

**Tab 19**

**Market Study**



## **A MARKET FEASIBILITY STUDY OF**

### **IRBY SENIOR VILLAGE**

**North side of Federal Court just west of South Irby Street  
Florence, Florence County, South Carolina 29505**

Located At

**Effective Date: January 26, 2016**

**Report Date: March 10, 2016**

*Prepared For*

**Jim Markel  
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*Prepared By*

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March 10, 2016

Mr. Jim Markel  
Director of Acquisitions and Development  
Affordable Equity Partners, Inc.  
3290 Northside Parkway NW  
Suite 300  
Atlanta, GA 30327

**Re: Market Study for Irby Senior Village, Florence, South Carolina**

Dear Mr. Markel:

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

The purpose of this market study is to assess the viability of Irby Senior Village, a proposed senior apartment development consisting of 40 units. The property will offer affordable rental units restricted to senior households aged 55 and above earning 50 and 60 percent or less of the Area Median Gross Income (AMI). 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, both affordable and market rate.



Affordable Equity Partners, Inc.  
Irby Senior Village  
March 10, 2016  
Cover Letter Page 2

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,  
Novogradac & Company LLP



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## **Table of Contents**

<b>EXECUTIVE SUMMARY/CONCLUSIONS.....</b>	<b>1</b>
<b>A. PROJECT DESCRIPTION .....</b>	<b>7</b>
<b>B. SITE DESCRIPTION .....</b>	<b>10</b>
<b>C. MARKET AREA .....</b>	<b>17</b>
Primary Market Area .....	18
<b>D. MARKET AREA ECONOMY .....</b>	<b>21</b>
Regional and Local Economic Overview .....	22
Commuting Patterns.....	27
Conclusions.....	27
<b>E. COMMUNITY DEMOGRAPHIC DATA.....</b>	<b>28</b>
Household Trends .....	31
Household Income by Tenure.....	33
Renter Households by Number of Persons in the Household.....	33
Conclusion .....	34
<b>F. PROJECT-SPECIFIC DEMAND ANALYSIS .....</b>	<b>35</b>
<b>G. SUPPLY ANALYSIS.....</b>	<b>50</b>
Survey of Comparable Projects .....	51
Reasonability of Rents .....	80
Summary Evaluation of the Proposed Project .....	83
<b>H. INTERVIEWS .....</b>	<b>84</b>
<b>I. RECOMMENDATIONS .....</b>	<b>86</b>
<b>J. SIGNED STATEMENT REQUIREMENTS .....</b>	<b>88</b>
<b>Addenda.....</b>	<b>90</b>

**EXECUTIVE SUMMARY/CONCLUSIONS**

**PROPERTY SUMMARY OF SUBJECT**

**Subject Property Overview:** Irby Senior Village, the Subject, is a proposed 40-unit apartment community for seniors age 55 and older that will be restricted to households earning 50 and 60 percent of the AMI, or less.

**Targeted Tenancy:** Seniors (age 55 and older)

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

**PROPOSED RENTS**

Unit Type	Number of Units	Asking Rent	Utility Allowance (1)	Gross Rent	LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>						
1BR/1BA	2	\$331	\$132	\$463	\$467	\$502
2BR/2BA	6	\$355	\$172	\$527	\$561	\$624
<i>60% AMI</i>						
1BR/1BA	6	\$425	\$132	\$557	\$561	\$502
2BR/2BA	26	\$493	\$172	\$665	\$673	\$624
<b>Total</b>	<b>40</b>					

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

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

**OVERALL VACANCY ALL PROPERTIES**

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cambridge Court Apartments	@ 50%, @ 60%	Family	64	4	6.2%
Coit Village	@ 50%, @ 60%	Family	60	0	0.0%
Lakota Crossing	@ 50%, @ 60%	Family	72	2	2.8%
Palmetto Station Apartments	@ 50%, @ 60%	Family	48	0	0.0%
SP Holladay Manor*	@ 50%, @ 60%	Senior	48	0	0.0%
Sumter Place*	@ 50%, @ 60%	Senior	41	1	2.4%
Charles Pointe	Market	Family	168	0	0.0%
Colonial Gardens	Market	Family	40	2	5.0%
Columns At Millstone	Market	Family	60	1	1.7%
Four Oaks Apartments	Market	Family	80	0	0.0%
Sedgefield Apartments	Market	Family	272	5	1.8%
The Reserve At Mill Creek	Market	Family	<u>268</u>	<u>0</u>	<u>0.0%</u>
<b>Total in PMA</b>			<b>1,132</b>	<b>14</b>	<b>1.2%</b>
<b>Total</b>			<b>1,221</b>	<b>15</b>	<b>1.2%</b>

\*Units at properties outside the PMA

**OVERALL VACANCY LIHTC PROPERTIES**

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cambridge Court Apartments	@50% , @60%	Family	64	4	6.2%
Coit Village	@50% , @60%	Family	60	0	0.0%
Lakota Crossing	@50% , @60%	Family	72	2	2.8%
Palmetto Station Apartments	@50% , @60%	Family	48	0	0.0%
SP Holladay Manor*	@50% , @60%	Senior	48	0	0.0%
Sumter Place*	@50% , @60%	Senior	41	1	2.4%
<b>Total in PMA</b>			<b>244</b>	<b>6</b>	<b>2.5%</b>
<b>Total</b>			<b>333</b>	<b>7</b>	<b>2.1%</b>

\*Units at properties outside the PMA

**OVERALL VACANCY MARKET RATE PROPERTIES**

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Charles Pointe	Market	Family	168	0	0.0%
Colonial Gardens	Market	Family	40	2	5.0%
Columns At Millstone	Market	Family	60	1	1.7%
Four Oaks Apartments	Market	Family	80	0	0.0%
Sedgefield Apartments	Market	Family	272	5	1.8%
The Reserve At Mill Creek	Market	Family	268	0	0.0%
<b>Total in PMA</b>			<b>888</b>	<b>8</b>	<b>0.9%</b>

Overall vacancy in the PMA among the ten comparables is low at 1.2 percent, and among all 12 comparables the vacancy rate is also 1.2 percent. The six surveyed comparable LIHTC properties from inside and outside the PMA have a 2.1 percent vacancy rate, and all maintain waiting lists, indicating very high demand for affordable housing, particularly senior housing.

Among the market rate properties, the vacancy rate is also very low at 0.9 percent, indicating very strong support for conventional apartments within the PMA. None of the market comparable properties reported a vacancy rate greater than 6.2 percent.

Overall, the local rental market appears to be very healthy and we believe that the Subject will be able to maintain a stabilized vacancy rate of three percent or less following stabilization per state guideline standards. In fact, we would expect that after completion of absorption, the Subject will likely be able to generate a waiting list with the projected senior household growth in the PMA.

**Capture Rates:**

The following table illustrates the capture rates for the Subject.

**CAPTURE RATE ANALYSIS CHART**

<b>Bedrooms/AMI Level</b>	<b>Total Demand*</b>	<b>Supply</b>	<b>Net Demand</b>	<b>Units Proposed</b>	<b>Capture Rate</b>
1BR at 50% AMI	48	1	47	2	4.3%
1BR at 60% AMI	50	11	39	6	15.6%
2BR at 50% AMI	157	11	146	6	4.1%
2BR at 60% AMI	163	73	90	26	29.0%
Overall at 50% AMI	205	12	193	8	4.2%
Overall at 60% AMI	212	84	128	32	25.0%
<b>Overall</b>	<b>295</b>	<b>96</b>	<b>199</b>	<b>40</b>	<b>20.1%</b>

\*Note the demand totals have been refined to only include size-appropriate households

As the analysis illustrates, the Subject’s capture rates vary from 4.1 to 29.0 percent with an overall capture rate of 20.1 percent. The Subject’s overall capture rates are all well within SCSHFDA guidelines and we believe that there is ample demand for the Subject’s units.

**Projected Absorption Period:**

The newest LIHTC property in the PMA, Palmetto Station Apartments, opened in 2014 and is a family project. Management at this property reported an absorption rate of 24 units per month. Coit Village opened in 2008 and reported an absorption rate of 10 units per month. SP Holladay Manor, a senior LIHTC comparable located in Sumter, reported an absorption rate of six units per month when it opened in 2001. These are moderate to good lease-up rates for LIHTC apartments. With the growing demographic base of seniors in the PMA and the general limited supply of affordable senior housing, we believe the Subject should be able to experience an absorption rate within the range of what other LIHTC communities have experienced. The LIHTC comparables report few vacancies and all maintain waiting lists. Therefore, based upon the demand calculations presented within this report, which indicate good to excellent capture rates and an ample number of age and income-qualified households, we believe that the Subject could absorb approximately 10 units per month upon opening. This equals an absorption period of four months.

**Market Conclusions:**

Overall vacancy in the local market is very low at 1.2 percent among all 12 surveyed properties and among the ten true comparable properties surveyed in the PMA. The Florence area appears underserved by senior housing.



When compared to the current 50 and 60 percent rents at the LIHTC properties, the Subject's proposed 50 and 60 percent AMI rents appear reasonable and they are more than 60 percent on average 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 ample demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's overall capture rate is 29.1 percent, which is within acceptable demand thresholds. Individual capture rates by bedroom type range from 6.2 to 33.6 percent, which are all considered achievable in the PMA, where senior renter households are growing. In addition, the Subject is in a community (Florence) that has no current senior housing alternatives. The Subject site is located within 1.0 mile of most community services and facilities that seniors would utilize on a consistent basis.

There are only seven vacancies among LIHTC comparables and the market rate properties we surveyed are also performing very well, with a vacancy rate of less than two percent. The developer's rents represent greater than a 60 percent overall advantage below achievable market rents. The proposed rents will also compete well with the LIHTC rents at the most similar senior LIHTC comparables we surveyed.

**Long Term Impact on Existing LIHTC Properties in PMA:**

The comparable LIHTC units have a 2.1 percent vacancy rate and all the LIHTC comparables maintain waiting lists. There are four LIHTC properties we surveyed in the PMA. With zero senior LIHTC units in the PMA and a growing senior household base in this market, we believe the Subject's opening and lease-up will have no long-term impact on the existing area LIHTC apartments. Since the Subject will not operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

**2016 EXHIBIT S - 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:**

Development Name:	<u>Irby Senior Village</u>	Total # Units:	<u>40</u>
Location:	<u>Federal Court , Florence, Florence County, 29505</u>	# LIHTC Units:	<u>40</u>
PMA Boundary:	<u>Most of Northern Florence County</u>		
Development Type: ____Family	<u>X Older Persons</u>	Farthest Boundary Distance to Subject:	<u>8.5_ miles</u>

**RENTAL HOUSING STOCK (found on pages 1, 2, 55)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	<b>12</b>	<b>1,221</b>	<b>15</b>	<b>98.8 %</b>
Market-Rate Housing	<b>6</b>	<b>888</b>	<b>8</b>	<b>99.1 %</b>
Assisted/Subsidized Housing not to include LIHTC	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>
<b>LIHTC (All that are stabilized)*</b>	<b>6</b>	<b>333</b>	<b>7</b>	<b>97.9 %</b>
Stabilized Comps**	<b>12</b>	<b>1,221</b>	<b>15</b>	<b>98.8 %</b>
Non-stabilized Comps	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>

\* 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
<b>2</b>	<b>1</b>	<b>1</b>	<b>750</b>	<b>\$ 331</b>	<b>\$ 700</b>	<b>\$ 0.93</b>	<b>52.71%</b>	<b>\$ 901</b>	<b>\$ 1.15</b>
<b>6</b>	<b>2</b>	<b>2</b>	<b>950</b>	<b>\$ 355</b>	<b>\$ 800</b>	<b>\$ 0.84</b>	<b>55.63%</b>	<b>\$ 1,101</b>	<b>\$ 0.97</b>
<b>6</b>	<b>1</b>	<b>1</b>	<b>750</b>	<b>\$ 425</b>	<b>\$ 700</b>	<b>\$ 0.93</b>	<b>39.29%</b>	<b>\$ 901</b>	<b>\$ 1.15</b>
<b>26</b>	<b>2</b>	<b>2</b>	<b>950</b>	<b>\$ 493</b>	<b>\$ 800</b>	<b>\$ 0.84</b>	<b>38.38%</b>	<b>\$ 1,101</b>	<b>\$ 0.97</b>
<b>Gross Potential Rent Monthly*</b>				<b>\$ 18,160</b>	<b>\$ 31,200</b>		<b>41.79%</b>		

\*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 pages 36, 37)**

	2010		2015		2020	
Renter Households	<b>2742</b>	<b>22.5%</b>	<b>3145</b>	<b>23.4%</b>	<b>3488</b>	<b>24.0%</b>
Income-Qualified Renter HHs (LIHTC)	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>594</b>	<b>17.9%</b>
Income-Qualified Renter HHs (MR)	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 52)**

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	<b>22</b>	<b>21</b>				<b>31</b>
Existing Households (Overburd + Substand)	<b>198</b>	<b>185</b>				<b>279</b>
Homeowner conversion (Seniors)	<b>27</b>	<b>48</b>				<b>51</b>
Other:	<b>N/A</b>	<b>N/A</b>				<b>N/A</b>
Less Comparable/Competitive Supply	<b>12</b>	<b>84</b>				<b>96</b>
<b>Net Income-qualified Renter HHs</b>	<b>234</b>	<b>171</b>				<b>259</b>

**CAPTURE RATES (found on page 52)**

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	<b>4.2%</b>	<b>25.0%</b>				<b>20.1%</b>

**ABSORPTION RATE (found on page 53)**

Absorption Period __	<b>4</b>
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# Units	Bedroom Type	Gross Proposed		Gross Adjusted		Tax Credit Gross Rent Advantage
		Proposed Tenant Paid Rent	Tenant Rent by Bedroom Type	Adjusted Market Rent	Market Rent by Bedroom Type	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
2	1 BR	\$331	\$662	\$700	\$1,400	
6	1 BR	\$425	\$2,550	\$700	\$4,200	
6	2 BR	\$355	\$2,130	\$800	\$4,800	
26	2 BR	\$493	\$12,818	\$800	\$20,800	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
<b>Totals</b>	<b>40</b>		<b>\$18,160</b>		<b>\$31,200</b>	<b>41.79%</b>

## **A. PROJECT DESCRIPTION**

**A. PROPERTY DESCRIPTION**

**Development Location:** The Subject site is located on the north side of Federal Court, just west of S. Irby Street, in Florence, Florence County, South Carolina.

**Construction Type** The Subject will involve the new construction of one three-story elevator-served building.

**Occupancy Type:** Older Persons (age 55+)

**Target Income Group:** The Subject will target households with incomes of 50 and 60 percent AMI, or less.

**Special Population Target:** None

**Number of Units by Unit Type:** The Subject will include eight one-bedroom units and 32 two-bedroom units.

**Number of Buildings And Stories:** One three-story elevator-served building.

**Unit Size:** One-bedroom units will be 750 square feet and two-bedroom units will be 950 square feet.

**Structure Type/Design:** One three-story elevator-served building.

**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	LIHTC Maximum Allowable Gross Rent	HUD Fair Market Rents
<i>50% AMI</i>						
1BR/1BA	2	\$331	\$132	\$463	\$467	\$502
2BR/2BA	6	\$355	\$172	\$527	\$561	\$624
<i>60% AMI</i>						
1BR/1BA	6	\$425	\$132	\$557	\$561	\$502
2BR/2BA	26	\$493	\$172	\$665	\$673	\$624
<b>Total</b>	<b>40</b>					

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

**Utility Structure/Allowance:** The landlord will pay for trash expenses, while the tenant will be responsible for all electric expenses including heating, cooling, water heating, cooking, and general electric usage, as well as water and sewer expenses. The developer-provided



estimated utility allowances for the Subject are \$132 for one-bedroom units and \$172 for two-bedroom units.

**Existing or Proposed**

**Project Based Rental Assistance:** The Subject is planned new construction and will not receive project-based rental assistance.

**Community Amenities:** See Subject Profile

**Unit Amenities:** See Subject Profile

**Current Occupancy/Rent Levels:** The Subject will be proposed new construction.

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

**Irby Senior Apartments**

**Location** Federal Court  
 Florence, SC 29505  
 Florence County  
 (verified)  
**Distance** n/a  
**Units** 40  
**Vacant Units** N/A  
**Vacancy Rate** N/A  
**Type** Lowrise (age-restricted)  
 (3 stories)  
**Year Built / Renovated** Proposed 2018  
**Tenant Characteristics** Seniors 55+



**Market**

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

**Utilities**

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

**Unit Mix (face rent)**

Beds	Baths	Type	Units	Size (SF)	Rent	Concession (monthly)	Restricti on	Waiting List	Vacant	Vacancy Rate	Max rent?
1	1	3-story	2	750	\$331	\$0	@50%	n/a	N/A	N/A	no
1	1	3-story	6	750	\$425	\$0	@60%	n/a	N/A	N/A	no
2	2	3-story	6	950	\$355	\$0	@50%	n/a	N/A	N/A	no
2	2	3-story	26	950	\$493	\$0	@60%	n/a	N/A	N/A	no

**Amenities**

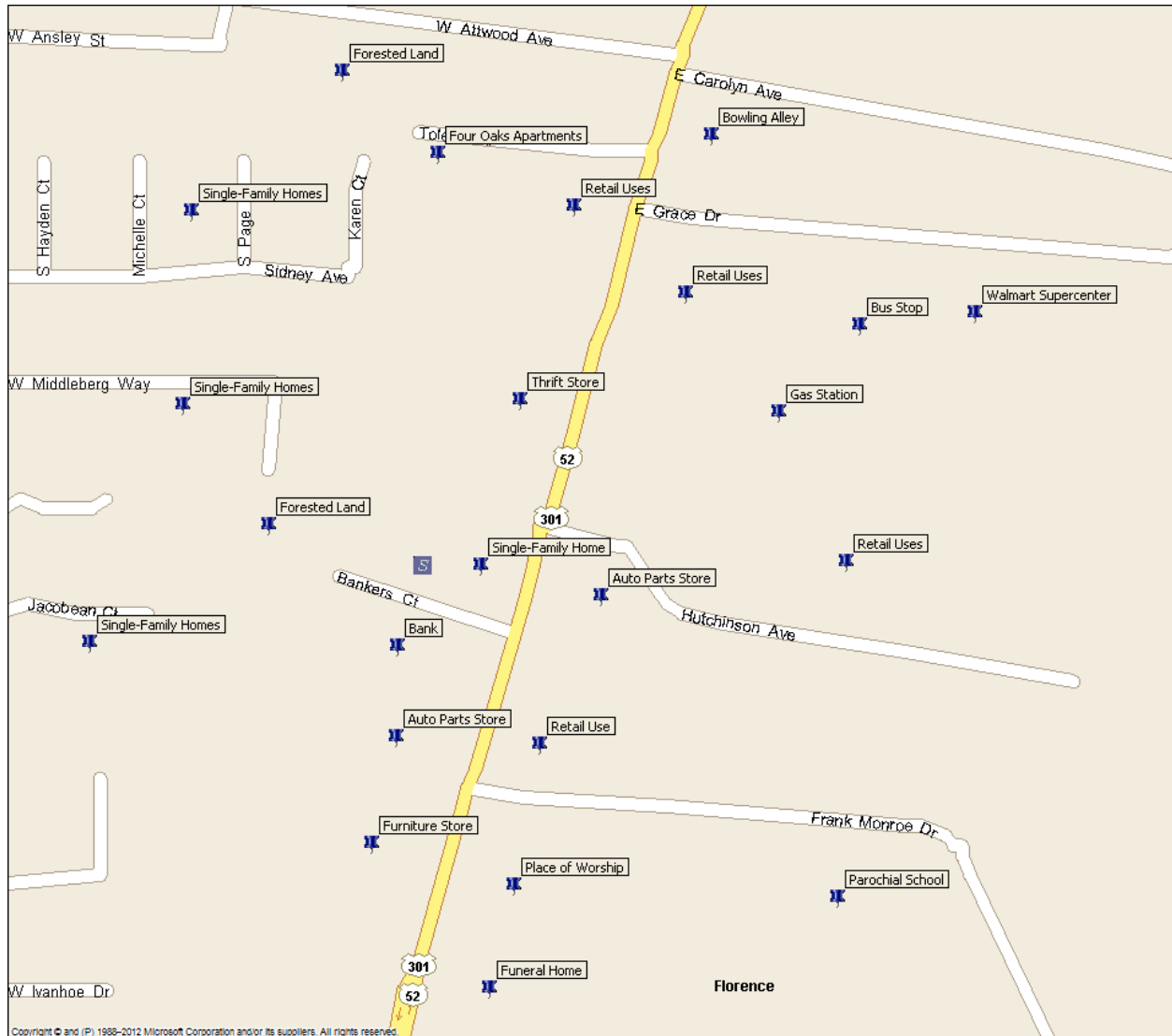
<b>In-Unit</b>	Blinds Carpeting Central A/C Dishwasher Ceiling Fan Garbage Disposal Microwave Oven Refrigerator Washer/Dryer hookup	<b>Security</b>	none
<b>Property</b>	Parking spaces: 60 Business Center/Computer Lab Clubhouse/Meeting Room/Community Room Exercise Facility On-Site Management	<b>Premium</b>	none
<b>Services</b>	none	<b>Other</b>	none

## **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:** January 26, 2016

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



**Physical Features of Site:** The Subject site is located within Florence, South Carolina and is undeveloped, forested land, as well as a vacant single-family home which is to be demolished.

**Location/Surrounding Uses:** The Subject site is located in a mixed use neighborhood consisting of forested land, single family residential, one house of worship, and retail/commercial developments. Immediately north of the Subject site is a thrift store. Further north of the Subject site are retail uses and Four Oaks Apartments, a

multifamily market rate property offering two-bedroom units. We have included the property as a comparable within this report. Immediately east of the Subject site is a single-family home in good condition. The area east of the Subject site includes an auto parts store. Further east are retail uses, a gas station, a bus stop, and a Walmart Supercenter. Adjacent to the south is a bank. Further south of the Subject site is an auto parts store, as well as a furniture store. Immediately to the west of the Subject site is forested land, followed by newly constructed single-family homes in excellent condition. Retail is located on the east side of Route 301, across the street from the Subject. Retail in the area is in generally good condition and appeared to be 95 percent occupied. Overall, the Subject site is considered a desirable building site for senior rental housing.

**Pictures of Site and Surrounding Uses**



Subject site



Subject site



Old structure on site – to be razed



View east along Federal Ct. – Subject on left





View of adjacent single-family home



View north along S. Irby Street



View south along S. Irby Street



Bank building across Federal Ct. from Subject



Typical neighborhood commercial use



Typical neighborhood commercial use



Typical neighborhood commercial use



Typical neighborhood commercial use

**Visibility/Views:**

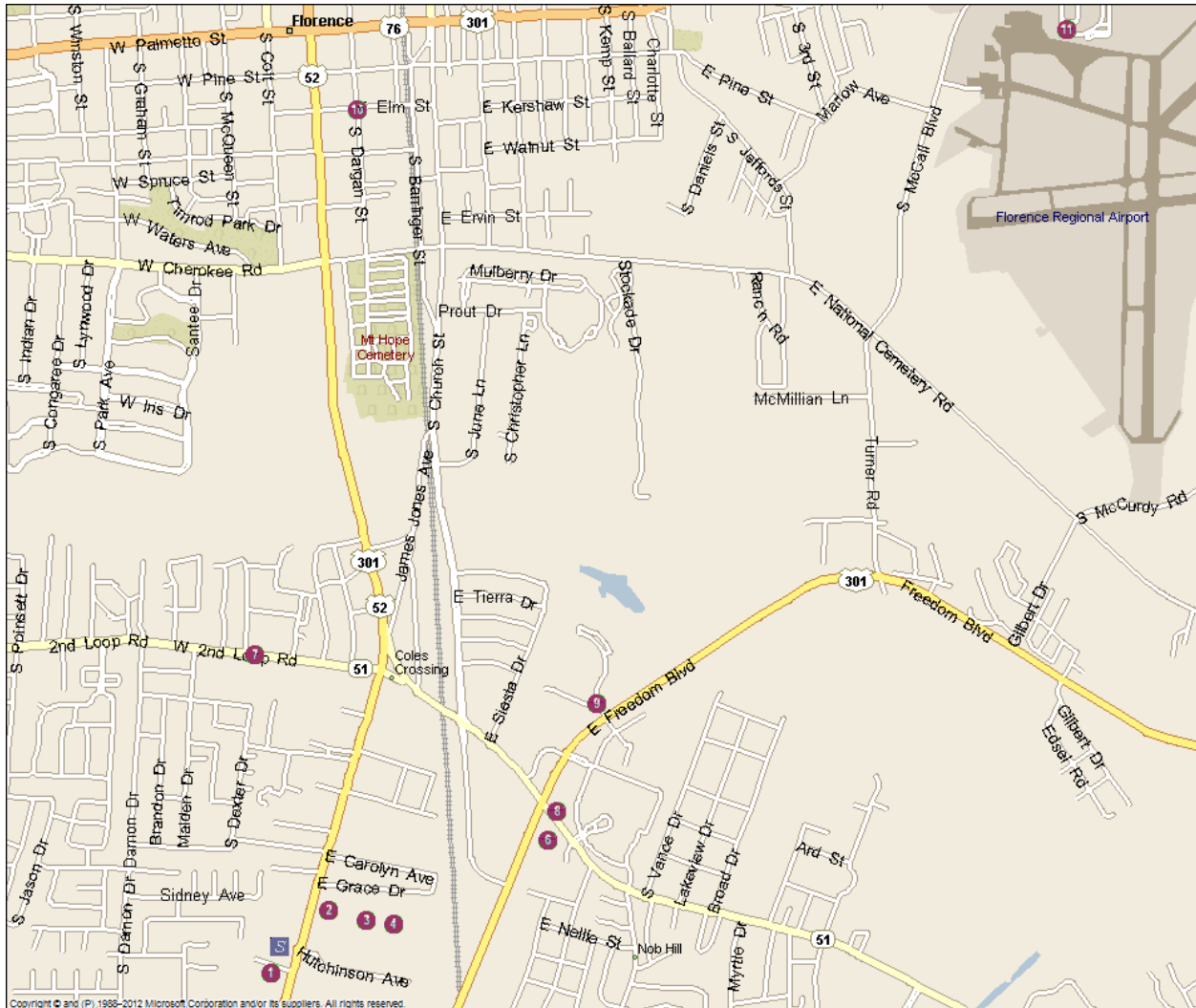
Views from the Subject site include forested land to the north and west, a bank to the south, and a single-family home to the east. Views from the site are considered good. The Subject will have good visibility from Federal Court to the south and Route 301 to the east. Federal Court has light traffic flow as it is a short cul-de-sac, while Route 301 is a heavily trafficked primary arterial. Overall visibility is considered good. The Subject site is within a mixed-use neighborhood with good access and visibility.

**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 retail, banks and a library. 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	Service or Amenity	Miles From Subject
1	Dixie Federal Credit Union	<0.1 Miles
2	Murphy USA Gas Station	0.2 Miles
3	Bus Stop - Irby Street	0.3 Miles
4	Walmart Supercenter	0.4 Miles
5	Food Lion Grocery Store	0.4 Miles
6	CVS Pharmacy	0.9 Miles
7	United States Post Office	0.9 Miles
8	Carolinas Hospital System	0.9 Miles
9	Senior Citizens Association	1.2 Miles
10	Public Library	2.5 Miles
11	Florence Regional Airport	3.6 Miles

**Availability of Public Transportation:**

Public transportation in Florence is provided by the Pee Dee Regional Transportation Authority (PDRTA) which provides bus service in the area. The Subject is located approximately 0.3 miles from the Irby Street bus stop, which provides access

to Routes 4 and 6. Route 4 travels from West Evans Street to 3<sup>rd</sup> Loop Road, while Route 6 travels between the Walmart Supercenter and Savannah Grove. Fares for riding the bus are \$1.50 per trip, while seniors 65 and above can ride for \$0.75 per trip.

**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.

**2015 CRIME RISK INDICES**

	<b>PMA</b>	<b>Florence, SC MSA</b>
<b>Total Crime*</b>	<b>279</b>	<b>167</b>
<b>Personal Crime*</b>	<b>284</b>	<b>196</b>
Murder	182	172
Rape	169	135
Robbery	240	122
Assault	320	239
<b>Property Crime*</b>	<b>279</b>	<b>163</b>
Burglary	247	180
Larceny	298	162
Motor Vehicle Theft	208	121

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

\*Unweighted aggregations

The total crime risk index in the PMA is significantly higher than the MSA and the nation. Additionally, total personal crime risks and total property crime risks in the PMA are significantly higher than in the MSA and the national averages. We believe crime may be a concern at the proposed Subject, and thus recommend adding security features to the Subject’s amenity package.

**Access and Traffic Flow:**

The Subject site will have access along Federal Court. Federal Court is a lightly trafficked dead-end roadway, which connects to Route 301 within 0.1 miles to the east of the Subject. Overall, access and traffic flow are considered good.

**Positive/Negative Attributes:**

The Subject will have overall good access to area retail and community services in Florence, most of which are within less than 1.0 mile of the Subject site. We did not observe any negative attributes pertaining to the Subject site during our site inspection.

## **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 proposed Subject will be a 40-unit senior new construction development in Florence, South Carolina. The PMA is defined as the Florence-Darlington County border, West McIver Road, and East Old Marion Highway to the north, North Willston Road to the east, Claussen Road to the south, and Interstate 95 to the west. The Subject will be among the first senior LIHTC properties in Florence County, and as such will be able to draw from approximately a 10 to 15-minute drive time of the site. Based on interviews with local property managers, most of the tenants will originate from Florence and several other communities in Florence County as well as some of the smaller communities in surrounding counties. Therefore, we anticipate that the majority of the Subject’s tenants will come from within the boundaries of the PMA.

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

Census Tracts in PMA
450310113.00
450410002.01
450410002.02
450410003.00
450410004.00
450410005.00
450410006.00
450410007.00
450410008.00
450410009.00
450410010.00
450410011.00
450410012.00
450410013.00
450410014.00
450410015.04
450410015.05
450410015.06
450410016.01
450410016.02
450410017.00
450419801.00

The primary market area has been identified based upon conversations with management at market rate and LIHTC properties in the area as well as other market participants in addition to demographic characteristics of census tracts within the 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 Florence 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.

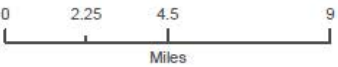
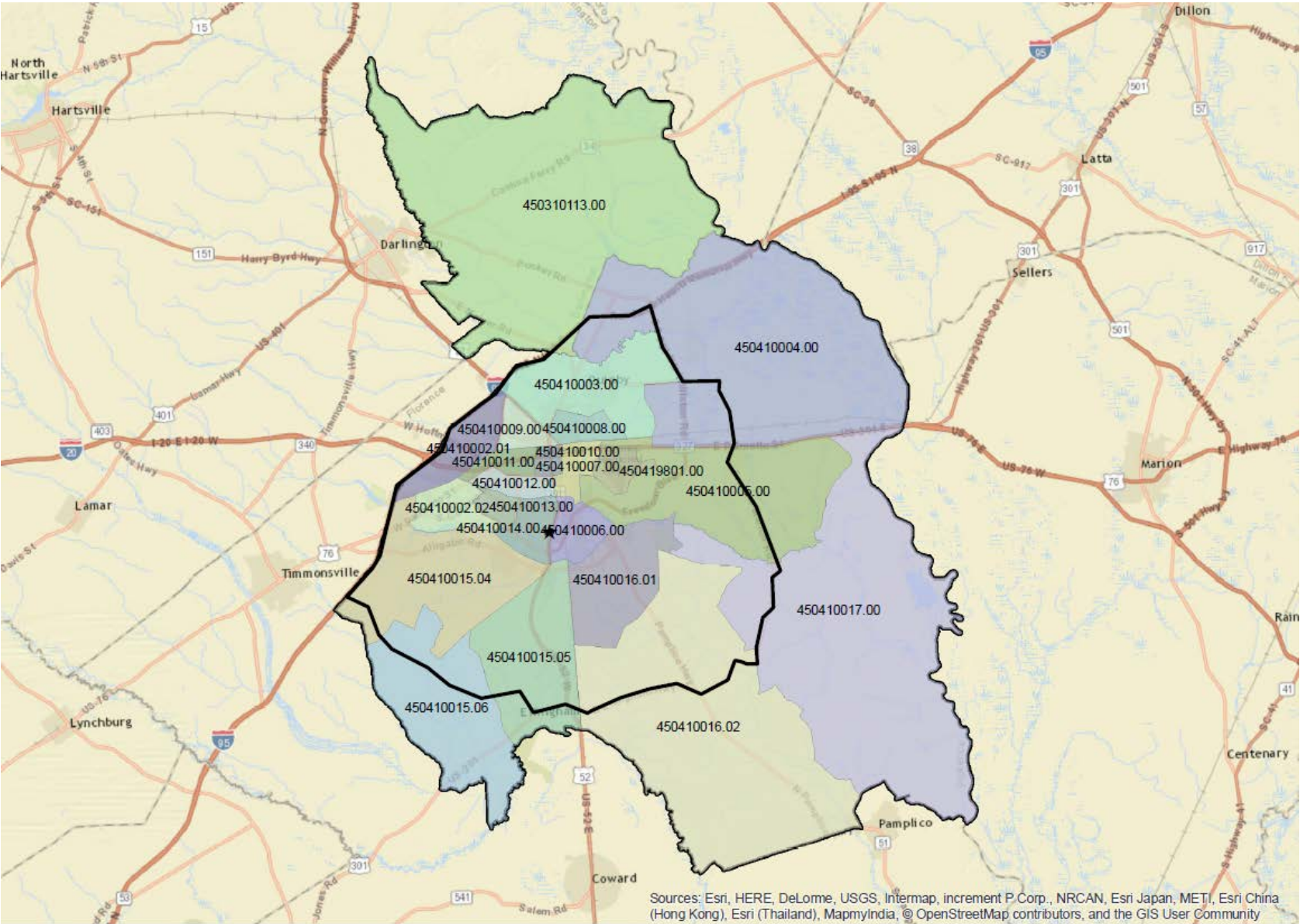
As per SCSHFDA guidelines, we have provided a table that illustrates the racial characteristics of the PMA, as well as data for the MSA.

<b>2010 POPULATION BY RACE</b>						
	<b>PMA</b>		<b>SMA</b>		<b>USA</b>	
<b>Total</b>	<b>76,185</b>	<b>-</b>	<b>205,566</b>	<b>-</b>	<b>308,745,538</b>	<b>-</b>
White	39,556	51.81%	113,482	55.20%	223,553,265	72.41%
Black	33,580	43.97%	85,079	41.39%	38,929,319	12.61%
American Indian	247	0.28%	658	0.32%	2,932,248	0.95%
Asian	1,186	1.94%	1,874	0.91%	14,674,252	4.75%
Pacific	15	0.02%	31	0.02%	540,013	0.17%
Other	691	0.79%	2,151	1.05%	19,107,368	6.19%
Two or More Races	911	1.19%	2,291	1.11%	9,009,073	2.92%
<b>Total Hispanic</b>	<b>1,478</b>	<b>-</b>	<b>4,170</b>	<b>-</b>	<b>50,477,594</b>	<b>-</b>
Hispanic: White	535	38.62%	1,384	33.19%	26,735,713	52.97%
Hispanic: Black	169	10.80%	412	9.88%	1,243,471	2.46%
Hispanic: American Indian	30	2.04%	50	1.20%	685,150	1.36%
Hispanic: Asian	9	0.58%	13	0.31%	209,128	0.41%
Hispanic: Pacific	0	0.00%	2	0.05%	58,437	0.12%
Hispanic: Other	615	38.81%	1,992	47.77%	18,503,103	36.66%
Hispanic: Two or More Races	120	9.14%	317	7.60%	3,042,592	6.03%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

Per SCSHFDA Guidelines, we have not accounted for leakage and have assumed 100 percent of demand will come from within the PMA boundaries.

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



# Florence, SC



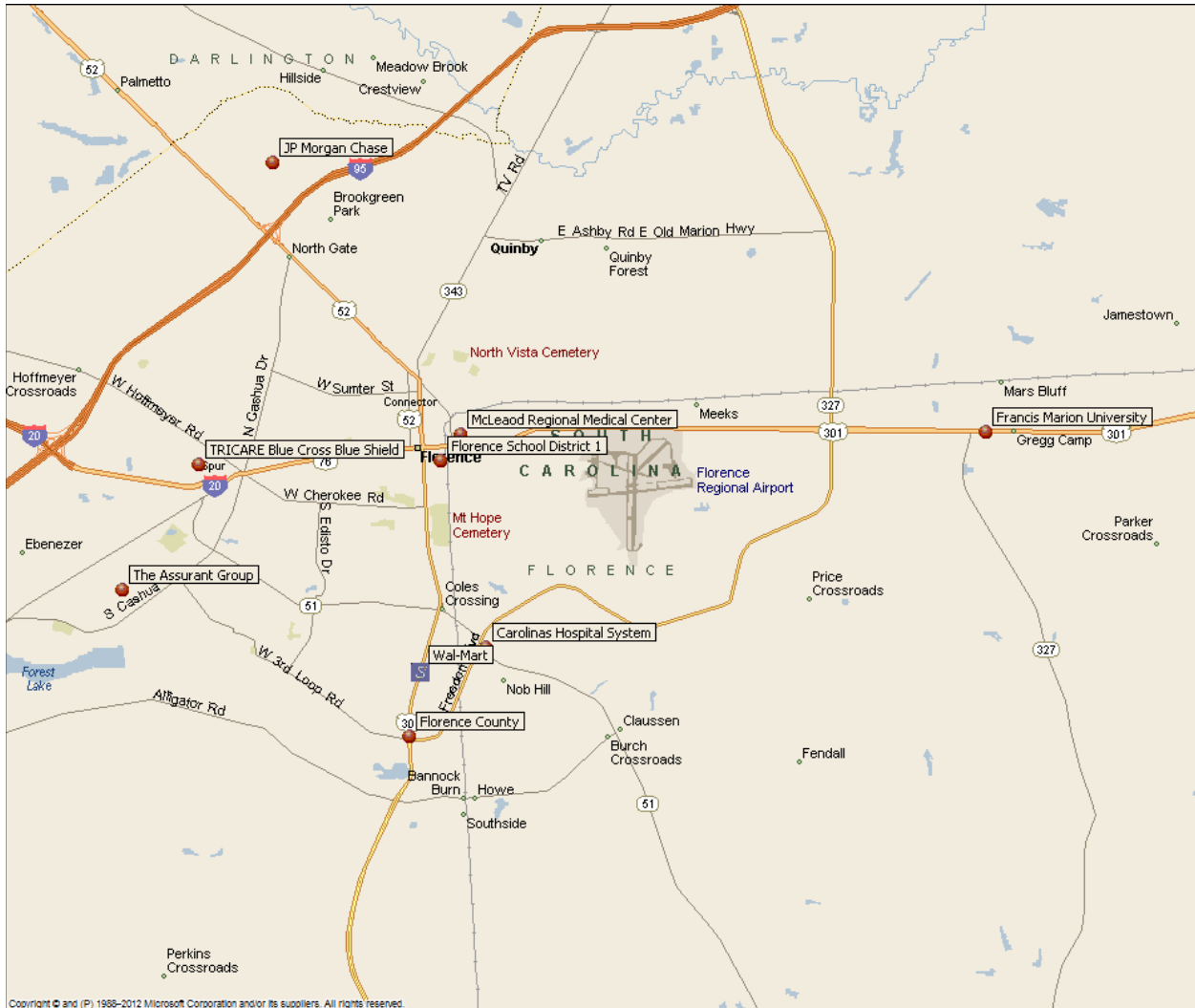
## **D. MARKET AREA ECONOMY**

## MARKET AREA ECONOMY

### REGIONAL AND LOCAL ECONOMIC OVERVIEW

#### Map of Employment Centers

The following map illustrates the Subject’s location compared to major employment centers in the surrounding areas.



**Employment by Industry**

The following table exhibits unemployment by industry for the PMA.

**2015 EMPLOYMENT BY INDUSTRY**

Industry	PMA		USA	
	Number Employed	Percent Employed	Number Employed	Percent Employed
Health Care/Social Assistance	6,130	19.1%	20,205,674	13.7%
Retail Trade	3,809	11.9%	17,089,319	11.6%
Manufacturing	3,696	11.5%	15,651,841	10.6%
Educational Services	2,889	9.0%	13,529,510	9.2%
Finance/Insurance	2,182	6.8%	7,026,905	4.8%
Construction	1,992	6.2%	9,392,204	6.4%
Accommodation/Food Services	1,987	6.2%	10,915,815	7.4%
Other Services (excl Publ Adm)	1,640	5.1%	7,548,482	5.1%
Public Administration	1,529	4.8%	7,099,307	4.8%
Transportation/Warehousing	1,265	4.0%	6,200,837	4.2%
Prof/Scientific/Tech Services	1,095	3.4%	9,981,082	6.8%
Wholesale Trade	1,081	3.4%	3,742,526	2.5%
Admin/Support/Waste Mgmt Svcs	982	3.1%	6,242,568	4.2%
Information	538	1.7%	2,965,498	2.0%
Real Estate/Rental/Leasing	486	1.5%	2,759,067	1.9%
Arts/Entertainment/Recreation	347	1.1%	3,193,724	2.2%
Utilities	190	0.6%	1,190,608	0.8%
Agric/Forestry/Fishing/Hunting	174	0.5%	1,941,156	1.3%
Mgmt of Companies/Enterprises	1	0.0%	115,436	0.1%
Mining	0	0.0%	997,794	0.7%
<b>Total Employment</b>	<b>32,013</b>	<b>100.0%</b>	<b>147,789,353</b>	<b>100.0%</b>

Source: ESRI Demographics 2010, Novogradac & Company LLP, February 2016

Employment within the PMA is concentrated in the healthcare/social assistance, retail trade, and manufacturing sectors. These sectors make up 42.6 percent of the total employment in the PMA. Compared to the nation, the PMA is underrepresented in the construction and professional/scientific/tech services sectors. Sectors that are overrepresented in the PMA compared to the nation include the educational services, healthcare/social assistance, other services, and finance/insurance sectors.

The following table illustrates the changes in employment by industry from 2000 to 2015, in the Subject’s PMA.

**2000-2015 CHANGE IN EMPLOYMENT - PMA**

Industry	2000		2015		2000-2015	
	Number Employed	Percent Employed	Number Employed	Percent Employed	Annualized Change in Employment	Annual Change in Percentage
Health Care/Social Assistance	4,895	15.8%	6,130	19.1%	82	1.7%
Manufacturing	4,818	15.6%	3,696	11.5%	-75	-1.6%
Retail Trade	3,699	12.0%	3,809	11.9%	7	0.2%
Educational Services	2,688	8.7%	2,889	9.0%	13	0.5%
Accommodation/Food Services	2,101	6.8%	1,987	6.2%	-8	-0.4%
Finance/Insurance	1,935	6.3%	2,182	6.8%	16	0.9%
Construction	1,814	5.9%	1,992	6.2%	12	0.7%
Other Services (excl Publ Adm)	1,764	5.7%	1,640	5.1%	-8	-0.5%
Public Administration	1,340	4.3%	1,529	4.8%	13	0.9%
Transportation/Warehousing	1,305	4.2%	1,265	4.0%	-3	-0.2%
Wholesale Trade	1,275	4.1%	1,081	3.4%	-13	-1.0%
Prof/Scientific/Tech Services	867	2.8%	1,095	3.4%	15	1.8%
Admin/Support/Waste Mgmt Svcs	753	2.4%	982	3.1%	15	2.0%
Information	502	1.6%	538	1.7%	2	0.5%
Real Estate/Rental/Leasing	451	1.5%	486	1.5%	2	0.5%
Arts/Entertainment/Recreation	311	1.0%	347	1.1%	2	0.8%
Utilities	205	0.7%	190	0.6%	-1	-0.5%
Agric/Forestry/Fishing/Hunting	161	0.5%	174	0.5%	1	0.5%
Mining	0	0.0%	0	0.0%	0	0.0%
Mgmt of Companies/Enterprises	0	0.0%	1	0.0%	0	0.0%
<b>Total Employment</b>	<b>30,884</b>	<b>100.0%</b>	<b>32,013</b>	<b>100.0%</b>	<b>75</b>	<b>0.2%</b>

Source: ESRI Demographics 2010, Novogradac & Company LLP, February 2016

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

\*Industry data current as of 2010. Other projections current as of 2015.

As illustrated, six of the industries in the table above experienced a decrease in employment from 2000 to 2015. The largest decreases were among the manufacturing and wholesale trade sectors. The smallest decreases were in the transportation/warehousing and utilities sectors. The educational services sector experienced the largest annualized employment increase over the past 15 years, recording an increase of approximately 82 employees, or approximately 1.7 percent each year.



**Major Employers**

The following table details the largest employers in Florence County as of November 2011 (the most recent available). The Florence County Economic Development Partnership no longer makes this data available to the public.

**FLORENCE COUNTY MAJOR EMPLOYERS**

Employer	Industry	Number Employed
McLeod Regional Medical Center	Healthcare	4,700
Florence School District 1	Public Schools	2,149
Carolinas Hospital System	Healthcare	1,884
JP Morgan Chase	Finance	1,100
Nan Ya Plastics Corporation America	Manufacturing	860
TRICARE Blue Cross Blue Shield	Insurance	850
Florence County	Government	782
The Assurant Group	Insurance	778
Wal-Mart	Retail	761
Francis Marion University	Education	597
Honda of South Carolina	Manufacturing	580
ESAB Welding and Cutting Products	Manufacturing	575
QVC, Inc.	Distribution	500
South Carolina DHEC	Government	496
City of Florence	Government	489
Smurfit-Stone Container Corp.	Manufacturing	455
ADP Tax Credit Services	Finance	400

Source: Florence County Economic Development Partnership; Novogradac & Company LLP, 02/2016

The largest employers in Florence County are in sectors including healthcare, manufacturing, education, and government. Some of these sectors, such as healthcare and education, are less susceptible to economic cycles. Together, these employers comprise approximately 21 percent of the employment in the MSA, which indicates that the local economy is relatively diverse.

**Expansions/Contractions**

The following table illustrates the contractions to the Florence, SC economy provided by the South Carolina Department of Employment and Workforce between 2013 and 2016 year to date.

**2013-2016 YTD WARN NOTICES; Florence, SC**

Employer	Industry	Jobs Affected	Date
Sodexo	Accommodation/Food Services	54	6/30/2015
Worthington	Manufacturing	308	6/1/2015
ESAB	Manufacturing	319	3/31/2016
Mortgage Bank	Finance/Insurance	823	6/4/2013
Heinz	Accommodation/Food Services	198	3/21/2014
<b>Total</b>		<b>1,702</b>	

Source: SC Department of Employment and Workforce, Novogradac & Company, LLP 2/2016

As the table depicts, there were 1,702 layoffs/closures in Florence that took effect between 2013 and 2016. The majority of these layoffs were in the manufacturing and finance/insurance industries.

**Employment and Unemployment Trends**

According to the BLS, the Subject is located in the Florence, SC MSA. As such, the following table details employment and unemployment trends for the Florence, SC MSA from 2005 to 2015 (through November).

**EMPLOYMENT & UNEMPLOYMENT TRENDS (NOT SEASONALLY ADJUSTED)**

Year	Florence, SC MSA				USA			
	Total Employment	% Change	Unemployment Rate	Change	Total Employment	% Change	Unemployment Rate	Change
2005	279,789	-	5.4%	-	141,730,000	-	5.1%	-
2006	287,755	2.8%	5.2%	-0.2%	144,427,000	1.9%	4.6%	-0.5%
2007	299,313	4.0%	4.5%	-0.7%	146,047,000	1.1%	4.6%	0.0%
2008	299,909	0.2%	5.6%	1.1%	145,363,000	-0.5%	5.8%	1.2%
2009	288,390	-3.8%	9.3%	3.8%	139,878,000	-3.8%	9.3%	3.5%
2010	296,891	2.9%	9.3%	-0.1%	139,064,000	-0.6%	9.6%	0.3%
2011	305,761	3.0%	8.8%	-0.5%	139,869,000	0.6%	9.0%	-0.7%
2012	315,852	3.3%	7.6%	-1.2%	142,469,000	1.9%	8.1%	-0.9%
2013	321,671	1.8%	6.3%	-1.3%	143,929,000	1.0%	7.4%	-0.7%
2014	329,644	2.5%	5.5%	-0.8%	146,305,000	1.7%	6.2%	-1.2%
2015 YTD Average*	338,548	2.7%	5.4%	-0.1%	148,754,364	1.7%	5.3%	-0.8%
Nov-2014	329,737	-	5.6%	-	147,666,000	-	5.5%	-
Nov-2015	341,954	3.7%	4.5%	-1.1%	149,766,000	1.4%	4.8%	-0.7%

Source: U.S. Bureau of Labor Statistics February 2016

\*2015 data is through Nov

Between 2005 and 2008, total employment in the Florence, SC MSA exhibited positive growth, reaching a peak in 2007. However, the MSA began experiencing the effects of the most recent national recession with declines in employment in 2009. Total employment in the MSA began to increase again in 2010, one year prior to the nation as a whole. Employment growth in the MSA from 2010 to 2015 has been stronger than the nation as a whole on a percentage point basis. Total employment in the 12 month period prior to November 2015 has indicated growth in employment of 3.7 percent. This is higher than the national growth rate of 1.4 percent over the same time period. Total employment surpassed the pre-recession peak in 2011, and is in an expansion mode.

In terms of unemployment rates, the rate in the MSA has historically been above that of the nation. While the national unemployment rate increased sharply in 2009 from 5.8 percent to 9.3 percent, the MSA saw unemployment rise in 2008 and 2009 and reached a peak unemployment rate of 9.3 percent in 2009 and remain at that level through 2010. The unemployment rate has trended downward over the past several years, and is now below the national average. The unemployment rate in the MSA in the 12 month period prior to November 2015 is approximately 0.3 percentage points below that of the nation.

**Housing and Economy**

There are seven family LIHTC properties in Florence and no senior properties. Therefore, the availability of housing for low to very low income senior renters is considered limited. The state of the economy has affected both the multifamily rental and the single-family home market in the PMA.

The most recent national recession has impacted Florence’s single-family housing market. According to RealtyTrac’s December 2015 estimates, the city experienced a low foreclosure rate of one in every 1,867 housing units. Florence County experienced a similar foreclosure rate compared to the city, and experienced a foreclosure rate of one in every 1,821 housing units in December 2015. The state of South Carolina had a foreclosure rate of one in every 1,296 housing units, a rate higher

than Florence and Florence County. Note that since the Subject will target senior seeking a maintenance-free lifestyle, foreclosure rates and home sales and rentals in the area will have minimal impact on the Subject project and its potential residents.

**Commuting Patterns**

The following table details travel time to work for residents within the PMA as of 2000. The average travel time is 20 minutes. Approximately 66.3 percent of households have commute times of less than 20 minutes.

<b>COMMUTING PATTERNS</b>		
<b>2000 Commuting Time to Work</b>	<b>Number of Commuters</b>	<b>Percentage</b>
Travel Time < 5 min	587	2.60%
Travel Time 5-9 min	3,407	15.07%
Travel Time 10-14 min	5,607	24.80%
Travel Time 15-19 min	5,387	23.82%
Travel Time 20-24 min	3,020	13.36%
Travel Time 25-29 min	698	3.09%
Travel Time 30-34 min	1,460	6.46%
Travel Time 35-39 min	277	1.23%
Travel Time 40-44 min	368	1.63%
Travel Time 45-59 min	822	3.64%
Travel Time 60-89 min	391	1.73%
Travel Time 90+ min	588	2.60%
<b>Average Travel Time</b>	<b>20</b>	<b>-</b>

Source: US Census 2000, Novogradac & Company, LLP, February 2016

**Conclusions**

Overall, it appears the area was impacted moderately by the national recession, but has now recovered and is in an expansion mode. As of 2011, the employment in the MSA had pushed above pre-recession levels. Between November 2014 and November 2015, total employment in the MSA increased 3.7 percent, while unemployment from the same period declined 1.1 percent. The MSA’s year-to-date unemployment rate as was 1.0 percentage points above the nation’s unemployment rate. However, with its reliance on the manufacturing and retail trade industries, the local economy will remain susceptible to employment losses and closures during times of economic downturn.

## **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 Florence, SC MSA, which serves as the Secondary Market Area, 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, SMA, and nation.

**Population Trends**

The following tables illustrate (a) Total Population, (b) Population by Age Group, and (c) Population Growth Rate.

<b>TOTAL POPULATION</b>						
<b>Year</b>	<b>PMA</b>		<b>Florence, SC MSA</b>		<b>USA</b>	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	68,564	-	193,152	-	281,421,906	-
2010	76,186	1.1%	205,566	0.6%	308,745,538	1.0%
2015	77,095	0.2%	207,445	0.2%	318,536,439	0.6%
Projected Mkt Entry January 2018	77,604	0.3%	208,384	0.2%	324,579,507	0.8%
2020	78,113	0.3%	209,322	0.2%	330,622,575	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

Since the Subject is age-restricted to seniors age 55 and older, we have provided demographic data in this section that specifically details numbers and percentages for seniors age 55 and older.

<b>TOTAL SENIOR POPULATION (55+)</b>						
<b>Year</b>	<b>PMA</b>		<b>Florence, SC MSA</b>		<b>USA</b>	
	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>	<i>Number</i>	<i>Annual Change</i>
2000	15,135	-	41,119	-	59,266,437	-
2010	20,173	3.3%	55,072	3.4%	76,750,713	3.0%
2015	22,328	2.0%	61,234	2.1%	87,809,032	2.7%
Projected Mkt Entry January 2018	23,190	1.5%	64,127	1.9%	92,941,113	2.3%
2020	24,051	1.5%	67,019	1.9%	98,073,194	2.3%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

**POPULATION BY AGE GROUP**

Age Cohort	PMA				
	2000	2010	2015	Projected Mkt Entry January 2018	2020
0-4	4,418	5,220	4,998	4,958	4,918
5-9	4,870	5,061	4,981	4,902	4,822
10-14	5,125	5,009	4,939	5,000	5,060
15-19	4,799	5,149	4,626	4,698	4,770
20-24	4,410	5,008	5,107	4,856	4,605
25-29	4,771	4,989	5,343	5,333	5,323
30-34	4,678	4,936	4,947	5,090	5,233
35-39	5,163	4,929	4,822	4,860	4,898
40-44	5,159	4,975	4,906	4,876	4,846
45-49	5,280	5,389	4,817	4,810	4,803
50-54	4,757	5,348	5,279	5,032	4,784
55-59	3,530	5,187	5,217	5,180	5,143
60-64	2,840	4,653	4,922	4,938	4,953
65-69	2,387	3,391	4,322	4,426	4,529
70-74	2,148	2,480	3,021	3,418	3,814
75-79	1,847	1,815	2,054	2,287	2,519
80-84	1,240	1,340	1,370	1,483	1,596
85+	1,143	1,307	1,422	1,460	1,497
<b>Total</b>	<b>68,565</b>	<b>76,186</b>	<b>77,093</b>	<b>77,603</b>	<b>78,113</b>

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

The total population in the PMA increased at an annual rate of 0.2 percent from 2010 to 2015, a similar rate compared to the SMA and a lower rate compared to the nation. The population in the PMA is expected to continue to increase through the projected market entry date and 2020 at 0.3 percent per annum, a rate that will remain similar to the SMA and below the nation. The total senior population in the PMA increased at an annual rate of 1.8 percent from 2010 to 2015, slower rate than the SMA and the nation. The total senior population in the PMA is expected to continue to increase through projected market entry date and 2020 at 1.5 percent per annum, a rate that will lag behind the growth rate for the SMA and the nation.

The population in the PMA in 2015 was concentrated most heavily in the age groups of 25 to 29 and 50 to 54, with this these ages representing 13.8 percent of the total population in the PMA. Through market entry these age groups will still have the two of the highest representations in the PMA.

**Household Trends**

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

**TOTAL NUMBER OF HOUSEHOLDS**

Year	PMA		Florence, SC MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	26,567	-	72,939	-	105,480,101	-
2010	30,456	1.5%	79,184	0.9%	116,716,292	1.1%
2015	31,066	0.4%	80,556	0.3%	120,746,349	0.7%
Projected Mkt Entry January 2018	31,311	0.3%	80,982	0.2%	123,111,956	0.8%
2020	31,555	0.3%	81,408	0.2%	125,477,562	0.8%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

**TOTAL NUMBER OF HOUSEHOLDS 55+**

Year	PMA		Florence, SC MSA		USA	
	Number	Annual	Number	Annual Change	Number	Annual Change
2000	9,058	-	25,432	-	36,459,725	-
2010	12,202	3.5%	33,066	3.0%	45,892,687	2.6%
2015	13,417	1.9%	36,657	2.1%	50,825,452	2.0%
Projected Mkt Entry January 2018	13,984	1.7%	38,132	1.6%	53,946,011	2.5%
2020	14,552	1.7%	39,606	1.6%	57,066,571	2.5%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

**AVERAGE HOUSEHOLD SIZE**

Year	PMA		Florence, SC MSA		USA	
	Number	Annual Change	Number	Annual Change	Number	Annual Change
2000	2.50	-	2.58	-	2.59	-
2010	2.46	-0.2%	2.54	-0.2%	2.58	-0.1%
2015	2.44	-0.1%	2.52	-0.2%	2.57	0.0%
Projected Mkt Entry January 2018	2.44	0.0%	2.52	0.0%	2.57	0.0%
2020	2.43	0.0%	2.51	0.0%	2.57	0.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

**POPULATION IN GROUP QUARTERS**

Year	PMA		Florence, SC MSA	
2000	2,130	-	5,097	-
2010	1,312	-3.8%	4,573	-1.0%
2014	1,317	0.1%	4,584	0.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

The total number of households in the PMA increased at 0.4 percent per annum between 2010 and 2015, a slightly faster rate than the SMA and a lower rate compared to the nation over the same time period. Through market entry date and 2020, the total number of households in the PMA is expected to increase by 0.3 percent annually, which is above the growth rate of the SMA and below that of the nation. The senior households age 55 and older increased by 1.9 percent annually in the PMA between 2010 and 2015, and this growth in the PMA is expected to be 1.7 percent annually over the next five years. The senior household growth occurring in the PMA is happening at a slower annual



rate than the growth in the SMA or nationwide. The average household sizes are expected to remain relatively stable for all areas of analysis. The number of persons in group quarters increased slightly in the PMA between 2000 and 2015 and remained steady in the MSA over the same time period; however, no growth is expected in these categories from 2015 through 2020.

**Households by Tenure**

The table below depicts household growth by tenure from 2000 through 2020.

**TENURE PATTERNS PMA**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	18,126	68.2%	8,441	31.8%
2010	19,071	62.6%	11,385	37.4%
2015	18,681	60.1%	12,385	39.9%
Projected Mkt Entry				
January 2018	18,820	60.11%	12,491	39.89%
2020	18,958	60.1%	12,597	39.9%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

**PMA TENURE PATTERNS OF SENIORS 55+**

Year	Owner-Occupied	Percentage	Renter-Occupied	Percentage
	Units	Owner-Occupied	Units	Renter-Occupied
2000	7,297	80.6%	1,761	19.4%
2010	9,459	77.5%	2,742	22.5%
2015	10,272	76.6%	3,145	23.4%
Projected Mkt Entry				
January 2018	10,668	76.29%	3,317	23.71%
2020	11,063	76.0%	3,488	24.0%

Source: ESRI Demographics 2015, Novogradac & Company LLP, February 2016

The PMA is dominated by owner-occupied housing units. In 2015, there were approximately 12,385 renter-occupied households in the PMA, equaling 39.9 percent of households in the PMA. In 2015 approximately 76.6 percent of senior households were owner-occupied, while 23.4 percent were renter-occupied. Through market entry and 2020, the percentage of renter households is expected to increase slightly among seniors and households of all ages.

### Household Income

The following table depicts senior household income in the PMA from 2010 to 2020.

Income Cohort	HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA							
	2010		2015		Projected Mkt Entry January 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	1,246	10.2%	1,962	14.6%	2,125	15.2%	2,287	15.7%
\$10,000-19,999	2,044	16.7%	2,046	15.2%	2,189	15.7%	2,333	16.0%
\$20,000-29,999	1,683	13.8%	1,954	14.6%	2,090	14.9%	2,226	15.3%
\$30,000-39,999	1,241	10.2%	1,801	13.4%	1,852	13.2%	1,904	13.1%
\$40,000-49,999	1,182	9.7%	1,195	8.9%	1,268	9.1%	1,342	9.2%
\$50,000-59,999	992	8.1%	1,011	7.5%	1,018	7.3%	1,024	7.0%
\$60,000-74,999	1,010	8.3%	1,049	7.8%	1,055	7.5%	1,061	7.3%
\$75,000-99,999	1,091	8.9%	1,031	7.7%	1,049	7.5%	1,066	7.3%
\$100,000-124,999	710	5.8%	601	4.5%	586	4.2%	572	3.9%
\$125,000-149,999	338	2.8%	253	1.9%	251	1.8%	248	1.7%
\$150,000-199,999	370	3.0%	314	2.3%	306	2.2%	297	2.0%
\$200,000+	295	2.4%	200	1.5%	195	1.4%	191	1.3%
<b>Total</b>	<b>12,202</b>	<b>100.0%</b>	<b>13,417</b>	<b>100.0%</b>	<b>13,984</b>	<b>100.0%</b>	<b>14,552</b>	<b>100.0%</b>

Source: Ribbon Demographics 2014, Novogradac & Company LLP, February 2016

The Subject will target senior households earning between \$14,010 and \$23,940. As the table above depicts, approximately 29.8 percent of households in the PMA earned between \$10,000 and \$29,999 in 2015. Some households within these income cohorts will provide support for the Subject.

### Household Income by Tenure

The following tables depict senior renter household incomes in the PMA in 2010, 2015, market entry, and 2020.

Income Cohort	RENTER HOUSEHOLD INCOME DISTRIBUTION 55+ - PMA							
	2010		2015		Projected Mkt Entry January 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
\$0-9,999	538	19.6%	896	28.5%	961	29.0%	1,026	29.4%
\$10,000-19,999	656	23.9%	661	21.0%	707	21.3%	753	21.6%
\$20,000-29,999	366	13.3%	408	13.0%	434	13.1%	460	13.2%
\$30,000-39,999	250	9.1%	357	11.4%	361	10.9%	364	10.4%
\$40,000-49,999	203	7.4%	179	5.7%	196	5.9%	214	6.1%
\$50,000-59,999	155	5.6%	168	5.3%	168	5.1%	168	4.8%
\$60,000-74,999	174	6.3%	169	5.4%	172	5.2%	175	5.0%
\$75,000-99,999	164	6.0%	143	4.6%	153	4.6%	162	4.7%
\$100,000-124,999	92	3.4%	63	2.0%	63	1.9%	63	1.8%
\$125,000-149,999	45	1.6%	32	1.0%	29	0.9%	26	0.8%
\$150,000-199,999	53	1.9%	45	1.4%	49	1.5%	52	1.5%
\$200,000+	46	1.7%	24	0.7%	24	0.7%	25	0.7%
<b>Total</b>	<b>2,742</b>	<b>100.0%</b>	<b>3,145</b>	<b>100.0%</b>	<b>3,317</b>	<b>100.0%</b>	<b>3,488</b>	<b>100.0%</b>

Source: Ribbon Demographics 2014, Novogradac & Company LLP, February 2016

Senior renter households with incomes between \$10,000 and \$29,999 represent 34.0 percent of the senior renter households in the PMA in 2015, and this share is expected to remain near this level through market entry.

### Renter Households by Number of Persons in the Household

The following table illustrates household size for senior renter households in the PMA.

	RENTER HOUSEHOLDS BY NUMBER OF PERSONS 55+ - PMA							
	2010		2015		Projected Mkt Entry January 2018		2020	
	Number	Percentage	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	1,539	56.1%	1,738	55.3%	1,841	55.5%	1,944	55.7%
With 2 Persons	738	26.9%	873	27.8%	917	27.7%	961	27.6%
With 3 Persons	206	7.5%	250	8.0%	261	7.9%	272	7.8%
With 4 Persons	153	5.6%	121	3.8%	125	3.8%	130	3.7%
With 5+ Persons	106	3.9%	163	5.2%	172	5.2%	181	5.2%
<b>Total Renter Households</b>	<b>2,742</b>	<b>100.0%</b>	<b>3,145</b>	<b>100.0%</b>	<b>3,317</b>	<b>100.0%</b>	<b>3,488</b>	<b>100.0%</b>

Source: Ribbon Demographics 2014, Novogradac & Company LLP, February 2016

Approximately 83.0 percent of senior renter households resided in a one to two-person household in the PMA in 2015. Over the next five years, this percentage is projected to increase slightly.

**Conclusion**

The senior population in the PMA increased at an annual rate of 2.0 percent from 2010 to 2015, and is expected to increase at a 1.5 percent annually through 2020, a rate that will lag behind the growth rate nationally and in the SMA. The senior population growth occurring in the PMA is outpacing total population growth. The same trend is the case for the senior population in the SMA. Between 2015 and market entry, senior households are expected to increase by 1.9 percent annually in the PMA. Senior renter households with incomes between \$10,000 and \$29,999 represent 34.0 percent of the senior renter households in the PMA in 2015, and this share is expected to remain near this level through market entry. Many of these households would income-qualify at 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.

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.

<b>Income Cohorts</b>		
<b>Unit Type</b>	<b>Minimum Income</b>	<b>Maximum Income</b>
1BR 50%	\$13,890	\$19,950
2BR 50%	\$15,810	\$22,450
1BR 60%	\$16,710	\$23,940
2BR 60%	\$19,950	\$26,940
Overall	\$13,890	\$26,940

**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 2015 as the base year for the analysis and project forward to the anticipated placed-in-service year of 2018. 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. Data from the American Housing Survey and interviews with area senior apartment property managers regarding the number or share of current renters who originated from homeownership may be used to refine the analysis. The Subject is urban and generally could typically attract as much as five percent or more of its support from homeowners seeking to downsize into a rental unit. We have considered the typical shares of support from homeowners in our calculations, while also being conservative in our projection so as not to overstate demand. We have used a nominal support figure from senior homeowners in our demand calculation, which limits this component to less than 20 percent of the overall demand for the Subject in all calculations. A higher percentage of support from homeowners may be possible for the Subject, given the limited supply of LIHTC Senior options in the PMA. (2d) The fourth potential “Other” source of demand is demand which may exist that is not captured by the above methods, which may be allowed if the factors used can be fully justified.

**Additions to Supply**

SCSHFDA guidelines indicate that units in all competing properties that were allocated, under construction, placed in service, or funded in 2015 as well as those units at properties that have not reached a stabilized occupancy of 93 percent should be removed from the demand analysis. We have identified the following developments which have been accounted for in the demand analysis.

- Crescent Villas is a senior LIHTC project allocated in 2015 located four miles northwest of the Subject along West Hoffmeyer Road. This project will include 48 two-bedroom units targeting senior renter households with incomes of up to 60 percent AMI. The new construction project is expected to open in 2017. As a senior project with only two-bedroom units, this property will compete with the Subject for senior renter households.
- Indigo Pointe, located 2.0 miles north of the Subject will offer 12 one-bedroom and 36 two-bedroom units when it is completed in 2017. This project was allocated in 2014 and will target senior households earning up to 60 percent AMI. As a senior development, we would expect competition between this project and the Subject senior project.

**4 and 5. Method - Capture Rates**

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

Renter Household Income Distribution 2015-2020								
Irby Senior Village								
PMA								
	2015		Projected Mkt Entry January 2018		2020		Percent Growth	
	#	%	#	%	#	%		
\$0-9,999	896	28.5%	961	29.0%	1,026	29.4%	12.7%	
\$10,000-19,999	661	21.0%	707	21.3%	753	21.6%	12.2%	
\$20,000-29,999	408	13.0%	434	13.1%	460	13.2%	11.3%	
\$30,000-39,999	357	11.4%	361	10.9%	364	10.4%	2.0%	
\$40,000-49,999	179	5.7%	196	5.9%	214	6.1%	16.4%	
\$50,000-59,999	168	5.3%	168	5.1%	168	4.8%	-0.2%	
\$60,000-74,999	169	5.4%	172	5.2%	175	5.0%	3.4%	
\$75,000-99,999	143	4.6%	153	4.6%	162	4.7%	11.7%	
\$100,000-124,999	63	2.0%	63	1.9%	63	1.8%	-0.4%	
\$125,000-149,999	32	1.0%	29	0.9%	26	0.8%	-22.6%	
\$150,000-199,999	45	1.4%	49	1.5%	52	1.5%	14.2%	
\$200,000+	24	0.7%	24	0.7%	25	0.7%	6.4%	
<b>Total</b>	<b>3,145</b>	<b>100.0%</b>	<b>3,317</b>	<b>100.0%</b>	<b>3,488</b>	<b>100.0%</b>	<b>9.8%</b>	

Households by Tenure Projected Mkt Entry January 2018		
	Number	Percentage
Renter	3,317	23.7%
Owner	10,668	76.3%
<b>Total</b>	<b>13,984</b>	<b>100.0%</b>

Renter Household Size for Projected Mkt Entry January 2018		
Size	Number	Percentage
1	1,841	55.51%
2	917	27.65%
3	261	7.88%
4	125	3.78%
5+	172	5.18%
<b>Total</b>	<b>3,317</b>	<b>100%</b>



50% AMI Demand

Tenure Prj Mrkt Entry January 2018	
Renter	23.7%
Owner	76.3%
Total	100.0%

Renter Household Size for Prj Mrkt Entry January 2018		
Size	Number	Percentage
1 Person	1,841	55.5%
2 Person	917	27.7%
3 Person	261	7.9%
4 Person	125	3.8%
5+ Person	172	5.2%
Total	3,317	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	3,210	38.0%
2 Person	2,165	25.7%
3 Person	1,466	17.4%
4 Person	871	10.3%
5+ Person	728	8.6%
Total	8,441	100.0%

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

Percent of AMI Level		50%		
Minimum Income Limit		\$13,890		
Maximum Income Limit		\$19,950		
		2		
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	49.76		0.0%	0
\$10,000-19,999	36.60		0.0%	0
\$20,000-29,999	22.45	6,060	60.6%	22
\$30,000-39,999	18.68		0.0%	0
\$40,000-49,999	10.15		0.0%	0
\$50,000-59,999	8.68		0.0%	0
\$60,000-74,999	8.90		0.0%	0
\$75,000-99,999	7.91		0.0%	0
\$100,000-124,999	3.26		0.0%	0
\$125,000-149,999	1.51		0.0%	0
\$150,000-199,999	2.52		0.0%	0
\$200,000+	1.26		0.0%	0
	172			22
Percent of renter households within limits versus total number of renter households				12.92%

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

Percent of AMI Level		50%		
Minimum Income Limit		\$13,890		
Maximum Income Limit		\$19,950		
		2		
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	961		0.0%	0
\$10,000-19,999	707		0.0%	0
\$20,000-29,999	434	\$6,060	60.6%	428
\$30,000-39,999	361		0.0%	0
\$40,000-49,999	196		0.0%	0
\$50,000-59,999	168		0.0%	0
\$60,000-74,999	172		0.0%	0
\$75,000-99,999	153		0.0%	0
\$100,000-124,999	63		0.0%	0
\$125,000-149,999	29		0.0%	0
\$150,000-199,999	49		0.0%	0
\$200,000+	24		0.0%	0
	3,317			428
Percent of renter households within limits versus total number of renter households				12.92%

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  
 2015 Median Income  
 Change from 2015 to Prj Mrkt Entry January 2018  
 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		
Senior		
Urban		
40%		
\$35,917		
\$45,084		
\$9,167		
25.5%		
4.3%		
4.3%	Two year adjustment	1.0000
\$19,950		
\$19,950		
2		
50%		
\$467		
\$463.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry January 2018

Income Target Population		50%
New Renter Households PMA		172
Percent Income Qualified		12.9%
New Renter Income Qualified Households		22

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		50%
Total Existing Demand		3,317
Income Qualified		12.9%
Income Qualified Renter Households		428
Percent Rent Overburdened Prj Mrkt Entry January 2018		45.7%
Rent Overburdened Households		196

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		428
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		2

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

Senior Households Converting from Homeownership

Income Target Population		50%
Total Senior Homeowners		10668
Rural Versus Urban	0.25%	
Senior Demand Converting from Homeownership		27

Total Demand

Total Demand from Existing Households		224
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		224
Total New Demand		22
Total Demand (New Plus Existing Households)		246

Demand from Seniors Who Convert from Homeownership		27
Percent of Total Demand From Homeownership Conversion		10.8%
Is this Demand Over 2 percent of Total Demand?		Yes

By Bedroom Demand

One Person	55.5%	137
Two Persons	27.7%	68
Three Persons	7.9%	19
Four Persons	3.8%	9
Five Persons	5.2%	13
Total	100.0%	246

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	41
Of two-person households in 1BR units	10%	7
<hr/>		
Of one-person households in 2BR units	70%	96
Of two-person households in 2BR units	90%	61
Of three-person households in 2BR units	60%	12
Total Demand		216
Check		
Total Demand by Bedroom		50%
1 BR		48
2 BR		157
Total Demand		205
Net Demand		50%
1 BR		47
2 BR		146
Total		193
Developer's Unit Mix		50%
1 BR		2
2 BR		6
Total		8
Capture Rate Analysis		50%
1 BR		4.3%
2 BR		4.1%
Total		4.2%

60% AMI Demand

Tenure Prj Mrkt Entry January 2018	
Renter	23.7%
Owner	76.3%
Total	100.0%

Renter Household Size for Prj Mrkt Entry January 2018		
Size	Number	Percentage
1 Person	1,841	55.5%
2 Person	917	27.7%
3 Person	261	7.9%
4 Person	125	3.8%
5+ Person	172	5.2%
Total	3,317	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	3,210	38.0%
2 Person	2,165	25.7%
3 Person	1,466	17.4%
4 Person	871	10.3%
5+ Person	728	8.6%
Total	8,441	100.0%

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

Percent of AMI Level		60%		
Minimum Income Limit		\$16,710		
Maximum Income Limit		\$23,940	2	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	49.76		0.0%	0
\$10,000-19,999	36.60		32.9%	12
\$20,000-29,999	22.45	3,289	39.4%	9
\$30,000-39,999	18.68	3,940	0.0%	0
\$40,000-49,999	10.15		0.0%	0
\$50,000-59,999	8.68		0.0%	0
\$60,000-74,999	8.90		0.0%	0
\$75,000-99,999	7.91		0.0%	0
\$100,000-124,999	3.26		0.0%	0
\$125,000-149,999	1.51		0.0%	0
\$150,000-199,999	2.52		0.0%	0
\$200,000+	1.26		0.0%	0
	172			21
Percent of renter households within limits versus total number of renter households				12.16%

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

Percent of AMI Level		60%		
Minimum Income Limit		\$16,710		
Maximum Income Limit		\$23,940	2	
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	961		0.0%	0
\$10,000-19,999	707		32.9%	233
\$20,000-29,999	434	\$3,289	39.4%	171
\$30,000-39,999	361	\$3,940	0.0%	0
\$40,000-49,999	196		0.0%	0
\$50,000-59,999	168		0.0%	0
\$60,000-74,999	172		0.0%	0
\$75,000-99,999	153		0.0%	0
\$100,000-124,999	63		0.0%	0
\$125,000-149,999	29		0.0%	0
\$150,000-199,999	49		0.0%	0
\$200,000+	24		0.0%	0
	3,317			403
Percent of renter households within limits versus total number of renter households				12.16%

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

2015 Median Income

Change from 2015 to Prj Mrkt Entry January 2018

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		
Senior		
Urban		
40%		
\$35,917		
\$45,084		
\$9,167		
25.5%		
4.3%		
4.3%	Two year adjustment	1.0000
\$23,940		
\$23,940		
\$2		
60%		
\$557		
\$557.00		

Persons in Household	0BR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%

STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry January 2018

Income Target Population		60%
New Renter Households PMA		172
Percent Income Qualified		12.2%
New Renter Income Qualified Households		21

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		60%
Total Existing Demand		3,317
Income Qualified		12.2%
Income Qualified Renter Households		403
Percent Rent Overburdened Prj Mrkt Entry January 2018		45.7%
Rent Overburdened Households		184

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		403
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		1

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

Senior Households Converting from Homeownership

Income Target Population		60%
Total Senior Homeowners		10668
Rural Versus Urban	0.45%	
Senior Demand Converting from Homeownership		48

Total Demand

Total Demand from Existing Households		234
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		234
Total New Demand		21
Total Demand (New Plus Existing Households)		255

Demand from Seniors Who Convert from Homeownership		48
Percent of Total Demand From Homeownership Conversion		18.8%
Is this Demand Over 2 percent of Total Demand?		Yes

By Bedroom Demand

One Person	55.5%	142
Two Persons	27.7%	71
Three Persons	7.9%	20
Four Persons	3.8%	10
Five Persons	5.2%	13
Total	100.0%	255

To place Person Demand into Bedroom Type Units		
Of one-person households in 1BR units	30%	42
Of two-person households in 1BR units	10%	7
<hr/>		
Of one-person households in 2BR units	70%	99
Of two-person households in 2BR units	90%	63
Of three-person households in 2BR units	60%	12
Total Demand		224
Check		
Total Demand by Bedroom		60%
1 BR		50
2 BR		163
Total Demand		212
Additions To Supply 2015 to Proj Mrkt Entry January 2018		60%
1 BR		11
2 BR		73
Total		84
Net Demand		60%
1 BR		39
2 BR		90
Total		128
Developer's Unit Mix		60%
1 BR		6
2 BR		26
Total		32
Capture Rate Analysis		60%
1 BR		15.6%
2 BR		29.0%
Total		25.0%
Check		OK

## Overall Demand

Tenure Prj Mrkt Entry January 2018	
Renter	23.7%
Owner	76.3%
Total	100.0%

Renter Household Size for Prj Mrkt Entry January 2018		
Size	Number	Percentage
1 Person	1,841	55.5%
2 Person	917	27.7%
3 Person	261	7.9%
4 Person	125	3.8%
5+ Person	172	5.2%
Total	3,317	100.0%

Renter Household Size for 2000		
Size	Number	Percentage
1 Person	3,210	58.0%
2 Person	2,165	25.7%
3 Person	1,466	17.4%
4 Person	871	10.3%
5+ Person	728	8.6%
Total	8,441	100.0%

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

Percent of AMI Level		Overall		
Minimum Income Limit		\$14,010		
Maximum Income Limit		\$23,940	2	
Income Category	New Renter Households - Total Change in Households PMA 2015 to Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Renter Households within Bracket
\$0-9,999	49.76		0.0%	0
\$10,000-19,999	36.60	5,989	59.9%	22
\$20,000-29,999	22.45	3,940	39.4%	9
\$30,000-39,999	18.68		0.0%	0
\$40,000-49,999	10.15		0.0%	0
\$50,000-59,999	8.68		0.0%	0
\$60,000-74,999	8.90		0.0%	0
\$75,000-99,999	7.91		0.0%	0
\$100,000-124,999	3.26		0.0%	0
\$125,000-149,999	1.51		0.0%	0
\$150,000-199,999	2.52		0.0%	0
\$200,000+	1.26		0.0%	0
	172			31
Percent of renter households within limits versus total number of renter households				17.92%

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

Percent of AMI Level		Overall		
Minimum Income Limit		\$14,010		
Maximum Income Limit		\$23,940	2	
Income Category	Total Renter Households PMA Prj Mrkt Entry January 2018	Income Brackets	Percent within Cohort	Households within Bracket
\$0-9,999	961		0.0%	0
\$10,000-19,999	707	\$5,989	59.9%	423
\$20,000-29,999	434	\$3,940	39.4%	171
\$30,000-39,999	361		0.0%	0
\$40,000-49,999	196		0.0%	0
\$50,000-59,999	168		0.0%	0
\$60,000-74,999	172		0.0%	0
\$75,000-99,999	153		0.0%	0
\$100,000-124,999	63		0.0%	0
\$125,000-149,999	29		0.0%	0
\$150,000-199,999	49		0.0%	0
\$200,000+	24		0.0%	0
	3,317			594
Percent of renter households within limits versus total number of renter households				17.92%

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

2015 Median Income

Change from 2015 to Prj Mrkt Entry January 2018

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	
Senior	
Urban	
40%	
\$35,917	
\$45,084	
\$9,167	
25.5%	
4.3%	
4.3%	Two year adjustment
	1.0000
\$23,940	
\$23,940	
2	
Overall	
\$467	
\$467.00	

Persons in Household	OBR	1BR	2BR	3BR	4BR	5BR	Total
1	0%	30%	70%	0%	0%	0%	100%
2	0%	10%	90%	0%	0%	0%	100%
3	0%	0%	60%	40%	0%	0%	100%
4	0%	0%	0%	80%	20%	0%	100%
5+	0%	0%	0%	70%	30%	0%	100%



STEP 1 Please refer to text for complete explanation.

Demand from New Renter Households 2015 to Prj Mrkt Entry January 2018

Income Target Population		Overall
New Renter Households PMA		172
Percent Income Qualified		17.9%
New Renter Income Qualified Households		31

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

Demand from Existing Households 2015

Demand from Rent Overburdened Households

Income Target Population		Overall
Total Existing Demand		3,317
Income Qualified		17.9%
Income Qualified Renter Households		594
Percent Rent Overburdened Prj Mrkt Entry January 2018		45.7%
Rent Overburdened Households		272

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

Demand from Living in Substandard Housing

Income Qualified Renter Households		594
Percent Living in Substandard Housing		0.4%
Households Living in Substandard Housing		2

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

Senior Households Converting from Homeownership

Income Target Population		Overall
Total Senior Homeowners		10668
Rural Versus Urban	0.48%	
Senior Demand Converting from Homeownership		51

Total Demand

Total Demand from Existing Households		324
Adjustment Factor - Leakage from SMA (use 115% for DCA)	100%	0
Adjusted Demand from Existing Households		324
Total New Demand		31
Total Demand (New Plus Existing Households)		355

Demand from Seniors Who Convert from Homeownership		51
Percent of Total Demand From Homeownership Conversion		14.3%
Is this Demand Over 20 percent of Total Demand?		No

By Bedroom Demand

One Person	55.5%	197
Two Persons	27.7%	98
Three Persons	7.9%	28
Four Persons	3.8%	13
Five Persons	5.2%	18
Total	100.0%	355

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	30%	59
Of two-person households in 1BR units	10%	10
Of one-person households in 2BR units	70%	138
Of two-person households in 2BR units	90%	88
Of three-person households in 2BR units	60%	17
Total Demand		312
Check		

Total Demand by Bedroom	Overall
1 BR	69
2 BR	226
Total Demand	295

Additions To Supply 2015 to Proj Mrkt Entry January 2018	Overall
1 BR	12
2 BR	84
Total	96

Net Demand	Overall
1 BR	57
2 BR	142
Total	199

Developer's Unit Mix	Overall
1 BR	8
2 BR	32
Total	40

Capture Rate Analysis	Overall
1 BR	14.1%
2 BR	22.5%
Total	20.1%

**Conclusions**

One factor that affects the indicated capture rates is detailed as follows:

- 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. Property managers at area apartments in the PMA indicated that approximately 20 percent of residents are from the areas of central South Carolina outside the PMA. Therefore, we conservatively estimate that approximately 20 percent of the Subject’s residents will originate from areas outside of the PMA. Since the demand analysis does not account for support from tenants moving from outside the PMA, it is somewhat conservative.

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

**Demand and Net Demand**

	HH at 50% AMI (min to max income)	HH at 60% AMI (min to max income)	All Tax Credit Households
Demand from New Households (age and income appropriate)	22	21	31
<b>PLUS</b>	+	+	+
Demand from Existing Renter Households - Substandard Housing	2	1	2
<b>PLUS</b>	+	+	+
Demand from Existing Renter Households - Rent Overburdened Households	196	184	272
=			
<b>Sub Total</b>	<b>220</b>	<b>207</b>	<b>305</b>
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	27	48	51
<b>Equals Total Demand</b>	<b>246</b>	<b>255</b>	<b>355</b>
<b>Less</b>	-	-	-
New Supply	12	84	96
<b>Equals Net Demand</b>	<b>234</b>	<b>171</b>	<b>259</b>

Note that the above *Demand and Net Demand* estimates include all income-eligible renter households. These estimates are then adjusted to reflect only the size-appropriate households by bedroom type in the following *Capture Rate Analysis*.

**CAPTURE RATE ANALYSIS CHART**

Bedrooms/AMI Level	Total Demand*	Supply	Net Demand	Units Proposed	Capture Rate
1BR at 50% AMI	48	1	47	2	4.3%
1BR at 60% AMI	50	11	39	6	15.6%
2BR at 50% AMI	157	11	146	6	4.1%
2BR at 60% AMI	163	73	90	26	29.0%
Overall at 50% AMI	205	12	193	8	4.2%
Overall at 60% AMI	212	84	128	32	25.0%
<b>Overall</b>	<b>295</b>	<b>96</b>	<b>199</b>	<b>40</b>	<b>20.1%</b>

\*Note the demand totals have been refined to only include size-appropriate households

As the analysis illustrates, the Subject's capture rates vary from 4.1 to 29.0 percent with an overall capture rate of 20.1 percent. The Subject's overall capture rates are all well within SCSHFDA guidelines and we believe that there is ample demand for the Subject's units.

### **Absorption Rate**

The newest LIHTC property in the PMA, Palmetto Station Apartments, opened in 2014 and is a family project. Management at this property reported an absorption rate of 24 units per month. Coit Village opened in 2008 and reported an absorption rate of 10 units per month. SP Holladay Manor, a senior LIHTC comparable located in Sumter, reported an absorption rate of six units per month when it opened in 2001. These are moderate to good lease-up rates for LIHTC apartments. With the growing demographic base of seniors in the PMA and the general limited supply of affordable senior housing, we believe the Subject should be able to experience an absorption rate within the range of what other LIHTC communities have experienced. The LIHTC comparables report few vacancies and all maintain waiting lists. Therefore, based upon the demand calculations presented within this report, which indicate good to excellent capture rates and an ample number of age and income-qualified households, we believe that the Subject could absorb approximately 10 units per month upon opening. This equals an absorption period of four 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.

The following table illustrates the excluded properties and the vacancy rates, where they were available, for the excluded properties.

**EXCLUDED PROPERTIES**

Name	City	Program	Tenancy	Reason for Exclusion	No. of Units	2/16 Vacancy Rate
Mcgowan Commons	Florence	LIHTC	Family	Differing Unit Types	36	0.0%
Bentree Apartments	Florence	Market	Family	More Comparable Properties	132	2.3%
Deerfield Run	Florence	Market	Family	Differing Unit Types	153	0.0%
Somerset Acres	Florence	Market	Family	Differing Unit Types	192	0.0%
Woodlake Apartments	Florence	Market	Family	Differing Unit Types	120	2.5%
Florence City Apartments	Florence	LIHTC	Family	More Comparable Properties	29	6.9%
Wyndham Place Apartments	Florence	LIHTC	Family	More Comparable Properties	48	2.1%
Hickory Knoll Apartments	Florence	Section 8	Senior	Subsidized	49	0.0%
Mount Zion	Florence	Section 8	Family	Subsidized/Tenancy	75	0.0%
Mount Zion II	Florence	Section 8	Family	Subsidized/Tenancy	36	2.8%
New Hope	Florence	Section 8	Disabled	Subsidized/Tenancy	20	N/A
New Hope II	Florence	Section 8	Disabled	Subsidized/Tenancy	8	N/A
Pelican House	Florence	Section 8	Senior	Subsidized	46	0.0%
The Trellis Apartments	Florence	Section 8	Disabled	Subsidized/Tenancy	24	4.2%
Village Creek	Florence	Section 8	Family	Subsidized/Tenancy	96	2.1%
Willow Glen Apartments	Florence	Section 8	Senior	Subsidized	38	2.6%
<b>Total LIHTC Only</b>					<b>113</b>	<b>2.7%</b>
<b>Total Assisted*</b>					<b>392</b>	<b>1.3%</b>
<b>Total All Affordable*</b>					<b>505</b>	<b>1.6%</b>

\*Vacancy rates calculated using only properties reporting vacancy information

N/A – Not available

**LIHTC Competition**

Crescent Villas is a senior LIHTC project allocated in 2015 located four miles northwest of the Subject along West Hoffmeyer Road. This project will include 48 two-bedroom units targeting senior renter households with incomes of up to 60 percent AMI. The new construction project is expected to open in 2017. As a senior project with only two-bedroom units, this property will compete with the Subject for senior renter households.

Indigo Pointe, located 2.0 miles north of the Subject will offer 12 one-bedroom and 36 two-bedroom units when it is completed in 2017. This project was allocated in 2014 and will target senior households earning up to 60 percent AMI. As a senior development, we would expect competition between this project and the Subject senior project.

Palmetto Station was a 2013 project allocation 0.9 miles northeast of the Subject. This 48-unit property was completed in 2014 and operates under the LIHTC program, and is currently fully occupied. The property offers two and three-bedroom family units at 50 and 60 percent of the AMI, and we have included the property as a comparable within this report given its proximity to the Subject.

### **Pipeline Construction**

As mentioned previously, Crescent Villas and Indigo Pointe are planned senior LIHTC projects in Florence. These projects are expected to be completed in 2017. In total, these projects will feature 12 one-bedroom units and 84 two-bedroom units targeting senior households earning up to 60 percent AMI. These planned projects will compete directly with the Subject for senior households, and as such have been included in demand calculations as new comparable supply. There are no other new developments in the construction pipeline within the PMA based on our interviews with planning or community development departments in Florence County.

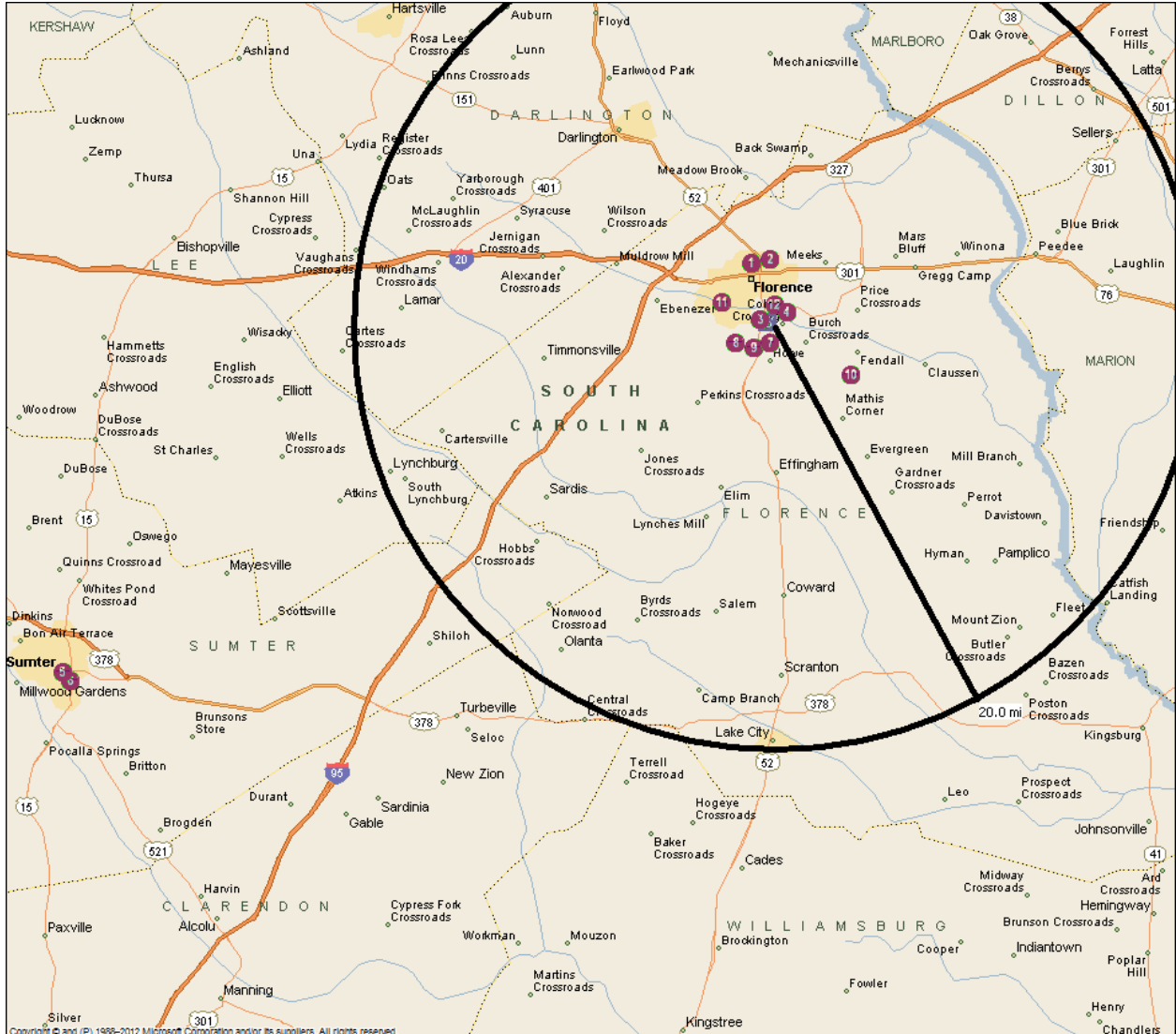
### **Comparable Properties**

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 12 comparable properties containing 1,221 units.

The availability of senior LIHTC data in the PMA and specifically in the Florence area was limited and, therefore, we extended our search for comparable LIHTC properties into Sumter County. Of the LIHTC comparables, two are in Sumter, while the remaining four LIHTC comparables are located within 3.2 miles of the Subject site in Florence. Note that since the Subject will offer no rental assistance, we have excluded subsidized or Rural Development properties from the analysis of “true” comparables. Vacancy rate data was presented earlier in this section for these properties with assisted rents. Market data available for market rate apartments in the PMA is considered average. We were able to identify six market rate properties from within the PMA in Florence as comparables.

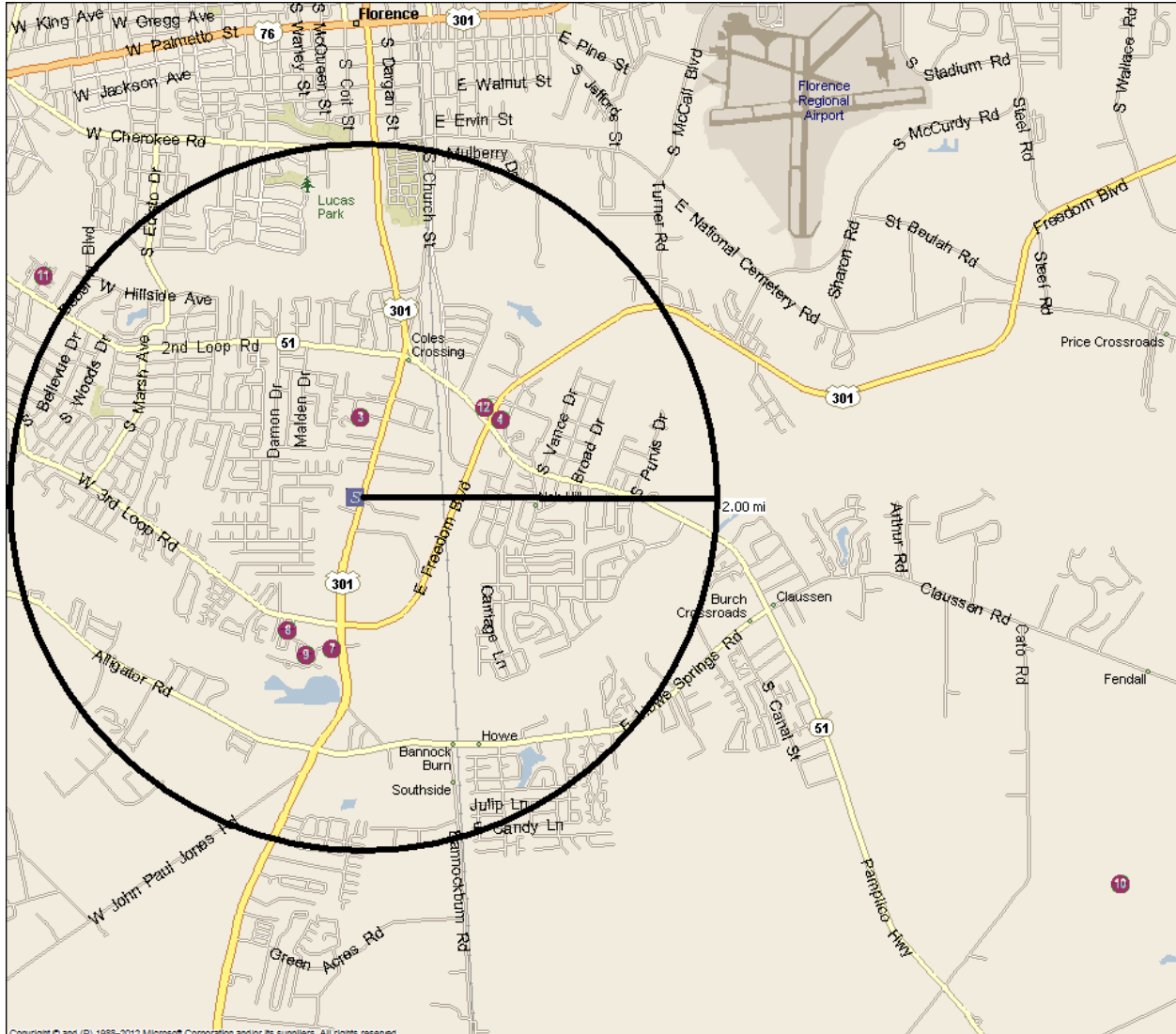
A detailed matrix describing the individual competitive properties as well as the proposed Subject is provided on the following pages. A *Comparable Properties Map*, illustrating the location of the Subject in relation to comparable properties is also provided on the following page. The properties are 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 – General





Comparable Rental Property Map - Detailed



COMPARABLE PROPERTIES

#	Property Name	City	Tenancy	Type	Distance
1	Cambridge Court Apartments	Florence	Family	@ 50% , @ 60%	3.2 miles
2	Coit Village	Florence	Family	@ 50% , @ 60%	3.2 miles
3	Lakota Crossing	Florence	Family	@ 50% , @ 60%	0.5 miles
4	Palmetto Station Apartments	Florence	Family	@ 50% , @ 60%	0.7 miles
5	SP Holladay Manor	Sumter	Senior	@ 50% , @ 60%	36.7 miles
6	Sumter Place	Sumter	Senior	@ 50% , @ 60%	36.7 miles
7	Charles Pointe	Florence	Family	Market	0.8 miles
8	Colonial Gardens	Florence	Family	Market	0.8 miles
9	Columns At Millstone	Florence	Family	Market	0.8 miles
10	Four Oaks Apartments	Florence	Family	Market	0.3 miles
11	Sedgefield Apartments	Florence	Family	Market	2.2 miles
12	The Reserve At Mill Creek	Florence	Family	Market	0.9 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	Irby Senior Apartments Federal Court Florence, SC 29505 Florence County	n/a	3 stories Proposed 2018	@50%, @60%	1BR / 1BA	2	5.00%	@50%	\$331	750	no		N/A	N/A
					1BR / 1BA	6	15.00%	@60%	\$425	750	no		N/A	N/A
					2BR / 2BA	6	15.00%	@50%	\$355	950	no		N/A	N/A
					2BR / 2BA	26	65.00%	@60%	\$493	950	no		N/A	N/A
					40	100%						N/A	N/A	
1	Cambridge Court Apartments 550 West Darlington Street Florence, SC 29501 Florence County	3.2 miles	Garden (3 stories) 2003 / n/a	@50%, @60%	2BR / 2BA	16	25.00%	@50%	\$447	900	yes	Yes	0	0.00%
					2BR / 2BA	16	25.00%	@60%	\$488	900	yes	Yes	3	18.80%
					3BR / 2BA	16	25.00%	@50%	\$510	1,000	yes	Yes	0	0.00%
					3BR / 2BA	16	25.00%	@60%	\$615	1,000	yes	Yes	1	6.20%
					64	100%						4	6.20%	
2	Coit Village 240 West Darlington Street Florence, SC 29501 Florence County	3.2 miles	Garden (3 stories) 2008 / n/a	@50%, @60%	2BR / 2BA	16	26.70%	@50%	\$461	950	yes	Yes	0	0.00%
					2BR / 2BA	20	33.30%	@60%	\$536	950	no	Yes	0	0.00%
					3BR / 2BA	8	13.30%	@50%	\$530	1,100	yes	Yes	0	0.00%
					3BR / 2BA	16	26.70%	@60%	\$605	1,100	no	Yes	0	0.00%
					60	100%						0	0.00%	
3	Lakota Crossing 1741 Lakota Drive Florence, SC 29505 Florence County	0.5 miles	Duplex 2004 / n/a	@50%, @60%	1BR / 1BA	4	5.60%	@50%	\$343	738	no	Yes	0	0.00%
					2BR / 1BA	37	51.40%	@50%	\$443	936	no	Yes	0	0.00%
					2BR / 1BA	3	4.20%	@60%	\$443	936	no	Yes	1	33.30%
					3BR / 2BA	26	36.10%	@50%	\$514	1,116	no	Yes	0	0.00%
					2	2.80%	@60%	\$537	1,116	no	Yes	1	50.00%	
					72	100%						2	2.80%	
4	Palmetto Station Apartments 2300 Freedom Boulevard Florence, SC 29505 Florence County	0.7 miles	Garden (2 stories) 2014 / n/a	@50%, @60%	2BR / 2BA	6	12.50%	@50%	\$377	1,075	no	15 HH	0	0.00%
					2BR / 2BA	18	37.50%	@60%	\$487	1,075	no	15 HH	0	0.00%
					3BR / 2BA	6	12.50%	@50%	\$414	1,225	no	15 HH	0	0.00%
					3BR / 2BA	18	37.50%	@60%	\$544	1,225	no	15 HH	0	0.00%
					48	100%						0	0.00%	
5	SP Holladay Manor  105 South Sumter Street Sumter, SC 29150 Sumter County	36.7 miles	Lowrise (age-restricted)  (3 stories) 2001 / n/a	@50%, @60%	1BR / 1BA	N/A	N/A	@50%	\$336	990	no	Yes	0	N/A
					1BR / 1BA	18	37.50%	@60%	\$426	990	no	Yes	0	0.00%
					2BR / 1BA	30	62.50%	@50%	\$400	1,044	no	Yes	0	0.00%
					2BR / 1BA	N/A	N/A	@60%	\$500	1,044	no	Yes	0	N/A
					48	100%						0	0.00%	
6	Sumter Place  14 West Bartlette Street Sumter, SC 29150 Sumter County	36.7 miles	Lowrise (age-restricted)  (3 stories) 2006 / n/a	@50%, @60%	1BR / 1BA	9	22.00%	@50%	\$336	777	no	Yes	0	0.00%
					1BR / 1BA	21	51.20%	@60%	\$426	777	no	Yes	0	0.00%
					2BR / 1BA	2	4.90%	@50%	\$400	1,039	no	Yes	0	0.00%
					2BR / 1BA	9	22.00%	@60%	\$500	1,039	no	Yes	1	11.10%
					41	100%						1	2.40%	
7	Charles Pointe 201 West Millstone Road Florence, SC 29505 Florence County	0.8 miles	Garden (3 stories) 2001 / n/a	Market	1BR / 1BA	42	25.00%	Market	\$735	700	n/a	Yes	0	0.00%
					2BR / 2BA	114	67.90%	Market	\$835	1,010	n/a	No	0	0.00%
					3BR / 2BA	12	7.10%	Market	\$990	1,230	n/a	Yes	0	0.00%
						168	100%							
8	Colonial Gardens 530 Third Loop Road Florence, SC 29505 Florence County	0.8 miles	Garden (2 stories) 2000s / n/a	Market	2BR / 2BA	40	100.00%	Market	\$700	1,040	n/a	No	2	5.00%
						40	100%							
9	Columns At Millstone 155 West Millstone Drive Florence, SC 29505 Florence County	0.8 miles	Garden (3 stories) 2007 / n/a	Market	2BR / 2BA	30	50.00%	Market	\$800	1,040	n/a	No	1	3.30%
					2BR / 2BA	30	50.00%	Market	\$775	1,040	n/a	No	0	0.00%
						60	100%							
10	Four Oaks Apartments 118 Toledo Scale Road Florence, SC 29505 Florence County	0.3 miles	Garden (2 stories) 1990s / n/a	Market	2BR / 2BA	40	50.00%	Market	\$700	1,000	n/a	No	0	0.00%
					2BR / 2BA	40	50.00%	Market	\$625	1,000	n/a	No	0	0.00%
						80	100%							
11	Sedgefield Apartments 1300 Valparaiso Drive Florence, SC 29501 Florence County	2.2 miles	Garden (3 stories) late 1970s / n/a	Market	1BR / 1BA	24	8.80%	Market	\$601	650	n/a	No	N/A	N/A
					1BR / 1BA	16	5.90%	Market	\$621	850	n/a	No	N/A	N/A
					1BR / 1BA	24	8.80%	Market	\$631	900	n/a	No	N/A	N/A
					2BR / 1BA	16	5.90%	Market	\$641	900	n/a	No	N/A	N/A
					2BR / 1.5BA	56	20.60%	Market	\$666	975	n/a	No	N/A	N/A
					2BR / 1.5BA	32	11.80%	Market	\$706	1,025	n/a	No	N/A	N/A
					2BR / 2BA	48	17.60%	Market	\$736	1,125	n/a	No	N/A	N/A
					3BR / 2BA	16	5.90%	Market	\$766	1,086	n/a	No	N/A	N/A
					3BR / 2BA	24	8.80%	Market	\$796	1,250	n/a	No	N/A	N/A
					3BR / 2BA	16	5.90%	Market	\$806	1,350	n/a	No	N/A	N/A
	272	100%									5	1.80%		
12	The Reserve At Mill Creek 2350 Freedom Blvd Florence, SC 29505 Florence County	0.9 miles	Garden (3 stories) 2008 / n/a	Market	1BR / 1BA	62	23.10%	Market	\$901	783	n/a	No	0	0.00%
					1.5BR / 1BA	60	22.40%	Market	\$1,001	965	n/a	No	0	0.00%
					2BR / 2BA	122	45.50%	Market	\$1,101	1,130	n/a	No	0	0.00%
					3BR / 2BA	24	9.00%	Market	\$1,361	1,285	n/a	No	0	0.00%
	268	100%									0	0.00%		

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

Effective Rent Date:		Feb-16	Units Surveyed:		1221	Weighted Occupancy:		98.80%
			Market Rate		888	Market Rate		99.10%
			Tax Credit		333	Tax Credit		97.90%
One Bedroom One Bath				Two Bedrooms Two Bath				
RENT	Property	Average	Property	Average	Property	Average	Property	Average
	The Reserve At Mill Creek	\$901	The Reserve At Mill Creek	\$1,101				
	Charles Pointe	\$735	Charles Pointe	\$835				
	Sedgefield Apartments	\$631	Columns At Millstone	\$800				
	Sedgefield Apartments	\$621	Columns At Millstone	\$775				
	Sedgefield Apartments	\$601	Sedgefield Apartments	\$736				
	<b>Irby Senior Apartments * (60%)</b>	<b>\$441</b>	Colonial Gardens	\$700				
	SP Holladay Manor * (60%)	\$426	Four Oaks Apartments	\$700				
	Sumter Place * (60%)	\$426	Four Oaks Apartments	\$625				
	Lakota Crossing * (50%)	\$343	Coit Village * (60%)	\$536				
	SP Holladay Manor * (50%)	\$336	SP Holladay Manor * (1BA 60%)	\$500				
	Sumter Place * (50%)	\$336	Sumter Place * (1BA 60%)	\$500				
			Cambridge Court Apartments * (60%)	\$488				
			Palmetto Station Apartments * (60%)	\$487				
			<b>Irby Senior Apartments * (60%)</b>	<b>\$467</b>				
			Coit Village * (50%)	\$461				
			Cambridge Court Apartments * (50%)	\$447				
			Lakota Crossing * (1BA 50%)	\$443				
			Lakota Crossing * (1BA 60%)	\$443				
			<b>Irby Senior Apartments * (50%)</b>	<b>\$404</b>				
			SP Holladay Manor * (1BA 50%)	\$400				
			Sumter Place * (1BA 50%)	\$400				
			Palmetto Station Apartments * (50%)	\$377				
<b>SQUARE FOOTAGE</b>	SP Holladay Manor * (50%)	990	The Reserve At Mill Creek	1,130				
	SP Holladay Manor * (60%)	990	Sedgefield Apartments	1,125				
	Sedgefield Apartments	900	Palmetto Station Apartments * (50%)	1,075				
	Sedgefield Apartments	850	Palmetto Station Apartments * (60%)	1,075				
	The Reserve At Mill Creek	783	SP Holladay Manor * (1BA 50%)	1,044				
	Sumter Place * (50%)	777	SP Holladay Manor * (1BA 60%)	1,044				
	Sumter Place * (60%)	777	Colonial Gardens	1,040				
	<b>Irby Senior Apartments * (60%)</b>	<b>750</b>	Columns At Millstone	1,040				
	Lakota Crossing * (50%)	738	Columns At Millstone	1,040				
	Charles Pointe	700	Sumter Place * (1BA 50%)	1,039				
	Sedgefield Apartments	650	Sumter Place * (1BA 60%)	1,039				
			Charles Pointe	1,010				
			Four Oaks Apartments	1,000				
			Four Oaks Apartments	1,000				
			Coit Village * (50%)	950				
			Coit Village * (60%)	950				
			<b>Irby Senior Apartments * (50%)</b>	<b>950</b>				
			<b>Irby Senior Apartments * (60%)</b>	<b>950</b>				
			Lakota Crossing * (1BA 50%)	936				
			Lakota Crossing * (1BA 60%)	936				
			Cambridge Court Apartments * (50%)	900				
			Cambridge Court Apartments * (60%)	900				
<b>RENT PER SQUARE FOOT</b>	The Reserve At Mill Creek	\$1.15	The Reserve At Mill Creek	\$0.97				
	Charles Pointe	\$1.05	Charles Pointe	\$0.83				
	Sedgefield Apartments	\$0.92	Columns At Millstone	\$0.77				
	Sedgefield Apartments	\$0.73	Columns At Millstone	\$0.75				
	Sedgefield Apartments	\$0.70	Four Oaks Apartments	\$0.70				
	<b>Irby Senior Apartments * (60%)</b>	<b>\$0.59</b>	Colonial Gardens	\$0.67				
	Sumter Place * (60%)	\$0.55	Sedgefield Apartments	\$0.65				
	Lakota Crossing * (50%)	\$0.46	Four Oaks Apartments	\$0.62				
	Sumter Place * (50%)	\$0.43	Coit Village * (60%)	\$0.56				
	SP Holladay Manor * (60%)	\$0.43	Cambridge Court Apartments * (60%)	\$0.54				
	SP Holladay Manor * (50%)	\$0.34	Cambridge Court Apartments * (50%)	\$0.50				
			<b>Irby Senior Apartments * (60%)</b>	<b>\$0.49</b>				
			Coit Village * (50%)	\$0.49				
			Sumter Place * (1BA 60%)	\$0.48				
			SP Holladay Manor * (1BA 60%)	\$0.48				
			Lakota Crossing * (1BA 50%)	\$0.47				
			Lakota Crossing * (1BA 60%)	\$0.47				
			Palmetto Station Apartments * (60%)	\$0.45				
			<b>Irby Senior Apartments * (50%)</b>	<b>\$0.43</b>				
			Sumter Place * (1BA 50%)	\$0.38				
			SP Holladay Manor * (1BA 50%)	\$0.38				
			Palmetto Station Apartments * (50%)	\$0.35				

**UNIT MATRIX REPORT**

	Irby Senior Apartments	Cambridge Court Apartments	Coit Village	Lakota Crossing	Palmetto Station Apartments	SP Holladay Manor	Sumter Place	Charles Pointe	Colonial Gardens	Columns At Millstone	Four Oaks Apartments	Sedgefield Apartments	The Reserve At Mill Creek
Comp #	Subject	1	2	3	4	5	6	7	8	9	10	11	12
<b>Property Information</b>													
Property Type	Lowrise (age-restricted) (3 stories)	Garden (3 stories)	Garden (3 stories)	Duplex	Garden (2 stories)	Lowrise (age-restricted) (3 stories)	Lowrise (age-restricted) (3 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	Garden (2 stories)	Garden (3 stories)	Garden (3 stories)
Year Built / Renovated	Proposed 2018 / n/a	2003 / n/a	2008 / n/a	2004 / n/a	2014 / n/a	2001 / n/a	2006 / n/a	2001 / n/a	2000s / n/a	2007 / n/a	1990s / n/a	late 1970s / n/a	2008 / n/a
Market (Conv.)/Subsidy Type	@50%, @60%	@50%, @60%	@50%, @60%	@50%, @60%	@50%, @60%	@50%, @60%	@50%, @60%	Market	Market	Market	Market	Market	Market
<b>Utility Adjustments</b>													
Cooking	no	no	no	no	no	no	no	no	no	no	no	no	no
Water Heat	no	no	no	no	no	yes	yes	no	no	no	no	no	no
Heat	no	no	no	no	no	no	no	no	no	no	no	no	no
Other Electric	no	no	no	no	no	no	no	no	no	no	no	no	no
Water	no	no	yes	yes	yes	yes	yes	no	no	no	no	no	no
Sewer	no	no	yes	yes	yes	yes	yes	no	no	no	no	no	no
Trash Collection	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	no	no
<b>In-Unit Amenities</b>													
Balcony/Patio	no	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes
Blinds	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Carpeting	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Central A/C	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Coat Closet	no	yes	yes	yes	yes	no	no	yes	no	yes	yes	no	yes
Dishwasher	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Exterior Storage	no	yes	no	no	no	no	no	yes	no	no	no	no	no
Ceiling Fan	yes	yes	yes	yes	yes	no	yes	yes	yes	yes	no	yes	yes
Garbage Disposal	yes	yes	yes	no	yes	yes	yes	yes	yes	yes	yes	yes	yes
Microwave	yes	no	yes	no	yes	yes	yes	yes	yes	yes	yes	no	yes
Oven	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Refrigerator	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
Walk-In Closet	no	yes	no	yes	yes	no	no	yes	no	yes	yes	yes	yes
Washer/Drvr hookup	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
<b>Property Amenities</b>													
Business		no	no	yes	yes	yes	no	no	no	no	no	no	yes
Center/Computer Lab	yes	no	no	yes	yes	yes	no	no	no	no	no	no	yes
Car Wash	no	no	no	no	no	no	no	yes	no	no	no	no	yes
Clubhouse/Meeting Room/Community Room	yes	no	no	no	yes	yes	yes	no	no	no	no	no	yes
Courtyard	no	yes	no	no	no	no	no	no	no	no	no	no	no
Elevators	no	no	no	no	no	yes	yes	no	no	no	no	no	no
Exercise Facility	yes	no	no	yes	no	yes	yes	yes	no	no	no	no	yes
Garage	no	no	no	no	no	no	no	yes	no	no	no	no	yes
Central Laundry	no	no	yes	yes	yes	yes	yes	no	no	no	yes	yes	yes
Off-Street Parking	no	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes	yes
On-Site Management	yes	yes	yes	yes	yes	yes	yes	yes	no	no	no	yes	yes
Picnic Area	no	no	yes	no	yes	no	no	yes	no	no	no	no	yes
Playground	no	yes	yes	yes	yes	no	no	yes	no	no	no	yes	yes
Swimming Pool	no	no	no	no	no	no	no	yes	yes	no	no	yes	yes
Tennis Court	no	no	no	no	no	no	no	no	no	no	no	yes	no
Wi-Fi	no	no	no	no	no	no	no	no	no	no	no	no	yes
Garage Fee	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$85.00	N/A	N/A	N/A	N/A	\$150.00
<b>Services</b>													
<b>Security</b>													
Intercom (Buzzer)	no	no	no	no	no	yes	yes	no	yes	no	no	no	no
Limited Access	no	no	no	no	no	yes	yes	no	yes	no	no	no	yes
Perimeter Fencing	no	no	no	no	no	no	no	no	no	no	no	no	yes
<b>Premium Amenities</b>													
Hairdresser / Barber	no	no	no	no	no	yes	no	no	no	no	no	no	no
<b>Other Amenities</b>													
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Dog Park	n/a	n/a	n/a	n/a	n/a

# PROPERTY PROFILE REPORT

## Cambridge Court Apartments

<b>Effective Rent Date</b>	2/11/2016
<b>Location</b>	550 West Darlington Street Florence, SC 29501 Florence County
<b>Distance</b>	3.2 miles
<b>Units</b>	64
<b>Vacant Units</b>	4
<b>Vacancy Rate</b>	6.2%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2003 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mostly families, thirteen percent seniors. Most tenants from Florence.
<b>Contact Name</b>	Melinda
<b>Phone</b>	843-413-0586



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	12%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	48%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased to max
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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)	16	900	\$447	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	16	900	\$488	\$0	@60%	Yes	3	18.8%	yes	None
3	2	Garden (3 stories)	16	1,000	\$510	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	16	1,000	\$615	\$0	@60%	Yes	1	6.2%	yes	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$447	\$0	\$447	\$0	\$447	2BR / 2BA	\$488	\$0	\$488	\$0	\$488
3BR / 2BA	\$510	\$0	\$510	\$0	\$510	3BR / 2BA	\$615	\$0	\$615	\$0	\$615

## Cambridge Court 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**

None

**Services**

None

**Property**

Courtyard  
On-Site Management

Off-Street Parking  
Playground

**Premium**

None

**Other**

None

### Comments

The manager reports a waiting list of approximately 40 households.

# Cambridge Court Apartments, continued

## Trend Report

### Vacancy Rates

1Q11	4Q13	4Q14	1Q16
0.0%	0.0%	3.1%	6.2%

**Trend: @50%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$435	\$0	\$435	\$435
2013	4	0.0%	\$440	\$0	\$440	\$440
2014	4	0.0%	\$440	\$0	\$440	\$440
2016	1	0.0%	\$447	\$0	\$447	\$447

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$500	\$0	\$500	\$500
2013	4	0.0%	\$510	\$0	\$510	\$510
2014	4	0.0%	\$505	\$0	\$505	\$505
2016	1	0.0%	\$510	\$0	\$510	\$510

**Trend: @60%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$535	\$0	\$535	\$535
2013	4	N/A	\$538	\$0	\$538	\$538
2014	4	6.2%	\$550	\$0	\$550	\$550
2016	1	18.8%	\$488	\$0	\$488	\$488

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$615	\$0	\$615	\$615
2013	4	N/A	\$600	\$0	\$600	\$600
2014	4	6.2%	\$600	\$0	\$600	\$600
2016	1	6.2%	\$615	\$0	\$615	\$615

## Trend: Comments

- 1Q11** Cambridge Court is located on the northeastern edge of downtown Florence. It is a well maintained property that was built in 2003. Units are set-aside at 50 and 60 percent of AMI at this LIHTC property. Rents are slightly below the maximum allowable at both income thresholds. The manager states that units are priced to make it competitive with other properties. Presently, there are four vacant units but all are preleased. There is a large waiting list of about 75 households at this property. The majority of tenants are from the immediate Florence area.
- 4Q13** Management reported that the waiting list is currently 100 households (property-wide). The change in rents varied across units since the last update: rents increased 1.0 percent for two-bedroom units at the 50 percent AMI level, increased 0.5 percent for two-bedroom units at the 60 percent of AMI level, increased 2.0 percent for three-bedroom units at the 50 percent of AMI level, and decreased 2.0 percent for three-bedroom units at the 60 percent of AMI level.
- 4Q14** Cambridge Court is a LIHTC property located on the northwestern edge of downtown Florence. It was constructed in 2003 and is in average condition. Units are set-aside at 50 and 60 percent of AMI and rents are at the maximum allowable at both income levels. There are two physically vacant units but the manager states that both are leased. The manager reports a waiting list of approximately 50 households.
- 1Q16** The manager reports a waiting list of approximately 40 households.



# Cambridge Court Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## Coit Village

<b>Effective Rent Date</b>	2/15/2016
<b>Location</b>	240 West Darlington Street Florence, SC 29501 Florence County
<b>Distance</b>	3.2 miles
<b>Units</b>	60
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2008 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	12/05/2008
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Mostly younger tenants; 17% seniors
<b>Contact Name</b>	Christina
<b>Phone</b>	843-662-7008



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	8%
<b>Units/Month Absorbed</b>	10
<b>HCV Tenants</b>	37%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 2 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	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)	16	950	\$510	\$0	@50%	Yes	0	0.0%	yes	None
2	2	Garden (3 stories)	20	950	\$585	\$0	@60%	Yes	0	0.0%	no	None
3	2	Garden (3 stories)	8	1,100	\$585	\$0	@50%	Yes	0	0.0%	yes	None
3	2	Garden (3 stories)	16	1,100	\$660	\$0	@60%	Yes	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$510	\$0	\$510	-\$49	\$461	2BR / 2BA	\$585	\$0	\$585	-\$49	\$536
3BR / 2BA	\$585	\$0	\$585	-\$55	\$530	3BR / 2BA	\$660	\$0	\$660	-\$55	\$605

## Coit Village, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator

Blinds  
Central A/C  
Dishwasher  
Garbage Disposal  
Oven  
Washer/Dryer hookup

**Security**

None

**Services**

None

**Property**

Central Laundry  
On-Site Management  
Playground

Off-Street Parking  
Picnic Area

**Premium**

None

**Other**

None

### Comments

The one-story community building was originally built in the 1960s and was formerly used as the offices for a gas company. The residential buildings were newly constructed in 2008. The 50 percent rents were reported to be at the maximum allowable level. The waiting list was reported to consist of 13 households.

# Coit Village, continued

## Trend Report

### Vacancy Rates

1Q11	4Q13	4Q14	1Q16
5.0%	1.7%	6.7%	0.0%

**Trend: @50%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$465	\$0	\$465	\$416
2013	4	0.0%	\$480	\$0	\$480	\$431
2014	4	0.0%	\$500	\$0	\$500	\$451
2016	1	0.0%	\$510	\$0	\$510	\$461

**Trend: @60%**

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	15.0%	\$465	\$0	\$465	\$416
2013	4	0.0%	\$555	\$0	\$555	\$506
2014	4	10.0%	\$575	\$0	\$575	\$526
2016	1	0.0%	\$585	\$0	\$585	\$536

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$540	\$0	\$540	\$485
2013	4	12.5%	\$555	\$0	\$555	\$500
2014	4	0.0%	\$575	\$0	\$575	\$520
2016	1	0.0%	\$585	\$0	\$585	\$530

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	0.0%	\$540	\$0	\$540	\$485
2013	4	0.0%	\$630	\$0	\$630	\$575
2014	4	12.5%	\$650	\$0	\$650	\$595
2016	1	0.0%	\$660	\$0	\$660	\$605

## Trend: Comments

- 1Q11** This attractive LIHTC property is located on the edge of downtown Florence. The one-story community building was built in the 1960s and was formerly occupied by the offices of a gas company. The residential buildings were constructed in 2008. The property manager indicated that the 50 and 60 percent rents are restricted to the same rent level by covenants and the tax credit application. The 50 percent rents are at the maximum allowable according to the manager. The manager is new to the property this year and stated that the past manager was not effective and tenant quality standards have now improved. The property is performing well and the two units that are physically vacant are preleased.
- 4Q13** Management reported that demand remains strong for affordable units in the market. The contact reported that the property has a waiting list approximately six months in length for all unit types.
- 4Q14** This attractive LIHTC property is located on the northwestern edge of downtown Florence. The one-story community building was originally built in the 1960s and was formerly used as the offices for a gas company. The residential buildings were newly constructed in 2008. Previously, the 50 and 60 percent rents were the same, although this is no longer the case. The 50 percent rents were reported to be at the maximum allowable level. There are four units that are physically vacant but the manager states that there is an application for each of these units. The waiting list was reported to be three to six months in length.
- 1Q16** The one-story community building was originally built in the 1960s and was formerly used as the offices for a gas company. The residential buildings were newly constructed in 2008. The 50 percent rents were reported to be at the maximum allowable level. The waiting list was reported to consist of 13 households.



**Coit Village, continued**

**Photos**



# PROPERTY PROFILE REPORT

## Lakota Crossing

<b>Effective Rent Date</b>	2/15/2016
<b>Location</b>	1741 Lakota Drive Florence, SC 29505 Florence County
<b>Distance</b>	0.5 miles
<b>Units</b>	72
<b>Vacant Units</b>	2
<b>Vacancy Rate</b>	2.8%
<b>Type</b>	Duplex
<b>Year Built/Renovated</b>	2004 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	Cambridge Court
<b>Tenant Characteristics</b>	Ten percent seniors; majority are from Florence County
<b>Contact Name</b>	Sheena
<b>Phone</b>	843-664-9030



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	17%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	44%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 3 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	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	4	738	\$387	\$0	@50%	Yes	0	0.0%	no	None
2	1	Duplex	37	936	\$492	\$0	@50%	Yes	0	0.0%	no	None
2	1	Duplex	3	936	\$492	\$0	@60%	Yes	1	33.3%	no	None
3	2	Duplex	26	1,116	\$569	\$0	@50%	Yes	0	0.0%	no	None
3	2	Duplex	2	1,116	\$592	\$0	@60%	Yes	1	50.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$387	\$0	\$387	-\$44	\$343	<b>2BR / 1BA</b>	\$492	\$0	\$492	-\$49	\$443
<b>2BR / 1BA</b>	\$492	\$0	\$492	-\$49	\$443	<b>3BR / 2BA</b>	\$592	\$0	\$592	-\$55	\$537
<b>3BR / 2BA</b>	\$569	\$0	\$569	-\$55	\$514						

# Lakota Crossing, continued

## Amenities

### In-Unit

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

Blinds  
Central A/C  
Dishwasher  
Oven  
Walk-In Closet

### Security

None

### Services

None

### Property

Business Center/Computer Lab  
Central Laundry  
On-Site Management

Exercise Facility  
Off-Street Parking  
Playground

### Premium

None

### Other

None

## Comments

The manager maintains a waiting list of 59 households.

# Lakota Crossing, continued

## Trend Report

### Vacancy Rates

1Q11	4Q13	4Q14	1Q16
6.9%	4.2%	2.8%	2.8%

### Trend: @50%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$347	\$0	\$347	\$303
2013	4	50.0%	\$360	\$0	\$360	\$316
2014	4	0.0%	\$377	\$0	\$377	\$333
2016	1	0.0%	\$387	\$0	\$387	\$343

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$452	\$0	\$452	\$403
2013	4	0.0%	\$465	\$0	\$465	\$416
2014	4	0.0%	\$482	\$0	\$482	\$433
2016	1	0.0%	\$492	\$0	\$492	\$443

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$552	\$0	\$552	\$497
2013	4	0.0%	\$565	\$0	\$565	\$510
2014	4	0.0%	\$582	\$0	\$582	\$527
2016	1	0.0%	\$569	\$0	\$569	\$514

### Trend: @60%

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$347	\$0	\$347	\$303
2013	4	N/A	\$360	\$0	\$360	\$316
2014	4	N/A	\$377	\$0	\$377	\$333

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$452	\$0	\$452	\$403
2013	4	N/A	\$465	\$0	\$465	\$416
2014	4	N/A	\$482	\$0	\$482	\$433
2016	1	33.3%	\$492	\$0	\$492	\$443

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$552	\$0	\$552	\$497
2013	4	N/A	\$565	\$0	\$565	\$510
2014	4	N/A	\$582	\$0	\$582	\$527
2016	1	50.0%	\$592	\$0	\$592	\$537

## Trend: Comments

- 1Q11** This is an attractive property consisting of one-story duplexes. The 50 and 60 percent AMI rents are the same due to HOME funding restrictions. The leasing pace is longer due to the extensive application approval process. The manager reported that all five of the vacant units have applications pending.
- 4Q13** Management reported that turnover the last year has been abnormally high as there have been some evictions and a tenant passing away. The contact was unable to provide a breakdown by AMI level for the respective bedroom types.
- 4Q14** This attractive LIHTC property consists of one-story duplexes. It is managed by the Housing Authority of Florence. The 50 and 60 percent rents are the same due to HOME funding restrictions for this particular property. There are two physically vacant units, but both are preleased. The manager maintains a waiting list of 17 households. Employed tenants generally work in lower wage positions and have an average annual income in the low \$20,000s. Typically, the sole source of income for seniors who live at this property is Social Security.
- 1Q16** The manager maintains a waiting list of 59 households.



Photos



# PROPERTY PROFILE REPORT

## Palmetto Station Apartments

<b>Effective Rent Date</b>	2/11/2016
<b>Location</b>	2300 Freedom Boulevard Florence, SC 29505 Florence County
<b>Distance</b>	0.7 miles
<b>Units</b>	48
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	2014 / N/A
<b>Marketing Began</b>	10/01/2014
<b>Leasing Began</b>	11/01/2014
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None noted
<b>Tenant Characteristics</b>	Mostly younger households, 8% seniors
<b>Contact Name</b>	Erica
<b>Phone</b>	843-407-5031



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	13%
<b>Units/Month Absorbed</b>	24
<b>HCV Tenants</b>	10%
<b>Leasing Pace</b>	Preleased
<b>Annual Chg. in Rent</b>	None
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	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 (2 stories)	6	1,075	\$426	\$0	@50%	15 HH	0	0.0%	no	None
2	2	Garden (2 stories)	18	1,075	\$536	\$0	@60%	15 HH	0	0.0%	no	None
3	2	Garden (2 stories)	6	1,225	\$469	\$0	@50%	15 HH	0	0.0%	no	None
3	2	Garden (2 stories)	18	1,225	\$599	\$0	@60%	15 HH	0	0.0%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$426	\$0	\$426	-\$49	\$377	2BR / 2BA	\$536	\$0	\$536	-\$49	\$487
3BR / 2BA	\$469	\$0	\$469	-\$55	\$414	3BR / 2BA	\$599	\$0	\$599	-\$55	\$544

## Palmetto Station Apartments, continued

### Amenities

#### In-Unit

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

Carpeting  
Coat Closet  
Ceiling Fan  
Microwave  
Refrigerator  
Washer/Dryer hookup

#### Security

None

#### Services

None

#### Property

Business Center/Computer Lab  
Central Laundry  
On-Site Management  
Playground

Clubhouse/Meeting  
Off-Street Parking  
Picnic Area

#### Premium

None

#### Other

None

### Comments

None

# Palmetto Station Apartments, continued

## Trend Report

### Vacancy Rates

<b>4Q13</b>	<b>4Q14</b>	<b>1Q16</b>
N/A	22.9%	0.0%

### Trend: @50%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$360	\$0	\$360	\$311
2014	4	N/A	\$426	\$0	\$426	\$377
2016	1	0.0%	\$426	\$0	\$426	\$377

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$415	\$0	\$415	\$360
2014	4	N/A	\$469	\$0	\$469	\$414
2016	1	0.0%	\$469	\$0	\$469	\$414

### Trend: @60%

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$470	\$0	\$470	\$421
2014	4	N/A	\$536	\$0	\$536	\$487
2016	1	0.0%	\$536	\$0	\$536	\$487

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	N/A	\$545	\$0	\$545	\$490
2014	4	N/A	\$599	\$0	\$599	\$544
2016	1	0.0%	\$599	\$0	\$599	\$544

## Trend: Comments

4Q13 N/A

4Q14 Palmetto Station is a family-oriented LIHTC property located in the southern portion of Florence. It was completed in early November 2014 and 37 of its total 48 units are leased. This represents an absorption pace of approximately 37 units per month from the date of completion. This property features units set-aside at 50 and 60 percent of AMI and rents are at the maximum allowable for both income levels. The manager stated that the vast majority of tenants are from Florence itself who previously rented elsewhere. Tenants typically work in the retail and healthcare sectors and average annual household income is generally in the \$20,000s.

1Q16 N/A

# Palmetto Station Apartments, continued

## Photos





# PROPERTY PROFILE REPORT

## SP Holladay Manor

<b>Effective Rent Date</b>	2/15/2016
<b>Location</b>	105 South Sumter Street Sumter, SC 29150 Sumter County
<b>Distance</b>	36.7 miles
<b>Units</b>	48
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Lowrise (age-restricted) (3 stories)
<b>Year Built/Renovated</b>	2001 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None noted
<b>Tenant Characteristics</b>	Seniors 55 and older; average age 72
<b>Contact Name</b>	Susan
<b>Phone</b>	(803) 778-1111



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	13%
<b>Units/Month Absorbed</b>	6
<b>HCV Tenants</b>	50%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 1 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	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	Lowrise (3 stories)	N/A	990	\$395	\$0	@50%	Yes	0	N/A	no	None
1	1	Lowrise (3 stories)	18	990	\$485	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	30	1,044	\$470	\$0	@50%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	N/A	1,044	\$570	\$0	@60%	Yes	0	N/A	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$395	\$0	\$395	-\$59	\$336	1BR / 1BA	\$485	\$0	\$485	-\$59	\$426
2BR / 1BA	\$470	\$0	\$470	-\$70	\$400	2BR / 1BA	\$570	\$0	\$570	-\$70	\$500

## SP Holladay Manor, continued

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Microwave  
Refrigerator

Blinds  
Central A/C  
Garbage Disposal  
Oven  
Washer/Dryer hookup

#### Security

Intercom (Buzzer)  
Limited Access

#### Services

None

#### Property

Business Center/Computer Lab  
Elevators  
Central Laundry  
On-Site Management

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking

#### Premium

Hairdresser / Barber

#### Other

None

### Comments

One wing of this property is a adaptive reuse of a historic, one-story commercial building. The remaining portions of the building were newly constructed in 2001. This property shares its manager with another senior LIHTC property, the 41-unit Sumter Place, approximately two blocks to the south. There is a waiting list of ten households.

# SP Holladay Manor, continued

## Trend Report

### Vacancy Rates

4Q05	4Q06	4Q14	1Q16
0.0%	0.0%	4.2%	0.0%

**Trend: @50%**

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$350	\$0	\$350	\$291
2006	4	N/A	\$355	\$0	\$355	\$296
2014	4	N/A	\$390	\$0	\$390	\$331
2016	1	N/A	\$395	\$0	\$395	\$336

**Trend: @60%**

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	0.0%	\$425	\$0	\$425	\$366
2006	4	0.0%	\$430	\$0	\$430	\$371
2014	4	5.6%	\$477	\$0	\$477	\$418
2016	1	0.0%	\$485	\$0	\$485	\$426

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	0.0%	\$415	\$0	\$415	\$345
2006	4	0.0%	\$420	\$0	\$420	\$350
2014	4	0.0%	\$467	\$0	\$467	\$397
2016	1	0.0%	\$470	\$0	\$470	\$400

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$505	\$0	\$505	\$435
2006	4	N/A	\$510	\$0	\$510	\$440
2014	4	N/A	\$561	\$0	\$561	\$491
2016	1	N/A	\$570	\$0	\$570	\$500

## Trend: Comments

- 4Q05** SP Holladay Manor is a LIHTC property for senior citizens age 55 and older. Like the Subject, this property was also developed by SunStarr. This property opened in 2001 and was fully occupied within eight to nine months. In the past four years, a total of 20 units have been vacated. Rents increased by \$5, or less than one percent, in January 2005. The management stated that the waiting list is very long; however, it becomes inaccurate quickly as seniors move with family or to assisted living. The manager does not consider Garden Court, the only other LIHTC property for seniors in the market, to be a competitor because many tenants want to move from that property to this one. There is space for a hairdresser who comes to the property once or twice a week. This property does not offer accessibility features such as pull cords. The manager stated that there is strong demand for quality affordable housing for seniors in the area. The majority of senior tenants are longtime Sumter residents, but the property manager stated that an increasing number of residents are moving to the Sumter area to retire in a warm climate.
- 4Q06** All rents have increased \$5, or approximately one percent, since the last interview. The rent increase was effective January 1, 2006. The property is currently 100 percent occupied but there is no waiting list. Management stated that when a unit is vacated, it is rented immediately. Management stated that most tenants are from the local area and 50 percent were previous homeowners. The average age of tenants is 72. Management also stated that approximately 19 tenants are using Section 8 vouchers. According to management, Sumter Place, a new elderly tax credit property, is under construction. The anticipated move in date for residents is December 2006. Management stated that a senior center is located across the parking lot from SP Holladay. Many of the tenants go to the senior center daily and are provided with hot lunches. Meals on Wheels also delivers to the property for those who are unable to go to the senior center. Approximately 12 seniors participate in this program. The city public transportation system, RTA, comes to the parking lot of the property and provides the seniors with local transportation.
- 4Q14** This senior LIHTC property is located on the edge of downtown Sumter. One wing of this property is a adaptive reuse of a historic, one-story commercial building. The remaining portions of the building were newly constructed in 2001. This property shares its manager with another senior LIHTC property, the 41-unit Sumter Place, approximately two blocks to the south. Tenant incomes are restricted to 50 and 60 percent of AMI and rents are below the maximum allowable. There are two physically vacant units, but there is a waiting list of ten households. The majority of senior tenants are one-person households, including those living in the two-bedroom units. Average annual tenant incomes are in the \$10,000s to low \$20,000s and many have Social Security as their sole source of income. The property is restricted to tenants who are at least the age of 55, although the average age is in the 70s. About 50 percent of tenants were former homeowners and the majority are from the Sumter area. Some tenants were originally from this area before moving away, only to return once they retired.
- 1Q16** One wing of this property is a adaptive reuse of a historic, one-story commercial building. The remaining portions of the building were newly constructed in 2001. This property shares its manager with another senior LIHTC property, the 41-unit Sumter Place, approximately two blocks to the south. There is a waiting list of ten households.



Photos



# PROPERTY PROFILE REPORT

## Sumter Place

<b>Effective Rent Date</b>	2/15/2016
<b>Location</b>	14 West Bartlette Street Sumter, SC 29150 Sumter County
<b>Distance</b>	36.7 miles
<b>Units</b>	41
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	2.4%
<b>Type</b>	Lowrise (age-restricted) (3 stories)
<b>Year Built/Renovated</b>	2006 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None noted
<b>Tenant Characteristics</b>	Seniors age 55+; most in their 70s
<b>Contact Name</b>	Susan
<b>Phone</b>	803-774-2333



### Market Information

<b>Program</b>	@50%, @60%
<b>Annual Turnover Rate</b>	13%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	60%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 1 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	included
<b>Sewer</b>	included
<b>Trash Collection</b>	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	Lowrise (3 stories)	9	777	\$395	\$0	@50%	Yes	0	0.0%	no	None
1	1	Lowrise (3 stories)	21	777	\$485	\$0	@60%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	2	1,039	\$470	\$0	@50%	Yes	0	0.0%	no	None
2	1	Lowrise (3 stories)	9	1,039	\$570	\$0	@60%	Yes	1	11.1%	no	None

### Unit Mix

@50%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent	@60%	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
<b>1BR / 1BA</b>	\$395	\$0	\$395	-\$59	\$336	<b>1BR / 1BA</b>	\$485	\$0	\$485	-\$59	\$426
<b>2BR / 1BA</b>	\$470	\$0	\$470	-\$70	\$400	<b>2BR / 1BA</b>	\$570	\$0	\$570	-\$70	\$500

## Sumter Place, continued

### Amenities

**In-Unit**

Balcony/Patio  
Carpeting  
Dishwasher  
Garbage Disposal  
Oven  
Washer/Dryer hookup

Blinds  
Central A/C  
Ceiling Fan  
Microwave  
Refrigerator

**Security**

Intercom (Buzzer)  
Limited Access

**Services**

None

**Property**

Clubhouse/Meeting  
Exercise Facility  
Off-Street Parking

Elevators  
Central Laundry  
On-Site Management

**Premium**

None

**Other**

None

### Comments

This senior LIHTC property is located on the edge of downtown Sumter. It shares its manager with the 48-unit SP Holladay Manor, which is located approximately two blocks to the north. This property has a waiting list of ten households.

## Sumter Place, continued

### Trend Report

#### Vacancy Rates

4Q05	4Q14	1Q16
N/A	2.4%	2.4%

#### Trend: @50%

##### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$355	\$0	\$355	\$296
2014	4	N/A	\$390	\$0	\$390	\$331
2016	1	0.0%	\$395	\$0	\$395	\$336

##### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$430	\$0	\$430	\$360
2014	4	N/A	\$467	\$0	\$467	\$397
2016	1	0.0%	\$470	\$0	\$470	\$400

#### Trend: @60%

##### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$435	\$0	\$435	\$376
2014	4	N/A	\$477	\$0	\$477	\$418
2016	1	0.0%	\$485	\$0	\$485	\$426

##### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2005	4	N/A	\$520	\$0	\$520	\$450
2014	4	N/A	\$561	\$0	\$561	\$491
2016	1	11.1%	\$570	\$0	\$570	\$500

### Trend: Comments

4Q05 subject richman market study

4Q14 This senior LIHTC property is located on the edge of downtown Sumter. It shares its manager with the 48-unit SP Holladay Manor, which is located approximately two blocks to the north. This property has one physically vacant unit, although it has a waiting list of ten households. Units are set-aside at 50 and 60 percent of AMI and rents are slightly below the maximum allowable. The minimum age for a tenant is 55 but most tenants are at least the age of 70. Average annual household income of the tenants is in the \$10,000s and low \$20,000s. The sole source of income for many tenants is Social Security.

1Q16 This senior LIHTC property is located on the edge of downtown Sumter. It shares its manager with the 48-unit SP Holladay Manor, which is located approximately two blocks to the north. This property has a waiting list of ten households.



# Sumter Place, continued

## Photos



# PROPERTY PROFILE REPORT

## Charles Pointe

<b>Effective Rent Date</b>	2/11/2016
<b>Location</b>	201 West Millstone Road Florence, SC 29505 Florence County
<b>Distance</b>	0.8 miles
<b>Units</b>	168
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2001 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	The Reserve at Mill Creek
<b>Tenant Characteristics</b>	Most of the tenants are from Florence.
<b>Contact Name</b>	Marsha
<b>Phone</b>	843-536-4613



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	21%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Preleased
<b>Annual Chg. in Rent</b>	Increased 2 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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)	42	700	\$735	\$0	Market	Yes	0	0.0%	N/A	None
2	2	Garden (3 stories)	114	1,010	\$835	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	12	1,230	\$990	\$0	Market	Yes	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$735	\$0	\$735	\$0	\$735
2BR / 2BA	\$835	\$0	\$835	\$0	\$835
3BR / 2BA	\$990	\$0	\$990	\$0	\$990

## Charles Pointe, continued

### Amenities

#### In-Unit

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

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

#### Security

None

#### Services

None

#### Property

Car Wash  
Garage  
On-Site Management  
Playground

Exercise Facility  
Off-Street Parking  
Picnic Area  
Swimming Pool

#### Premium

None

#### Other

Dog Park

### Comments

The property does not accept Housing Choice Vouchers. The property maintains a small waiting list for one and three-bedroom units.

## Charles Pointe, continued

### Trend Report

#### Vacancy Rates

4Q13	4Q14	1Q15	1Q16
3.6%	0.6%	0.6%	0.0%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	4.8%	\$700	\$0	\$700	\$700
2014	4	0.0%	\$720	\$0	\$720	\$720
2015	1	0.0%	\$720	\$0	\$720	\$720
2016	1	0.0%	\$735	\$0	\$735	\$735

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	1.8%	\$800	\$0	\$800	\$800
2014	4	0.9%	\$820	\$0	\$820	\$820
2015	1	0.9%	\$820	\$0	\$820	\$820
2016	1	0.0%	\$835	\$0	\$835	\$835

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	16.7%	\$955	\$0	\$955	\$955
2014	4	0.0%	\$975	\$0	\$975	\$975
2015	1	0.0%	\$975	\$0	\$975	\$975
2016	1	0.0%	\$990	\$0	\$990	\$990

### Trend: Comments

- 4Q13** Management reported that the property does not accept Housing Choice Vouchers. The contact reported that they do not currently maintain a waiting list.
- 4Q14** This property is located in the southern portion of Florence off of South Irby Street. It lacks visibility from this street, although there is a monument sign. Occupancy is typically 95 percent or higher. Many tenants are younger, some of which have relocated to Florence for employment purposes. The manager states that many tenants work at area manufacturing firms such as Honda and Otis Elevator. Average annual household income of the tenants is in the \$40,000s. There are few seniors living at this property. The manager states that many seniors who wish to live here cannot afford the rent.
- 1Q15** The property does not accept Housing Choice Vouchers. When asked about current market conditions, the contact replied that there is average demand for units at the property.
- 1Q16** The property does not accept Housing Choice Vouchers. The property maintains a small waiting list for one and three-bedroom units.



Photos



# PROPERTY PROFILE REPORT

## Colonial Gardens

**Effective Rent Date** 2/16/2016  
**Location** 530 Third Loop Road  
 Florence, SC 29505  
 Florence County  
**Distance** N/A  
**Units** 40  
**Vacant Units** 2  
**Vacancy Rate** 5.0%  
**Type** Garden (2 stories)  
**Year Built/Renovated** 2000s / N/A  
**Marketing Began** N/A  
**Leasing Began** N/A  
**Last Unit Leased** N/A  
**Major Competitors** N/A  
**Tenant Characteristics** N/A  
**Contact Name** Scott  
**Phone** 843-667-4900



### Market Information

**Program** Market  
**Annual Turnover Rate** 25%  
**Units/Month Absorbed** N/A  
**HCV Tenants** N/A  
**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 (2 stories)	40	1,040	\$700	\$0	Market	No	2	5.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$700	\$0	\$700	\$0	\$700

### Amenities

In-Unit	Security	Services
Balcony/Patio Carpeting Dishwasher Garbage Disposal Oven Washer/Dryer hookup	Intercom (Buzzer) Limited Access	None
Blinds Central A/C Ceiling Fan Microwave Refrigerator		
Property	Premium	Other
Off-Street Parking	None	None
Swimming Pool		

### Comments

The property does not accept Housing Choice Vouchers.



**Colonial Gardens, continued**

**Photos**



# PROPERTY PROFILE REPORT

## Columns At Millstone

<b>Effective Rent Date</b>	2/16/2016
<b>Location</b>	155 West Millstone Drive Florence, SC 29505 Florence County
<b>Distance</b>	0.8 miles
<b>Units</b>	60
<b>Vacant Units</b>	1
<b>Vacancy Rate</b>	1.7%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2007 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Most of the tenants are from Florence.
<b>Contact Name</b>	Danielle
<b>Phone</b>	843-667-4900



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	20%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one month
<b>Annual Chg. in Rent</b>	Increased 5 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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)	30	1,040	\$800	\$0	Market	No	1	3.3%	N/A	HIGH
2	2	Garden (3 stories)	30	1,040	\$775	\$0	Market	No	0	0.0%	N/A	LOW

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$775 - \$800	\$0	\$775 - \$800	\$0	\$775 - \$800

### 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

Off-Street Parking

#### Premium

None

#### Other

None

**Columns At Millstone, continued**

**Comments**

The property does not accept Housing Choice Vouchers. The units with higher rents are located on the ground floor.

## Trend Report

### Vacancy Rates

4Q13	4Q14	1Q15	1Q16
6.7%	6.7%	0.0%	1.7%

## Trend: Market

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	6.7%	\$725 - \$775	\$0	\$725 - \$775	\$725 - \$775
2014	4	N/A	\$725 - \$775	\$0	\$725 - \$775	\$725 - \$775
2015	1	N/A	\$725 - \$775	\$0	\$725 - \$775	\$725 - \$775
2016	1	1.7%	\$775 - \$800	\$0	\$775 - \$800	\$775 - \$800

## Trend: Comments

- 4Q13** Management reported that the property does not accept Housing Choice Vouchers. Management reported that vacancy is slightly higher than typical due to recent move-outs are a result of job transfers.
- 4Q14** This property, which only offers two-bedroom units, is located in the southern portion of Florence off of South Irby Street. This property has an extensive unit amenity package, but there are no common area amenities such as on-site management. The manager, who is located off-site, states that a larger percentage of tenants arrive in Florence from elsewhere for employment purposes. Departing tenants typically buy a home or have a job transfer. Units that are on the first floor have a \$50 premium. The vacancy rate typically ranges from three to seven percent. This property is managed by Power Properties, which manages several other apartment properties in the Florence area.
- 1Q15** The property does not accept Housing Choice Vouchers. The contact did not have any additional comments.
- 1Q16** The property does not accept Housing Choice Vouchers. The units with higher rents are located on the ground floor.



Photos



# PROPERTY PROFILE REPORT

## Four Oaks Apartments

<b>Effective Rent Date</b>	2/17/2016
<b>Location</b>	118 Toledo Scale Road Florence, SC 29505 Florence County
<b>Distance</b>	N/A
<b>Units</b>	80
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (2 stories)
<b>Year Built/Renovated</b>	1990s / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	N/A
<b>Tenant Characteristics</b>	N/A
<b>Contact Name</b>	Property Manager
<b>Phone</b>	843-667-4900



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	35%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	N/A
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 3 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	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 (2 stories)	40	1,000	\$700	\$0	Market	No	0	0.0%	N/A	HIGH*
2	2	Garden (2 stories)	40	1,000	\$625	\$0	Market	No	0	0.0%	N/A	LOW*

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
2BR / 2BA	\$625 - \$700	\$0	\$625 - \$700	\$0	\$625 - \$700

### Amenities

In-Unit	Security	Services
Balcony/Patio	None	None
Carpeting		
Coat Closet		
Garbage Disposal		
Oven		
Walk-In Closet		
Blinds		
Central A/C		
Dishwasher		
Microwave		
Refrigerator		
Washer/Dryer hookup		
Property	Premium	Other
Central Laundry	None	None
Off-Street Parking		

### Comments

The property does not accept housing choice vouchers. The units with the higher rents are on the ground floor.



# Four Oaks Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## Sedgefield Apartments

<b>Effective Rent Date</b>	2/11/2016
<b>Location</b>	1300 Valparaiso Drive Florence, SC 29501 Florence County Intersection: Second Loop Road
<b>Distance</b>	2.2 miles
<b>Units</b>	272
<b>Vacant Units</b>	5
<b>Vacancy Rate</b>	1.8%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	late 1970s / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	N/A
<b>Tenant Characteristics</b>	Tenants are from out of state as well as Florence County
<b>Contact Name</b>	Tiffany
<b>Phone</b>	843-667-6063



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	13%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within one week
<b>Annual Chg. in Rent</b>	Increased 2 to 3 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not 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)	24	650	\$595	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	16	850	\$615	\$0	Market	No	N/A	N/A	N/A	None
1	1	Garden (3 stories)	24	900	\$625	\$0	Market	No	N/A	N/A	N/A	None
2	1	Garden (3 stories)	16	900	\$635	\$0	Market	No	N/A	N/A	N/A	None
2	1.5	Garden (3 stories)	56	975	\$660	\$0	Market	No	N/A	N/A	N/A	None
2	1.5	Garden (3 stories)	32	1,025	\$700	\$0	Market	No	N/A	N/A	N/A	None
2	2	Garden (3 stories)	48	1,125	\$730	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	16	1,086	\$760	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	24	1,250	\$790	\$0	Market	No	N/A	N/A	N/A	None
3	2	Garden (3 stories)	16	1,350	\$800	\$0	Market	No	N/A	N/A	N/A	None

## Sedgefield Apartments, continued

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$595 - \$625	\$0	\$595 - \$625	\$6	\$601 - \$631
2BR / 1BA	\$635	\$0	\$635	\$6	\$641
2BR / 1.5BA	\$660 - \$700	\$0	\$660 - \$700	\$6	\$666 - \$706
2BR / 2BA	\$730	\$0	\$730	\$6	\$736
3BR / 2BA	\$760 - \$800	\$0	\$760 - \$800	\$6	\$766 - \$806

### Amenities

#### In-Unit

Balcony/Patio  
Carpeting  
Dishwasher  
Garbage Disposal  
Refrigerator  
Washer/Dryer hookup

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

#### Security

None

#### Services

None

#### Property

Central Laundry  
On-Site Management  
Swimming Pool

Off-Street Parking  
Playground  
Tennis Court

#### Premium

None

#### Other

None

### Comments

None

## Sedgefield Apartments, continued

### Trend Report

#### Vacancy Rates

1Q11	4Q14	1Q16
4.0%	4.0%	1.8%

### Trend: Market

#### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$535 - \$565	\$0	\$535 - \$565	\$541 - \$571
2014	4	N/A	\$585 - \$615	\$0	\$585 - \$615	\$591 - \$621
2016	1	N/A	\$595 - \$625	\$0	\$595 - \$625	\$601 - \$631

#### 2BR / 1.5BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$590 - \$600	\$0	\$590 - \$600	\$596 - \$606
2014	4	N/A	\$640 - \$650	\$0	\$640 - \$650	\$646 - \$656
2016	1	N/A	\$660 - \$700	\$0	\$660 - \$700	\$666 - \$706

#### 2BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$575	\$0	\$575	\$581
2014	4	N/A	\$630	\$0	\$630	\$636
2016	1	N/A	\$635	\$0	\$635	\$641

#### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$625	\$0	\$625	\$631
2014	4	N/A	\$675	\$0	\$675	\$681
2016	1	N/A	\$730	\$0	\$730	\$736

#### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2011	1	N/A	\$680 - \$730	\$0	\$680 - \$730	\$686 - \$736
2014	4	N/A	\$730 - \$780	\$0	\$730 - \$780	\$736 - \$786
2016	1	N/A	\$760 - \$800	\$0	\$760 - \$800	\$766 - \$806

### Trend: Comments

1Q11	Sedgefield Apartments is a larger scale market rate property located in the southwestern portion of Florence. Built in the late 1970s, it is in average to good condition overall. It is performing reasonably well with a 96 percent occupancy rate.
4Q14	Sedgefield Apartments is a larger scale market rate property located in the southwestern portion of Florence. Built in the late 1970s, it is in average to good condition overall. The reported turnover rate of 13 percent appears to be unusually low.
1Q16	N/A



# Sedgefield Apartments, continued

## Photos



# PROPERTY PROFILE REPORT

## The Reserve At Mill Creek

<b>Effective Rent Date</b>	2/11/2016
<b>Location</b>	2350 Freedom Blvd Florence, SC 29505 Florence County
<b>Distance</b>	0.9 miles
<b>Units</b>	268
<b>Vacant Units</b>	0
<b>Vacancy Rate</b>	0.0%
<b>Type</b>	Garden (3 stories)
<b>Year Built/Renovated</b>	2008 / N/A
<b>Marketing Began</b>	N/A
<b>Leasing Began</b>	N/A
<b>Last Unit Leased</b>	N/A
<b>Major Competitors</b>	None identified
<b>Tenant Characteristics</b>	Most of the tenants are from Hartsville.
<b>Contact Name</b>	Crystal
<b>Phone</b>	843-665-5311



### Market Information

<b>Program</b>	Market
<b>Annual Turnover Rate</b>	25%
<b>Units/Month Absorbed</b>	N/A
<b>HCV Tenants</b>	0%
<b>Leasing Pace</b>	Within two weeks
<b>Annual Chg. in Rent</b>	Increased 3 to 5 percent
<b>Concession</b>	None

### Utilities

<b>A/C</b>	not included -- central
<b>Cooking</b>	not included -- electric
<b>Water Heat</b>	not included -- electric
<b>Heat</b>	not included -- electric
<b>Other Electric</b>	not included
<b>Water</b>	not included
<b>Sewer</b>	not included
<b>Trash Collection</b>	not 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	\$895	\$0	Market	No	0	0.0%	N/A	None
1.5	1	Garden (3 stories)	60	965	\$995	\$0	Market	No	0	0.0%	N/A	None
2	2	Garden (3 stories)	122	1,130	\$1,095	\$0	Market	No	0	0.0%	N/A	None
3	2	Garden (3 stories)	24	1,285	\$1,355	\$0	Market	No	0	0.0%	N/A	None

### Unit Mix

Market	Face Rent	Conc.	Concd. Rent	Util.	Adj. Rent
1BR / 1BA	\$895	\$0	\$895	\$6	\$901
1.5BR / 1BA	\$995	\$0	\$995	\$6	\$1,001
2BR / 2BA	\$1,095	\$0	\$1,095	\$6	\$1,101
3BR / 2BA	\$1,355	\$0	\$1,355	\$6	\$1,361

## 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  
Swimming Pool

Car Wash  
Exercise Facility  
Central Laundry  
On-Site Management  
Playground  
Wi-Fi

**Premium**

None

**Other**

None

### Comments

None

# The Reserve At Mill Creek, continued

## Trend Report

### Vacancy Rates

4Q13	4Q14	1Q15	1Q16
3.7%	1.9%	1.1%	0.0%

## Trend: Market

### 1.5BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	5.0%	\$910	\$0	\$910	\$916
2014	4	1.7%	\$945	\$0	\$945	\$951
2015	1	1.7%	\$960	\$0	\$960	\$966
2016	1	0.0%	\$995	\$0	\$995	\$1,001

### 1BR / 1BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	3.2%	\$840	\$0	\$840	\$846
2014	4	0.0%	\$845	\$0	\$845	\$851
2015	1	0.0%	\$850	\$0	\$850	\$856
2016	1	0.0%	\$895	\$0	\$895	\$901

### 2BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	1.6%	\$995	\$0	\$995	\$1,001
2014	4	2.5%	\$1,015	\$0	\$1,015	\$1,021
2015	1	0.8%	\$1,040	\$0	\$1,040	\$1,046
2016	1	0.0%	\$1,095	\$0	\$1,095	\$1,101

### 3BR / 2BA

Year	QT	Vac.	Face Rent	Conc.	Concd. Rent	Adj. Rent
2013	4	12.5%	\$1,210	\$0	\$1,210	\$1,216
2014	4	4.2%	\$1,300	\$0	\$1,300	\$1,306
2015	1	4.2%	\$1,315	\$0	\$1,315	\$1,321
2016	1	0.0%	\$1,355	\$0	\$1,355	\$1,361

## Trend: Comments

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.
4Q14	This market rate property is among the most upscale in Florence. The contact reported that the occupancy rate has remained above 95 percent for most of 2014. Most tenants move here from outside the Florence area. Most departing tenants have a job transfer while others buy a home. The manager could not provide a detailed tenant profile. Garages are detached and rent for \$65 per month, but the manager could not provide the garage occupancy rate.
1Q15	The contact noted that the vacant three-bedroom unit is currently pre-leased. The property maintains a waiting list on its three-bedroom units; however, the contact could not note the length in time or number of households on the waiting list. The property charges a view premium of \$10 for its one-bedroom units and \$15 for its two and three-bedroom units. When asked about current market conditions, the contact replied that the market is strong.
1Q16	N/A



# The Reserve At Mill Creek, continued

## Photos



## Comparable Property Analysis

### Vacancy

The following tables illustrate the market vacancy at the comparable properties.

#### OVERALL VACANCY ALL PROPERTIES

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cambridge Court Apartments	@50% , @60%	Family	64	4	6.2%
Coit Village	@50% , @60%	Family	60	0	0.0%
Lakota Crossing	@50% , @60%	Family	72	2	2.8%
Palmetto Station Apartments	@50% , @60%	Family	48	0	0.0%
SP Holladay Manor*	@50% , @60%	Senior	48	0	0.0%
Sumter Place*	@50% , @60%	Senior	41	1	2.4%
Charles Pointe	Market	Family	168	0	0.0%
Colonial Gardens	Market	Family	40	2	5.0%
Columns At Millstone	Market	Family	60	1	1.7%
Four Oaks Apartments	Market	Family	80	0	0.0%
Sedgefield Apartments	Market	Family	272	5	1.8%
The Reserve At Mill Creek	Market	Family	268	0	0.0%
<b>Total in PMA</b>			<b>1,132</b>	<b>14</b>	<b>1.2%</b>
<b>Total</b>			<b>1,221</b>	<b>15</b>	<b>1.2%</b>

\*Units at properties outside the PMA

#### OVERALL VACANCY LIHTC PROPERTIES

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Cambridge Court Apartments	@50% , @60%	Family	64	4	6.2%
Coit Village	@50% , @60%	Family	60	0	0.0%
Lakota Crossing	@50% , @60%	Family	72	2	2.8%
Palmetto Station Apartments	@50% , @60%	Family	48	0	0.0%
SP Holladay Manor*	@50% , @60%	Senior	48	0	0.0%
Sumter Place*	@50% , @60%	Senior	41	1	2.4%
<b>Total in PMA</b>			<b>244</b>	<b>6</b>	<b>2.5%</b>
<b>Total</b>			<b>333</b>	<b>7</b>	<b>2.1%</b>

\*Units at properties outside the PMA

#### OVERALL VACANCY MARKET RATE PROPERTIES

Property name	Rent Structure	Tenancy	Total Units	Vacant Units	Vacancy Rate
Charles Pointe	Market	Family	168	0	0.0%
Colonial Gardens	Market	Family	40	2	5.0%
Columns At Millstone	Market	Family	60	1	1.7%
Four Oaks Apartments	Market	Family	80	0	0.0%
Sedgefield Apartments	Market	Family	272	5	1.8%
The Reserve At Mill Creek	Market	Family	268	0	0.0%
<b>Total in PMA</b>			<b>888</b>	<b>8</b>	<b>0.9%</b>

Overall vacancy in the PMA among the ten comparables is low at 1.2 percent, and among all 12 comparables the vacancy rate is again 1.2 percent. The six surveyed comparable LIHTC properties from inside and outside the PMA have a 2.1 percent vacancy rate, and all maintain waiting lists, indicating very high demand for affordable housing, particularly senior housing.

Among the market rate properties, the vacancy rate is also very low at 0.9 percent, indicating very strong support for conventional apartments within the PMA. None of the market comparable properties reported a vacancy rate greater than 6.2 percent.

Overall, the local rental market appears to be very healthy and we believe that the Subject will be able to maintain a stabilized vacancy rate of three percent or less following stabilization per state guideline standards. In fact, we would expect that after completion of absorption, the Subject will likely be able to generate a waiting list with the projected senior household growth in the PMA.

**LIHTC Vacancy – All LIHTC Properties in PMA**

There are 333 total LIHTC units in the PMA that we included in this comparable analysis. There are seven vacancies among these units and all properties maintain waiting lists. This indicates very strong demand for affordable rental housing in the PMA.

**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 the Housing Authority of Florence’s Utility Allowances for effective October 1, 2015. The rent analysis is based on net rents at the Subject as well as surveyed properties.

The following table summarizes the Subject’s proposed 50 percent AMI net rents compared to the maximum allowable 50 percent AMI rents in the MSA’s where comparables are located, the net rents at the comparables, and the averages of these comparable net rents.

**LIHTC Rent Comparison - @50%**

<b>Property Name</b>	<b>1BR</b>	<b>2BR</b>
Irby Senior Apartments (Subject)	\$331	\$355
<b>LIHTC Maximum (Net)</b>	<b>\$335</b>	<b>\$389</b>
<b>LIHTC Maximum (Net) (2009 Held Harmless)</b>	<b>\$367</b>	<b>\$426</b>
Cambridge Court Apartments	-	\$447
Coit Village	-	\$461
Lakota Crossing	\$343	\$443
Palmetto Station Apartments	-	\$377
SP Holladay Manor	\$336	\$400
Sumter Place	\$336	\$400
<b>Average (excluding Subject)</b>	<b>\$338</b>	<b>\$421</b>

The Subject’s proposed 50 percent AMI rents are set slightly below the maximum allowable 2015 rents for the MSA. The average 50 percent AMI rents at the comparables are above the proposed rents, as well as the maximum rents for 2015. The Subject is considered most similar to the 50 percent AMI comparables Lakota Crossing and Palmetto Station Apartments in terms of amenities, unit sizes, age, and condition. Lakota Crossing has one, two, and three-bedroom rents at 50 percent AMI that are above the proposed Subject rents at 50 percent AMI. Palmetto Station Apartments has two and three-bedroom rents at 50 percent AMI that are well above the Subject. Given the fact the Subject will be in a market with growing demographic support and a limited supply of senior affordable housing, as well as the limited number of units proposed at 50 percent AMI, we believe the maximum allowable rents at this level are achievable.

The following table summarizes the Subject’s proposed 60 percent AMI net rents compared to the maximum allowable 60 percent AMI rents in the MSA’s where comparables are located, the net rents at the comparables, and the averages of these comparable net rents.

**LIHTC Rent Comparison - @60%**

<b>Property Name</b>	<b>1BR</b>	<b>2BR</b>
Irby Senior Apartments (Subject)	\$425	\$493
<b>LIHTC Maximum (Net)</b>	<b>\$429</b>	<b>\$501</b>
<b>LIHTC Maximum (Net) (2009 Held Harmless)</b>	<b>\$467</b>	<b>\$546</b>
Cambridge Court Apartments	-	\$488
Coit Village	-	\$536
Lakota Crossing	-	\$443
Palmetto Station Apartments	-	\$487
SP Holladay Manor	\$426	\$500
Sumter Place	\$426	\$500
<b>Average (excluding Subject)</b>	<b>\$426</b>	<b>\$492</b>

The Subject’s proposed 60 percent AMI rents are slightly below the maximum allowable rent at this AMI level. The proposed one and two-bedroom rents are similar to the average rents at the six comparables. The Subject is considered most similar to the 60 percent AMI comparables Lakota Crossing and Palmetto Station Apartments in terms of amenities, unit sizes, age, and condition. Lakota Crossing has two-bedroom rents at 60 percent AMI that are above the proposed Subject rents at 60 percent AMI. Palmetto Station Apartments has two-bedroom rents at 60 percent AMI that are slightly below the Subject. Given the fact the Subject will be in a market with growing demographic support and a limited supply of senior affordable housing, we believe the maximum allowable rents at this level are achievable.

**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 well below the achievable market rates for the Subject’s area. The following table shows both market rent comparisons and achievable market rents.

<b>Subject Comparison To Market Rents</b>						
<b>Unit Type</b>	<b>Subject</b>	<b>Surveyed Min</b>	<b>Surveyed Max</b>	<b>Surveyed Average</b>	<b>Achievable Market Rents</b>	<b>Subject Rent Advantage</b>
1 BR @60%	\$331	\$625	\$1,101	\$816	\$700	53%
2 BR @50%	\$355	\$625	\$1,101	\$816	\$800	56%
1 BR @60%	\$425	\$601	\$1,001	\$817	\$700	39%
2 BR @60%	\$493	\$625	\$1,101	\$816	\$800	38%

All of the market rate properties were built between 1970 and 2008 and are located in Florence. Most of the comparable market rate properties have similar to slightly superior unit amenities, while the comparables have slightly superior to superior project amenities compared to the Subject. Most of the comparables are in inferior condition compared to the Subject, while The Reserve at Mill Creek is in good condition, slightly inferior to the Subject. This property is considered the project most similar to the Subject. Net rents at The Reserve at Mill Creek are \$901 for a one-bedroom unit at 783 square feet and \$1,101 for a two-bedroom unit at 1,130 square feet. The Subject will have smaller units than most comparables. None of the comparables feature a single-story design. The Subject’s proposed rents are below the range at the market rate comparables. The achievable market rents we determined are slightly below the average market rents based on the Subject unit sizes and amenities. The Subject’s proposed LIHTC rents will have advantages of 38 to 56 percent over what we have determined to be the achievable market rents. The overall average market rent advantage for the Subject is 47 percent.

There is an adequate supply of conventional market rate apartments in the PMA for which to measure the proposed Subject’s rents and features. As a result, for the senior project, we have not considered area single-family rental options or mobile homes. Most seniors seeking housing in a senior apartment community would be less likely to consider moving into a single-family rental home or a mobile home.

**Cost and Availability of Homeownership**

The Subject site will target seniors, who generally would not consider a home purchase. Conversely, most seniors may be considering downsizing from homeownership and moving into a rental community such as the Subject. We expect some of this type of support to occur at the Subject. Therefore, we have not performed an analysis of local for sale home prices compared to rental costs at the Subject.

**Impact of Subject on Other Affordable Units in Market**

There are five total comparable vacant LIHTC units surveyed, and all the LIHTC comparables maintain waiting lists. There are five LIHTC properties we surveyed in the PMA, none of which are age-restricted. With only no senior LIHTC units in the PMA and a growing senior household base in this market, we believe the Subject’s opening and lease-up will have no long-term impact on the existing area LIHTC apartments. Since the Subject will not operate with a subsidy, we do not expect any impact on the existing low-income rental assisted housing in the market.

**Availability of Affordable Housing Options**

There is a limited supply of LIHTC units without subsidies in the PMA, and all but seven of the LIHTC units we surveyed are full. Therefore, the availability of LIHTC housing targeting moderate incomes is considered inadequate given the demographic growth of the PMA. The Subject would bring better balance to the supply of affordable rental housing in the PMA.

**Summary Evaluation of the Proposed Project**

Overall vacancy in the local market is performing extremely well with a 1.2 percent vacancy rate in the PMA and a 1.2 percent vacancy rate among all ten surveyed comparable projects. The six properties with LIHTC units reported seven total vacancies and all maintain waiting lists, suggesting significant latent demand for affordable housing, and in particular, senior affordable housing. The market rate comparables are also performing very well, with vacancy rates of zero to five percent. When compared to the current 50 and 60 percent rents at the LIHTC properties, the Subject's proposed 50 and 60 percent AMI rents appear reasonable and overall they are more than 35 percent 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**

We spoke to Angie Thomas of the County of Florence Planning Department. Ms. Thomas indicated that there are several planned, proposed, under construction or recently constructed multifamily developments within Florence or nearby. The details of these projects can be seen below.

- Crescent Villas is a senior LIHTC project allocated in 2015 located four miles northwest of the Subject along West Hoffmeyer Road. This project will include 48 two-bedroom units targeting senior renter households with incomes of up to 60 percent AMI. The new construction project is expected to open in 2017. As a senior project with only two-bedroom units, this property will compete with the Subject for senior renter households.
- Indigo Pointe, located 2.0 miles north of the Subject will offer 12 one-bedroom and 36 two-bedroom units when it is completed in 2017. This project was allocated in 2014 and will target senior households earning up to 60 percent AMI. As a senior development, we would expect competition between this project and the Subject senior project.
- A Kress Development, located 3.0 miles north of the Subject along West Evans Street, will offer 20 one and two-bedroom market rate units available to families. This property is currently under construction and is expected to be completed in 2016, but will not be directly competitive with the Subject given its proposed tenancy.
- Downtown Apartments, to be located 2.9 miles north of the Subject site, will offer 83 one and two-bedroom market rate units available to families. This property is currently under construction, but will not be directly competitive with the Subject given its proposed tenancy.
- McGowan Commons, located 3.9 miles north of the Subject site, currently offers 36 two and three-bedroom tax credit units available to families. The property plans to construct an additional 20 one and two-bedroom units by the end of 2016. This property is not directly competitive with the Subject given its current tenancy.

**Section 8/Public Housing**

We spoke with Ms. Faye Grice, Housing Choice Voucher Specialist with the Housing Authority of Florence. Ms. Grice indicated that the authority is authorized to distribute 779 Housing Choice Vouchers. However, only 680 vouchers are in use, up substantially from 633 in late 2014. The waiting list has approximately 6,000 households and is currently open. The voucher payment standards are provided in the table below.

Unit Type	Payment Standards
1BR	\$550
2BR	\$680

The Subject’s projected rents are below these payment standards, indicating tenants utilizing vouchers can reside at the Subject without paying additional rent out of pocket.

**Property Managers**

The results from our interviews with property managers are included in the comments section of the property profile reports.



## **I. RECOMMENDATIONS**

## Recommendations

We believe there is ample demand for the Subject in the PMA and the market supports the Subject development as proposed. The Subject's overall capture rate is 29.1 percent, which is within acceptable demand thresholds. Individual capture rates by bedroom type range from 6.2 to 33.6 percent, which are all considered achievable in the PMA, where senior renter households are growing. In addition, the Subject is in a community (Florence) that has no current senior housing alternatives. The Subject site is located within 1.0 mile of most community services and facilities that seniors would utilize on a consistent basis.

There are only seven vacancies among LIHTC comparables and the market rate properties we surveyed are also performing very well, with a vacancy rate of less than two percent. The developer's rents represent greater than a 60 percent overall advantage below achievable market rents. The proposed rents will also compete well with the LIHTC rents at the most similar senior LIHTC comparables we surveyed.

## **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 financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the 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.

Respectfully submitted,  
Novogradac & Company LLP

**March 10, 2016**

**Date**



Brad Weinberg, MAI, CVA, CCIM  
Partner



Edward R. Mitchell, MAI  
Manager  
678-867-2333  
[Ed.Mitchell@novoco.com](mailto:Ed.Mitchell@novoco.com)



James Mitman  
Junior Analyst

**ADDENDA**

**ADDENDUM A**  
*Qualifications of Analysts*

**CURRICULUM VITAE**  
**BRAD E. WEINBERG, MAI, CVA, CCIM**

**I. Education**

University of Maryland, Masters of Science in Accounting & Financial Management  
University of Maryland, Bachelors of Arts in Community Planning

**II. Licensing and Professional Affiliations**

MAI Member, Appraisal Institute, No. 10790  
Certified Investment Member (CCIM), Commercial Investment Real Estate Institute  
Certified Valuation Analyst (CVA), National Association of Certified Valuers and Analysts (NACVA)

Member, Urban Land Institute

Member, National Council of Housing Market Analysts (NCHMA)

State of Alabama – Certified General Real Estate Appraiser, No. G00628

State of Connecticut – Certified General Real Estate Appraiser, No. RCG.0001439

Washington, D.C. – Certified General Real Estate Appraiser; No. GA10340

State of Florida – Certified General Real Estate Appraiser; No. RZ3249

State of Georgia – Certified General Real Property Appraiser; No. 221179

State of Maine – Certified General Real Estate Appraiser, No. CG3435

State of Maryland – Certified General Real Estate Appraiser; No. 6048

Commonwealth of Massachusetts – Certified General Real Estate Appraiser; No. 103769

State of Michigan – Certified General Real Estate Appraiser, No. 1201074327

State of Nebraska – Certified General Real Estate Appraiser, No. CG2015008R

State of New Jersey – Certified General Real Estate Appraiser; No. 42RG00224900

State of Ohio – Certified General Real Estate Appraiser; No. 2006007302

State of Pennsylvania – Certified General Real Estate Appraiser; No. GA004111

State of South Carolina – Certified General Real Estate Appraiser; No. 4566

**III. Professional Experience**

Partner, Novogradac & Company LLP

President, Capital Realty Advisors, Inc.

Vice President, The Community Partners Realty Advisory Services Group, LLC

President, Weinberg Group, Real Estate Valuation & Consulting

Manager, Ernst & Young LLP, Real Estate Valuation Services

Senior Appraiser, Joseph J. Blake and Associates

Senior Analyst, Chevy Chase F.S.B.

Fee Appraiser, Campanella & Company

**IV. Professional Training**

Appraisal Institute Coursework and Seminars Completed for MAI Designation and Continuing Education Requirements



Commercial Investment Real Estate Institute (CIRESI) Coursework and Seminars  
Completed for CCIM Designation and Continuing Education Requirements

## **V. Speaking Engagements and Authorship**

Numerous speaking engagements at Affordable Housing Conferences throughout the Country  
Participated in several industry forums regarding the Military Housing Privatization Initiative

Authored "New Legislation Emphasizes Importance of Market Studies in Allocation Process," *Affordable Housing Finance*, March 2001

## **VI. Real Estate Assignments**

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

- On a national basis, conduct market studies and appraisals for proposed Low-Income Housing Tax Credit properties. Analysis includes preliminary property screenings, market analysis, comparable rent surveys, demand analysis based on the number of income qualified renters in each market, supply analysis and operating expense analysis to determine appropriate cost estimates.
- On a national basis, conduct market studies and appraisals of proposed new construction and existing properties under the HUD Multifamily Accelerated Processing program. This includes projects under the 221(d)3, 221(d)4, 223(f), and 232 programs.
- Completed numerous FannieMae and FreddieMac appraisals of affordable and market rate multifamily properties for DUS Lenders.
- Managed and completed numerous Section 8 Rent Comparability Studies in accordance with HUD's Section 9 Renewal Policy and Chapter 9 for various property owners and local housing authorities.
- Developed a Flat Rent Model for the Trenton Housing Authority. Along with teaming partner, Quadel Consulting Corporation, completed a public housing rent comparability study to determine whether the flat rent structure for public housing units is reasonable in comparison to similar, market-rate units. THA also requested a flat rent schedule and system for updating its flat rents. According to 24 CFR 960.253, public housing authorities (PHAs) are required to establish flat rents, in order to provide residents a choice between paying a "flat" rent, or an "income-based" rent. The flat rent is based on the "market rent", defined as the rent charged for a comparable unit in the private, unassisted market at which a PHA could lease the public housing unit after preparation for occupancy. Based upon the data collected, the consultant will develop an appropriate flat rent schedule, complete with supporting documentation outlining the methodology for determining and applying the rents. We developed a system that THA can implement to update the flat rent schedule on an annual basis.

- As part of an Air Force Privatization Support Contractor team (PSC) to assist the Air Force in its privatization efforts. Participation has included developing and analyzing housing privatization concepts, preparing the Request for Proposal (RFP), soliciting industry interest and responses to housing privatization RFP, Evaluating RFP responses, and recommending the private sector entity to the Air Force whose proposal brings best value to the Air Force. Mr. Weinberg has participated on numerous initiatives and was the project manager for Shaw AFB and Lackland AFB Phase II.
- Conducted housing market analyses for the U.S. Army in preparation for the privatization of military housing. This is a teaming effort with Parsons Corporation. These analyses were done for the purpose of determining whether housing deficits or surpluses exist at specific installations. Assignment included local market analysis, consultation with installation housing personnel and local government agencies, rent surveys, housing data collection, and analysis, and the preparation of final reports.
- Developed a model for the Highland Company and the Department of the Navy to test feasibility of developing bachelor quarters using public-private partnerships. The model was developed to test various levels of government and private sector participation and contribution. The model was used in conjunction with the market analysis of two test sites to determine the versatility of the proposed development model. The analysis included an analysis of development costs associated with both MILCON and private sector standards as well as the potential market appeal of the MILSPECS to potential private sector occupants.

# **STATEMENT OF PROFESSIONAL QUALIFICATIONS**

## **EDWARD R. MITCHELL, MAI**

### **I. Education**

Master of Science – Financial Planning  
University of Alabama, Tuscaloosa, Alabama

Graduate Certificate (Half Master's) Conflict Management, Negotiation, and Mediation  
University of Alabama, Tuscaloosa, Alabama

Bachelor of Science – Human Environmental Science  
University of Alabama, Tuscaloosa, Alabama

Associate of Arts – Real Estate Management  
San Antonio College, San Antonio, Texas

### **II. Work History**

Manager - Valuation; Novogradac & Company LLP; Atlanta, Georgia  
Senior Real Estate Analyst; Novogradac & Company LLP; Atlanta, Georgia  
Senior Appraiser; Valbridge Property Advisors; Atlanta, Georgia  
Managing Partner; Consolidated Equity, Inc.; Atlanta, Georgia and Jacksonville, Florida  
Senior Appraiser; Schultz, Carr, Bissette & Associates; Atlanta, Georgia  
Disposition Manager; Resolution Trust Corporation (RTC); San Antonio & Dallas, Texas

### **III. Relevant Experience**

- Managed and prepared market studies and appraisals throughout the U.S. for family and senior Low-Income Housing Tax Credit (LIHTC), market rate, HOME financed, USDA Rural Development, and HUD subsidized properties.
- Managed and prepared HUD rent comparability studies (RCS).
- Performed HUD MAP Quality Control market study and appraisal reviews.
- Over 20 years' experience in real estate appraisal, investment, development, and construction. Past appraisal assignments include all types of vacant and improved commercial property and special use properties such as rail corridors, Right-of-Way projects, and recycling plants.

### **IV. Certifications & Licenses**

- Alabama State Certified General Real Property Appraiser #G01192
- Florida State Certified General Real Property Appraiser #RZ3784
- Georgia State Certified General Real Property Appraiser #4649
- Mississippi State Certified Real Property Appraiser #GA 1135
- North Carolina State Certified General Real Property Appraiser #A7996
- South Carolina State Certified General Property Appraiser #7354
- West Virginia State Certified Real Property Appraiser #CG 524
- Licensed Real Estate Salesperson (Georgia)

# STATEMENT OF PROFESSIONAL QUALIFICATIONS

## James F. Mitman

### I. Education

Boston College, Chestnut Hill, MA  
Bachelor of Science in Business with a concentration in Marketing  
Bachelor of Arts in Sociology

### II. Professional Experience

Junior Analyst, *Novogradac & Company LLP*, July 2013 – Present

### III. Real Estate Assignments

A representative sample of work on various types of projects:

- Assist in performing and writing market studies and appraisals of proposed and existing Low-Income Housing Tax credit (LIHTC) properties
- Research web-based rent reasonableness systems and contact local housing authorities for utility allowance schedules, payment standards, and housing choice voucher information
- Assisted numerous market and feasibility studies for family and senior affordable housing. Local housing authorities, developers, syndicators and lenders have used these studies to assist in the financial underwriting and design of market-rate and Low-Income Housing Tax Credit (LIHTC) properties. Analysis typically includes: unit mix determination, demand projections, rental rate analysis, competitive property surveying and overall market analysis.



**Tab 19**

**Exhibit S-2 Primary Market Study Analysis Summary**



**2016 EXHIBIT S - 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:**

Development Name:	<u>Irby Senior Village</u>	Total # Units:	40
Location:	<u>Federal Court , Florence, Florence County, 29505</u>	# LIHTC Units:	40
PMA Boundary:	<u>Most of Northern Florence County</u>		
Development Type: <input type="checkbox"/> Family <input checked="" type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject: 8.5_ miles		

**RENTAL HOUSING STOCK (found on pages 1, 2, 55)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	12	1,221	15	98.8 %
Market-Rate Housing	6	888	8	99.1 %
Assisted/Subsidized Housing not to include LIHTC	0	0	0	N/A
<b>LIHTC (All that are stabilized)*</b>	<b>6</b>	<b>333</b>	<b>7</b>	<b>97.9 %</b>
Stabilized Comps**	12	1,221	15	98.8 %
Non-stabilized Comps	0	0	0	N/A

\* 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
2	1	1	750	\$ 331	\$ 700	\$ 0.93	52.71%	\$ 901	\$ 1.15
6	2	2	950	\$ 355	\$ 800	\$ 0.84	55.63%	\$ 1,101	\$ 0.97
6	1	1	750	\$ 425	\$ 700	\$ 0.93	39.29%	\$ 901	\$ 1.15
26	2	2	950	\$ 493	\$ 800	\$ 0.84	38.38%	\$ 1,101	\$ 0.97
<b>Gross Potential Rent Monthly*</b>				<b>\$ 18,160</b>	<b>\$ 31,200</b>		<b>41.79%</b>		

\*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 pages 36, 37)**

	2010		2015		2020	
Renter Households	2742	22.5%	3145	23.4%	3488	24.0%
Income-Qualified Renter HHs (LIHTC)	N/A	N/A	N/A	N/A	594	17.9%
Income-Qualified Renter HHs (MR)	N/A	N/A	N/A	N/A	N/A	N/A

**TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page 52)**

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	22	21				31
Existing Households (Overburd + Substand)	198	185				279
Homeowner conversion (Seniors)	27	48				51
Other:	N/A	N/A				N/A
Less Comparable/Competitive Supply	12	84				96
<b>Net Income-qualified Renter HHs</b>	<b>234</b>	<b>171</b>				<b>259</b>

**CAPTURE RATES (found on page 52)**

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	4.2%	25.0%				20.1%

**ABSORPTION RATE (found on page 53)**

Absorption Period <u>  </u>	<u>  4  </u>
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**Tab 19**

**Exhibit S-2 Rent Calculation Worksheet**

# Units	Bedroom Type	Gross Proposed		Gross Adjusted		Tax Credit Gross Rent Advantage
		Proposed Tenant Paid Rent	Tenant Rent by Bedroom Type	Adjusted Market Rent	Market Rent by Bedroom Type	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
2	1 BR	\$331	\$662	\$700	\$1,400	
6	1 BR	\$425	\$2,550	\$700	\$4,200	
6	2 BR	\$355	\$2,130	\$800	\$4,800	
26	2 BR	\$493	\$12,818	\$800	\$20,800	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
<b>Totals</b>	<b>40</b>		<b>\$18,160</b>		<b>\$31,200</b>	<b>41.79%</b>