAL ECONOMIC OVERVIEW

The Subject is located in Hartsville, Darlington County, SC and is not located within a Metropolitan Statistical Area (MSA). As of the 2010 US Census, the city of Hartsville's population was 7,764 persons. Hartsville is located in the Pee Dee Region, a seven county area in the northeastern corner of the state comprised primarily of Darlington, Dillon, Florence, Lee, Marion, Marlboro and Williamsburg Counties. Darlington County is best known for the Darlington Raceway. The area benefits from its close proximity to Interstates 20 and 95.

Map of Employment Centers

The following map illustrates the Subject's location compared to major employment centers for residents of Hartsville.





Employment by Industry

The following table exhibits unemployment by industry for the PMA.

2013 EMPLOYMENT BY INDUSTRY

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Manufacturing	5,698	19.9%	15,162,651	10.6%
Health Care/Social Assistance	3,663	12.8%	20,080,547	14.0%
Retail Trade	3,308	11.6%	16,592,605	11.6%
Educational Services	2,427	8.5%	12,979,314	9.1%
Construction	1,803	6.3%	8,291,595	5.8%
Finance/Insurance	1,691	5.9%	6,884,133	4.8%
Accommodation/Food Services	1,458	5.1%	10,849,114	7.6%
Other Services (excl Publ Adm)	1,405	4.9%	7,850,739	5.5%
Public Administration	1,239	4.3%	6,713,073	4.7%
Admin/Support/Waste Mgmt Svcs	1,041	3.6%	6,316,579	4.4%
Transportation/Warehousing	987	3.5%	5,898,791	4.1%
Wholesale Trade	917	3.2%	3,628,118	2.5%
Prof/Scientific/Tech Services	831	2.9%	9,808,289	6.8%
Agric/Forestry/Fishing/Hunting	627	2.2%	1,800,354	1.3%
Utilities	559	2.0%	1,107,105	0.8%
Real Estate/Rental/Leasing	305	1.1%	2,627,562	1.8%
Arts/Entertainment/Recreation	300	1.0%	3,151,821	2.2%
Information	281	1.0%	2,577,845	1.8%
Mgmt of Companies/Enterprises	20	0.1%	97,762	0.1%
Mining	18	0.1%	868,282	0.6%
Total Employment	28,578	100.0%	143,286,279	100.0%

Source: ESRI Demographics 2010, Novogradac & Company LLP, February 2014

The largest industry in the PMA is the manufacturing sector, which is well above the national average. This industry also appears in the major employers, accounting for 36 percent of Novogradac & Company LLP

employment among the top employers. The next largest sectors are the healthcare/social assistance and retail trade sectors.

The following table illustrates the changes in employment by industry from 2000 to 2013, in the Subject’s PMA.

2000-2013 CHANGE IN EMPLOYMENT - PMA

Industry	2000		2013		2000-2013	
	Number	Percent	Number	Percent	Annualized	Annual
Manufacturing	7,803	26.1%	5,698	19.9%	-162	-2.1%
Retail Trade	3,352	11.2%	3,308	11.6%	-3	-0.1%
Health Care/Social Assistance	3,015	10.1%	3,663	12.8%	50	1.7%
Educational Services	2,329	7.8%	2,427	8.5%	8	0.3%
Construction	1,729	5.8%	1,803	6.3%	6	0.3%
Accommodation/Food Services	1,598	5.3%	1,458	5.1%	-11	-0.7%
Other Services (excl Publ Adm)	1,591	5.3%	1,405	4.9%	-14	-0.9%
Finance/Insurance	1,554	5.2%	1,691	5.9%	11	0.7%
Wholesale Trade	1,123	3.8%	917	3.2%	-16	-1.4%
Public Administration	1,110	3.7%	1,239	4.3%	10	0.9%
Transportation/Warehousing	1,060	3.5%	987	3.5%	-6	-0.5%
Admin/Support/Waste Mgmt Svcs	840	2.8%	1,041	3.6%	15	1.8%
Prof/Scientific/Tech Services	653	2.2%	831	2.9%	14	2.1%
Utilities	648	2.2%	559	2.0%	-7	-1.1%
Agric/Forestry/Fishing/Hunting	633	2.1%	627	2.2%	0	-0.1%
Arts/Entertainment/Recreation	278	0.9%	300	1.0%	2	0.6%
Real Estate/Rental/Leasing	276	0.9%	305	1.1%	2	0.8%
Information	270	0.9%	281	1.0%	1	0.3%
Mining	16	0.1%	18	0.1%	0	1.0%
Mgmt of Companies/Enterprises	5	0.0%	20	0.1%	1	23.1%
Total Employment	29,883	100.0%	28,578	100.0%	-100	-0.3%

Source: ESRI Demographics 2010, Novogradac & Company LLP, February 2014

* Change in percentage is calculated as a rate of change by industry.

*Industry data current as of 2010. Other projections current as of 2013.

As illustrated, the manufacturing sector has historically had a dominant presence in the local economy, but has declined since 2000. The largest change in employment occurred in the management of companies/enterprises sector, which increased 23.1 percent. Other sectors that experienced large increases in employment include the professional/scientific/tech services, admin/support/waste management services and healthcare/social assistance sectors. It is also important to note that employment in mining also increased by 1.0 percent from 2000 through 2013. Eight industries experienced employment decline since 2000, and include agriculture/forestry/fishing/hunting, retail trade, transportation/warehousing, accommodation/food services, other services, utilities, wholesale trade and manufacturing.

Major Employers

The table below shows the largest employers in the area.

MAJOR EMPLOYERS

Darlington County, SC

Employer	Industry	Number Employed
Darlington County School District	Education	3,400
Sonoco Products	Manufacturing	1,781
Carolina Pines Regional Medical Center	Healthcare	700
Dixie/Georgia Pacific	Manufacturing	535
Coker College	Education	523
Nucor	Manufacturing	510
Galey & Lord	Textiles	499
Robinson Nuclear Plant	Power Plant	430
Walmart Supercenter	Retail Trade	380
Disabilities and Special Needs	Social Services	250
RBC	Manufacturing	209
New South Lumber Company	Manufacturing	180
Darlington Veneer	Manufacturing	160
Stingray Boats	Manufacturing	148
CR Jackson	Construction	70

Source: Darlington County Economic Development Partnership, 02/2014

The largest employer in Darlington County is the Darlington County School District, followed by Sonoco Products. The area is heavily dependent upon the manufacturing sector. Employment in manufacturing comprises approximately 36 percent of employment among the top employers. The education sector also has a heavy presence in the market, primarily due to the number of persons employed by the Darlington County School District. The education sector tends to provide a stable employment base in times of economic downturn while the manufacturing sector tends to be more volatile.

Expansions/Contractions

The following table illustrates the contractions to the county’s economy provided by South Carolina Works between 2011 and 2014 year-to-date.

WARN NOTICES FOR DARLINGTON COUNTY: 2011 to 2014 YTD

Company	Location	Closure/Layoff Date	Job Losses
2012			
Hostess Brands	Darlington	11/21/2012	10
First American Cash Advance	Hartsville	3/9/2012	2
First American Cash Advance	Darlington	3/9/2012	2
2011			
Graham Packaging	Darlington	12/30/2011	20
Agrium US (Rainbow Plant)	Hartsville	7/1/2011	29
Dixie Products	Darlington	3/18/2011	35
Total Job Losses			98

Source: SC Works, 02/2014

As illustrated, there no layoffs or closures in Darlington County in 2013 or year-to-date 2014. Since 2011, a total of 98 jobs were lost. According to an article by the South Carolina Department of Commerce, dated December 18, 2013 and titled *Canfor Southern Pine to Expand Darlington*

Lumber Facility, “due to increased global demand for southern yellow pine lumber, Canfor Southern Pine is expanding its existing operations in Darlington County. The \$8 million investment is expected to generate 50 new jobs through the addition of a second shift at the manufacturing facility. Canfor’s Darlington facility, located at 1100 Chesterfield Lumber Drive, manufactures southern yellow pine lumber, primarily used in the construction industry. The \$8 million investment will be used to upgrade the facility to increase its production while adding a second shift at the plant. The expansion is expected to be completed by the third quarter of 2014. The company presently employs nearly 600 people in South Carolina, with 84 workers in the Darlington facility prior to the expansion.”

Employment and Unemployment Trends

The following table details employment and unemployment trends for the SMA from 2002 through 2013 (through December).

EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)

Year	SMA					USA				
	Total Employment	% Change	Total Unemployed	Unemployment Rate	Change	Total Employment	% Change	Total Unemployed	Unemployment Rate	Change
2002	144,310	-	10,950	7.1%	-	136,485,000	-	8,403,535	5.8%	-
2003	145,925	1.1%	13,140	8.3%	1.2%	137,736,000	0.9%	8,791,660	6.0%	0.2%
2004	144,889	-0.7%	13,511	8.5%	0.3%	139,252,000	1.1%	8,104,614	5.5%	-0.5%
2005	145,832	0.7%	14,024	8.8%	0.2%	141,730,000	1.8%	7,616,681	5.1%	-0.4%
2006	149,505	2.5%	12,601	7.8%	-1.0%	144,427,000	1.9%	6,963,985	4.6%	-0.5%
2007	150,873	0.9%	10,789	6.7%	-1.1%	146,047,000	1.1%	7,042,099	4.6%	0.0%
2008	149,398	-1.0%	12,802	7.9%	1.2%	145,362,000	-0.5%	8,950,102	5.8%	1.2%
2009	143,063	-4.2%	21,352	13.0%	5.1%	139,877,000	-3.8%	14,342,405	9.3%	3.5%
2010	142,305	-0.5%	20,739	12.7%	-0.3%	139,064,000	-0.6%	14,767,858	9.6%	0.3%
2011	142,301	0.0%	19,439	12.0%	-0.7%	139,869,000	0.6%	13,664,480	8.9%	-0.7%
2012	144,107	1.3%	17,078	10.6%	-1.4%	142,469,000	1.9%	12,557,115	8.1%	-0.8%
YTD Average	145,196	0.8%	21,159	12.7%	2.1%	143,929,333	1.0%	12,557,115	7.4%	-0.7%
Dec-2012	143,882	-	16,403	10.2%	-	143,060,000	-	12,557,115	7.6%	-
Dec-2013	146,690	2.0%	11,417	7.2%	-3.0%	144,423,000	1.0%	11,515,901	6.5%	-1.1%

Source: U.S. Bureau of Labor Statistics April 2014

*2013 data is through December

Total employment across all comparable geographies decreased between 2008 and 2010. Prior to 2008, the SMA demonstrated growth every year, except 2004 when total employment decreased slightly. In 2011, there was no change in total employment in the SMA. In 2012 and year-to-date 2013, total employment in the SMA increased, but is still below its pre-recession level. Year-over-year statistics from December 2012 through December 2013 indicate that total employment in the SMA increased 2.0 percent.

Business Expansions/Contractions

The following table illustrates the contractions to the county’s economy provided by South Carolina Works between 2011 and 2014 year-to-date.

WARN NOTICES FOR DARLINGTON COUNTY: 2011 to 2014 YTD

Company	Location	Closure/Layoff Date	Job Losses
2012			
Hostess Brands	Darlington	11/21/2012	10
First American Cash Advance	Hartsville	3/9/2012	2
First American Cash Advance	Darlington	3/9/2012	2
2011			
Graham Packaging	Darlington	12/30/2011	20
Agrium US (Rainbow Plant)	Hartsville	7/1/2011	29
Dixie Products	Darlington	3/18/2011	35
Total Job Losses			98

Source: SC Works, 02/2014

As illustrated, there were no layoffs or closures in Darlington County in 2013 or year-to-date 2014. Since 2011, a total of 98 jobs were lost. According to an article by the South Carolina Department of Commerce, dated December 18, 2013 and titled *Canfor Southern Pine to Expand Darlington Lumber Facility*, “due to increased global demand for southern yellow pine lumber, Canfor Southern Pine is expanding its existing operations in Darlington County. The \$8 million investment is expected to generate 50 new jobs through the addition of a second shift at the manufacturing facility. Canfor’s Darlington facility, located at 1100 Chesterfield Lumber Drive, manufactures southern yellow pine lumber, primarily used in the construction industry. The \$8 million investment will be used to upgrade the facility to increase its production while adding a second shift at the plant. The expansion is expected to be completed by the third quarter of 2014. The company presently employs nearly 600 people in South Carolina, with 84 workers in the Darlington facility prior to the expansion.”

Housing and Economy

There are five family LIHTC properties in the Subject’s PMA. Therefore, the availability of housing for low to very low income households is considered adequate. The current state of the economy has affected both the multifamily rental and the single-family home market in the PMA. However, the area is showing signs of improvement. According to a report published by the Wells Fargo Economics Group, titled *South Carolina 2013 Economic Outlook*, dated September 25, 2013, states “South Carolina’s housing market is finally beginning to put the housing bust behind it. The South Carolina Realtors’ Association reported that sales of existing homes through the first eight months of 2013 are running 20 percent ahead of year-earlier numbers. Sales have risen in all of the state’s major metropolitan areas and have shown real improvement along the coast. New construction is also picking up, with stronger gains in both single-family and apartments. Statewide, single-family permits through the first eight months of 2013 are running 27.5 percent ahead of their year-ago pace.”

According to www.realtytrac.com, Darlington County had foreclosure rates of one in every 1,621 housing units receiving a foreclosure filing as of January 2014. The city of Hartsville reflected a significantly lower rate of foreclosures, at one in every 2,447 housing units receiving a foreclosure filing over the same time period.

The state of South Carolina reflected foreclosure rates of one in every 850, demonstrating the city and the county have a slower foreclosure rate than the state. Nationally, the foreclosure rate is one in every 1,058 housing units. The city and the county have lower foreclosure rates than the nation while the state has a higher foreclosure rate.

Commuting Patterns

The following table details travel time to work for residents within the PMA as of 2000.

COMMUTING PATTERNS

2000 Commuting Time to Work	Number of Commuters	Percentage
Travel Time < 5 min	1,232	4.28%
Travel Time 5-9 min	3,655	12.69%
Travel Time 10-14 min	5,114	17.76%
Travel Time 15-19 min	5,255	18.25%
Travel Time 20-24 min	4,211	14.63%
Travel Time 25-29 min	1,534	5.33%
Travel Time 30-34 min	3,592	12.48%
Travel Time 35-39 min	628	2.18%
Travel Time 40-44 min	683	2.37%
Travel Time 45-59 min	1,516	5.27%
Travel Time 60-89 min	653	2.27%
Travel Time 90+ min	718	2.49%
Average Travel Time	23 minutes	-

Source: US Census 2000, Novogradac & Company, LLP, February 2014

As illustrated, the average travel time is 23 minutes. Approximately 67.6 percent of households have commute times of less than 25 minutes. This indicates that the majority of households work within the PMA.

Conclusions

Overall, it appears the area was impacted by the national recession, and is currently experiencing recovery due to the presence of healthcare and education sectors. As of December 2013, total employment in the SMA was approximately 97 percent of the 2007 pre-recession employment level. Between December 2012 and December 2013, total employment in the SMA increased 2.0 percent, which is larger than the 1.0 percent increase nationally during the same time frame. The unemployment rate in the SMA has been above the national average for all years. From December 2012 to December 2013, the unemployment rate decreased substantially, by 3.0 percent, and is 0.7 percent above the nation. Overall, it appears that the local economy is recovering.

E. COMMUNITY DEMOGRAPHIC DATA

COMMUNITY DEMOGRAPHIC DATA

The following sections will provide an analysis of the demographic characteristics within the market area. Data such as population, households and growth patterns will be studied to determine if the Primary Market Area (PMA) and SMA are areas of growth or contraction. The discussions will also describe typical household size and will provide a picture of the health of the community and the economy. The following demographic tables are specific to the populations of the PMA and SMA.

Population Trends

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Number of Elderly and Non-Elderly within population in MSA, the PMA and nationally from 1990 through 2018.

TOTAL POPULATION

Year	PMA		SMA		USA	
	<i>Number</i>	<i>Change</i>	<i>Number</i>	<i>Change</i>	<i>Number</i>	<i>Annual Change</i>
1990	63,507	-	306,163	-	248,709,873	-
2000	70,196	1.1%	337,500	1.0%	281,421,906	1.3%
2013	73,056	0.3%	367,939	0.7%	315,444,544	0.9%
Projected Mkt Entry January 2016	73,131	0.0%	370,621	0.3%	321,150,684	0.7%
2018	73,206	0.0%	373,302	0.3%	326,856,823	0.7%

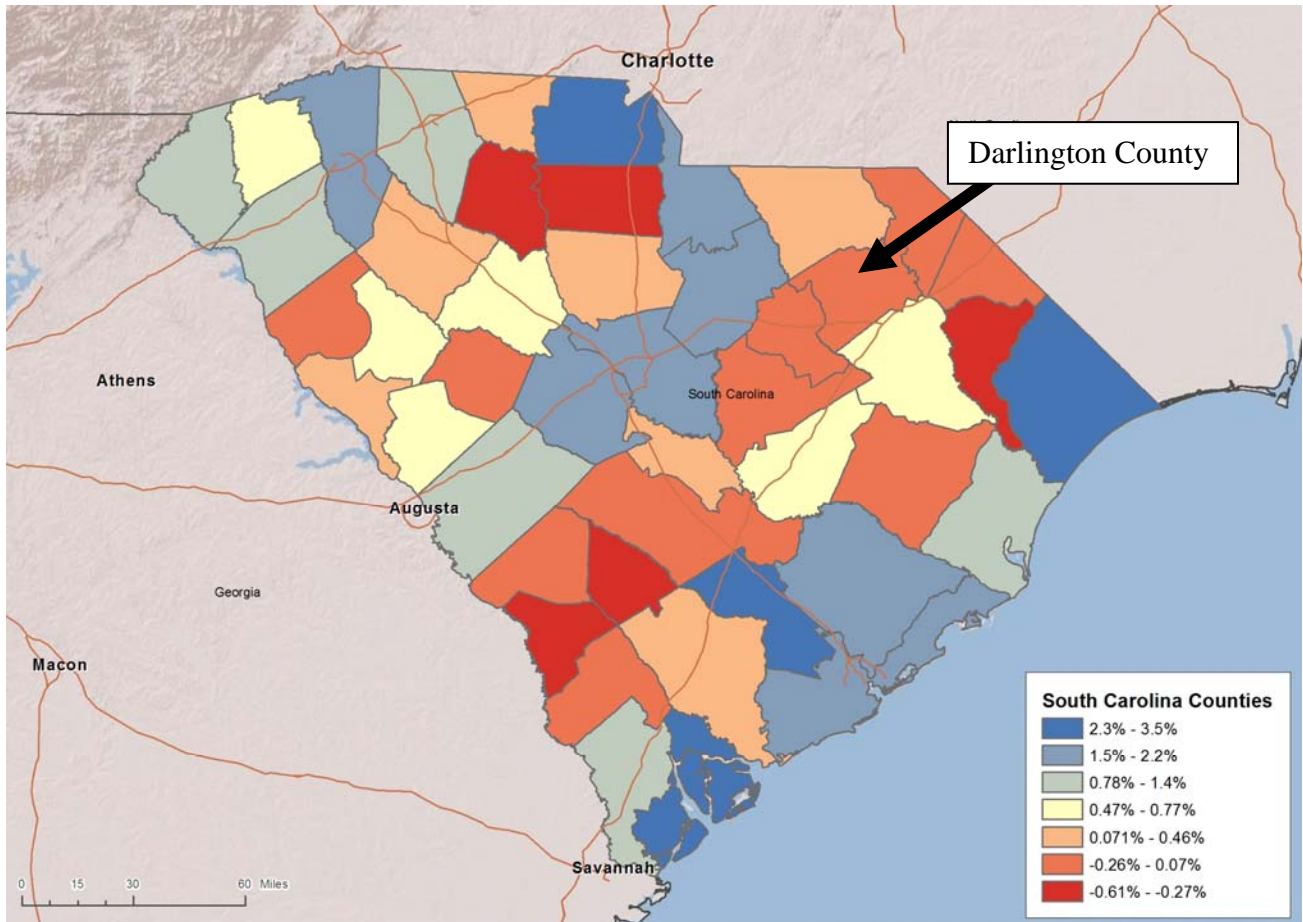
Source: ESRI Demographics 2013, Novogradac & Company LLP, March 2014

POPULATION BY AGE IN 2013

Age Cohort	PMA		SMA		USA	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-4	4,467	6.1%	23,149	6.3%	20,027,834	6.3%
5-9	4,619	6.3%	23,719	6.4%	20,305,969	6.4%
10-14	4,780	6.5%	24,087	6.5%	20,664,258	6.6%
15-19	4,819	6.6%	23,324	6.3%	21,217,478	6.7%
20-24	4,565	6.2%	24,148	6.6%	22,842,251	7.2%
25-29	4,187	5.7%	22,786	6.2%	21,494,659	6.8%
30-34	4,265	5.8%	22,692	6.2%	21,041,804	6.7%
35-39	4,353	6.0%	22,110	6.0%	19,423,837	6.2%
40-44	4,866	6.7%	24,159	6.6%	20,789,809	6.6%
45-49	4,899	6.7%	25,085	6.8%	21,274,128	6.7%
50-54	5,391	7.4%	27,055	7.4%	22,615,522	7.2%
55-59	5,403	7.4%	26,293	7.1%	21,155,463	6.7%
60-64	5,143	7.0%	24,769	6.7%	18,575,616	5.9%
65-69	4,040	5.5%	19,507	5.3%	14,286,322	4.5%
70-74	2,843	3.9%	13,609	3.7%	10,422,155	3.3%
75-79	1,893	2.6%	9,382	2.5%	7,612,501	2.4%
80-84	1,279	1.8%	6,322	1.7%	5,754,938	1.8%
85+	1,245	1.7%	5,743	1.6%	5,940,001	1.9%
Total	73,057	100.0%	367,939	100.0%	315,444,545	100.0%

Source: ESRI Demographics 2013, Novogradac & Company LLP, February 2014

The following map illustrates population growth rates in the state of South Carolina.



2000 - 2010 Population Growth Rate



Household Trends

Total Number of Households, Average Household Size, and Group Quarters.

TOTAL NUMBER OF HOUSEHOLDS

Year	PMA		SMA		USA	
	Number	Annual	Number	Annual	Number	Annual Change
1990	22,596	-	108,284	-	91,947,410	-
2000	27,016	2.0%	127,791	1.8%	105,991,193	1.5%
2013	28,241	0.3%	141,246	0.8%	119,423,008	1.0%
Projected Mkt Entry January 2016	28,294	0.1%	142,505	0.4%	121,674,876	0.8%
2018	28,346	0.1%	143,764	0.4%	123,926,744	0.8%

Source: ESRI Demographics 2013, Novogradac & Company LLP, March 2014

AVERAGE HOUSEHOLD SIZE

<i>Year</i>	PMA		SMA		USA	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	2.54	-	2.57	-	2.58	-
2013	2.52	-0.1%	2.52	-0.1%	2.57	0.0%
Projected Mkt Entry January 2016	2.52	0.0%	2.52	-0.1%	2.57	0.0%
2018	2.52	0.0%	2.52	-0.1%	2.57	0.0%

Source: ESRI Demographics 2013, Novogradac & Company LLP, March 2014

POPULATION IN GROUP QUARTERS

Year	PMA	Annual Change	SMA	Annual Change
2000	1,611	-	9,597	-
2013	1,867	1.2%	11,630	1.6%
2018	1,867	0.0%	11,630	0.0%

Source: ESRI Demographics 2013, Novogradac & Company LLP, February 2014

Households in the PMA and the SMA increased from 1990 through 2000, at a faster rate than the nation. From 2000 through 2013, households in the PMA increased slightly, but at a slower rate than the SMA and the nation. This trend is projected to continue into 2018. Limited growth in population and households are typical of rural locations, such as the Subject’s location.

According to USDA’s report Rural America at a Glance 2013 Edition, “between April 2010 and July 2012, the estimated population of nonmetropolitan counties as a whole fell by just under 44,000 people. Though quite small, the 0.09 percent drop marks a sizeable downward shift from the 1.3 percent growth during 2004 to 2006. This apparent historic shift to nonmetropolitan population loss highlights a growing demographic challenge facing much of rural and small-town America: population growth from natural change (births minus deaths) is no longer sufficient to counter net migration losses when they occur. At the community level, such population loss typically reduces the demand for jobs, diminishes the quality of the workforce, and raises per capita costs of providing services. While metro proximity, attractive scenery and recreation potential have historically contributed to nonmetropolitan population growth, the influence of these factors has weakened significantly. Widespread job losses in rural manufacturing caused by the recession, increased global competition and technological changes, contributed to the nonmetropolitan population downturn in 21 eastern states between 2004 and 2006 and 2010 and 2012.”

The average household size in the PMA and the SMA decreased slightly from 2000 to 2013. The average household size in the PMA is expected to remain stable from 2013 through 2018. In the SMA, the average household size is projected to continue to decrease slightly over the same time frame. The PMA and the SMA have a slightly smaller average household size than the nation. From 2000 to 2013, the number of group quarters in the PMA increased at a slower rate than the SMA. From 2013 to 2018, the number of group quarters in the both the PMA and the SMA are projected to remain stable.

Households by Tenure

The table below depicts household growth by tenure from 2000 through 2018.

TENURE PATTERNS PMA

Year	Owner-Occupied		Renter-Occupied	
	Units	Percentage	Units	Percentage
2000	20,787	76.9%	6,229	23.1%
2013	20,101	71.2%	8,140	28.8%
Projected Mkt Entry				
January 2016	20,138	71.17%	8,156	28.8%
2018	20,174	71.2%	8,172	28.8%

Source: ESRI Demographics 2013, Novogradac & Company LLP, March 2014

The PMA is dominated by owner-occupied housing units. Nationally, approximately 36.4 percent of households are renters. The PMA contains a lower percentage of renter-occupied housing units than the national average. From 2000 to 2013, renter-occupied households increased moderately. Although there is no change anticipated in the percentage of renter-occupied housing units from 2013 through 2018, the number of renters is projected to increase slightly, by 32.

Household Income

The following table depicts household income in the PMA and the SMA in 2000, 2013 and 2018.

HOUSEHOLD INCOME DISTRIBUTION - PMA

Income Cohort	2000		2013		Projected Mkt Entry January 2016		2018	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	4,540	16.8%	4,027	14.3%	4,344	15.4%	4,661	16.4%
\$10,000-19,999	4,283	15.9%	5,520	19.5%	5,684	20.1%	5,848	20.6%
\$20,000-29,999	3,962	14.7%	4,287	15.2%	4,287	15.2%	4,287	15.1%
\$30,000-39,999	3,569	13.2%	3,120	11.0%	3,240	11.5%	3,360	11.9%
\$40,000-49,999	2,758	10.2%	2,378	8.4%	2,412	8.5%	2,446	8.6%
\$50,000-59,999	2,286	8.5%	2,354	8.3%	2,273	8.0%	2,192	7.7%
\$60,000-74,999	2,189	8.1%	2,520	8.9%	2,333	8.2%	2,146	7.6%
\$75,000-99,999	1,808	6.7%	2,023	7.2%	1,885	6.7%	1,748	6.2%
\$100,000-124,999	619	2.3%	845	3.0%	777	2.7%	710	2.5%
\$125,000-149,999	390	1.4%	412	1.5%	376	1.3%	340	1.2%
\$150,000-199,999	281	1.0%	502	1.8%	450	1.6%	397	1.4%
\$200,000+	331	1.2%	253	0.9%	232	0.8%	212	0.7%
Total	27,016	100.0%	28,241	100.0%	28,294	100.0%	28,346	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, March 2014

HOUSEHOLD INCOME DISTRIBUTION - SMA

Income Cohort	2000		2013		Projected Mkt Entry January 2016		2018	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	19,773	15.5%	19,845	14.1%	20,794	14.6%	21,742	15.1%
\$10,000-19,999	20,105	15.7%	24,157	17.1%	24,902	17.5%	25,647	17.8%
\$20,000-29,999	18,800	14.7%	20,819	14.7%	21,313	15.0%	21,806	15.2%
\$30,000-39,999	16,961	13.3%	18,118	12.8%	18,206	12.8%	18,293	12.7%
\$40,000-49,999	13,672	10.7%	13,098	9.3%	13,415	9.4%	13,731	9.6%
\$50,000-59,999	11,125	8.7%	11,499	8.1%	11,169	7.8%	10,840	7.5%
\$60,000-74,999	10,950	8.6%	11,206	7.9%	10,956	7.7%	10,706	7.4%
\$75,000-99,999	8,995	7.0%	11,255	8.0%	11,020	7.7%	10,784	7.5%
\$100,000-124,999	3,281	2.6%	5,651	4.0%	5,378	3.8%	5,104	3.6%
\$125,000-149,999	1,387	1.1%	2,131	1.5%	2,056	1.4%	1,980	1.4%
\$150,000-199,999	1,244	1.0%	2,132	1.5%	2,010	1.4%	1,889	1.3%
\$200,000+	1,499	1.2%	1,334	0.9%	1,288	0.9%	1,241	0.9%
Total	127,791	100.0%	141,246	100.0%	142,505	100.0%	143,764	100.0%

Source: ESRI Demographics 2013, Novogradac & Company LLP, March 2014

The Subject will target family households earning between \$22,286 and \$36,540. As illustrated, the largest income cohorts in the PMA and the SMA are the lowest income brackets. In the PMA, Novogradac & Company LLP

approximately 26.2 percent of households earn between \$20,000 and \$39,999 and could provide demand for the Subject’s units. The percentage of households in the PMA falling within these income brackets is projected to increase slightly into 2018, to 27.0 percent.

Renter Households by Number of Persons in the Household

The following table illustrates household size for all households in the PMA. To determine the number of renter households by number of persons per household, the total number of households is adjusted by the percentage of renter households. As stated, the majority of households within the PMA are owner-occupied.

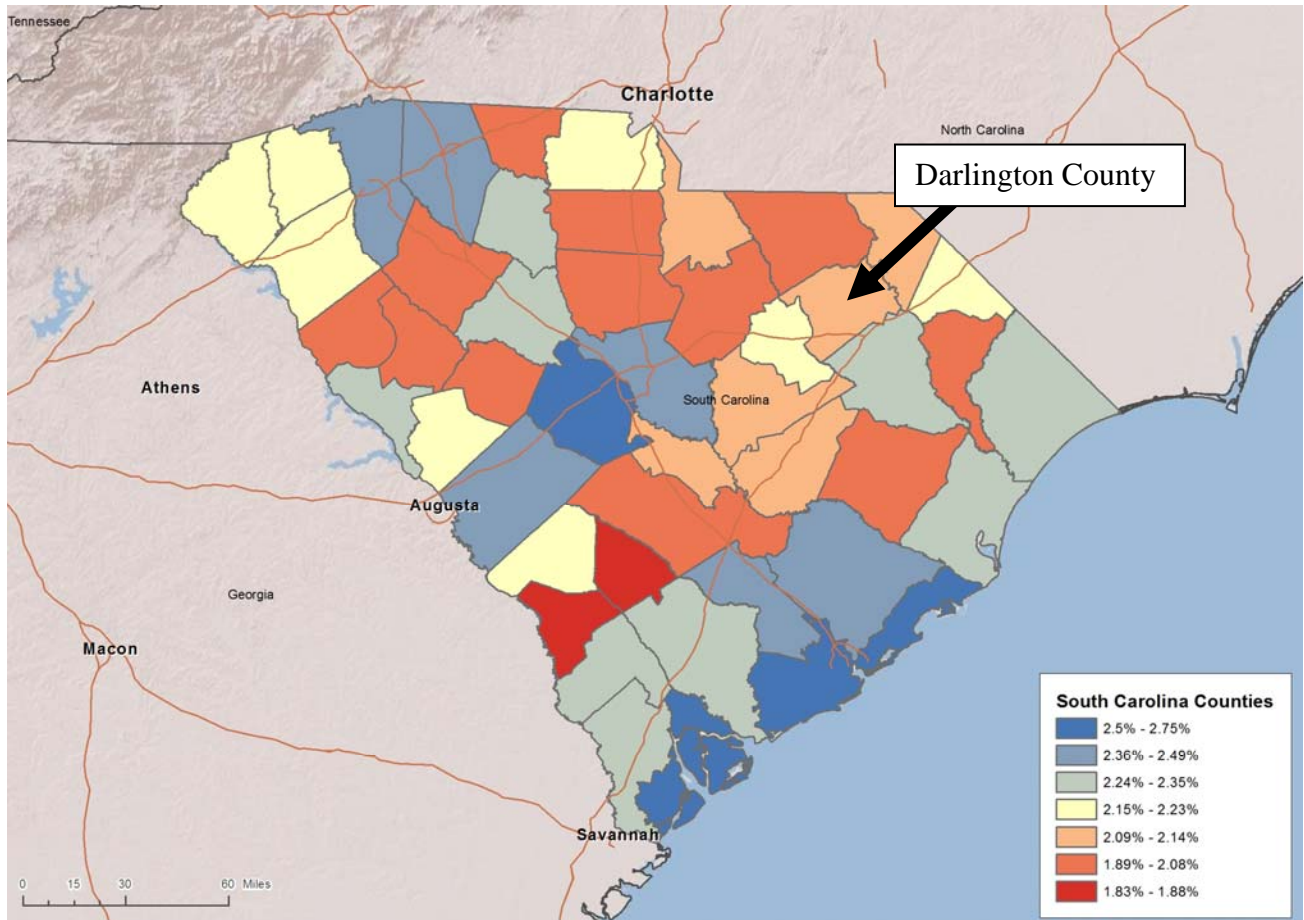
RENTER HOUSEHOLDS BY NUMBER OF PERSONS - PMA

	2000		2013		Projected Mkt Entry January 2016		2018	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,134	34.3%	2,676	32.9%	2,695	33.0%	2,714	33.2%
With 2 Persons	1,722	27.6%	2,011	24.7%	2,010	24.6%	2,008	24.6%
With 3 Persons	1,060	17.0%	1,465	18.0%	1,467	18.0%	1,469	18.0%
With 4 Persons	789	12.7%	1,037	12.7%	1,034	12.7%	1,032	12.6%
With 5+ Persons	525	8.4%	951	11.7%	950	11.6%	949	11.6%
Total Renter Households	6,229	100.0%	8,140	100.0%	8,156	100.0%	8,172	100.0%

Source: Ribbon Demographics 2013, Novogradac & Company LLP, March 2014

The majority of renter households in the PMA are one and two-person households for all years. From 2000 through 2013, the percentage of one and two-person households decreased while the percentage of households with five or more persons increased. From 2013 to 2018, one person households are projected to increase slightly. There is little change anticipated for households with two or more persons. The Subject will offer 32 three-bedroom units and eight four-bedroom units. As of 2013, approximately 42.4 percent of households contained three or more persons, which is a positive indicator for the Subject.

The following map illustrates changes in median income by county in the state of South Carolina.



2000 - 2010 MHI Growth Rate



Conclusion

Population increased in both the PMA and the SMA from 1990 through 2000. From 2000 through 2013, population in the PMA remained stable while in the SMA, population increased slightly during the same time frame. This trend is projected to continue into 2018. Households in the PMA and the SMA increased from 1990 through 2000. From 2000 through 2013, households in the PMA increased slightly, but at a slower rate than the SMA and the nation. This trend is projected to continue into 2018. Limited growth in population and households are typical of rural locations, such as the Subject’s location. The majority of renter households in the PMA are one and two-person households for all years. From 2000 through 2013, the percentage of one and two-person households decreased while the percentage of households with five or more persons increased. The Subject will offer 32 three-bedroom units and eight four-bedroom units. As of 2013, approximately 42.4 percent of households contained three or more persons, which is a positive indicator for the Subject.

F. PROJECT-SPECIFIC DEMAND ANALYSIS

PROJECT SPECIFIC DEMAND ANALYSIS

The following demand analysis evaluates the potential amount of qualified households, which the Subject would have a fair chance at capturing. The structure of the analysis is based on the guidelines provided by SCSHFDA.

1. Income Restrictions

LIHTC rents are based upon a percentage of the Area Median Gross Income (AMI), adjusted for household size and utilities. South Carolina State Housing Finance and Development Authority (SCSHFDA) will estimate the relevant income levels, with annual updates. The rents are calculated assuming that the maximum net rent a household will pay is 35 percent of its household income at the appropriate AMI level.

According to SCSHFDA, household size is assumed to be 1.5 persons per bedroom for LIHTC rent calculation purposes. For example, the maximum rent for a four-person household in a two-bedroom unit is based on an assumed household size of three persons (1.5 per bedroom). For senior properties we have assumed a maximum of one person per bedroom with a maximum household size of two persons.

To assess the likely number of tenants in the market area eligible to live in the Subject, we use Census information as provided by ESRI Business Information Solutions to estimate the number of potential tenants who would qualify to occupy the Subject as a LIHTC project.

The maximum income levels are based upon information obtained from the Rent and Income Limits Guidelines Table as accessed from the Novogradac website.

2. Affordability

As discussed above, the maximum income is set by SCSHFDA while the minimum is based upon the minimum income needed to support affordability. This is based upon a standard of 35 percent. Lower and moderate-income families typically spend greater than 30 percent of their income on housing. These expenditure amounts can range higher than 50 percent depending upon market area. However, the 30 to 40 percent range is generally considered a reasonable range of affordability. SCSHFDA guidelines utilize 35 for families and 40 percent for senior households, which we will use to set the minimum income levels for the demand analysis.

3. Minimum and Maximum Income Levels

The following table illustrates the minimum and maximum income levels for the Subject's units.

Income Cohorts		
Unit Type	Minimum Income	Maximum Income
3BR 50% (HOME)	\$22,286	\$28,350
4BR 50% (HOME)	\$24,857	\$30,450
3BR 50%	\$23,383	\$28,350
4BR 50%	\$26,091	\$30,450
3BR 60%	\$28,080	\$34,020
4BR 60%	\$31,303	\$36,540
Overall	\$22,286	\$36,540

4. Demand

The demand for the Subject will be derived from two sources: existing households and new households. These calculations are illustrated on the attached table.

4a. Demand from New Renter Households

The number of new households entering the market is the first level of demand calculated. SCSHFDA has requested that we utilize 2013 as the base year for the analysis. This is considered the gross potential demand for the Subject property. This number is adjusted for income eligibility and renter tenure. In the following tables this calculation is identified as Step 1.

4b. Demand from Existing Households

Demand for existing households is estimated by summing three sources of potential tenants. (2a) The first source is tenants who are rent overburdened. These are households who are paying over 35 percent of their income in housing costs. This number is estimated using census 2010 data. (2b) The second source is households living in substandard housing. This number is estimated using census 2010 data. (2c) The third source is those seniors likely to move from their own homes into rental housing. We have estimated that approximately five percent of households will sell their homes to reside at the Subject.

Additions to Supply

SCSHFDA guidelines indicate that units in all competing properties that were allocated, under construction, or funded in 2013 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis. According to SCSHFDA, there are no existing properties that are not stabilized. Additionally, there are no properties that are currently proposed or under construction in the Subject's PMA. Therefore, we have not removed any units from our demand analysis.

4 and 5. Method - Capture Rates

The above calculations and derived capture rates are illustrated in the following table.

Renter Household Income Distribution 2013 to Projected Market Entry January 2016 - Three or More Person Households					
Westfield Village					
PMA					
	2013		Projected Mkt Entry January 2016		Percent Growth
	#	%	#	%	
\$0-9,999	893	25.9%	944	27.4%	5.4%
\$10,000-19,999	875	25.4%	875	25.3%	-0.1%
\$20,000-29,999	571	16.5%	557	16.1%	-2.6%
\$30,000-39,999	331	9.6%	336	9.7%	1.4%
\$40,000-49,999	231	6.7%	231	6.7%	-0.3%
\$50,000-59,999	188	5.5%	179	5.2%	-5.5%
\$60,000-74,999	166	4.8%	152	4.4%	-9.2%
\$75,000-99,999	82	2.4%	79	2.3%	-3.9%
\$100,000-124,999	46	1.3%	40	1.2%	-15.1%
\$125,000-149,999	28	0.8%	25	0.7%	-11.5%
\$150,000-199,999	19	0.5%	17	0.5%	-10.5%
\$200,000+	21	0.6%	18	0.5%	-17.5%
Total	3,452	100.0%	3,451	100.0%	0.0%

Renter Household Income Distribution Projected Market Entry January 2016			
Westfield Village			
PMA			
	Projected Mkt Entry January 2016		Change 2013 to Prj Mrkt Entry January 2016
	#	%	
\$0-9,999	944	27.4%	0
\$10,000-19,999	875	25.3%	0
\$20,000-29,999	557	16.1%	0
\$30,000-39,999	336	9.7%	0
\$40,000-49,999	231	6.7%	0
\$50,000-59,999	179	5.2%	0
\$60,000-74,999	152	4.4%	0
\$75,000-99,999	79	2.3%	0
\$100,000-124,999	40	1.2%	0
\$125,000-149,999	25	0.7%	0
\$150,000-199,999	17	0.5%	0
\$200,000+	18	0.5%	0
Total	3,451	100.0%	-1

Tenure Prj Mrkt Entry January 2016	
Renter	28.8%
Owner	71.2%
Total	100.0%

Renter Household Size for Prj Mrkt Entry January 2016		
Size	Number	Percentage
3 Person	1,467	42.5%
4 Person	1,034	30.0%
5+ Person	950	27.5%
Total	3,451	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
3 Person	1,060	44.7%
4 Person	789	33.2%
5+ Person	525	22.1%
Total	2,374	100.0%

50% (HOME) Demand

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50% (HOME)		
Minimum Income Limit			\$22,286		
Maximum Income Limit			\$30,450		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-0.36			
\$10,000-19,999	-0.33	25.3%		0.0%	0
\$20,000-29,999	-0.21	16.1%	7,713	77.1%	0
\$30,000-39,999	-0.13	9.7%	450	4.5%	0
\$40,000-49,999	-0.09	6.7%		0.0%	0
\$50,000-59,999	-0.07	5.2%		0.0%	0
\$60,000-74,999	-0.06	4.4%		0.0%	0
\$75,000-99,999	-0.03	2.3%		0.0%	0
\$100,000-124,999	-0.02	1.2%		0.0%	0
\$125,000-149,999	-0.01	0.7%		0.0%	0
\$150,000-199,999	-0.01	0.5%		0.0%	0
\$200,000+	-0.01	0.5%		0.0%	0
	-1	100.0%			0
Percent of renter households within limits versus total number of renter households					12.88%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50% (HOME)		
Minimum Income Limit			\$22,286		
Maximum Income Limit			\$30,450		
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	944			
\$10,000-19,999	875	25.3%	0	0%	0
\$20,000-29,999	557	16.1%	7,713	77%	429
\$30,000-39,999	336	9.7%	450	5%	15
\$40,000-49,999	231	6.7%	0	0%	0
\$50,000-59,999	179	5.2%	0	0%	0
\$60,000-74,999	152	4.4%	0	0%	0
\$75,000-99,999	79	2.3%	0	0%	0
\$100,000-124,999	40	1.2%	0	0%	0
\$125,000-149,999	25	0.7%	0	0%	0
\$150,000-199,999	17	0.5%	0	0%	0
\$200,000+	18	0.5%	0	0%	0
	3,451	100.0%			444
Percent of renter households within limits versus total number of renter households					12.88%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2013 Median Income

Change from 2013 to Prj Mrkt Entry January 2016

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Rural		
35%		
\$31,878		
\$40,066		
\$8,188		
20.4%		
1.6%		
1.6%	Two year adjustment	1.0000
\$30,450		
\$30,450		
6		
50% (HOME)		
\$650		
\$650.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	25%	75%	0%	0%	100%
4	0%	0%	0%	70%	30%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry January 2016

Income Target Population		50% (HOME)
New Renter Households PMA		-1
Percent Income Qualified		12.9%
New Renter Income Qualified Households		0

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2013

Demand form Rent Overburdened Households

Income Target Population		50% (HOME)
Total Existing Demand		3,451
Income Qualified		12.9%
Income Qualified Renter Households		444
Percent Rent Overburdened Prj Mrkt Entry January 2016		35.0%
Rent Overburdened Households		156

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		444
Percent Living in Substandard Housing		0.7%
Households Living in Substandard Housing		3

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		50% (HOME)
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		159
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		159
Total New Demand		0
Total Demand (New Plus Existing Households)		159

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

Three Persons	42.5%	68
Four Persons	30.0%	48
Five Persons	27.5%	44
Total	100.0%	159

To place Person Demand into Bedroom Type Units		
Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	75%	51
Of four-person households in 3BR units	70%	33
Of five-person households in 3BR units	70%	31
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	14
Of five-person households in 4BR units	30%	13
Total Demand		142
Check		
Total Demand by Bedroom		50% (HOME)
3 BR		115
4 BR		27
Total Demand		142
Additions To Supply 2013 to Prj Mrkt Entry January 2016		50% (HOME)
3 BR		0
4 BR		0
Total		0
Net Demand		50% (HOME)
3 BR		115
4 BR		27
Total		142
Developer's Unit Mix		50% (HOME)
3 BR		7
4 BR		2
Total		9
Capture Rate Analysis		50% (HOME)
3 BR		6.1%
4 BR		7.3%
Total		6.3%

50% AMI Demand

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50%		
Minimum Income Limit			\$23,383		
Maximum Income Limit			\$30,450		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-0.36			
\$10,000-19,999	-0.33	25.3%		0.0%	0
\$20,000-29,999	-0.21	16.1%	6,616	66.2%	0
\$30,000-39,999	-0.13	9.7%	450	4.5%	0
\$40,000-49,999	-0.09	6.7%		0.0%	0
\$50,000-59,999	-0.07	5.2%		0.0%	0
\$60,000-74,999	-0.06	4.4%		0.0%	0
\$75,000-99,999	-0.03	2.3%		0.0%	0
\$100,000-124,999	-0.02	1.2%		0.0%	0
\$125,000-149,999	-0.01	0.7%		0.0%	0
\$150,000-199,999	-0.01	0.5%		0.0%	0
\$200,000+	-0.01	0.5%		0.0%	0
	-1	100.0%			0
Percent of renter households within limits versus total number of renter households					11.11%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			50%		
Minimum Income Limit			\$23,383		
Maximum Income Limit			\$30,450		
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	944			
\$10,000-19,999	875	25.3%	0	0%	0
\$20,000-29,999	557	16.1%	6,616	66%	368
\$30,000-39,999	336	9.7%	450	5%	15
\$40,000-49,999	231	6.7%	0	0%	0
\$50,000-59,999	179	5.2%	0	0%	0
\$60,000-74,999	152	4.4%	0	0%	0
\$75,000-99,999	79	2.3%	0	0%	0
\$100,000-124,999	40	1.2%	0	0%	0
\$125,000-149,999	25	0.7%	0	0%	0
\$150,000-199,999	17	0.5%	0	0%	0
\$200,000+	18	0.5%	0	0%	0
	3,451	100.0%			383
Percent of renter households within limits versus total number of renter households					11.11%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2013 Median Income

Change from 2013 to Prj Mrkt Entry January 2016

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Rural		
35%		
\$31,878		
\$40,066		
\$8,188		
20.4%		
1.6%		
1.6%	Two year adjustment	1.0000
\$30,450		
\$30,450		
6		
50%		
\$682		
\$682.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	25%	75%	0%	0%	100%
4	0%	0%	0%	70%	30%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry January 2016

Income Target Population		50%
New Renter Households PMA		-1
Percent Income Qualified		11.1%
New Renter Income Qualified Households		0

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2013

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		3,451
Income Qualified		11.1%
Income Qualified Renter Households		383
Percent Rent Overburdened Prj Mrkt Entry January 2016		35.0%
Rent Overburdened Households		134

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		383
Percent Living in Substandard Housing		0.7%
Households Living in Substandard Housing		3

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		137
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		137
Total New Demand		0
Total Demand (New Plus Existing Households)		137

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

Three Persons	42.5%	58
Four Persons	30.0%	41
Five Persons	27.5%	38
Total	100.0%	137

To place Person Demand into Bedroom Type Units

Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	75%	44
Of four-person households in 3BR units	70%	29
Of five-person households in 3BR units	70%	26
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	12
Of five-person households in 4BR units	30%	11
Total Demand		122

Check

Total Demand by Bedroom	50%
3 BR	99
4 BR	24
Total Demand	122

Additions To Supply 2013 to Prj Mrkt Entry January 2016	50%
3 BR	0
4 BR	0
Total	0

Net Demand	50%
3 BR	99
4 BR	24
Total	122

Developer's Unit Mix	50%
3 BR	1
4 BR	1
Total	2

Capture Rate Analysis	50%
3 BR	1.0%
4 BR	4.2%
Total	1.6%

60% AMI Demand

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%		
Minimum Income Limit			\$28,046		
Maximum Income Limit			\$36,540		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-0.36			
\$10,000-19,999	-0.33	25.3%		0.0%	0
\$20,000-29,999	-0.21	16.1%	1,953	19.5%	0
\$30,000-39,999	-0.13	9.7%	6,540	65.4%	0
\$40,000-49,999	-0.09	6.7%		0.0%	0
\$50,000-59,999	-0.07	5.2%		0.0%	0
\$60,000-74,999	-0.06	4.4%		0.0%	0
\$75,000-99,999	-0.03	2.3%		0.0%	0
\$100,000-124,999	-0.02	1.2%		0.0%	0
\$125,000-149,999	-0.01	0.7%		0.0%	0
\$150,000-199,999	-0.01	0.5%		0.0%	0
\$200,000+	-0.01	0.5%		0.0%	0
	-1	100.0%			0
Percent of renter households within limits versus total number of renter households					9.52%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			60%		
Minimum Income Limit			\$28,046		
Maximum Income Limit			\$36,540		
Income Category	Total Renter Households PMA Prj Mrkt Entry January		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	944			
\$10,000-19,999	875	25.3%	0	0%	0
\$20,000-29,999	557	16.1%	1,953	20%	109
\$30,000-39,999	336	9.7%	6,540	65%	220
\$40,000-49,999	231	6.7%	0	0%	0
\$50,000-59,999	179	5.2%	0	0%	0
\$60,000-74,999	152	4.4%	0	0%	0
\$75,000-99,999	79	2.3%	0	0%	0
\$100,000-124,999	40	1.2%	0	0%	0
\$125,000-149,999	25	0.7%	0	0%	0
\$150,000-199,999	17	0.5%	0	0%	0
\$200,000+	18	0.5%	0	0%	0
	3,451	100.0%			328
Percent of renter households within limits versus total number of renter households					9.52%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2013 Median Income

Change from 2013 to Prj Mrkt Entry January 2016

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Rural		
35%		
\$31,878		
\$40,066		
\$8,188		
20.4%		
1.6%		
1.6%	Two year adjustment	1.0000
\$36,540		
\$36,540		
6		
60%		
\$818		
\$818.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	25%	75%	0%	0%	100%
4	0%	0%	0%	70%	30%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry January 2016

Income Target Population		60%
New Renter Households PMA		-1
Percent Income Qualified		9.5%
New Renter Income Qualified Households		0

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2013

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		3,451
Income Qualified		9.5%
Income Qualified Renter Households		328
Percent Rent Overburdened Prj Mrkt Entry January 2016		35.0%
Rent Overburdened Households		115

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		328
Percent Living in Substandard Housing		0.7%
Households Living in Substandard Housing		2

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		117
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		117
Total New Demand		0
Total Demand (New Plus Existing Households)		117

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

Three Persons	42.5%	50
Four Persons	30.0%	35
Five Persons	27.5%	32
Total	100.0%	117

To place Person Demand into Bedroom Type Units

Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	75%	37
Of four-person households in 3BR units	70%	25
Of five-person households in 3BR units	70%	23
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	11
Of five-person households in 4BR units	30%	10
Total Demand		105

Check

Total Demand by Bedroom	60%
3 BR	84
4 BR	20
Total Demand	105

Additions To Supply 2013 to Prj Mrkt Entry January 2016	60%
3 BR	0
4 BR	0
Total	0

Net Demand	60%
3 BR	84
4 BR	20
Total	105

Developer's Unit Mix	60%
3 BR	24
4 BR	5
Total	29

Capture Rate Analysis	60%
3 BR	28.4%
4 BR	24.8%
Total	27.7%

Overall Demand

Calculation of Potential Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$22,286		
Maximum Income Limit			\$36,540		
Income Category	New Renter Households - Total Change in Households PMA 2013 to Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Renter Households within Bracket
	\$0-9,999	-0.36			
\$10,000-19,999	-0.33	25.3%		0.0%	0
\$20,000-29,999	-0.21	16.1%	7,713	77.1%	0
\$30,000-39,999	-0.13	9.7%	6,540	65.4%	0
\$40,000-49,999	-0.09	6.7%		0.0%	0
\$50,000-59,999	-0.07	5.2%		0.0%	0
\$60,000-74,999	-0.06	4.4%		0.0%	0
\$75,000-99,999	-0.03	2.3%		0.0%	0
\$100,000-124,999	-0.02	1.2%		0.0%	0
\$125,000-149,999	-0.01	0.7%		0.0%	0
\$150,000-199,999	-0.01	0.5%		0.0%	0
\$200,000+	-0.01	0.5%		0.0%	0
	-1	100.0%			0
Percent of renter households within limits versus total number of renter households					18.81%

Calculation of New Renter Household Demand by Income Cohort by % of AMI

Percent of AMI Level			Overall		
Minimum Income Limit			\$22,286		
Maximum Income Limit			\$36,540		
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2016		Income Brackets	Percent within Cohort	Households within Bracket
	\$0-9,999	944			
\$10,000-19,999	875	25.3%	0	0%	0
\$20,000-29,999	557	16.1%	7,713	77%	429
\$30,000-39,999	336	9.7%	6,540	65%	220
\$40,000-49,999	231	6.7%	0	0%	0
\$50,000-59,999	179	5.2%	0	0%	0
\$60,000-74,999	152	4.4%	0	0%	0
\$75,000-99,999	79	2.3%	0	0%	0
\$100,000-124,999	40	1.2%	0	0%	0
\$125,000-149,999	25	0.7%	0	0%	0
\$150,000-199,999	17	0.5%	0	0%	0
\$200,000+	18	0.5%	0	0%	0
	3,451	100.0%			649
Percent of renter households within limits versus total number of renter households					18.81%

Does the Project Benefit from Rent Subsidy? (Y/N)

Type of Housing (Family vs Senior)

Location of Subject (Rural versus Urban)

Percent of Income for Housing

2000 Median Income

2013 Median Income

Change from 2013 to Prj Mrkt Entry January 2016

Total Percent Change

Average Annual Change

Inflation Rate

Maximum Allowable Income

Maximum Allowable Income Inflation Adjusted

Maximum Number of Occupants

Rent Income Categories

Initial Gross Rent for Smallest Unit

Initial Gross Rent for Smallest Unit Inflation Adjusted

No		
Family		
Rural		
35%		
\$31,878		
\$40,066		
\$8,188		
20.4%		
1.6%		
1.6%	Two year adjustment	1.0000
\$36,540		
\$36,540		
\$6		
Overall		
\$650		
\$650.00		

Persons in Household	OBR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	60%	40%	0%	0%	0%	100%
2	0%	20%	80%	0%	0%	0%	100%
3	0%	0%	25%	75%	0%	0%	100%
4	0%	0%	0%	70%	30%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2013 to Prj Mrkt Entry January 2016

Income Target Population		Overall
New Renter Households PMA		-1
Percent Income Qualified		18.8%
New Renter Income Qualified Households		0

STEP 2a. Please refer to text for complete explanation.

Demand from Existing Households 2013

Demand form Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		3,451
Income Qualified		18.8%
Income Qualified Renter Households		649
Percent Rent Overburdened Prj Mrkt Entry January 2016		35.0%
Rent Overburdened Households		227

STEP 2b. Please refer to text for complete explanation.

Demand from Living in Substandard Housing

Income Qualified Renter Households		649
Percent Living in Substandard Housing		0.7%
Households Living in Substandard Housing		5

STEP 2c. Please refer to text for complete explanation.

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		0
Rural Versus Urban	5.0%	
Senior Demand Converting from Homeownership		0

Total Demand

Total Demand from Existing Households		232
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		232
Total New Demand		0
Total Demand (New Plus Existing Households)		232

Demand from Seniors Who Convert from Homeownership		0
Percent of Total Demand From Homeownership Conversion		0.0%
Is this Demand Over 2 percent of Total Demand?		No

By Bedroom Demand

Three Persons	42.5%	98
Four Persons	30.0%	69
Five Persons	27.5%	64
Total	100.0%	232

To place Person Demand into Bedroom Type Units

Of one-person households in 3BR units	0%	0
Of two-person households in 3BR units	0%	0
Of three-person households in 3BR units	75%	74
Of four-person households in 3BR units	70%	49
Of five-person households in 3BR units	70%	45
Of one-person households in 4BR units	0%	0
Of two-person households in 4BR units	0%	0
Of three-person households in 4BR units	0%	0
Of four-person households in 4BR units	30%	21
Of five-person households in 4BR units	30%	19
Total Demand		207

Check

Total Demand by Bedroom Overall

3 BR	167
4 BR	40
Total Demand	207

Additions To Supply 2013 to Prj Mrkt Entry January 2016 Overall

3 BR	0
4 BR	0
Total	0

Net Demand Overall

3 BR	167
4 BR	40
Total	207

Developer's Unit Mix Overall

3 BR	32
4 BR	8
Total	40

Capture Rate Analysis Overall

3 BR	19.2%
4 BR	20.0%
Total	19.3%

Conclusions

Several factors affect the indicated capture rates and are discussed following.

- This demand analysis does not measure the PMA’s or Subject’s ability to attract additional or latent demand into the market from elsewhere by offering an affordable option, particularly in the larger unit types. We believe this to be significant and therefore the demand analysis is somewhat conservative in its conclusions because this demand is not included.

The following tables summarize the demand and net demand and capture rates for the Subject.

Demand and Net Demand

	HH at 50% AMI HOME (\$22,286 to \$30,450)	HH at 50% AMI (\$23,383 to \$30,450)	HH at 60% AMI (\$28,046 to \$36,540)	All Tax Credit Households
Demand from New Households (age and income appropriate)	0	0	0	0
PLUS	+	+	+	+
Demand from Existing Renter Households - Substandard Housing	3	3	2	5
PLUS	+	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	156	134	115	227
=				
Sub Total	159	137	117	231
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0	0	0
Equals Total Demand	159	137	117	231
Less	-	-	-	-
New Supply	0	0	0	0
Equals Net Demand	159	137	117	231

CAPTURE RATE ANALYSIS CHART

Bedrooms/AMI Level	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
3BR at 50% AMI (HOME)	115	0	115	7	6.1%
3BR at 50% AMI	99	0	99	1	1.0%
3BR at 60% AMI	84	0	84	24	28.4%
4BR at 50% AMI (HOME)	27	0	27	2	7.3%
4BR at 50% AMI	24	0	24	1	4.2%
4BR at 60% AMI	20	0	20	5	24.8%
Overall	207	0	207	40	19.3%

As the analysis illustrates, the Subject’s capture rates vary from 1.0 to 28.4 percent with an overall capture rate of 19.3 percent. The highest capture rate is for the Subject’s three-bedroom 60 percent AMI units. Property managers at the family LIHTC properties indicated that there is strong demand for three and four-bedroom units in the market, and they often receive requests for these unit types. Additionally, Brown and Coker Realty reported that they receive calls daily for three and four-bedroom units, and also indicated there is strong demand in the market for three and four-bedroom

units. Furthermore, the Subject’s design as single-family homes will be unique in the market and will be desirable. The Subject’s overall capture rates are all within SCSHFDA guidelines and we believe that there is demand for the Subject’s units.

Absorption Rate

Only one of the properties was able to report absorption. Therefore, we expanded our search to the adjacent counties. The following table details our findings:

ABSORPTION						
Property name	County	Type	Tenancy	Year Built	Number of Units	Units Absorbed / Month
Woodlake Apartments*	Florence	Market	Family	2012	120	15
McGowan Commons	Florence	LIHTC	Family	2012	36	12
Hallmark at Truesdell	Kershaw	LIHTC	Family	2010	64	13

*Utilized as a comparable property

The reported absorption pace ranges from 12 to 15 units per month. Given the low vacancy rates, waiting lists, and stated need for affordable housing, we have estimated an absorption pace of 13 units per month for the 40 units at the Subject. At this pace, the Subject will reach a stabilized occupancy of 93 percent within three months.

G. SUPPLY ANALYSIS

SUPPLY ANALYSIS

SURVEY OF COMPARABLE PROJECTS

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We attempted to compare the Subject to complexes from the competing market to provide a broader picture of the health and available supply in the market. We surveyed many properties that we chose not to use in the survey because they were not as comparable to the Subject as others that were selected.

Description of Property Types Surveyed/Determination of Number of Tax Credit Units

We interviewed numerous properties to determine which ones were considered “true” competition for the Subject. Several properties in the market area were interviewed and not included because of their dissimilarity or other factors. Subsidized properties were excluded due to differing rent structures from the Subject without a subsidy; however, it should be noted that subsidized properties in the market area were found to have stable occupancies.

The following table illustrates the excluded properties.

EXCLUDED PROPERTIES

Property	City	County	Program	Tenancy	Reason for Exclusion
Brockington Heights	Darlington	Darlington	Section 8	Family	Rents based on income
Indian Creek	Darlington	Darlington	Section 8	Family	Rents based on income
New Swift Creek Villa Apartments	Darlington	Darlington	Section 8	Family	Rents based on income
Washington Square	Darlington	Darlington	Section 8	Senior	Not a similar tenancy
Forest Ridge Apartments	Hartsville	Darlington	Section 8	Family	Rents based on income
Hartsville Special Housing	Hartsville	Darlington	Section 8	Disabled	Not a similar tenancy
Swift Creek Apartments	Hartsville	Darlington	Section 8	Disabled	Not a similar tenancy
Cambridge Apartments	Lamar	Darlington	Section 8/USDA RD	Family	Rents based on income
Palmetto-Springfield Apartments	Darlington	Darlington	USDA RD	Family	Does not reflect market rents
Hartwood Village Apartments	Hartsville	Darlington	USDA RD	Family	Does not reflect market rents
Palmetto Apartments	Hartsville	Darlington	USDA RD	Family	Does not reflect market rents
Oakview Townhomes	Hartsville	Darlington	USDA RD	Family	Does not reflect market rents
Pine Bridge Apartments	Hartsville	Darlington	USDA RD	Family	Does not reflect market rents
Lee County Senior Apartments	Bishopville	Lee	Section 8	Senior	Not a similar tenancy
Lee County Special Housing	Bishopville	Lee	Section 8	Disabled	Not a similar tenancy
Lynches River Apartments	Bishopville	Lee	Section 8	Family	Rents based on income
Woodside of Bishopville	Bishopville	Lee	Section 8/USDA RD	Family	Rents based on income
Ashley Park Apartments	Bishopville	Lee	USDA RD	Family	Does not reflect market rents
Cloverleaf Apartments	Bishopville	Lee	USDA RD	Senior	Not a similar tenancy
Cloverleaf II Apartments	Bishopville	Lee	USDA RD	Family	Does not reflect market rents
Fieldale Apartments	Bishopville	Lee	USDA RD	Family	Does not reflect market rents
Ivy Terrace Apartments	Bishopville	Lee	USDA RD	Senior	Not a similar tenancy
Timmons Village Apartments	Lynchburg	Lee	USDA RD	Family	Does not reflect market rents
110-113 Robinhood	Hartsville	Darlington	Market	Family	Inferior condition
Darlington Downtown Lofts	Darlington	Darlington	LIHTC	Family	Could not obtain from manager

LIHTC Competition

No LIHTC properties were allocated in the Subject’s PMA since 2011.

Pipeline Construction

According to the SCSHFDA’s list of recent allocations, there are no proposed developments, or developments currently under construction within the Subject’s PMA.

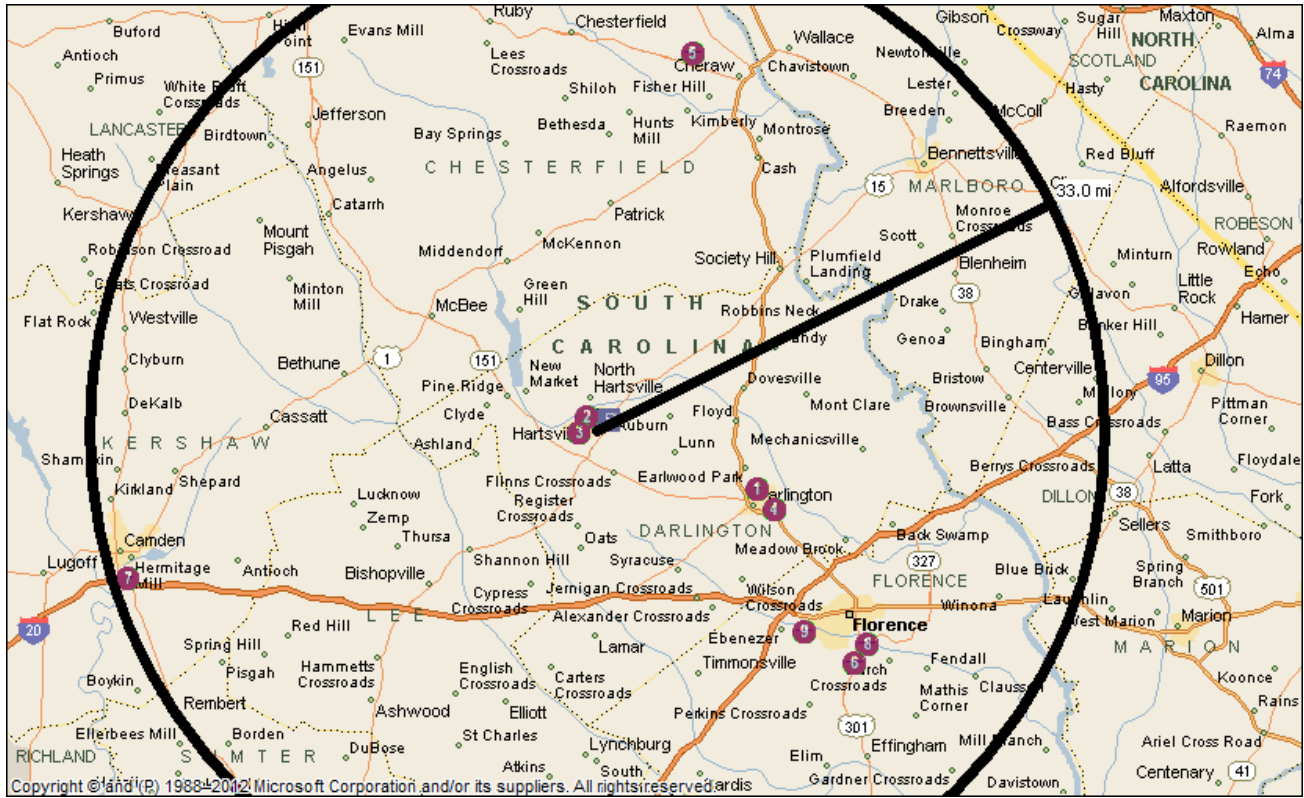
Comparable Properties

Property managers and realtors were interviewed for information on unit mix, size, absorption, unit features and project amenities, tenant profiles, and market trends in general. Our competitive survey includes nine “true” comparable properties containing 866 units.

The availability of LIHTC data is considered strong. There are five LIHTC properties located within the PMA, of which, we obtained interviews for four of these developments. We were unable to obtain information from the property manager for Darlington Downtown Lofts. Therefore, it has been excluded from our analysis. The availability of market rate data is considered limited. There are no market rate multifamily properties located in the Subject’s PMA that are not subsidized. Therefore, we expanded our search to include properties located in Chesterfield, Kershaw and Florence Counties. The market rate properties surveyed are located between 24.1 and 37.3 miles of the Subject site. We included classified listings for three-bedroom home rentals in Darlington County due to the lack of market rate properties in the Subject’s market area. It should be noted that there are no properties in the market offering four-bedroom units. We also searched the adjacent counties but did not find any properties offering four-bedroom units. We included one listing from the local classifieds for a four-bedroom, single-family home rentals. We were unable to find any other classified listings for four-bedroom homes.

A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A *Comparable Properties Map*, illustrating the location of the Subject in relation to comparable properties is also provided on the following page. The properties are further profiled in the write-ups following. The property descriptions include information on vacancy, turnover, absorption, age, competition, and the general health of the rental market, when available.

COMPARABLE RENTAL PROPERTY MAP



COMPARABLE PROPERTIES

#	Property Name	City	County	Type	Distance
1	Autumn Run Apartments	Darlington	Darlington	@ 50%, @ 50% (HOME), @ 60%	13.3 miles
2	Hartsville Garden Apartments	Hartsville	Darlington	@ 50%, @ 50% (HOME), @ 60%	1.2 miles
3	Middletown Apartments	Hartsville	Darlington	@ 60%	1.3 miles
4	Pecan Grove Apartments	Darlington	Darlington	@ 50%, @ 50% (HOME), @ 60%	14.4 miles
5	Airport Apartments	Cheraw	Chesterfield	Market	35.5 miles
6	Charles Pointe	Florence	Florence	Market	25.9 miles
7	FoxRun Apartments	Camden	Kershaw	Market	37.3 miles
8	The Reserve At Mill Creek	Florence	Florence	Market	25.1 miles
9	Woodlake Apartments	Florence	Florence	Market	24.1 miles

The following tables illustrate unit mix by bedroom type and income level, square footage by bedroom type, year built, common area and in-unit amenities, rent per square foot, monthly rents and utilities included, and vacancy information for the comparable properties and the Subject in a comparative framework.

SUMMARY MATRIX

Comp #	Project	Distance	Type / Built / Renovated	Market / Subsidy	Units	#	%	Restriction	Rent (Adj.)	Size (SF)	Max Rent?	Wait List?	Units Vacant	Vacancy Rate			
Subject	Westfield Village S 4th Street Hartsville, SC 29550 Darlington County	n/a	Single Family (2 stories) 2015 / n/a	@50%, @50% (HOME), @60%	3BR / 2BA	1	2.50%	@50%	\$436	1,180	yes		N/A	N/A			
					3BR / 2BA	7	17.50%	@50%	\$404	1,180	yes		N/A	N/A			
					3BR / 2BA	24	60.00%	@60%	\$572	1,180	yes		N/A	N/A			
					4BR / 2.5BA	1	2.50%	@50%	\$472	1,280	yes		N/A	N/A			
					4BR / 2.5BA	2	5.00%	@50%	\$436	1,280	yes		N/A	N/A			
					4BR / 2.5BA	5	12.50%	@60%	\$624	1,280	yes		N/A	N/A			
					40	100%										N/A	N/A
1	Autumn Run Apartments 405 Wells Street Darlington, SC 29532 Darlington County County	13.3 miles	Garden (2 stories) 2004 / n/a	@50%, @50% (HOME), @60%	2BR / 1BA	N/A	N/A	@50%	\$421	850	yes	2-24 months	0	N/A			
					2BR / 1BA	28	100.00%	@50%	\$403	850	yes	2-24 months	1	3.60%			
					2BR / 1BA	N/A	N/A	@60%	\$537	850	yes	2-24 months	0	N/A			
					3BR / 2BA	12	42.90%	@50%	\$453	1,000	yes	2-24 months	0	0.00%			
					3BR / 2BA	N/A	N/A	@60%	\$607	1,000	yes	2-24 months	0	N/A			
					28	100%										1	3.60%
2	Hartsville Garden Apartments 780 Tailwind Ln Hartsville, SC 29550 Darlington County	1.2 miles	Garden (3 stories) 2011 / n/a	@50%, @50% (HOME), @60%	1BR / 1BA	16	22.20%	@50%	\$369	740	yes	52 hh	0	0.00%			
					1BR / 1BA	N/A	N/A	@50%	\$346	740	yes	52 hh	0	N/A			
					1BR / 1BA	N/A	N/A	@60%	\$466	740	yes	52 hh	0	N/A			
					2BR / 2BA	40	55.60%	@50%	\$437	888	yes	52 hh	0	0.00%			
					2BR / 2BA	N/A	N/A	@50%	\$409	888	yes	52 hh	0	N/A			
					2BR / 2BA	N/A	N/A	@60%	\$517	888	yes	52 hh	0	N/A			
					3BR / 2BA	16	22.20%	@50%	\$490	1,069	yes	52 hh	0	0.00%			
					3BR / 2BA	N/A	N/A	@50%	\$458	1,069	yes	52 hh	0	N/A			
					3BR / 2BA	N/A	N/A	@60%	\$563	1,069	yes	52 hh	1	N/A			
					72	100%										1	1.40%
					3	Middletown Apartments 601 West Washington Street Hartsville, SC 29550 Darlington County	1.3 miles	Garden (2 stories) 1998 / n/a	@60%	2BR / 1BA	20	50.00%	@60%	\$385	685	no	
3BR / 1.5BA	20	50.00%	@60%	\$425						1,100	no		2	10.00%			
40	100%														2	5.00%	
4	Pecan Grove Apartments 105 Price Ct Darlington, SC 29532 Darlington County County	14.4 miles	Duplex 2007 / n/a	@50%, @50% (HOME), @60%	1BR / 1BA	N/A	N/A	@50%	\$312	570	yes	5 hh	0	N/A			
					1BR / 1BA	12	37.50%	@50%	\$312	570	yes	5 hh	0	0.00%			
					1BR / 1BA	N/A	N/A	@60%	\$347	570	yes	5 hh	0	N/A			
					2BR / 2BA	N/A	N/A	@50%	\$378	700	yes	5 hh	0	N/A			
					2BR / 2BA	15	46.90%	@50%	\$328	700	yes	5 hh	0	0.00%			
					2BR / 2BA	N/A	N/A	@60%	\$388	700	yes	5 hh	0	N/A			
					3BR / 2BA	N/A	N/A	@50%	\$419	837	yes	5 hh	0	N/A			
					3BR / 2BA	5	15.60%	@50%	\$344	837	yes	5 hh	0	0.00%			
					3BR / 2BA	N/A	N/A	@60%	\$444	837	yes	5 hh	0	N/A			
					32	100%										0	0.00%
5	Airport Apartments Airport Lane Cheraw, SC 29520 Chesterfield County	35.5 miles	Manufactured Housing 2000 / n/a	Market	1BR / 1BA	3	16.70%	Market	\$475	600	n/a	Yes	0	0.00%			
					2BR / 1BA	N/A	N/A	Market	\$500	800	n/a	Yes	0	N/A			
					3BR / 1BA	N/A	N/A	Market	\$550	900	n/a	Yes	0	N/A			
18	100%											0	0.00%				
6	Charles Pointe 201 West Millstone Road Florence, SC 29505 Florence County	25.9 miles	Garden (2 stories) 2001 / n/a	Market	1BR / 1BA	42	25.00%	Market	\$700	700	n/a	No	2	4.80%			
					2BR / 2BA	114	67.90%	Market	\$800	1,010	n/a	No	2	1.80%			
					3BR / 2BA	12	7.10%	Market	\$955	1,230	n/a	No	2	16.70%			
					168	100%										6	3.60%
7	Fox Run Apartments 148 Wall Street Camden, SC 29020 Kershaw County	37.3 miles	Garden (3 stories) 2002 / n/a	Market	1BR / 1BA	32	26.70%	Market	\$641	776	n/a	None	2	6.20%			
					2BR / 2BA	20	16.70%	Market	\$722	970	n/a	None	N/A	N/A			
					2BR / 2BA	44	36.70%	Market	\$742	1,089	n/a	none	6	13.60%			
					3BR / 2BA	8	6.70%	Market	\$833	1,341	n/a	None	2	25.00%			
					3BR / 2BA	16	13.30%	Market	\$813	1,248	n/a	None	N/A	N/A			
120	100%										10	8.30%					
8	The Reserve At Mill Creek 2350 Freedom Blvd Florence, SC 29505 Florence County	25.1 miles	Garden (3 stories) 2008 / n/a	Market	1BR / 1BA	62	23.10%	Market	\$840	783	n/a	No	2	3.20%			
					1.5BR / 1BA	60	22.40%	Market	\$910	965	n/a	No	3	5.00%			
					2BR / 2BA	122	45.50%	Market	\$995	1,130	n/a	No	2	1.60%			
					3BR / 2BA	24	9.00%	Market	\$1,210	1,285	n/a	Yes	3	12.50%			
268	100%										10	3.70%					
9	Woodlake Apartments 1347 Jefferson Drive Florence, SC 29501 Florence County	24.1 miles	Garden (3 stories) 2012 / n/a	Market	2BR / 2BA	N/A	N/A	Market	\$850	1,040	n/a	No	3	N/A			
					2BR / 2BA	0	0.00%	Market	\$875	1,040	n/a	No	0	N/A			
					2BR / 2BA	0	0.00%	Market	\$825	1,040	n/a	No	0	N/A			
					3BR / 2BA	N/A	N/A	Market	\$950	1,222	n/a	No	2	N/A			
					3BR / 2BA	0	0.00%	Market	\$975	1,222	n/a	No	0	N/A			
					3BR / 2BA	0	0.00%	Market	\$925	1,222	n/a	No	0	N/A			
120	100%										5	4.20%					

RENT AND SQUARE FOOTAGE RANKING -- All rents adjusted for utilities and concessions extracted from the market

Effective Rent Date:	Mar-14	Units Surveyed:	866	Weighted Occupancy:	96.00%
		Market Rate	694	Market Rate	95.50%
		Tax Credit	172	Tax Credit	97.70%

Three Bedrooms Two Bath

Four Bedrooms Two and a half Bath

	Property	Average	Property	Average
RENT	The Reserve At Mill Creek	\$1,210	Westfield Village * (60%)	\$624
	Woodlake Apartments	\$975	Westfield Village * (50%)	\$472
	Charles Pointe	\$955	Westfield Village * (50%)	\$436
	Woodlake Apartments	\$950		
	Woodlake Apartments	\$925		
	Fox Run Apartments	\$833		
	Fox Run Apartments	\$813		
	Autumn Run Apartments * (60%)	\$607		
	Westfield Village * (60%)	\$572		
	Hartsville Garden Apartments * (60%)	\$563		
	Airport Apartments (1BA)	\$550		
	Hartsville Garden Apartments * (50%)	\$490		
	Hartsville Garden Apartments * (50%)	\$458		
	Autumn Run Apartments * (50%)	\$453		
	Pecan Grove Apartments * (60%)	\$444		
	Westfield Village * (50%)	\$436		
	Middletown Apartments * (1.5BA 60%)	\$425		
	Pecan Grove Apartments * (50%)	\$419		
	Westfield Village * (50%)	\$404		
	Pecan Grove Apartments * (50%)	\$344		
SQUARE FOOTAGE	Fox Run Apartments	1,341	Westfield Village * (50%)	1,280
	The Reserve At Mill Creek	1,285	Westfield Village * (50%)	1,280
	Fox Run Apartments	1,248	Westfield Village * (60%)	1,280
	Charles Pointe	1,230		
	Woodlake Apartments	1,222		
	Woodlake Apartments	1,222		
	Woodlake Apartments	1,222		
	Westfield Village * (50%)	1,180		
	Westfield Village * (50%)	1,180		
	Westfield Village * (60%)	1,180		
	Middletown Apartments * (1.5BA 60%)	1,100		
	Hartsville Garden Apartments * (50%)	1,069		
	Hartsville Garden Apartments * (50%)	1,069		
	Hartsville Garden Apartments * (60%)	1,069		
	Autumn Run Apartments * (50%)	1,000		
	Autumn Run Apartments * (60%)	1,000		
	Airport Apartments (1BA)	900		
	Pecan Grove Apartments * (50%)	837		
	Pecan Grove Apartments * (50%)	837		
	Pecan Grove Apartments * (60%)	837		
RENT PER SQUARE FOOT	The Reserve At Mill Creek	\$0.94	Westfield Village * (60%)	\$0.49
	Woodlake Apartments	\$0.80	Westfield Village * (50%)	\$0.37
	Woodlake Apartments	\$0.78	Westfield Village * (50%)	\$0.34
	Charles Pointe	\$0.78		
	Woodlake Apartments	\$0.76		
	Fox Run Apartments	\$0.65		
	Fox Run Apartments	\$0.62		
	Airport Apartments (1BA)	\$0.61		
	Autumn Run Apartments * (60%)	\$0.61		
	Pecan Grove Apartments * (60%)	\$0.53		
	Hartsville Garden Apartments * (60%)	\$0.53		
	Pecan Grove Apartments * (50%)	\$0.50		
	Westfield Village * (60%)	\$0.49		
	Hartsville Garden Apartments * (50%)	\$0.46		
	Autumn Run Apartments * (50%)	\$0.45		
	Hartsville Garden Apartments * (50%)	\$0.43		
	Pecan Grove Apartments * (50%)	\$0.41		
	Middletown Apartments * (1.5BA 60%)	\$0.39		
	Westfield Village * (50%)	\$0.37		
	Westfield Village * (50%)	\$0.34		

PROPERTY PROFILE REPORT

Autumn Run Apartments

Effective Rent Date	2/26/2014
Location	405 Wells Street Darlington, SC 29532 Darlington County County
Distance	13.3 miles
Units	28
Vacant Units	1
Vacancy Rate	3.6%
Type	Garden (2 stories)
Year Built/Renovated	2004 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Mostly families, some seniors and single adults, primarily from the city of Darlington. Some from Florence.
Contact Name	Mary
Phone	(843) 398-1981



Market Information

Program	@50%, @50% (HOME), @60%
Annual Turnover Rate	10%
Units/Month Absorbed	N/A
HCV Tenants	25%
Leasing Pace	Within one month
Annual Chg. in Rent	Increased 3%
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	N/A	850	\$421	\$0	@50%	2-24	0	N/A	yes	None
2	1	Garden (2 stories)	28	850	\$403	\$0	@50% (HOME)	2-24	1	3.6%	yes	None
2	1	Garden (2 stories)	N/A	850	\$537	\$0	@60%	2-24	0	N/A	yes	None
3	2	Garden (2 stories)	12	1,000	\$453	\$0	@50% (HOME)	2-24	0	0.0%	yes	None
3	2	Garden (2 stories)	N/A	1,000	\$607	\$0	@60%	2-24	0	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$403 - \$421	\$0	\$403 - \$421	\$0	\$403 - \$421	2BR / 1BA	\$537	\$0	\$537	\$0	\$537
3BR / 2BA	\$453	\$0	\$453	\$0	\$453	3BR / 2BA	\$607	\$0	\$607	\$0	\$607

Autumn Run Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

Video Surveillance

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Playground

Central Laundry
On-Site Management

Premium

None

Other

Holiday parties and

Comments

The manager indicated that there is a need for more affordable housing in the market, particularly for very low income units. She stated that many residents that apply to the property do not earn enough to qualify for the units. The longer leasing pace was reportedly due to the time required to find an income-qualified household. The most requested unit type is three-bedroom units. The manager also stated that they receive many inquiries for four-bedroom units and that there is demand in the market for this unit type.

PROPERTY PROFILE REPORT

Hartsville Garden Apartments

Effective Rent Date	2/26/2014
Location	780 Tailwind Ln Hartsville, SC 29550 Darlington County
Distance	1.2 miles
Units	72
Vacant Units	1
Vacancy Rate	1.4%
Type	Garden (3 stories)
Year Built/Renovated	2011 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	N/A
Tenant Characteristics	Family households, primarily from Darlington County
Contact Name	Property Manager
Phone	(843) 917-0257



Market Information

Program	@50%, @50% (HOME), @60%
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	15%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 3%
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	16	740	\$413	\$0	@50%	52 hh	0	0.0%	yes	None
1	1	Garden (3 stories)	N/A	740	\$390	\$0	@50% (HOME)	52 hh	0	N/A	yes	None
1	1	Garden (3 stories)	N/A	740	\$510	\$0	@60%	52 hh	0	N/A	yes	None
2	2	Garden (3 stories)	40	888	\$490	\$0	@50%	52 hh	0	0.0%	yes	None
2	2	Garden (3 stories)	N/A	888	\$462	\$0	@50% (HOME)	52 hh	0	N/A	yes	None
2	2	Garden (3 stories)	N/A	888	\$570	\$0	@60%	52 hh	0	N/A	yes	None
3	2	Garden (3 stories)	16	1,069	\$552	\$0	@50%	52 hh	0	0.0%	yes	None
3	2	Garden (3 stories)	N/A	1,069	\$520	\$0	@50% (HOME)	52 hh	0	N/A	yes	None
3	2	Garden (3 stories)	N/A	1,069	\$625	\$0	@60%	52 hh	1	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$390 - \$413	\$0	\$390 - \$413	-\$44	\$346 - \$369	1BR / 1BA	\$510	\$0	\$510	-\$44	\$466
2BR / 2BA	\$462 - \$490	\$0	\$462 - \$490	-\$53	\$409 - \$437	2BR / 2BA	\$570	\$0	\$570	-\$53	\$517
3BR / 2BA	\$520 - \$552	\$0	\$520 - \$552	-\$62	\$458 - \$490	3BR / 2BA	\$625	\$0	\$625	-\$62	\$563

Hartsville Garden Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Exterior Storage
Garbage Disposal
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Ceiling Fan
Oven
Walk-In Closet

Security

Video Surveillance

Services

None

Property

Basketball Court
Clubhouse/Meeting
Central Laundry
On-Site Management
Playground

Business Center/Computer Lab
Exercise Facility
Off-Street Parking
Picnic Area

Premium

None

Other

Gazebo and pet area

Comments

The manager stated that there is demand for more affordable housing in the market, particularly for three and four-bedroom units as they receive many inquiries for these unit types. The manager did not know the property's absorption pace as she was not an employee in 2011.

PROPERTY PROFILE REPORT

Middletown Apartments

Effective Rent Date	1/06/2014
Location	601 West Washington Street Hartsville, SC 29550 Darlington County Intersection: Martin Luther King Drive
Distance	1.3 miles
Units	40
Vacant Units	2
Vacancy Rate	5.0%
Type	Garden (2 stories)
Year Built/Renovated	1998 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	None identified
Contact Name	Kebbie
Phone	803.332.6863



Market Information

Program	@60%
Annual Turnover Rate	60%
Units/Month Absorbed	N/A
HCV Tenants	40%
Leasing Pace	N/A
Annual Chg. in Rent	None
Concession	The rent for the three-bedroom is a

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	1	Garden (2 stories)	20	685	\$385	\$0	@60%	N/A	0	0.0%	no	None
3	1.5	Garden (2 stories)	20	1,100	\$425	\$0	@60%	N/A	2	10.0%	no	None

Unit Mix

@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 1BA	\$385	\$0	\$385	\$0	\$385
3BR / 1.5BA	\$425	\$0	\$425	\$0	\$425

Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Dishwasher		
Garbage Disposal		
Refrigerator		
Blinds		
Central A/C		
Exterior Storage		
Oven		
Washer/Dryer hookup		
Property	Premium	Other
Clubhouse/Meeting	None	None
Off-Street Parking		
Playground		
Central Laundry		
On-Site Management		

Middletown Apartments, continued

Comments

The contact mentioned the three-bedroom rent is a special the regular rent was not provided.

Middletown Apartments, continued

Trend Report

Vacancy Rates

4Q06	1Q14
15.0%	5.0%

Trend: @60%

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	31.2%	\$360	\$0	\$360	\$360
2014	1	0.0%	\$385	\$0	\$385	\$385

3BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	4	4.2%	\$458	\$0	\$458	\$458
2014	1	10.0%	\$425	\$0	\$425	\$425

Trend: Comments

4Q06 The property is one of the few conventional tax credit apartments in the area. Rents increased in June for the first time in two years by six percent for the two-bedroom units and two percent for the three-bedroom units. Turnover has increased in recent months and is now averaging 60 percent annually. Most of the increase is due to the high rents at the property. People are looking for cheaper housing options. Despite this, there are no rent specials being offered. There are ten people on the waiting list despite the six vacancies. Leasing takes two weeks. Management believes the local Hartsville rental market is in trouble. The property normally has half of its units occupied by Section 8 voucher holders. Currently, ten of its units have Section 8 vouchers. Tenants come primarily from the local Hartsville area, but sometimes they come from the surrounding counties.

1Q14 The contact mentioned the three-bedroom rent is a special the regular rent was not provided.

Middletown Apartments, continued

Photos



PROPERTY PROFILE REPORT

Pecan Grove Apartments

Effective Rent Date 3/03/2014
Location 105 Price Ct
 Darlington, SC 29532
 Darlington County County
Distance 14.4 miles
Units 32
Vacant Units 0
Vacancy Rate 0.0%
Type Duplex
Year Built/Renovated 2007 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Families primarily from Darlington
Contact Name Helen Richardson
Phone (843) 393-3009



Market Information

Program @50%, @50% (HOME), @60%
Annual Turnover Rate 13%
Units/Month Absorbed N/A
HCV Tenants 22%
Leasing Pace Within one week
Annual Chg. in Rent Increased 1%
Concession None

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water included
Sewer included
Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Duplex	N/A	570	\$356	\$0	@50%	5 hh	0	N/A	yes	None
1	1	Duplex	12	570	\$356	\$0	@50% (HOME)	5 hh	0	0.0%	yes	None
1	1	Duplex	N/A	570	\$391	\$0	@60%	5 hh	0	N/A	yes	None
2	2	Duplex	N/A	700	\$431	\$0	@50%	5 hh	0	N/A	yes	None
2	2	Duplex	15	700	\$381	\$0	@50% (HOME)	5 hh	0	0.0%	yes	None
2	2	Duplex	N/A	700	\$441	\$0	@60%	5 hh	0	N/A	yes	None
3	2	Duplex	N/A	837	\$481	\$0	@50%	5 hh	0	N/A	yes	None
3	2	Duplex	5	837	\$406	\$0	@50% (HOME)	5 hh	0	0.0%	yes	None
3	2	Duplex	N/A	837	\$506	\$0	@60%	5 hh	0	N/A	yes	None

Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$356	\$0	\$356	-\$44	\$312	1BR / 1BA	\$391	\$0	\$391	-\$44	\$347
2BR / 2BA	\$381 - \$431	\$0	\$381 - \$431	-\$53	\$328 - \$378	2BR / 2BA	\$441	\$0	\$441	-\$53	\$388
3BR / 2BA	\$406 - \$481	\$0	\$406 - \$481	-\$62	\$344 - \$419	3BR / 2BA	\$506	\$0	\$506	-\$62	\$444

Pecan Grove Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

None

Services

None

Property

Clubhouse/Meeting
Off-Street Parking
Playground

Central Laundry
On-Site Management

Premium

None

Other

None

Comments

The manager indicated that there is demand for more affordable housing in the market, particularly for three and four-bedroom unit types.

Photos



PROPERTY PROFILE REPORT

Airport Apartments

Effective Rent Date 12/06/2013
Location Airport Lane
 Cheraw, SC 29520
 Chesterfield County
Distance 35.5 miles
Units 18
Vacant Units 0
Vacancy Rate 0.0%
Type Manufactured Housing
Year Built/Renovated 2000 / N/A
Marketing Began N/A
Leasing Began N/A
Last Unit Leased N/A
Major Competitors N/A
Tenant Characteristics Tenants tend to come from Cheraw.
Contact Name Crisa
Phone 843-537-5924



Market Information

Program Market
Annual Turnover Rate 10%
Units/Month Absorbed N/A
HCV Tenants 17%
Leasing Pace 3-5 days
Annual Chg. in Rent none
Concession none

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water not included
Sewer not included
Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Manufactured Housing	3	600	\$475	\$0	Market	Yes	0	0.0%	N/A	None
2	1	Manufactured Housing	N/A	800	\$500	\$0	Market	Yes	0	N/A	N/A	None
3	1	Manufactured Housing	N/A	900	\$550	\$0	Market	Yes	0	N/A	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$475	\$0	\$475	\$0	\$475
2BR / 1BA	\$500	\$0	\$500	\$0	\$500
3BR / 1BA	\$550	\$0	\$550	\$0	\$550

Amenities

In-Unit	Security	Services
Blinds	None	None
Central A/C		
Garbage Disposal		
Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None

Airport Apartments, continued

Comments

None

Airport Apartments, continued

Trend Report

Vacancy Rates

3Q04	1Q08	4Q13
5.6%	0.0%	0.0%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	0.0%	\$475	\$0	\$475	\$475

2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	N/A	\$425	\$0	\$425	\$425
2008	1	N/A	\$450	\$0	\$450	\$450
2013	4	N/A	\$500	\$0	\$500	\$500

3BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2004	3	N/A	\$475	\$0	\$475	\$475
2008	1	N/A	\$475	\$0	\$475	\$475
2013	4	N/A	\$550	\$0	\$550	\$550

Trend: Comments

3Q04	Rental rates vary at the property depending on amenities and unit size. Both two and three-bedroom units rent between \$400 and \$500 a month. Only select units are equipped with a garbage disposal or dishwasher. We previously interviewed this property in February 2003. At that time, the property was full occupied and there was a waiting list with two or three household on it.
1Q08	Contact was unaware of the competitors in the area. This property is under the same ownership as Town and Country Apartments.
4Q13	N/A

PROPERTY PROFILE REPORT

Fox Run Apartments

Effective Rent Date	12/06/2013
Location	148 Wall Street Camden, SC 29020 Kershaw County Intersection: Broad Street
Distance	37.3 miles
Units	120
Vacant Units	10
Vacancy Rate	8.3%
Type	Garden (3 stories)
Year Built/Renovated	2002 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	Camden Condos, Speers Creek
Tenant Characteristics	Mixed tenancy primarily from Camden some from Shaw AFB
Contact Name	Edith
Phone	803-432-3997



Market Information

Program	Market
Annual Turnover Rate	54%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within three months
Annual Chg. in Rent	None
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	included
Sewer	included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	32	776	\$685	\$0	Market	None	2	6.2%	N/A	AVG*
2	2	Garden (3 stories)	20	970	\$775	\$0	Market	None	N/A	N/A	N/A	None
2	2	Garden (3 stories)	44	1,089	\$795	\$0	Market	none	6	13.6%	N/A	AVG*
3	2	Garden (3 stories)	8	1,341	\$895	\$0	Market	None	2	25.0%	N/A	HIGH*
3	2	Garden (3 stories)	16	1,248	\$875	\$0	Market	None	N/A	N/A	N/A	LOW*

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$685	\$0	\$685	-\$44	\$641
2BR / 2BA	\$775 - \$795	\$0	\$775 - \$795	-\$53	\$722 - \$742
3BR / 2BA	\$875 - \$895	\$0	\$875 - \$895	-\$62	\$813 - \$833

Fox Run Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Dishwasher
Oven
Washer/Dryer hookup

Blinds
Central A/C
Garbage Disposal
Refrigerator

Security

None

Services

None

Property

Garage
Off-Street Parking
Swimming Pool

Central Laundry
On-Site Management
Volleyball Court

Premium

None

Other

Car wash area

Comments

High turnover is due to various reasons including tenants buying homes and school teachers relocating.

Fox Run Apartments, continued

Trend Report

Vacancy Rates

3Q06	1Q08	1Q11	4Q13
8.3%	7.5%	10.8%	8.3%

Trend: Market

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	3.1%	\$595 - \$620	\$0	\$595 - \$620	\$551 - \$576
2008	1	6.2%	\$685 - \$710	\$0	\$685 - \$710	\$641 - \$666
2011	1	N/A	\$710 - \$725	\$0	\$710 - \$725	\$666 - \$681
2013	4	6.2%	\$685	\$0	\$685	\$641

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	10.9%	\$695 - \$720	\$0	\$695 - \$720	\$642 - \$667
2008	1	7.8%	\$785 - \$810	\$0	\$785 - \$810	\$732 - \$757
2011	1	N/A	\$810 - \$825	\$0	\$810 - \$825	\$757 - \$772
2013	4	N/A	\$775 - \$795	\$0	\$775 - \$795	\$722 - \$742

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2006	3	8.3%	\$800 - \$825	\$0	\$800 - \$825	\$738 - \$763
2008	1	8.3%	\$885 - \$910	\$0	\$885 - \$910	\$823 - \$848
2011	1	N/A	\$910 - \$925	\$0	\$910 - \$925	\$848 - \$863
2013	4	N/A	\$875 - \$895	\$0	\$875 - \$895	\$813 - \$833

Trend: Comments

- 3Q06** Fox Run Apartments is a market rate property offering a total of 120 one-, two- and three-bedroom units. There are no concessions offered and there is no waiting list at this time. The property does not accept Section 8 vouchers. The leasing agent noted that typical occupancy ranges between 97 and 100 percent and added that the tenancy is drawn primarily from within a 15 to 20 miles radius.
- 1Q08** Management noted that three of the reported vacant units have been preleased and there are no other applications pending for vacant units. For three of the two-bedroom unit floorplans, management has decided to charge the same rent, even though the units have slightly varying sizes. Management also reported that rents have increased by \$25 in all units. The high annual turnover rate is due to the large number of units that are rented out as corporate apartments. Management explained that local companies often rent units for employees for three months to a year. These units come furnished and are offered at different rental rates than the market rents recorded.
- 1Q11** Two of the vacant units are leased. Some tenants have moved from Columbia and Sumter. Vacancy is higher due to tenants moving out to buy homes. There are a few military tenants.
- 4Q13** High turnover is due to various reasons including tenants buying homes and school teachers relocating.

PROPERTY PROFILE REPORT

The Reserve At Mill Creek

Effective Rent Date	12/29/2013
Location	2350 Freedom Blvd Florence, SC 29505 Florence County
Distance	25.1 miles
Units	268
Vacant Units	10
Vacancy Rate	3.7%
Type	Garden (3 stories)
Year Built/Renovated	2008 / N/A
Marketing Began	N/A
Leasing Began	N/A
Last Unit Leased	N/A
Major Competitors	None identified
Tenant Characteristics	A variety of singles, couples and families
Contact Name	Joanie
Phone	843-536-0336



Market Information

Program	Market
Annual Turnover Rate	25%
Units/Month Absorbed	N/A
HCV Tenants	0%
Leasing Pace	Within two weeks
Annual Chg. in Rent	Increased 8.0 to 13.0 percent
Concession	None

Utilities

A/C	not included -- central
Cooking	not included -- electric
Water Heat	not included -- electric
Heat	not included -- electric
Other Electric	not included
Water	not included
Sewer	not included
Trash Collection	included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
1	1	Garden (3 stories)	62	783	\$840	\$0	Market	No	2	3.2%	N/A	None
1.5	1	Garden (3 stories)	60	965	\$910	\$0	Market	No	3	5.0%	N/A	None
2	2	Garden (3 stories)	122	1,130	\$995	\$0	Market	No	2	1.6%	N/A	None
3	2	Garden (3 stories)	24	1,285	\$1,210	\$0	Market	Yes	3	12.5%	N/A	None

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$840	\$0	\$840	\$0	\$840
1.5BR / 1BA	\$910	\$0	\$910	\$0	\$910
2BR / 2BA	\$995	\$0	\$995	\$0	\$995
3BR / 2BA	\$1,210	\$0	\$1,210	\$0	\$1,210

The Reserve At Mill Creek, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Ceiling Fan
Microwave
Refrigerator
Washer/Dryer hookup

Blinds
Central A/C
Dishwasher
Garbage Disposal
Oven
Walk-In Closet

Security

Limited Access
Perimeter Fencing

Services

None

Property

Business Center/Computer Lab
Clubhouse/Meeting
Garage
Off-Street Parking
Picnic Area
Wi-Fi

Car Wash
Exercise Facility
Central Laundry
On-Site Management
Playground

Premium

None

Other

None

Comments

Management reported that the property does not accept Housing Choice Vouchers. The contact noted that the property has added a playground recently. Additionally, the contact stated that the demand is generally healthy in the area. The contact was unable to report the number of households currently on the three-bedroom waiting list.

The Reserve At Mill Creek, continued

Trend Report

Vacancy Rates

1Q11	4Q13
1.1%	3.7%

Trend: Market

1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$820	\$0	\$820	\$820
2013	4	5.0%	\$910	\$0	\$910	\$910

1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$765	\$0	\$765	\$765
2013	4	3.2%	\$840	\$0	\$840	\$840

2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$925	\$0	\$925	\$925
2013	4	1.6%	\$995	\$0	\$995	\$995

3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$1,075	\$0	\$1,075	\$1,075
2013	4	12.5%	\$1,210	\$0	\$1,210	\$1,210

Trend: Comments

- 1Q11** This is among the most upscale apartment properties in Florence. It has a 99 percent occupancy rate but the reported turnover rate is high at 76 percent. This rate was for the last month and it is likely that the annual rate is somewhat lower. Many tenants move here from outside the Florence area. Most departing tenants have a job transfer while others buy a home. There is a small waiting list for all units. The manager could not comment on absorption at the property, but indicated that it took at least a year to lease up.
- 4Q13** Management reported that the property does not accept Housing Choice Vouchers. The contact noted that the property has added a playground recently. Additionally, the contact stated that the demand is generally healthy in the area. The contact was unable to report the number of households currently on the three-bedroom waiting list.

PROPERTY PROFILE REPORT

Woodlake Apartments

Effective Rent Date 10/30/2013
Location 1347 Jefferson Drive
 Florence, SC 29501
 Florence County
Distance 24.1 miles
Units 120
Vacant Units 5
Vacancy Rate 4.2%
Type Garden (3 stories)
Year Built/Renovated 2012 / N/A
Marketing Began 9/01/2011
Leasing Began 1/01/2012
Last Unit Leased 8/31/2012
Major Competitors None identified
Tenant Characteristics None identified
Contact Name Scott
Phone 843-669-0384



Market Information

Program Market
Annual Turnover Rate 30%
Units/Month Absorbed 15
HCV Tenants 0%
Leasing Pace Within one month
Annual Chg. in Rent None
Concession None

Utilities

A/C not included -- central
Cooking not included -- electric
Water Heat not included -- electric
Heat not included -- electric
Other Electric not included
Water not included
Sewer not included
Trash Collection included

Unit Mix (face rent)

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restriction	Waiting List	Vacant	Vacancy Rate	Max Rent?	Range
2	2	Garden (3 stories)	N/A	1,040	\$850	\$0	Market	No	3	N/A	N/A	AVG
2	2	Garden (3 stories)	0	1,040	\$875	\$0	Market	No	0	N/A	N/A	HIGH
2	2	Garden (3 stories)	0	1,040	\$825	\$0	Market	No	0	N/A	N/A	LOW
3	2	Garden (3 stories)	N/A	1,222	\$950	\$0	Market	No	2	N/A	N/A	AVG
3	2	Garden (3 stories)	0	1,222	\$975	\$0	Market	No	0	N/A	N/A	HIGH
3	2	Garden (3 stories)	0	1,222	\$925	\$0	Market	No	0	N/A	N/A	LOW

Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$825 - \$875	\$0	\$825 - \$875	\$0	\$825 - \$875
3BR / 2BA	\$925 - \$975	\$0	\$925 - \$975	\$0	\$925 - \$975

Woodlake Apartments, continued

Amenities

In-Unit

Balcony/Patio
Carpeting
Coat Closet
Garbage Disposal
Oven
Walk-In Closet

Blinds
Central A/C
Dishwasher
Microwave
Refrigerator
Washer/Dryer hookup

Security

None

Services

None

Property

Exercise Facility
Swimming Pool

Off-Street Parking

Premium

None

Other

None

Comments

Management reported that the property does not accept Housing Choice Vouchers. The contact reported that the property opened in January 2012 and was fully occupied by late August 2012 for an absorption pace of 15 units per month.

Woodlake Apartments, continued

Photos



Comparable Property Analysis

Vacancy

The following tables summarize overall vacancy rates for the comparable properties.

VACANCY (ALL PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Autumn Run Apartments	@ 50%, @ 50% (HOME), @ 60%	28	1	3.6%
Hartsville Garden Apartments	@ 50%, @ 50% (HOME), @ 60%	72	1	1.4%
Middletown Apartments	@ 60%	40	2	5.0%
Pecan Grove Apartments	@ 50%, @ 50% (HOME), @ 60%	32	0	0.0%
Airport Apartments	Market	18	0	0.0%
Charles Pointe	Market	168	6	3.6%
Fox Run Apartments	Market	120	10	8.3%
The Reserve At Mill Creek	Market	268	10	3.7%
Woodlake Apartments	Market	120	5	4.2%
Total		866	35	4.0%

VACANCY (LIHTC PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Autumn Run Apartments	@ 50%, @ 50% (HOME), @ 60%	28	1	3.6%
Hartsville Garden Apartments	@ 50%, @ 50% (HOME), @ 60%	72	1	1.4%
Middletown Apartments	@ 60%	40	2	5.0%
Pecan Grove Apartments	@ 50%, @ 50% (HOME), @ 60%	32	0	0.0%
Total		172	4	2.3%

VACANCY (MARKET RATE PROPERTIES)

Property name	Rent Structure	Total Units	Vacant Units	Vacancy Rate
Airport Apartments	Market	18	0	0.0%
Charles Pointe	Market	168	6	3.6%
Fox Run Apartments	Market	120	10	8.3%
The Reserve At Mill Creek	Market	268	10	3.7%
Woodlake Apartments	Market	120	5	4.2%
Total		694	31	4.5%

Overall vacancy in the local market is low, averaging 4.0 percent. The LIHTC properties reported an average vacancy rate of 2.3 percent. All of the LIHTC properties, except Middletown Apartments, reported a waiting list. Autumn Run Apartments reported a waiting list of two to 24 months, Hartsville Gardens reported a waiting list of 52 households, and Pecan Grove reported a short waiting list of five households. The market rate properties surveyed reported a higher average vacancy rate, at 4.5 percent. Fox Run Apartments reported the highest vacancy rate. The high vacancy was attributed to recent home purchases and residents relocating for jobs.

Overall, the local rental market appears to be healthy and we believe that the Subject will maintain a stabilized vacancy rate of five percent or less, following stabilization, which is consistent with the market.

Location

Due to the lack of comparable market rate properties, we expanded our search to include properties located within 37.3 miles of the Subject, in the adjacent counties. All of the LIHTC properties surveyed are located within Darlington County. We compared the median household income and median home values by zip code, as well as the WalkScore, of the Subject to the comparable properties. The following table details our findings:

LOCATION ANALYSIS									
#	Property	Zip Code	Median Household Income	Differential from Subject	Median Home Value	Differential from Subject	WalkScore	Differential from Subject	Overall Differential
S	Westfield Village	29550	\$36,970	-	\$86,800	-	42	-	-
1	Autumn Run Apartments	29532	\$34,089	Similar	\$70,600	Slightly Inferior	48	Similar	Slightly Inferior
2	Hartsville Garden Apartments	29550	\$36,970	Similar	\$86,800	Similar	77	Superior	Slightly Superior
3	Middletown Apartments	29550	\$36,970	Similar	\$86,800	Similar	17	Similar	Similar
4	Pecan Grove Apartments	29532	\$34,089	Similar	\$70,600	Slightly Inferior	49	Similar	Similar
5	Airport Apartments	29520	\$31,822	Slightly Inferior	\$100,000	Slightly Superior	2	Similar	Similar
6	Charles Pointe	29505	\$50,111	Superior	\$122,800	Superior	37	Similar	Superior
7	Fox Run Apartments	29020	\$38,994	Similar	\$86,800	Similar	14	Similar	Similar
8	The Reserve at Mill Creek	29505	\$50,111	Superior	\$122,800	Superior	52	Slightly Superior	Slightly Superior
9	Woodlake Apartments	29501	\$43,622	Slightly Superior	\$119,000	Superior	43	Similar	Slightly Superior

Source: US Census Bureau, WalkScore.com, Zillow.com, 03/2014

According to WalkScore.com, the Subject is located in a “car dependent” neighborhood. Hartsville Garden Apartments is located in a “very walkable” neighborhood and The Reserve at Mill Creek is located in a “somewhat walkable” neighborhood. The remaining comparable properties are located in “car dependent” neighborhoods, similar to the Subject. When comparing median household income levels, Airport Apartments is slightly inferior, Woodlake is slightly superior, and Charles Pointe and The Reserve at Mill Creek are superior. The remaining comparables have similar median household income levels to the Subject. When comparing median home values, Autumn Run and Pecan Grove are slightly inferior, Airport Apartments is slightly superior, and Charles Pointe, The Reserve at Mill Creek and Woodlake Apartments are superior. The remaining comparables have similar median household income levels to the Subject. Overall, the Subject is considered inferior to Charles Pointe, slightly superior to Autumn Run, slightly inferior to Hartsville Garden, The Reserve at Mill Creek and Woodlake Apartments, and similar to the remaining comparable properties, with respect to location.

Reasonability of Rents

This report is written to SCSHFDA guidelines. Therefore, the conclusions contained herein may not be replicated by a more stringent analysis. We recommend that the sponsor understand the guidelines of all those underwriting the Subject development to ensure the proposed rents are acceptable to all.

Rents provided by property managers at some properties may include all utilities while others may require tenants to pay all utilities. To make a fair comparison of the Subject rent levels to comparable properties, rents at comparable properties are typically adjusted to be consistent with the Subject. Adjustments are made using Section 8 Utility Allowances for Darlington County effective through December 2014. The rent analysis is based on net rents at the Subject as well as surveyed properties.

LIHTC Rent Comparison - @50%

Property Name	3BR	4BR
Westfield Village (Subject)	\$436 \$404 (HOME)	\$472 \$436 (HOME)
LIHTC Maximum (Net)	\$436	\$472
HOME Maximum (Net)	\$404	\$436
Autumn Run Apartments	\$453	n/a
Hartsville Garden Apartments	\$490 \$458 (HOME)	n/a
Pecan Grove Apartments	\$419 \$344 (HOME)	n/a
Average (excluding Subject)	\$433	n/a

LIHTC Rent Comparison - @60%

Property Name	3BR	4BR
Westfield Village (Subject)	\$572	\$624
LIHTC Maximum (Net)	\$573	\$624
Autumn Run Apartments	\$607	n/a
Hartsville Garden Apartments	\$563	n/a
Middletown Apartments	\$425	n/a
Pecan Grove Apartments	\$444	n/a
Average (excluding Subject)	\$510	n/a

The Subject will offer nine low HOME units. These units will be restricted by the lesser of the maximum allowable LIHTC or HOME rents. As the HOME rents are currently lower, the proposed rents for these nine units may not exceed the maximum allowable HOME rents.

Although some of the indicated rents at the comparable properties appear to be above the maximum allowable rents, this is due to differing utility structures and placed in service (PIS) dates. As illustrated, none of the comparable properties offer four-bedroom units. We searched Darlington and the surrounding counties but could not find any LIHTC developments offering four-bedroom units. Autumn Run and Hartsville Garden Apartments are the only properties that reported that they are achieving the maximum allowable rents. Autumn Run is currently 3.6 percent vacant, with one vacant unit. The property is also maintaining a waiting list of two to 24 months. Hartsville Garden is currently 1.4 percent vacant, with one vacant unit. This property is maintaining a waiting list of 52 households. The managers at Autumn Run, Hartsville Garden and Pecan Grove all reported that there is strong demand for three and four-bedroom units in the market. Hartsville Garden further indicated that they frequently receive inquiries for three and four-bedroom units, and their three-bedroom units are rarely vacant. Given that Autumn Run and Hartsville Garden are achieving the maximum allowable rents, reported low vacancy, and are maintaining a waiting list, it appears that the maximum allowable rents at 50 and 60 percent are affordable for families in the market. As new construction, the Subject will be similar in condition to Hartsville Gardens, slightly superior to Autumn Run and Pecan Grove, and superior to Middletown Apartments. The Subject’s proposed unit amenities will be similar to Autumn Run, Hartsville Garden and Pecan Grove, and superior to Middletown Apartments. Its property amenities will be similar to Hartsville Garden, and slightly superior to the remaining LIHTC properties. The Subject’s proposed unit sizes will be superior to Pecan Grove, slightly superior to Autumn Run and Hartsville Garden, and similar to Middletown Apartments. Overall, the Subject will be a superior product to what is currently available in the market. Therefore, we believe the Subject’s proposed rents at 50 and 60 percent appear reasonable.

Achievable Market Rents

Based on the quality of the surveyed comparable properties and the anticipated quality of the proposed Subject, we conclude that the Subject’s rental rates are below the achievable market rates for the Subject’s area. The following table shows both market rent comparisons and achievable market rents.

SUBJECT COMPARISON TO MARKET RENTS

Unit Type	Subject	Surveyed Min	Surveyed Max	Surveyed Average	Achievable Market Rents	Subject Rent Advantage
3 BR @ 50% (HOME)	\$404	\$550	\$1,210	\$901	\$750	46%
4 BR @ 50% (HOME)	\$436	\$700	\$700	\$700	\$900	52%
3 BR @ 50%	\$436	\$550	\$1,210	\$901	\$750	42%
4 BR @ 50%	\$472	\$700	\$700	\$700	\$900	48%
3 BR @ 60%	\$572	\$550	\$1,210	\$901	\$750	24%
4 BR @ 60%	\$624	\$700	\$700	\$700	\$900	31%

Due to the lack of market rate properties in Darlington County, we expanded our search to include properties located in the adjacent counties. The comparable market rate properties are located between 24.1 and 37.3 miles of the Subject site. We were unable to locate any market rate properties offering four-bedroom units, and have therefore supplemented our market rent analysis with local four-bedroom, classified listings. All of the market rate properties were built between 2000 and 2012. Woodlake Apartments is the newest development in the market and is similar in condition to the proposed Subject. The Reserve at Mill Creek was constructed in 2008 and is slightly inferior in condition to the proposed Subject. The remaining comparable properties were constructed between 2000 and 2002, and are inferior in condition to the proposed Subject. The Subject’s unit amenities will be similar to those offered at Charles Pointe, The Reserve at Mill Creek and Woodlake Apartments, and superior to those offered at Airport and Fox Run Apartments. Its property amenities will be similar to Charles Pointe and Fox Run, superior to Airport and Woodlake Apartments, and inferior to The Reserve at Mill Creek. The Subject’s proposed unit sizes will be slightly inferior to Fox Run, and similar to the remaining comparable properties. Overall the Subject is considered most similar to Woodlake Apartments. Therefore, we believe the Subject could achieve rents similar to those charged at Woodlake. We have compared the proposed rents at the Subject to those rents reported by Woodlake Apartments. The Subject’s proposed rental rates are well below the rents at this comparable property. The following table depicts the proposed rental rates for the Subject and the adjusted rental rates for Woodlake Apartments.

SUBJECT RENT COMPARISON WITH WOODLAKE APARTMENTS

Unit Type	Subject Rent	Square Feet	Woodlake Apartments	Square Feet	Subject Rent Advantage
3 BR @ 50% (HOME)	\$436	1,180	\$975	1,222	55%
4 BR @ 50% (HOME)	\$472	1,280	n/a	n/a	n/a
3 BR @ 50%	\$436	1,180	\$975	1,222	55%
4 BR @ 50%	\$472	1,280	n/a	n/a	n/a
3 BR @ 60%	\$573	1,180	\$975	1,222	41%
4 BR @ 60%	\$624	1,280	n/a	n/a	n/a

We also searched the local classifieds for single-family home rentals in the Subject’s market area. The following table details our findings:

CLASSIFIEDS LISTINGS

Bedroom	Address	City	Rent	Square Footage	Comments
3BR/2BA	3055 Lucknow Rd	Bishopville	\$550	1,500	Tenant pays water and electric expense. Property is a double-wide mobile home.
3BR/2BA	320 Davis St	Lamar	\$600	1,200	
3BR/2BA	Woodland Dr & Pressley St	Hartsville	\$700	1,000	Includes a microwave and a dishwasher.
3BR/1BA	Ingram Cir & Jackson St	Hartsville	\$600	1,100	
3BR/2BA	W Hampton Rd & S Sycamore St	Darlington	\$650	2,000	Modular home. Tenant is responsible for all utilities and yard maintenance.
3BR/1.5BA	923 Inglewood Dr	Florence	\$775	n/a	Newly renovated single-family home. Includes wood flooring, new carpeting, and new appliances.
3BR/2BA	Raccoon Rd	Bishopville	\$700	n/a	Includes a laundry/mud room, washer/dryer hookups, blinds, and a whirlpool tub in the master bath
3BR/2BA	2425 Windstar SE	Hartsville	\$650	1,500	Mobile home rental
4BR/2BA	Society Hill Rd & Round O Rd	Darlington	\$700	2,000	Mobile home available for rent or lease-to-own.

Source: Hotpads.com, Craigslist.com

As illustrated, three-bedroom home rentals range from \$550 to \$775 per month. We were only able to find one listing for a four-bedroom home rental. The unit is a mobile home and is listed at \$700 per month. The Subject will be superior in condition to the majority of the single-family home rentals, and similar to inferior with respect to size. We also interviewed Diane Wall with Brown and Coker Realty. According to Ms. Wall, they manage several small apartment buildings and single-family homes in the Hartsville area. She indicated that three-bedroom units rent for anywhere from \$350 to \$850 per month, depending on size and condition of the unit. Ms. Wall stated that there is demand for four-bedroom rentals in the market, and they typically rent for around \$850 to \$1,000 per month. Ms. Wall stated that their units are typically fully occupied and they get calls daily for housing because there's not enough product to meet demand. Therefore, we believe our concluded achievable rents for the Subject's proposed units are reasonable.

Cost and Availability of Homeownership

We performed a rent/buy analysis. Our inputs assume a three-bedroom single-family home listing on www.zillow.com in the Subject's neighborhood with a purchase price of \$130,000 and an interest rate of 4.50 percent for a 30-year fixed mortgage with a ten percent down payment. This was compared to the cost to rent the Subject's three-bedroom unit at 60 percent of the AMI level. This analysis indicates that with a monthly differential of \$228, it is more affordable to rent at the Subject than to purchase a home. This indicates that the Subject will not compete with home ownership at current interest rate levels. The rent buy analysis is illustrated in the following table.

RENT BUY ANALYSIS				
Three-Bedroom Single-Family Home - Hartsville, SC				
Inputs		Ownership	Rental	Notes
Average Price		\$130,000		www.zillow.com
Closing Costs	3%	\$3,900		
downpayment	10%	\$13,000.00		
Principal		\$117,000.00		
Interest Rate	4.50%			Estimate from www.bankrate.com
Amortization period	30			
Monthly Payment		\$592.82		
Annual Payment		\$7,113.86		
Real Estate Taxes	1.25%	\$1,625		
Private Mortgage Insurance	0.50%	\$585.00		
Homeowner's Insurance	0.50%	\$300		
Utilities		\$120		Rent includes water, sewer, and trash.
Maintanance and Repairs	1.50%	\$1,950		Assumes a 1.5% cost for maintanance and repairs.
Tax Benefit				Assumes taxable income of \$36,000
Marginal Tax Bracket	28%			
Annual Interest		\$5,265		Assumes first year
Annual Tax Savings		(\$1,929.20)		
Rental Costs				
Annual Rent			\$6,876	3BR 60% Net Rent
Insurance (renter)			\$150	
Total Annual Cost		\$9,765	\$7,026	
Total Monthly Cost		\$814	\$586	
Differential per year	\$2,739			
Differential per month	\$228			
Cash Due at Occupancy		\$16,900	\$873	

As illustrated, the “cash due at occupancy” category adds to more than \$16,900 for the down payment and closing costs. The cash necessary for homeownership will be a barrier to many families. In general, first-time homebuyers have difficulty saving for a down payment. Additionally, the current credit crunch makes it more difficult than ever before for buyers with less than perfect credit to obtain financing. Due to the difficulty obtaining financing in today’s market, we believe homeownership will have a limited or negligible effect on occupancy for the Subject property.

Affect of Subject on Other Affordable Units in Market

LIHTC vacancy in the market is low at 2.3 percent. All of the LIHTC properties, except Middletown Apartments, are maintaining a waiting list. All of the local property managers reported that there is strong demand for affordable housing in the market, and the addition of the Subject would not have a long term impact on the existing family properties. We believe this indicates additional latent demand in the market for quality affordable housing. Furthermore, there have been no LIHTC properties allocated within the PMA over the last three years. We do not believe that the addition of the Subject will have a long term impact on the existing affordable units in the market.

Availability of Affordable Housing Options

There are five family LIHTC proprieties located in the PMA. Therefore, the availability of affordable housing in the PMA is considered good.

Primary Housing Voids

Overall vacancy in the market is low at 4.0 percent and LIHTC vacancy is also low at 2.3 percent. All of the LIHTC vacancies in the market, except Middletown Apartments, reported a waiting list.

Several managers reported that there is strong demand for three and four-bedroom units in the market, and that they receive many inquiries for these unit types. Local realtors also reported strong demand for housing in the market, particularly for three and four-bedroom units. Overall, we believe that the Subject will help to fill a void in the local market.

Summary Evaluation of the Proposed Project

The average vacancy rate among the LIHTC properties surveyed is 2.3 percent, and the majority of the comparable properties reported a waiting list. The Subject will be superior in condition and design to the majority of the comparable properties surveyed, and will offer similar to superior in-unit and property amenities. Additionally, the Subject's design as single-family homes will be unique in the market and will be a strength of the development and help facilitate leasing. Although there are no properties in the market offering four-bedroom units, several of the local managers reported that they receive many inquiries for three and four-bedroom units and that demand in the market is strong. We also contacted Brown and Coker Realty, who also reported strong demand for three and four-bedroom units in the Subject's market area. The Subject will help fill a housing void in the market, and the addition of the Subject is not expected to have a long term impact on the performance of existing developments. When compared to the current rents at the family LIHTC properties, the Subject's proposed 50 and 60 percent AMI rents appear reasonable and they are significantly below what we have determined to be the achievable market rents. Overall, we believe that the Subject will be successful in the local market, as proposed.

H. INTERVIEWS

INTERVIEWS

Planning

According to Brenda Kelley, Planning and Zoning Administrator with the City of Hartsville Planning Department, there are no proposed developments or developments under construction within the Subject's market area.

According to the SCSHFDA allocation list, there are no proposed developments or developments currently under construction in the Subject's PMA.

Section 8/Public Housing

We made several attempts to reach the Hartsville Housing Authority regarding vouchers and payment standards. However, we were unable to reach anyone for an interview.

Property Managers

Interviews with property managers are located in the comments section of the property profiles.

I. RECOMMENDATIONS

Recommendations

We believe there is sufficient demand for the Subject in the market and we recommend the Subject as proposed. Overall capture rates for the Subject are low to moderate and indicate demand for the Subject. The average vacancy rate among the LIHTC properties is low, at 2.3 percent, and all of the LIHTC properties surveyed, except Middletown Apartments, are maintaining a waiting list. All of the local property managers reported that there is strong demand for affordable housing, particularly for three and four-bedroom units, and the addition of the Subject would not have a long term impact on the existing family properties. Furthermore, there have been no LIHTC properties allocated within the PMA over the last three years.

J. SIGNED STATEMENT REQUIREMENTS

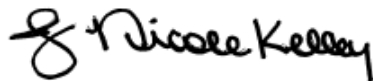
I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for new rental LIHTC units. I understand that any misrepresentation of this statement may result in denial of further participation in the South Carolina State Housing Finance and Development Authority's programs. I also affirm that I have no interest in the project or 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 SCHFDA'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.



H. Blair Kincer, MAI, CRE
LEED Green Associate
Partner
Novogradac & Company LLP

March 6, 2014

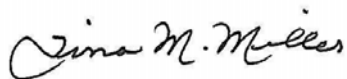
Date



J. Nicole Kelley
Manager
Novogradac & Company LLP

March 6, 2014

Date



Tina M. Miller
Real Estate Analyst
Novogradac & Company LLP

March 6, 2014

Date

ADDENDA

Addendum A: Subject and Neighborhood Photos



Subject site



Subject site



Subject site



Subject site



View from Subject site (site on left)



View from Subject site (site on right)



View west from Subject site of retail uses



View west of retail uses



View west of dialysis clinic



Vacant land west of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses north of Subject site



Retail uses west of Subject site



Fast food west of Subject site



Retail uses south of Subject site



Retail uses south of Subject site



Fast food south of Subject site



Commercial uses west of Subject site



Mobile homes east of Subject site



Single-family homes east of Subject site



Motel west of Subject



Oakview Townhomes – USDA RD property



Swift Creek Apartments – Section 8 property



View north on South 4th Street



View south on South 4th Street

Addendum B: Analyst Qualifications

STATEMENT OF PROFESSIONAL QUALIFICATIONS

H. BLAIR KINCER, MAI, CRE

I. Education

Duquesne University, Pittsburgh, Pennsylvania
Masters in Business Administration
Graduated Summa Cum Laude

West Virginia University, Morgantown, West Virginia
Bachelor of Science in Business Administration
Graduated Magna Cum Laude

II. Licensing and Professional Affiliation

Member of the Appraisal Institute (MAI)
Member, The Counselors of Real Estate (CRE)
LEED Green Associate
Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Past Member Frostburg Housing Authority

Certified General Real Estate Appraiser, No. 31534 – State of Arizona
Certified General Real Estate Appraiser, No. CG100026242 – State of Colorado
Certified General Real Estate Appraiser, No. RCG1046 – State of Connecticut
Certified General Real Estate Appraiser, No. 4206 – State of Kentucky
Certified General Real Estate Appraiser, No. 1326 – State of Maryland
Certified General Real Estate Appraiser, No. GA-805 – State of Mississippi
Certified General Real Estate Appraiser, No. 46000039124 – State of New York
Certified General Real Estate Appraiser, No. A6765 – State of North Carolina
Certified General Real Estate Appraiser, No. GA001407L – Commonwealth of Pennsylvania
Certified General Real Estate Appraiser, No. 5930 – State of South Carolina
Certified General Real Estate Appraiser, No. 3918 – State of Tennessee
Certified General Real Estate Appraiser, No. 4001004822 – Commonwealth of Virginia
Certified General Real Estate Appraiser, No. 1101008 – State of Washington
Certified General Real Estate Appraiser, No. CG360 – State of West Virginia
Certified General Real Estate Appraiser, No. 1081 – State of Wyoming

III. Professional Experience

Partner, Novogradac & Company LLP
Vice President, Capital Realty Advisors, Inc.
Vice President - Acquisitions, The Community Partners Development Group, LLC
Commercial Loan Officer/Work-Out Specialist, First Federal Savings Bank of Western MD
Manager - Real Estate Valuation Services, Ernst & Young LLP
Senior Associate, Joseph J. Blake and Associates, Inc.
Senior Appraiser, Chevy Chase, F.S.B.
Senior Consultant, Pannell Kerr Forster

IV. Professional Training

Have presented at and attended various IPED and Novogradac conferences regarding the affordable housing industry. Have done presentations on the appraisal and market analysis of Section 8 and 42 properties. Have spoken regarding general market analysis topics.

Obtained the MAI designation in 1998 and maintained continuing education requirements since.

V. Real Estate Assignments – Examples

In general, have managed and conducted numerous market analyses and appraisals for all types of commercial real estate since 1988.

- Performed numerous appraisals for the US Army Corps of Engineers US Geological Survey and the GSA. Property types included Office, Hotel, Residential, Land, Gymnasium, warehouse space, border patrol office. Properties located in varied locations such as the Washington, DC area, Yuma, AZ, Moscow, ID, Blaine, WA, Lakewood, CO, Seattle, WA
- Performed appraisals of commercial properties such as hotels, retail strip centers, grocery stores, shopping centers etc for properties in various locations throughout Pennsylvania, New Jersey, Maryland, New York for Holiday, Fenoglio, Fowler, LP and Three Rivers Bank.
- Have managed and conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis. An area of special concentration has been the category of Senior Independent living properties. Work has been national in scope.
- Provided appraisal and market studies for a large portfolio of properties located throughout the United States. The reports provided included a variety of property types including vacant land, office buildings, multifamily rental properties, gas stations, hotels, retail buildings, industrial and warehouse space, country clubs and golf courses, etc. The portfolio included more than 150 assets and the work was performed for the SBA through Metec Asset Management LLP.
- Have managed and conducted numerous appraisals of affordable housing (primarily LIHTC developments). Appraisal assignments typically involved determining the as is, as if complete and the as if complete and stabilized values. Additionally, encumbered (LIHTC) and unencumbered values were typically derived. The three traditional approaches to value are developed with special methodologies included to value tax credit equity, below market financing and Pilot agreements.
- Performed numerous appraisals in 17 states of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. These appraisals meet the requirements outlined in HUD Handbook 4465.1 and Chapter 7 of the HUD MAP Guide.

H. Blair Kincer

Qualifications

Page 3

- Performed numerous market study/appraisals assignments for USDA RD properties in several states in conjunction with acquisition rehabilitation redevelopments. Documents are used by states, FannieMae, USDA and the developer in the underwriting process. Market studies are compliant to State, FannieMae and USDA requirements. Appraisals are compliant to FannieMae and USDA HB-1-3560 Chapter 7 and Attachments.
- Completed numerous FannieMae appraisals of affordable and market rate multi-family properties for Fannie DUS Lenders. Currently have ongoing assignment relationships with several DUS Lenders.
- In accordance with HUD's Section 8 Renewal Policy and Chapter 9, Mr. Kincer has completed numerous Rent Comparability Studies for various property owners and local housing authorities. The properties were typically undergoing recertification under HUD's Mark to Market Program.
- Completed Fair Market Value analyses for solar panel installations, wind turbine installations, and other renewable energy assets in connection with financing and structuring analyses performed by various clients. The reports are used by clients to evaluate with their advisors certain tax consequences applicable to ownership. Additionally, the reports can be used in connection with the application for the federal grant identified as Section 1603 American Recovery & Reinvestment Act of 2009 and in the ITC funding process.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

J. Nicole Kelley

I. Education

Auburn University, Auburn, Alabama
Bachelor of Science in Business Administration: International Business
Auburn University, Auburn, Alabama
Master of Business Administration (MBA)

II. Professional Experience

Manager, Novogradac & Company LLP (July 2012-Present)
Real Estate Analyst, Novogradac & Company LLP (October 2009-June 2012)
Real Estate Researcher, Novogradac & Company LLP (May 2006-September 2009)

III. Professional Training and Continuing Education

Member, National Council of Affordable Housing Market Analysts (NCAHMA)
Member, Women in Affordable Housing Network (WAHN)
Successfully completed "Introduction to Commercial Real Estate Analysis" and
"Financial Analysis for Commercial Real Estate Investment"

IV. Real Estate Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Conducted numerous market and feasibility studies for affordable housing. Properties are generally Section 42 Low Income Housing Tax Credit Properties. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of LIHTC properties. Analysis typically includes; unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.
- Prepared a comprehensive city wide housing market analysis for the City of Biloxi, MS which included a housing needs assessment.
- Prepared a comprehensive neighborhood housing market analysis for the New Orleans East neighborhood in New Orleans, LA for the Louisiana Housing and Finance Agency. The study focused on the housing and economic trends Pre- and Post- Hurricane Katrina and overall housing needs in that neighborhood.
- Conducted market studies for senior and family projects in Alabama, Arizona, California, Florida, Georgia, Guam, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, North Carolina, Oklahoma, Pennsylvania, Puerto Rico, South Carolina, South Dakota, Tennessee, Texas, Virginia, West Virginia, Washington, Wisconsin, and Wyoming.
- Assisted in appraisals of proposed new construction and existing Low-Income Housing Tax Credit and Special Needs properties in various states.
- Assisted in the preparation of Rent Comparability Studies and HUD MAP Market Studies according to HUD guidelines.

STATEMENT OF PROFESSIONAL QUALIFICATIONS

TINA M. MILLER

I. Education

Pennsylvania State University, University Park, PA
Bachelor of Science, Economics

II. Professional Experience

Real Estate Analyst, Novogradac & Company LLP
Asset Manager, National Housing Trust
Asset Manager, Volunteers of America
Consultant, Valuation & Information Group

III. Real Estate Assignments

A representative sample of Due Diligence, Consulting, or Valuation Engagements includes:

- Examined market data to determine feasibility of proposed developments or renovations, and reasonability of proposed rents for LIHTC, Section 8, and HOME and HOPE VI funded properties.
- Analyzed reported unit mix, bedroom types, amenities, and rents at local properties to determine adequacy of proposed development schemes. When appropriate, provided recommendations based on interviews with property managers, planning/revitalization departments, the housing authority, and other organizations.
- Analyzed demographic and economic data, including historical and projected growth or contraction, unemployment rates, total employment, major employers, and employment by industry, to determine general economic health of the market.
- Assisted in appraisals of general family properties, senior apartment complexes, assisted living facilities, and skilled nursing homes.
- Examined budgeted expenses to determine reasonability of operating budget for proposed and existing affordable housing developments. Provided recommendations based on actual comparable operating expense data, and historical operating expenses of the project, when applicable.
- Provided substantial assistance in appraisals of subsidized, family and senior apartment complexes for HUD financing, as well as Section 236 decoupling.
- Assisted with Rent Comparability Studies, both as is and as renovated, for subsidized senior and family developments. Included detailed market analysis of amenities, unit size, age and condition, location, and occupancy rates at comparable properties to determine potential market rents.

- Performed market studies of existing nursing homes and assisted living facilities. Analysis included interviewing comparable facilities to determine general market health within the Primary Market Area (PMA); determining feasibility of rates; and interviewing local planners and other officials to determine demand and future competition for skilled nursing homes or assisted living facilities.
- Performed a market study for a proposed, multifamily development targeting formerly homeless persons with HIV/AIDS, substance abuse, and mental health issues. Analysis included estimating market rents, and determining need for the development via interviews with permanent and transitional housing developments, The Office of Emergency and Shelter Services, and Drug and Alcohol Treatment Programs.