

# Market Feasibility Analysis

Fairmeadow Apartments  
605 North Marion Street  
Latta, Dillon County, South Carolina 29565

*Prepared For*

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*Effective Date*

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*Job Reference Number*

17-654 JP



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## Table of Contents

- A. Primary Market Area Analysis Summary (Exhibit S-2)
- B. Project Description
- C. Site Description and Evaluation
- D. Primary Market Area Delineation
- E. Market Area Economy
- F. Community Demographic Data
- G. Project-Specific Demand Analysis
- H. Rental Housing Analysis (Supply)
  - I. Interviews
  - J. Recommendations
- K. Signed Statement Requirement
- L. Qualifications
- M. Methodologies, Disclaimers & Sources
  - Addendum A – Field Survey of Conventional Rentals
  - Addendum B – NCHMA Member Certification & Checklist
  - Addendum C – Scope of Renovations
  - Addendum D – Rent Roll

**2018 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (WITH SUBSIDY):**

Development Name:	Fairmeadow Apartments	Total # Units:	24
Location:	605 North Main Street, Latta, South Carolina, 29565	# LIHTC Units:	24
PMA Boundary:	Dillon County		
Development Type:	Family X (62+) Older Persons	Farthest Boundary Distance to Subject:	21.0 miles

**RENTAL HOUSING STOCK (found on page H- 13 and Add. A-4)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	19***	789	17	97.8%
Market-Rate Housing	4***	180	15	91.7%
Assisted/Subsidized Housing not to include LIHTC	6***	291	0	100.0%
<b>LIHTC (All that are stabilized)*</b>	10***	318	2	99.4%
Stabilized Comps** (In market only)	2	64	2	96.9%
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.

\*\*\*Includes mixed-income properties

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Current Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
24	One-Br.	1.0	659	\$145	\$470	\$0.71	69.15%	\$485	\$0.51
<b>Gross Potential Rent Monthly*</b>				<b>\$3,480</b>	<b>\$11,280</b>		-		

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

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

	2000	2017		2020	
Renter Households (62+)		874	21.9%	1,002	23.8%
Income-Qualified Renter HHs (LIHTC)		618	70.7%	652	65.1%
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: RD	Overall
Renter Household Growth					34	34
Existing Households (Overburd + Substand)					341	341
Homeowner conversion (Seniors)					75	75
Other:					0	0
Less Comparable/Competitive Supply					0	0
<b>Net Income-qualified Renter HHs</b>					<b>450</b>	<b>450</b>

**CAPTURE RATES (found on page G-5)**

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	-	-	-	-	5.3%	5.3%

**ABSORPTION RATE (found on page G-7)**

Absorption Period: Three (3) months

2018 S-2 RENT CALCULATION WORKSHEET (AS PROPOSED WITH SUBSIDY)

# Units	Bedroom Type	Average 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	
24	1 BR	\$145	\$3,480	\$470	\$11,280	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	24		\$3,480		\$11,280	69.15%

**2018 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY (LIHTC ONLY):**

Development Name:	Fairmeadow Apartments	Total # Units:	24
Location:	605 North Main Street, Latta, South Carolina, 29565	# LIHTC Units:	24
PMA Boundary:	Dillon County		
Development Type:	Family <input type="checkbox"/> (62+) Older Persons <input checked="" type="checkbox"/>	Farthest Boundary Distance to Subject:	21.0 miles

**RENTAL HOUSING STOCK (found on page H- 13 and Add. A-4)**

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing	19***	789	17	97.8%
Market-Rate Housing	4***	180	15	91.7%
Assisted/Subsidized Housing not to include LIHTC	6***	291	0	100.0%
<b>LIHTC (All that are stabilized)*</b>	10***	318	2	99.4%
Stabilized Comps** (In market only)	2	64	2	96.9%
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.

\*\*\*Includes mixed-income properties

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
5	One-Br.	1.0	659	\$390**	\$470	\$0.71	17.02%	\$485	\$0.51
19	One-Br.	1.0	659	\$470	\$470	\$0.71	0.00%	\$485	\$0.51
<b>Gross Potential Rent Monthly*</b>				<b>\$10,880</b>	<b>\$11,280</b>		<b>3.55%</b>		

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

\*\*Reflective of maximum allowable LIHTC rent limit, as proposed rent under RD 515 exceeds maximum allowable LIHTC limit.

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

	2000	2017		2020	
Renter Households (62+)		874	21.9%	1,002	23.8%
Income-Qualified Renter HHs (LIHTC)		279	31.9%	282	28.1%
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	0	2	-	-	-	3
Existing Households (Overburd + Substand)	97	72	-	-	-	119
Homeowner conversion (Seniors)	24*	18*	-	-	-	30*
Other:	0	0	-	-	-	0
Less Comparable/Competitive Supply	0	0	-	-	-	0
<b>Net Income-qualified Renter HHs</b>	<b>121</b>	<b>92</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>152</b>

\*Reduced to account for no more than 20% of demand per SCSHFDA

**CAPTURE RATES (found on page G-5)**

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate	4.1%	20.7%	-	-	-	15.8%

**ABSORPTION RATE (found on page G-7)**

Absorption Period: Six (6) months

2018 S-2 RENT CALCULATION WORKSHEET (LIHTC-ONLY)

# 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	
5	1 BR	\$390	\$1,950	\$470	\$2,350	
19	1 BR	\$470	\$8,930	\$470	\$8,930	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	24		\$10,880		\$11,280	3.55%

## B. Project Description

The proposed project involves the renovation of the 24-unit Fairmeadow Apartments property in Latta, South Carolina. Originally built in 1993, the project offers one-bedroom garden-style units within four (4) single-story residential buildings, together with one (1) stand-alone community building. Currently, the project targets senior households age 62 and older and operates under the Low-Income Housing Tax Credit (LIHTC) and Rural Development (RD) 515 programs, with 23 units receiving Rental Assistance (RA). The RA allows tenants to pay up to 30% of their adjusted gross household incomes towards shelter costs (rent and utilities). The only remaining non-RA unit is currently occupied by a Housing Choice Voucher holder. According to management, the project is currently 100.0% occupied and maintains a one-household waiting list.

The project will be renovated utilizing funding from the Low-Income Housing Tax Credit program, which will involve the extensive rehabilitation of each unit and the community spaces. Once renovations are complete, the project will continue to target senior (age 62+) households with incomes of up to 50% and 60% of AMHI. Notably, the project will continue to operate under the RD 515 program and the 23 units of RA will be retained. Proposed Tax Credit rents range from \$390 to \$470. All renovations are expected to be complete by July 2019. Additional details of the subject project are as follows:

- A. PROPERTY LOCATION:** 605 North Marion Street  
Latta, South Carolina 29565  
(Dillon County)
- B. CONSTRUCTION TYPE:** Rehab of RD 515 Project
- C. OCCUPANCY TYPE:** Seniors Age 62+
- D. TARGET INCOME GROUP:** 50% and 60% AMHI
- E. SPECIAL NEEDS POPULATION:** None

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

Total Units	Bedroom Type	Baths	Style	Square Feet	% AMHI	Current Basic/Note Rent	Proposed Rents			Max. Allowable LIHTC Gross Rent
							Collected Rent	Utility Allowance	Gross Rent	
5	One-Br.	1.0	Garden	659	50%	\$470/\$623	\$470	\$127	\$597	\$517
19	One-Br.	1.0	Garden	659	60%	\$470/\$623	\$470	\$127	\$597	\$621
24	Total									

Source: Boyd Management, Inc.

AMHI – Area Median Household Income (National Non-Metropolitan Rent and Income Limits; 2017)

*Although the pro forma gross rent exceeds the maximum allowable LIHTC gross rent for the subject's units targeting households earning up to 50% of AMHI, due to the RA received by the property, no tenant will ever pay more than the maximum allowable LIHTC rent. In the unlikely event RA was not offered, this rent will need to be lowered to or below its corresponding maximum allowable LIHTC rent. Note that the maximum allowable LIHTC rent has been utilized throughout the remainder of this report for this unit type.*

**G. NUMBER OF STORIES/BUILDINGS:** Four (4) single-story residential buildings with garden-style units, together with one (1) community building.

**K. PROJECT-BASED RENTAL ASSISTANCE (EXISTING OR PROPOSED):** Rural Development 515 with 23 units of Rental Assistance

**L. COMMUNITY AMENITIES:**

The subject property will include the following community features:

- On-Site Management
- Community Room
- Laundry Facility
- Fitness Center
- Computer Center
- Picnic Shelter

**M. UNIT AMENITIES:**

Each unit will include the following amenities:

- Electric Range
- Refrigerator
- Microwave
- Central Air Conditioning
- Emergency Call System
- VCT Flooring
- Window Blinds
- Ceiling Fan
- Patio
- Washer/Dryer Hookups

**N. PARKING:**

The subject site offers an unassigned surface parking lot with 29 spaces at no additional cost to the residents. This equates to approximately 1.2 parking spaces per unit, which is considered appropriate for the targeted low-income senior population.



**O. RENOVATIONS AND CURRENT OCCUPANCY:**

A detailed scope of work provided by the developer at the time of this report is included in *Addendum C*.

The subject project consists of 24 one-bedroom units that are 100.0% occupied and the property maintains a one-household waiting list. The project currently charges basic and market rents of \$470 to \$623 for a one-bedroom unit, with 23 units receiving a direct RA subsidy from Rural Development. The proposed collected subject rent is \$470. Due to the subsidy that is available on 23 of the subject units, the average tenant-paid rent is \$145 for a subsidized unit, based on the subject project's January rent roll, as illustrated in *Addendum D*. Following Tax Credit renovations, the RA will be retained on these 23 units and it is anticipated that most, if not all, current tenants are expected to continue to income-qualify to reside at the subject project.

**P. UTILITY RESPONSIBILITY:**

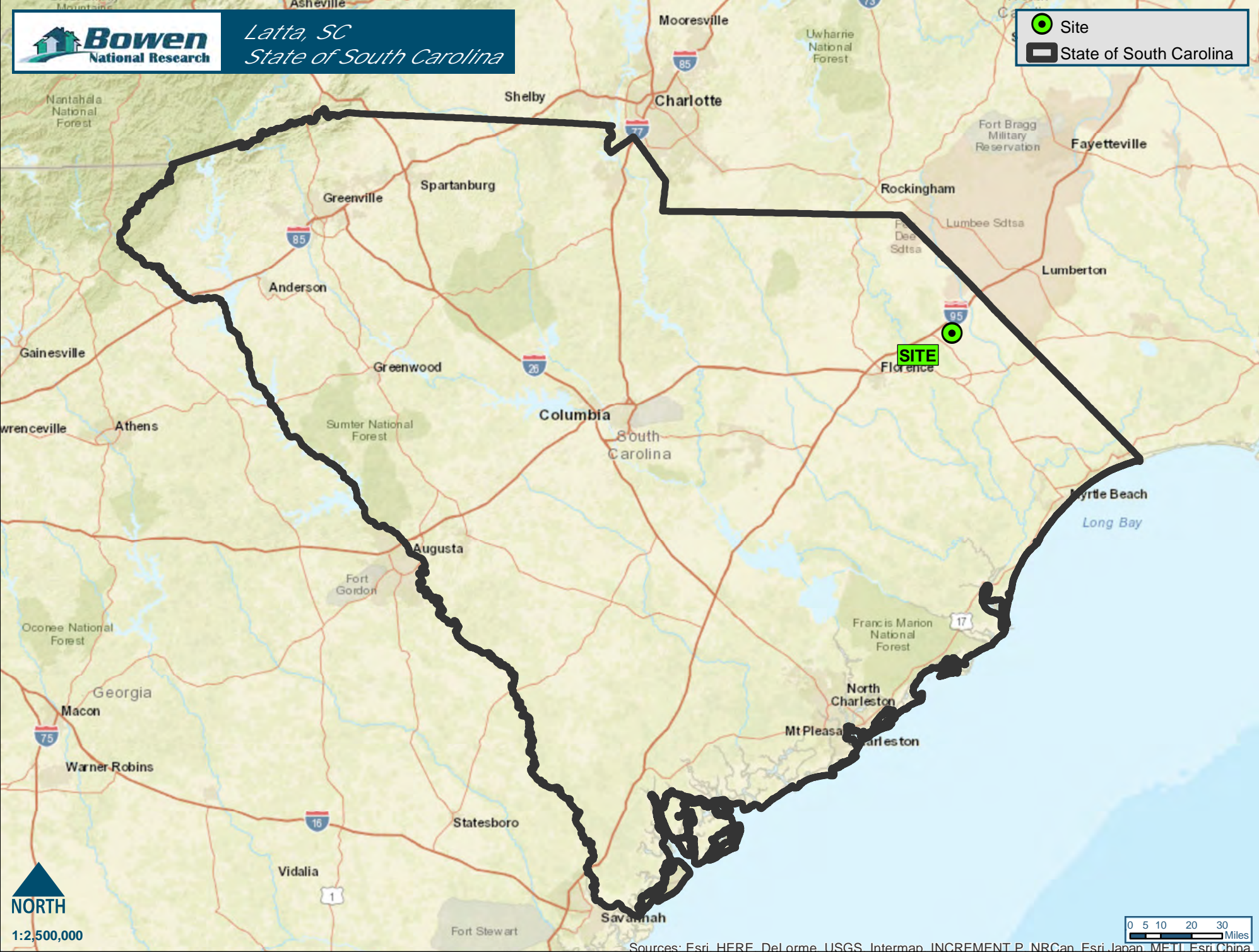
The costs of all utilities will be the responsibility of the tenant, including electricity, cold water, sewer and trash collection.

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

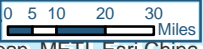


Latta, SC  
State of South Carolina

● Site  
▭ State of South Carolina



NORTH  
1:2,500,000

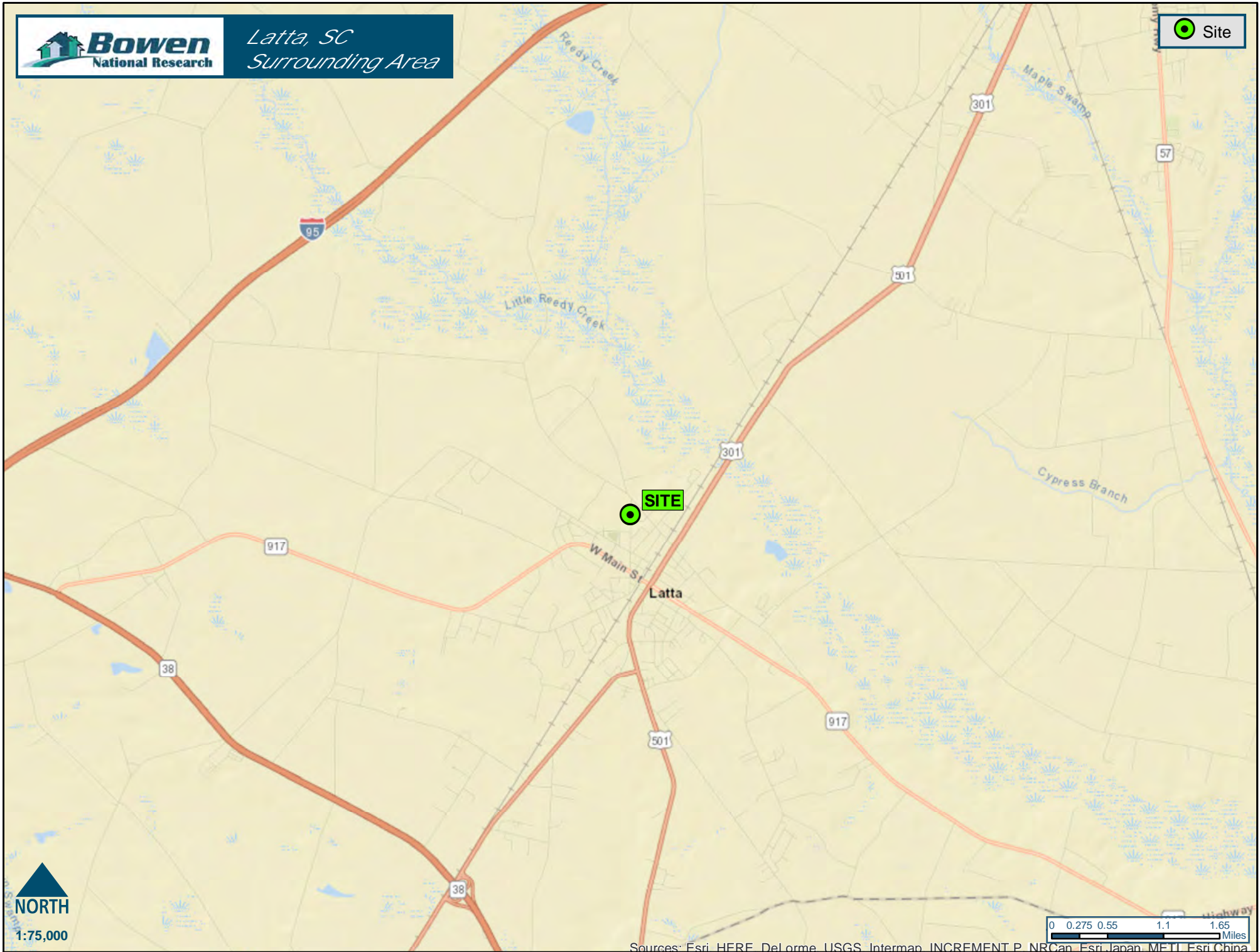


Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri, China





Latta, SC  
Surrounding Area



NORTH  
1:75,000

0 0.275 0.55 1.1 1.65  
Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri China

## C. Site Description and Evaluation

### 1. SITE INSPECTION DATE

Bowen National Research personally inspected the subject site during the week of January 29, 2018. 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, Fairmeadow Apartments, is located at 605 North Marion Street in Latta, South Carolina. Located within Dillon County, Latta is approximately 13.0 miles southwest of the North Carolina/South Carolina state boundary and approximately 25.0 miles northeast of Florence, South Carolina. Following is a description of surrounding land uses:

<b>North -</b>	The northern boundary is defined by wooded land that extends along North Marion Street until reaching Catfish Church Road/West Academy Street, a lightly traveled two-lane roadway. Single-family homes in good condition continue north with wooded and agricultural land extending for miles.
<b>East -</b>	The eastern boundary is defined by North Marion Street, a two-lane roadway with light traffic patterns. Continuing east are single-family homes extending to West Academy Street, followed by wooded and agricultural land extending for miles.
<b>South -</b>	The southern boundary is defined by a thin tree line that naturally buffers the subject site from a single-family home in good condition. Continuing south are single-family homes in fair to good condition that extend south along North Marion Street and continue until reaching the downtown area of Latta.
<b>West -</b>	Heavily wooded land borders the site to the west and extends to Manning View Road, a two-lane roadway with light traffic patterns. Wooded and agricultural land continues west for miles.

The subject development is primarily bordered by wooded land and is within proximity to various businesses which will contribute to its continued marketability. Overall, the subject property fits well with the surrounding land uses.

### 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	State Route 917	0.4 South
	U.S. Highway 501	0.6 Southeast
	U.S. Highway 301	1.4 South
Public Bus Stop	N/A	N/A
Major Employers/ Employment Centers	Harbor Freight Tools	6.8 North
	McLeod Medical Center - Dillon	7.5 Northeast
Convenience Store	Tiger Mart	0.7 Southeast
	Quick Shop	0.6 Southeast
	Quick Shop	0.9 South
Grocery	Latta IGA	1.0 South
Discount Department Store	Family Dollar	0.6 South
	Dollar General	0.9 South
Shopping Center/Mall	Dillon Shopping Center	8.3 Northeast
	Magnolia Mall	28.0 Southwest
Hospital	CareSouth Carolina	1.2 Southeast
	McLeod Medical Center - Dillon	7.5 Northeast
Police	Latta Police Department	0.5 South
Fire	Dillon County Fire Department Station 2	0.5 South
Post Office	U.S. Post Office	0.5 South
Bank	Anderson Brothers Bank	0.6 South
	First Bank	0.6 South
Recreational Facilities	Dillon County Museum	0.4 South
Gas Station	Exxon	0.7 Southeast
	Quick Shop	0.6 Southeast
	Quick Shop	0.9 South
Pharmacy	Latta Drug Company	0.6 South
Restaurant	Little Tokyo	0.6 South
	Hunt Brothers Pizza	0.6 Southeast
	King's Famous Pizza	0.9 South
Community Center	Latta Community Center	1.0 Southeast
Library	Latta Library	0.4 South
Church	Latta United Methodist Church	0.3 South
	Latta Baptist Church	0.3 South
	Latta Presbyterian Church	0.6 Southeast
Senior Center	Dillon County Council for the Aging	6.8 Northeast
Park	Henry Street Park	0.8 South

The subject site is located along North Marion Street, 0.5 miles north from downtown Latta. Proximity to downtown is important, as the majority of community services that Latta offers are located within this area. Additional community services are conveniently located in Dillon, approximately 7.0 miles north of the subject site along U.S. Highway 501.

Public safety services are offered by the Dillon Police Department and Latta Fire Department, located 7.0 miles and 0.5 miles from the subject site, respectively. Note that the nearest full-service hospital and medical center are both located approximately 7.0 miles north in Dillon. However, Marion Medical Group-Latta is within 0.6 miles. Dillon County Council for the Aging offers educational, recreational and educational opportunities for individuals over 60 years of age. This center is located in Dillon, 6.8 miles northeast of the site.

#### **4. SITE PHOTOGRAPHS**

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



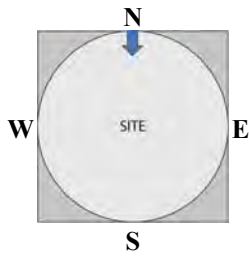
# SITE PHOTOGRAPHS



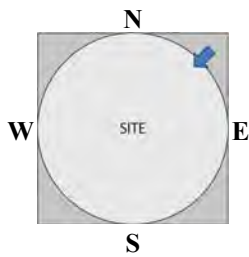
Entryway Signage



Typical Building Exterior

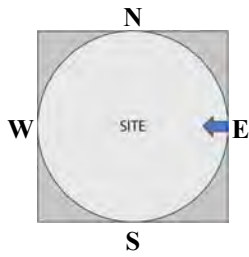


View of site from the north

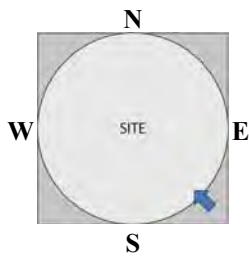


View of site from the northeast

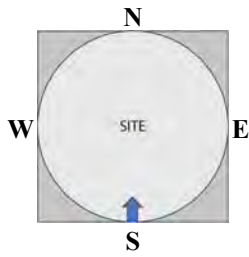




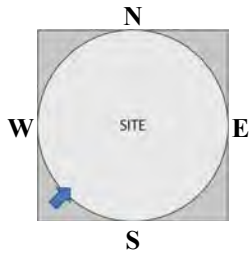
View of site from the east



View of site from the southeast

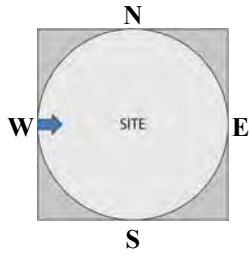


View of site from the south

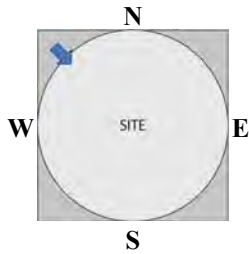


View of site from the southwest



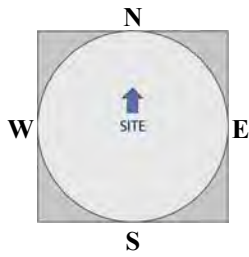


View of site from the west

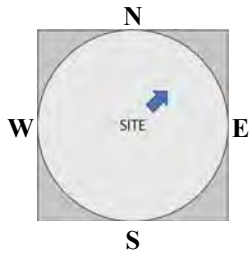


View of site from the northwest



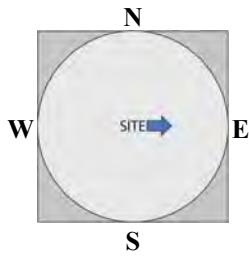


North view from site

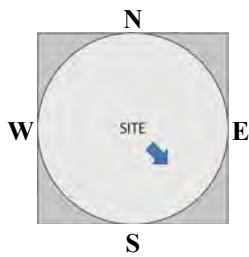


Northeast view from site



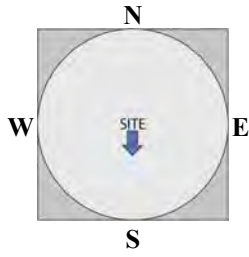


East view from site

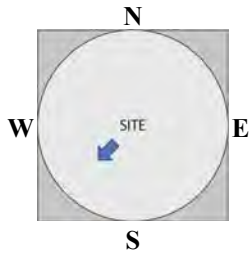


Southeast view from site





South view from site



Southwest view from site





West view from site



Northwest view from site





Streetscape: East view of Sims Street



Streetscape: East view of China Drive





Streetscape: North view of North Marion Street



Streetscape: South view of North Marion Street

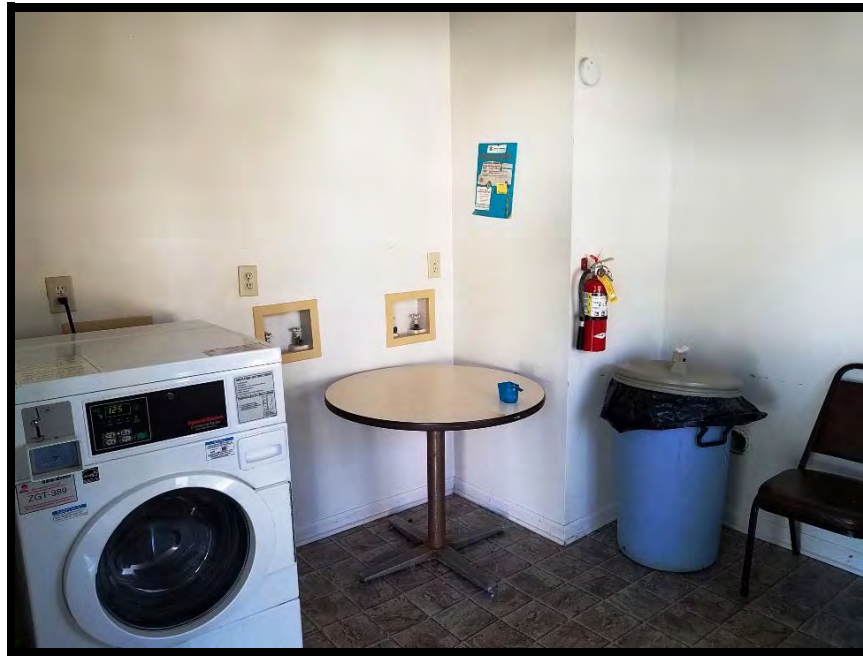


Community Room

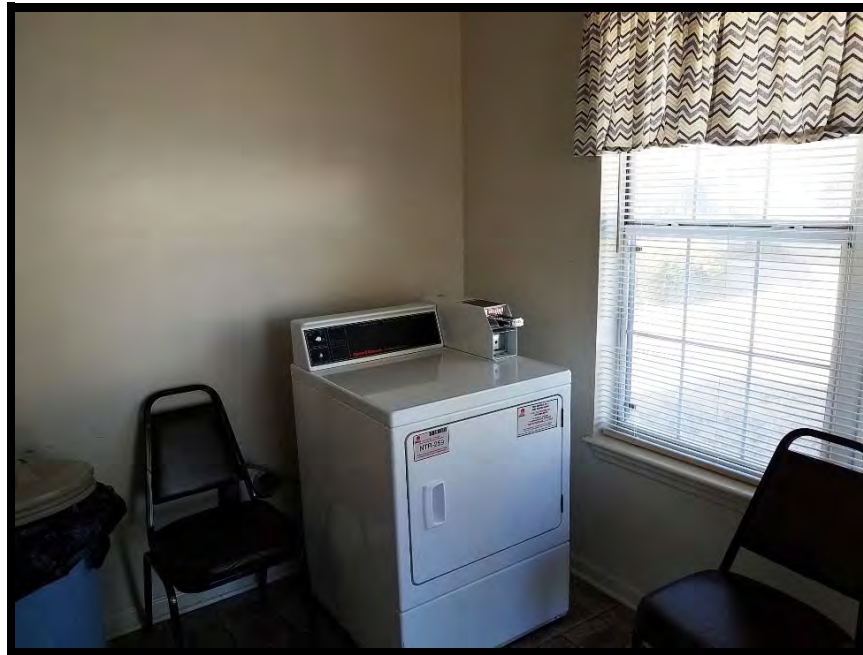


Community Kitchen

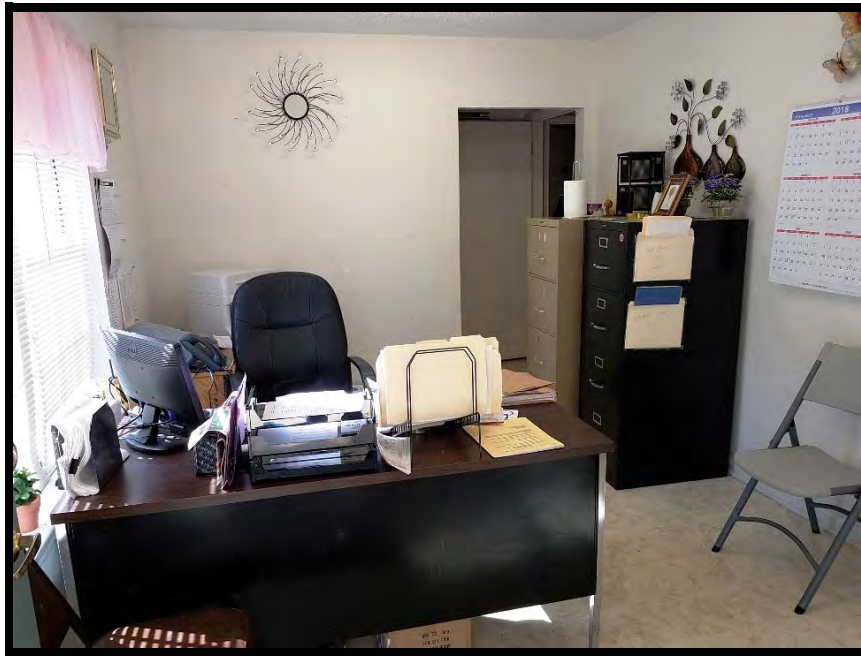




Laundry Room (1)



Laundry Room (2)



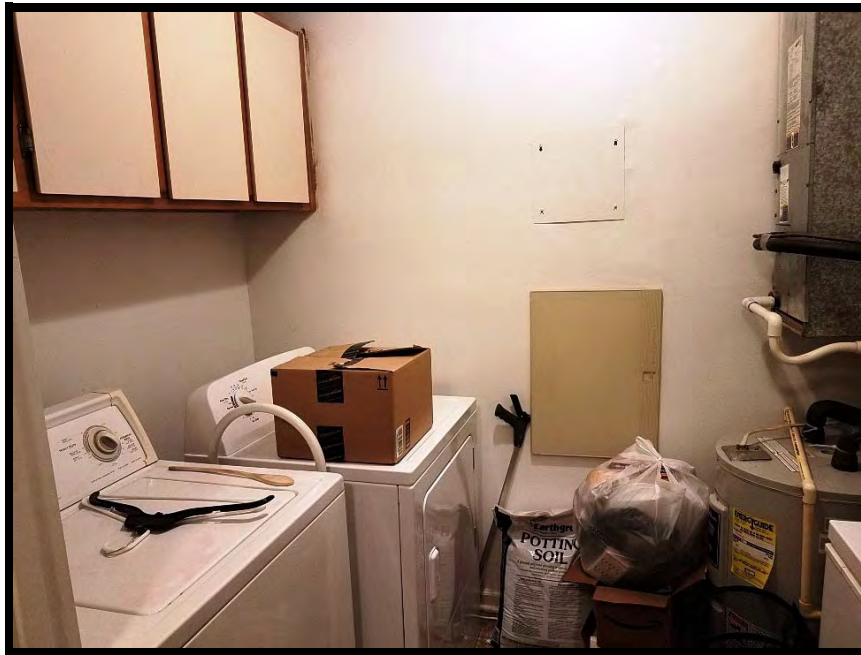
Management Office



Kitchen (1) - One-Bedroom ADA Unit

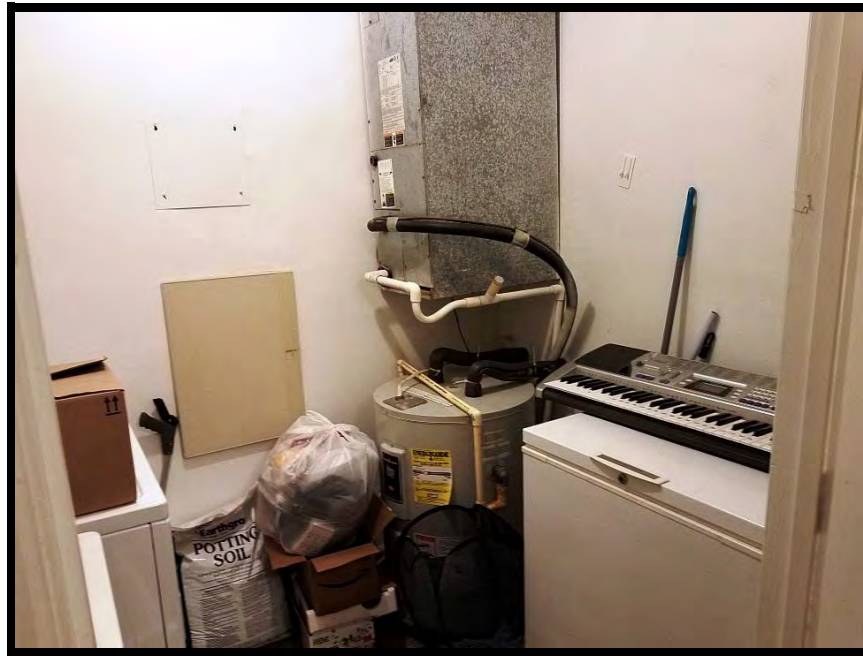


Kitchen (2) - One-Bedroom ADA Unit

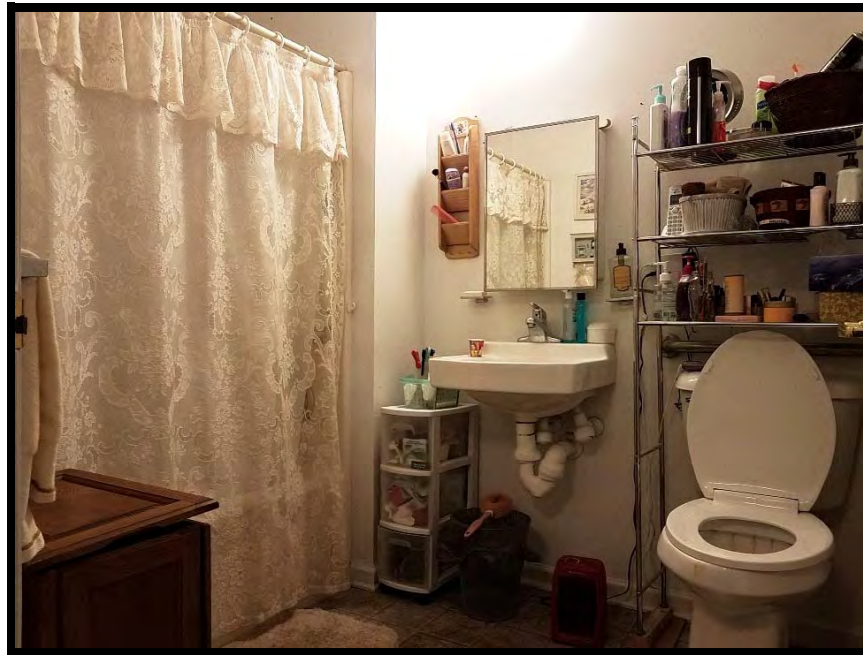


Typical Laundry/Storage Room (1)





Typical Laundry/Storage Room (2)



Bathroom - One-Bedroom ADA Unit



Typical Master Bedroom (1) - One-Bedroom ADA Unit



Typical Master Bedroom (2) - One-Bedroom ADA Unit



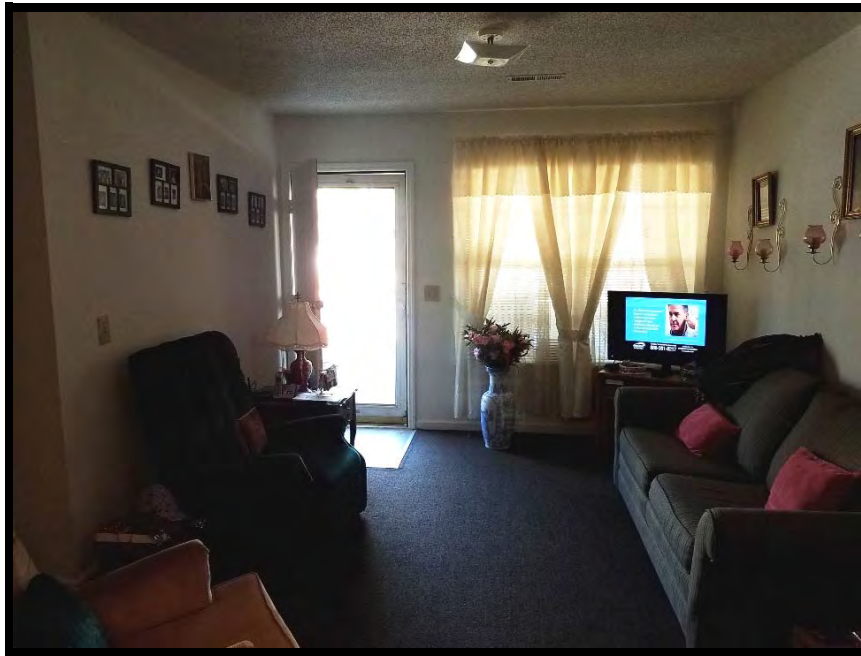


Typical Dining Area



Typical Living Room (1)





Typical Living Room (2)



Kitchen (1) - Typical One-Bedroom



Kitchen (2) - Typical One-Bedroom

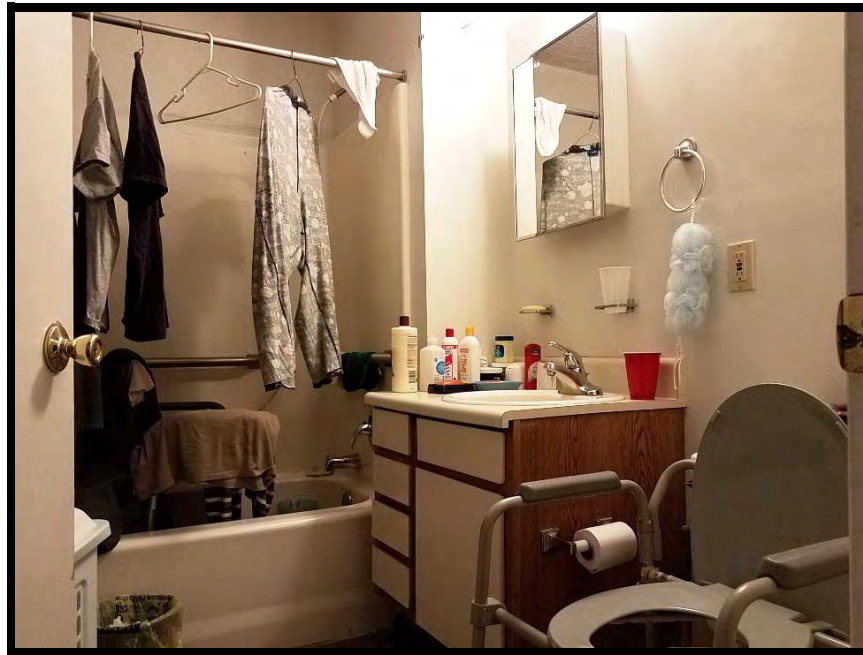


Typical Master Bedroom (1) - Typical One-Bedroom





Typical Master Bedroom (2) - Typical One-Bedroom



Bathroom - Typical One-Bedroom

**5. SITE AND COMMUNITY SERVICES MAPS**

Maps of the subject site and relevant community services follow.





Latta, SC  
Site Neighborhood

Legend  
Site Area



McLean St

Storrey Dr

ORTH

1:2,900

Smith St

Park Ln N Berry St

Catfish Church Rd

N Marion St

N Marion St

China Dr

W Academy St

Sims St

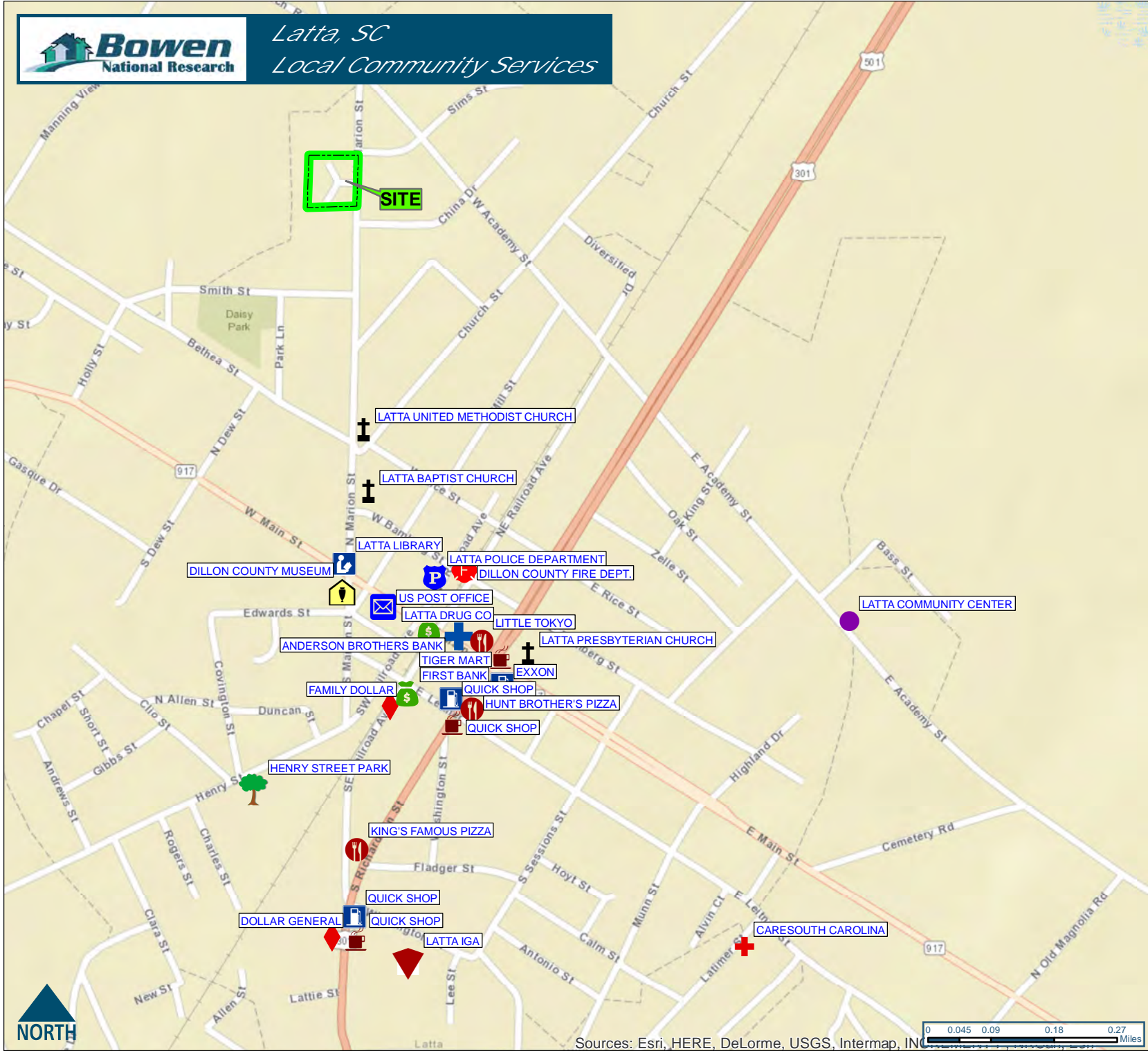
Legatte St

Rich St

















Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES, AeroGRID, IGN, and the GIS User Community

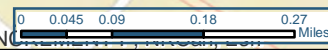


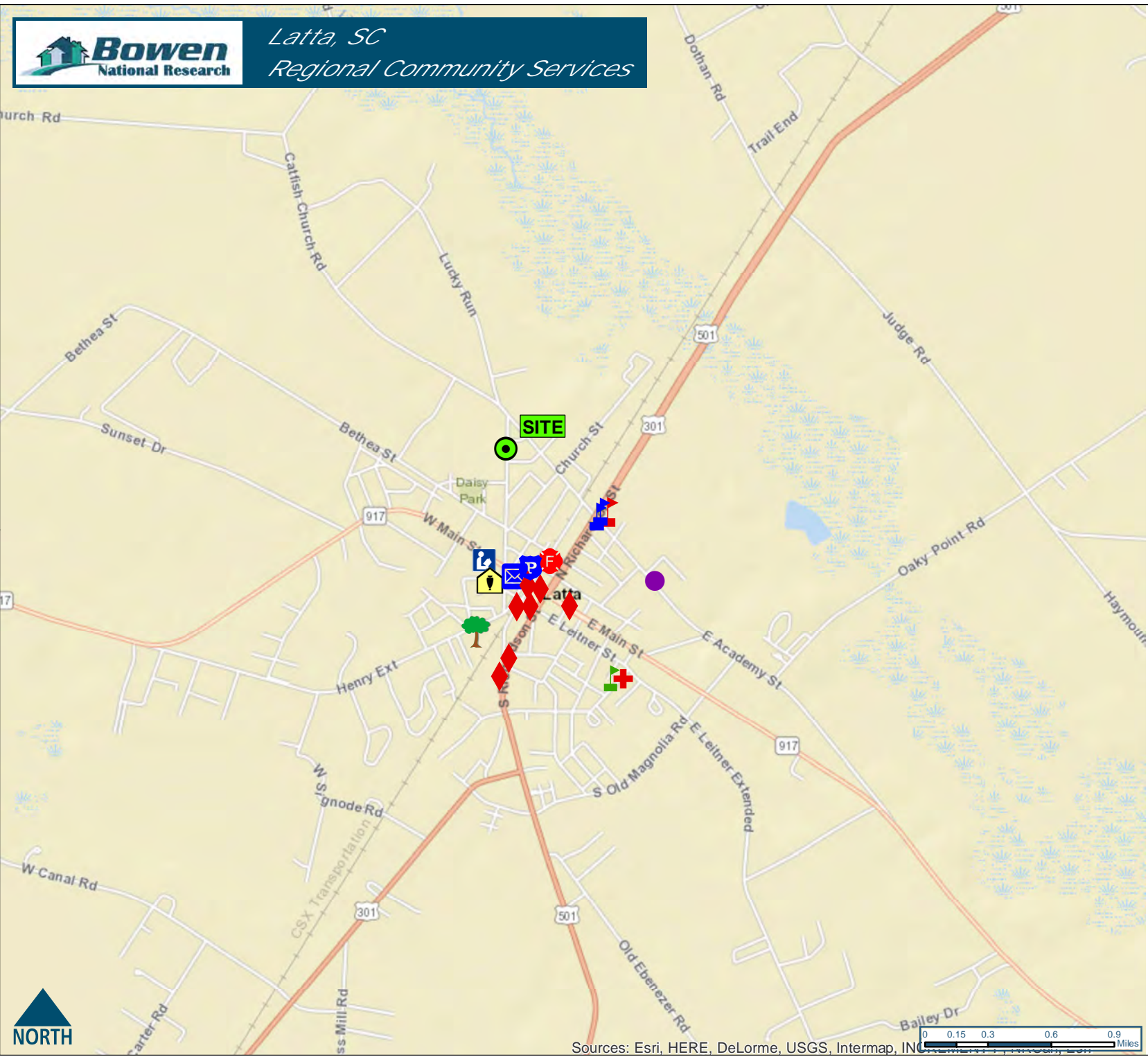






*Legend*

-  Site area
-  Bank
-  Church
-  Convenience Store
-  Fire
-  Gas
-  Grocery
-  Library
-  Medical Center
-  Museum
-  Park
-  Pharmacy
-  Police
-  Post Office
-  Recreation Center
-  Restaurant
-  Shopping





*Legend*

-  Site
-  Elementary School
-  Fire
-  High School
-  Library
-  Medical Center
-  Middle School
-  Museum
-  Park
-  Police
-  Post Office
-  Recreation Center
-  Shopping





**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 (141) for the Site ZIP code is above the national average (100) with an overall personal crime index of 242 and a property crime index of 127. Total crime risk (184) for Dillon County is above the national average with indexes for personal and property crime of 251 and 174, respectively.









	Crime Risk Index	
	Site Zip Code	Dillon County
<b>Total Crime</b>	<b>141</b>	<b>184</b>
<b>Personal Crime</b>	<b>242</b>	<b>251</b>
Murder	171	255
Rape	118	159
Robbery	85	129
Assault	334	322
<b>Property Crime</b>	<b>127</b>	<b>174</b>
Burglary	193	232
Larceny	113	164
Motor Vehicle Theft	67	114

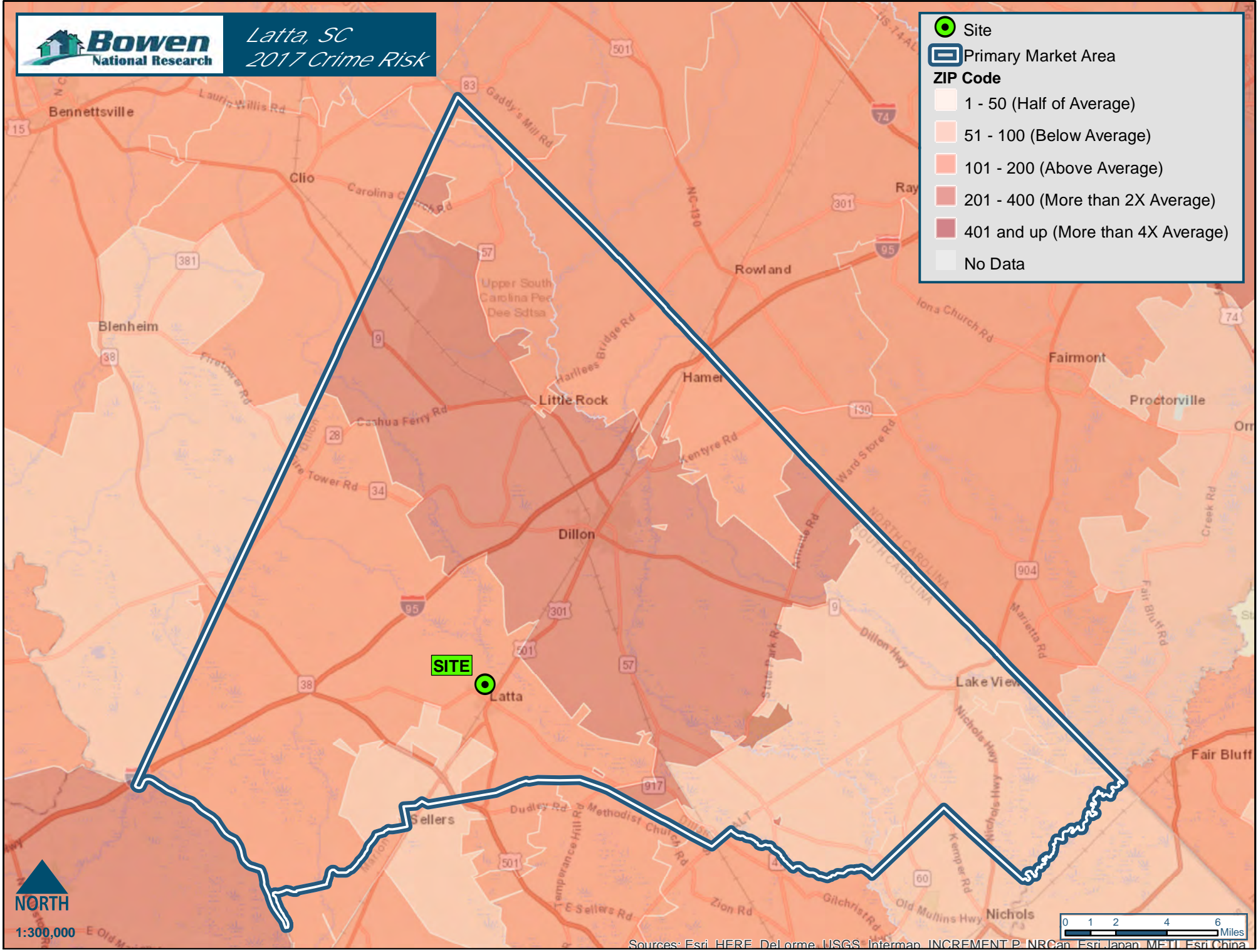
Source: Applied Geographic Solutions

Although the crime risk index for the Site Zip Code (141) and Dillon County (184) are both above the national average (100), this has not had a detrimental impact on the area's rental housing stock, as nearly all properties surveyed in the market are reporting strong occupancy levels and maintain a wait list, including the subject project. As such, it is not anticipated that the perception of crime will have an adverse impact on the subject's continued marketability.

A map illustrating crime risk is on the following page.



-  Site
-  Primary Market Area
- ZIP Code**
  -  1 - 50 (Half of Average)
  -  51 - 100 (Below Average)
  -  101 - 200 (Above Average)
  -  201 - 400 (More than 2X Average)
  -  401 and up (More than 4X Average)
  -  No Data



## **7. ACCESS AND VISIBILITY**

The subject site maintains frontage along North Marion Street, which intersects with Catfish Church Road/West Academy Street, 0.1 mile north from the site. These aforementioned roadways were all observed to have light traffic patterns and no delays are expected upon ingress and egress. Overall, access is considered good. Accessibility is further enhanced by the site's proximity to U.S. Highways 301 and 501, which provide convenient access to communities surrounding Latta. Visibility is also considered good, as vehicular traffic traveling along North Marion Street can easily see the subject site and entryway signage with unobstructed views. Additionally, although this roadway is lightly traveled, it is a common route to access downtown Latta south of the subject site and will enhance visibility. Overall, visibility is also considered good.

## **8. VISIBLE OR ENVIRONMENTAL ISSUES**

There are railroad tracks within 0.5 miles of the subject site. However, it should be noted that many of the rental projects identified and surveyed in the market are located within 0.5 miles of railroad tracks and are maintaining strong occupancy levels. As such, it is not anticipated that the railroad tracks will have an adverse impact on the subject's continued marketability.

## **9. OVERALL SITE CONCLUSIONS**

The subject site is predominately bordered by wooded land and residential dwellings, providing a private living environment in the site neighborhood. The subject site is located in a desirable portion of town for the senior population as it is within close proximity to important community services such as a grocery store, pharmacy, discount stores and a doctor's office. Access and visibility are both considered good, as surrounding roadways are primarily lightly traveled; however, are frequently used by Latta residents with a downtown destination. Additionally, proximity to U.S. Highway 501 enhances access, as this roadway provides access to surrounding communities. Notably, the subject site is within walking distance to downtown Latta and some of the community services in that area. Overall, we consider the subject site's location and proximity to community services to have a positive impact on its continued 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 continue to originate. The Latta Site PMA was determined through interviews with management at the subject site, area leasing and real estate 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 boundaries of the subject site extend approximately 19.0 miles north, 21.0 miles east, 3.0 miles south and 12.0 miles west.

The Latta Site PMA includes all of Dillon County and is defined by the county boundaries. The Site PMA comprises Census Tract numbers:

9701	9702	9703
9704	9705	9706*

\*Site location

Louise Wellington, Site Manager of Fairmeadow Apartments (subject site), confirmed the boundaries of the Site PMA. Specifically, Ms. Wellington stated that the largest support for her property originates from within Latta and Dillon, with a notable amount of support from the surrounding areas within the county. Ms. Wellington added that Dillon is located approximately 9.0 miles north of Latta and due to the proximity and the similarities between these two areas, households would relocate between the two areas. Ms. Wellington added that low-income seniors from outside Dillon County are unlikely to respond to the subject site, thus confirming the Site PMA.

Jessica Manning, Property Manager at Hunters Crossing Apartments (Map ID 7), confirmed the boundaries of the Site PMA. Ms. Manning stated that a property in Latta, especially an age-restricted property, would likely receive support from within Latta and Dillon. Ms. Manning added that seniors outside of Dillon County would not likely support the subject project due to the preference of being near larger towns and cities, as opposed to the rural nature of Latta and Dillon County.

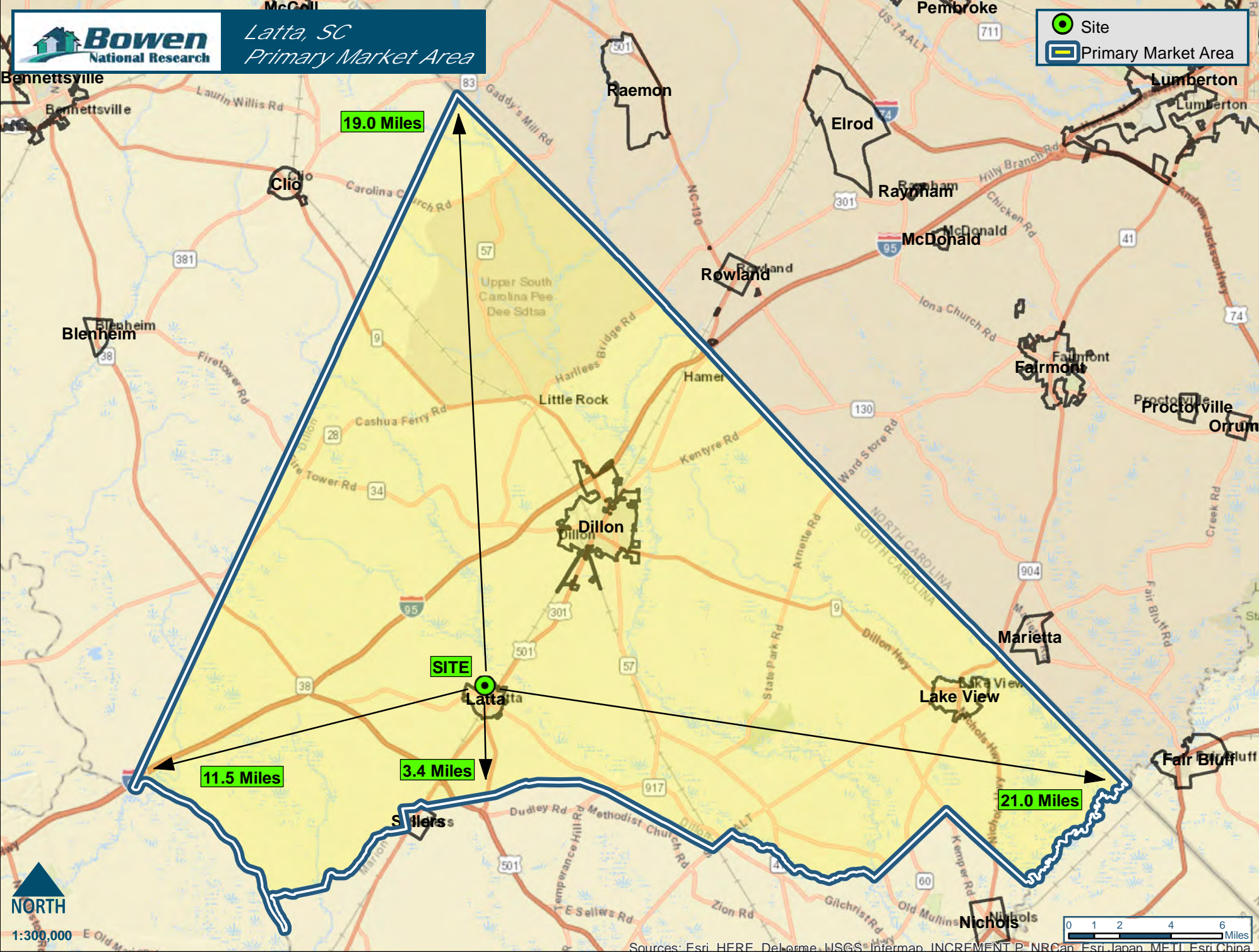
A modest portion of support may originate from some of the outlying smaller communities in the area; we have not, however, considered any secondary market area in this report.

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

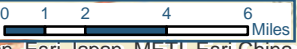


# Latta, SC Primary Market Area

- Site
- Primary Market Area



1:300,000



Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri China



## E. Market Area Economy

### 1. EMPLOYMENT BY INDUSTRY

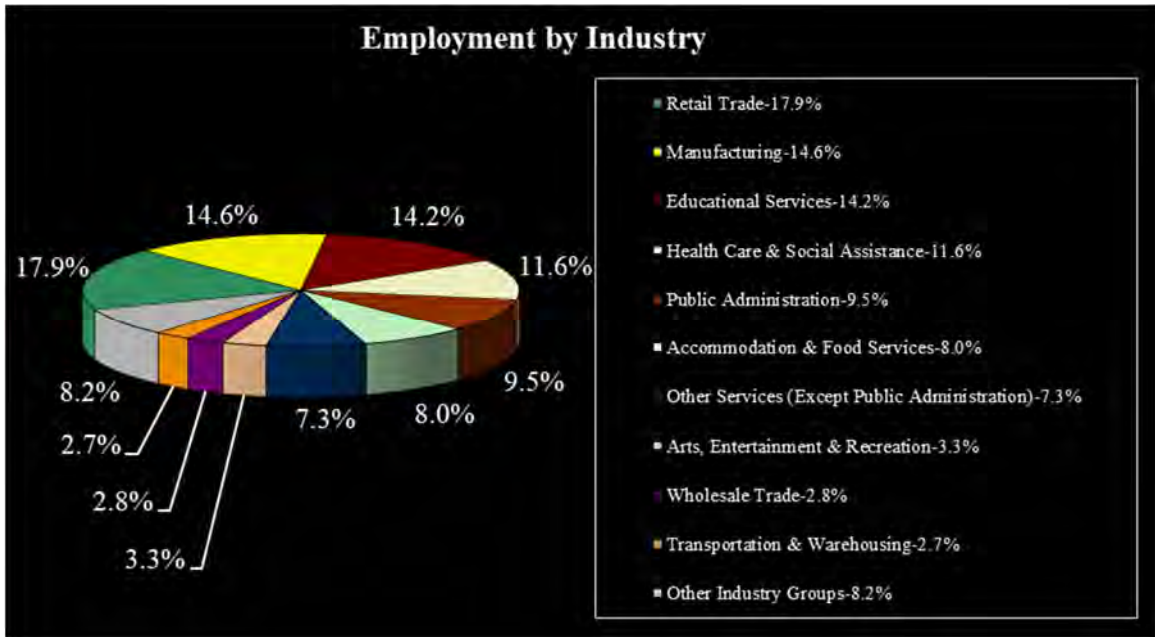
The labor force within the Latta Site PMA is based primarily in four sectors. Retail Trade (which comprises 17.9%), Manufacturing, Educational Services and Health Care & Social Assistance comprise over 58% of the Site PMA labor force. Employment in the Latta Site PMA, as of 2017, was distributed as follows:

NAICS Group	Establishments	Percent	Employees	Percent	E.P.E.
Agriculture, Forestry, Fishing & Hunting	22	2.3%	120	1.2%	5.5
Mining	1	0.1%	7	0.1%	7.0
Utilities	1	0.1%	8	0.1%	8.0
Construction	25	2.6%	82	0.8%	3.3
Manufacturing	23	2.4%	1,449	14.6%	63.0
Wholesale Trade	36	3.7%	279	2.8%	7.8
Retail Trade	190	19.7%	1,782	17.9%	9.4
Transportation & Warehousing	28	2.9%	264	2.7%	9.4
Information	13	1.3%	78	0.8%	6.0
Finance & Insurance	51	5.3%	208	2.1%	4.1
Real Estate & Rental & Leasing	38	3.9%	78	0.8%	2.1
Professional, Scientific & Technical Services	33	3.4%	190	1.9%	5.8
Management of Companies & Enterprises	1	0.1%	1	0.0%	1.0
Administrative, Support, Waste Management & Remediation Services	9	0.9%	36	0.4%	4.0
Educational Services	36	3.7%	1,414	14.2%	39.3
Health Care & Social Assistance	79	8.2%	1,154	11.6%	14.6
Arts, Entertainment & Recreation	13	1.3%	327	3.3%	25.2
Accommodation & Food Services	71	7.3%	794	8.0%	11.2
Other Services (Except Public Administration)	180	18.6%	728	7.3%	4.0
Public Administration	105	10.9%	946	9.5%	9.0
Nonclassifiable	11	1.1%	6	0.1%	0.5
<b>Total</b>	<b>966</b>	<b>100.0%</b>	<b>9,951</b>	<b>100.0%</b>	<b>10.3</b>

\*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 Pee Dee South Carolina Nonmetropolitan Area are compared with those of South Carolina in the following table:

Typical Wage by Occupation Type		
Occupation Type	Pee Dee South Carolina Nonmetropolitan Area	South Carolina
Management Occupations	\$77,700	\$97,100
Business and Financial Occupations	\$55,530	\$60,870
Computer and Mathematical Occupations	\$52,830	\$71,730
Architecture and Engineering Occupations	\$68,930	\$75,400
Community and Social Service Occupations	\$36,790	\$40,890
Art, Design, Entertainment and Sports Medicine Occupations	\$31,440	\$45,220
Healthcare Practitioners and Technical Occupations	\$66,490	\$73,440
Healthcare Support Occupations	\$24,080	\$27,260
Protective Service Occupations	\$34,770	\$37,080
Food Preparation and Serving Related Occupations	\$19,550	\$20,930
Building and Grounds Cleaning and Maintenance Occupations	\$23,410	\$23,550
Personal Care and Service Occupations	\$22,410	\$23,030
Sales and Related Occupations	\$27,020	\$32,820
Office and Administrative Support Occupations	\$30,270	\$33,530
Construction and Extraction Occupations	\$34,880	\$38,950
Installation, Maintenance and Repair Occupations	\$38,210	\$42,510
Production Occupations	\$35,210	\$37,070
Transportation and Moving Occupations	\$29,860	\$32,000

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



Most annual blue-collar salaries range from \$19,550 to \$38,210 within the Pee Dee South Carolina Nonmetropolitan Area. White-collar jobs, such as those related to professional positions, management and medicine, have an average salary of \$64,296. It is important to note that most occupational types within the Pee Dee South Carolina Nonmetropolitan Area have slightly lower typical wages than the state of South Carolina's typical wages. The subject project will, however, be restricted to senior households (age 62 and older), many of which will likely be retired and thus unaffected by typical wages within the area. Regardless, the area employment base appears to have a significant number of occupations which have lower wages conducive to affordable rental housing such as that proposed at the subject project.

### 3. AREA'S LARGEST EMPLOYERS

The 10 largest employers within Dillon County comprise a total of 3,553 employees. These employers are summarized in the following table:

Employer Name	Business Type	City	Total Employed
Perdue Farms	Poultry Farm	Dillon	1,090
Harbor Freight Tools	Tool Store	Dillon	900
WIX Corporation	Manufacturing	Dillon	424
McLeod Health	Healthcare	Dillon	387
South of The Border	Tourism	Dillon	250
David's of Dillon	Distribution Center	Dillon	185
Herald Group	Business Forms	Dillon	137
Wyman Gordon	Machine Plant	Dillon	68
Gildan Apparel	Fabric Manufacturing	Hamer	62
Charles Craft	Textile Manufacturer	Hamer	50
Total			3,553

Source: Dillon County Economic Development Partnership (June 2017)

According to a representative with the Dillon County Economic Development Partnership, the Dillon County economy is improving. The following highlights key economic factors impacting the local employment base:

- Wyman-Gordon, a manufacturer of large titanium and super alloy forgings for the aerospace and power generation markets, relocated its manufacturing facility in the Northeastern Commerce Industrial Park in Dillon. They are investing \$115 million and plan to create 400 jobs by 2019.
- Harbor Freight Tools began construction on a new expansion to their distribution facility in December 2017. The new \$200 million facility, featuring one million square-foot of space, will add 500 new jobs to the area upon its expected completion in early 2019.

- Taco Bell is investing \$2 million in their restaurants in Latta and they plan on creating 45 jobs. Similarly, Popeyes is also investing \$2 million in their locations and plan to create 45 jobs. Both companies plan to fill the new positions by 2018.
- Expert Machine & Fabrication, a manufacturer of various engineered and fabricated products, is currently expanding its operations in Dillon County. The company is investing \$2.6 million in the new 21,000 square-foot expansion and the expansion is expected to add 25 new jobs by 2019.
- Royal Panthera LLC, a company that specializes in the development of hotels and restaurants, invested \$6 million in a 76-room Holiday Inn Express and Suites in Latta. The new hotel created around 30 jobs upon its completion in July 2017.
- Pine Gate Renewables recently completed construction of a new solar power farm in Dillon County in the fourth quarter of 2017. Pine Gate invested \$7.5 million into building the new facility.

Infrastructure:

- New developments and improvements are being made to the Interstate 95 Corridor, an important transportation route in the southeast region of Dillon County, and a 1,920-acre industrial park recently opened between Dillon and Latta in 2018.
- Announcements have been made about an Inland Port being constructed in Dillon County. Once completed, the port will better connect cargo to the Port of Charleston marine terminals, as well as remove more trucks from the highways and help attract economic development to Dillon County. The new terminal broke ground in March of 2017, and it is anticipated to open by the end of the first quarter of 2018.

WARN (layoff notices):

According to the South Carolina Works Department, there have been no WARN notices of large-scale layoffs or closures reported for Dillon County since November 2016.

**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.

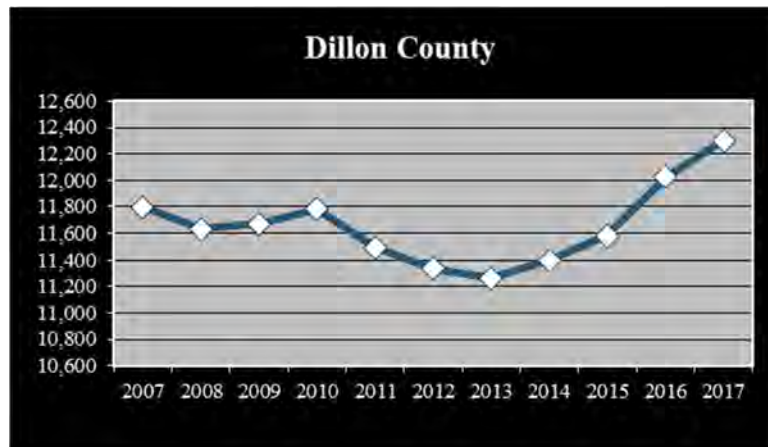


Excluding 2017, the employment base has increased by 6.1% over the past five years in Dillon County, less than the South Carolina state increase of 10.1%. Total employment reflects the number of employed persons who live within the county.

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

Year	Total Employment					
	Dillon County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	11,797	-	2,005,686	-	146,388,400	-
2008	11,634	-1.4%	1,996,409	-0.5%	146,047,748	-0.2%
2009	11,669	0.3%	1,910,670	-4.3%	140,696,560	-3.7%
2010	11,783	1.0%	1,915,045	0.2%	140,469,139	-0.2%
2011	11,495	-2.4%	1,945,900	1.6%	141,791,255	0.9%
2012	11,338	-1.4%	1,985,618	2.0%	143,621,634	1.3%
2013	11,265	-0.6%	2,026,666	2.1%	144,996,474	1.0%
2014	11,397	1.2%	2,081,511	2.7%	147,403,607	1.7%
2015	11,585	1.6%	2,134,637	2.6%	149,648,686	1.5%
2016	12,024	3.8%	2,186,740	2.4%	152,001,644	1.6%
2017*	12,303	2.3%	2,225,498	1.8%	154,212,518	1.5%

Source: Department of Labor; Bureau of Labor Statistics  
 \*Through November



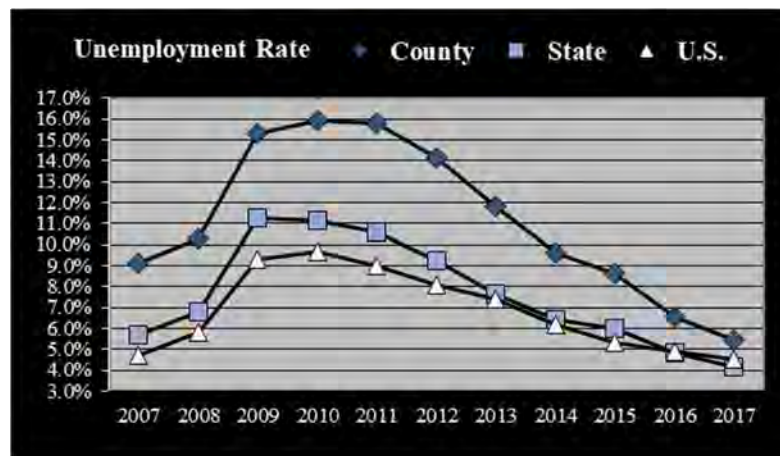
As the preceding illustrates, the Dillon County employment base generally declined between 2007 and 2013, decreasing by 532 jobs, or 4.5%. On a positive note, the employment base within Dillon County has been increasing since 2013, indicating that the local economy is improving.

Unemployment rates for Dillon County, the state of South Carolina and the United States are illustrated as follows:

Year	Total Unemployment					
	Dillon County		South Carolina		United States	
	Total Number	Percent Change	Total Number	Percent Change	Total Number	Percent Change
2007	1,181	9.1%	120,205	5.7%	7,190,052	4.7%
2008	1,338	10.3%	145,823	6.8%	9,059,270	5.8%
2009	2,109	15.3%	242,075	11.3%	14,430,158	9.3%
2010	2,231	15.9%	240,623	11.2%	15,070,017	9.7%
2011	2,159	15.8%	229,623	10.6%	14,035,049	9.0%
2012	1,865	14.1%	201,260	9.2%	12,691,553	8.1%
2013	1,512	11.8%	167,647	7.6%	11,631,863	7.4%
2014	1,210	9.6%	143,151	6.4%	9,783,040	6.2%
2015	1,096	8.6%	135,746	6.0%	8,427,196	5.3%
2016	843	6.6%	111,067	4.8%	7,861,185	4.9%
2017*	707	5.4%	96,283	4.2%	7,243,649	4.5%

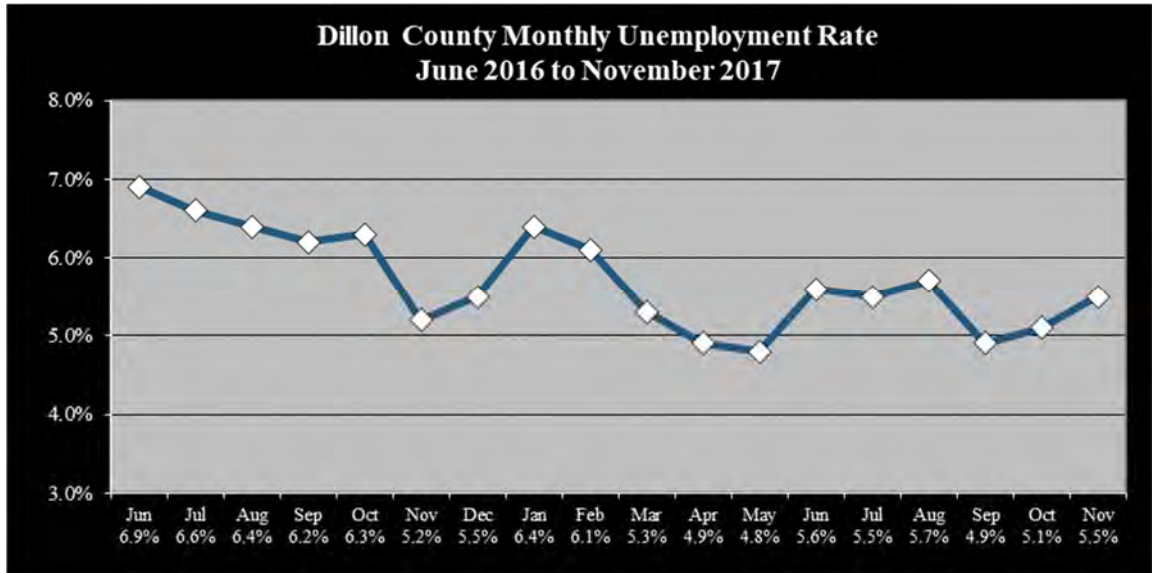
Source: Department of Labor; Bureau of Labor Statistics

\*Through November



The unemployment rate in Dillon County has ranged between 5.4% and 15.9%, well above the state average, since 2007. It should be noted that the unemployment rate increased by nearly seven percentage points between 2007 and 2010, which is consistent with trends experienced by much of the country during the national recession. Notably, the unemployment rate has consistently declined over the preceding seven-year period and is currently at a ten-year low of 5.4% (through November 2017). These trends are positive and showing signs of a stable and growing economy within Dillon County.

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



As the preceding table illustrates, despite typical fluctuations, the Dillon County unemployment rate has generally trended downward. Note that with the exception of January and February, the unemployment rate has remained below 6.0% in 2017 (through November).

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 Dillon County.

In-Place Employment Dillon County			
Year	Employment	Change	Percent Change
2007	9,209	-	-
2008	9,107	-102	-1.1%
2009	9,146	39	0.4%
2010	8,825	-321	-3.5%
2011	8,487	-338	-3.8%
2012	8,366	-121	-1.4%
2013	8,252	-114	-1.4%
2014	8,321	69	0.8%
2015	8,473	152	1.8%
2016	8,730	257	3.0%
2017*	8,642	-88	-1.0%

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



Data for 2016, the most recent year that year-end figures are available, indicates in-place employment in Dillon County to be 72.6% of the total Dillon County employment. This means that Dillon County has more employed persons leaving the county for daytime employment than those who work in the county.

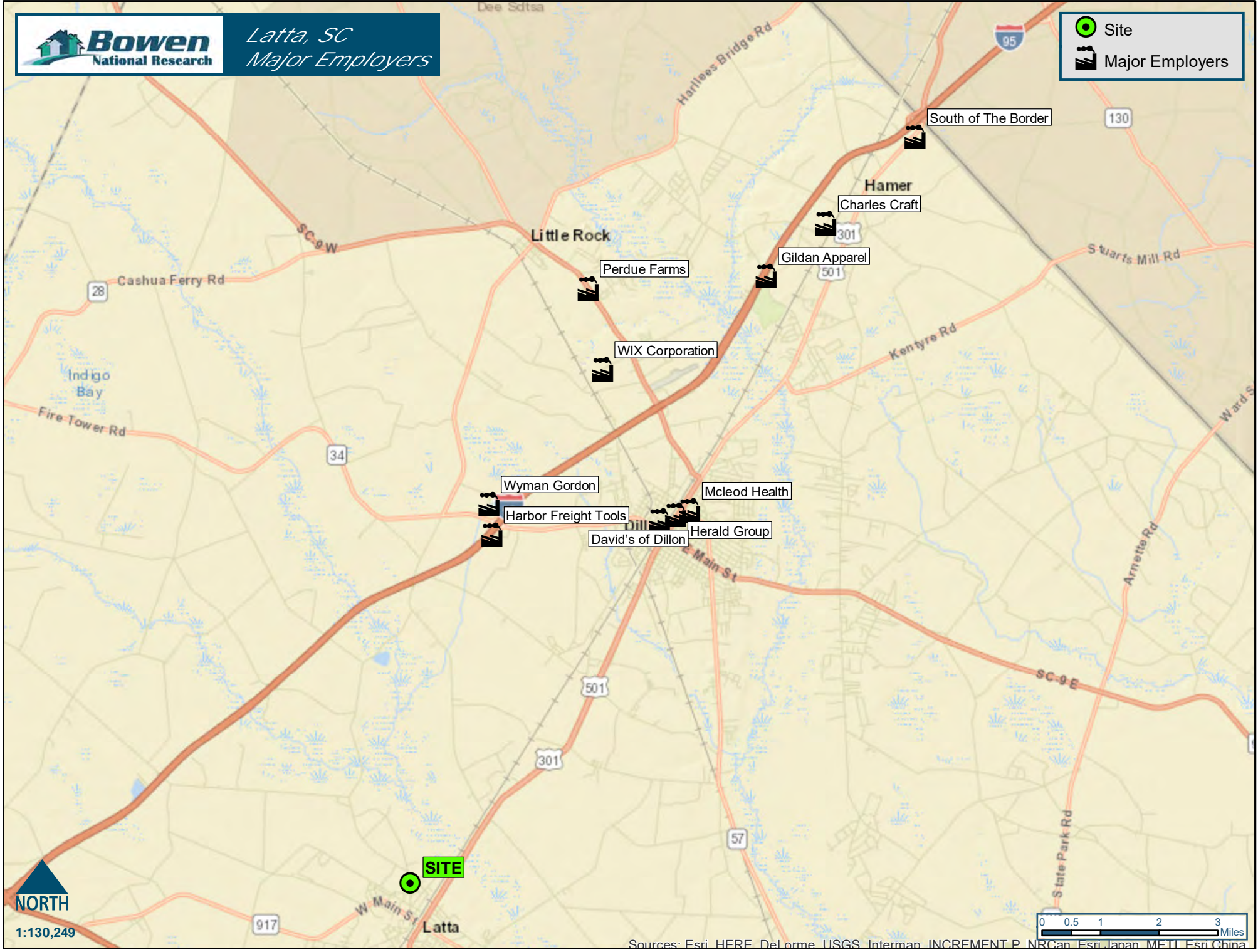
5. **EMPLOYMENT CENTERS MAP**

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



Latta, SC  
Major Employers

- Site
- Major Employers



NORTH  
1:130,249

## 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	8,199	77.0%
Carpooled	1,910	17.9%
Public Transit	80	0.8%
Walked	137	1.3%
Other Means	110	1.0%
Worked at Home	206	1.9%
Total	10,642	100.0%

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

Approximately 77% of all workers drove alone, 17.9% carpooled and only 0.8% 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	3,999	37.6%
15 to 29 Minutes	3,210	30.2%
30 to 44 Minutes	1,638	15.4%
45 to 59 Minutes	772	7.3%
60 or More Minutes	817	7.7%
Worked at Home	206	1.9%
Total	10,642	100.0%

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

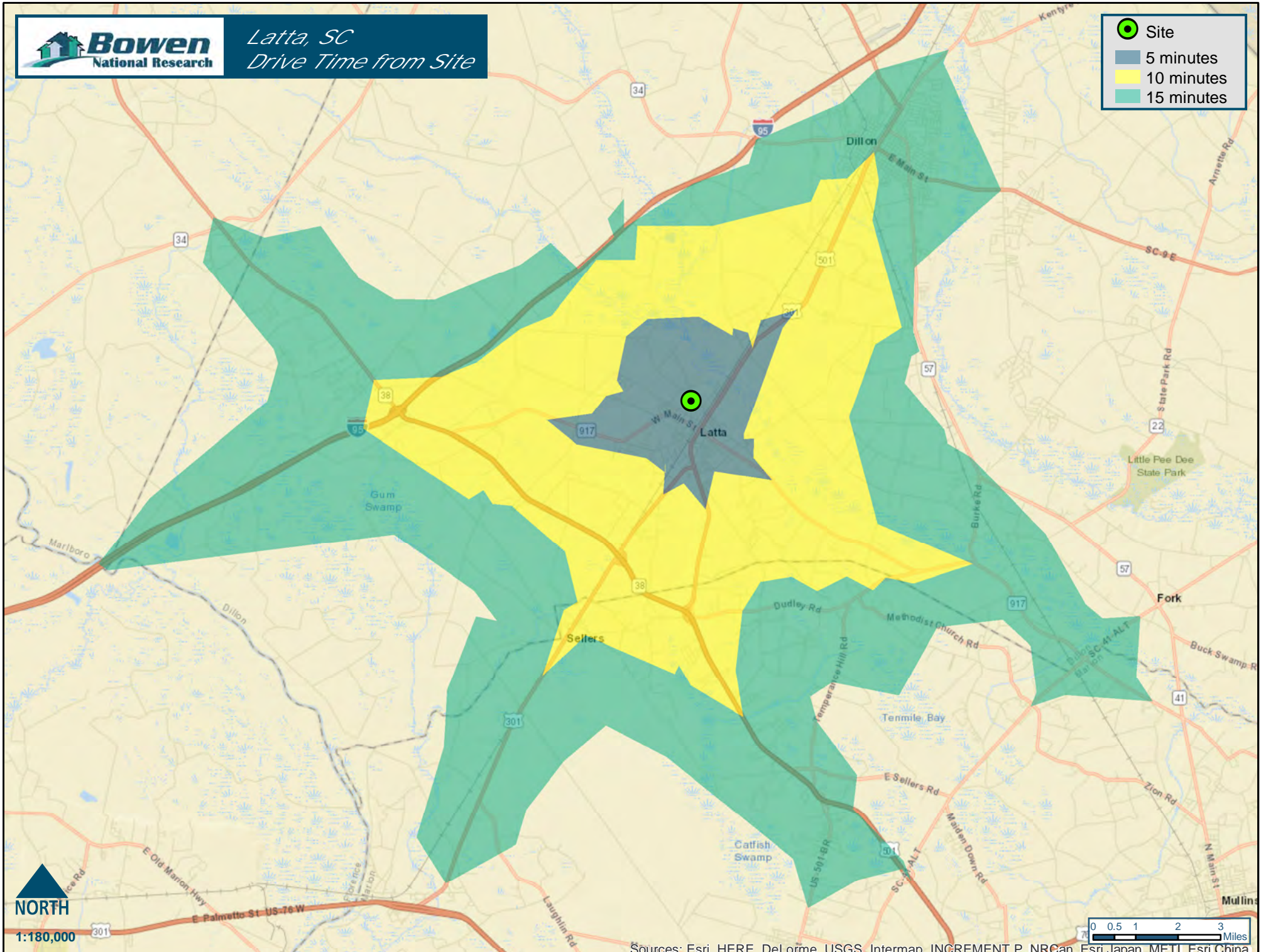
The largest share of area commuters has typical travel times to work ranging from zero to 15 minutes. The subject site is within a 15-minute drive to most of the area's largest employers, which should contribute to the project's marketability. A drive-time map for the subject site is on the following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





Latta, SC  
Drive Time from Site

- Site
- 5 minutes
- 10 minutes
- 15 minutes



NORTH  
1:180,000

0 0.5 1 2 3 Miles

Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri China

## **7. ECONOMIC FORECAST AND HOUSING IMPACT**

The economic climate within Dillon County has historically been worse than state and national averages. Since 2007, the unemployment rate has been substantially higher in Dillon County versus the state of South Carolina and the United States. However, the unemployment rate in Dillon County experienced signs of stabilization, as it has steadily decreased over the last seven-year period to a ten-year low of 5.4% (through November 2017). Further, the county's employment base generally declined between 2007 and 2013, decreasing by 532 jobs, or 4.5%. On a positive note, the employment base within the county has been significantly expanding since 2013, increasing by a total of 1,038 jobs, or 9.2%. It is anticipated that the local economy will continue to experience growth within the next several years, due to the recent announcements of business growth within the county. Nonetheless, considering the stabilizing unemployment rate, the need for affordable housing within the area will continue to grow. Based on the preceding factors, we expect the Dillon County economy will continue to experience positive growth for the foreseeable future, which will contribute to the strength of the local housing market. It is also important to reiterate, however, that the subject project will be restricted to senior households (age 62 and older), many of which will likely be retired and living on fixed-incomes. Considering the projected demographic growth among this targeted senior demographic within the Site PMA, demand for affordable senior-oriented housing alternatives is expected to remain high regardless of economic conditions within the area.

## F. Community Demographic Data

The following demographic data relates to the Site PMA. It is important to note that not all 2020 projections quoted in this section agree because of the variety of sources and rounding methods used. In most cases, the differences in the 2020 projections do not vary more than 1.0%.

### 1. POPULATION TRENDS

#### a. Total Population

The Site PMA population bases for 2000, 2010, 2017 (estimated) and 2020 (projected) are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2020 (Projected)
Population	30,722	32,062	31,456	30,976
Population Change	-	1,340	-606	-480
Percent Change	-	4.4%	-1.9%	-1.5%

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

The Latta Site PMA population base increased by 1,340 between 2000 and 2010. This represents a 4.4% increase over the 2000 population, or an annual rate of 0.4%. Between 2010 and 2017, the population declined by 606, or 1.9%. It is projected that the population will decline by 480, or 1.5%, between 2017 and 2020. Although the population is projected to decline between 2017 and 2020, it will do so a slower rate than previous years. This is indicative of a stabilizing population base.

#### b. Population by Age Group

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

Population by Age	2010 (Census)		2017 (Estimated)		2020 (Projected)		Change 2017-2020	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
19 & Under	9,496	29.6%	8,578	27.3%	8,427	27.2%	-151	-1.8%
20 to 24	1,988	6.2%	1,834	5.8%	1,688	5.4%	-146	-8.0%
25 to 34	3,907	12.2%	4,062	12.9%	3,725	12.0%	-337	-8.3%
35 to 44	3,911	12.2%	3,771	12.0%	3,769	12.2%	-2	-0.1%
45 to 54	4,573	14.3%	3,959	12.6%	3,765	12.2%	-194	-4.9%
55 to 64	4,028	12.6%	4,254	13.5%	4,174	13.5%	-80	-1.9%
65 to 74	2,400	7.5%	3,111	9.9%	3,342	10.8%	231	7.4%
75 & Over	1,759	5.5%	1,887	6.0%	2,087	6.7%	200	10.6%
Total	32,062	100.0%	31,456	100.0%	30,976	100.0%	-480	-1.5%

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



As the preceding table illustrates, over 29% of the population is expected to be age 55 and older in 2017. 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 will be restricted to senior renters age 62 and older. The following compares the PMA's elderly (age 62+) and non-elderly population.

Population Type	Year		
	2010 (Census)	2017 (Estimated)	2020 (Projected)
Elderly (Age 62+)	5,272	6,231	6,670
Non-Elderly	26,790	25,225	24,306
Total	32,062	31,456	30,976

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

The elderly population (age 62+) is projected to increase by 439, or 7.0%, between 2017 and 2020. This increase among the targeted age cohort will likely increase the demand of senior-oriented housing.

**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%	40.1%
Black or African American	27.9%	27.9% + 20.0% = 47.9%	38.3%
American Indian and Alaska Native	0.4%	0.4% + 20.0% = 20.4%	3.0%
Asian	1.3%	1.3% + 20.0% = 21.3%	0.4%
Native Hawaiian and Other Pacific Islander	0.1%	0.1% + 20.0% = 20.1%	0.0%
Hispanic or Latino	5.1%	5.1% + 20.0% = 25.1%	0.6%

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 Latta Site PMA are summarized as follows:

	Year			
	2000 (Census)	2010 (Census)	2017 (Estimated)	2020 (Projected)
Households	11,199	11,923	11,732	11,563
Household Change	-	724	-191	-169
Percent Change	-	6.5%	-1.6%	-1.4%
Household Size	2.74	2.69	2.64	2.64

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

Within the Latta Site PMA, households increased by 724 (6.5%) between 2000 and 2010. Between 2010 and 2017, households declined by 191 or 1.6%. By 2020, there will be 11,563 households, a decline of 169 households, or 1.4% over 2017 levels. This is a decline of approximately 56 households annually over the next three years. Similar to population trends, this household decline is doing so at a slower rate and is indicative of a stabilizing household base.

### b. Households by Tenure

Households by tenure for 2010, 2017 (estimated) and 2020 (projected) are distributed as follows:

Tenure	2010 (Census)		2017 (Estimated)		2020 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	7,908	66.3%	7,734	65.9%	7,619	65.9%
Renter-Occupied	4,015	33.7%	3,998	34.1%	3,943	34.1%
Total	11,923	100.0%	11,732	100.0%	11,563	100.0%

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

In 2017, homeowners occupied 65.9% of all occupied housing units, while the remaining 34.1% were occupied by renters. The share of renters is relatively high and represents a good base of potential renters in the market for the subject development.

Households by tenure for those age 62 and older in 2010, 2017 (estimated) and 2020 (projected) are distributed as follows:

Tenure Age 62+	2010 (Census)		2017 (Estimated)		2020 (Projected)	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	2,882	81.2%	3,118	78.1%	3,200	76.2%
Renter-Occupied	668	18.8%	874	21.9%	1,002	23.8%
Total	3,550	100.0%	3,992	100.0%	4,202	100.0%

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

A total of 874 (21.9%) of all households age 62 and older within the Site PMA were renters in 2017. The share of senior renters is considered typical for a rural market, such as the Latta Site PMA, and it is of note that senior renter-occupied households are projected to increase by 128, or 1.5%, between 2017 and 2020.

**c. Households by Income**

The distribution of households by income age 62 and older within the Latta Site PMA is summarized as follows:

Household Income 62+	2010 (Census)		2017 (Estimated)		2020 (Projected)	
	Households	Percent	Households	Percent	Households	Percent
Less Than \$15,000	958	27.0%	1,060	26.6%	1,113	26.5%
\$15,000 to \$24,999	1,065	30.0%	963	24.1%	961	22.9%
\$25,000 to \$34,999	429	12.1%	614	15.4%	657	15.6%
\$35,000 to \$49,999	421	11.9%	613	15.4%	668	15.9%
\$50,000 to \$74,999	397	11.2%	402	10.1%	437	10.4%
\$75,000 to \$99,999	176	5.0%	178	4.5%	194	4.6%
\$100,000 to \$149,999	75	2.1%	139	3.5%	147	3.5%
\$150,000 to \$199,999	22	0.6%	10	0.3%	11	0.3%
\$200,000 & Over	7	0.2%	13	0.3%	15	0.4%
Total	3,550	100.0%	3,992	100.0%	4,202	100.0%
Median Income	\$22,671		\$24,720		\$25,411	

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

In 2010, the median household income for households age 62 and older was \$22,671. This increased by 9.0% to \$24,720 in 2017. By 2020, it is projected that the median household income will be \$25,411, an increase of 2.8% over 2017.

**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 age 62 and older for 2010, 2017 and 2020 for the Latta Site PMA:

Renter Age 62+ Households	2010 (Census)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$15,000	188	32	29	28	24	302
\$15,000 to \$24,999	124	22	21	20	18	206
\$25,000 to \$34,999	56	11	10	10	8	95
\$35,000 to \$49,999	23	5	5	4	3	40
\$50,000 to \$74,999	10	2	2	2	1	17
\$75,000 to \$99,999	5	1	1	1	0	7
\$100,000 to \$149,999	0	0	0	0	0	1
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	0	0	0	0	0
<b>Total</b>	<b>408</b>	<b>72</b>	<b>68</b>	<b>65</b>	<b>55</b>	<b>668</b>

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2017 (Estimated)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$15,000	263	52	36	25	23	400
\$15,000 to \$24,999	130	27	18	12	12	198
\$25,000 to \$34,999	79	18	13	9	8	126
\$35,000 to \$49,999	74	18	12	8	8	119
\$50,000 to \$74,999	6	1	1	0	0	8
\$75,000 to \$99,999	11	3	1	1	1	17
\$100,000 to \$149,999	3	1	0	0	0	4
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	0	0	0	0	0
<b>Total</b>	<b>567</b>	<b>119</b>	<b>81</b>	<b>56</b>	<b>52</b>	<b>874</b>

Source: ESRI; Urban Decision Group

Renter Age 62+ Households	2020 (Projected)					Total
	1-Person	2-Person	3-Person	4-Person	5-Person+	
Less Than \$15,000	294	57	38	25	24	438
\$15,000 to \$24,999	138	28	18	12	12	208
\$25,000 to \$34,999	98	22	15	10	9	153
\$35,000 to \$49,999	90	23	15	9	9	146
\$50,000 to \$74,999	5	1	1	0	0	7
\$75,000 to \$99,999	24	6	3	2	2	36
\$100,000 to \$149,999	8	2	2	1	1	14
\$150,000 to \$199,999	0	0	0	0	0	0
\$200,000 & Over	0	0	0	0	0	0
<b>Total</b>	<b>657</b>	<b>139</b>	<b>91</b>	<b>59</b>	<b>56</b>	<b>1,002</b>

Source: ESRI; Urban Decision Group

The following tables illustrate owner household income by household size for age 62 and older for 2010, 2017 and 2020 for the Latta Site PMA:

Owner Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	280	160	90	78	48	656
\$15,000 to \$24,999	355	215	120	104	64	859
\$25,000 to \$34,999	134	86	48	41	25	334
\$35,000 to \$49,999	141	102	57	50	30	381
\$50,000 to \$74,999	144	101	56	49	30	380
\$75,000 to \$99,999	66	44	24	21	13	169
\$100,000 to \$149,999	24	21	12	10	7	74
\$150,000 to \$199,999	8	6	3	3	2	22
\$200,000 & Over	3	2	1	1	0	7
<b>Total</b>	<b>1,156</b>	<b>738</b>	<b>412</b>	<b>357</b>	<b>219</b>	<b>2,882</b>

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	246	190	93	74	57	660
\$15,000 to \$24,999	286	221	108	85	65	765
\$25,000 to \$34,999	175	144	70	56	43	488
\$35,000 to \$49,999	171	148	72	58	45	494
\$50,000 to \$74,999	135	119	58	46	36	394
\$75,000 to \$99,999	57	47	23	19	15	161
\$100,000 to \$149,999	43	42	20	16	13	135
\$150,000 to \$199,999	3	3	2	1	0	10
\$200,000 & Over	4	4	2	2	1	13
<b>Total</b>	<b>1,119</b>	<b>919</b>	<b>449</b>	<b>357</b>	<b>273</b>	<b>3,118</b>

Source: ESRI; Urban Decision Group

Owner Age 62+ Households	2020 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	242	202	95	75	61	675
\$15,000 to \$24,999	267	227	108	85	67	753
\$25,000 to \$34,999	172	155	73	58	46	503
\$35,000 to \$49,999	172	163	77	61	49	523
\$50,000 to \$74,999	143	134	63	50	40	430
\$75,000 to \$99,999	54	48	23	18	14	157
\$100,000 to \$149,999	42	43	20	16	13	133
\$150,000 to \$199,999	3	4	2	2	0	11
\$200,000 & Over	5	5	2	2	1	15
<b>Total</b>	<b>1,100</b>	<b>979</b>	<b>463</b>	<b>367</b>	<b>291</b>	<b>3,200</b>

Source: ESRI; Urban Decision Group

The following tables illustrate all household income by household size for age 62 and older for 2010, 2017 and 2020 for the Latta Site PMA:

All Age 62+ Households	2010 (Census)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	469	192	119	106	72	958
\$15,000 to \$24,999	479	238	141	124	82	1,065
\$25,000 to \$34,999	191	96	58	51	33	429
\$35,000 to \$49,999	165	107	62	55	33	421
\$50,000 to \$74,999	154	103	58	51	31	397
\$75,000 to \$99,999	71	44	25	22	14	176
\$100,000 to \$149,999	25	21	12	10	7	75
\$150,000 to \$199,999	8	6	3	3	2	22
\$200,000 & Over	3	2	1	1	0	7
<b>Total</b>	<b>1,564</b>	<b>810</b>	<b>480</b>	<b>422</b>	<b>274</b>	<b>3,550</b>

Source: ESRI; Urban Decision Group

All Age 62+ Households	2017 (Estimated)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	509	242	129	99	80	1,060
\$15,000 to \$24,999	416	247	126	98	76	963
\$25,000 to \$34,999	254	162	83	65	51	614
\$35,000 to \$49,999	244	166	84	66	52	613
\$50,000 to \$74,999	141	120	58	46	37	402
\$75,000 to \$99,999	68	50	25	20	15	178
\$100,000 to \$149,999	46	43	21	17	13	139
\$150,000 to \$199,999	3	3	2	1	0	10
\$200,000 & Over	4	4	2	2	1	13
<b>Total</b>	<b>1,687</b>	<b>1,037</b>	<b>530</b>	<b>413</b>	<b>325</b>	<b>3,992</b>

Source: ESRI; Urban Decision Group

All Age 62+ Households	2020 (Projected)					
	1-Person	2-Person	3-Person	4-Person	5-Person+	Total
Less Than \$15,000	536	259	133	100	84	1,113
\$15,000 to \$24,999	405	255	126	97	78	961
\$25,000 to \$34,999	270	177	88	68	55	657
\$35,000 to \$49,999	262	186	92	70	58	668
\$50,000 to \$74,999	148	134	63	50	41	437
\$75,000 to \$99,999	78	54	26	21	16	194
\$100,000 to \$149,999	50	45	22	17	13	147
\$150,000 to \$199,999	3	4	2	2	0	11
\$200,000 & Over	5	5	2	2	1	15
<b>Total</b>	<b>1,757</b>	<b>1,118</b>	<b>555</b>	<b>426</b>	<b>347</b>	<b>4,202</b>

Source: ESRI; Urban Decision Group

Data from the preceding tables is used in our demand estimates.



### Demographic Summary

Although demographic trends have been negative within the Latta Site PMA since 2010, in terms of both total population and households, a trend which is projected to continue between 2017 and 2020, demographic trends among *seniors* have been positive. The targeted senior demographic (age 62 and older) at the subject project is projected to increase in population by 439 (7.0%) between 2017 and 2020. It is also of note that senior renter households (age 62 and older) are projected to increase by 128 households, or 1.5%, during the same time period. A total of 1,002 senior renter households are projected to exist in the market in 2020, of which nearly 80.0% will earn below \$35,000. Based on the preceding factors, a large and expanding base of both age- and income-eligible renter support exists within the Site PMA for affordable senior-oriented rental product such as that proposed at the subject project.

## 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 Dillon County, South Carolina which has a median four-person household income of \$35,000 for 2017. However, the project location is eligible for the National Non-Metropolitan Income and Rent Floor adjustment. Therefore, the income restrictions for the subject project are based on the national non-metropolitan four-person median household income of \$55,200 in 2017. The subject property will be restricted to senior (age 62 and older) households with incomes of up to 50% and 60% of AMHI. The following table summarizes the maximum allowable income by household size and targeted AMHI levels.

Household Size	Maximum Allowable Income	
	50%	60%
One-Person	\$19,300	\$23,160
Two-Person	\$22,100	\$26,520

The subject project is comprised entirely of one-bedroom units which are expected to continue housing up to two-person senior (age 62 and older) households. As such, the maximum allowable income at the subject site is **\$26,520**.

### 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%.

Since 23 of the subject's 24 units operate with Rental Assistance (RA) that allows tenants to pay 30% of their adjusted gross income towards rent, some households could have little or no income and still reside at the subject project. Therefore, we have evaluated support for the subject's RD 515 units with RA using \$0 as the minimum income.

In the unlikely event the subject project did not retain RA and all units had to operate exclusively under the LIHTC guidelines, the proposed LIHTC units will have to lower its one-bedroom rents at 50% AMHI to at least \$517 (maximum allowable). Over a 12-month period, the minimum annual household expenditure (rent plus tenant-paid utilities) at the subject site is \$6,204. Applying a 40% rent-to-income ratio to the minimum annual household expenditure yields a minimum annual household income requirement for the Tax Credit units of \$15,510.

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 with and without RA are included in the following table:

Unit Type	Income Range	
	Minimum	Maximum
Tax Credit w/RA (Limited To 60% Of AMHI)	\$0	\$26,520
Tax Credit Only (Limited To 50% Of AMHI)	\$15,510	\$22,100
Tax Credit Only (Limited To 60% Of AMHI)	\$17,910	\$26,520
Tax Credit Only - Overall	\$15,510	\$26,520

### 3. DEMAND COMPONENTS

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

- a. **Demand from New Renter Households.** *New rental units required in the market area due to projected renter household growth. Determinations must be made using the current base year of 2017 and projecting forward to the anticipated placed-in-service date of 2019. The household projections 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-bedroom units or larger, analysts must conduct the required capture rate analysis, followed by an additional refined large-household capture rate analysis for the proposed three-bedroom units or larger by considering the number of large households (three-persons and larger). A demand analysis which does not evaluate both the overall capture rate as well as the additional refined large-households (three-person and larger) analysis may not accurately illustrate the demographic support base.*

- b. **Demand from Existing Households:** *The second source of demand should be determined using 2010 census data or the most current American Community Survey (ACS) data and projected from:*



- 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) 2012-2016 5-year estimates, approximately 25.1% 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 Table B25016 of the ACS 2012-2016 5-Year Estimates, 8.1% 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 located in a rural area of South Carolina. As a result, we anticipate that 5.0% of senior homeowners will consider the subject project as a housing alternative. Therefore, we used a 5.0% homeowner conversion rate in our capture rate 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 comparable/competitive affordable housing projects that were funded and/or built during the projection period (2017 to current). Although one Tax Credit property, BrookStone Landing (Map ID 8), was built in 2017, this project targets families and does not offer one-bedroom units. As such, no units were included in the following demand estimates.

The following is a summary of our demand calculations. *Note that under the RD 515 program, the subject project will be restricted to seniors age 62 and older. In the unlikely event the subsidy was lost and the project was to operate exclusively under the LIHTC guidelines, it would then be open to seniors age 55 and older. The following demand estimates consider these aforementioned age restrictions for each of these scenarios.*

Demand Component	Percent of Median Household Income			
	Age 62+	Age 55+		
	RD 515 60% AMHI with RA (\$0 - \$26,520)	Tax Credit 50% AMHI without RA (\$15,510 - \$22,100)	Tax Credit 60% AMHI without RA (\$17,910 - \$26,520)	Tax Credit Only Overall (\$15,510 - \$26,520)
Demand from New Renter Households (Age- And Income-Appropriate)	652 - 618 = 34	175 - 175 = 0	218 - 216 = 2	282 - 279 = 3
+				
Demand from Existing Households (Rent Overburdened)	618 X 47.1% = 291	175 X 47.2% = 83	216 X 25.1% = 54	279 X 34.4% = 96
+				
Demand from Existing Households (Renters in Substandard Housing)	618 X 8.1% = 50	175 X 8.1% = 14	216 X 8.1% = 18	279 X 8.1% = 23
+				
Demand from Existing Households (Senior Homeowner Conversion)	1,499 X 5.0% = 75	652 X 5.0% = 33	805 X 5.0% = 40	1,043 X 5.0% = 52
=				
Total Demand	450	130	114	174
-				
Supply (Directly Comparable Units Built and/or Funded Since 2017)	0	0	0	0
=				
Net Demand	450	*121	*92	*152
Proposed Units	24	19	5	24
Proposed Units/ Net Demand	24 / 450	5 / 121	19 / 92	24 / 152
Capture Rate	= 5.3%	= 4.1%	= 20.7%	= 15.8%

RA – Rental Assistance

\*Adjusted to account for no more than 20% of demand from senior homeowner conversion per SCSHFDA guidelines

The subject project operates under the RD 515 program and will maintain RA on 23 of the 24 subject units. Under this scenario, the subject project has an overall capture rate of 5.3%. Typically, utilizing this methodology, capture rates below 30.0% are acceptable, while capture rates under 20% are ideal. As such, the 5.3% capture rate for the subject project is considered low and easily achievable within the Latta Site PMA.

In the unlikely event that the subject project did not retain RA and had to operate exclusively under the LIHTC program, the overall capture rate would increase to 15.8%, which although higher, is considered achievable and below the 30.0% threshold. Also note that the subject capture rates by AMHI level are also considered achievable under this scenario, ranging from 4.1% to 20.7%. The preceding demand estimates demonstrate a sufficient base of age- and income-appropriate renter support within the Latta Site PMA for the subject project to operate under either of the previously detailed scenarios. Regardless, it is important to reiterate that the subject project is existing and currently maintains a 100.0% occupancy rate. Assuming RA is retained on all 23 units currently



receiving this subsidy, most (if not all) current tenants of the property are expected to remain post renovations. Thus, the effective capture rate for the subject project is 0.0%.

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	60.0%
Two-Bedroom	40.0%
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:

Tax Credit w/RA - Units Targeting 50% & 60% of AMHI (450 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 (60%)	270	0	270	24	8.9%

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

Tax Credit Only - Units Targeting 50% of AMHI (121 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 (60%)	73	0	73	5	6.8%

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

Tax Credit Only - Units Targeting 60% of AMHI (92 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 (60%)	55	0	55	19	34.5%

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

Assuming the retention of RA, the subject units have a capture rate by bedroom type of 8.9%, demonstrating sufficient demographic support for the subject units within the Site PMA. In the unlikely event RA was lost and the subject units had to operate exclusively under the LIHTC guidelines, capture rates for the subject's one-bedroom units are 6.8% for those at 50% of AMHI and 34.5% for those at 60% of AMHI. These are both considered achievable and demonstrate sufficient support for each of the proposed unit types at the subject project under this unlikely scenario. Regardless, the subject project is existing and 100.0% occupied, as previously stated. Most, if not all, current tenants are expected to remain post renovations, assuming the retention of RA. Thus, the effective capture rate for the subject project is 0.0%, as previously detailed.

## 6. ABSORPTION PROJECTIONS

According to management, the subject project is currently 100.0% occupied and a one-household waiting list is maintained. It is anticipated that few, if any, of the current tenants will move from the project following renovations. Furthermore, it is important to note that the renovations at the subject site will not necessitate the displacement of current residents and the project will be renovated in such a way to minimize off-site relocation. Therefore, few if any, of the subject units will have to be re-rented immediately following renovations. However, for the purpose of this analysis, we assume that all 24 subject units will be vacated and that all units will have to be re-rented simultaneously, assuming the retention of Rental Assistance (RA) on 23 of the 24 subject units. We also assume the absorption period at the site begins as soon as the first renovated units are available for occupancy and that the initial renovated units at the site will be available for rent sometime in July of 2019. A different completion date may impact (positively or negatively) the absorption potential for the subject project.

It is our opinion that the 24 units at the subject site will reach a stabilized occupancy of 93.0% within three months following renovations, assuming total displacement of existing tenants. This absorption period is based on an average absorption rate of approximately seven to eight units per month. Our absorption projections assume that no other projects targeting a similar age or income group will be developed during the projection period and that the renovations will be completed as outlined in this report. Changes to the project's rents, amenities, scope of renovations, or other features may invalidate our findings. We assume the developer and/or management will aggressively market the project throughout the Site PMA a few months in advance of its opening and continue to monitor market conditions during the project's initial lease-up period. Finally, these absorption projections also assume that RA will be retained following renovations. Should RA not be retained, the 24 LIHTC units at the subject site would likely have an extended absorption period as this would no longer allow the subject project to target households earning below \$15,510, assuming the project operates at the proposed LIHTC rent levels in this report. However, it is also important to note that the proposed subject rents are only slightly higher than current Payment Standards set by the Marlboro County Housing Authority. As such, Housing Choice Voucher holders would be likely to reside at the subject project in this unlikely scenario. This has been considered in our absorption projections. Based on the preceding analysis, along with other factors contained within this report, we would anticipate the rehabilitated units would reach a stabilized occupancy rate of 93.0% within six months. This assumes an average absorption rate of approximately four units per month.

In reality, however, the absorption period for this project will be less than one month as most, if not all, tenants are expected to remain at the project, with the majority continuing to pay up to 30% of their adjusted gross income towards housing costs.

## H. Rental Housing Analysis (Supply)

### 1. COMPETITIVE DEVELOPMENTS

It should be noted that there are no non-subsidized age-restricted Low-Income Housing Tax Credit (LIHTC) projects within the Site PMA. However, we did identify two general-occupancy affordable rental community that operate under both the LIHTC and Rural Development Section 515 (RD 515) programs which offer garden-style, ground-level one-bedroom units, some of which do not operate with Rental Assistance (RA) in the market that likely appeal to senior households. These projects offer a total of 26 non-RA units which are occupied by tenants paying between basic and market rents as required, due to the lack of RA. As such, these projects will provide an accurate base of comparison to the subject project.

Given the lack of non-subsidized LIHTC housing within the Site PMA, we identified and surveyed three additional LIHTC communities outside of the Site PMA, but within the region in Mullins, Bennettsville and Florence that offer garden-style, one-bedroom units. These four projects target households with incomes up to 50% and/or 60% of Area Median Household Income (AMHI) and are considered comparable. It should be noted that these projects are not considered competitive with the subject development, as they derive demographic support from a different geographical area. As such, these projects have been included for comparison purposes only. The five comparable LIHTC properties and the subject development are summarized as follows:

Map I.D.	Project Name	Year Built/ Renovated	Total Units	Occ. Rate	Distance to Site	Waiting List	Target Market
Site	<b>Fairmeadow Apartments</b>	<b>1993 / 2019</b>	<b>24</b>	<b>100.0%</b>	<b>-</b>	<b>1 H.H.</b>	<b>Seniors 62+; 50% &amp; 60% AMHI &amp; RD 515</b>
3	Cedar Terrace Apts.	1990	40	100.0%	7.7 Miles	6 H.H.	Families; 60% AMHI & RD 515 (20 units of RA)
14	Lake View Green Apts.	1992	24	91.7%	19.2 Miles	None	Families; 60% AMHI & RD 515 (18 units of RA)
901	Anderson Center	2001	22	100.0%	15.6 Miles	5 H.H.	Families; 50% & 60% AMHI
902	Lakota Crossing	2004	72	100.0%	27.1 Miles	75 H.H.	Families; 50% & 60% AMHI
904	Bennettsville Lofts	2003	22	100.0%	28.1 Miles	5 H.H.	Families; 50% & 60% AMHI

900 Map IDs are located outside the Site PMA

OCC. – Occupancy

H.H. - Households



The five LIHTC projects have a combined occupancy rate of 98.9%, the majority of which maintain waitlists, the longest of which contains 75 households. This illustrates that pent-up demand exists for additional affordable housing within both the market and region. The subject project will continue to accommodate a portion of this unmet demand.

The following table identifies the 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
3	Cedar Terrace Apts.	20*	7	35.0%
14	Lake View Green Apts.	6*	0	0.0%
901	Anderson Center	22	6	27.3%
902	Lakota Crossing	72	23	31.9%
904	Bennettsville Lofts	22	4	18.2%
Total		180	40	22.2%

\*RA units not included in total  
 900 Map IDs are located outside the Site PMA

As the preceding table illustrates, there are a total of approximately 40 non-RA units that are occupied by Voucher holders at the five comparable LIHTC projects within the market and region. The 40 units occupied by Voucher holders comprise 22.2% of these comparable non-RA units. This illustrates that nearly 78% of the non-RA Tax Credit units in the market and region are occupied by tenants which are not currently receiving rental assistance. Therefore, the gross rents charged at these comparable affordable developments are achievable.



The gross rents for the 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.	
<b>Site</b>	<b>Fairmeadow Apartments</b>	<b>\$517*/50% (5)</b> <b>\$597/60% (19)</b>	-	-	-
3	Cedar Terrace Apts.	\$583-\$717**/60% (12/0)	\$647-\$853**/60% (28/0)	-	None
14	Lake View Green Apts.	\$648-\$829**/60% (4/0)	\$711-\$892**/60% (20/2)	-	None
901	Anderson Center	\$498/50% (8/0) \$498/60% (8/0)	\$533/50% (3/0) \$549/60% (3/0)	-	None
902	Lakota Crossing	\$532/50% (4/0)	\$640/50% (37/0) \$666/60% (3/0)	\$739/50% (26/0) \$794/60% (2/0)	None
904	Bennettsville Lofts	\$482/50% (4/0) \$493/60% (3/0)	\$504/50% (7/0) \$566/60% (7/0)	\$650/50% (1/0)	None

\*2017 maximum allowable LIHTC gross rent

\*\*Denotes basic and market rents

900 Map IDs are located outside the Site PMA

The proposed subject gross LIHTC rents of \$517 to \$597 will be within the range of the existing LIHTC and RD 515 rents targeting similar income levels within the market and region. Notably, the basic and market rents charged at Cedar Terrace Apartments (Map ID 3), are generally higher than the programmatic/proposed rents at the subject project. Due to the fact that 20 units at this property do not have RA, and the property is 100.0% occupied with a waiting list, it can be concluded that these rents are achievable in the Latta market. This will allow the subject to compete well in the Latta market and region. Regardless, 23 of the 24 subject units will continue to operate with RA post LIHTC renovations, allowing residents to pay up to 30% of their gross adjusted incomes towards housing costs. Therefore, the subject project will continue to represent a substantial value to low-income senior households within the Latta Site PMA.

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

**901 Anderson Center**

15.6 miles to site



<b>Address</b>	135-151 N. Main St. Mullins, SC 29574		
<b>Phone</b>	(843) 464-6789	<b>Contact</b>	Christopher
<b>Total Units</b>	22	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2001	<b>Floors</b>	2
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	5 households		
<b>Quality Rating</b>	C+	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	50% & 60% AMHI; HCV (6 units); Historic theater renovated into apartments; Square footage estimated		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Central AC, Carpet, Ceiling Fan, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Fitness Center

**Unit Configuration**

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	8	0	600	\$0.69	\$413	60%
1	1	G	8	0	600	\$0.69	\$413	50%
2	1	G	3	0	800	\$0.55	\$443	60%
2	1	G	3	0	800	\$0.53	\$427	50%



**902 Lakota Crossing**

27.1 miles to site



<b>Address</b>	1741 Lakota Dr. Florence, SC 29501		
<b>Phone</b>	(843) 664-9030	<b>Contact</b>	Blair
<b>Total Units</b>	72	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2004	<b>Floors</b>	1
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	75 households		
<b>Quality Rating</b>	A-	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	50% & 60% AMHI; HCV (23 units); HOME Funds (72 units)		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Ceiling Fan, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Meeting Room, Fitness Center, Playground, Computer Lab, Gazebo

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	750	\$0.60	\$447	50%
2	1	G	3	0	950	\$0.59	\$560	60%
2	1	G	37	0	950	\$0.56	\$534	50%
3	2	G	2	0	1100	\$0.60	\$660	60%
3	2	G	26	0	1100	\$0.55	\$605	50%

**904** **Bennettsville Lofts**

28.1 miles to site



<b>Address</b>	101 Broad St. Bennettsville, SC 29512		
<b>Phone</b>	(843) 479-9882	<b>Contact</b>	Jackie
<b>Total Units</b>	22	<b>Vacancies</b>	0
		<b>Percent Occupied</b>	100.0%
<b>Project Type</b>	Tax Credit		
<b>Year Open</b>	2003	<b>Floors</b>	2,3
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	5 households		
<b>Quality Rating</b>	B	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	50% & 60% AMHI; HCV (4 units); Adaptive reuse, originally built in 1908; Square footage estimated by manager		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Dishwasher, Disposal, Central AC, Wood Flooring, Ceiling Fan, Intercom, Blinds
<b>Project Amenities</b>	On-site Management, Laundry Facility, Fitness Center, Computer Lab

**Unit Configuration**

BRs	BAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	3	0	500 to 700	\$0.58 - \$0.82	\$408	60%
1	1	G	4	0	500 to 700	\$0.57 - \$0.79	\$397	50%
2	1	G	7	0	700 to 900	\$0.51 - \$0.66	\$460	60%
2	1	G	7	0	700 to 900	\$0.44 - \$0.57	\$398	50%
3	1	G	1	0	1100	\$0.47	\$516	50%

3

**Cedar Terrace Apts.**

7.7 miles to site



**Address** 1010 McKenzie Rd.  
Dillon, SC 29536

**Phone** (843) 774-8355 **Contact** Yolonda

**Total Units** 40 **Vacancies** 0 **Percent Occupied** 100.0%

**Project Type** Tax Credit & Government-Subsidized

**Year Open** 1990 **Floors** 1,2

**Concessions** No Rent Specials

**Parking** Surface Parking

**Waiting List** 6 households

**Quality Rating** B **Neighborhood Rating** B

**Remarks** 60% AMHI; RD 515, has RA (20 units); HCV (7 units);  
Townhomes have exterior storage

### Features and Utilities

**Utilities** No landlord paid utilities

**Unit Amenities** Refrigerator, Range, Central AC, Carpet, Washer/Dryer Hook Up, Blinds, Exterior Storage

**Project Amenities** On-site Management, Laundry Facility, Playground

### Unit Configuration

BRs	BA's	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	12	0	658	\$0.65 - \$0.85	\$427 to \$561	60%
2	1.5	T	28	0	925	\$0.50 - \$0.72	\$460 to \$666	60%



**14 Lake View Green Apts.**

19.2 miles to site



<b>Address</b>	1609 Scott St. Lake View, SC 29563		
<b>Phone</b>	(843) 759-2322	<b>Contact</b>	Sam
<b>Total Units</b>	24	<b>Vacancies</b>	2
		<b>Percent Occupied</b>	91.7%
<b>Project Type</b>	Tax Credit & Government-Subsidized		
<b>Year Open</b>	1992	<b>Floors</b>	1
<b>Concessions</b>	No Rent Specials		
<b>Parking</b>	Surface Parking		
<b>Waiting List</b>	NONE		
<b>Quality Rating</b>	B	<b>Neighborhood Rating</b>	B
<b>Remarks</b>	60% AMHI; RD 515, has RA (18 units); Accepts HCV (0 currently)		

**Features and Utilities**

<b>Utilities</b>	Landlord pays Water, Sewer, Trash
<b>Unit Amenities</b>	Refrigerator, Range, Central AC, Carpet, Washer/Dryer Hook Up, Patio/Deck/Balcony, Blinds, Exterior Storage
<b>Project Amenities</b>	On-site Management

**Unit Configuration**

BRs	BAAs	TYPE	UNITS	VACANT	SQUARE FEET	\$ / SQ FT	COLLECTED RENT	AMHI
1	1	G	4	0	646	\$0.87 - \$1.15	\$563 to \$744	60%
2	1	G	20	2	800	\$0.76 - \$0.98	\$605 to \$786	60%

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

Map I.D.	Project Name	Square Footage		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Fairmeadow Apartments</b>	<b>659</b>	<b>-</b>	<b>-</b>
3	Cedar Terrace Apts.	658	925	-
14	Lake View Green Apts.	646	800	-
901	Anderson Center	600	800	-
902	Lakota Crossing	750	950	1,100
904	Bennettsville Lofts	500 - 700	700 - 900	1,100

900 Map IDs are located outside the Site PMA

Map I.D.	Project Name	Number of Baths		
		One-Br.	Two-Br.	Three-Br.
<b>Site</b>	<b>Fairmeadow Apartments</b>	<b>1.0</b>	<b>-</b>	<b>-</b>
3	Cedar Terrace Apts.	1.0	1.5	-
14	Lake View Green Apts.	1.0	1.0	-
901	Anderson Center	1.0	1.0	-
902	Lakota Crossing	1.0	1.0	2.0
904	Bennettsville Lofts	1.0	1.0	1.0

900 Map IDs are located outside the Site PMA

The subject project offers one-bedroom unit sizes, in terms of square feet and number of bathrooms offered, similar to the one-bedroom unit sizes offered at the comparable LIHTC projects within the market and region. Considering the high occupancies maintained among all comparable affordable developments and the fact that the subject's unit sizes are within the range of those offered, they are considered appropriately positioned.

The following tables compare the amenities of the subject development with the other LIHTC projects in the market and region.



# COMPARABLE PROPERTIES AMENITIES - LATTA, SOUTH CAROLINA

MAP ID	APPLIANCES						UNIT AMENITIES													
	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	OTHER
◆ SITE	X	X				X	X		C		X	X	X				B	X	S	
901	X	X					X		C				X				B		S	
902	X	X		X			X		C		X	X	X				B		S	
904	X	X		X	X		X		W				X		X		B		S	
3	X	X					X		C		X						B		S	Exterior Storage
14	X	X					X		C		X	X					B		S	Exterior Storage

MAP ID	PROJECT AMENITIES																			
	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	OTHER	
◆ SITE		X	X		X	X								X		X				
901		X	X		X	X														
902		X	X		X	X		X						X						Gazebo
904		X	X			X								X						
3		X	X					X												
14		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	
O - On Street	
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 included at the subject development are considered slightly superior to the comparable LIHTC communities in the market and region. The subject project does not lack any amenity that will have a significant adverse impact on its marketability, as evidenced by its 100.0% occupancy rate and wait list. Notably, the subject project will be the only comparable LIHTC property to include a picnic area and microwaves.

#### Comparable/Competitive Tax Credit Summary

As stated throughout this report, there are no non-subsidized age-restricted LIHTC properties within the Latta market. However, the two general-occupancy non-subsidized Tax Credit properties in the market are currently 100.0% occupied, although these properties do not offer one-bedroom units and are not considered comparable to the subject development. Due to the lack of non-subsidized age-restricted LIHTC properties in the market, we identified and surveyed RD 515 properties with units that do not receive RA, as well as three non-subsidized LIHTC properties outside the market, but within the region, for our comparable analysis. These properties have a combined occupancy rate of 98.9% and most properties maintain a waiting list for their next available unit, the longest of which contains 75 households. This is a clear indication of pent-up demand for affordable housing in the Latta region. Based on our analysis of the proposed rents, unit sizes (square footage), amenities, location, quality and occupancy rates of the existing comparable LIHTC properties within the market and region, it is our opinion that the subject project will continue to be marketable within the Site PMA. It is also important to reiterate that the subject development will continue to offer RA to 23 of the subject's 24 units, which allows tenants of these units to pay up to 30% of their incomes towards rent. As such, the subject project will continue to be perceived as an even greater value. This has been considered in our absorption projections.

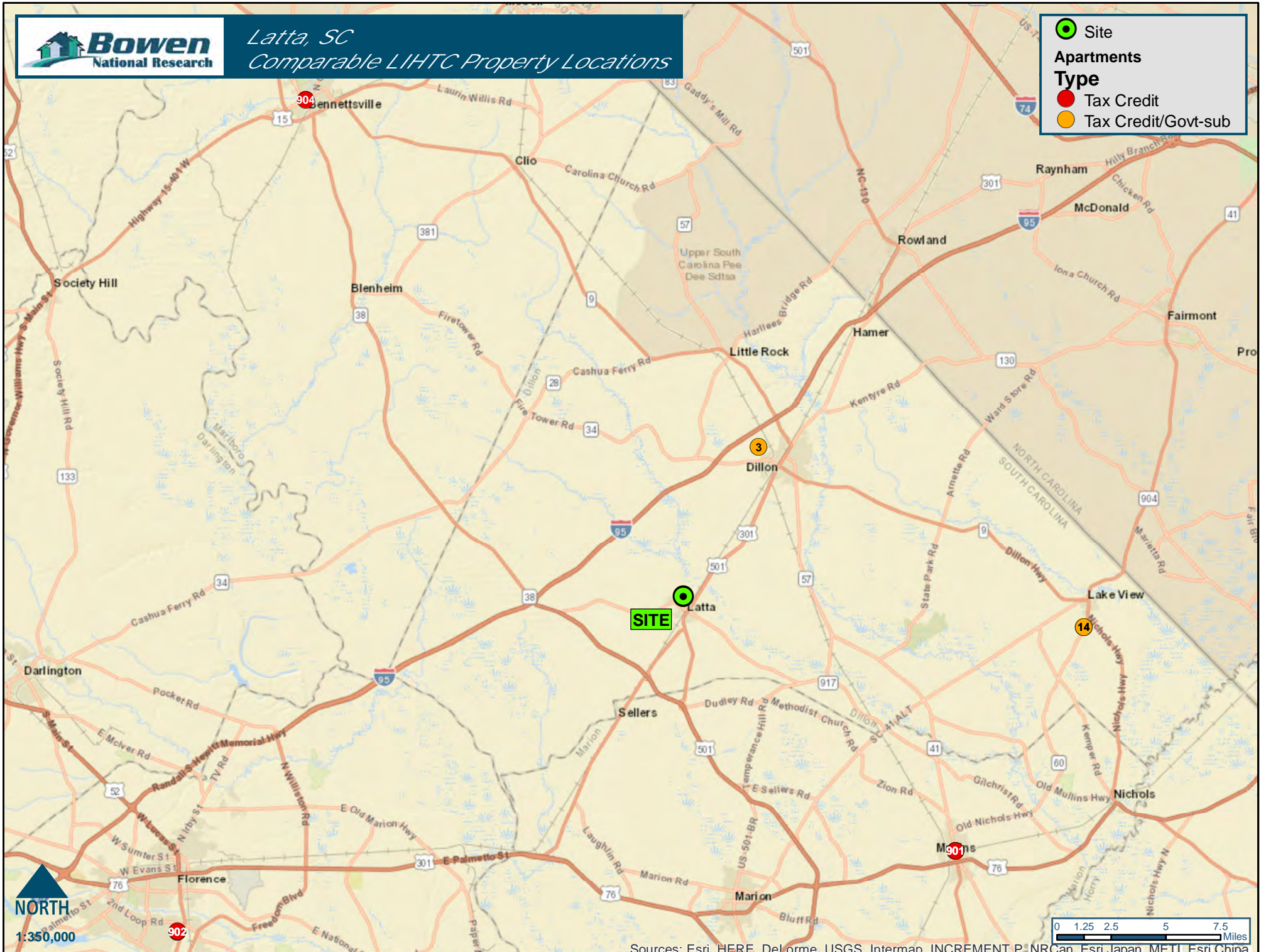
## **2. COMPARABLE TAX CREDIT PROPERTIES MAP**

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



Latta, SC  
Comparable LIHTC Property Locations

● Site  
● Apartments  
● Tax Credit  
● Tax Credit/Govt-sub



### 3. RENTAL HOUSING OVERVIEW

The distributions of the area housing stock within the Latta Site PMA in 2010 and 2017 (estimated) are summarized in the following table:

Housing Status	2010 (Census)		2017 (Estimated)	
	Number	Percent	Number	Percent
Total-Occupied	11,923	86.8%	11,732	85.4%
Owner-Occupied	7,908	66.3%	7,734	65.9%
Renter-Occupied	4,015	33.7%	3,998	34.1%
Vacant	1,819	13.2%	2,010	14.6%
Total	13,742	100.0%	13,742	100.0%

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

Based on a 2017 update of the 2010 Census, of the 13,742 total housing units in the market, 14.6% were vacant. In 2017, it was estimated that homeowners occupied 65.9% of all occupied housing units, while the remaining 34.1% were occupied by renters. The share of renters is considered typical for a rural market and the 3,998 renter households estimated in 2017 represent a good base of continued and potential support in the market for the subject development.

#### Conventional Apartments

We identified and personally surveyed 19 conventional housing projects containing a total of 789 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 97.8%, a very good rate for rental housing. Each rental housing segment is summarized in the following table:

The following table summarizes project types identified in the Site PMA:

Project Type	Projects Surveyed	Total Units	Vacant Units	Occupancy Rate
Market-rate	3	148	15	89.9%
Market-rate/Tax Credit	1	40	0	100.0%
Tax Credit	2	80	0	100.0%
Tax Credit/Government-Subsidized	7	230	2	99.1%
Government-Subsidized	6	291	0	100.0%
Total	19	789	17	97.8%

Overall, the rental housing market is performing well, with a 97.8% overall occupancy rate. It should be noted that the market-rate segment is currently operating with a less than stable occupancy rate; however, the affordable housing segments are performing extremely well, as there are only two (2) vacancies in this segment. This illustrates that pent-up demand exists for additional affordable housing within the market. The subject project will be able to accommodate a portion of this unmet demand.



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

Market-Rate						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
One-Bedroom	1.0	22	12.2%	0	0.0%	\$499
Two-Bedroom	1.0	82	45.6%	6	7.3%	\$553
Two-Bedroom	1.5	12	6.7%	0	0.0%	\$672
Three-Bedroom	1.0	36	20.0%	6	16.7%	\$683
Three-Bedroom	1.5	12	6.7%	0	0.0%	\$775
Four-Bedroom	1.5	16	8.9%	3	18.8%	\$761
<b>Total Market-rate</b>		<b>180</b>	<b>100.0%</b>	<b>15</b>	<b>8.3%</b>	-
Tax Credit, Non-Subsidized						
Bedroom	Baths	Units	Distribution	Vacancy	% Vacant	Median Gross Rent
Two-Bedroom	1.0	4	4.5%	0	0.0%	\$662
Two-Bedroom	2.0	32	36.4%	0	0.0%	\$554
Three-Bedroom	1.5	4	4.5%	0	0.0%	\$775
Three-Bedroom	2.0	48	54.5%	0	0.0%	\$658
<b>Total Tax Credit</b>		<b>88</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	-

As the preceding table illustrates, the median gross Tax Credit rents are generally comparable to their median gross market-rate rents. Typically, Tax Credit rents are set 10% below market rents in order to represent a value to low-income renters and to ensure a steady flow of tenants. It is important to note, however, that all market-rate properties surveyed were built on or before 1980, whereas the two non-subsidized Tax Credit projects were built in 2005 and 2017, as illustrated in Addendum A - *Field Survey of Conventional Rentals*. These relatively newer Tax Credit projects offer a more comprehensive amenities package and generally larger unit sizes than the surveyed market-rate properties, which enable these affordable developments to charge higher rents. This is further evidenced by the 100.0% occupancy among all non-subsidized Tax Credit units 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
Before 1970	0	0	0.0%
1970 to 1979	2	104	14.4%
1980 to 1989	1	44	0.0%
1990 to 1999	1	40	0.0%
2000 to 2005	1	40	0.0%
2006 to 2017	0	0	0.0%
2018*	0	0	0.0%

\*As of January

Nearly 39% of all apartments surveyed were built prior to 1980. These older apartments have a vacancy rate of 14.4%, higher than the overall market. Approximately 40 units have been added to the market since 2000. These newer units have a 0.0% vacancy rate, illustrating that newer product has been well received within the market. The bulk of the existing rental housing stock is considered to be old and it can be concluded that age has had an impact on vacancies.

We rated each non-subsidized property surveyed on a scale of "A" through "F". All non-subsidized properties 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
B	1	32	0.0%
B-	2	56	0.0%
C	1	92	16.3%
Non-Subsidized Tax Credit			
Quality Rating	Projects	Total Units	Vacancy Rate
A	1	40	0.0%
B+	1	40	0.0%
B	1	8	0.0%

Vacancies only exist among the one surveyed market-rate property with a quality rating of a "C". Therefore, there appears to be a correlation between vacancy rates and quality levels among the non-subsidized communities. The proposed renovations at the subject project are anticipated to enhance its overall quality and appeal, which will have a positive impact on its continued marketability.

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 Latta Site PMA is on the following page.

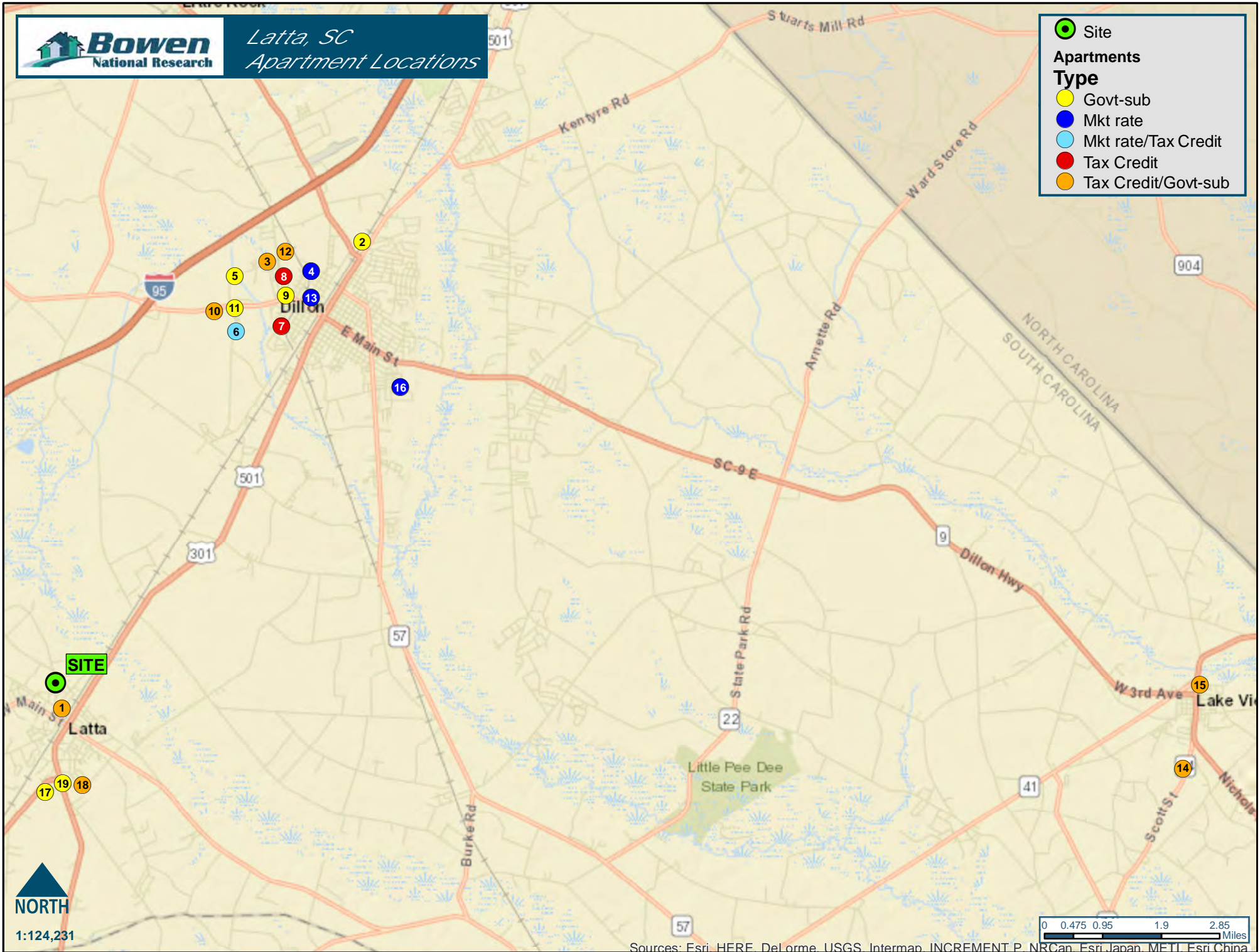


# Latta, SC Apartment Locations

**Site**  
● Site

**Apartments Type**

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



1:124,231



## **5. & 6. PLANNED AND PROPOSED DEVELOPMENTS**

Based on our interviews with local building and planning representatives, it was determined that there are no rental communities within the development pipeline in the Site PMA.

## **7. MARKET RENT ADVANTAGE**

We identified four market-rate properties within the Latta Site PMA that we consider comparable to the subject development based on the bedroom types offered. It should be noted that there is a limited supply of conventional market-rate rentals available within the market area. As such, older and less desirable apartment communities within the market area have been selected. However, these less desirable apartments have been adjusted appropriately to determine the appropriate market rent. In addition, it was necessary to survey one additional development located within the nearby city of Bennettsville that we consider comparable to the subject development based on their design and age. Combined, these five selected properties are used to derive market rents 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 with maximum income and rent restrictions.

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

- 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/ Renovated	Total Units	Occ. Rate	Unit Mix (Occupancy Rate)			
					One-Br.	Two-Br.	Three-Br.	Four-Br.
Site	<b>Fairmeadow Apartments</b>	<b>1993 / 2019</b>	<b>24</b>	<b>100.0%</b>	<b>24 (100.0%)</b>	-	-	-
4	Rosewood Manor	1980 / 2012	44	100.0%	6 (100.0%)	32 (100.0%)	6 (100.0%)	-
6	Dover Village	1997	32*	100.0%	-	20 (100.0%)	12 (100.0%)	-
13	Tree Top Apts.	1972	12	100.0%	-	12 (100.0%)	-	-
16	Sunflower Place	1973 / 2012	92	83.7%	16 (100.0%)	30 (80.0%)	30 (80.0%)	16 (81.3%)
905	Marlboro Manor (1)	1985	57	87.7%	14 (92.9%)	35 (82.9%)	8 (100.0%)	-

Map ID 905 is located outside the Site PMA

Occ. – Occupancy

\*Market-rate units only

The five selected market-rate projects have a combined total of 237 units with an overall occupancy rate of 90.7%. Note that Sunflower Place (Map ID 16) is considered outdated (built in 1973 and has a quality rating of a "C") and undesirable within the Site PMA. However, due to the lack of comparable market-rate properties, it was necessary to select Sunflower Place in order to have representation of the Latta Site PMA within this analysis. Note that various features considered undesirable at Sunflower Place have been accounted for in the following HUD Rent Comparability Grid. The remaining projects all have occupancy rates between 87.7% and 100.0%. These generally stable occupancy rates indicate that these projects have been well-received within their respective markets and will serve as accurate benchmarks with which to compare to the subject development.

The Rent Comparability Grid on the following page shows the collected rents for each of the selected properties and illustrates 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 →

**ONE BEDROOM**

<b>Subject</b>		<b>Comp #1</b>		<b>Comp #2</b>		<b>Comp #3</b>		<b>Comp #4</b>		<b>Comp #5</b>	
Fairmeadow Apartments		Rosewood Manor		Dover Village		Tree Top Apts.		Sunflower Place		Marlboro Manor (1)	
605 North Marion Street		701 Garden Ct.		414 S. Longstreet Rd.		Elizabeth Ln.		1602 McNeil St.		800 Oakwood St.	
Latta, SC		Dillon, SC		Dillon, SC		Dillon, SC		Dillon, SC		Bennettsville, SC	
<b>A.</b>	<b>Rents Charged</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
1	\$ Last Rent / Restricted?	\$340		\$475		\$485		\$414		\$450	
2	Date Surveyed	Jan-18		Jan-18		Jan-18		Jan-18		Feb-18	
3	Rent Concessions	None		None		None		None		None	
4	Occupancy for Unit Type	100%	\$10	100%	\$10	100%	\$10	100%	\$10	93%	
5	Effective Rent & Rent/ sq. ft	\$350	0.51	\$485	0.63	\$495	0.52	\$424	0.57	\$450	0.56
<b>B.</b>	<b>Design, Location, Condition</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
6	Structure / Stories	R/1		WU/2		TH/2		WU/2		WU/2	
7	Yr. Built/Yr. Renovated	1993/2019		1980/2012	\$10	1997	\$9	1972	\$34	1973/2012	\$13
8	Condition/Street Appeal	E		G	\$15	G	\$15	G	\$15	F	\$30
9	Neighborhood	G		F	\$10	F	\$10	G		F	\$10
10	Same Market?			Yes		Yes		Yes		Yes	
<b>C.</b>	<b>Unit Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
11	# Bedrooms	1		1		2	(\$50)	2	(\$50)	1	
12	# Baths	1		1		1		1.5	(\$15)	1	
13	Unit Interior Sq. Ft.	659	(\$4)	689	(\$4)	775	(\$16)	950	(\$40)	750	(\$12)
14	Balcony/Patio	Y	\$10	N	\$10	Y		Y		N	\$10
15	AC: Central/Wall	C		W	\$5	C		C		C	
16	Range/Refrigerator	R/F		R/F		R/F		R/F		R/F	
17	Microwave/Dishwasher	Y/N	\$5	N/N	\$5	N/N	\$5	N/Y	(\$5)	N/N	\$5
18	Washer/Dryer	HU/L	\$10	L	\$10	HU/L		W/D	(\$25)	L	\$10
19	Floor Coverings	VCT		C		W		C		C	
20	Window Coverings	B	\$5	N	\$5	B		B		B	
21	Secured Entry	N		N		N		N		N	
22	Garbage Disposal	N		N		Y	(\$5)	N		N	
23	Ceiling Fans/E-Call System	Y/Y	\$10	N/N	\$10	N/N	\$10	N/N	\$10	N/N	\$10
<b>D.</b>	<b>Site Equipment/ Amenities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
24	Parking ( \$ Fee)	LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0		LOT/\$0	
25	On-Site Management	Y	\$5	N	\$5	Y		N	\$5	Y	
26	Security Features	N		N		N		N		N	
27	Community Space	Y	\$5	N	\$5	Y		N	\$5	N	\$5
28	Pool/Recreation Areas	F	\$5	N	\$5	N	\$5	N	\$5	N	\$5
29	Computer/Business Center	Y	\$5	N	\$5	N	\$5	N	\$5	N	\$5
30	Picnic Area/Storage	Y/N	\$3	N/N	\$3	N/Y	(\$2)	N/N	\$3	N/N	\$3
31	Library	N		N		N		N		N	
32	Social Services	N		N		N		N		N	
<b>E.</b>	<b>Utilities</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>	<b>Data</b>	<b>\$ Adj</b>
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	(\$49)	Y/Y	(\$49)	N/N		N/N		Y/Y	(\$49)
39	Trash/Recycling	N/N	(\$22)	Y/N	(\$22)	N/N		N/N		Y/N	(\$22)
<b>F.</b>	<b>Adjustments Recap</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>	<b>Pos</b>	<b>Neg</b>
40	# Adjustments B to D	14	1	14	1	7	4	8	5	11	1
41	Sum Adjustments B to D	\$103	(\$4)	\$103	(\$4)	\$59	(\$73)	\$82	(\$135)	\$106	(\$12)
42	Sum Utility Adjustments		(\$71)		(\$71)				(\$71)		(\$71)
		<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>	<b>Net</b>	<b>Gross</b>
43	Net/ Gross Adjmts B to E	\$28	\$178	\$28	\$178	(\$14)	\$132	(\$53)	\$217	\$23	\$189
<b>G.</b>	<b>Adjusted &amp; Market Rents</b>	<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>		<b>Adj. Rent</b>	
44	Adjusted Rent (5+ 43)	\$378		\$378		\$471		\$442		\$447	
45	Adj Rent/Last rent		108%		108%		97%		89%		105%
46	Estimated Market Rent	\$470		\$0.71		\$0.71		\$0.71		\$0.71	

← 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 Grid, it was determined that the current achievable market rent for a one-bedroom unit similar to those offered at the subject project is \$470. Note that we have provided two market-rent advantage analyses for the purposes of this report. The first analysis compares the achievable market rent with the *average current tenant-paid rent*, assuming that RA is retained on the majority of the subject units as proposed and that all current tenants continue to reside at the project post LIHTC renovations. The second analysis compares the achievable market rent with the proposed/programmatic Tax Credit rents in the unlikely event the subject project lost its subsidy and solely operated as a LIHTC development.

Market Rent Advantage – Current Rents

Per SCSHFDA methodology, for existing projects that offer a project-based subsidy, the subject’s market rent advantage should be calculated utilizing current tenant-paid rents to represent the “true” value the subsidy represents to low-income households, relative to comparable unrestricted market-rate product. Based on the project’s current rent roll, as illustrated in *Addendum D* of this report, the average tenant rent paid is \$145. The following table illustrates the subject project’s overall market-rent advantage with the retention of the subsidy:

Bedroom Type	Average Current Tenant-Paid Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	\$145	\$470	69.15%

As the preceding illustrates, the subject’s market rent advantage as proposed with RA being retained on 23 of the 24 subject units is 69.15%, which is well above the SCSHFDA threshold of 35.0%. This demonstrates that the subject project represents a significant value within the Latta market, which is further evident by its 100.0% occupancy rate and waiting list currently reported at the property. The preceding market rent advantage has been included in Exhibit S-2 per SCSHFDA requirements.

Market Rent Advantage - Proposed/Programmatic Tax Credit Rents

As previously discussed, the proposed LIHTC rents evaluated throughout this report are only effective for the subject units which do not receive RA and/or in the unlikely event the project-based RA was lost. Regardless, the market rent advantage for the proposed LIHTC rents evaluated throughout this report are illustrated in the following table.



Bedroom Type	% AMHI	Proposed Collected Rent	Achievable Market Rent	Market Rent Advantage
One-Br.	50%	\$390	\$470	17.02%
One-Br.	60%	\$470	\$470	0.00%
<b>Weighted Average</b>				<b>3.55%</b>

The subject's market rent advantages ranging from 0% to 17.02%, depending upon AMHI level, suggest that the subject's proposed Tax Credit rents would represent a minimal value in the market. However, as stated throughout this report, the subject includes competitive unit sizes, slightly superior amenities packages, and LIHTC rents that are considered competitive and achievable in this market. In addition, most of the LIHTC rents within this market are similar to, if not higher than, the rents being achieved at the market-rate properties in the Latta Site PMA, as market-rate product in this market is much older and less desirable than the existing LIHTC housing. As such, the subject will still be perceived as a value at the proposed/programmatic rent levels. It is important to reiterate, however, that this assumes the unlikely event RA is not retained and the property had to operate exclusively under the LIHTC guidelines. In reality, the subject project will continue to operate under the RD 515 program with RA provided to the majority of its units. Thus, the subject project will continue to represent a value to low-income seniors in the Latta market.

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. When multiple rent levels were offered, we included an average rent.
4. Four of the selected properties are currently 100.0% occupied. These properties can likely achieve higher rents, based on these high occupancy rates. As such, an adjustment has been made to the properties that are currently operating with no vacant units.
7. Upon completion of renovations, the subject project will have an effective year build of 2006. The selected properties were built between 1970 and 1997. As such, we have adjusted the rents at the selected properties by \$1 per year of (effective) age difference 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 to the subject development.
9. Three of the selected properties are located in neighborhoods that are considered less desirable than the neighborhood of the subject site. As such, a positive adjustment has been made to these properties to reflect the differences between neighborhood quality.
11. All of the selected properties have two-bedroom units. For those projects lacking one-bedroom units, we have used the two-bedroom units and made adjustments to reflect the difference in the number of bedrooms offered.
12. The number of bathrooms offered at each of the selected properties varies. We have made adjustments to reflect the difference in the number of bathrooms offered at the site and the number offered by the competitive properties.
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 bases, we have used 25% of the average for this adjustment.
- 14.-23. The subject project will offer a unit amenity package 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, similar to the selected projects. 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

As discussed throughout this section of the report, there are only two existing LIHTC projects in the Site PMA, aside from the subject project. These properties are general-occupancy (family) projects offering two- and three-bedroom units, as compared to the age-restricted subject project which is comprised entirely of one-bedroom units. Based on the preceding factors, the aforementioned properties are not considered directly competitive with the subject project. These properties are also both 100.0% occupied and maintain waiting lists, the longest of which contains 150 households. Likewise, the subject project is also 100.0% occupied with a waitlist, and the proposed renovations will not involve the introduction of any new LIHTC units to the Latta market. Based on the preceding analysis, we do not anticipate the renovations of the subject project will have any adverse impact on future occupancy rates at the two existing non-subsidized LIHTC projects in the market. In fact, we expect the aforementioned properties, as well as the existing subject project, to maintain their 100.0% occupancy levels following renovations at the subject project.

## 9. OTHER HOUSING OPTIONS (BUY VERSUS RENT)

According to ESRI, the median home value within the Site PMA was \$74,354. At an estimated interest rate of 4.5% and a 30-year term (and 95% LTV), the monthly mortgage for a \$74,354 home is \$447, including estimated taxes and insurance.

Buy Versus Rent Analysis	
Median Home Price - ESRI	\$74,354
Mortgaged Value = 95% of Median Home Price	\$70,636
Interest Rate - Bankrate.com	4.5%
Term	30
Monthly Principal & Interest	\$358
Estimated Taxes and Insurance*	\$89
Estimated Monthly Mortgage Payment	\$447

\*Estimated at 25% of principal and interest

In comparison, the Rental Assistance in place at the subject project will allow most tenants to pay up to 30% of their adjusted gross household income towards housing costs. As such, the estimated monthly mortgage payment of \$447 is likely considerably higher than most prospective tenants would be able or willing to afford. In the unlikely event the subject project was to lose its project-based Rental Assistance and operate solely under Tax Credit guidelines, the estimated monthly mortgage payment would be similar to the cost of renting at the subject project. While some residents may be able to afford the cost of a typical home in this scenario, the number of tenants who would also be able to afford the down payment, monthly utility expenses and/or routine maintenance

costs associated with such a home in the market is considered minimal. Based on the preceding analysis, we do not anticipate any competitive impact on or from the homebuyer market. In fact, since the subject project is restricted to seniors (age 62 and older), we anticipate the subject project will receive some support from senior homeowners seeking a smaller, maintenance-free, housing alternative.

#### **10. HOUSING VOIDS**

As detailed throughout this section of the report, the Latta market is rural and thus offers a relatively limited supply of conventional rental product, as we surveyed 19 conventional rental properties. Most of the properties surveyed offer affordable (Tax Credit and/or Government-Subsidized) rental units and are performing well, as there are only two vacant units in the affordable segment. This is a clear indication of pent-up demand for affordable rental product within the Site PMA. The market-rate segment is operating at a generally stable level, with a combined occupancy rate of 89.9%, reflective of 15 vacant units among the three market-rate properties surveyed. Demographic projections for the Latta Site PMA indicate that the targeted senior demographic (age 62 and older) will experience household growth between 2017 and 2020, including senior renter household growth. This is a good indication that demand for affordable senior-oriented rental product such as that offered at the subject project, will remain high within the Site PMA for the foreseeable future. The subject project will continue to meet a portion of demand for such product in the Latta Site PMA, following renovations.

## I. Interviews

The following are summaries of interviews conducted with various government officials and leasing managers in the Latta area:

- Louis Wellington, Manager at Fairmeadow Apartments (subject site), stated that there is a need for more affordable housing in the area, specifically for seniors. Ms. Wellington added that the senior properties in the area typically maintain waiting lists. Ms. Wellington believes that there is demand for one-bedroom units, as well as two-bedroom units, for those looking for more space or additional storage. Finally, Ms. Wellington stated that most of the properties in the area are generally older and a modern affordable property is needed in the area. (843) 752-7780
- Nancy Brigman, Mayor of Latta, stated that she feels there is a need for more affordable housing for seniors in the area. Ms. Brigman added that this is because there is a large senior population, but a lack of age-restricted units, and the existing age-restricted properties need to be updated. (843) 752-5115
- Jessica Manning, Property Manager at Hunters Crossing (Map ID 7), stated that there is a need for more affordable housing in Latta and Dillon, including age-restricted units. Ms. Manning also stated that one- and two-bedroom affordable units seem to be in high demand. (843) 774-1625



## J. Recommendations

Based on the findings reported in our market study, it is our opinion that a market will continue to exist for the subject project, which is comprised of 24 existing age-restricted units, assuming it is renovated and operated as detailed in this report. Changes in the project's scope of renovations, rents, amenities or renovation completion date may alter these findings.

The subject project will continue to be marketable in terms of age, unit mix, location, amenities and unit sizes. This is further evidenced by the subject's 100.0% occupancy and one-household waiting list. Additionally, the average rent that tenants are currently paying due to the presence of RA available to 23 of the 24 units represents a market rent advantage of 69.15%, indicating that it will likely represent an excellent value to low-income senior households within the market. However, the subject's proposed/programmatic LIHTC rents represent market-rent advantages of 17.02% and 0.00% for the units targeting households at 50% and 60% of AMHI, respectively, indicate that the subject will not represent a significant value at these rent levels. Although the proposed/programmatic rents in this unlikely scenario would not represent a market rent advantage of 35.0%, LIHTC rents and market-rate rents in this market appear to be very similar due to the low overall quality of market-rate product in the Site PMA. As such, the subject project will still represent a value to low-income renters in this unlikely scenario. Regardless, the subject project is expected to retain Rental Assistance on 23 of the 24 total units, allowing residents to continue to pay up to 30% of their income towards housing costs. As such, the subject project is expected to remain a significant value in the market.

Given that all affordable developments (Tax Credit/government-subsidized) surveyed within the Site PMA are operating with high occupancy rates, as only two vacancies exist among the affordable segment, the subject project will continue to offer a housing alternative to low-income senior households that is not readily available in the area. As shown in the Project Specific Demand Analysis section of this report, with an overall capture rate of 5.3% of income-qualified senior households in the market, there is significant support for the subject development assuming it retains Rental Assistance on most units. Therefore, it is our opinion that the subject project will have minimal, if any, impact on the existing Tax Credit developments in the Site PMA.

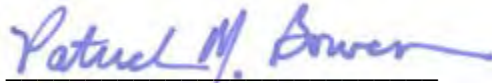
In the unlikely event the subject project was completely vacated and all units had to be re-rented, the subject project should reach a stabilized occupancy of 93% within approximately three months, assuming it operates with its current subsidy. If the subject project lost its subsidy and had to operate exclusively under the LIHTC program, it would likely have a lease-up period of approximately six months.

We do not have any recommendations for the proposed subject project.

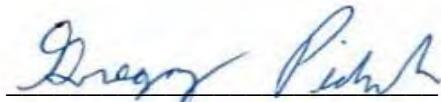
## K. Signed Statement Requirement

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  
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[patrickb@bowennational.com](mailto:patrickb@bowennational.com)  
Date: February 15, 2018



Gregory Piduch  
Market Analyst  
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Date: February 15, 2018



Jeff Peters  
Market Analyst  
[jeffp@bowennational.com](mailto:jeffp@bowennational.com)  
Date: February 15, 2018

## 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 for Bowen National Research. Ms. Johnson is responsible for all client relations, the procurement of work contracts, and the overall supervision and day-to-day operations of the company. She has been involved in the real estate market research industry since 2006. Ms. Johnson has an Associate of Applied Science in Office Administration from Columbus State Community College.

### Market Analysts

**Christopher T. Bunch**, Market Analyst has over ten years of professional experience in real estate, including five years of experience in the real estate market research field. Mr. Bunch is responsible for preparing market feasibility studies for a variety of clients. Mr. Bunch earned a bachelor's degree in Geography with a concentration in Urban and Regional Planning from Ohio University in Athens, Ohio.

**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 since 2014. 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.

**Chris Leahy**, 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. Leahy has a Bachelor of Science degree in Financial Management and Business Administration from Franklin 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 University.

**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

### LATTA, 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.

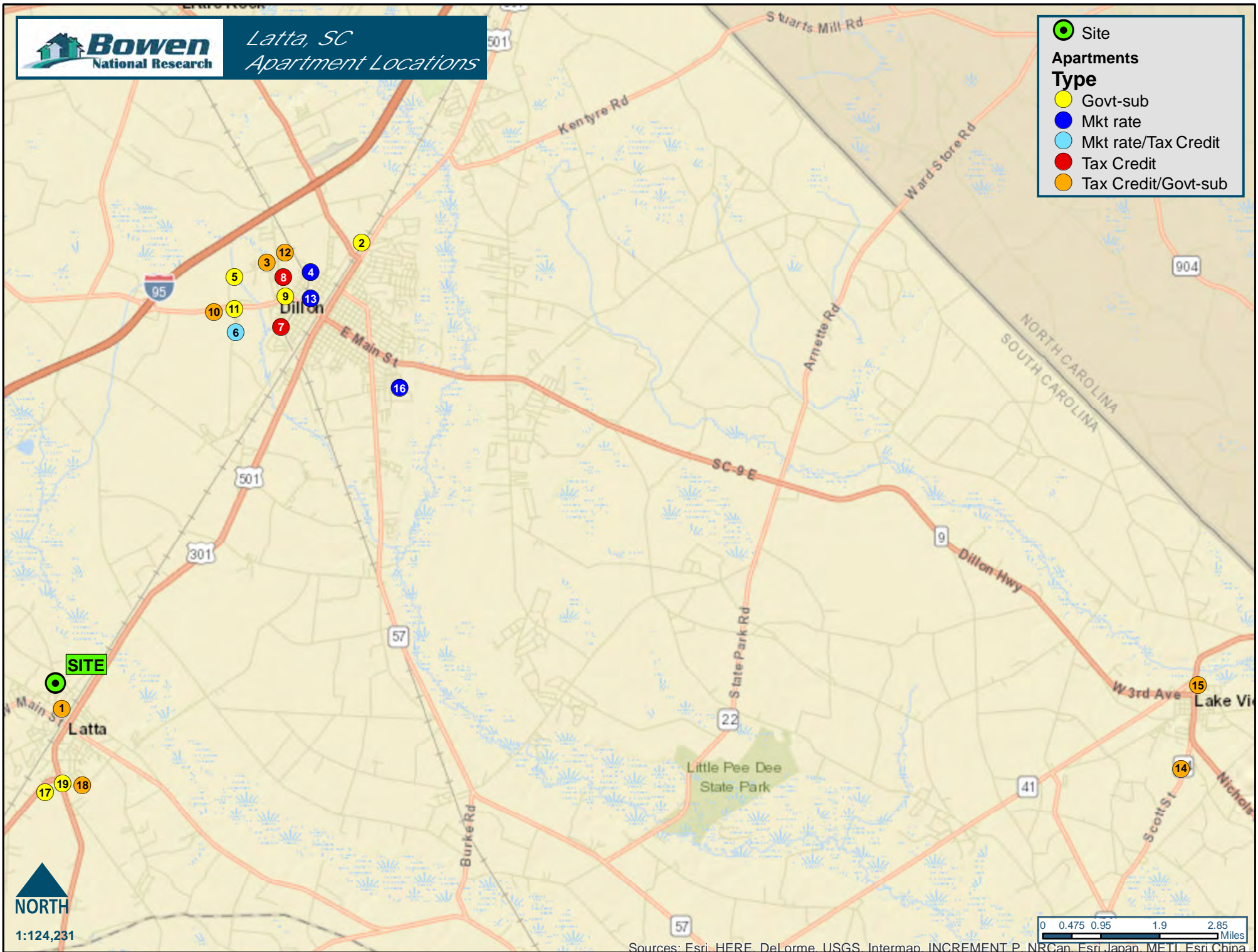


# Latta, SC Apartment Locations

**Site**  
● Site

**Apartments Type**

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



1:124,231

Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri, Japan, METI, Esri China

# MAP IDENTIFICATION LIST - LATTA, SOUTH CAROLINA

MAP ID	PROJECT NAME	PROJ. TYPE	QUALITY RATING	YEAR BUILT	TOTAL UNITS	VACANT	OCC. RATE	DISTANCE TO SITE*
◆ 1	Fairmeadow Apts. (Site)	TGS	B	1993	24	0	100.0%	0.4
◆ 2	Cannon Court	GSS	B-	1993	40	0	100.0%	8.0
3	Cedar Terrace Apts.	TGS	B	1990	40	0	100.0%	7.8
4	Rosewood Manor	MRR	B-	1980	44	0	100.0%	7.6
5	Dillon Manor Apts.	GSS	C+	1980	92	0	100.0%	7.4
6	Dover Village	MRT	B	1997	40	0	100.0%	6.6
7	Hunter's Crossing	TAX	B+	2005	40	0	100.0%	6.8
8	BrookStone Landing	TAX	A	2017	40	0	100.0%	7.5
◆ 9	Long Branch	GSS	B	1993	29	0	100.0%	7.5
10	Maplewood Green	TGS	B-	1985	48	0	100.0%	7.0
11	Maplewood II	GSS	B	1985	46	0	100.0%	7.0
◆ 12	Mill Pond Apts.	TGS	B	1991	40	0	100.0%	7.8
13	Tree Top Apts.	MRR	B-	1972	12	0	100.0%	7.2
14	Lake View Green Apts.	TGS	B	1992	24	2	91.7%	19.2
◆ 15	Lake View Apts.	TGS	B	1991	30	0	100.0%	19.1
16	Sunflower Place	MRR	C	1973	92	15	83.7%	7.8
17	Latta Arms	GSS	B-	1978	60	0	100.0%	1.5
18	Southside Green	TGS	C+	1982	24	0	100.0%	1.5
19	Southside II	GSS	C+	1998	24	0	100.0%	1.4

PROJECT TYPE	PROJECTS SURVEYED	TOTAL UNITS	VACANT	OCCUPANCY RATE	U/C
MRR	3	148	15	89.9%	0
MRT	1	40	0	100.0%	0
TAX	2	80	0	100.0%	0
TGS	7	230	2	99.1%	0
GSS	6	291	0	100.0%	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)

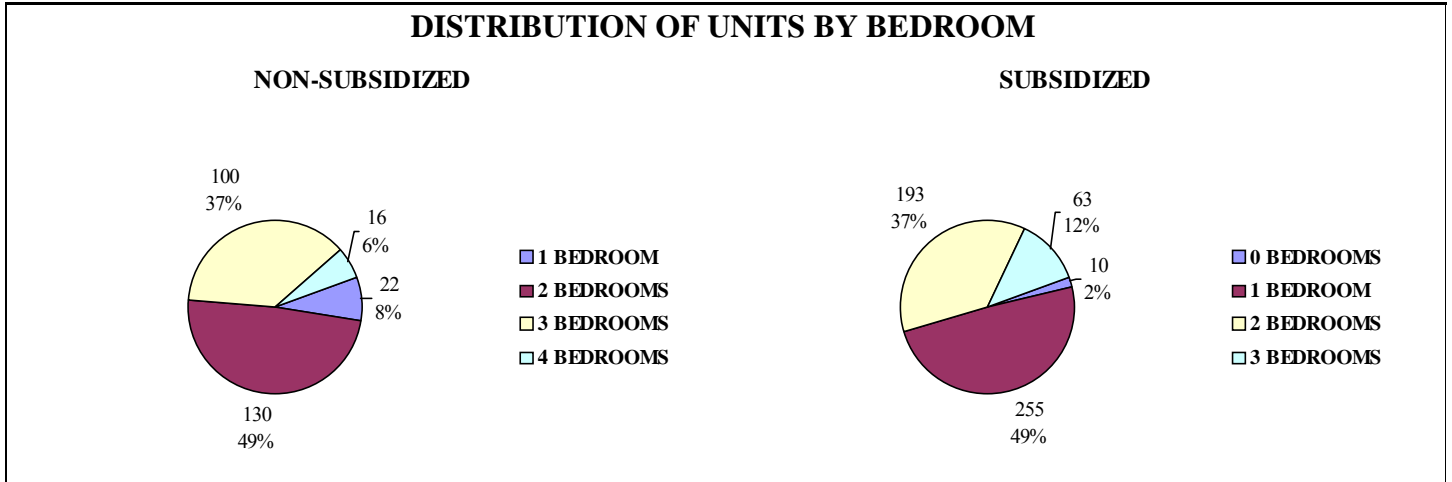
Survey Date: January 2018

## DISTRIBUTION OF UNITS - LATTA, SOUTH CAROLINA

<b>MARKET-RATE</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
1	1	22	12.2%	0	0.0%	\$499
2	1	82	45.6%	6	7.3%	\$553
2	1.5	12	6.7%	0	0.0%	\$672
3	1	36	20.0%	6	16.7%	\$683
3	1.5	12	6.7%	0	0.0%	\$775
4	1.5	16	8.9%	3	18.8%	\$761
<b>TOTAL</b>		<b>180</b>	<b>100.0%</b>	<b>15</b>	<b>8.3%</b>	
<b>TAX CREDIT, NON-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
2	1	4	4.5%	0	0.0%	\$662
2	2	32	36.4%	0	0.0%	\$554
3	1.5	4	4.5%	0	0.0%	\$775
3	2	48	54.5%	0	0.0%	\$658
<b>TOTAL</b>		<b>88</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
<b>TAX CREDIT, GOVERNMENT-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	<b>MEDIAN GROSS RENT</b>
1	1	116	50.4%	0	0.0%	N.A.
2	1	77	33.5%	2	2.6%	N.A.
2	1.5	28	12.2%	0	0.0%	N.A.
3	1	9	3.9%	0	0.0%	N.A.
<b>TOTAL</b>		<b>230</b>	<b>100.0%</b>	<b>2</b>	<b>0.9%</b>	
<b>GOVERNMENT-SUBSIDIZED</b>						
<b>BEDROOMS</b>	<b>BATHS</b>	<b>UNITS</b>	<b>DISTRIBUTION</b>	<b>VACANT</b>	<b>%VACANT</b>	
0	1	10	3.4%	0	0.0%	N.A.
1	1	139	47.8%	0	0.0%	N.A.
2	1	88	30.2%	0	0.0%	N.A.
3	1	14	4.8%	0	0.0%	N.A.
3	1.5	40	13.7%	0	0.0%	N.A.
<b>TOTAL</b>		<b>291</b>	<b>100.0%</b>	<b>0</b>	<b>0.0%</b>	
<b>GRAND TOTAL</b>		<b>789</b>	<b>-</b>	<b>17</b>	<b>2.2%</b>	



# DISTRIBUTION OF UNITS - LATTA, SOUTH CAROLINA



# SURVEY OF PROPERTIES - LATTA, SOUTH CAROLINA



1 Fairmeadow Apts. (Site)			
	<b>Address</b> 605 N. Marion St. Latta, SC 29565	<b>Phone</b> (843) 752-7780 (Contact in person)	<b>Total Units</b> 24
	<b>Year Built</b> 1993 <b>Comments</b> 60% AMHI; RD 515, has RA (23 units); HCV (1 unit); Select units have ceiling fan; Two handicap units	<b>Contact</b> Louise	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B <b>Senior Restricted (62+)</b> <b>Waiting List</b> 1 household
2 Cannon Court			
	<b>Address</b> 212 Cannon Ct. Dillon, SC 29536	<b>Phone</b> (843) 841-1301 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 1993 <b>Comments</b> HUD Section 8	<b>Contact</b> Kimberly	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B- <b>Senior Restricted (62+)</b> <b>Waiting List</b> 10 households
3 Cedar Terrace Apts.			
	<b>Address</b> 1010 McKenzie Rd. Dillon, SC 29536	<b>Phone</b> (843) 774-8355 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 1990 <b>Comments</b> 60% AMHI; RD 515, has RA (20 units); HCV (7 units); Townhomes have exterior storage	<b>Contact</b> Yolonda	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1,2 <b>Quality Rating</b> B <b>Waiting List</b> 6 households
4 Rosewood Manor			
	<b>Address</b> 701 Garden Ct. Dillon, SC 29536	<b>Phone</b> (843) 774-0611 (Contact in person)	<b>Total Units</b> 44
	<b>Year Built</b> 1980 <b>Renovated</b> 2012 <b>Comments</b> HCV (15 units); Select units have tenant installed ceiling fans	<b>Contact</b> Betty	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2 <b>Quality Rating</b> B- <b>Waiting List</b> 20 households
5 Dillon Manor Apts.			
	<b>Address</b> 1046 McKenzie Rd. Dillon, SC 29536	<b>Phone</b> (843) 774-5601 (Contact in person)	<b>Total Units</b> 92
	<b>Year Built</b> 1980 <b>Comments</b> HUD Section 8; 2 & 3-br. units have washer/dryer hookups	<b>Contact</b> Tammy	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2 <b>Quality Rating</b> C+ <b>Waiting List</b> 80 households

### Project Type








<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2018

# SURVEY OF PROPERTIES - LATTA, SOUTH CAROLINA






6 Dover Village			
	<b>Address</b> 414 S. Longstreet Rd. Dillon, SC 29536	<b>Phone</b> (843) 774-4488 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 1997	<b>Contact</b> Elizabeth	<b>Vacancies</b> 0
	<b>Comments</b> Market-rate (32 units); 50% AMHI (8 units); HCV (4 units); Phasing out Tax Credits in 2018, rents are same as Market-rate		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B
			<b>Waiting List</b> 8 households
7 Hunter's Crossing			
	<b>Address</b> 701 S. 9th Ave. Dillon, SC 29536	<b>Phone</b> (843) 774-1625 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 2005	<b>Contact</b> Jessica	<b>Vacancies</b> 0
	<b>Comments</b> 50% & 60% AMHI; HCV (8 units); Handicap accessible (3 units) have e-call system		<b>Occupied</b> 100.0%
			<b>Floors</b> 2
			<b>Quality Rating</b> B+
			<b>Waiting List</b> 10 households
8 BrookStone Landing			
	<b>Address</b> 1012 W. Main St. Dillon, SC 29536	<b>Phone</b> (843) 627-3036 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 2017	<b>Contact</b> Leyvette	<b>Vacancies</b> 0
	<b>Comments</b> 50% & 60% AMHI; HCV (2 units); Single family homes include washer/dryer; Opened & 100% occupied 5/2017, began preleasing 3/2017; Scattered sites, 4 units located at 700 Old Marion Rd.		<b>Occupied</b> 100.0%
			<b>Floors</b> 1,2,3
			<b>Quality Rating</b> A
			<b>Waiting List</b> 150 households
9 Long Branch			
	<b>Address</b> 1034 W. Main St. Dillon, SC 29536	<b>Phone</b> 843-841-3062 (Contact in person)	<b>Total Units</b> 29
	<b>Year Built</b> 1993	<b>Contact</b> Zokie	<b>Vacancies</b> 0
	<b>Comments</b> RD 515, has RA (29 units); Random units have ceiling fans		<b>Occupied</b> 100.0%
			<b>Floors</b> 1
			<b>Quality Rating</b> B
			<b>Senior Restricted (62+)</b>
			<b>Waiting List</b> None
10 Maplewood Green			
	<b>Address</b> 220 S. Longstreet Rd. Dillon, SC 29536	<b>Phone</b> (910) 323-4266 (Contact in person)	<b>Total Units</b> 48
	<b>Year Built</b> 1985 <b>Renovated</b> 2011	<b>Contact</b> Melissa	<b>Vacancies</b> 0
	<b>Comments</b> 60% AMHI; RD 515, has RA (39 units); HCV (7 units); Waitlist shared with Maplewood II		<b>Occupied</b> 100.0%
			<b>Floors</b> 1
			<b>Quality Rating</b> B-
			<b>Waiting List</b> 50 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 2018

# SURVEY OF PROPERTIES - LATTA, SOUTH CAROLINA

11 Maplewood II			
	<b>Address</b> 220 S. Longstreet Rd. Dillon, SC 29536	<b>Phone</b> (843) 774-8104 (Contact in person)	<b>Total Units</b> 46
	<b>Year Built</b> 1985 <b>Comments</b> RD 515, has RA (46 units); Former Tax Credit property; Waitlist shared with Maplewood Green	<b>Contact</b> Sara	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B
			<b>Waiting List</b> 50 households
12 Mill Pond Apts.			
	<b>Address</b> 1206 W. Main St. Dillon, SC 29536	<b>Phone</b> (843) 774-1596 (Contact in person)	<b>Total Units</b> 40
	<b>Year Built</b> 1991 <b>Comments</b> 60% AMHI; RD 515, has RA (40 units)	<b>Contact</b> Zokie	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B
			<b>Senior Restricted (62+)</b> <b>Waiting List</b> None
13 Tree Top Apts.			
	<b>Address</b> Elizabeth Ln. Dillon, SC 29536	<b>Phone</b> (843) 774-4156 (Contact in person)	<b>Total Units</b> 12
	<b>Year Built</b> 1972 <b>Comments</b> Does not accept HCV	<b>Contact</b> Mr. Gordon	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 2 <b>Quality Rating</b> B-
			<b>Waiting List</b> 2 households
14 Lake View Green Apts.			
	<b>Address</b> 1609 Scott St. Lake View, SC 29563	<b>Phone</b> (843) 759-2322 (Contact in person)	<b>Total Units</b> 24
	<b>Year Built</b> 1992 <b>Comments</b> 60% AMHI; RD 515, has RA (18 units); Accepts HCV (0 currently)	<b>Contact</b> Sam	<b>Vacancies</b> 2 <b>Occupied</b> 91.7% <b>Floors</b> 1 <b>Quality Rating</b> B
			<b>Waiting List</b> None
15 Lake View Apts.			
	<b>Address</b> 109 E. 1st Ave. Lake View, SC 29563	<b>Phone</b> (843) 759-2560 (Contact in person)	<b>Total Units</b> 30
	<b>Year Built</b> 1991 <b>Comments</b> 60% AMHI; RD 515, has RA (30 units)	<b>Contact</b> Kallie	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> B
			<b>Senior Restricted (62+)</b> <b>Waiting List</b> 2 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 2018



# SURVEY OF PROPERTIES - LATTA, SOUTH CAROLINA

16 Sunflower Place			
	<b>Address</b> 1602 McNeil St. Dillon, SC 29536	<b>Phone</b> (843) 774-9771 (Contact in person)	<b>Total Units</b> 92
	<b>Year Built</b> 1973 <b>Renovated</b> 2012 <b>Contact</b> Michael	<b>Comments</b> HCV (15 units); Vacancies due to evictions; Square footage estimated	
			<b>Waiting List</b> None
17 Latta Arms			
	<b>Address</b> 229 Sardis Rd. Latta, SC 29565	<b>Phone</b> (843) 752-5957 (Contact in person)	<b>Total Units</b> 60
	<b>Year Built</b> 1978 <b>Contact</b> Linda	<b>Comments</b> HUD Section 8; Year built & square footage estimated	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1,2 <b>Quality Rating</b> B-
			<b>Waiting List</b> 15 households
18 Southside Green			
	<b>Address</b> 721 Highway 501 S Latta, SC 29565	<b>Phone</b> (843) 752-7258 (Contact in person)	<b>Total Units</b> 24
	<b>Year Built</b> 1982 <b>Renovated</b> 1998 <b>Contact</b> Sara	<b>Comments</b> 60% AMHI; RD 515, has RA (20 units); HCV (1 unit); Waitlist shared with ph II	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> C+
			<b>Waiting List</b> 40-50 households
19 Southside II			
	<b>Address</b> 721 Highway 501 S Latta, SC 29565	<b>Phone</b> (843) 752-7258 (Contact in person)	<b>Total Units</b> 24
	<b>Year Built</b> 1998 <b>Contact</b> Sara	<b>Comments</b> RD 515, has RA (21 units); HCV (2 units); Waitlist shared with Southside Green (formerly ph I)	<b>Vacancies</b> 0 <b>Occupied</b> 100.0% <b>Floors</b> 1 <b>Quality Rating</b> C+
			<b>Waiting List</b> 40-50 households

### Project Type

<span style="color: blue;">■</span>	Market-rate
<span style="color: cyan;">■</span>	Market-rate/Tax Credit
<span style="color: pink;">■</span>	Market-rate/Government-subsidized
<span style="color: purple;">■</span>	Market-rate/Tax Credit/Government-subsidized
<span style="color: red;">■</span>	Tax Credit
<span style="color: orange;">■</span>	Tax Credit/Government-subsidized
<span style="color: yellow;">■</span>	Government-subsidized

Survey Date: January 2018

# COLLECTED RENTS - LATTA, 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
4		\$340	\$405	\$440					
6			\$475	\$550					
7			\$405 to \$430	\$445 to \$485					
8			\$395 to \$455	\$455 to \$495					
13							\$485		
16		\$414					\$447	\$549	\$599

◆	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 2018

# PRICE PER SQUARE FOOT - LATTA, SOUTH CAROLINA

ONE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Rosewood Manor	1	689	\$425	\$0.62
16	Sunflower Place	1	750	\$499	\$0.67
TWO-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Rosewood Manor	1	839	\$511	\$0.61
13	Tree Top Apts.	1.5	950	\$672	\$0.71
16	Sunflower Place	1	900	\$553	\$0.61
6	Dover Village	1	775	\$662	\$0.85
7	Hunter's Crossing	2	964	\$529 to \$554	\$0.55 to \$0.57
8	BrookStone Landing	2	1000	\$560 to \$620	\$0.56 to \$0.62
THREE-BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
4	Rosewood Manor	1	983	\$574	\$0.58
16	Sunflower Place	1	1200	\$683	\$0.57
6	Dover Village	1.5	990	\$775	\$0.78
7	Hunter's Crossing	2	1236	\$601 to \$641	\$0.49 to \$0.52
8	BrookStone Landing	2	1200 to 1300	\$658 to \$698	\$0.54 to \$0.55
FOUR+ BEDROOM UNITS					
MAP ID	PROJECT NAME	BATHS	UNIT SIZE	GROSS RENT	\$ / SQ. FT.
16	Sunflower Place	1.5	1250	\$761	\$0.61

◆ 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 2018

# AVERAGE GROSS RENT PER SQUARE FOOT - LATTA, SOUTH CAROLINA

<b>MARKET-RATE</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$0.65	\$0.70	\$0.72
TOWNHOUSE	\$0.00	\$0.64	\$0.57

<b>TAX CREDIT (NON-SUBSIDIZED)</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$0.00	\$0.60	\$0.56
TOWNHOUSE	\$0.00	\$0.00	\$0.00

<b>COMBINED</b>			
<b>UNIT TYPE</b>	<b>ONE-BR</b>	<b>TWO-BR</b>	<b>THREE-BR</b>
GARDEN	\$0.65	\$0.66	\$0.60
TOWNHOUSE	\$0.00	\$0.64	\$0.57



# TAX CREDIT UNITS - LATTA, SOUTH CAROLINA

ONE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
3	Cedar Terrace Apts.	12	658	1	60%	\$427 - \$561
◆ 1	Fairmeadow Apts. (Site)	24	659	1	60%	\$470 - \$623
10	Maplewood Green	10	650	1	60%	\$503 - \$603
◆ 12	Mill Pond Apts.	38	660	1	60%	\$531 - \$718
14	Lake View Green Apts.	4	646	1	60%	\$563 - \$744
◆ 15	Lake View Apts.	28	600	1	60%	\$592 - \$690
TWO-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
8	BrookStone Landing	4	1000	2	50%	\$395
7	Hunter's Crossing	14	964	2	50%	\$405
7	Hunter's Crossing	6	964	2	60%	\$430
8	BrookStone Landing	8	1000	2	60%	\$455
3	Cedar Terrace Apts.	28	925	1.5	60%	\$460 - \$666
6	Dover Village	4	775	1	50%	\$475
10	Maplewood Green	32	800	1	60%	\$527 - \$625
18	Southside Green	21	800	1	60%	\$555 - \$666
◆ 12	Mill Pond Apts.	2	820	1	60%	\$561 - \$781
14	Lake View Green Apts.	20	800	1	60%	\$605 - \$786
◆ 15	Lake View Apts.	2	750	1	60%	\$624 - \$733
THREE-BEDROOM UNITS						
MAP ID	PROJECT NAME	UNITS	SQUARE FEET	# OF BATHS	% AMHI	COLLECTED RENT
7	Hunter's Crossing	10	1236	2	50%	\$445
8	BrookStone Landing	4	1200	2	50%	\$455
7	Hunter's Crossing	10	1236	2	60%	\$485
8	BrookStone Landing	4	1300	2	60%	\$485
8	BrookStone Landing	20	1200	2	60%	\$495
10	Maplewood Green	6	950	1	60%	\$545 - \$635
6	Dover Village	4	990	1.5	50%	\$550
18	Southside Green	3	950	1	60%	\$571 - \$718

◆ - Senior Restricted

# QUALITY RATING - LATTA, SOUTH CAROLINA

## MARKET-RATE PROJECTS AND UNITS

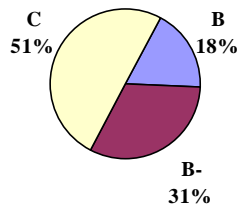
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
B	1	32	0.0%			\$662	\$775	
B-	2	56	0.0%		\$425	\$511	\$574	
C	1	92	16.3%		\$499	\$553	\$683	\$761

## TAX CREDIT (NON-SUBSIDIZED) PROJECTS AND UNITS

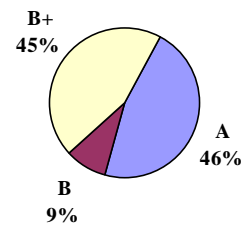
QUALITY RATING	PROJECTS	TOTAL UNITS	VACANCY RATE	MEDIAN GROSS RENT				
				STUDIOS	ONE-BR	TWO-BR	THREE-BR	FOUR-BR
A	1	40	0.0%			\$620	\$698	
B+	1	40	0.0%			\$529	\$601	
B	1	8	0.0%			\$662	\$775	

## DISTRIBUTION OF UNITS BY QUALITY RATING

MARKET-RATE UNITS



TAX CREDIT UNITS



## YEAR BUILT - LATTA, SOUTH CAROLINA \*

YEAR RANGE	PROJECTS	UNITS	VACANT	% VACANT	TOTAL UNITS	DISTRIBUTION
Before 1970	0	0	0	0.0%	0	0.0%
1970 to 1979	2	104	15	14.4%	104	38.8%
1980 to 1989	1	44	0	0.0%	148	16.4%
1990 to 1999	1	40	0	0.0%	188	14.9%
2000 to 2005	1	40	0	0.0%	228	14.9%
2006 to 2010	0	0	0	0.0%	228	0.0%
2011	0	0	0	0.0%	228	0.0%
2012	0	0	0	0.0%	228	0.0%
2013	0	0	0	0.0%	228	0.0%
2014	0	0	0	0.0%	228	0.0%
2015	0	0	0	0.0%	228	0.0%
2016	0	0	0	0.0%	228	0.0%
2017	1	40	0	0.0%	268	14.9%
2018**	0	0	0	0.0%	268	0.0%
<b>TOTAL</b>	<b>6</b>	<b>268</b>	<b>15</b>	<b>5.6%</b>	<b>268</b>	<b>100.0 %</b>

## YEAR RENOVATED - LATTA, 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	0	0	0	0.0%	0	0.0%
2000 to 2005	0	0	0	0.0%	0	0.0%
2006 to 2010	0	0	0	0.0%	0	0.0%
2011	0	0	0	0.0%	0	0.0%
2012	2	136	15	11.0%	136	100.0%
2013	0	0	0	0.0%	136	0.0%
2014	0	0	0	0.0%	136	0.0%
2015	0	0	0	0.0%	136	0.0%
2016	0	0	0	0.0%	136	0.0%
2017	0	0	0	0.0%	136	0.0%
2018**	0	0	0	0.0%	136	0.0%
<b>TOTAL</b>	<b>2</b>	<b>136</b>	<b>15</b>	<b>11.0%</b>	<b>136</b>	<b>100.0 %</b>

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 2018

# APPLIANCES AND UNIT AMENITIES - LATTA, SOUTH CAROLINA

<b>APPLIANCES</b>			
<b>APPLIANCE</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
RANGE	6	100.0%	268
REFRIGERATOR	6	100.0%	268
ICEMAKER	0	0.0%	
DISHWASHER	4	66.7%	132
DISPOSAL	2	33.3%	80
MICROWAVE	2	33.3%	80
<b>UNIT AMENITIES</b>			
<b>AMENITY</b>	<b>PROJECTS</b>	<b>PERCENT</b>	<b>UNITS*</b>
AC - CENTRAL	5	83.3%	224
AC - WINDOW	1	16.7%	44
FLOOR COVERING	5	83.3%	268
WASHER/DRYER	2	33.3%	52
WASHER/DRYER HOOK-UP	4	66.7%	132
PATIO/DECK/BALCONY	4	66.7%	132
CEILING FAN	3	50.0%	124
FIREPLACE	0	0.0%	
BASEMENT	0	0.0%	
INTERCOM SYSTEM	0	0.0%	
SECURITY SYSTEM	0	0.0%	
WINDOW TREATMENTS	5	83.3%	224
FURNISHED UNITS	0	0.0%	
E-CALL BUTTON	1	16.7%	40

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



# PROJECT AMENITIES - LATTA, SOUTH CAROLINA

PROJECT AMENITIES			
AMENITY	PROJECTS	PERCENT	UNITS
POOL	0	0.0%	
ON-SITE MANAGEMENT	4	66.7%	212
LAUNDRY	5	83.3%	256
CLUB HOUSE	2	33.3%	80
MEETING ROOM	2	33.3%	80
FITNESS CENTER	1	16.7%	40
JACUZZI/SAUNA	0	0.0%	
PLAYGROUND	5	83.3%	256
COMPUTER LAB	2	33.3%	80
SPORTS COURT	1	16.7%	40
STORAGE	0	0.0%	
LAKE	0	0.0%	
ELEVATOR	0	0.0%	
SECURITY GATE	0	0.0%	
BUSINESS CENTER	0	0.0%	
CAR WASH AREA	0	0.0%	
PICNIC AREA	2	33.3%	80
CONCIERGE SERVICE	0	0.0%	
SOCIAL SERVICE PACKAGE	0	0.0%	

# DISTRIBUTION OF UTILITIES - LATTA, SOUTH CAROLINA

UTILITY (RESPONSIBILITY)	NUMBER OF PROJECTS	NUMBER OF UNITS	DISTRIBUTION OF UNITS
<b>HEAT</b>			
TENANT			
ELECTRIC	19	789	100.0%
			100.0%
<b>COOKING FUEL</b>			
TENANT			
ELECTRIC	19	789	100.0%
			100.0%
<b>HOT WATER</b>			
TENANT			
ELECTRIC	17	689	87.3%
GAS	2	100	12.7%
			100.0%
<b>ELECTRIC</b>			
TENANT			
			100.0%
<b>WATER</b>			
LANDLORD	6	352	44.6%
TENANT	13	437	55.4%
			100.0%
<b>SEWER</b>			
LANDLORD	7	392	49.7%
TENANT	12	397	50.3%
<b>TRASH PICK-UP</b>			
LANDLORD	15	673	85.3%
TENANT	4	116	14.7%
			100.0%

# UTILITY ALLOWANCE - LATTA, SOUTH CAROLINA

BR	UNIT TYPE	HEATING				HOT WATER		COOKING		ELEC	WATER	SEWER	TRASH	CABLE
		GAS	ELEC	STEAM	OTHER	GAS	ELEC	GAS	ELEC					
0	GARDEN	\$23	\$18		\$9	\$13	\$18	\$3	\$6	\$43	\$14	\$35	\$22	\$20
1	GARDEN	\$23	\$18		\$9	\$13	\$18	\$3	\$6	\$43	\$14	\$35	\$22	\$20
1	TOWNHOUSE	\$23	\$18		\$9	\$13	\$18	\$3	\$6	\$43	\$14	\$35	\$22	\$20
2	GARDEN	\$25	\$23		\$11	\$16	\$24	\$5	\$8	\$51	\$18	\$41	\$22	\$20
2	TOWNHOUSE	\$25	\$23		\$11	\$16	\$24	\$5	\$8	\$51	\$18	\$41	\$22	\$20
3	GARDEN	\$27	\$28		\$13	\$22	\$37	\$5	\$9	\$60	\$22	\$47	\$22	\$20
3	TOWNHOUSE	\$27	\$28		\$13	\$22	\$37	\$5	\$9	\$60	\$22	\$47	\$22	\$20
4	GARDEN	\$30	\$33		\$16	\$29	\$50	\$6	\$11	\$68	\$26	\$52	\$22	\$20
4	TOWNHOUSE	\$30	\$33		\$16	\$29	\$50	\$6	\$11	\$68	\$26	\$52	\$22	\$20

SC-Dillon County (10/2017) Fees

Survey Date: January 2018

A-20

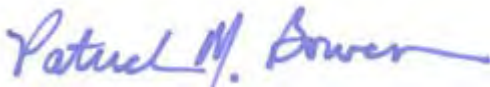


## Addendum B – Member Certification & Checklist

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

[patrickb@bowennational.com](mailto:patrickb@bowennational.com)

Date: February 15, 2018



Jeff Peters

Market Analyst

[jeffp@bowennational.com](mailto:jeffp@bowennational.com)

Date: February 15, 2018

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>.



## 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)
<b>Executive Summary</b>		
1.	Executive Summary (Exhibit S-2)	A
<b>Project Description</b>		
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
<b>Location and Market Area</b>		
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)**

		<b>Section (s)</b>
<b>EMPLOYMENT AND ECONOMY</b>		
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
<b>DEMOGRAPHIC CHARACTERISTICS</b>		
24.	Population and household estimates and projections	F
25.	Area building permits	H
26.	Distribution of income	F
27.	Households by tenure	F
<b>COMPETITIVE ENVIRONMENT</b>		
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
<b>ANALYSIS/CONCLUSIONS</b>		
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)**

<b>OTHER REQUIREMENTS</b>		<b>Section (s)</b>
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

ADDENDUM C:  
SCOPE OF RENOVATIONS



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Fair Meadow Apartments

1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
<b>EARTHWORK</b>	CN				2,500	2,500	
Drainage/Erosion (Allowance)		1	2,500.00	2,500.00			
Retention/Detention Ponds							
Termite Bond							
<b>SITE IMPROVEMENTS</b>					18,145	18,145	
Mailbox Cover		1	3,500.00	3,500.00			
Fitness Center							
Picnic Area Covered w/ Table/Grill		1	7,500.00	7,500.00			
Park Bench		3	450.00	1,350.00			
Playground (Allowance)							
Fence - Playground							
Fence - Decorative Fence							
Fence - Dumpster Fence	Yr 2	2	1,700.00	3,400.00			
Dumpsters/Recycling Center		1	2,000.00	2,000.00			
Fence - Perimeter(Allowance)							
HC Parking Signage		5	79.00	395.00			
Other							
<b>LANDSCAPING</b>					19,300	19,300	
Landscape (Allowance)		24	300.00	7,200.00			
Irrigation (Allowance)		24	483.33	11,600.00			
Tree Stump Removal (Allowance)							
Retaining Wall (Allowance)							
Pipe Installation (Allowance)		1	500.00	500.00			
<b>PAVING</b>					0	0	
Parking Lot - Paving	Yr 2						
Parking Lot - Seal Parking Lot	Yr 7						
Parking Lot Repairs (Allowance)	Yr 2						
Parking Lot - Stripe Parking Lot							
Parking Lot - Stripe for Accessibility							
<b>SITE UTILITIES</b>					0	0	
Storm Drains							
<b>CONCRETE</b>					24,850	24,850	
Concrete Repairs/Trip and Falls	Yr 3						
Concrete Accessibility (Allowance)		1	22,350.00	22,350.00			
Dumpster Pads							
Mailbox Pad							
Picnic Area/Gazebo Pads							
Sidewalk/Curbing		1	2,500.00	2,500.00			
Concrete Swale and Curb at Entry							
Other							
<b>MASONRY</b>					500	500	
Brick Repairs(Allowance)		1	500.00	500.00			
Other							
<b>METALS</b>					1,400	1,400	
Dumpster Bollards		4	350.00	1,400.00			
Stair Railing/Handrail Replacement							
Stair Railing/Picket Replacement							
Stair Wood Treads Replacement							
Breezeway Stair Railing Repair							
Breezeway Stair Repair							
Cane Detection							
Balcony Wood Frames							
<b>ROUGH CARPENTRY</b>					82,840	82,840	
Rough Carpentry - Exterior							
Siding	Yr 2	11147	2.45	27,310.15			
Soffit	Yr 2	1514	5.00	7,570.00			
Fascia		650	6.50	4,225.00			
Porch Ceilings		2909	3.05	8,871.40			

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Fair Meadow Apartments

1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
Beam Wrap		22	345.45	7,600.00			
Tyvek		11147	0.15	1,672.05			
J Blocks for Porch Lights		26	15.00	390.00			
Dryer Vents		9	54.00	486.00			
Gable Vents							
Gable Vents - Large Custom Vent							
Column Replacement		89	125.00	11,125.00			
Railing Replacement		302	45.00	13,590.00			
<b>FINISH CARPENTRY</b>					<b>0</b>	<b>0</b>	
Handrails - Interior							
Mechanical Closet Enlargement							
Floor Decking Repairs - Tubs							
<b>INSULATION</b>					<b>6,558</b>	<b>6,558</b>	
Insulation - Attic	Yr 2	15816	0.38	6,010.08			
Insulation - Attic Common Area		1441	0.38	547.58			
<b>ROOFING/SHEETMETAL</b>					<b>6,090</b>	<b>6,090</b>	
Roofs	Yr 2						
Roof Sheathing Replacement							
Gutters	Yr 2	720	4.50	3,240.00			
Downspouts/Splash Blocks		380	7.50	2,850.00			
<b>DOORS</b>					<b>48,364</b>	<b>48,364</b>	
Exterior Door - Unit Entry	Yr 2	24	315.00	7,560.00			
Exterior Door - Unit Rear Single		0					
Exterior Door - Unit Rear Sliding Doors		0					
Exterior Door - Unit Storm Door		24	300.00	7,200.00			
Exterior Door- Unit Storage Room		0					
Exterior Door - Office/Laundry/Comm		3	335.00	1,005.00			
Exterior Door - Comm Double Door	Yr 2	2	550.00	1,100.00			
Exterior Door - Comm Fitness Center		1	850.00	850.00			
Exterior Door - Office Storm Door		1	300.00	300.00			
Exterior Hardware - Units		24	79.80	1,915.20			
Exterior Hardware - Common		6	79.80	478.80			
Interior Doors - Units	Yr 2	92	130.00	11,960.00			
Interior Louver Mechanical - Units		24	218.00	5,232.00			
Interior Double Door - Units		22	190.00	4,180.00			
Interior Doors - Office		4	302.78	1,211.12			
Interior Hardware - Units		22	238.13	5,238.80			
Interior Hardware - Office							
Interior - Bumpers/Door Stops		100	1.33	133.00			
<b>WINDOWS</b>					<b>35,180</b>	<b>35,180</b>	
Shutters		51	70.00	3,570.00			
Windows	Yr 2	72	413.33	29,760.00			
Attics/Fire Walls							
Other		4	462.50	1,850.00			
<b>DRYWALL</b>					<b>14,850</b>	<b>14,850</b>	
Drywall Repairs (Allowance)		24	350.00	8,400.00			\$ -
Drywall - Tub Replacement (Allowance)		24	150.00	3,600.00			
Drywall - Ceiling (Allowance)		24	100.00	2,400.00			
Drywall - Common Area (Allowance)		1	450.00	450.00			
<b>RESILIENT FLOORING</b>					<b>53,898</b>	<b>53,898</b>	
LVT - 1 (All except Bedroom)	Yr 2	22	1,816.00	39,952.00			
LVT - 2 (All except Bedrooms)		0					
LVT - 3 (All except Bedrooms)		0					
LVT - 1 (Kitchen & Bath Only)		0					
LVT - 2 (Kitchen & Bath Only)		0					
LVT - 3 (Kitchen & Bath Only)		0					
LVT - 1 (Entire Unit)		2	2,320.00	4,640.00			
LVT - 2 (Entire Unit)		0					

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Fair Meadow Apartments

1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
LVT - 3 (Entire Unit)		0					
Cove Base (Tub only)		24	6.50	156.00			
Shoe Molding (1/4 Round) - Units		22	106.91	2,352.00			
Baseboard							
Move Appliances - Units		18	35.00	630.00			
Office - Floor Covering	Yr 2	1	5,972.00	5,972.00			
Laundry - Floor Covering							
Community Room/Business Center		0					
Community Room/Fitness Center							
Shoe Molding (1/4 Round) - Common		1	196.00	196.00			
<b>CARPET</b>					<b>6,784</b>	<b>6,784</b>	
Carpet - 1 Bdrm	Yr 2 & 12	22	272.00	5,984.00			
Carpet - 2 Bdrm		0					
Carpet - 3 Bdrm		0					
Office - Floor Covering							
Common							
Heavy Furniture		8	100.00	800.00			
Crawl Space							
Other							
<b>PAINT</b>					<b>36,382</b>	<b>36,382</b>	
Interior Unit - Full 1 Bdrm		24	889.65	21,351.60			
Interior Unit - Full 2 Bdrm		0					
Interior Unit - Full 3 Bdrm		0					
Interior Doors - Units		116	60.00	6,960.00			
Interior Double Doors - Units		22	120.00	2,640.00			
Office/Laundry/Community Room	Yr 2	1	2,015.55	2,015.55			
Exterior Doors		29	75.00	2,175.00			
Exterior Double Doors		1	120.00	120.00			
Interior Doors - Common		2	60.00	120.00			
Pressure Wash - Sidewalks		1	1,000.00	1,000.00			
<b>SPECIALTIES</b>					<b>12,859</b>	<b>12,859</b>	
Fire Extinguishers							
Grab Bars		66	59.56	3,930.96			
Mailboxes	Yr 2	24	125.90	3,021.60			
Bath Accessories	Yr 2	24	151.99	3,647.73			
Property Entrance Signage	Yr 2						
Building Signage		4	270.00	1,080.00			
Unit Signage		24	34.10	818.40			
Office / Laundry Signage		2	180.00	360.00			
<b>SPECIAL EQUIPMENT - Appliances</b>					<b>21,612</b>	<b>21,612</b>	
Dishwasher		0					
Refrigerator	Yr 2	13	456.04	5,928.52			
Stove		16	380.60	6,089.60			
Back Splash		24	22.28	534.72			
Range Hood - Microw Hood	Yr 2 & 12	22	234.12	5,150.64			
Range Queens		44	43.34	1,906.96			
Garbage Disposal		0					
Disposal Fee & Freight		29	10.24	297.00			
Community Appliances/FFE	Yr 2						
Laundry Equipment							
Ice Maker		25	68.20	1,705.00			
<b>CABINETS</b>					<b>77,860</b>	<b>77,860</b>	
Cabinets - Kitchen (Units)	Yr 2	22	3,005.00	66,110.00			
Counter Tops - Kitchen (Units)	Yr 2	22					
Cabinets - Laundry Room (Units)		22	500.00	11,000.00			
Vanities - Bath (Units)	Yr 2	22					
Cabinets - Community Business Center		1	750.00	750.00			
Other							

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1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
<b>FURNISHINGS</b>					<b>3,225</b>	<b>3,225</b>	
Blinds - Units		24	120.00	2,880.00			
Blinds - French Door Units		0					
Blinds - Office/Community Room		1	345.00	345.00			
<b>SPECIAL CONSTRUCTION-Accessibility</b>					<b>40,258</b>	<b>40,258</b>	
Unit # 1		1	10,546.18	10,546.18			
Unit # 4		1	12,036.50	12,036.50			
Unit #		0					
Audio / Visual Unit #		1	1,000.00	1,000.00			
Standard One Bedroom Units							
Community Room		1	8,045.00	8,045.00			\$ 10,000
Laundry Room							\$ 300
Community Room - Computer Center							\$ 3,500
Community Room - Fitness Center							\$ 10,000
Maintenance Shop		1	6,500.00	6,500.00			
Elevator							
Security System							\$ 17,000
Other		1	2,130.08	2,130			
<b>PLUMBING</b>					<b>125,574</b>	<b>125,574</b>	
Plumbing Pipe		25	2,400.00	60,000.00			
Hot Water Heater - Units		23	695.00	15,985.00			
Water Heater Drain to Exterior - Units							
Water Heater Platform - Units		23	41.60	956.80			
Washer Box Connection - Units	Yr 2	24	110.00	2,640.00			
Kitchen - Sinks - Units		22	303.00	6,666.00			
Kitchen - Faucet (included w/ sink)		22					
Dishwasher Installation - Units		0					
Kitchen - Refrig Ice Maker Hook-Up	Yr 2	24	125.00	3,000.00			
Tubs (stems/valves) - Units		22	990.00	21,780.00			
Shower Heads/Faucets/Valves		22					
Tub Blocking		22	100.00	2,200.00			
Tile Repair @ Tub (Allowance)		0					
Bath - Sink - Units		22	203.00	4,466.00			
Bath - Faucet (included w/ sink)		22					
Toilets - Units		22	185.00	4,070.00			
Toilet Flange - Units (Allowance)	Yr 2	8	60.00	480.00			
Water Cut Offs/Stops - Units	Yr 2	24	50.00	1,200.00			
Water Shut off Valves - Units	Yr 2						
Hot Water Heater - Community Laundry		1	900.00	900.00			
W/D Boxes - Community Laundry		3	110.00	330.00			
Hose Bibs		4	225.00	900.00			
<b>HVAC</b>					<b>89,510</b>	<b>89,510</b>	
HVAC - Units		24	3,110.00	74,640.00			
HVAC Line Sets - Units		24	250.00	6,000.00			
HVAC - Office/Community Room		1	5,470.00	5,470.00			
HVAC - Fitness Room HVAC Add	Yr 2	1	3,250.00	3,250.00			
HVAC - Computer Room Duct Drop		1	150.00	150.00			
<b>ELECTRICAL</b>					<b>84,715</b>	<b>84,715</b>	
Interior/Exterior Light Fixtures - Units		24	481.63	11,559.02			
Interior/Exterior Light Fixtures - Common		1	1,245.73	1,245.73			
Interior Lighting Labor - Units		24	175.00	4,200.00			
Ceiling Fans - Units		72	125.00	9,000.00			
Exterior Lighting Labor - Units		24	75.00	1,800.00			
Smoke Detectors - Units	Yr 2	24	150.00	3,600.00			
GFI Outlets - Kitchen/Bath - Units		24	100.00	2,400.00			
Bath Exhaust - Units	Yr 2	24	135.00	3,240.00			
Electrical - Plate Covers - Units		24	30.00	720.00			
Electrical - Outlet/Switch Replacement		24	150.00	3,600.00			
Electrical - Wire bath fan/outlet one switch	Yr 2	0					



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Fair Meadow Apartments

1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
Electrical - Add outlet in kitchen		72	25.00	1,800.00			
Electrical - Refrigerator Circuit							
Electrical - Wiring Range Hood		22	30.00	660.00			
Electrical - Wiring HWH		23	75.00	1,725.00			
Electrical - Wiring HVAC		24	50.00	1,200.00			
Electrical - Dishwasher		0					
Electrical - Emergency Call System		22	350.00	7,700.00			
Electrical - Cable /WIFI		24	220.00	5,280.00			
Electrical Panel - Upgrade Breaker		0					
Electrical Panel - Panel Replacement	Yr 2	24	700.00	16,800.00			
Electrical - Ceiling Light Circuit (LR)		0					
Electrical - Ceiling Light Circuit (BR)		0					
Electrical - Comm Room - Other	Yr 2	1	1,355.00	1,355.00			
Electrical - Maintenance Shop		1	1,300.00	1,300.00			
Electrical - Picnic Shelter		1	225.00	225.00			
Electrical - Comm RM - Fitness Center		1	500.00	500.00			
Electrical - Comm RM - Bus Center							
Community/Office - Cable		2	110.00	220.00			
Electrical - Comm Room - Bath Exhaust		1	135.00	135.00			
Community RM - Outlet/Switch Replace	Yr 2	1	200.00	200.00			
Community RM - Electrical Panel		1	750.00	750.00			
Community - Meters for Cameras		1	3,500.00	3,500.00			
Other							

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1/29/2018

1/25/18

CONSTRUCTION COST ESTIMATE	Capital Needs Assessment	TOTAL	Contract per Unit Cost	Final Contract Detail	Final Contract Total	FINAL CONTRACT	Management Responsibility
				813,253	813,253	\$ 813,254	\$ 40,800

*Highlight = Allowance*

-	Cost per Unit:	33,886	33,886	33,886	1,700
	FCC Summary:	\$ 813,253	\$ 813,253	\$ 813,253	40,800

Total FCC Contract	813,254
Total Management Responsibility	40,800
<b>Total Hard Cost</b>	<b>854,053</b>
Total per Unit Cost	35,586

\$ 0 \$ - \$ (1)

<i>Total Management Responsibility</i>	
Community Room FF&E	10,000
Laundry Room FF&E	300
Community Computer Ctr Equipment	3,500
Community Fitness Ctr Equipment	10,000
Community Camara System	17,000
<b>Total Management Responsibility</b>	<b>40,800</b>

ADDENDUM D:  
RENT ROLL

### NOTICE OF PAYMENT DUE REPORT

1. BORROWER NAME		2. CASE NUMBER		3. PROJECT NO.
4. AUDIT RECEIVABLES	5. LATE FEES	6. COST ITEMS	7. OVG/SURG	8. LOAN PAYMENT
9. PAST DUE	10. UNITS ON RA	11. TOTAL RA	12. RA CHECK	13. TOTAL PAYMENT

**ONLY FOR SECTION 8 PROJECTS WHERE HUD RENT EXCEEDS THE RHS NOTE RATE RENT**

14. No. of Section 8 units \_\_\_\_\_ x 15. HUD Rent \_\_\_\_\_ = 16. \_\_\_\_\_  
 17. No. of Section 8 units \_\_\_\_\_ x 18. RHS Note Rate Rent \_\_\_\_\_ = 19. \_\_\_\_\_  
 ADDITIONAL PAYMENT TO THE RESERVE ACCOUNT 20. \_\_\_\_\_

In accordance with Rural Housing Service's (RHS) formula and procedures, all rental units are occupied by households who have executed Form RD 3560-8 "Tenant Certification," and for labor housing projects, farmworkers, or for rental housing projects, have incomes within the limits set in Agency regulations or the project has written permission from RHS to rent to ineligible occupants on a temporary basis.

I certify that the statements made above and per attached Multi-Family Information System Notice of Payment Due Report are true to the best of my knowledge and belief and are made in good faith.

**\*WARNING: Section 1001 of title 18, United States Code provides, "Whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, makes any materially false, fictitious, or fraudulent statement or representation, or makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both."**

21. \_\_\_\_\_  
(Date)

22. \_\_\_\_\_  
(Borrower or Borrower's Representative)

*According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0189. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.*





