

Market Feasibility Analysis

The Regency at Blackstock
Southeast corner of Willis and South Blackstock roads
Spartanburg, Spartanburg County, South Carolina 29301

Prepared For

Ms. Randal A. Dressler
Tri-State Development, Inc.
841 Sweetwater Avenue
Florence, Alabama 35630

Effective Date

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Job Reference Number

16-577 JW



155 E. Columbus Street, Suite 220
Pickerington, Ohio 43147
Phone: (614) 833-9300
Bowennational.com

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2017 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name:	The Regency at Blackstock	Total # Units:	37
Location:	Willis Rd. & S. Blackstock Rd, Spartanburg, SC 29301	# LIHTC Units:	37
PMA Boundary:	Hampton Road, Holly Springs Road, Shiloh Church Road, Inman Road, Gibbs Road, Hope Road, Campground Road, New Cut Road, Interstate 26 and Interstate 85 to the north; Pine Street, Union Street and Cedar Springs Road to the east; Carolina Country Club Road, Christy Lane, Happy Lane, U.S. Highway 221, Interstate 26, Old Georgia Road, Anderson Mill Road, Monroe Road, Moore Duncan Highway, State Route 417, South Tyger River and Interstate 85 to the south; State Route 88, Interstate 26 and half of Census Tract 234 (excludes) Reidsville, and Interstate 85 to the south; State Route 101, Green Road, Robinson Road, State Route 290, South Tyger River and State Route 80 to the west.		
Development Type:	<input checked="" type="checkbox"/> Family <input type="checkbox"/> Older Persons	Farthest Boundary Distance to Subject:	10.0 miles

RENTAL HOUSING STOCK (found on page H-1, 15 & 16 and Add. A-6 to 15)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	37	5,194	267	94.9%
Market-Rate Housing	21	3,528	258	92.7%
Assisted/Subsidized Housing not to include LIHTC	6	554	0	100.0%
LIHTC (All that are stabilized)*	16	1,112	9	99.2%
Stabilized Comps**	6	518	4	99.2%
Non-stabilized Comps	0	-	-	-

*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
3	Two	2.0	1,000	\$395	\$950	\$0.95	58.42%	\$1,000	\$0.93
10	Two	2.0	1,000	\$450	\$950	\$0.95	52.63%	\$1,000	\$0.93
5	Three	2.0	1,250	\$440	\$1,045	\$0.84	57.89%	\$1,246	\$0.95
19	Three	2.0	1,250	\$505	\$1,045	\$0.84	51.67%	\$1,246	\$0.95
Gross Potential Rent Monthly*				\$17,480	\$37,430		53.30%		

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

DEMOGRAPHIC DATA (found on page F-3 & G-5)

	2000	2016		2019	
Renter Households		15,104	40.8%	15,474	40.8%
Income-Qualified Renter HHs (LIHTC)		3,801	25.2%	3,777	24.4%
Income-Qualified Renter HHs (MR)		N/A	N/A	N/A	N/A

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page G-5)

Type of Demand	50%	60%	Market-rate	Other: __	Other: __	Overall
Renter Household Growth	104	-78				-24
Existing Households (Overburd + Substand)	1,399	1,490				1,887
Homeowner conversion (Seniors)	0	0				0
Other:	0	0				0
Less Comparable/Competitive Supply	0	0				0
Net Income-qualified Renter HHs	1,503	1,412				1,863

CAPTURE RATES (found on page G-5)

Targeted Population	50%	60%	Market-rate	Other: __	Other: __	Overall
Capture Rate	0.5%	2.1%				2.0%

ABSORPTION RATE (found on page G-8)

Absorption Period: 3 months

2017 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
3	2 BR	\$395	\$1,185	\$950	\$2,850	
10	2 BR	\$450	\$4,500	\$950	\$9,500	
	3 BR		\$0		\$0	
5	3 BR	\$440	\$2,200	\$1,045	\$5,225	
19	3 BR	\$505	\$9,595	\$1,045	\$19,855	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	37		\$17,480		\$37,430	53.30%

B. Project Description

The proposed project involves the new construction of The Regency at Blackstock, a 37-unit family (general-occupancy) Low-Income Housing Tax Credit (LIHTC) rental community to be located at the southeast corner of Willis and South Blackstock roads in Spartanburg, South Carolina. The Regency at Blackstock will be available to households with incomes up to 50% and 60% of Area Median Household Income (AMHI). The site will consist of 13 two-bedroom/2.0-bath and 24 three-bedroom/2.0-bath units with proposed collected Tax Credit rents ranging from \$395 to \$505, depending on bedroom type and targeted income level. The project is anticipated to be complete in November 2018. Additional details regarding the subject project are as follows:

A. PROPERTY LOCATION: Southeast corner of Willis and South Blackstock roads
Spartanburg, South Carolina 29301
(Spartanburg County)

QCT: No DDA: No

B. CONSTRUCTION TYPE: New Construction

C. OCCUPANCY TYPE: Family

D. TARGET INCOME GROUP: 50% and 60% AMHI

E. SPECIAL NEEDS POPULATION: Not Applicable

F. AND H. TO J. UNIT CONFIGURATION AND RENTS:

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Proposed Rents			Max. Allowable LIHTC Gross Rent
						Collected Rent	Utility Allowance	Gross Rent	
3	Two-Br.	2.0	Garden	1,000	50%	\$395	\$144	\$539	\$596
10	Two-Br.	2.0	Garden	1,000	60%	\$450	\$144	\$594	\$715
5	Three-Br.	2.0	Garden	1,250	50%	\$440	\$190	\$630	\$688
19	Three-Br.	2.0	Garden	1,250	60%	\$505	\$190	\$695	\$825
37	Total								

Source: Tri-State Development, Inc.

AMHI – Area Median Household Income (Spartanburg, SC HUD Metro FMR Area; 2016)

G. NUMBER OF STORIES/BUILDINGS: Four (4) two-story, walk-up residential structures containing 37 garden-style units and one non-residential building.

K. PROJECT-BASED RENTAL ASSISTANCE (EXISTING OR PROPOSED):

None

L. COMMUNITY AMENITIES:

The subject property will include the following community features:

- On-Site Management
- Laundry Facility
- Club House/Community Room
- Picnic Area
- Fitness Center
- Playground
- Computer Center

M. UNIT AMENITIES:

Each unit will include the following amenities:

- Electric Range
- Refrigerator
- Dishwasher
- Microwave Oven
- Patio/Balcony
- Exterior Storage
- Carpet
- Window Blinds
- Central Air Conditioning
- Washer/Dryer Hookups
- Ceiling Fan

N. PARKING:

A surface parking lot with 83 spaces will be available to the tenants at no additional charge.

O. UTILITY RESPONSIBILITY:

The cost of trash collection will be included in the rent, while tenants will be responsible for all other utilities and services, including the following:

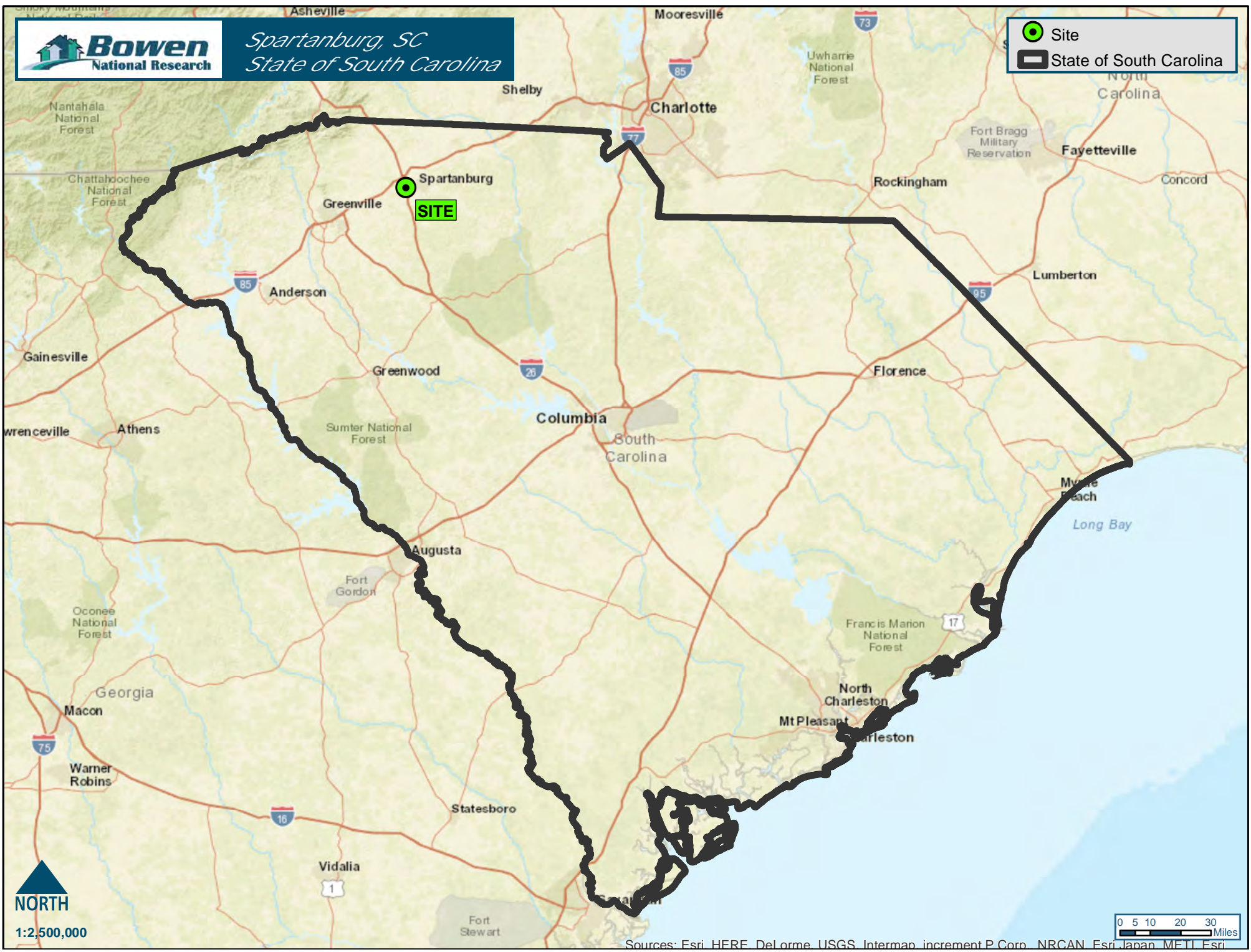
- Electric Cooking
- Electric Water Heat
- Cold Water
- Electric Heat
- General Electricity
- Sewer

A state map and an area map are on the following pages.



Spartanburg, SC
State of South Carolina

● Site
▭ State of South Carolina



NORTH
1:2,500,000

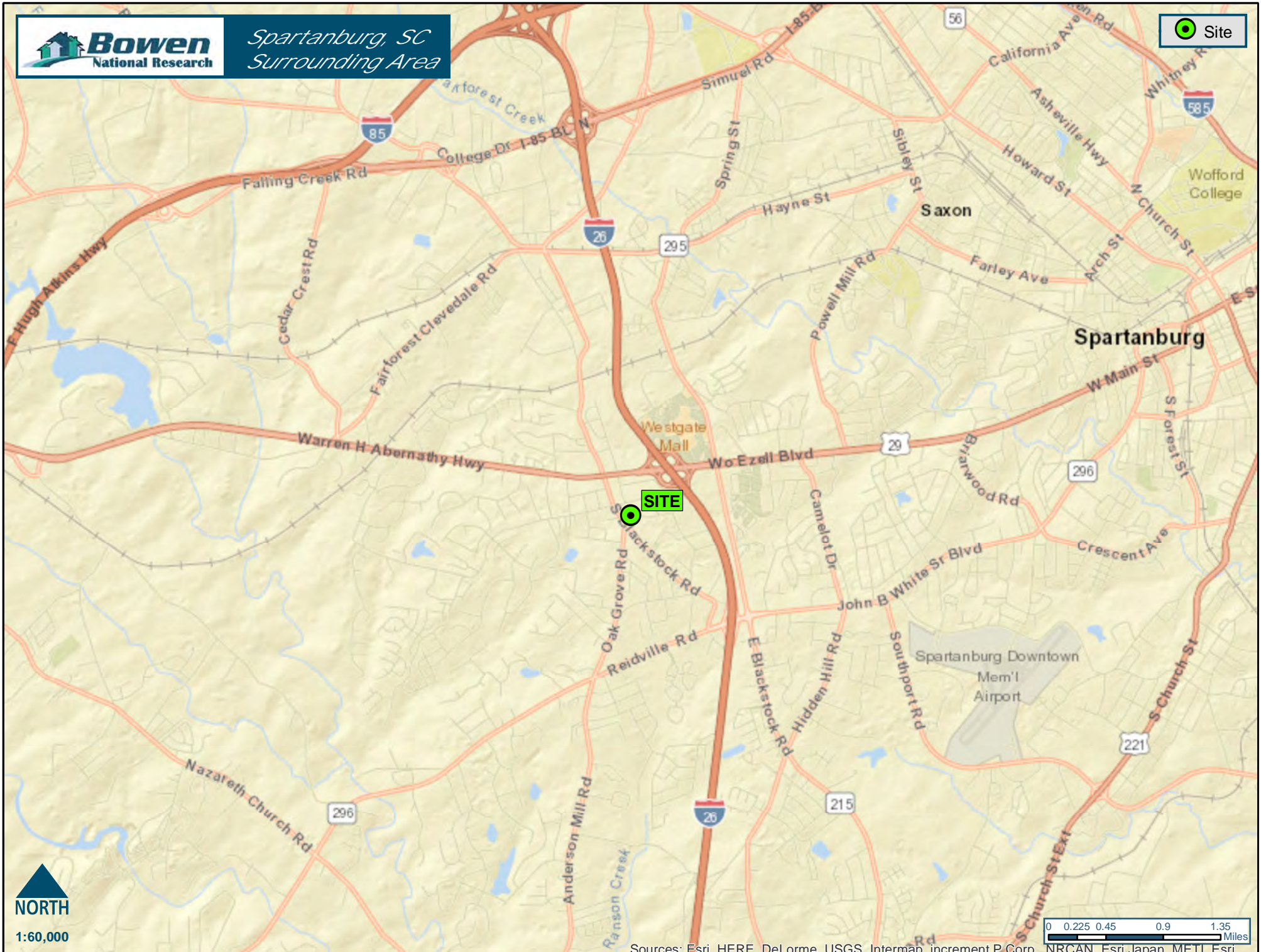


Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri



*Spartanburg, SC
Surrounding Area*

Site



NORTH
1:60,000

0 0.225 0.45 0.9 1.35 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P, Corp., NRCAN, Esri, Japan, METI, Esri

C. Site Description and Evaluation

1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of January 16, 2017. The following is a summary of our site evaluation, including an analysis of the site's proximity to community services.

2. SITE DESCRIPTION AND SURROUNDING LAND USES

The subject site, an undeveloped parcel of land, is located immediately south of the Academy Sports and Outdoors facility and west of Sam's Club along Willis Road, which is 4.5 miles west of downtown Spartanburg, South Carolina. The site neighborhood is comprised of residential and commercial land uses that is centered along the U.S. Highway 29 arterial corridor. Established land uses include multi- and single-family homes and commercial/retail businesses. Adjacent land uses are detailed as follows:

North -	Willis Road, a two-lane roadway with light traffic, is adjacent to the site to the north, followed by the Academy Sports and Outdoors facility. Immediately northeast of Academy Sports and Outdoors is the MGC Immediate Care Center. Continuing north is U.S. Highway 29, an east/west arterial, as well as a McDonalds and Advanced Auto Parts Store. Extending north are Kohl's, Hobby Lobby, HH Gregg and Applebee's.
East -	Willis Trace Townhomes (Map ID 3), a newly constructed general-occupancy Tax Credit community in excellent condition, borders the site to the east. Continuing east is Willis Road, followed by Sam's Club and Newspring Church. Extending east is Interstate 26.
South -	Willow Crossing (Map ID 2), a general-occupancy Tax Credit community in excellent condition, is adjacent to the site to the south. Continuing south are single-family homes in moderate to good condition and undeveloped land, which extend farther south.
West -	Bordering the site to the west are single-family homes in fair condition, as well as South Blackstock Road, a two-lane roadway with moderate traffic patterns. Continuing west are Shell gas station/convenience store and American Storage. Extending farther west are residential dwellings in fair to good condition.

The site is located along Willis Road and is in close proximity to the U.S. Highway 29 corridor. However, the neighborhood is considered mostly residential, as the site is predominantly surrounded by single- and multifamily dwellings. Structures within the immediate area are generally considered to be in good condition and no known nuisances were observed within proximity of the site. Additionally, the proximity to Interstate 26 will improve the site's regional access.

3. PROXIMITY TO COMMUNITY SERVICES AND INFRASTRUCTURE

The site is served by the community services detailed in the following table:

Community Services	Name	Driving Distance From Site (Miles)
Major Highways	U.S. Highway 29 Interstate 26	0.2 North 0.4 Northeast
Public Bus Stop	Spartanburg Area Regional Transit Agency (Sparta)	1.1 East
Major Employers/ Employment Centers	Westgate Mall Walmart Supercenter Spartanburg Regional Medical Center	1.2 Northeast 1.4 East 5.4 Northeast
Convenience Store	Shell Mobile	0.2 West 0.3 Northwest
Grocery	Sam's Club Ingles Market Walmart Superstore	0.2 East 0.4 Northwest 1.4 East
Discount Department Store	Sam's Club Kohls Department Store Target Dollar Tree Walmart Super Center	0.2 East 0.2 Northwest 0.7 West 0.7 West 1.4 East
Shopping Center/Mall	Franklin Square Dorman Centre Westgate Mall	0.2 Northwest 1.1 East 1.2 Northeast
Schools: Elementary Middle/Junior High High	West View Elementary School Dawkins Middle School Spartanburg High School	0.8 Southwest 3.6 Southeast 7.5 East
Hospital/ Medical Center	MGC Immediate Care Center Spartanburg Regional Medical Center	0.2 North 5.4 Northeast
Police	Spartanburg Police Department	4.3 East
Fire	Westview Fairforest Fire Station	0.4 North
Post Office	U.S. Post Office	1.5 Northeast
Bank	Suntrust Bank Wells Fargo Bank	0.3 North 1.0 East
Gas Station	Shell Sam's Club Gas Mobile Ingles Market Gas	0.1 West 0.2 East 0.3 Northwest 0.4 Northwest

(Continued)

Community Services	Name	Driving Distance From Site (Miles)
Pharmacy	Sam's Club Pharmacy	0.2 East
	Ingles Pharmacy	0.4 Northwest
	Target Pharmacy	0.7 West
	Walgreens	1.2 Southeast
Restaurant	McDonalds	0.2 Northwest
	Applebee's Neighborhood Grill	0.3 Northwest
	IHOP Restaurant	0.4 West
Day Care	Westgate Child Development Center	0.8 Northwest
Fitness Center	10 Star Fitness	1.0 South
Library	Cyrill-Westside Library	0.9 South
Church	Newspring Church	0.8 East

The location of the site within a mixed-use neighborhood allows for many community services to be within close proximity, while maintaining the appeal of a residential neighborhood. As previously detailed, grocery stores, pharmacies, restaurants, convenience stores, gas stations, banks and shopping centers are all within reasonable distance of the site. Many of these services are within walking distance and/or are accessible through neighboring thoroughfares. Collectively, these services form a low-income employment center within walking distance of the site as there are many retail and service jobs available. Other notable community services available within proximity of the site include the Cyrill-Westside Library and 10 Star Fitness, which are both within 1.0 mile.

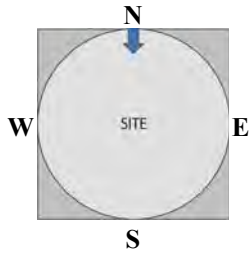
Local schools, which include West View Elementary, Dawkins Middle and Spartanburg High schools, are located within 7.5 miles of the site. Emergency responders are within 4.3 miles, while the nearest acute care hospital is located 5.4 miles to the northeast. The Spartanburg Regional Medical Center includes an outpatient surgery center, pediatrics, occupational health, sports medicine and rehabilitation. Additionally, MGC Immediate Care, an urgent care center is located within walking distance of the subject site.

Overall, the scope and proximity of community services available within the Spartanburg market area will benefit the marketability of the subject development.

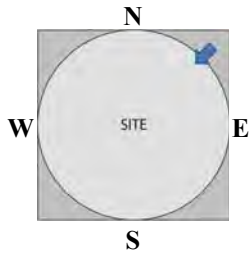
4. SITE PHOTOGRAPHS

Photographs of the subject site and surrounding land uses are on the following pages.

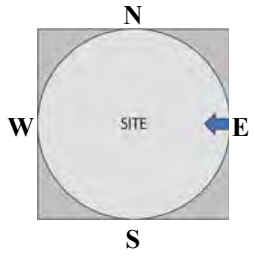
SITE PHOTOGRAPHS



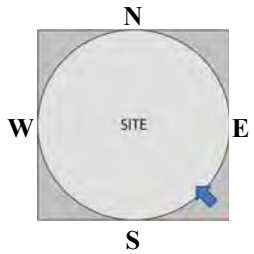
View of site from the north



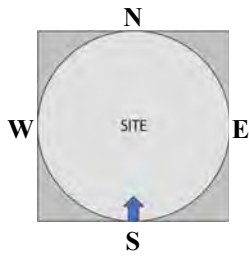
View of site from the northeast



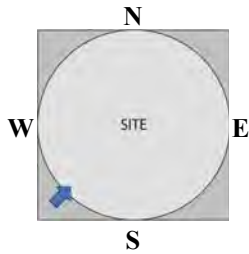
View of site from the east



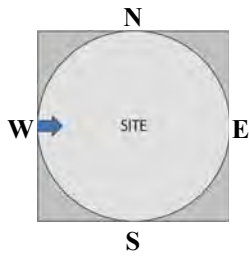
View of site from the southeast



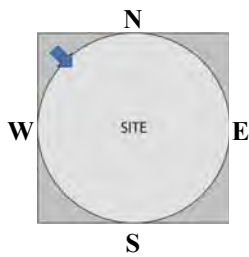
View of site from the south



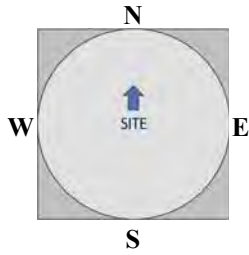
View of site from the southwest



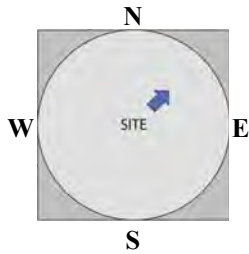
View of site from the west



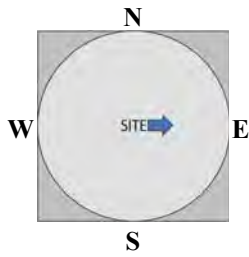
View of site from the northwest



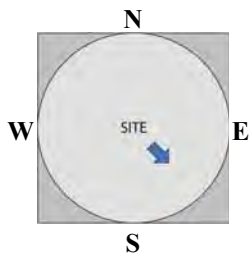
North view from site



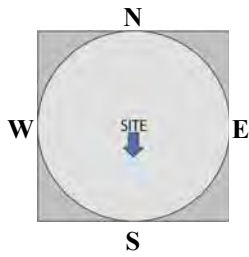
Northeast view from site



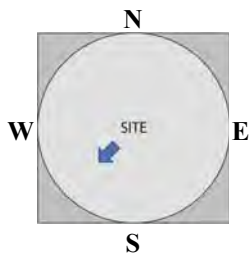
East view from site



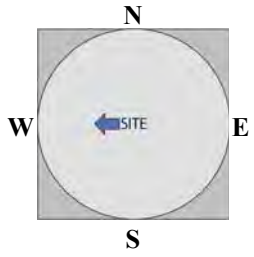
Southeast view from site



South view from site



Southwest view from site



West view from site



Northwest view from site



Streetscape: East view of Willis Road



Streetscape: West view of Willis Road



Streetscape: North view of South Blackstock Road



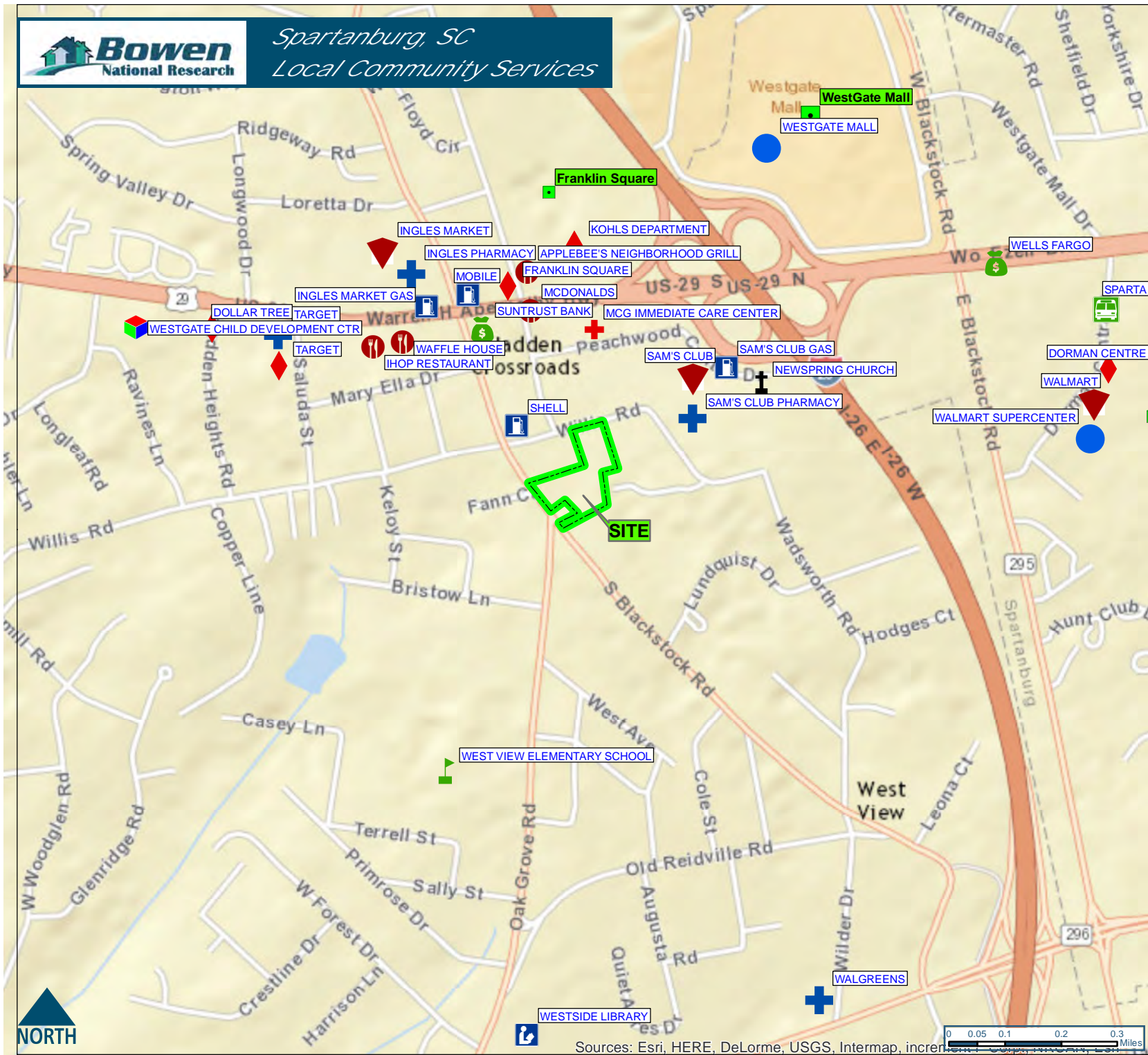
Streetscape: South view of South Blackstock Road

5. SITE AND COMMUNITY SERVICES MAPS

Maps of the subject site and relevant community services follow.



NORTH



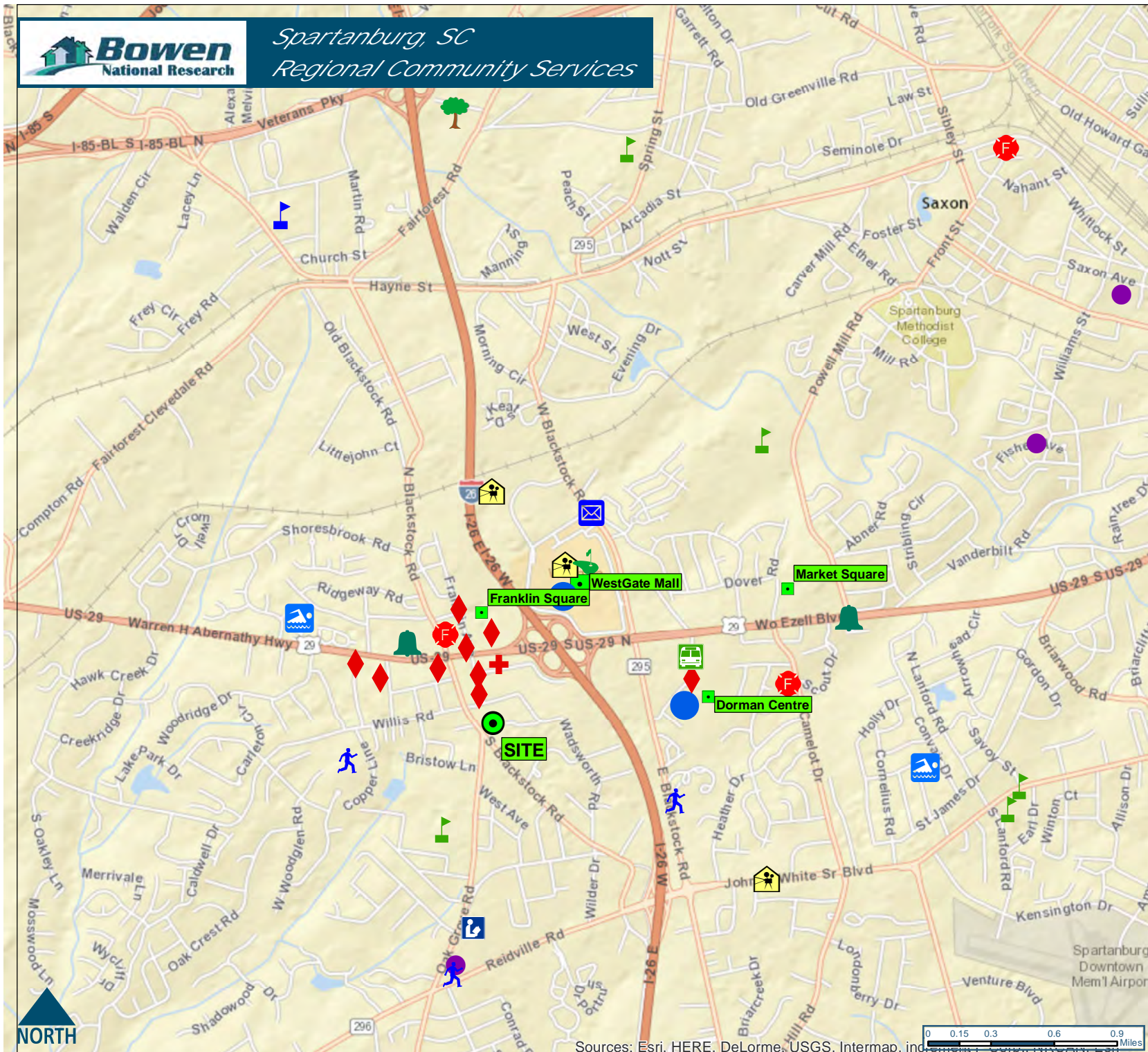
Legend

- Site Area
- Bank
- Child Care
- Church
- Elementary School
- Gas
- Grocery
- Library
- Medical Center
- Pharmacy
- Restaurant
- Shopping
- Transit
- Employer 1000-5000

Shopping Center
Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.





Legend

- Site
- Cinema
- Elementary School
- Fire
- Fitness Center
- Golf
- Library
- Medical Center
- Middle School
- Park
- Post Office
- Recreation Center
- Shopping
- Swimming
- Transit
- University
- Employer 1000-5000

Shopping Center
Gross Leasable Area

- < 500,000 sq. ft.
- < 1,000,000 sq. ft.
- < 3,200,000 sq. ft.



6. CRIME ISSUES

The primary source for Crime Risk data is the FBI Uniform Crime Report (UCR). The FBI collects data from each of roughly 16,000 separate law enforcement jurisdictions across the country and compiles this data into the UCR. The most recent update showed an overall coverage rate of 95% of all jurisdictions nationwide with a coverage rate of 97% of all jurisdictions in metropolitan areas.

Applied Geographic Solutions uses the UCR at the jurisdictional level to model each of the seven crime types at other levels of geography. Risk indexes are standardized based on the national average. A Risk Index value of 100 for a particular risk indicates that, for the area, the relative probability of the risk is consistent with the average probability of that risk across the United States.

It should be noted that aggregate indexes for total crime, personal crime and property crime are not weighted, and murder is no more significant statistically in these indexes than petty theft. Thus, caution should be exercised when using them.

Total crime risk (193) for the Site PMA is above the national average with an overall personal crime index of 249 and a property crime index of 179. Total crime risk (163) for Spartanburg County is above the national average with indexes for personal and property crime of 207 and 155, respectively.

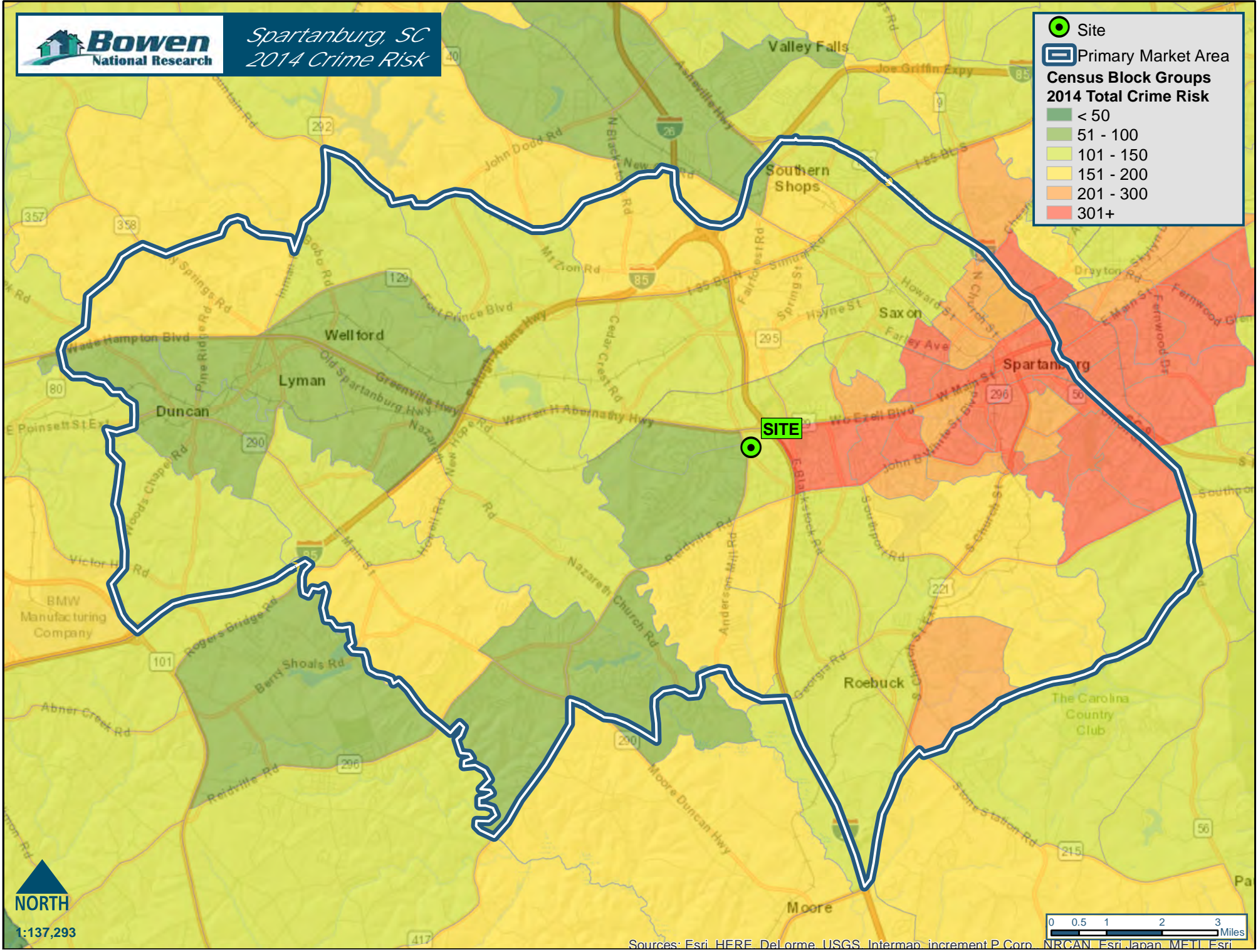
	Crime Risk Index	
	Site PMA	Spartanburg County
Total Crime	193	163
Personal Crime	249	207
Murder	159	139
Rape	172	147
Robbery	183	128
Assault	348	303
Property Crime	179	155
Burglary	187	163
Larceny	198	172
Motor Vehicle Theft	125	107

Source: Applied Geographic Solutions

Although the total crime risk for the Spartanburg Site PMA is above the national average, it is not unusually high for an urban area. Interviews with management at nearby rental communities and the personal observations of our analyst revealed that, despite the higher than average crime risk, the subject site neighborhood is considered relatively safe. The areas of Spartanburg with higher crime are located primarily east of the subject site neighborhood towards the central portion of Spartanburg. However, we do not anticipate crime will have a significant impact on the marketability of the subject site.

A map illustrating crime risk is on the following page.

● Site
 Primary Market Area
Census Block Groups
2014 Total Crime Risk
 < 50
 51 - 100
 101 - 150
 151 - 200
 201 - 300
 301+



NORTH
1:137,293



7. ACCESS AND VISIBILITY

The subject site will derive access directly from Willis Road, a lightly traveled two-lane residential roadway. Ingress and egress are considered easy, with clear lines of sight provided in both directions of travel. As noted, U.S. Highway 29 is a major area arterial that gives the site neighborhood regional access to the greater Spartanburg area, with a majority of services along this thoroughfare. Additionally, Interstate 26 is within 0.4 miles. Public transportation, provided by the Spartanburg Area Regional Transit Agency (SPARTA), is located within the Dorman Shopping Center, 1.1 miles east of the site. Based on the preceding factors, overall access is considered to be good.

The subject site should be easily viewed from Willis Road, while maintaining privacy that is typically desired by residents. Additionally, the site's location within close proximity to U.S. Highway 29 and Interstate 26 is very appealing to tenants and was highlighted as a marketable feature of the site neighborhood by property management of Willow Crossing (Map ID 2) and Willow Trace Townhomes (Map ID 3). Proper signage along more heavily traveled thoroughfares may be beneficial during the initial lease up of the subject site. Overall visibility is considered good.

8. VISIBLE OR ENVIRONMENTAL ISSUES

No visible or environmental issues were observed at the time of the site visit.

9. OVERALL SITE CONCLUSIONS

The surrounding land uses will have a positive impact on the marketability of the site. Visibility is considered good as the site is located 0.2 miles from U.S. Highway 29. While the site will not be visible by passing motorists, this has not negatively impacted the adjacent Willow Crossing (Map ID 2) and Willow Trace Townhomes (Map ID 3) rental communities, as they are both 100.0% occupied and maintain extensive waiting lists. Access to and from the site is considered very good, due to the generally light traffic patterns in the immediate site area that only increase slightly during peak commuting hours. The site has very good access to area arterials such as U.S. Highway 29 and Interstate 26. The site's proximity to several shopping centers enhances site appeal.

The site is near to several community amenities that offer a variety of goods and services. Social services and public safety services are located within 4.3 miles of the site. Local schools in the site area are located within 7.5 miles and the site will be served by public transportation. Several shopping centers off of U.S. Highway 29 offer employment opportunities and several services for area residents within close proximity to the site. Overall, we expect the site's location and proximity to community services to have a positive impact on its marketability.

D. Primary Market Area Delineation

The Primary Market Area (PMA) is the geographical area from which most of the support for the subject development is expected to originate. The Spartanburg Site PMA was determined through interviews with area leasing agents and the personal observations of our analysts. The personal observations of our analysts include physical and/or socioeconomic differences in the market and a demographic analysis of the area households and population.

The Spartanburg Site PMA includes Duncan, Lyman, Wellford, Roebuck, the majority of Spartanburg and the surrounding unincorporated areas of Spartanburg County, South Carolina. The boundaries of the Site PMA consist of Hampton Road, Holly Springs Road, Shiloh Church Road, Inman Road, Gibbs Road, Hope Road, Campground Road, New Cut Road, Interstate 26 and Interstate 85 to the north; Pine Street, Union Street and Cedar Springs Road to the east; Carolina Country Club Road, Christy Lane, Happy Lane, U.S. Highway 221, Interstate 26, Old Georgia Road, Anderson Mill Road, Monroe Road, Moore Duncan Highway, State Route 417, South Tyger River and Interstate 85 to the south; State Route 88, Interstate 26 and half of Census Tract 234 (excludes) Reidsville, and Interstate 85 to the south; State Route 101, Green Road, Robinson Road, State Route 290, South Tyger River and State Route 80 to the west. All areas of the Site PMA are generally within a 7.0-mile radius, or 15-minute drive, from the subject location. The Site PMA comprises the following Census Tract numbers:

203.01	204	205	206.01	206.02
206.03	207.01	207.02	208	209
210.01	211	212	215	216
217	218.02	218.04	219.01	219.02*
220.03	220.05	220.06	220.07	230.01
230.02	231.01	231.02	232.02	234.01
234.02	234.03	238.01		

*Subject site location

Marquita Bradford, Property Manager of Timbercreek (Map ID 22), a market-rate community in Spartanburg, stated that the majority of her property's tenants have originated from the Spartanburg area and from the small towns west of Spartanburg. Ms. Bradford explained that the site area is very popular due to the variety of services and the Site PMA represents areas of support for the site. Further, due to being located in the western portion of Spartanburg, the site will also generate support from Duncan, Lyman and Wellford.

Tanica Jones, Assistant Manager of the Timberlane Apartments (Map ID 30), a market-rate community in Spartanburg, stated that the majority of her property's tenants originated from the southern Spartanburg areas. Ms. Jones feels that the surrounding community services are a big draw for the area. Ms. Jones further stated that although her property is located off a main thoroughfare, the amount of services in the area create support from all areas within the Site PMA.

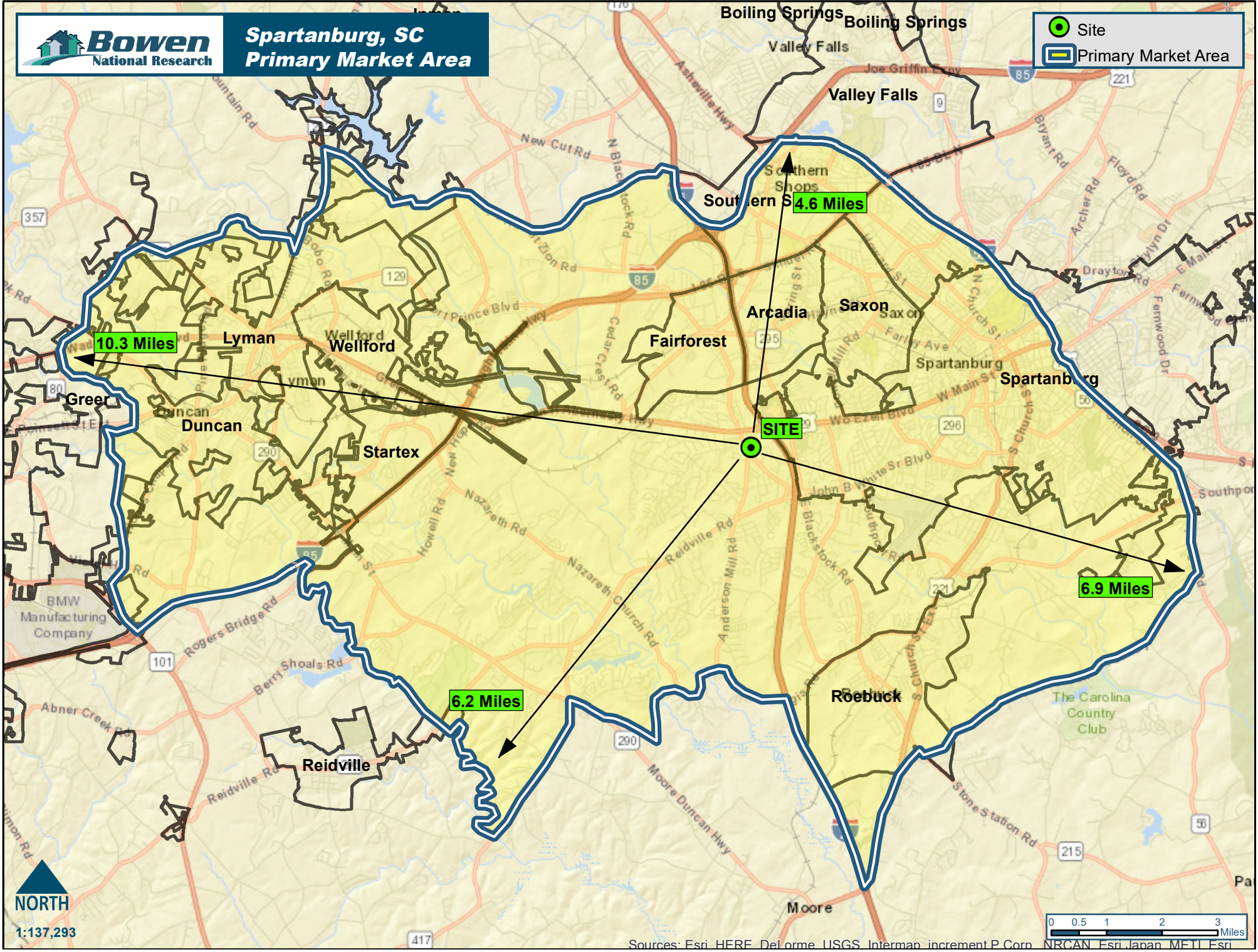
A modest portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered any secondary market area in this report.

A map delineating the boundaries of the Site PMA is included on the following page.



Spartanburg, SC Primary Market Area

● Site
▭ Primary Market Area



NORTH
1:137,293



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

E. Market Area Economy

1. EMPLOYMENT BY INDUSTRY

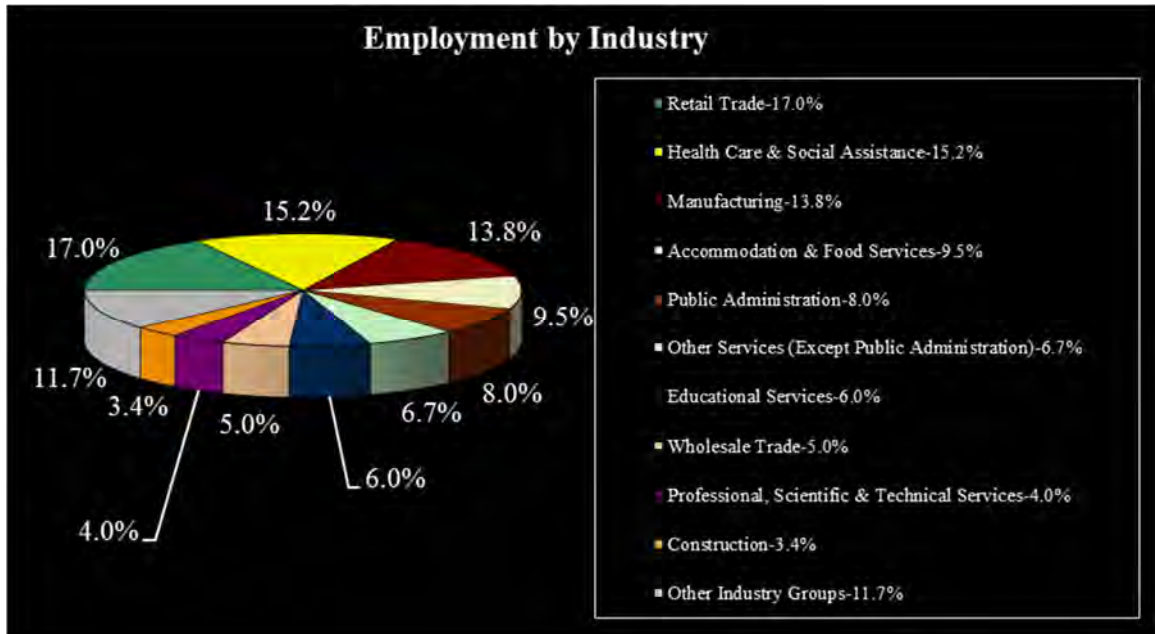
The labor force within the Spartanburg Site PMA is based primarily in three sectors. Retail Trade (which comprises 17.0%), Health Care & Social Assistance and Manufacturing comprise nearly 46% of the Site PMA labor force. Employment in the Spartanburg Site PMA, as of 2016, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	9	0.2%	40	0.1%	4.4
Mining	2	0.0%	10	0.0%	5.0
Utilities	8	0.2%	283	0.4%	35.4
Construction	279	5.6%	2,526	3.4%	9.1
Manufacturing	239	4.8%	10,299	13.8%	43.1
Wholesale Trade	221	4.4%	3,719	5.0%	16.8
Retail Trade	814	16.4%	12,703	17.0%	15.6
Transportation & Warehousing	94	1.9%	1,492	2.0%	15.9
Information	91	1.8%	1,545	2.1%	17.0
Finance & Insurance	467	9.4%	2,071	2.8%	4.4
Real Estate & Rental & Leasing	257	5.2%	1,012	1.4%	3.9
Professional, Scientific & Technical Services	355	7.1%	2,967	4.0%	8.4
Management of Companies & Enterprises	3	0.1%	11	0.0%	3.7
Administrative, Support, Waste Management & Remediation Services	172	3.5%	1,363	1.8%	7.9
Educational Services	105	2.1%	4,465	6.0%	42.5
Health Care & Social Assistance	373	7.5%	11,352	15.2%	30.4
Arts, Entertainment & Recreation	70	1.4%	452	0.6%	6.5
Accommodation & Food Services	322	6.5%	7,090	9.5%	22.0
Other Services (Except Public Administration)	698	14.0%	4,999	6.7%	7.2
Public Administration	229	4.6%	6,009	8.0%	26.2
Nonclassifiable	163	3.3%	483	0.6%	3.0
Total	4,971	100.0%	74,891	100.0%	15.1

*Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

E.P.E. - Average Employees Per Establishment

Note: Since this survey is conducted of establishments and not of residents, some employees may not live within the Site PMA. These employees, however, are included in our labor force calculations because their places of employment are located within the Site PMA.



2. LOW-INCOME EMPLOYMENT OPPORTUNITIES

Typical wages by job category for the Spartanburg Metropolitan Statistical Area (MSA) are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Spartanburg MSA	South Carolina
Management Occupations	\$98,800	\$95,340
Business and Financial Occupations	\$61,010	\$60,240
Computer and Mathematical Occupations	\$62,810	\$69,040
Architecture and Engineering Occupations	\$77,710	\$74,930
Community and Social Service Occupations	\$43,080	\$40,270
Art, Design, Entertainment and Sports Medicine Occupations	\$49,620	\$44,040
Healthcare Practitioners and Technical Occupations	\$76,790	\$70,740
Healthcare Support Occupations	\$26,880	\$26,400
Protective Service Occupations	\$31,800	\$35,230
Food Preparation and Serving Related Occupations	\$19,430	\$20,410
Building and Grounds Cleaning and Maintenance Occupations	\$23,870	\$22,840
Personal Care and Service Occupations	\$22,160	\$22,570
Sales and Related Occupations	\$32,700	\$32,250
Office and Administrative Support Occupations	\$32,180	\$32,810
Construction and Extraction Occupations	\$37,190	\$38,370
Installation, Maintenance and Repair Occupations	\$42,920	\$42,030
Production Occupations	\$38,140	\$35,990
Transportation and Moving Occupations	\$33,590	\$31,720

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

Most annual blue-collar salaries range from \$19,430 to \$49,620 within the MSA. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$75,424. It is important to note that most occupational types within the MSA have generally similar typical wages than the State of South Carolina's typical wages. Nonetheless, the area employment base has a significant number of income-appropriate occupations from which the proposed subject project will be able to draw renter support.

3. AREA'S LARGEST EMPLOYERS

The ten largest employers within the Spartanburg area comprise a total of 27,043 employees and are summarized as follows:

Employer Name	Business Type	Total Employed
BMW Manufacturing Corporation	Manufacturing	8,800
Spartanburg Medical Center	Health Care	6,100
Milliken and Company	Manufacturing	3,650
Michelin Retread Technologies	Tire Repair	1,985
Spartanburg County	Local Government	1,437
Adidas America Inc.	Shoe Manufacturing	1,200
Draexlmaier Automotive of America, LLC	Auto Parts Manufacturer	1,016
Michelin North America	Tire Manufacturer	1,005
Mary Black Health Systems, LLC	Health Care	950
AFL Telecommunications	Fiber Optics Manufacturer	900
Total		27,043

According to a representative with the Spartanburg Economic Futures Group, the Spartanburg economy is steadily improving. The following highlights key economic factors impacting the local employment base:

- Magna International, an automotive parts supplier, is opening a new manufacturing plant in Spartanburg County. Expected to open in June 2017, the 230,000-square-foot plant, to be located in the Tyger River Industrial Park on State Route 290, is an investment of \$29 million, anticipated to create over 480 jobs by 2020.
- Advanced Ceramic Coatings is opening a new 62,500-square-foot plant at 1191 Howell Road in Duncan. This is a \$15 million investment, expected to create over 50 jobs by late 2017.
- Ritrama, a manufacturer of pressure sensitive adhesives, is planning to open a new facility at the intersection of Interstate 26 and U.S. Highway 221 in Moore. The facility will be an investment of \$85 million and is expected to create over 150 jobs in late 2017.

- Holroyd Precision Components, a division of Precision Technologies Group, opened a 34,650-square-foot factory at 130 Corporate Drive in Spartanburg. A total of \$12.5 million was invested into the project, which created 23 jobs.
- International Mold Corporations is opening a facility at 865 Victory Hill Road in Spartanburg, which is expected to be operational by April 2017. The 24,000-square-foot facility, a \$6.2 million investment, is expected to create over 60 jobs.
- The AC by Marriott is currently under construction in Spartanburg, at the corner of West Main Street and South Daniel Morgan Avenue. The nine-story hotel will have approximately 120 rooms and is expected to open in September 2017. The hotel is expected to create over 35 jobs when completed.
- Spartanburg Water recently completed their Palmetto Street Project in mid-2016. This project included replacing approximately 4,100 feet of water pipes under Palmetto Street, going from South Pine Street to Otis Boulevard. This is Spartanburg Water's largest project to date. The construction spanned from November 2015 to late June 2016.

WARN (layoff notices):

According to South Carolina Works, there have been no WARN notices (large-scale layoffs/closures) reported for the city of Spartanburg since August 2015.

4. EMPLOYMENT TRENDS

The following tables were generated from the U.S. Department of Labor, Bureau of Labor Statistics and reflect employment trends of the county in which the site is located.

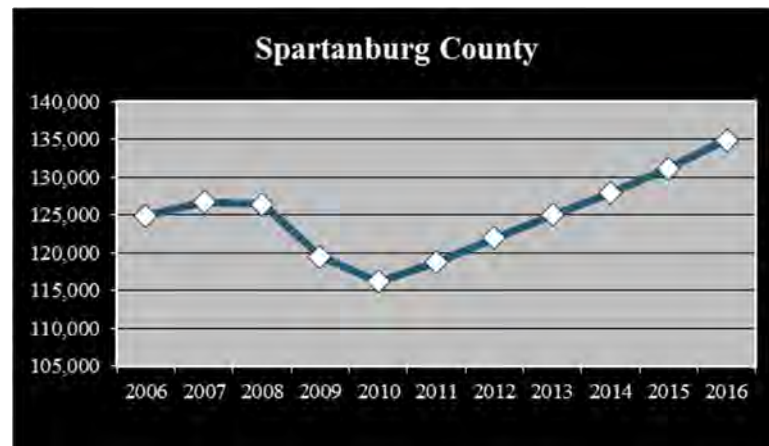
Excluding 2016, the employment base has increased by 10.5% over the past five years in Spartanburg County, more than the South Carolina state increase of 9.1%. Total employment reflects the number of employed persons who live within the county.

The following illustrates the total employment base for Spartanburg County, South Carolina and the United States.

Year	Total Employment					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2006	124,936	-	1,973,337	-	145,000,042	-
2007	126,674	1.4%	2,005,686	1.6%	146,388,400	1.0%
2008	126,430	-0.2%	1,996,409	-0.5%	146,047,748	-0.2%
2009	119,499	-5.5%	1,910,670	-4.3%	140,696,560	-3.7%
2010	116,208	-2.8%	1,915,045	0.2%	140,469,139	-0.2%
2011	118,720	2.2%	1,945,900	1.6%	141,791,255	0.9%
2012	121,948	2.7%	1,983,506	1.9%	143,688,931	1.3%
2013	125,010	2.5%	2,022,444	2.0%	145,126,067	1.0%
2014	127,885	2.3%	2,074,277	2.6%	147,604,328	1.7%
2015	131,172	2.6%	2,122,573	2.3%	149,950,804	1.6%
2016*	134,978	2.9%	2,183,741	2.9%	152,400,435	1.6%

Source: Department of Labor; Bureau of Labor Statistics

*Through December



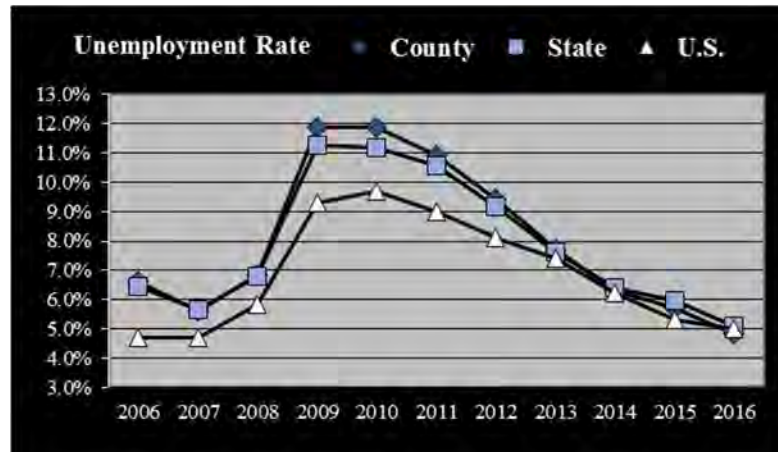
While the Spartanburg County employment base was adversely impacted by the national recession between 2008 and 2010, it has steadily increased since, adding 18,770 jobs, or 16.2%. Notably, the employment base within the county is above prerecession levels.

Unemployment rates for Spartanburg County, South Carolina and the United States are illustrated as follows.

Year	Unemployment Rate					
	Spartanburg County		South Carolina		United States	
	Total Number	Percent	Total Number	Percent	Total Number	Percent
2006	8,901	6.6%	135,760	6.4%	7,134,635	4.7%
2007	7,579	5.6%	120,205	5.7%	7,190,052	4.7%
2008	9,280	6.8%	145,823	6.8%	9,059,270	5.8%
2009	16,130	11.9%	242,075	11.3%	14,430,158	9.3%
2010	15,613	11.9%	240,623	11.2%	15,070,017	9.7%
2011	14,543	10.9%	229,623	10.6%	14,035,049	9.0%
2012	12,666	9.4%	200,607	9.2%	12,698,111	8.1%
2013	10,452	7.7%	166,924	7.6%	11,642,668	7.4%
2014	8,636	6.3%	142,505	6.4%	9,796,479	6.2%
2015	7,949	5.7%	134,504	6.0%	8,439,309	5.3%
2016*	6,879	4.8%	116,942	5.1%	7,937,201	5.0%

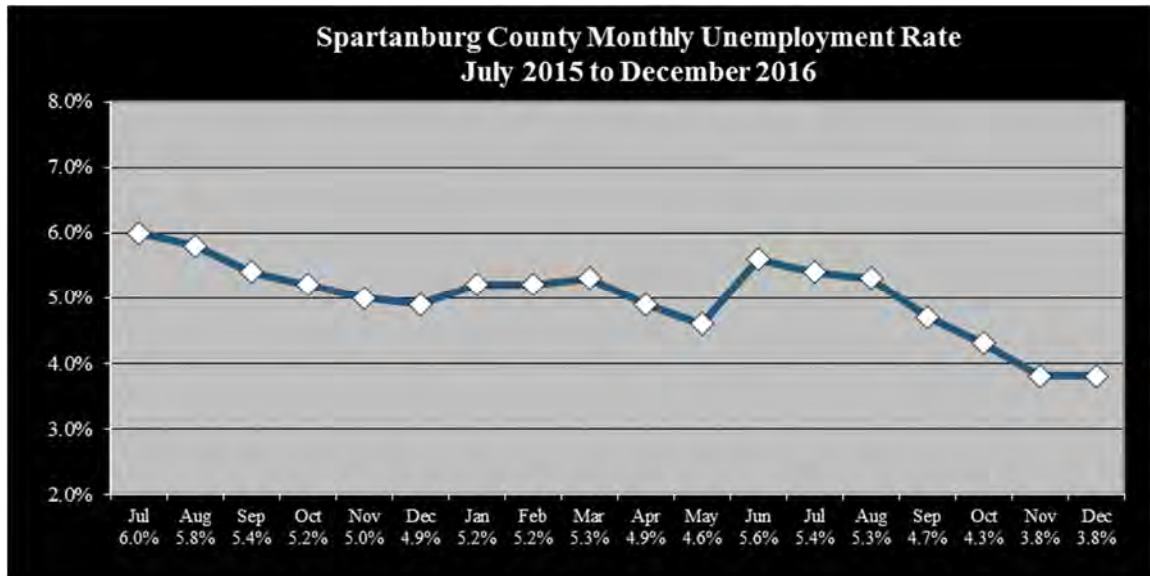
Source: Department of Labor; Bureau of Labor Statistics

*Through December



Similar to the employment base, the unemployment rate within the county was adversely impacted by the national recession, increasing by over six percentage points between 2007 and 2010. On a positive note, the county's unemployment rate has consistently declined during the preceding six-year period and is below both the state (5.1%) and national averages (5.0%) at 4.8%. Also note that the current unemployment rate is the lowest it has been within the past decade.

The following table illustrates the monthly unemployment rate in Spartanburg County for the most recent 18-month period for which data is currently available.



While the county has experienced fluctuations in unemployment over the past 18 months, it has generally trended downward from a high of 6.0% in July 2015 to a low of 3.8% in November/December 2016. It is also noteworthy to point out that the unemployment rate of 3.8% is the lowest it has been during the preceding 18-month period.

In-place employment reflects the total number of jobs within the county regardless of the employee's county of residence. The following illustrates the total in-place employment base for Spartanburg County.

In-Place Employment Spartanburg County			
Year	Employment	Change	Percent Change
2006	116,837	-	-
2007	119,036	2,199	1.9%
2008	119,670	634	0.5%
2009	111,150	-8,520	-7.1%
2010	109,848	-1,302	-1.2%
2011	111,288	1,440	1.3%
2012	114,561	3,273	2.9%
2013	119,385	4,824	4.2%
2014	123,466	4,081	3.4%
2015	127,009	3,543	2.9%
2016*	130,349	3,340	2.6%

Source: Department of Labor, Bureau of Labor Statistics
*Through June

Data for 2015, the most recent year that year-end figures are available, indicates in-place employment in Spartanburg County to be 96.8% of the total Spartanburg County employment. This means that Spartanburg County has more employed persons staying in the county for daytime employment than those who work outside the county. This will have a positive impact on the subject project's marketability, as it is likely that many of the site's tenants will have minimal commute times to their place of employment.

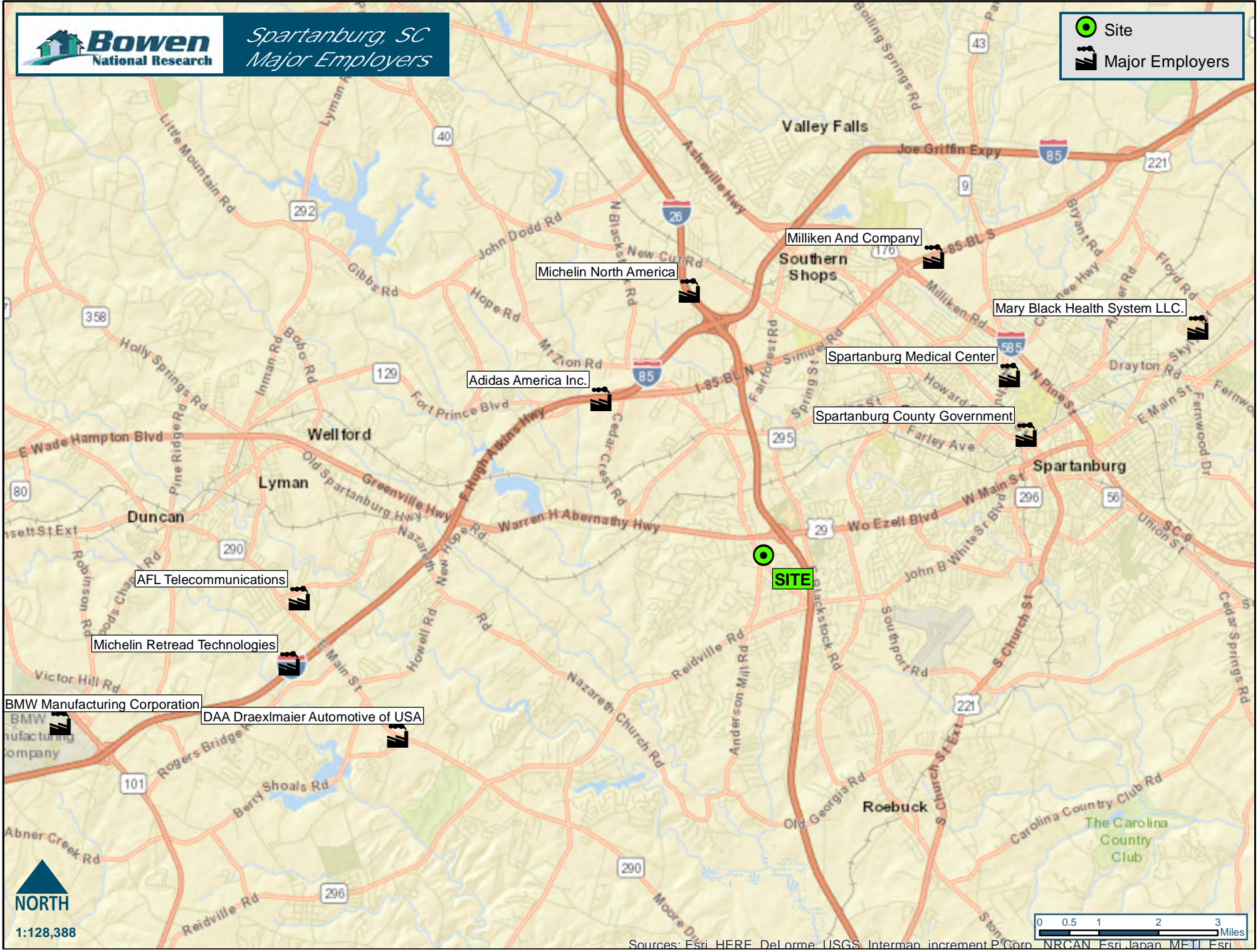
5. **EMPLOYMENT CENTERS MAP**

A map illustrating the location of the area's largest employers is included on the following page.



Spartanburg, SC Major Employers

- Site
- Major Employers



NORTH
1:128,388



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

6. COMMUTING PATTERNS

Based on the American Community Survey (2011-2015), the following is a distribution of commuting patterns for Site PMA workers age 16 and over:

Mode of Transportation	Workers Age 16+	
	Number	Percent
Drove Alone	34,822	83.0%
Carpooled	4,647	11.1%
Public Transit	250	0.6%
Walked	851	2.0%
Other Means	261	0.6%
Worked at Home	1,110	2.6%
Total	41,941	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

Approximately 83% of all workers drove alone, 11.1% carpooled and only 0.6% used public transportation.

Typical travel times to work for the Site PMA residents are illustrated as follows:

Travel Time	Workers Age 16+	
	Number	Percent
Less Than 15 Minutes	13,546	32.3%
15 to 29 Minutes	18,067	43.1%
30 to 44 Minutes	6,327	15.1%
45 to 59 Minutes	1,364	3.3%
60 or More Minutes	1,527	3.6%
Worked at Home	1,110	2.6%
Total	41,941	100.0%

Source: American Community Survey (2011-2015); ESRI; Urban Decision Group; Bowen National Research

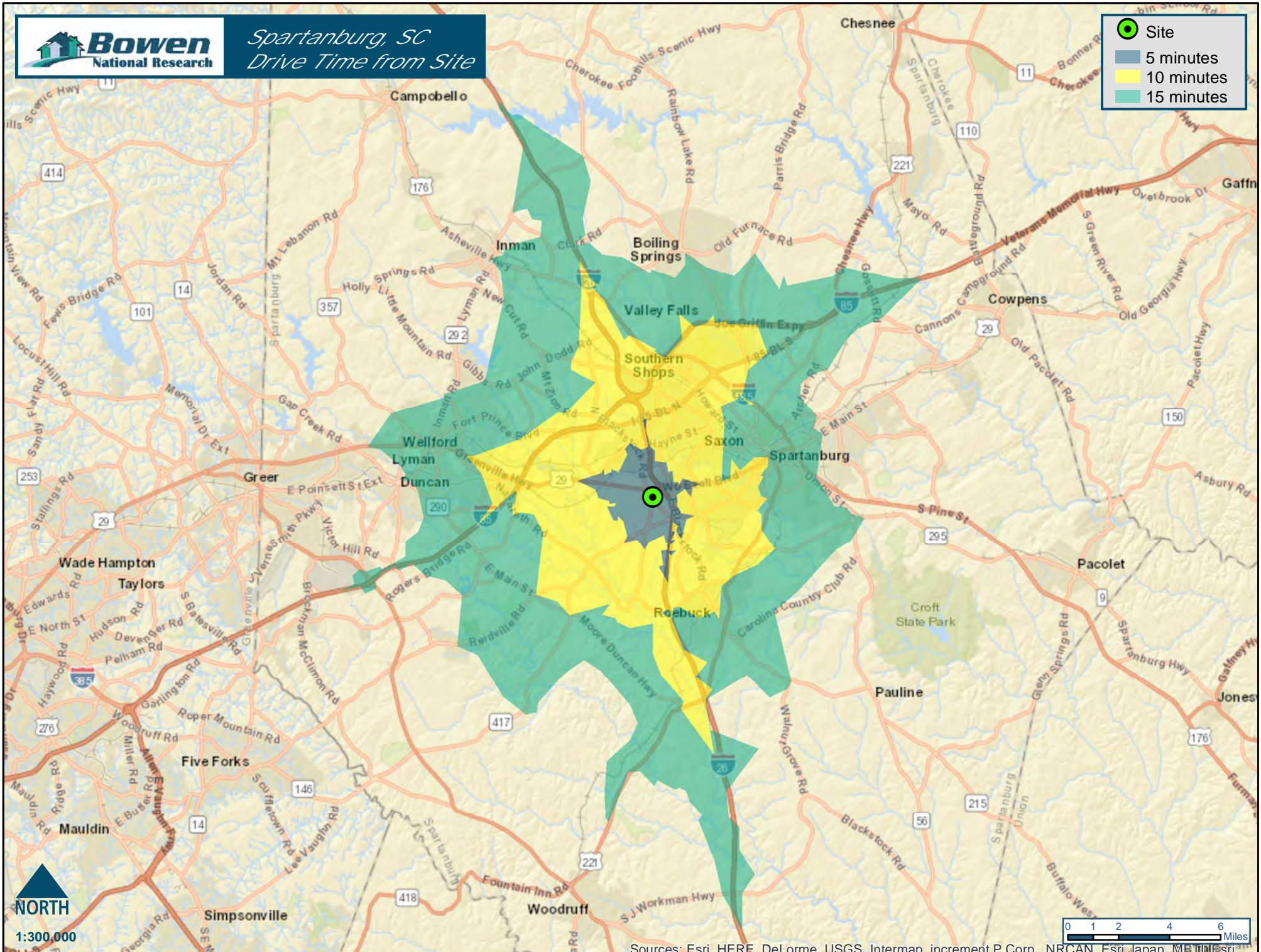
The largest share of area commuters has typical travel times to work ranging from 15 to 29 minutes. The subject site is within a 15-minute drive to most of the area's largest employers, which should contribute to its marketability. A drive-time map for the subject site is on the following page.



Spartanburg, SC Drive Time from Site

● Site

- 5 minutes
- 10 minutes
- 15 minutes



7. ECONOMIC FORECAST AND HOUSING IMPACT

According to economic development representatives, the Spartanburg County economy continues to improve. Notably, nearly \$150 million has or will be invested within the county, expected to create nearly 800 jobs by 2020. Additionally, based on employment data from the Department of Labor: Bureau of Labor Statistics, the Spartanburg County economy appears to be well beyond the beginning stages of economic recovery. Although the county's economy was adversely impacted by the national recession, the employment base has been consistently increasing and the unemployment rate has been consistently decreasing since 2010. It is important to note that the employment base is above prerecession levels and the current unemployment rate of 4.8% (through December 2016) is the lowest it has been since prior to 2006. Considering these positive economic trends, we believe the area economy will continue to create a stable environment for affordable housing.

F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2019 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2019 projections do not vary more than 1.0%.

1. POPULATION TRENDS

a. Total Population

The Site PMA population bases for 2000, 2010, 2016 (estimated) and 2019 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2019 (Projected)
Population	86,737	93,542	98,603	101,301
Population Change	-	6,805	5,061	2,698
Percent Change	-	7.8%	5.4%	2.7%

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The Spartanburg Site PMA population base increased by 6,805 between 2000 and 2010. This represents a 7.8% increase over the 2000 population, or an annual rate of 0.8%. Between 2010 and 2016, the population increased by 5,061, or 5.4%. It is projected that the population will increase by 2,698, or 2.7%, between 2016 and 2019.

Based on the 2010 Census, the population residing in group-quarters is represented by 4.4% of the Site PMA population, as demonstrated in the following table:

	Number	Percent
Population in Group Quarters	4,102	4.4%
Population not in Group Quarters	89,440	95.6%
Total Population	93,542	100.0%

Source: 2010 Census

b. Population by Age Group

The Site PMA population bases by age are summarized as follows:

Population by Age	2010 (Census)		2016 (Estimated)		2019 (Projected)		Change 2016-2019	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	26,983	28.8%	26,669	27.0%	27,252	26.9%	583	2.2%
20 to 24	7,117	7.6%	7,333	7.4%	6,957	6.9%	-376	-5.1%
25 to 34	11,789	12.6%	13,387	13.6%	13,496	13.3%	109	0.8%
35 to 44	12,421	13.3%	12,085	12.3%	12,635	12.5%	550	4.5%
45 to 54	13,097	14.0%	13,111	13.3%	12,911	12.7%	-200	-1.5%
55 to 64	10,808	11.6%	12,150	12.3%	12,602	12.4%	452	3.7%
65 to 74	6,544	7.0%	8,465	8.6%	9,403	9.3%	938	11.1%
75 & Over	4,780	5.1%	5,403	5.5%	6,046	6.0%	643	11.9%
Total	93,539	100.0%	98,603	100.0%	101,301	100.0%	2,698	2.7%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, nearly 52% of the population is expected to be between 25 and 64 years old in 2016. This age group is the primary group of potential renters for the subject site and will likely represent a significant number of the tenants.

c. Elderly and Non-Elderly Population

The subject project is not age-restricted; therefore, all persons with appropriate incomes will be eligible to live at the subject development. As a result, we have not included an analysis of the PMA’s senior and non-senior population.

d. Special Needs Population

The subject project will not offer special needs units. Therefore, we have not provided any population data regarding special needs populations.

e. Minority Concentrations

As requested by SCSHFDA, we have provided data regarding the composition of minorities within the site Census Tract. The following table compares the concentration of minorities in the state of South Carolina to the site Census Tract:

Minority Group	Statewide Share	Equal To or Greater Than	Site Census Tract Share
Total Minority Population	33.8%	33.8% + 20.0% = 53.8%	24.0%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	12.4%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	0.2%
Asian	1.3%	1.3% + 20.0% = 21.3%	5.5%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.1%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	4.3%

Source: U.S. Census Bureau, 2010 Census



Based on the data in the preceding table, the site is not located within a Census Tract that is dominated by any particular minority group.

2. HOUSEHOLD TRENDS

a. Total Households

Household trends within the Spartanburg Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2016 (Estimated)	2019 (Projected)
Households	33,099	35,410	36,982	37,922
Household Change	-	2,311	1,572	940
Percent Change	-	7.0%	4.4%	2.5%
Household Size	2.62	2.64	2.56	2.57

Source: 2000, 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Within the Spartanburg Site PMA, households increased by 2,311 (7.0%) between 2000 and 2010. Between 2010 and 2016, households increased by 1,572 or 4.4%. By 2019, there will be 37,922 households, an increase of 940 households, or 2.5%, from 2016 level. This is an increase of approximately 313 households annually over the next three years.

b. Households by Tenure

Households by tenure are distributed as follows:

Tenure	2010 (Census)		2016 (Estimated)		2019 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	21,619	61.1%	21,878	59.2%	22,448	59.2%
Renter-Occupied	13,791	38.9%	15,104	40.8%	15,474	40.8%
Total	35,410	100.0%	36,982	100.0%	37,922	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, renter households are projected to increase by 370, or 2.4%, between 2016 and 2019. This illustrates that there will be an increasing need for rental housing within the Site PMA.

c. Households by Income

The distribution of households by income within the Spartanburg Site PMA is summarized as follows:

Household Income	2010 (Census)		2016 (Estimated)		2019 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	7,353	20.8%	6,924	18.7%	7,156	18.9%
\$15,000 to \$24,999	5,178	14.6%	5,208	14.1%	5,563	14.7%
\$25,000 to \$34,999	4,097	11.6%	4,626	12.5%	4,411	11.6%
\$35,000 to \$49,999	5,039	14.2%	5,011	13.5%	4,886	12.9%
\$50,000 to \$74,999	6,535	18.5%	6,757	18.3%	7,023	18.5%
\$75,000 to \$99,999	2,832	8.0%	3,502	9.5%	3,615	9.5%
\$100,000 to \$149,999	2,783	7.9%	3,263	8.8%	3,465	9.1%
\$150,000 to \$199,999	950	2.7%	861	2.3%	935	2.5%
\$200,000 & Over	643	1.8%	830	2.2%	869	2.3%
Total	35,410	100.0%	36,982	100.0%	37,922	100.0%
Median Income	\$38,206		\$40,188		\$40,622	

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2010, the median household income was \$38,206. This increased by 5.2% to \$40,188 in 2016. By 2019, it is projected that the median household income will be \$40,622, an increase of 1.1% from 2016.

d. Average Household Size

Information regarding average household size is considered in 2. a. *Total Households* of this section.

e. Households by Income by Tenure

The following tables illustrate renter household income by household size for 2010, 2016 and 2019 for the Spartanburg Site PMA:

Renter Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,712	1,363	820	535	379	4,809
\$15,000 to \$24,999	957	783	471	307	217	2,735
\$25,000 to \$34,999	560	546	327	214	153	1,800
\$35,000 to \$49,999	641	636	382	249	178	2,086
\$50,000 to \$74,999	417	452	273	177	125	1,444
\$75,000 to \$99,999	125	139	83	55	39	441
\$100,000 to \$149,999	95	102	63	41	28	329
\$150,000 to \$199,999	27	28	16	11	6	88
\$200,000 & Over	18	19	11	8	3	59
Total	4,552	4,068	2,446	1,597	1,128	13,791

Source: ESRI; Urban Decision Group



Renter Households	2016 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,798	1,390	744	525	488	4,945
\$15,000 to \$24,999	1,136	883	473	332	312	3,136
\$25,000 to \$34,999	577	577	309	218	204	1,885
\$35,000 to \$49,999	653	653	351	247	226	2,130
\$50,000 to \$74,999	548	593	317	223	212	1,893
\$75,000 to \$99,999	200	221	117	82	78	698
\$100,000 to \$149,999	87	97	53	37	33	307
\$150,000 to \$199,999	17	19	10	7	3	56
\$200,000 & Over	16	18	10	7	3	54
Total	5,032	4,451	2,384	1,678	1,559	15,104

Source: ESRI; Urban Decision Group

Renter Households	2019 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	1,843	1,445	774	545	508	5,115
\$15,000 to \$24,999	1,237	963	516	364	339	3,419
\$25,000 to \$34,999	501	512	275	193	180	1,661
\$35,000 to \$49,999	650	643	345	242	225	2,105
\$50,000 to \$74,999	579	615	330	232	218	1,973
\$75,000 to \$99,999	223	241	129	91	85	768
\$100,000 to \$149,999	91	103	55	39	35	324
\$150,000 to \$199,999	16	20	11	6	4	57
\$200,000 & Over	16	16	9	6	3	51
Total	5,156	4,558	2,444	1,718	1,597	15,474

Source: ESRI; Urban Decision Group

Demographic Summary

Overall, population and households within the market have been experiencing growth since 2000. These trends are projected to remain positive through 2019, increasing by 2,698 (2.7%) and 940 (2.5%), respectively, from 2016. Additionally, renter households within the Site PMA are projected to increase by 370 (2.4%) during the same time period. This illustrates that there will be an increasing need for additional rental housing. Further, as discussed later in Section H of this report, nearly all affordable rental units surveyed are occupied. This indicates that there is likely pent-up demand for such housing and the continuing need for additional affordable housing options within the Site PMA, particularly when factoring in rent overburdened households or those living in substandard housing.

G. Project-Specific Demand Analysis

1. INCOME RESTRICTIONS

The number of income-eligible households necessary to support the project from the Site PMA is an important consideration in evaluating the subject project's potential.

Under the Low-Income Housing Tax Credit (LIHTC) program, household eligibility is based on household income not exceeding the targeted percentage of Area Median Household Income (AMHI), depending upon household size.

The subject site is within the Spartanburg, South Carolina HUD Metro FMR Area, which has a four-person median household income of \$52,900 for 2016. The subject property will be restricted to households with incomes up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size for the targeted AMHI levels:

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$18,550	\$22,260
Two-Person	\$21,200	\$25,440
Three-Person	\$23,850	\$28,620
Four-Person	\$26,450	\$31,740
Five-Person	\$28,600	\$34,320

The largest proposed units (three-bedroom) at the subject site are expected to house up to five-person households. As such, the maximum allowable income at the subject site is \$28,600 for the units at 50% of AMHI and \$34,320 for the units at 60% of AMHI.

2. AFFORDABILITY

Leasing industry standards typically require households to have rent-to-income ratios of 25% to 30%. Pursuant to SCSHFDA market study guidelines, the maximum rent-to-income ratio permitted for a family project is 35% and for a senior project is 40%.

The proposed LIHTC units will have a lowest gross rent of \$539 (at 50% AMHI). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,468. Applying a 35% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$18,480.

Based on the preceding analyses, the income-appropriate ranges required for residency at the subject project with units built to serve households at 50% and 60% of AMHI are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit (Limited To 50% Of AMHI)	\$18,480	\$28,600
Tax Credit (Limited To 60% Of AMHI)	\$20,366	\$34,320
Overall Project	\$18,480	\$34,320

3. DEMAND COMPONENTS

The following are the demand components as outlined by the South Carolina State Housing Finance and Development Authority:

- a. **Demand for New Households.** *New units required in the market area due to projected household growth should be determined using 2016 Census data estimates and projecting forward to the anticipated placed-in-service date of the project (2019) using a growth rate established from a reputable source such as ESRI. The population projected must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.*

In instances where a significant number (more than 20%) of proposed rental units are comprised of three- and/or four-bedroom units, analysts must conduct the required capture rate analysis, followed by an additional refined overall capture rate analysis for the proposed three- and/or four-bedroom units by considering only the number of large households (generally three- or four+-persons). A demand analysis which does not consider both the overall capture rate and the additional refined larger-households analysis may not accurately illustrate the demographic support base.

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2000 and 2010 Census data (as available), ACS 5 year estimates or demographic estimates provided by reputable companies. All data in tables should be projected from the same source:*

- 1) **Rent overburdened households, if any, within the age group, income cohorts and tenure (renters) targeted for the subject development.** *In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35%, or in the case of elderly 40%, of their gross income toward gross rent rather than some greater percentage. If an analyst feels strongly that the rent-overburdened analysis should focus on a greater percentage, they must give an in-depth explanation why this assumption should be included. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.*

Based on Table B25074 of the American Community Survey (ACS) 2011-2015 5-year estimates, approximately 42.3% to 47.2% (depending upon the targeted income level) of renter households within the market were rent overburdened. These households have been included in our demand analysis.

- 2) **Households living in substandard housing (units that lack complete plumbing or those that are overcrowded).** *Households in substandard housing should be adjusted for age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand. The market analyst is encouraged to be conservative in their estimate of demand from both households that are rent-overburdened and/or living in substandard housing.*

Based on the 2015 ACS 5-Year Estimates Table B25016, 4.1% of all households within the market were living in substandard housing (lacking complete indoor plumbing and overcrowded households/1+ persons per room).

- 3) **Elderly Homeowners likely to convert to rentership:** *The Authority recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly Tax Credit housing. A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.*

The subject project is not age-restricted, thus we have not considered elderly homeowner conversion in our demand estimates.

- 4) **Other:** *Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, she/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.*

4. METHODOLOGY

Please note that the Authority's stabilized level of occupancy is 93.0%

- a. **Demand:** The two overall demand components (3a and 3b) added together represent total demand for the project.
- b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since 2016 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2016 which have not reach stabilized occupancy must also be considered as part of the supply.
- c. **Capture Rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
- d. **Absorption Rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.

5. DEMAND/CAPTURE RATE CALCULATIONS

Within the Site PMA, there are no non-subsidized affordable housing projects that were funded and/or built during the projection period (2016 to current). We did not identify any projects that were placed in service prior to 2016 that have not reached a stabilized occupancy. As such, no units were included in the following demand estimates.

The following is a summary of our demand calculations:

Demand Component	Percent Of Median Household Income		
	50% AMHI (\$18,480-\$28,600)	60% AMHI (\$20,366-\$34,320)	Overall (\$18,480-\$34,320)
Demand From New Renter Households (Age- And Income-Appropriate)	2,827 - 2,723 = 104	3,132 - 3,210 = -78	3,777 - 3,801 = -24
+			
Demand From Existing Households (Rent Overburdened)	2,723 X 47.2% = 1,286	3,210 X 42.3% = 1,357	3,801 X 45.5% = 1,730
+			
Demand From Existing Households (Renters In Substandard Housing)	2,723 X 4.1% = 113	3,210 X 4.1% = 133	3,801 X 4.1% = 157
+			
Demand From Existing Households (Senior Homeowner Conversion)	N/A	N/A	N/A
=			
Total Demand	1,503	1,412	1,863
-			
Supply (Directly Comparable Units Built And/Or Funded Since 2016)	0	0	0
=			
Net Demand	1,503	1,413	1,863
Proposed Units	8	29	37
Proposed Units/ Net Demand	8 / 1,503	29 / 1,413	37 / 1,863
Capture Rate	= 0.5%	= 2.1%	= 2.0%

The capture rates for units targeting households at 50% and 60% of AMHI, ranging from 0.5% to 2.1%, are considered very low and easily achievable. This is especially true, considering the limited availability of affordable units within the Site PMA. The overall capture rate for the subject project is also low and easily achievable at 2.0%, demonstrating that there is a significant base of income-qualified renter households that will be able to support the subject project.

Based on the distribution of persons per household and the share of rental units in the market, we estimate the share of demand by bedroom type within the Site PMA as follows:

Estimated Demand By Bedroom	
Bedroom Type	Percent
One-Bedroom	30.0%
Two-Bedroom	45.0%
Three-Bedroom	25.0%
Total	100.0%

Applying the preceding shares to the income-qualified households yields demand and capture rates of the proposed units by bedroom type as illustrated in the following tables:

Units Targeting 50% Of AMHI (1,503 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (30%)	451	-	451	-	-
Two-Bedroom (45%)	676	0	676	3	0.4%
Three-Bedroom (25%)	376	0	376	5	1.3%

*Directly comparable units built and/or funded in the project market over the projection period.

Units Targeting 60% Of AMHI (1,413 Units Of Demand)					
Bedroom Size (Share Of Demand)	Total Demand	Supply*	Net Demand By Bedroom Type	Proposed Subject Units	Capture Rate By Bedroom Type
One-Bedroom (30%)	424	-	424	-	-
Two-Bedroom (45%)	636	0	636	10	1.6%
Three-Bedroom (25%)	353	0	353	19	5.4%

*Directly comparable units built and/or funded in the project market over the projection period.

The capture rates by bedroom type and targeted income are considered low, ranging from 0.4% to 5.4%. These capture rates are good indicators that significant support exists for the subject units.

Considering that the subject project will include 24 three-bedroom units, which comprise 64.9% of all subject units offered, the analysis on the following page has been conducted to consider only large-households (three-person+) and the proposed three-bedroom units.

Demand Component	Percent Of Median Household Income		
	50% AMHI (\$21,600-\$28,600)	60% AMHI (\$23,829-\$34,320)	Overall (\$21,600-\$34,320)
Demand From New Larger Renter Households (Age- And Income-Appropriate)	647 - 643 = 4	747 - 812 = -65	1,018 - 1,061 = -43
+			
Demand From Existing Households (Rent Overburdened)	643 X 42.3% = 272	812 X 42.3% = 343	1,061 X 42.3% = 449
+			
Demand From Existing Households (Renters In Substandard Housing)	643 X 4.1% = 26	812 X 4.1% = 33	1,061 X 4.1% = 44
=			
Total Large Household Demand	302	311	450
-			
Supply (Directly Comparable (Three-Br.+) Units Built And/Or Funded Since 2016)	0	0	0
=			
Net Large Household Demand	302	311	450
Proposed (Three-Br.+) Units	5	19	24
Proposed (Three-Br.+) Units/ Net Large Household Demand	5 / 302	19 / 311	24 / 450
Large-Household Capture Rate	= 1.7%	= 6.1%	= 5.3%

The capture rates for the subject's three-bedroom units targeting households at 50% and 60% of AMHI, ranging from 1.7% to 6.1%, when considering larger (three-person+) household sizes, are considered very low and easily achievable. This is especially true, considering the lack of available affordable three-bedroom units within the Site PMA. The overall capture rate for the subject project's three-bedroom units is also low and easily achievable at 5.3%, demonstrating that there is a significant base of income-qualified renter households that will be able to support such units. It is important to note that the net demand for the subject's three-bedroom units in the preceding table differs slightly from the net demand by bedroom type on the preceding page. The analysis in the preceding table considers all larger household sizes that will income-qualify to reside at the subject's three-bedroom units, regardless of bedroom type preference.

6. ABSORPTION PROJECTIONS

For the purpose of this analysis, we assume the absorption period at the proposed subject site begins as soon as the first units are available for occupancy. Since all demand calculations in this report follow agency guidelines that assume a 2019 opening date for the site, we also assume that the first completed units at the site will be available for rent sometime in 2019. Further, these absorption projections assume the project will be built as outlined in this report. Changes to the project's rents, amenities, floor plans, location or other features may invalidate our findings. Finally, we assume the developer and/or management will aggressively market the project a few months in advance of its opening and will continue to monitor market conditions during the project's initial lease-up period. Note that Voucher support has been considered in determining these absorption projections and that these absorption projections may vary depending upon the amount of Voucher support the subject development ultimately receives.

It is our opinion that the proposed 37 LIHTC units at the subject site will experience an average initial absorption rate of approximately 12 units per month and reach a stabilized occupancy of 93.0% within approximately three months.

H. Rental Housing Analysis (Supply)

1. COMPETITIVE DEVELOPMENTS

The subject project will include 37 Low-Income Housing Tax Credit (LIHTC) units. We identified eight family (general-occupancy) communities that offer non-subsidized LIHTC units within the Site PMA, seven of which we were able to survey at the time this report was issued. The one non-subsidized LIHTC development we were unable to survey in the market is summarized as follows:

- West Winfield Acres offers 40 units and is located at 518 Lavendula Street in Spartanburg. This property was built in 1999 and consists entirely of three-bedroom single-family rental homes. Of the 40 units, 32 are Tax Credit targeting households earning up to 50% and 60% of Area Median Household Income (AMHI), while the remaining eight units are market-rate. Based on historical data obtained by Bowen National Research, this property was 100.0% occupied and maintained a waiting list of up to two years in length in November 2015.

Of the seven non-subsidized general-occupancy LIHTC developments surveyed in the market, six were selected as the most comparable to the subject project based on, but not limited to design, targeted income level, bedroom types offered and/or newness. These six comparable properties and the subject development are summarized below:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	The Regency at Blackstock	2018	37	-	-	-	Families; 50% & 60% AMHI
2	Willow Crossing	2012	48	100.0%	0.1 Mile	319 H.H.	Families; 50% & 60% AMHI
3	Willow Trace Townhomes	2015	28	100.0%	0.1 Mile	325 H.H.	Families; 50% & 60% AMHI
4	Canaan Pointe	1998	96*	95.8%	6.9 Miles	None	Families; 60% AMHI
6	Country Garden Estates I & II	2002	90*	100.0%	2.9 Miles	None	Families; 50% & 60% AMHI
12	Companion at Lee's Crossing I	2010	192	100.0%	3.4 Miles	None	Families; 60% AMHI
36	Monarch Place	1999	64	100.0%	6.9 Miles	None	Families; 60% AMHI

OCC. – Occupancy

H.H. – Households

SUB – Subsidized units

*Non-subsidized Tax Credit units only

The six comparable LIHTC projects have a combined occupancy rate of 99.2% (a result of only four vacancies), an excellent rate for affordable rental housing. In fact, five of these projects are 100.0% occupied, two of which maintain extensive waitlists. This illustrates that pent-up demand exists for additional affordable rental housing within the Spartanburg Site PMA. The subject development will be able to accommodate a portion of this unmet demand.

The gross rents for the most comparable projects and the proposed rents at the subject site, as well as their unit mixes and vacancies by bedroom are listed in the following table:

Map I.D.	Project Name	Gross Rent/Percent of AMHI (Number of Units/Vacancies)				Rent Special
		One-Br.	Two-Br.	Three-Br.	Four-Br.	
Site	The Regency at Blackstock	-	\$539/50% (3) \$594/60% (10)	\$630/50% (5) \$695/60% (19)	-	-
2	Willow Crossing	-	\$530/50% (8/0) \$595/60% (8/0)	\$617/50% (4/0) \$687/60% (28/0)	-	None
3	Willow Trace Townhomes	-	\$530/50% (3/0) \$570/60% (5/0)	\$612/50% (4/0) \$687/60% (16/0)	-	None
4	Canaan Pointe	-	-	\$838/60% (48/0)	\$928/60% (48/4)	Prorated Rent Free
6	Country Garden Estates I & II	\$506/50% (4/0) \$615/60% (4/0)	\$642/50% (12/0) \$772/60% (12/0)	\$718/50% (4/0) \$908/60% (54/0)	-	None
12	Companion at Lee's Crossing I	\$594/60% (36/0)	\$710/60% (98/0)	\$822/60% (58/0)	-	None
36	Monarch Place	-	\$772/60% (32/0)	\$900/60% (32/0)	-	None

The proposed subject gross rents, ranging from \$539 to \$695, will be some of the lowest LIHTC rents within the market. Combined with the fact that the subject project will be the newest LIHTC development within the Site PMA, this will provide it with a significant competitive advantage.

The following table identifies the comparable LIHTC properties that accept Housing Choice Vouchers, as well as the approximate number of units occupied by residents utilizing Housing Choice Vouchers:

Map I.D.	Project Name	Total Units	Number of Vouchers	Share of Vouchers
2	Willow Crossing	48	12	25.0%
3	Willow Trace Townhomes	28	6	21.4%
4	Canaan Pointe	96*	68	70.8%
6	Country Garden Estates I & II	90*	50	55.6%
12	Companion at Lee's Crossing I	192	59	30.7%
36	Monarch Place	64^	N/A	-
Total		454	195	43.0%

*Non-subsidized Tax Credit units only

^Units not included in total

N/A – Number not available

As the preceding table illustrates, there are a total of approximately 195 Voucher holders residing at the five comparable LIHTC properties that provided such information within the market. This comprises 43.0% of these 454 non-subsidized LIHTC units. As such, it can be concluded that these projects are relying on some Voucher support, but that a majority of the units are occupied by households paying the quoted rents.

One-page summary sheets, including property photographs of each comparable Tax Credit property, are included on the following pages.

4 Canaan Pointe

6.9 miles to site



Address	200 Canaan Point Dr. Spartanburg, SC 29306		
Phone	(864) 577-9922	Contact	Daniel
Total Units	120	Vacancies	4
		Percent Occupied	96.7%
Project Type	Market-Rate & Tax Credit		
Year Open	1998	Floors	2
Concessions	Prorated rent is free & application fee waived		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	Offers Basketball & Volleyball; Market-rate (24 units); 60% AMHI (96 units); HCV (68 units); Vacancies due to eviction sweep; Unit mix estimated		



Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
Project Amenities	Swimming Pool, On-site Management, Club House, Playground, Sports Court

Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
3	2	T	43	0	1216	\$0.62	\$751	60%
3	2	G	5	0	1109	\$0.68	\$751	60%
3	2	T	9	0	1216	\$0.70	\$850	
3	2	G	3	0	1109	\$0.77	\$850	
4	2	T	35	2	1358	\$0.61	\$825	60%
4	2	G	13	2	1309	\$0.63	\$825	60%
4	2	T	9	0	1358	\$0.66	\$900	
4	2	G	3	0	1309	\$0.69	\$900	

2**Willow Crossing**

0.1 miles to site



Address 101 Willow Crossing Ln.
Spartanburg, SC 29301

Phone (864) 699-9965 **Contact** Martha

Total Units 48 **Vacancies** 0 **Percent Occupied** 100.0%

Project Type Tax Credit

Year Open 2012 **Floors** 2

Concessions No Rent Specials

Parking Surface Parking

Waiting List 319 households

Quality Rating A+ **Neighborhood Rating** B

Remarks 50% & 60% AMHI; HCV (12 units)

Features and Utilities

Utilities Landlord pays Water, Sewer, Trash

Unit Amenities Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Wood Flooring, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds, Exterior Storage

Project Amenities On-site Management, Laundry Facility, Club House, Fitness Center, Playground, Computer Lab, Picnic Area, Gazebo

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	2	G	8	0	1100	\$0.48	\$525	60%
2	2	G	8	0	1100	\$0.42	\$460	50%
3	2	G	28	0	1200	\$0.50	\$600	60%
3	2	G	4	0	1200	\$0.44	\$530	50%

3 Willow Trace Townhomes

0.1 miles to site



Address	300 Willow Crossing Ln. Spartanburg, SC 29301		
Phone	(864) 327-8496	Contact	Kim
Total Units	28	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2015	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	325 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	50% & 60% AMHI; HCV (6 units)		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Icemaker, Range, Dishwasher, Microwave, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management, Laundry Facility, Club House, Meeting Room, Fitness Center, Playground, Storage, Computer Lab, Picnic Area, CCTV

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$/SQ FT	COLLECTED RENT	AMHI
2	2	T	5	0	1100	\$0.45	\$500	60%
2	2	T	3	0	1100	\$0.42	\$460	50%
3	2	T	16	0	1250	\$0.48	\$600	60%
3	2	T	4	0	1250	\$0.42	\$525	50%

12 Companion at Lee's Crossing I

3.4 miles to site



Address	100 Lees Crossing Dr. Spartanburg, SC 29301		
Phone	(864) 481-1422	Contact	Chris
Total Units	192	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	2010	Floors	3,4
Concessions	No Rent Specials		
Parking	Detached Garages, Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	60% AMHI, Tax Credit Bond; Accepts HCV (approx.59 units)		

Features and Utilities

Utilities	Landlord pays Water, Sewer, Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	Swimming Pool, On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Car Wash Area

Unit Configuration

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	36	0	730	\$0.74	\$540	60%
2	2	G	98	0	1057	\$0.61	\$640	60%
3	2	G	58	0	1248	\$0.59	\$735	60%

36 Monarch Place

6.9 miles to site



Address	200 Monarch Pl. Wellford, SC 29385		
Phone	(864) 439-1080	Contact	Dee
Total Units	64	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit		
Year Open	1999	Floors	2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	NONE		
Quality Rating	B+	Neighborhood Rating	B
Remarks	60% AMHI; Accepts HCV		

Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds
Project Amenities	On-site Management, Laundry Facility, Meeting Room, Playground

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
2	1.5	G	32	0	985	\$0.64	\$626	60%
3	2	G	32	0	1190	\$0.59	\$705	60%

6 Country Garden Estates I & II

2.9 miles to site



Address	346 N. Sunflower Way Moore, SC 29369		
Phone	(864) 574-0072	Contact	Carolyn
Total Units	100	Vacancies	0
		Percent Occupied	100.0%
Project Type	Tax Credit & Government-Subsidized		
Year Open	2002	Floors	1,2
Concessions	No Rent Specials		
Parking	Surface Parking		
Waiting List	GSS: 700 households		
Quality Rating	B	Neighborhood Rating	B
Remarks	50% & 60% AMHI (90 units); Public Housing & 50% AMHI (10 units); HCV (Approx. 50 units); HOPE VI; 3-br garden unit is single family home		



Features and Utilities

Utilities	Landlord pays Trash
Unit Amenities	Refrigerator, Range, Dishwasher, Disposal, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
Project Amenities	On-site Management

Unit Configuration

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	907	\$0.55	\$500	60%
1	1	G	4	0	907	\$0.43	\$391	50%
1	1	G	2	0	907	\$0.43	\$391	50%
2	1.5 to 2	T	12	0	1184	\$0.52	\$621	60%
2	1.5 to 2	T	12	0	1184	\$0.41	\$491	50%
2	1.5 to 2	T	6	0	1184	\$0.41	\$491	50%
3	2.5	T	53	0	1272	\$0.56	\$711	60%
3	2.5	G	1	0	1272	\$0.56	\$711	60%
3	2.5	T	4	0	1272	\$0.41	\$521	50%
3	2.5	T	2	0	1272	\$0.41	\$521	50%

The unit sizes (square footage) and number of bathrooms included in each of the different comparable LIHTC unit types offered in the market are compared with the subject development in the following table:

Map I.D.	Project Name	Square Footage			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	The Regency at Blackstock	-	1,000	1,250	-
2	Willow Crossing	-	1,100	1,200	-
3	Willow Trace Townhomes	-	1,100	1,250	-
4	Canaan Pointe	-	-	1,109 - 1,216	1,309 - 1,358
6	Country Garden Estates I & II	907	1,184	1,272	-
12	Companion at Lee's Crossing I	730	1,057	1,248	-
36	Monarch Place	-	985	1,190	-

Map I.D.	Project Name	Number of Baths			
		One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	The Regency at Blackstock	-	2.0	2.0	-
2	Willow Crossing	-	2.0	2.0	-
3	Willow Trace Townhomes	-	2.0	2.0	-
4	Canaan Pointe	-	-	2.0	2.0
6	Country Garden Estates I & II	1.0	1.5 - 2.0	2.5	-
12	Companion at Lee's Crossing I	1.0	2.0	2.0	-
36	Monarch Place	-	1.5	2.0	-

The subject' two-bedroom units will consist of approximately 1,000 square feet and its three-bedroom units will offer 1,250 square feet. These unit sizes are very comparable to those offered at the six competitive LIHTC projects. The two full bathrooms proposed for the subject project are identical to nearly all of the comparable projects. As such, the proposed development will be competitive with the existing LIHTC projects in the market based on unit size (square footage) and the number of baths offered.

The following tables compare the amenities of the subject development with the comparable LIHTC projects in the market.

COMPARABLE PROPERTIES AMENITIES - SPARTANBURG, SC

MAP ID	APPLIANCES							UNIT AMENITIES										OTHER		
	RANGE	REFRIGERATOR	ICEMAKER	DISHWASHER	DISPOSAL	MICROWAVE	CENTRAL AC	WINDOW AC	FLOOR COVERING	WASHER AND DRYER	W/D HOOKUP	PATIO/DECK/BALCONY	CEILING FAN	BASEMENT	INTERCOM	SECURITY	WINDOW TREATMENTS		E-CALL BUTTONS	PARKING
SITE	X	X		X		X	X		C		X	X	X				B		S	Exterior Storage
4	X	X		X	X		X		C		X	X					B		S	Exterior Storage
2	X	X	X	X		X	X		W		X	X	X				B		S	Exterior Storage
3	X	X	X	X		X	X		C		X	X	X				B		S	
12	X	X		X	X		X		C		X	X	X				B		D(o), S	
36	X	X		X	X		X		C		X	X					B		S	
6	X	X		X	X		X		C		X	X	X				B		S	

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units
S - Some Units
O - Optional

Window Treatments
B - Blinds
C - Curtains
D - Drapes

Parking
A - Attached
C - Carport
D - Detached
O - On Street
S - Surface
G - Parking Garage
(o) - Optional

Sports Courts
B - Basketball
D - Baseball Diamonds
P - Putting Green
T - Tennis
V - Volleyball
X - Multiple

Floor Covering
C - Carpet
H - Hardwood
V - Vinyl
W - Wood
T - Tile

Community Space
A - Activity Room
L - Lounge/Gathering Room
T - Training Room

(s) - Some

COMPARABLE PROPERTIES AMENITIES - SPARTANBURG, SC

MAP ID	PROJECT AMENITIES													OTHER					
	POOL	ON-SITE MGMT	LAUNDRY	CLUB HOUSE	COMMUNITY SPACE	FITNESS CENTER	JACUZZI / SAUNA	PLAYGROUND	TENNIS COURT	SPORTS COURT	STORAGE	ELEVATOR	SECURITY GATE		COMPUTER LAB	LIBRARY	PICNIC AREA	SOCIAL SERVICES	BUSINESS CENTER
SITE		X	X	X	X	X	X	X		X				X		X			
4	X	X		X			X			X									
2		X	X	X		X	X							X		X			Gazebo
3		X	X	X	X	X	X			X				X		X			CCTV
12	X	X	X		X	X	X												
36		X	X		X		X												
6		X																	

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

X - All Units	
S - Some Units	
O - Optional	
Window Treatments	
B - Blinds	
C - Curtains	
D - Drapes	

Parking	
A - Attached	
C - Carport	
D - Detached	
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S - Surface	
G - Parking Garage	
(o) - Optional	
(s) - Some	

Sports Courts	
B - Basketball	
D - Baseball Diamonds	
P - Putting Green	
T - Tennis	
V - Volleyball	
X - Multiple	

Floor Covering	
C - Carpet	
H - Hardwood	
V - Vinyl	
W - Wood	
T - Tile	

Community Space	
A - Activity Room	
L - Lounge/Gathering Room	
T - Training Room	

The amenity packages that will be included at the proposed subject development are considered to be comprehensive, offering a wide variety of both unit and project amenities. It is believed that these amenities will enable the subject project to compete well in the market. It is worth noting that the subject project will be one of few that will offer in-unit microwaves, a computer center and a picnic area. The subject development does not appear to lack any amenities that would hinder its ability to operate as a Tax Credit project.

Based on our analysis of the rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing low-income properties within the market, it is our opinion that the subject development will be very competitive. The subject project will offer some of the lowest rents, while offering a very comprehensive amenity package. It is believed that the combination of proposed rents and comprehensive amenity package will give the proposed subject project a competitive advantage in the market. This will likely result in a relatively rapid absorption rate for the proposed subject project.

2. COMPARABLE TAX CREDIT PROPERTIES MAP

A map illustrating the location of the comparable properties we surveyed is on the following page.

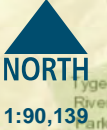
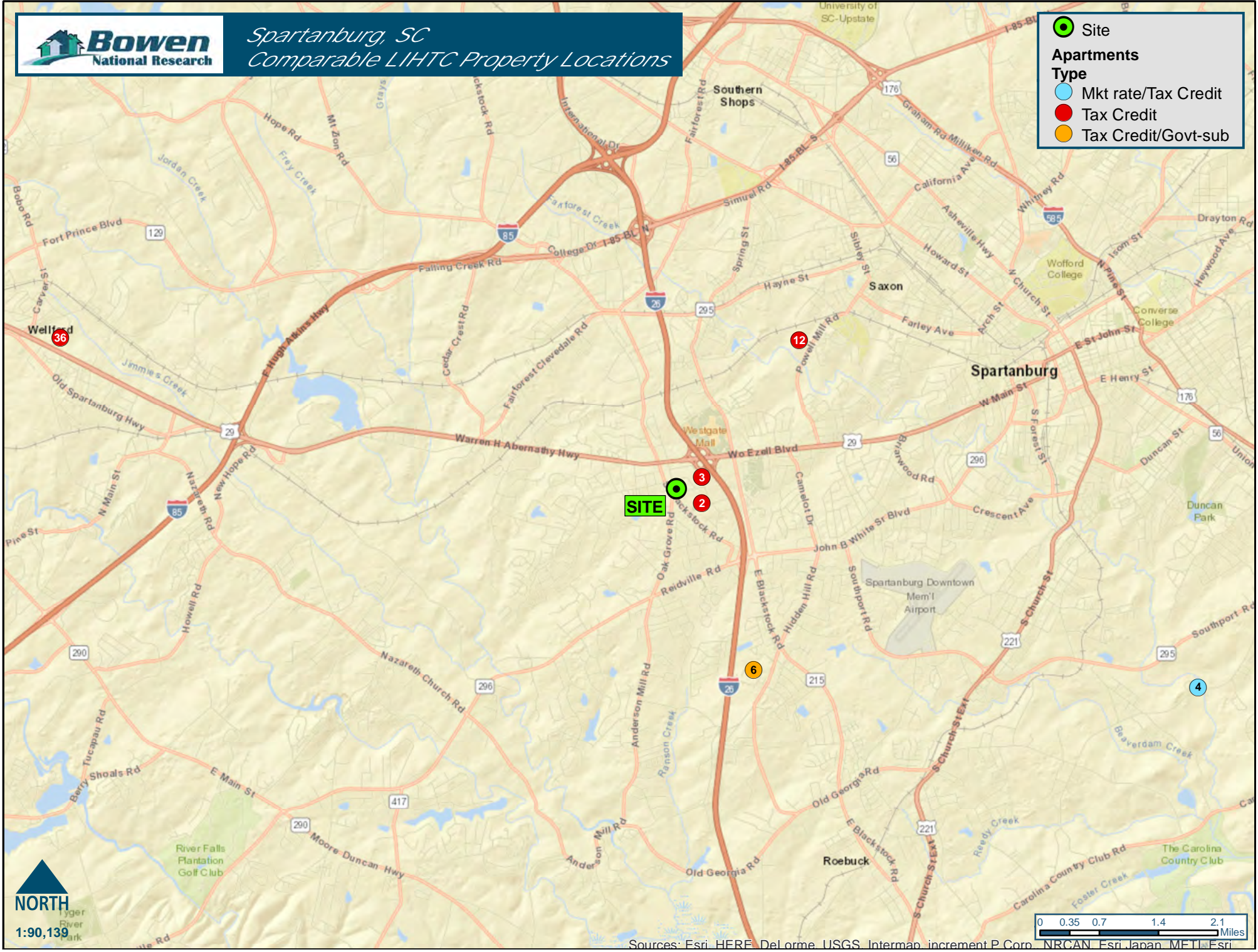


Spartanburg, SC Comparable LIHTC Property Locations

Site
● Site

Apartments Type

- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Spartanburg Site PMA in 2010 and 2016 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2016 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	35,410	87.7%	36,982	87.7%
Owner-Occupied	21,619	61.1%	21,878	59.2%
Renter-Occupied	13,791	38.9%	15,104	40.8%
Vacant	4,955	12.3%	5,179	12.3%
Total	40,365	100.0%	42,161	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Based on a 2016 update of the 2010 Census, of the 42,161 total housing units in the market, 12.3% were vacant. In 2016, it was estimated that homeowners occupied 59.2% of all occupied housing units, while the remaining 40.8% were occupied by renters. The share of renters is considered typical for a market of this size and the 15,104 renter households in the Site PMA in 2016 represent a large base of potential support in the market for the subject development.

We identified and personally surveyed 37 conventional housing projects containing a total of 5,194 units within the Site PMA. This survey was conducted to establish the overall strength of the rental market and to identify those properties most comparable to the subject site. These rentals have a combined occupancy rate of 94.9%, a good rate for rental housing. Among these projects, 27 offer 4,105 non-subsidized (market-rate and Tax Credit) units, which are 93.6%. The remaining 1,089 government-subsidized units are 99.5% occupied. The following table summarizes project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	16	3,240	253	92.2%
Market-rate/Tax Credit	2	312	9	97.1%
Market-rate/Government-Subsidized	2	250	0	100.0%
Market-rate/Tax Credit/Government-Subsidized	1	48	0	100.0%
Tax Credit	5	353	0	100.0%
Tax Credit/Government-Subsidized	8	625	5	99.2%
Government-Subsidized	3	366	0	100.0%
Total	37	5,194	267	94.9%

The overall multifamily rental housing market is performing well, with no individual segment operating below a 92.2% occupancy rate. The affordable rental housing supply (Tax Credit and/or government-subsidized) is operating at occupancy levels no lower than 97.1%, the majority of which are 100.0% occupied. This indicates that strong and pent-up demand likely exists for additional affordable rental housing within the Spartanburg Site PMA.

It is important to note that, in addition to West Winfield Acres, there was one other property in the market area that operates under the LIHTC program that we were unable to survey at the time this report was issued. This project, Duncan Village, is located at 100 Duncan Street in Duncan. This property also operates under the HUD Section 8 program and offers one-, two- and three-bedroom apartments targeting households earning up to 60% of Area Median Household Income (AMHI). Based on historical data obtained by Bowen National Research, this property was 100.0% occupied with a 250-household waiting list in January 2012.

The following table summarizes the breakdown of market-rate and Tax Credit units surveyed within the Site PMA.

Market-rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	36	1.0%	5	13.9%	\$972
One-Bedroom	1.0	1,024	29.0%	72	7.0%	\$968
Two-Bedroom	1.0	166	4.7%	7	4.2%	\$881
Two-Bedroom	1.5	164	4.6%	5	3.0%	\$891
Two-Bedroom	2.0	1,405	39.8%	113	8.0%	\$1,106
Three-Bedroom	1.0	65	1.8%	1	1.5%	\$995
Three-Bedroom	1.5	12	0.3%	1	8.3%	\$1,096
Three-Bedroom	2.0	624	17.7%	54	8.7%	\$1,222
Three-Bedroom	2.5	16	0.5%	0	0.0%	\$1,116
Four-Bedroom	2.0	16	0.5%	0	0.0%	\$1,003
Total Market-rate		3,528	100.0%	258	7.3%	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Studio	1.0	3	0.5%	0	0.0%	\$478
One-Bedroom	1.0	86	14.9%	0	0.0%	\$594
Two-Bedroom	1.0	4	0.7%	0	0.0%	\$599
Two-Bedroom	1.5	44	7.6%	0	0.0%	\$772
Two-Bedroom	2.0	135	23.4%	0	0.0%	\$710
Three-Bedroom	2.0	199	34.5%	0	0.0%	\$822
Three-Bedroom	2.5	58	10.1%	0	0.0%	\$908
Four-Bedroom	2.0	48	8.3%	4	8.3%	\$928
Total Tax Credit		577	100.0%	4	0.7%	-

As the preceding table illustrates, the median gross Tax Credit rents are well below their corresponding median gross market-rate rents. As such, Tax Credit product likely represents excellent values to low-income renters within the Site PMA. This is further evidenced by the combined occupancy rate of 99.3% among all non-subsidized Tax Credit units surveyed within the market.

It is also notable to point out that no vacancies exist among the two- and three-bedroom Tax Credit units surveyed within the Site PMA. Given that the subject project will offer the aforementioned unit types, it will provide an affordable rental housing alternative to low-income renters that is currently lacking availability within the market.

The following is a distribution of non-subsidized units surveyed by year built for the Site PMA:

Year Built	Projects	Units	Vacancy Rate
1970 to 1979	5	631	2.9%
1980 to 1989	5	508	3.1%
1990 to 1999	6	1,291	7.1%
2000 to 2005	4	466	0.9%
2006	0	0	0.0%
2007	0	0	0.0%
2008	3	669	13.3%
2009	0	0	0.0%
2010	2	464	9.3%
2011	0	0	0.0%
2012	1	48	0.0%
2013 to 2014	0	0	0.0%
2015	1	28	0.0%
2016 to 2017*	0	0	0.0%

*As of January

As the preceding table illustrates, the Spartanburg Site PMA offers a relatively balanced mix of rental product by year built. The majority of projects surveyed broken out by age are maintaining vacancy rates no higher than 7.1%, illustrating that the Spartanburg rental housing market is performing well. While the three rental projects surveyed built in 2008 have a high combined vacancy rate of 13.3%, the majority of vacancies at these projects are located at Reserve at Park West I & II (Map ID 11), a market-rate development. However, it should be noted that, while not indicated in the preceding table, this property recently completed 144 apartments in October 2016, with all available units located in Phase II of this development. Of these 144 units, 58 are occupied, resulting in an absorption rate of approximately 19 units per month, a rapid rate for rental housing. This illustrates that new rental product has been very well received within the Site PMA. This is also evident by the 100.0% occupancy rate maintained at the projects surveyed built in 2012 and 2015. This will bode well for the demand of the subject units.

The Spartanburg apartment market offers a wide range of rental product, in terms of price point and quality. The table on the following page compares the gross rent (the collected rent at the site plus the estimated costs of tenant-paid utilities) of the subject project with the rent range of the existing conventional apartments surveyed in the market.

Bedroom Type	Gross Rent			Units (Share) with Rents Above Proposed Rents
	Proposed Subject	Existing Rentals		
		Median	Range	
Two-Bedroom	\$539-50%	\$1,041	\$530 - \$1,338	1,907 (99.4%)
	\$594-60%			1,902 (99.2%)
Three-Bedroom	\$630-50%	\$1,084	\$617 - \$1,580	966 (99.2%)
	\$695-60%			922 (94.7%)

Most of the rents of existing rentals in the market are above the proposed rents at the subject site. Therefore, the subject project will likely represent excellent values to low-income renters within the Spartanburg Site PMA. Nonetheless, a further analysis of the appropriateness of the proposed rents is evaluated in detail later in this section of the report.

We rated each property surveyed on a scale of "A" through "F". All non-subsidized properties surveyed were rated based on quality and overall appearance (i.e. aesthetic appeal, building appearance, landscaping and grounds appearance). Following is a distribution by quality rating, units and vacancies.

Market-rate			
Quality Rating	Projects	Total Units	Vacancy Rate
A	4	1,160	11.7%
A-	3	893	9.0%
B+	6	421	4.3%
B	3	569	1.8%
B-	5	485	2.9%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A+	1	48	0.0%
A-	1	10	0.0%
B+	3	380	1.1%
B	2	118	0.0%
C-	1	21	0.0%

Vacancies are the highest among the four market-rate properties with a quality rating of an "A". However, as noted on the preceding page, the majority of these vacancies are located among the recently completed apartments at Reserve at Park West I & II (Map ID 11). All other rental properties surveyed broken out by quality are maintaining vacancy rates no higher than 9.0%, illustrating that the overall Spartanburg rental housing market is performing well. It is also notable to point out that the highest quality Tax Credit projects surveyed are 100.0% occupied. This will have a positive impact on the subject project's marketability, as it is expected to be of excellent quality once construction is complete.

A complete list of all properties surveyed is included in Addendum A, Field Survey of Conventional Rentals.

4. RENTAL HOUSING INVENTORY MAP

A map identifying the location of all properties surveyed within the Spartanburg Site PMA is on the following page.

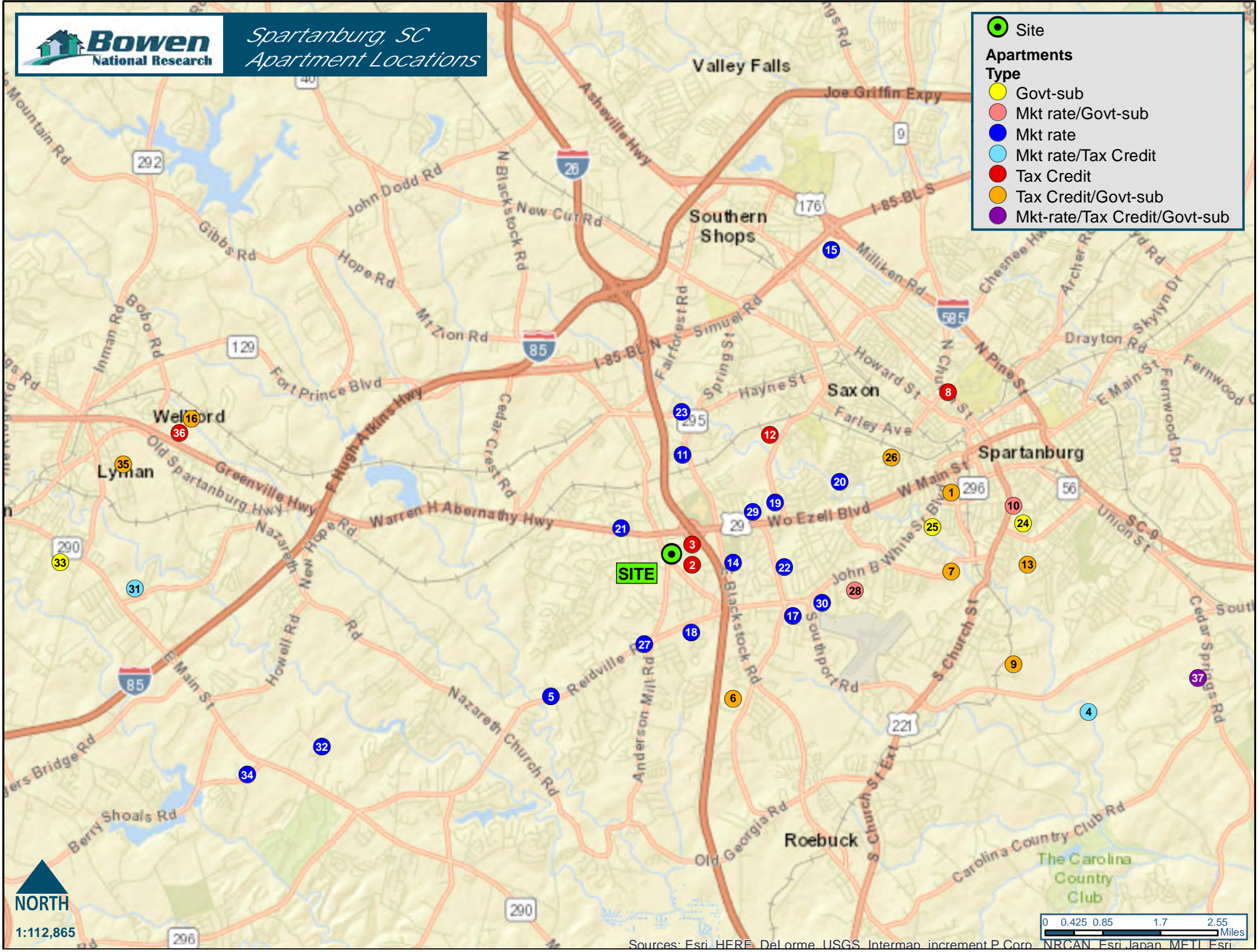


Spartanburg, SC Apartment Locations

Site
● Site

Apartments Type

- Govt-sub
- Mkt rate/Govt-sub
- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub
- Mkt-rate/Tax Credit/Govt-sub



NORTH
1:112,865



Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

5. & 6. PLANNED AND PROPOSED DEVELOPMENTS

Based on our interviews with local building and planning representatives, it was determined that there are four rental communities within the development pipeline in the Site PMA. These projects are summarized as follows:

- 198 Main and Morgan is currently under construction located at 198 West Main Avenue in Spartanburg. This project will be a mixed-used development with 30 studio, one- and two-bedroom market-rate apartments. Developed by Royce Camp Construction, this project is expected to be completed in late 2017.
- The Montgomery Building is currently being renovated into 72 studio, one- and two-bedroom market-rate apartments located at 187 North Church Street in Spartanburg. This project is being developed by BF Spartanburg and is expected to open summer of 2018.
- Blue Wall has proposed to renovate the former Bishop Furniture Building into 46 market-rate apartments located at 174 East Main Street in Spartanburg. Units will range from 650 to 1,700 square feet in size and will range in price from \$1,100 and \$1,700 per month. Additional information on this project was unavailable at the time this report was issued.
- A market-rate rental community has been proposed to be located at East Kennedy and South Converse streets in Spartanburg. This project is within the very preliminary stages of development.

Considering that all rental communities within the development pipeline in the Site PMA will be market-rate, they are not expected to have any tangible impact on the subject project's marketability.

7. MARKET RENT ADVANTAGE

We identified five market-rate properties within the Spartanburg Site PMA that we consider most comparable to the subject development. These selected properties are used to derive market rent for a project with characteristics similar to the subject development. It is important to note that for the purpose of this analysis, we only select market-rate properties. Market-rate properties are used to determine rents that can be achieved in the open market for the subject units without maximum income and rent restrictions.

The basis for the selection of these projects includes, but is not limited to, the factors listed below:

- Surrounding neighborhood characteristics
- Target market (seniors, families, disabled, etc.)
- Unit types offered (garden or townhouse, bedroom types, etc.)
- Building type (single-story, mid-rise, high-rise, etc.)
- Unit and project amenities offered
- Age and appearance of property

Since it is unlikely that any two properties are identical, we adjust the collected rent (the actual rent paid by tenants) of the selected properties according to whether or not they compare favorably with the subject development. Rents of projects that have additional or better features than the subject site are adjusted negatively, while projects with inferior or fewer features are adjusted positively. For example, if the subject project does not have a washer and dryer and a selected property does, we lower the collected rent of the selected property by the estimated value of a washer and dryer so that we may derive a *market rent advantage* for a project similar to the subject project.

The rent adjustments used in this analysis are based on various sources, including known charges for additional features within the Site PMA, estimates made by area property managers and realtors, quoted rental rates from furniture rental companies and the prior experience of Bowen National Research in markets nationwide.

The proposed subject development and the five selected properties include the following:

Map I.D.	Project Name	Year Built	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)		
					One-Br.	Two-Br.	Three-Br.
Site	The Regency at Blackstock	2018	37	-	-	13 (-)	24 (-)
11	Reserve at Park West I & II	2008	408	78.9%	138 (78.3%)	176 (79.0%)	94 (79.8%)
15	Chartwell North End	1996	204	96.1%	48 (95.8%)	120 (95.8%)	36 (97.2%)
18	Parkside at Laurel West	1996	496	96.6%	163 (96.9%)	253 (97.6%)	80 (92.5%)
32	Chartwell River Falls	2008	232	98.7%	102 (99.0%)	104 (99.0%)	26 (96.2%)
34	Chartwell Berry Shoals	2003	248	98.4%	84 (100.0%)	112 (96.4%)	52 (100.0%)

Occ. – Occupancy

The five selected market-rate projects have a combined total of 1,588 units with an overall occupancy rate of 92.6%. Note, however, that this occupancy rate is heavily weighted on the vacancies located at Reserve at Park West I & II (Map ID 11). As indicated earlier in this section, Phase II was recently completed in October 2016 and is still considered to be in lease up. When excluding this property, the overall occupancy rate of the comparable market-rate developments increases to 97.3%, a strong rate for rental housing.

The Rent Comparability Grids on the following pages show the collected rents for each of the selected properties and illustrate the adjustments made (as needed) for various features and location or neighborhood characteristics, as well as quality differences that exist between the selected properties and the subject development.

Rent Comparability Grid

Unit Type → **TWO BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
The Regency at Blackstock		Reserve at Park West I & II		Chartwell North End		Parkside at Laurel West		Chartwell River Falls		Chartwell Berry Shoals	
SE corner of Willis and South Blackstock roads		100 Keats Dr.		425 Willowdale Dr.		3400 Portrush Dr.		150 Churchill Falls Dr.		200 Tralee Dr.	
Spartanburg, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC		Duncan, SC		Duncan, SC	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$962		\$1,000		\$960		\$942		\$970	
2	Date Surveyed	Jan-17		Jan-17		Jan-17		Jan-17		Jan-17	
3	Rent Concessions	Yes	\$12	None		None		Yes	\$78	None	
4	Occupancy for Unit Type	79%		96%		98%		99%		96%	
5	Effective Rent & Rent/ sq. ft	\$950	0.93	\$1,000	0.93	\$960	0.92	\$864	0.76	\$970	0.84
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/3		WU/2,3		WU/3,4		WU/3,4	
7	Yr. Built/Yr. Renovated	2018	\$10	1996	\$22	1996	\$22	2008	\$10	2003	\$15
8	Condition /Street Appeal	E		G	\$15	E		E		E	
9	Neighborhood	G		G		E	(\$10)	E	(\$10)	G	
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	2		2		2		2		2	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1000	(\$5)	1075	(\$17)	1040	(\$9)	1133	(\$30)	1148	(\$33)
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		HU/L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N	(\$3)	N/N		N/N		N/N		N/N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans/Exterior Storage	Y/Y	\$5	Y/N	\$5	Y/Y		Y/Y		Y/Y	
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N		N		N		Y	(\$5)	N	
27	Clubhouse/ Meeting Space	Y		Y	\$5	Y		Y		Y	
28	Pool/ Recreation Areas	F	(\$13)	P/F/WT	(\$13)	P/F	(\$10)	P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	Y		Y	\$3	Y		Y		Y	
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		Y		Y		Y	
32	Cable Included?	N	(\$30)	Y		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N		Y/N	\$16	Y/N		N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	2	5	6	3	1	4	1	5	1	3
41	Sum Adjustments B to D	\$15	(\$56)	\$55	(\$35)	\$22	(\$34)	\$10	(\$60)	\$15	(\$48)
42	Sum Utility Adjustments			\$16				\$16		\$16	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$41)	\$71	\$36	\$106	(\$12)	\$56	(\$34)	\$86	(\$17)	\$79
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$909		\$1,036		\$948		\$830		\$953	
45	Adj Rent/Last rent		96%		104%		99%		96%		98%
46	Estimated Market Rent	\$950	\$0.95 ←	Estimated Market Rent/ Sq. Ft							

Rent Comparability Grid

Unit Type → **THREE BEDROOM**

Subject		Comp #1		Comp #2		Comp #3		Comp #4		Comp #5	
The Regency at Blackstock		Reserve at Park West I & II		Chartwell North End		Parkside at Laurel West		Chartwell River Falls		Chartwell Berry Shoals	
SE corner of Willis and South Blackstock roads		100 Keats Dr.		425 Willowdale Dr.		3400 Portrush Dr.		150 Churchill Falls Dr.		200 Tralee Dr.	
Spartanburg, SC		Spartanburg, SC		Spartanburg, SC		Spartanburg, SC		Duncan, SC		Duncan, SC	
Data		Data		Data		Data		Data		Data	
Subject		Subject		Subject		Subject		Subject		Subject	
A. Rents Charged		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
1	\$ Last Rent / Restricted?	\$1,047		\$1,245		\$995		\$1,246		\$1,019	
2	Date Surveyed	Jan-17		Jan-17		Jan-17		Jan-17		Jan-17	
3	Rent Concessions	Yes	\$12	None		None		Yes	\$104	None	
4	Occupancy for Unit Type	80%		97%		93%		96%		100%	
5	Effective Rent & Rent/ sq. ft	\$1,035	0.84	\$1,245	0.96	\$995	0.79	\$1,142	0.87	\$1,019	0.74
B. Design, Location, Condition		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
6	Structure / Stories	WU/2		WU/3		WU/2,3		WU/3,4		WU/3,4	
7	Yr. Built/Yr. Renovated	2018		2008	\$10	1996	\$22	1996	\$22	2008	\$10
8	Condition /Street Appeal	E		E		G	\$15	E		E	
9	Neighborhood	G		G		G		E	(\$10)	E	(\$10)
10	Same Market?	Yes		Yes		Yes		Yes		Yes	
C. Unit Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
11	# Bedrooms	3		3		3		3		3	
12	# Baths	2		2		2		2		2	
13	Unit Interior Sq. Ft.	1250	\$3	1236	(\$9)	1292	(\$9)	1262	(\$3)	1316	(\$14)
14	Balcony/ Patio	Y		Y		Y		Y		Y	
15	AC: Central/ Wall	C		C		C		C		C	
16	Range/ Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/ Dishwasher	Y/Y		Y/Y	\$5	Y/Y		Y/Y		Y/Y	
18	Washer/Dryer	HU/L		HU/L		HU/L		HU/L		HU/L	
19	Floor Coverings	C		C		C		C		C	
20	Window Coverings	B		B		B		B		B	
21	Intercom/Security System	N/N	(\$3)	N/Y	(\$3)	N/N		N/N		N/N	
22	Garbage Disposal	N	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)	Y	(\$5)
23	Ceiling Fans/Exterior Storage	Y/Y		Y/N	\$5	Y/N	\$5	Y/Y		Y/Y	
D Site Equipment/ Amenities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
24	Parking (\$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y		Y		Y		Y		Y	
26	Security Gate	N		N		N		Y	(\$5)	N	
27	Clubhouse/ Meeting Space	Y		Y		N	\$5	Y		Y	
28	Pool/ Recreation Areas	F	(\$13)	P/F/S	(\$13)	P/F/WT	(\$13)	P/F	(\$10)	P/F	(\$10)
29	Computer/Business Center	Y		Y		N	\$3	Y		Y	
30	Picnic Area	Y		Y		Y		Y		Y	
31	Playground	Y		Y		Y		Y		Y	
32	Cable Included?	N	(\$30)	Y		N		N		N	
E. Utilities		Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj	Data	\$ Adj
33	Heat (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
34	Cooling (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
35	Cooking (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
36	Hot Water (in rent?/ type)	N/E		N/E		N/E		N/E		N/E	
37	Other Electric	N		N		N		N		N	
38	Cold Water/ Sewer	N/N		N/N		N/N		N/N		N/N	
39	Trash /Recycling	Y/N		Y/N	\$16	Y/N	\$16	N/N	\$16	N/N	\$16
F. Adjustments Recap		Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg	Pos	Neg
40	# Adjustments B to D	3	4	6	3	1	4	1	5	1	3
41	Sum Adjustments B to D	\$18	(\$51)	\$55	(\$27)	\$22	(\$28)	\$10	(\$44)	\$15	(\$41)
42	Sum Utility Adjustments			\$16				\$16		\$16	
		Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross
43	Net/ Gross Adjmts B to E	(\$33)	\$69	\$44	\$98	(\$6)	\$50	(\$18)	\$70	(\$10)	\$72
G. Adjusted & Market Rents		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent		Adj. Rent	
44	Adjusted Rent (5+ 43)	\$1,002		\$1,289		\$989		\$1,124		\$1,009	
45	Adj Rent/Last rent		97%		104%		99%		98%		99%
46	Estimated Market Rent	\$1,045	\$0.84 ←	Estimated Market Rent/ Sq. Ft							

Once all adjustments to collected rents were made, the adjusted rents for each comparable were used to derive an achievable market rent for each bedroom type. Each property was considered and weighed based upon its proximity to the subject site and its amenities and unit layout compared to the subject site.

Based on the preceding Rent Comparability Grids, it was determined that the current achievable market rent for units similar to the subject development are \$950 for a two-bedroom unit and \$1,045 for a three-bedroom unit. The following table compares the proposed collected rents at the subject site with achievable market rent for selected units:

Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
Two-Br.	50%	\$395	\$950	58.42%
Two-Br.	60%	\$450	\$950	52.63%
Three-Br.	50%	\$440	\$1,045	57.89%
Three-Br.	60%	\$505	\$1,045	51.67%
Weighted Average				53.30%

Typically, Tax Credit rents should represent market rent advantages around 10.0% in order to be considered a value in most markets. Therefore, the proposed subject rents will likely be perceived as substantial values within the Spartanburg Site PMA, as they represent market rent advantages ranging from 51.67% to 58.42%, depending upon bedroom type and targeted income level.

None of the selected properties offer the same amenities as the subject property. As a result, we have made adjustments to the collected rents to reflect the differences between the subject property and the selected properties. The following are explanations (preceded by the line reference number on the comparability grid table) for each rent adjustment made to each selected property.

1. Rents for each property are reported as collected rents. This is the actual rent paid by tenants and does not consider tenant-paid utilities. The rent reported is typical and does not consider rent concessions or special promotions.

3. Two of the comparable market-rate developments are offering rent specials. These rent concessions have been prorated and applied to their respective collected rents, yielding their effective rents (line 5).

7. Upon completion of construction, the subject project will be the newest property in the market. The comparable properties were built between 1996 and 2008. As such, we have adjusted the rents at the selected properties by \$1 per year to reflect the age of these properties.

8. It is anticipated that the subject project will have a quality finished look and an attractive aesthetic appeal. We have made adjustments for those properties that we consider to have an inferior quality relative to the subject development.
9. Two of the comparable properties are considered to be in more desirable neighborhoods than the subject site's neighborhood. As a result, we made negative adjustments to reflect these differences.
13. The adjustment for differences in square footage is based upon the average rent per square foot among the comparable properties. Since consumers do not value extra square footage on a dollar for dollar basis, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package generally similar to the selected properties. We have, however, made adjustments for features lacking at the selected properties, and in some cases, we have made adjustments for features the subject property does not offer.
- 24.-32. The subject project offers a comprehensive project amenities package, but is slightly inferior than those offered at the comparable properties. We have made monetary adjustments to reflect the difference between the subject project's and the selected properties' project amenities.
- 33.-39. We have made adjustments to reflect the differences between the subject project's and the selected properties' utility responsibility. The utility adjustments were based on the local housing authority's utility cost estimates.

8. AFFORDABLE HOUSING IMPACT

The anticipated occupancy rates of the existing comparable Tax Credit developments located within the Site PMA following stabilization of the subject property are as follows:

Map I.D.	Project	Current Occupancy Rate	Anticipated Occupancy Rate Through 2018*
2	Willow Crossing	100.0%	95.0%+
3	Willow Trace Townhomes	100.0%	95.0%+
4	Canaan Pointe	95.8%	95.0%+
6	Country Garden Estates I & II	100.0%	95.0%+
12	Companion at Lee's Crossing I	100.0%	95.0%+
36	Monarch Place	100.0%	95.0%+

*Anticipated year of opening at the subject project

The subject project is not expected to have a negative impact on the existing comparable Tax Credit projects within the Site PMA, which nearly all are 100.0% occupied. Notably, two of these projects maintain extensive waiting lists of between 319 and 325 households. Overall, we believe there is significant demographic support for all existing and proposed Tax Credit units in the market and no long-term negative impact is expected on such units should the subject project receive Tax Credit allocations and is developed as proposed in this analysis.

9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$123,557. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$123,557 home is \$743, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$123,557
Mortgaged Value = 95% of Median Home Price	\$117,379
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$595
Estimated Taxes and Insurance*	\$149
Estimated Monthly Mortgage Payment	\$743

*Estimated at 25% of principal and interest

In comparison, the proposed collected Tax Credit rents for the subject property range from \$395 to \$505 per month. Therefore, the cost of a monthly mortgage for a typical home in the area is approximately \$238 to \$348 greater than the cost of renting at the subject project's Tax Credit units, depending on unit size and targeted income level. Therefore, it is very unlikely that tenants that would qualify to reside at the subject project would be able to afford the monthly payments required to own a home or who would be able to afford the down payment on such a home. As such, we do not anticipate any competitive impact on or from the homebuyer market.

10. HOUSING VOIDS

As indicated throughout this section of the report, the comparable LIHTC projects within the market have a combined occupancy rate of 99.2%, as a result of four vacant units. In fact, all two- and three-bedroom Tax Credit units surveyed in the market are 100.0% occupied. Given that the subject project will offer the aforementioned unit types, it will provide an affordable rental housing alternative to low-income renter households that is lacking availability within the Spartanburg Site PMA. It should be further noted that the two LIHTC projects adjacent to the site, Willow Crossing (Map ID 2) and Willow Trace



Townhomes (Map ID 3), are fully occupied and maintain extensive wait lists of up to 325 households for the next available unit. This illustrates that significant pent-up demand exists for additional affordable rental units within the subject project's neighborhood. The subject project will be able to accommodate a portion of the unmet demand.

I. Interviews

The following are summaries of interviews conducted with various government and private sector individuals:

- Natalia Rosario, Senior Planner with the City of Spartanburg, stated that there is a need for affordable housing in Spartanburg. All of the rental housing projects within the development pipeline are market-rate, which is creating a gap in the market for affordability, impacting Spartanburg's low to moderate income neighborhoods negatively. Ms. Rosario stated that there is a need for affordable apartments of all sizes. (864) 596-2071
- Todd Baker, Property Manager of Mayfair Lofts (Map ID 23), a market-rate community in Spartanburg, stated that there is a need for affordable housing in Spartanburg. Due to the increase in non-affordable housing in the area, the area's affordable housing stock cannot support the current need.
- Marquite Bradford, Assistant Manager of Timbercreek (Map ID 22), a market-rate development in Spartanburg, stated that there is a need for more affordable housing in Spartanburg, especially considering the high and rising rental costs in the area. Ms. Bradford also explained that due to the rising rents, the number of available low-income apartments has decreased. Ms. Bradford believes that affordable two-, three- and four-bedroom units are in high demand.
- Doug Gregory, Director of Administration and Research of the Spartanburg Economics Futures Group, stated that there is a need for new, high quality affordable housing for the employees of growing industries in the area, including manufacturing and distribution centers. (864) 594-5041
- Valeri Copeman, Housing Choice Voucher (HCV) Manager with the Spartanburg Housing Authority, stated that there is a need for more affordable housing in Spartanburg. Ms. Copeman stated that it would be best for a mix of one-, two- and three-bedroom units of mixed income levels in medium-sized communities. (864) 598-6000

J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market exists for the 37 units proposed at the subject site, assuming it is developed as detailed in this report. Changes in the project's site, rents, amenities or opening date may alter these findings.

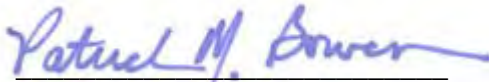
The project will be competitive within the market area in terms of unit amenities and unit sizes, and the proposed rents will be perceived as significant values in the marketplace. In fact, the proposed rents will be some of the lowest rents compared to those offered at the comparable LIHTC projects in the market, providing the subject project with a competitive advantage. This is demonstrated in Section IV.

Given that nearly all comparable LIHTC developments surveyed within the Site PMA are 100.0% occupied, two of which maintain extensive waiting lists, the subject project will offer a housing alternative to low-income households that has limited availability in the area. As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 2.0% (SC Housing threshold is 30%) of income-qualified renter households in the market, there is significant support for the subject development. Therefore, it is our opinion that the subject project will have no impact on the existing Tax Credit developments in the Site PMA.

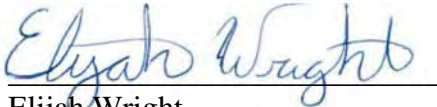
K. Signed Statement Requirement

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance 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 SCSHFDA's market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low-income housing rental market.

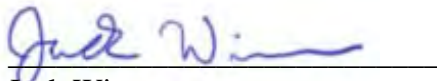
Certified:



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: February 9, 2017



Elijah Wright
Market Analyst
elijahw@bowennational.com
Date: February 9, 2017



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: February 9, 2017

L. Qualifications

The Company

Bowen National Research employs an expert staff to ensure that each market study is of the utmost quality. Each staff member has hands-on experience evaluating sites and comparable properties, analyzing market characteristics and trends, and providing realistic recommendations and conclusions. The Bowen National Research staff has the expertise to provide the answers for your development.

Company Leadership

Patrick Bowen is the President of Bowen National Research. He has prepared and supervised thousands of market feasibility studies for all types of real estate products, including affordable family and senior housing, multifamily market-rate housing and student housing, since 1996. He has also prepared various studies for submittal as part of HUD 221(d)(3) & (4), HUD 202 developments and applications for housing for Native Americans. He has also conducted studies and provided advice to city, county and state development entities as it relates to residential development, including affordable and market rate housing, for both rental and for-sale housing. Mr. Bowen has worked closely with many state and federal housing agencies to assist them with their market study guidelines. Mr. Bowen has his bachelor's degree in legal administration (with emphasis on business and law) from the University of West Florida.

Desireé Johnson is the Director of Operations at Bowen National Research. Ms. Johnson is involved in the day-to-day communication with clients. She has been involved in extensive market research in a variety of project types since 2006. Ms. Johnson has the ability to research, find, analyze and manipulate data in a multitude of ways. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

Market Analysts

Lisa Goff, Market Analyst, has conducted site-specific analyses in both rural and urban markets throughout the country. She is also experienced in the day-to-day operation and financing of Low-Income Housing Tax Credit and subsidized properties, which gives her a unique understanding of the impact of housing development on current market conditions.

Luke Mortensen, Market Analyst, is experienced in the assessment of housing operating under various programs throughout the country, as well as other development alternatives. He is also experienced in evaluating projects in the development pipeline and economic trends. Mr. Mortensen received his Bachelor's Degree in Sports Leadership and Management from Miami University.

Jeff Peters, Market Analyst, has conducted on-site inspection and analysis for rental properties throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Peters graduated from The Ohio State University with a Bachelor of Arts in Economics.

Gregory Piduch, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Piduch holds a Bachelor of Arts in Communication and Rhetoric from the University of Albany, State University of New York and a Master of Professional Studies in Sports Industry Management from Georgetown University.

Craig Rupert, Market Analyst, has conducted market analysis in both urban and rural markets throughout the United States since 2010. Mr. Rupert is experienced in the evaluation of multiple types of housing programs, including market-rate, Tax Credit and various government subsidies and uses this knowledge and research to provide both qualitative and quantitative analysis. Mr. Rupert has a degree in Hospitality Management from Youngstown State University.

Garth Semple, Market Analyst, has surveyed both urban and rural markets throughout the country. He is trained to understand the nuances of various rental housing programs and their construction and is experienced in the collection of rental housing data from leasing agents, property managers, and other housing experts within the market. Mr. Semple graduated from Elizabethtown College and has a Bachelor of Arts degree in Sociology.

Jack Wiseman, Market Analyst, has conducted extensive market research in over 200 markets throughout the United States since 2007. He provides thorough evaluation of site attributes, area competitors, market trends, economic characteristics and a wide range of issues impacting the viability of real estate development. He has evaluated market conditions for a variety of real estate alternatives, including affordable and market-rate apartments, retail and office establishments, student housing, and a variety of senior residential alternatives. Mr. Wiseman has a Bachelor of Arts degree in Economics from Miami University.

Elijah Wright, Market Analyst, has conducted site-specific analyses in both metro and rural areas throughout the country. He is familiar with multiple types of rental housing programs, the day-to-day interaction with property managers and leasing agents and the collection of pertinent property details. Mr. Wright holds a Bachelor of Arts degree in Integrated Media from Ohio University.

Research Staff

Bowen National Research employs a staff of in-house researchers who are experienced in the surveying and evaluation of all rental and for-sale housing types, as well as in conducting interviews and surveys with city officials, economic development offices, chambers of commerce, housing authorities and residents.

Stephanie Viren is the Research and Travel Coordinator at Bowen National Research. Ms. Viren focuses on collecting detailed data concerning housing conditions in various markets throughout the United States. Ms. Viren has extensive interviewing skills and experience and also possesses the expertise necessary to conduct surveys of diverse pools of respondents regarding population and housing trends, housing marketability, economic development and other socioeconomic issues relative to the housing industry. Ms. Viren's professional specialty is condominium and senior housing research. Ms. Viren earned a Bachelor of Arts in Business Administration from Heidelberg College.

Kelly Wiseman, Research Specialist Director, has significant experience in the evaluation and surveying of housing projects operating under a variety of programs. In addition, she has conducted numerous interviews with experts throughout the country, including economic development, planning, housing authorities and other stakeholders.

June Davis, Office Manager of Bowen National Research, has been in the market feasibility research industry since 1988. Ms. Davis has overseen production on over 20,000 market studies for projects throughout the United States.

M. Methodologies, Disclaimers & Sources

This market feasibility analysis complies with the requirements established by the South Carolina State Housing Finance and Development Authority (SCSHFDA) and conforms to the standards adopted by the National Council of Housing Market Analysts (NCHMA). These standards include the acceptable definitions of key terms used in market studies for affordable housing projects and model standards for the content of market studies for affordable housing projects. The standards are designed to enhance the quality of market studies and to make them easier to prepare, understand and use by market analysts and end users.

1. METHODOLOGIES

Methodologies used by Bowen National Research include the following:

- The Primary Market Area (PMA) generated for the proposed site is identified. The PMA is generally described as the smallest geographic area expected to generate most of the support for the proposed project. PMAs are not defined by a radius. The use of a radius is an ineffective approach because it does not consider mobility patterns, changes in the socioeconomic or demographic character of neighborhoods or physical landmarks that might impede development.

PMAs are established using a variety of factors, including, but not limited to:

- A detailed demographic and socioeconomic evaluation
 - Interviews with area planners, realtors and other individuals who are familiar with area growth patterns
 - A drive-time analysis for the site
 - Personal observations of the field analyst
- A field survey of modern apartment developments is conducted. The intent of the field survey is twofold. First, the field survey is used to measure the overall strength of the apartment market. This is accomplished by an evaluation of the unit mix, vacancies, rent levels and overall quality of product. The second purpose of the field survey is to establish those projects that are most likely directly comparable to the proposed property.
- Two types of directly comparable properties are identified through the field survey. They include other Section 42 LIHTC developments and market-rate developments that offer unit and project amenities similar to those of the proposed development. An in-depth evaluation of these two property types provides an indication of the potential of the proposed development.

- Economic and demographic characteristics of the area are evaluated. An economic evaluation includes an assessment of area employment composition, income growth (particularly among the target market), building statistics and area growth perceptions. The demographic evaluation uses the most recently issued Census information and projections that determine what the characteristics of the market will be when the proposed project opens and achieves a stabilized occupancy.
- Area building statistics and interviews with officials familiar with area development provide identification of the properties that might be planned or proposed for the area that will have an impact on the marketability of the proposed development. Planned and proposed projects are always in different stages of development. As a result, it is important to establish the likelihood of construction, the timing of the project and its impact on the market and the proposed development.
- An analysis of the proposed project's market capture of income-appropriate renter households within the PMA is conducted. This analysis follows SCSHFDA's methodology for calculating potential demand. The resulting capture rates are compared with acceptable market capture rates for similar types of projects to determine whether the proposed development's capture rate is achievable.
- Achievable market rent for the proposed subject development is determined. Using a Rent Comparability Grid, the features of the proposed development are compared item by item to the most comparable properties in the market. Adjustments are made for each feature that differs from that of the proposed subject development. These adjustments are then included with the collected rent resulting in an achievable market rent for a unit comparable to the proposed unit. This analysis is done for each bedroom type proposed for the site.

Please note that non-numbered items in this report are not required by SCSHFDA; they have been included, however, based on Bowen National Research's opinion that it is necessary to consider these details to effectively address the development potential of proposed projects.

2. REPORT LIMITATIONS

The intent of this report is to collect and analyze significant levels of data to forecast the market success of the subject property within an agreed to time period. Bowen National Research relies on a variety of sources of data to generate this report. These data sources are not always verifiable; Bowen National Research, however, makes a significant effort to ensure accuracy. While this is not always possible, we believe our effort provides an acceptable standard margin of error. Bowen National Research is not responsible for errors or omissions in the data provided by other sources.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved. Our compensation is not contingent on an action or event (such as the approval of a loan) resulting from the analyses, opinions, conclusions in or the use of this study.

Any reproduction or duplication of this report without the express approval of Bowen National Research is strictly prohibited.

3. SOURCES

Bowen National Research uses various sources to gather and confirm data used in each analysis. These sources, which are cited throughout this report, include the following:

- The 2000 and 2010 Census on Housing
- American Community Survey
- ESRI
- Urban Decision Group (UDG)
- Applied Geographic Solutions
- Area Chamber of Commerce
- U.S. Department of Labor
- U.S. Department of Commerce
- Management for each property included in the survey
- Local planning and building officials
- Local housing authority representatives
- South Carolina State Housing Finance and Development Authority

ADDENDUM A: FIELD SURVEY OF CONVENTIONAL RENTALS

SPARTANBURG, SOUTH CAROLINA

The following section is a field survey of conventional rental properties. These properties were identified through a variety of sources including area apartment guides, yellow page listings, government agencies, the Chamber of Commerce, and our own field inspection. The intent of this field survey is to evaluate the overall strength of the existing rental market, identify trends that impact future development, and identify those properties that would be considered most comparable to the subject site.

The field survey has been organized by the type of project surveyed. Properties have been color coded to reflect the project type. Projects have been designated as market-rate, Tax Credit, government-subsidized, or a combination of the three project types. The field survey is organized as follows:

- A color-coded map indicating each property surveyed and the project type followed by a list of properties surveyed.
- Properties surveyed by name, address, telephone number, project type, year built or renovated (if applicable), number of floors, total units, occupancy rate, quality rating, rent incentives, and Tax Credit designation. Housing Choice Vouchers and Rental Assistance are also noted here. Note that projects are organized by project type.
- Distribution of non-subsidized and subsidized units and vacancies in properties surveyed.
- Listings for unit and project amenities, parking options, optional charges, utilities (including responsibility), and appliances.
- Collected rent by unit type and bedrooms.
- Unit size by unit type and bedrooms.
- Calculations of rent per square foot (all utilities are adjusted to reflect similar utility responsibility). Data is summarized by unit type.
- An analysis of units, vacancies, and median rent. Where applicable, non-subsidized units are distributed separately.
- An analysis of units added to the area by project construction date and, when applicable, by year of renovation.
- Aggregate data and distributions for all non-subsidized properties are provided for appliances, unit amenities and project amenities.

- A rent distribution is provided for all market-rate and non-subsidized Tax Credit units by unit type. Note that rents are adjusted to reflect common utility responsibility.
- Aggregation of projects by utility responsibility (market-rate and non-subsidized Tax Credit only).
- A utility allowance worksheet.

Note that other than the property listing following the map, data is organized by project types. Market-rate properties (blue designation) are first followed by variations of market-rate and Tax Credit properties. Non-government subsidized Tax Credit properties are red and government-subsidized properties are yellow. See the color codes at the bottom of each page for specific project types.

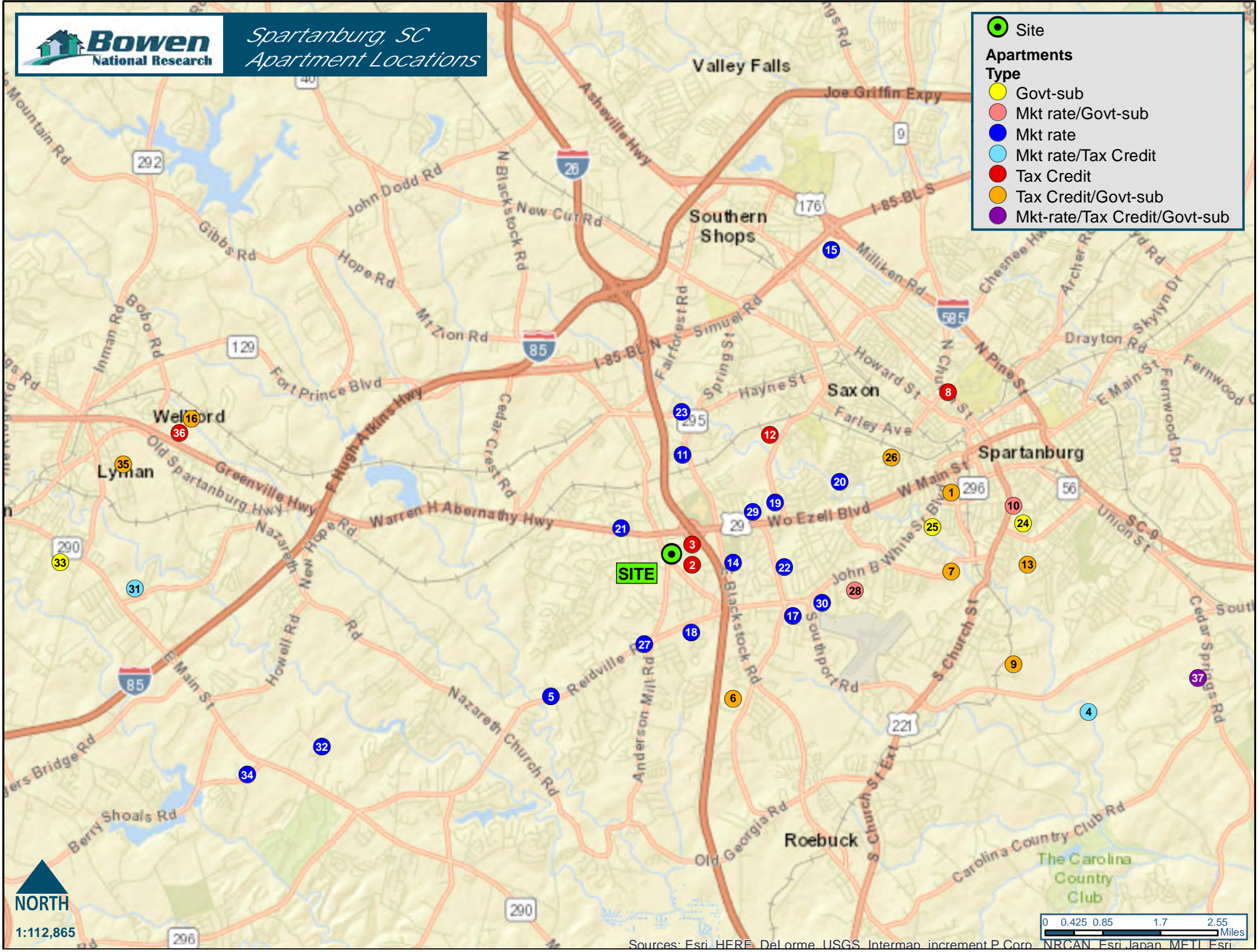


Spartanburg, SC Apartment Locations

Site
● Site

Apartments Type

- Govt-sub
- Mkt rate/Govt-sub
- Mkt rate
- Mkt rate/Tax Credit
- Tax Credit
- Tax Credit/Govt-sub
- Mkt-rate/Tax Credit/Govt-sub



NORTH
1:112,865

0 0.425 0.85 1.7 2.55 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri, Japan, METI, Esri

MAP IDENTIFICATION LIST - SPARTANBURG, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
1	Highland Crossing Apts.	TGS	B+	2016	72	0	100.0%	4.5
2	Willow Crossing	TAX	A+	2012	48	0	100.0%	0.1
3	Willow Trace Townhomes	TAX	B	2015	28	0	100.0%	0.1
4	Canaan Pointe	MRT	B+	1998	120	4	96.7%	6.9
5	River Run	MRR	A	2010	272	43	84.2%	3.1
6	Country Garden Estates I & II	TGS	B	2002	100	0	100.0%	2.9
7	Crescent Hill Apts.	TGS	C	1971	150	5	96.7%	4.3
8	Fremont School	TAX	C-	2002	21	0	100.0%	4.8
9	Ridge at Southport	TGS	A	2009	78	0	100.0%	5.4
10	Heritage Court	MRG	B+	1985	150	0	100.0%	5.4
11	Reserve at Park West I & II	MRR	A	2008	408	86	78.9%	2.3
12	Companion at Lee's Crossing I	TAX	B+	2010	192	0	100.0%	3.4
13	Collins Park & Cottage Grove	TGS	B	2007	108	0	100.0%	5.4
14	Magnolia Townhomes	MRR	B-	1974	98	2	98.0%	1.8
15	Chartwell North End	MRR	B+	1996	204	8	96.1%	5.8
16	Woodstream Apts.	TGS	C+	1985	24	0	100.0%	7.0
17	Park Place	MRR	B	1986	184	2	98.9%	2.7
18	Parkside at Laurel West	MRR	A-	1996	496	17	96.6%	1.4
19	Crown Point	MRR	B	1974	241	4	98.3%	2.3
20	Bluffs Apts.	MRR	B	1982	144	4	97.2%	3.0
21	Veridian Apts.	MRR	A-	1998	215	58	73.0%	1.2
22	Timbercreek	MRR	B-	1974	116	7	94.0%	2.7
23	Mayfair Lofts	MRR	B+	2005	107	0	100.0%	2.9
24	Tobias B. Hartwell Campus	GSS	B+	2001	118	0	100.0%	5.6
25	Norris Ridge Apts.	GSS	D	1950	194	0	100.0%	4.7
26	Summer Place	TGS	A-	2008	53	0	100.0%	3.7
27	Willow Lakes Apts.	MRR	B-	1983	95	0	100.0%	1.8
28	Woodland Apts.	MRG	B-	1972	100	0	100.0%	3.2
29	Park Square Apts	MRR	B-	1974	96	5	94.8%	1.8
30	Timberlane Apts.	MRR	B+	1989	84	10	88.1%	2.5
31	Culpepper Landing I & II	MRT	A-	1998	192	5	97.4%	7.8
32	Chartwell River Falls	MRR	A	2008	232	3	98.7%	7.2
33	Hampton Ridge	GSS	C+	1982	54	0	100.0%	9.0
34	Chartwell Berry Shoals	MRR	A	2003	248	4	98.4%	7.6
35	Hidden Valley	TGS	B	1989	40	0	100.0%	8.3
36	Monarch Place	TAX	B+	1999	64	0	100.0%	6.9
37	Cedar Springs Place	TMG	B+	2008	48	0	100.0%	9.0

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

* - Drive Distance (Miles)

Survey Date: January 2017



MAP IDENTIFICATION LIST - SPARTANBURG, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
	PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C		
	MRR	16	3,240	253	92.2%	8		
	MRT	2	312	9	97.1%	0		
	MRG	2	250	0	100.0%	0		
	TMG	1	48	0	100.0%	0		
	TAX	5	353	0	100.0%	25		
	TGS	8	625	5	99.2%	0		
	GSS	3	366	0	100.0%	0		

Total units does not include units under construction.

◆ Senior Restricted
■ Market-rate
■ Market-rate/Tax Credit
■ Market-rate/Government-subsidized
■ Market-rate/Tax Credit/Government-subsidized
■ Tax Credit
■ Tax Credit/Government-subsidized
■ Government-subsidized

* - Drive Distance (Miles)

Survey Date: January 2017

DISTRIBUTION OF UNITS - SPARTANBURG, SOUTH CAROLINA

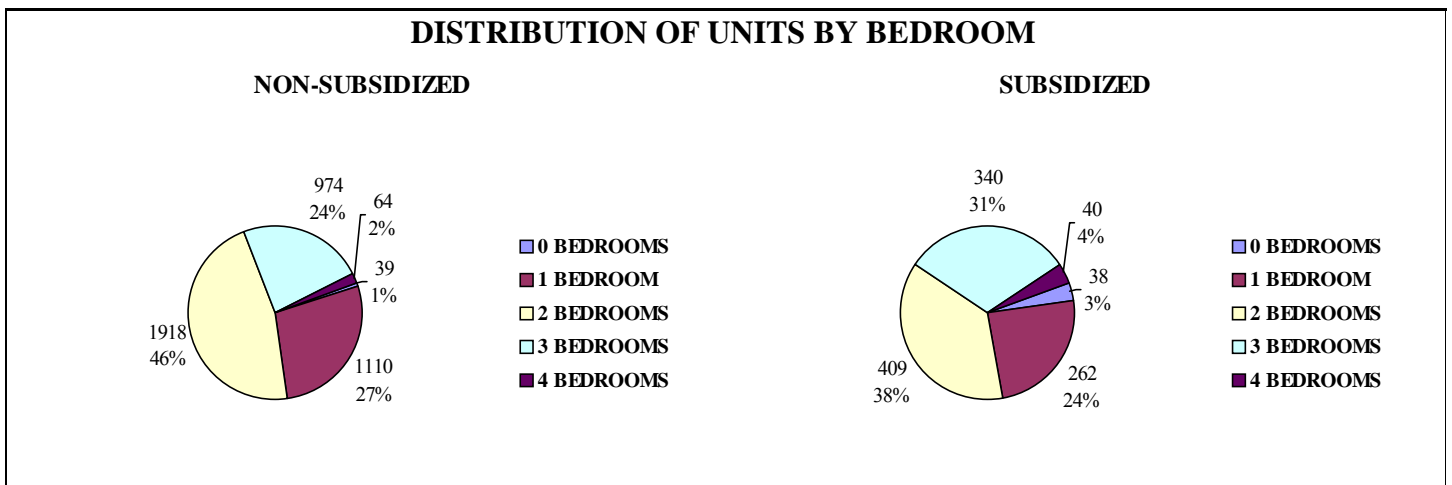
MARKET-RATE						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	36	1.0%	5	13.9%	\$972
1	1	1,024	29.0%	72	7.0%	\$968
2	1	166	4.7%	7	4.2%	\$881
2	1.5	164	4.6%	5	3.0%	\$891
2	2	1,405	39.8%	113	8.0%	\$1,106
3	1	65	1.8%	1	1.5%	\$995
3	1.5	12	0.3%	1	8.3%	\$1,096
3	2	624	17.7%	54	8.7%	\$1,222
3	2.5	16	0.5%	0	0.0%	\$1,116
4	2	16	0.5%	0	0.0%	\$1,003
TOTAL		3,528	100.0%	258	7.3%	
8 UNITS UNDER CONSTRUCTION						

TAX CREDIT, NON-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
0	1	3	0.5%	0	0.0%	\$478
1	1	86	14.9%	0	0.0%	\$594
2	1	4	0.7%	0	0.0%	\$599
2	1.5	44	7.6%	0	0.0%	\$772
2	2	135	23.4%	0	0.0%	\$710
3	2	199	34.5%	0	0.0%	\$822
3	2.5	58	10.1%	0	0.0%	\$908
4	2	48	8.3%	4	8.3%	\$928
TOTAL		577	100.0%	4	0.7%	
25 UNITS UNDER CONSTRUCTION						

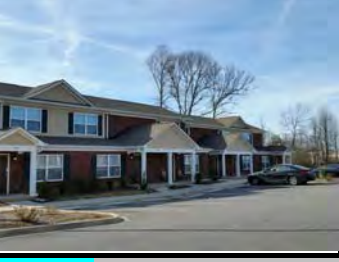
TAX CREDIT, GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	MEDIAN GROSS RENT
1	1	54	10.1%	0	0.0%	N.A.
2	1	81	15.1%	1	1.2%	N.A.
2	1.5	71	13.3%	0	0.0%	N.A.
2	2	3	0.6%	0	0.0%	N.A.
2	2.5	24	4.5%	0	0.0%	N.A.
3	1	117	21.9%	3	2.6%	N.A.
3	1.5	24	4.5%	0	0.0%	N.A.
3	2.5	125	23.4%	0	0.0%	N.A.
4	1	36	6.7%	1	2.8%	N.A.
TOTAL		535	100.0%	5	0.9%	

DISTRIBUTION OF UNITS - SPARTANBURG, SOUTH CAROLINA

GOVERNMENT-SUBSIDIZED						
BEDROOMS	BATHS	UNITS	DISTRIBUTION	VACANT	%VACANT	
0	1	38	6.9%	0	0.0%	N.A.
1	1	208	37.5%	0	0.0%	N.A.
2	1	133	24.0%	0	0.0%	N.A.
2	1.5	97	17.5%	0	0.0%	N.A.
3	1	3	0.5%	0	0.0%	N.A.
3	1.5	24	4.3%	0	0.0%	N.A.
3	2	47	8.5%	0	0.0%	N.A.
4	2	4	0.7%	0	0.0%	N.A.
TOTAL		554	100.0%	0	0.0%	
GRAND TOTAL		5,194	-	267	5.1%	



SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA




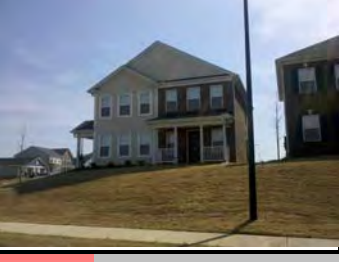

1 Highland Crossing Apts.			
	Address 230 Highland Ave. Spartanburg, SC 29306	Phone (864) 504-2375 (Contact in person)	Total Units 72
	Year Built 2016 Comments 60% AMHI; HUD PBV Rad Program; Opened & 100% occupied 12/2016; Square footage estimated	Contact Melissa	Vacancies 0 Occupied 100.0% Floors 2,3 Quality Rating B+
			Waiting List None
2 Willow Crossing			
	Address 101 Willow Crossing Ln. Spartanburg, SC 29301	Phone (864) 699-9965 (Contact in person)	Total Units 48
	Year Built 2012 Comments 50% & 60% AMHI; HCV (12 units)	Contact Martha	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating A+
			Waiting List 319 households
3 Willow Trace Townhomes			
	Address 300 Willow Crossing Ln. Spartanburg, SC 29301	Phone (864) 327-8496 (Contact in person)	Total Units 28
	Year Built 2015 Comments 50% & 60% AMHI; HCV (6 units)	Contact Kim	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B
			Waiting List 325 households
4 Canaan Pointe			
	Address 200 Canaan Point Dr. Spartanburg, SC 29306	Phone (864) 577-9922 (Contact in person)	Total Units 120
	Year Built 1998 Comments Market-rate (24 units); 60% AMHI (96 units); HCV (68 units); Vacancies due to eviction sweep; Unit mix estimated	Contact Daniel	Vacancies 4 Occupied 96.7% Floors 2 Quality Rating B+
Rent Special Prorated rent is free & application fee waived			Waiting List None
5 River Run			
	Address 901 Meridian River Run Spartanburg, SC 29301	Phone (864) 595-7474 (Contact in person)	Total Units 272
	Year Built 2010 Comments Does not accept HCV; Rent range due to floor level & view; Phase II opened between 4/2016, stabilized occupancy 10/2016, began preleasing 2/2016; Phase II 1-br include washer/dryer; Vacancies due to tenants purchasing	Contact Nikki	Vacancies 43 Occupied 84.2% Floors 3,4 Quality Rating A
Rent Special Pro-rated rent free			Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA






6 Country Garden Estates I & II			
	Address 346 N. Sunflower Way Moore, SC 29369	Phone (864) 574-0072 (Contact in person)	Total Units 100
	Year Built 2002	Contact Carolyn	Vacancies 0
	Comments 50% & 60% AMHI (90 units); Public Housing & 50% AMHI (10 units); HCV (Approx. 50 units); HOPE VI; 3-br garden unit is single family home		Occupied 100.0%
			Floors 1,2
			Quality Rating B
			Single-Family Homes Waiting List
			GSS: 700 households
7 Crescent Hill Apts.			
	Address 108 Pineneedle Dr. Spartanburg, SC 29306	Phone (864) 582-7877 (Contact in person)	Total Units 150
	Year Built 1971 Renovated 2001	Contact Katera	Vacancies 5
	Comments 60% AMHI; HUD Section 8		Occupied 96.7%
			Floors 2
			Quality Rating C
			Waiting List
			None
8 Fremont School			
	Address 600 Magnolia St. Spartanburg, SC 29303	Phone (864) 576-1073 (Contact in person)	Total Units 21
	Year Built 2002	Contact Todd	Vacancies 0
	Comments 50% & 60% AMHI; HCV (3 units); Adaptive reuse of school, original year built 1915; UC units pending renovations, unknown completion date		Occupied 100.0%
			Floors 2.5
			Quality Rating C-
			Waiting List
			None
9 Ridge at Southport			
	Address 305 Grand Central Ave. Spartanburg, SC 29306	Phone (864) 598-6089 (Contact in person)	Total Units 78
	Year Built 2009	Contact Deanne	Vacancies 0
	Comments 60% AMHI & Public Housing (50 units); 60% AMHI & HUD Section 8 (28 units); HOPE VI; Unit mix for 3-br Public Housing estimated		Occupied 100.0%
			Floors 2
			Quality Rating A
			Waiting List
			105 households
10 Heritage Court			
	Address 425 S. Church St. Spartanburg, SC 29306	Phone (864) 585-8595 (Contact in person)	Total Units 150
	Year Built 1985	Contact Vicki	Vacancies 0
	Comments Market-rate (1 unit); HUD Section 8 (149 units); Select units have ceiling fans		Occupied 100.0%
			Floors 5
			Quality Rating B+
			Senior Restricted (62+)
			Waiting List
			9 - 24 months

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA

11 Reserve at Park West I & II			
	Address 100 Keats Dr. Spartanburg, SC 29301	Phone (864) 208-0900 (Contact in person)	Total Units 408
	Year Built 2008	Contact Alan	Vacancies 86
	Comments Accepts HCV (0 currently); Rent changes daily; Phase II (144 units) opened 10/2016, still in lease-up, began preleasing 4/2016; Rent range based on phase		Occupied 78.9%
	Rent Special \$150 off 1st month's rent		Floors 3
			Quality Rating A
			Waiting List None
12 Companion at Lee's Crossing I			
	Address 100 Lees Crossing Dr. Spartanburg, SC 29301	Phone (864) 481-1422 (Contact in person)	Total Units 192
	Year Built 2010	Contact Chris	Vacancies 0
	Comments 60% AMHI, Tax Credit Bond; Accepts HCV (approx.59 units)		Occupied 100.0%
			Floors 3,4
			Quality Rating B+
			Waiting List None
13 Collins Park & Cottage Grove			
	Address 106 Rev. Booker T. Sears St. Spartanburg, SC 29306	Phone (864) 598-6256 (Contact in person)	Total Units 108
	Year Built 2007	Contact Paulette	Vacancies 0
	Comments 60% AMHI & Public Housing (60 units); 60% AMHI & Section 8 (48 units); HOPE VI		Occupied 100.0%
			Floors 2
			Quality Rating B
			Waiting List 30 households
14 Magnolia Townhomes			
	Address 201 E. Blackstock Rd. Spartanburg, SC 29301	Phone (864) 574-2900 (Contact in person)	Total Units 98
	Year Built 1974	Contact Janice	Vacancies 2
	Comments Does not accept HCV; Most townhomes have washer/dryer hookups; Select units have ceiling fans		Occupied 98.0%
			Floors 1,2
			Quality Rating B-
			Waiting List 2-br: 1 household
15 Chartwell North End			
	Address 425 Willowdale Dr. Spartanburg, SC 29303	Phone (864) 598-9999 (Contact in person)	Total Units 204
	Year Built 1996	Contact Shelly	Vacancies 8
	Comments Does not accept HCV; 2nd & 3rd floor units have fireplace; Rent range based on unit upgrades		Occupied 96.1%
			Floors 3
			Quality Rating B+
			Waiting List None

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA

16 Woodstream Apts.			
	Address 313 N. Craft St. Wellford, SC 29385	Phone (864) 439-0808 (Contact in person)	Total Units 24
	Year Built 1985 Renovated 2010 Contact Tanya	Comments 60% AMHI, Tax Credit Bond; RD 515, no RA; HCV (7 units)	
			Waiting List 6 households
17 Park Place			
	Address 110 Southport Rd. Spartanburg, SC 29306	Phone (864) 576-4319 (Contact in person)	Total Units 184
	Year Built 1986 Contact Jewel	Comments Does not accept HCV; Rents change daily; 16 2-br have microwaves & fireplace; All 2nd floor units have fireplace; Rent range based on amenities & unit location	Vacancies 2 Occupied 98.9% Floors 2 Quality Rating B
			Waiting List None
18 Parkside at Laurel West			
	Address 3400 Portrush Dr. Spartanburg, SC 29301	Phone (864) 587-0101 (Contact in person)	Total Units 496
	Year Built 1996 Contact Chris	Comments Does not accept HCV; Ph II 1998, ph III 2003; Renovated & ph III units have ceiling fans & microwaves; Sm renovated units have hardwood floor; Rent range based on phase & unit amenities; Rents change daily	Vacancies 17 Occupied 96.6% Floors 2,3 Quality Rating A-
Rent Special Application & admin fee discounted			Waiting List None
19 Crown Point			
	Address 201 Powell Mill Rd. Spartanburg, SC 29301	Phone (864) 576-7670 (Contact in person)	Total Units 241
	Year Built 1974 Renovated 2007 Contact Adriana	Comments Does not accept HCV; Approx. 10% of units have a "recreation room" attached, with direct, private access; 2 & 3-br have washer/dryer hookups; Select units have ceiling fans	Vacancies 4 Occupied 98.3% Floors 2,3 Quality Rating B
Rent Special Deposit \$149			Waiting List None
20 Bluffs Apts.			
	Address 100 Vanderbilt Ln. Spartanburg, SC 29303	Phone (864) 574-4877 (Contact in person)	Total Units 144
	Year Built 1982 Contact Bonnie	Comments Does not accept HCV; Townhomes have patio/balcony; Select units have disposals & ceiling fan; 1 & 2-br garden units have exterior storage; Typical 2-br townhome rent: \$788	Vacancies 4 Occupied 97.2% Floors 2 Quality Rating B
Rent Special Reported 2-br townhome rent discounted			Waiting List None

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA

21	Veridian Apts.						
	Address 315 Birchrun Dr. Spartanburg, SC 29301	Phone (864) 990-5871 (Contact in person)	Total Units 215	Vacancies 58	Occupied 73.0%	Floors 3	Quality Rating A-
	Year Built 1998 Renovated 2014 Contact Tramel	Comments Does not accept HCV; All units except studios have washer/dryer hookups & patio; 3rd floor units have vaulted ceilings; Vacancies attributed to market & season; Unit mix & vacancies estimated	Rent Special One month's rent free	Waiting List	None		
22	Timbercreek						
	Address 501 Camelot Dr. Spartanburg, SC 29301	Phone (864) 576-4420 (Contact in person)	Total Units 116	Vacancies 7	Occupied 94.0%	Floors 2	Quality Rating B-
	Year Built 1974 Renovated 1997 Contact Marquite	Comments Does not accept HCV	Waiting List	None			
23	Mayfair Lofts						
	Address 100 W. Cleveland St. Spartanburg, SC 29301	Phone (864) 576-1073 (Contact in person)	Total Units 107	Vacancies 0	Occupied 100.0%	Floors 3.5	Quality Rating B+
	Year Built 2005 Contact Todd	Comments Does not accept HCV; Higher 2-br rent for remodeled units; Adaptive reuse of former mill, originally built in 1922; Flooring is polished concrete	Waiting List	None			
24	Tobias B. Hartwell Campus						
	Address 154 Geo. Washington Carver Dr. Spartanburg, SC 29306	Phone (864) 598-6060 (Contact in person)	Total Units 118	Vacancies 0	Occupied 100.0%	Floors 1,2	Quality Rating B+
	Year Built 2001 Contact Semi	Comments Public Housing	Waiting List	None			
25	Norris Ridge Apts.						
	Address 350 Norris St. Spartanburg, SC 29306	Phone (864) 585-5176 (Contact in person)	Total Units 194	Vacancies 0	Occupied 100.0%	Floors 2	Quality Rating D
	Year Built 1950 Renovated 1987 Contact Elizabeth	Comments HUD Section 8, MOD Rehab	Waiting List	1 & 3-br: 34 HH			

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA

26 Summer Place			
	Address 700 Vanderbilt Rd. Spartanburg, SC 29301	Phone (864) 598-6045 (Contact in person)	Total Units 53
	Year Built 2008 Comments 50% & 60% AMHI; HUD Section 8; Part of HOPE VI	Contact Christina	Vacancies 0 Occupied 100.0% Floors 1,2 Quality Rating A- Waiting List None
27 Willow Lakes Apts.			
	Address 2900 Reidville Rd. Spartanburg, SC 29301	Phone (864) 699-9241 (Contact in person)	Total Units 95
	Year Built 1983 Renovated 2002 Comments HCV (4 units); All units except studios have washer/dryer hookups, ceiling fans & patios; Select units have dishwashers	Contact Yolanda	Vacancies 0 Occupied 100.0% Floors 1 Quality Rating B- Waiting List None
28 Woodland Apts.			
	Address 180 S. Pine Lake Rd. Spartanburg, SC 29306	Phone (864) 576-6024 (Contact in person)	Total Units 100
	Year Built 1972 Comments Market rate (80 units); HUD Section 8 (20 units); HCV (47 units); HUD insured property	Contact Mereinda	Vacancies 0 Occupied 100.0% Floors 2 Quality Rating B- Waiting List 8 households
29 Park Square Apts			
	Address 1480 W.O. Ezell Blvd. Spartanburg, SC 29301	Phone (864) 574-2055 (Contact in person)	Total Units 96
	Year Built 1974 Renovated 2002 Comments Does not accept HCV; Rents change daily	Contact Lisa	Vacancies 5 Occupied 94.8% Floors 2 Quality Rating B- Waiting List None
30 Timberlane Apts.			
	Address 106 Kensington Dr. Spartanburg, SC 29306	Phone (864) 336-2837 (Contact in person)	Total Units 84
	Year Built 1989 Comments Does not accept HCV; 2-br/1-ba has fireplaces; Rent range based on renovated units; 8 units under renovation, unknown completion date; Vacancies due to eviction sweep	Contact Tanica	Vacancies 10 Occupied 88.1% Floors 2,3 Quality Rating B+ Waiting List None
Rent Special \$114 off one month's rent			

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA



31 Culpepper Landing I & II			
	Address 201 Culpepper Landing Dr. Duncan, SC 29334	Phone (864) 486-0022 (Contact in person)	Total Units 192
	Year Built 1998	Contact Kimberly	Vacancies 5
	Comments Former Tax Credit property; HOME Funds (10 units at 50% & 60% AMHI); HCV (14 units, but no longer accept); Rent range based on updated units		Occupied 97.4%
	Rent Special 50% off 1st month's rent		Floors 3
			Quality Rating A-
			Waiting List None
32 Chartwell River Falls			
	Address 150 Churchill Falls Dr. Duncan, SC 29334	Phone (864) 438-2300 (Contact in person)	Total Units 232
	Year Built 2008	Contact Chelsea	Vacancies 3
	Comments Does not accept HCV; Rents change daily		Occupied 98.7%
	Rent Special One month's rent free; Application & admin fee 50% off		Floors 3,4
			Quality Rating A
			Waiting List None
33 Hampton Ridge			
	Address 121 Lyman Ave. Duncan, SC 29334	Phone (864) 439-7856 (Contact in person)	Total Units 54
	Year Built 1982	Contact Ryan	Vacancies 0
	Comments RD 515, has RA (22 units); HCV (5 units); Random units have tenant installed ceiling fans		Occupied 100.0%
			Floors 2
			Quality Rating C+
			Waiting List 35 households
34 Chartwell Berry Shoals			
	Address 200 Tralee Dr. Duncan, SC 29334	Phone (864) 486-9808 (Contact in person)	Total Units 248
	Year Built 2003	Contact Heather	Vacancies 4
	Comments Does not accept HCV; Select units have ceiling fans; 2 & 3-br have fireplace (96 units); Rent range based on floor level & unit location		Occupied 98.4%
			Floors 3,4
			Quality Rating A
			Waiting List None
35 Hidden Valley			
	Address 10 Valley Rd. Lyman, SC 29365	Phone (864) 439-3231 (Contact in person)	Total Units 40
	Year Built 1989 Renovated 2009	Contact Tanya	Vacancies 0
	Comments 60 AMHI, Tax Credit bond; RD 515, no RA; HCV (16 units)		Occupied 100.0%
			Floors 1,2
			Quality Rating B
			Waiting List 5 households

Project Type

Market-rate
Market-rate/Tax Credit
Market-rate/Government-subsidized
Market-rate/Tax Credit/Government-subsidized
Tax Credit
Tax Credit/Government-subsidized
Government-subsidized

Survey Date: January 2017

SURVEY OF PROPERTIES - SPARTANBURG, SOUTH CAROLINA

36 Monarch Place			
	Address 200 Monarch Pl. Wellford, SC 29385	Phone (864) 439-1080 (Contact in person)	Total Units 64 Vacancies 0 Occupied 100.0%
	Year Built 1999 Comments 60% AMHI; Accepts HCV	Contact Dee	Floors 2 Quality Rating B+ Waiting List None
37 Cedar Springs Place			
	Address 200 Serenity Springs Ln. Spartanburg, SC 29302	Phone (864) 253-8450 (Contact in person)	Total Units 48 Vacancies 0 Occupied 100.0%
	Year Built 2008 Comments 50% AMHI (28 units); Market-rate (1 unit); Public Housing (19 units); HCV (19 units); HOPE VI	Contact Juveull	Floors 2 Quality Rating B+ Senior Restricted (55+) Waiting List 30 households

Project Type

■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

COLLECTED RENTS - SPARTANBURG, SOUTH CAROLINA

MAP ID	GARDEN UNITS					TOWNHOUSE UNITS			
	STUDIO	1-BR	2-BR	3-BR	4+ BR	1-BR	2-BR	3-BR	4+ BR
2			\$460 to \$525	\$530 to \$600					
3							\$460 to \$500	\$525 to \$600	
4				\$751 to \$850	\$825 to \$900			\$751 to \$850	\$825 to \$900
5		\$945 to \$990	\$1125 to \$1155	\$1320 to \$1350					
6		\$391 to \$500		\$711			\$491 to \$621	\$521 to \$711	
8	\$478	\$513 to \$599	\$599 to \$699						
10		\$771							
11		\$832 to \$1102	\$962 to \$1180	\$1047 to \$1147					
12		\$540	\$640	\$735					
14		\$725					\$755	\$885	
15		\$765 to \$915	\$830 to \$1000	\$1050 to \$1245					
17		\$738 to \$753	\$878 to \$933	\$953 to \$983					
18		\$860 to \$940	\$895 to \$960	\$970 to \$995					
19		\$659	\$719 to \$729	\$789					
20		\$705	\$755				\$729	\$905	
21	\$858	\$935	\$1015	\$1160					
22		\$634	\$729	\$834					
23		\$870 to \$995	\$1070 to \$1250				\$1095		
27	\$455	\$485	\$650						
28		\$525	\$650	\$725					\$850
29			\$825	\$910					
30		\$670 to \$680	\$740 to \$825	\$950 to \$995					
31			\$562 to \$795	\$643 to \$895					
32		\$952 to \$1055	\$942	\$1246					
34		\$948 to \$1261	\$970 to \$1176	\$1019 to \$1369					
36			\$626	\$705					
37		\$256 to \$513							

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
■	Market-rate/Government-subsidized
■	Market-rate/Tax Credit/Government-subsidized
■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

PRICE PER SQUARE FOOT - SPARTANBURG, SOUTH CAROLINA

STUDIO UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
21	Veridian Apts.	1	400	\$972	\$2.43
27	Willow Lakes Apts.	1	288	\$569	\$1.98
8	Fremont School	1	680	\$478	\$0.70
ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	River Run	1	916	\$979 to \$1024	\$1.07 to \$1.12
11	Reserve at Park West I & II	1	740 to 828	\$920 to \$1190	\$1.24 to \$1.44
14	Magnolia Townhomes	1	742	\$849	\$1.14
15	Chartwell North End	1	816	\$889 to \$1039	\$1.09 to \$1.27
17	Park Place	1	804	\$862 to \$877	\$1.07 to \$1.09
18	Parkside at Laurel West	1	675 to 764	\$968 to \$1048	\$1.37 to \$1.43
19	Crown Point	1	756 to 1512	\$783	\$0.52 to \$1.04
20	Bluffs Apts.	1	700	\$829	\$1.18
21	Veridian Apts.	1	566	\$1059	\$1.87
22	Timbercreek	1	752	\$732	\$0.97
23	Mayfair Lofts	1	635 to 1200	\$904 to \$1029	\$0.86 to \$1.42
27	Willow Lakes Apts.	1	576	\$609	\$1.06
30	Timberlane Apts.	1	650	\$731 to \$741	\$1.12 to \$1.14
32	Chartwell River Falls	1	828 to 904	\$1076 to \$1179	\$1.30 to \$1.30
34	Chartwell Berry Shoals	1	872	\$1072 to \$1385	\$1.23 to \$1.59
◆ 10	Heritage Court	1	576	\$771	\$1.34
28	Woodland Apts.	1	648	\$554	\$0.85
◆ 37	Cedar Springs Place	1	700	\$216 to \$473	\$0.31 to \$0.68
8	Fremont School	1	710	\$513 to \$599	\$0.72 to \$0.84
12	Companion at Lee's Crossing I	1	730	\$594	\$0.81
6	Country Garden Estates I & II	1	907	\$506 to \$615	\$0.56 to \$0.68
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	River Run	2	1086	\$1175 to \$1205	\$1.08 to \$1.11
11	Reserve at Park West I & II	2	1023 to 1173	\$1088 to \$1306	\$1.06 to \$1.11
14	Magnolia Townhomes	1.5	905	\$917	\$1.01
15	Chartwell North End	2	1075	\$992 to \$1162	\$0.92 to \$1.08
17	Park Place	2	1044 to 1188	\$1040 to \$1095	\$0.92 to \$1.00
18	Parkside at Laurel West	2	916 to 1040	\$1041 to \$1106	\$1.06 to \$1.14
19	Crown Point	1	915 to 1830	\$881	\$0.48 to \$0.96

◆	Senior Restricted
■	Market-rate
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■	Tax Credit
■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017



PRICE PER SQUARE FOOT - SPARTANBURG, SOUTH CAROLINA

TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
19	Crown Point	2	1014 to 2028	\$891	\$0.44 to \$0.88
20	Bluffs Apts.	1.5	925	\$891	\$0.96
		2	875	\$917	\$1.05
21	Veridian Apts.	2	866	\$1177	\$1.36
22	Timbercreek	1.5	1062	\$862	\$0.81
23	Mayfair Lofts	2	1250 to 1504	\$1120 to \$1300	\$0.86 to \$0.90
27	Willow Lakes Apts.	1 to 2	864	\$812	\$0.94
29	Park Square Apts	1	950	\$897	\$0.94
30	Timberlane Apts.	1 to 2	912	\$815 to \$900	\$0.89 to \$0.99
32	Chartwell River Falls	2	1133	\$1104	\$0.97
34	Chartwell Berry Shoals	2	1148	\$1132 to \$1338	\$0.99 to \$1.17
31	Culpepper Landing I & II	2	788	\$708 to \$941	\$0.90 to \$1.19
28	Woodland Apts.	1	780	\$688	\$0.88
2	Willow Crossing	2	1100	\$530 to \$595	\$0.48 to \$0.54
3	Willow Trace Townhomes	2	1100	\$530 to \$570	\$0.48 to \$0.52
8	Fremont School	1	840	\$599 to \$699	\$0.71 to \$0.83
12	Companion at Lee's Crossing I	2	1057	\$710	\$0.67
36	Monarch Place	1.5	985	\$772	\$0.78
6	Country Garden Estates I & II	1.5 to 2	1184	\$642 to \$772	\$0.54 to \$0.65
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
5	River Run	2	1280	\$1387 to \$1417	\$1.08 to \$1.11
11	Reserve at Park West I & II	2	1236 to 1304	\$1222 to \$1322	\$0.99 to \$1.01
14	Magnolia Townhomes	1.5	1027	\$1096	\$1.07
15	Chartwell North End	2	1292	\$1261 to \$1456	\$0.98 to \$1.13
17	Park Place	2	1284	\$1164 to \$1194	\$0.91 to \$0.93
18	Parkside at Laurel West	2	1130 to 1262	\$1165 to \$1190	\$0.94 to \$1.03
19	Crown Point	2	1198 to 2396	\$1000	\$0.42 to \$0.83
20	Bluffs Apts.	2.5	1225	\$1116	\$0.91
21	Veridian Apts.	2	1082	\$1371	\$1.27
22	Timbercreek	2	1280	\$1013	\$0.79
29	Park Square Apts	1	1150	\$995	\$0.87
30	Timberlane Apts.	2	1185	\$1039 to \$1084	\$0.88 to \$0.91
32	Chartwell River Falls	2	1316	\$1457	\$1.11
34	Chartwell Berry Shoals	2	1370	\$1230 to \$1580	\$0.90 to \$1.15

◆	Senior Restricted
■	Market-rate
■	Market-rate/Tax Credit
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■	Tax Credit/Government-subsidized
■	Government-subsidized

Survey Date: January 2017

PRICE PER SQUARE FOOT - SPARTANBURG, SOUTH CAROLINA

THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Canaan Pointe	2	1109 to 1216	\$838 to \$937	\$0.76 to \$0.77
31	Culpepper Landing I & II	2	788 to 1128	\$838 to \$1090	\$0.97 to \$1.06
28	Woodland Apts.	1	945	\$771	\$0.82
2	Willow Crossing	2	1200	\$617 to \$687	\$0.51 to \$0.57
3	Willow Trace Townhomes	2	1250	\$612 to \$687	\$0.49 to \$0.55
12	Companion at Lee's Crossing I	2	1248	\$822	\$0.66
36	Monarch Place	2	1190	\$900	\$0.76
6	Country Garden Estates I & II	2.5	1272	\$718 to \$908	\$0.56 to \$0.71
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Canaan Pointe	2	1309 to 1358	\$928 to \$1003	\$0.71 to \$0.74
28	Woodland Apts.	2	1092	\$905	\$0.83

◆ Senior Restricted
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■ Government-subsidized

Survey Date: January 2017

AVERAGE GROSS RENT PER SQUARE FOOT - SPARTANBURG, SOUTH CAROLINA

MARKET-RATE			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.23	\$1.04	\$0.95
TOWNHOUSE	\$0.00	\$0.94	\$0.93

TAX CREDIT (NON-SUBSIDIZED)			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$0.63	\$0.68	\$0.68
TOWNHOUSE	\$0.00	\$0.57	\$0.67

COMBINED			
UNIT TYPE	ONE-BR	TWO-BR	THREE-BR
GARDEN	\$1.19	\$1.01	\$0.90
TOWNHOUSE	\$0.00	\$0.87	\$0.73

TAX CREDIT UNITS - SPARTANBURG, SOUTH CAROLINA

STUDIO UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
8	Fremont School	3	680	1	50%	\$478
ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
37	Cedar Springs Place	28	700	1	50%	\$256
6	Country Garden Estates I & II	2	907	1	50%	\$391
6	Country Garden Estates I & II	4	907	1	50%	\$391
35	Hidden Valley	4	620	1	60%	\$415 - \$435
1	Highland Crossing Apts.	16	680	1	60%	\$423
9	Ridge at Southport	10	720	1	60%	\$435
13	Collins Park & Cottage Grove	14	720	1	60%	\$435
16	Woodstream Apts.	8	650	1	60%	\$458 - \$514
6	Country Garden Estates I & II	4	907	1	60%	\$500
8	Fremont School	5	710	1	50%	\$513
12	Companion at Lee's Crossing I	36	730	1	60%	\$540
8	Fremont School	9	710	1	60%	\$599
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Willow Trace Townhomes	3	1100	2	50%	\$460
2	Willow Crossing	8	1100	2	50%	\$460
13	Collins Park & Cottage Grove	24	1006	2.5	60%	\$470
9	Ridge at Southport	29	1006	1	60%	\$470
35	Hidden Valley	36	920	1.5	60%	\$480 - \$535
1	Highland Crossing Apts.	32	990	1.5	60%	\$483
16	Woodstream Apts.	16	850	1	60%	\$488 - \$544
6	Country Garden Estates I & II	12	1184	1.5 - 2	50%	\$491
6	Country Garden Estates I & II	6	1184	1.5 - 2	50%	\$491
3	Willow Trace Townhomes	5	1100	2	60%	\$500
2	Willow Crossing	8	1100	2	60%	\$525
31	Culpepper Landing I & II	1	788	2	50%	\$562
8	Fremont School	3	840	1	50%	\$599
6	Country Garden Estates I & II	12	1184	1.5 - 2	60%	\$621
36	Monarch Place	32	985	1.5	60%	\$626
12	Companion at Lee's Crossing I	98	1057	2	60%	\$640
8	Fremont School	1	840	1	60%	\$699
7	Crescent Hill Apts.	36	871	1	60%	\$774

◆ - Senior Restricted

TAX CREDIT UNITS - SPARTANBURG, SOUTH CAROLINA

THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
6	Country Garden Estates I & II	4	1272	2.5	50%	\$521
6	Country Garden Estates I & II	2	1272	2.5	50%	\$521
3	Willow Trace Townhomes	4	1250	2	50%	\$525
2	Willow Crossing	4	1200	2	50%	\$530
3	Willow Trace Townhomes	16	1250	2	60%	\$600
2	Willow Crossing	28	1200	2	60%	\$600
13	Collins Park & Cottage Grove	22	1274 - 1452	2.5	60%	\$610
9	Ridge at Southport	7	1200	1	60%	\$610
9	Ridge at Southport	4	1274 - 1452	1	60%	\$610
1	Highland Crossing Apts.	24	1100	1.5	60%	\$611
31	Culpepper Landing I & II	4	1128	2	50%	\$643
26	Summer Place	3	750	2.5	60%	\$685
9	Ridge at Southport	28	1274	1	60%	\$685
26	Summer Place	36	761	2.5	60%	\$685
26	Summer Place	14	761	2.5	50%	\$685
13	Collins Park & Cottage Grove	48	1274 - 1452	2.5	60%	\$691
31	Culpepper Landing I & II	1	788	2	60%	\$702
36	Monarch Place	32	1190	2	60%	\$705
6	Country Garden Estates I & II	53	1272	2.5	60%	\$711
6	Country Garden Estates I & II	1	1272	2.5	60%	\$711
12	Companion at Lee's Crossing I	58	1248	2	60%	\$735
4	Canaan Pointe	5	1109	2	60%	\$751
4	Canaan Pointe	43	1216	2	60%	\$751
31	Culpepper Landing I & II	4	1128	2	60%	\$805
7	Crescent Hill Apts.	78	1039	1	60%	\$881
FOUR-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
4	Canaan Pointe	13	1309	2	60%	\$825
4	Canaan Pointe	35	1358	2	60%	\$825
7	Crescent Hill Apts.	36	1108	1	60%	\$988

◆ - Senior Restricted

QUALITY RATING - SPARTANBURG, SOUTH CAROLINA

MARKET-RATE PROJECTS AND UNITS

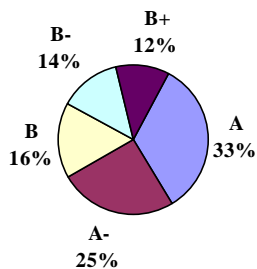
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	4	1,160	11.7%		\$1,076	\$1,175	\$1,387	
A-	3	893	9.0%	\$972	\$1,048	\$1,106	\$1,165	
B+	6	421	4.3%		\$904	\$1,120	\$1,261	\$1,003
B	3	569	1.8%		\$829	\$917	\$1,000	
B-	5	485	2.9%	\$569	\$609	\$897	\$995	\$905

TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

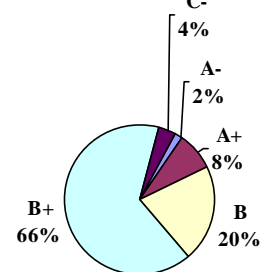
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A+	1	48	0.0%			\$530	\$687	
A-	1	10	0.0%			\$708	\$897	
B+	3	380	1.1%		\$594	\$710	\$838	\$928
B	2	118	0.0%		\$506	\$642	\$908	
C-	1	21	0.0%	\$478	\$599	\$599		

DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



YEAR BUILT - SPARTANBURG, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	5	631	18	2.9%	631	15.4%
1980 to 1989	5	508	16	3.1%	1139	12.4%
1990 to 1999	6	1291	92	7.1%	2430	31.4%
2000 to 2005	4	466	4	0.9%	2896	11.4%
2006	0	0	0	0.0%	2896	0.0%
2007	0	0	0	0.0%	2896	0.0%
2008	3	669	89	13.3%	3565	16.3%
2009	0	0	0	0.0%	3565	0.0%
2010	2	464	43	9.3%	4029	11.3%
2011	0	0	0	0.0%	4029	0.0%
2012	1	48	0	0.0%	4077	1.2%
2013	0	0	0	0.0%	4077	0.0%
2014	0	0	0	0.0%	4077	0.0%
2015	1	28	0	0.0%	4105	0.7%
2016**	0	0	0	0.0%	4105	0.0%
TOTAL	27	4105	262	6.4%	4105	100.0 %

YEAR RENOVATED - SPARTANBURG, SOUTH CAROLINA *

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	0	0	0	0.0%	0	0.0%
1980 to 1989	0	0	0	0.0%	0	0.0%
1990 to 1999	1	116	7	6.0%	116	15.2%
2000 to 2005	2	191	5	2.6%	307	25.0%
2006	0	0	0	0.0%	307	0.0%
2007	1	241	4	1.7%	548	31.6%
2008	0	0	0	0.0%	548	0.0%
2009	0	0	0	0.0%	548	0.0%
2010	0	0	0	0.0%	548	0.0%
2011	0	0	0	0.0%	548	0.0%
2012	0	0	0	0.0%	548	0.0%
2013	0	0	0	0.0%	548	0.0%
2014	1	215	58	27.0%	763	28.2%
2015	0	0	0	0.0%	763	0.0%
2016**	0	0	0	0.0%	763	0.0%
TOTAL	5	763	74	9.7%	763	100.0 %

Note: The upper table (Year Built) includes all of the units included in the lower table.

* Only Market-Rate and Tax Credit projects. Does not include government-subsidized projects.

** As of January 2017

APPLIANCES AND UNIT AMENITIES - SPARTANBURG, SOUTH CAROLINA

APPLIANCES			
APPLIANCE	PROJECTS	PERCENT	UNITS*
RANGE	26	100.0%	4,105
REFRIGERATOR	26	100.0%	4,105
ICEMAKER	11	42.3%	2,254
DISHWASHER	24	92.3%	4,024
DISPOSAL	22	84.6%	3,734
MICROWAVE	12	46.2%	2,383
UNIT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS*
AC - CENTRAL	26	100.0%	4,105
AC - WINDOW	0	0.0%	
FLOOR COVERING	26	100.0%	4,105
WASHER/DRYER	1	3.8%	272
WASHER/DRYER HOOK-UP	21	80.8%	3,878
PATIO/DECK/BALCONY	22	84.6%	3,878
CEILING FAN	21	80.8%	3,604
FIREPLACE	6	23.1%	1,360
BASEMENT	0	0.0%	
INTERCOM SYSTEM	2	7.7%	379
SECURITY SYSTEM	2	7.7%	524
WINDOW TREATMENTS	25	96.2%	3,998
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	2	7.7%	30

* - Does not include units where appliances/amenities are optional; Only includes market-rate or non-government subsidized Tax Credit.

PROJECT AMENITIES - SPARTANBURG, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	18	69.2%	3,649
ON-SITE MANAGEMENT	26	100.0%	4,105
LAUNDRY	23	88.5%	3,672
CLUB HOUSE	15	57.7%	3,010
MEETING ROOM	6	23.1%	421
FITNESS CENTER	17	65.4%	3,324
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	18	69.2%	3,336
COMPUTER LAB	10	38.5%	2,160
SPORTS COURT	5	19.2%	1,097
STORAGE	1	3.8%	28
LAKE	1	3.8%	184
ELEVATOR	3	11.5%	137
SECURITY GATE	1	3.8%	232
BUSINESS CENTER	3	11.5%	773
CAR WASH AREA	9	34.6%	2,380
PICNIC AREA	15	57.7%	3,009
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

DISTRIBUTION OF UTILITIES - SPARTANBURG, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
HEAT			
LANDLORD			
ELECTRIC	4	413	8.0%
GAS	1	100	1.9%
TENANT			
ELECTRIC	25	3,945	76.0%
GAS	7	736	14.2%
			100.0%
COOKING FUEL			
LANDLORD			
ELECTRIC	4	413	8.0%
GAS	1	100	1.9%
TENANT			
ELECTRIC	29	4,319	83.2%
GAS	3	362	7.0%
			100.0%
HOT WATER			
LANDLORD			
ELECTRIC	4	413	8.0%
GAS	1	100	1.9%
TENANT			
ELECTRIC	27	4,211	81.1%
GAS	5	470	9.0%
			100.0%
ELECTRIC			
LANDLORD	4	413	8.0%
TENANT	33	4,781	92.0%
			100.0%
WATER			
LANDLORD	17	1,854	35.7%
TENANT	20	3,340	64.3%
			100.0%
SEWER			
LANDLORD	16	1,704	32.8%
TENANT	21	3,490	67.2%
TRASH PICK-UP			
LANDLORD	28	3,533	68.0%
TENANT	9	1,661	32.0%
			100.0%

UTILITY ALLOWANCE - SPARTANBURG, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$21	\$9		\$8	\$4	\$8	\$2	\$3	\$26	\$19	\$33	\$16	\$20
1	GARDEN	\$23	\$11		\$10	\$5	\$10	\$2	\$4	\$29	\$19	\$35	\$16	\$20
1	TOWNHOUSE	\$23	\$11		\$10	\$5	\$10	\$2	\$4	\$29	\$19	\$35	\$16	\$20
2	GARDEN	\$24	\$14		\$12	\$7	\$12	\$3	\$6	\$38	\$27	\$49	\$16	\$20
2	TOWNHOUSE	\$24	\$14		\$12	\$7	\$12	\$3	\$6	\$38	\$27	\$49	\$16	\$20
3	GARDEN	\$26	\$18		\$13	\$9	\$15	\$4	\$8	\$46	\$38	\$70	\$16	\$20
3	TOWNHOUSE	\$26	\$18		\$13	\$9	\$15	\$4	\$8	\$46	\$38	\$70	\$16	\$20
4	GARDEN	\$28	\$21		\$14	\$11	\$18	\$5	\$9	\$55	\$50	\$91	\$16	\$20
4	TOWNHOUSE	\$28	\$21		\$14	\$11	\$18	\$5	\$9	\$55	\$50	\$91	\$16	\$20

SC-Upstate Region (1/2017) Fees

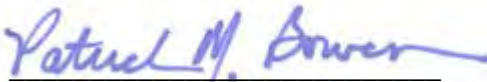
Survey Date: January 2017

Addendum B – Member Certification & Checklist

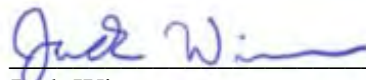
This market study has been prepared by Bowen National Research, a member in good standing of the National Council of Housing Market Analysts (NCHMA). This study has been prepared in conformance with the standards adopted by NCHMA for the market analysts' industry. These standards include the *Standard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

Bowen National Research is duly qualified and experienced in providing market analysis for Housing. The company's principals participate in the National Council of Housing Market Analysts (NCHMA) educational and information sharing programs to maintain the highest professional standards and state-of-the-art knowledge. Bowen National Research is an independent market analyst. No principal or employee of Bowen National Research has any financial interest whatsoever in the development for which this analysis has been undertaken.

Certified:



Patrick M. Bowen
President/Market Analyst
Bowen National Research
155 E. Columbus St., Suite 220
Pickerington, OH 43147
(614) 833-9300
patrickb@bowennational.com
Date: February 9, 2017



Jack Wiseman
Market Analyst
jackw@bowennational.com
Date: February 9, 2017

Note: Information on the National Council of Housing Market Analysts may be obtained by calling 202-939-1750, or by visiting <http://www.housingonline.com/MarketStudiesNCAHMA/AboutNCAHMA/tabid/234/Default.aspx>

ADDENDUM-MARKET STUDY INDEX

A. INTRODUCTION

Members of the National Council of Housing Market Analysts provide a checklist referencing all components of their market study. This checklist is intended to assist readers on the location content of issues relevant to the evaluation and analysis of market studies.

B. DESCRIPTION AND PROCEDURE FOR COMPLETING

The following components have been addressed in this market study. The section number of each component is noted below. Each component is fully discussed in that section. In cases where the item is not relevant, the author has indicated 'N/A' or not applicable. Where a conflict with or variation from client standards or client requirements exists, the author has indicated a 'VAR' (variation) with a comment explaining the conflict.

C. CHECKLIST

		Section (s)
Executive Summary		
1.	Executive Summary (Exhibit S-2)	A
Project Description		
2.	Proposed number of bedrooms and baths proposed, income limitations, proposed rents and utility allowances	B
3.	Utilities (and utility sources) included in rent	B
4.	Project design description	B
5.	Unit and project amenities; parking	B
6.	Public programs included	B
7.	Target population description	B
8.	Date of construction/preliminary completion	B
9.	If rehabilitation, existing unit breakdown and rents	B
10.	Reference to review/status of project plans	B
Location and Market Area		
11.	Market area/secondary market area description	D
12.	Concise description of the site and adjacent parcels	C
13.	Description of site characteristics	C
14.	Site photos/maps	C
15.	Map of community services	C
16.	Visibility and accessibility evaluation	C
17.	Crime Information	C

CHECKLIST (Continued)

		Section (s)
EMPLOYMENT AND ECONOMY		
18.	Employment by industry	E
19.	Historical unemployment rate	E
20.	Area major employers	E
21.	Five-year employment growth	E
22.	Typical wages by occupation	E
23.	Discussion of commuting patterns of area workers	E
DEMOGRAPHIC CHARACTERISTICS		
24.	Population and household estimates and projections	F
25.	Area building permits	H
26.	Distribution of income	F
27.	Households by tenure	F
COMPETITIVE ENVIRONMENT		
28.	Comparable property profiles	H
29.	Map of comparable properties	H
30.	Comparable property photographs	H
31.	Existing rental housing evaluation	H
32.	Comparable property discussion	H
33.	Area vacancy rates, including rates for Tax Credit and government-subsidized	H
34.	Comparison of subject property to comparable properties	H
35.	Availability of Housing Choice Vouchers	H
36.	Identification of waiting lists	H & Addendum A
37.	Description of overall rental market including share of market-rate and affordable properties	H
38.	List of existing LIHTC properties	H
39.	Discussion of future changes in housing stock	H
40.	Discussion of availability and cost of other affordable housing options including homeownership	H
41.	Tax Credit and other planned or under construction rental communities in market area	H
ANALYSIS/CONCLUSIONS		
42.	Calculation and analysis of Capture Rate	G
43.	Calculation and analysis of Penetration Rate	N/A
44.	Evaluation of proposed rent levels	H
45.	Derivation of Achievable Market Rent and Market Advantage	H
46.	Derivation of Achievable Restricted Rent	N/A
47.	Precise statement of key conclusions	J
48.	Market strengths and weaknesses impacting project	J
49.	Recommendations and/or modification to project discussion	J
50.	Discussion of subject property's impact on existing housing	H
51.	Absorption projection with issues impacting performance	G & J
52.	Discussion of risks or other mitigating circumstances impacting project projection	J
53.	Interviews with area housing stakeholders	I

CHECKLIST (Continued)

OTHER REQUIREMENTS		Section (s)
54.	Preparation date of report	Title Page
55.	Date of Field Work	C
56.	Certifications	K
57.	Statement of qualifications	L
58.	Sources of data not otherwise identified	D
59.	Utility allowance schedule	Addendum A